2023 Universal Registration Document

including the annual financial report
and the integrated report

eramet

Content

Elements constituting the annual financial report are clearly identified in the contents with the AFR

Universal Registration Document

2023

INCLUDING THE ANNUAL FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document was filed with the Autorité des marchés financiers (AMF) on 10 April 2024, in its capacity as the competent authority under Regulation (EU) 2017/1129, without prior approval, in accordance with Article 9 of said Regulation.

This Universal Registration Document may be used for the purposes of a public offer of securities or admission of securities for trading on a regulated market if accompanied by a prospectus and, if applicable, a summary and any necessary amendments to the Universal Registration Document. All of the above is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a copy of the official version of the Universal Registration Document, including the 2022 annual financial report, which was prepared in European Single Electronic Format (ESEF) and filed with the AMF, and which is available on the Company's website and on the AMF's website.

eramet

14 Strategy

36 Activities

The Integrated Report aims to communicate to stakeholders the issues Eramet contributes to, as well as the financial and non-financial value created by the Group's activities. It draws on the reference framework established by the International Integrated Reporting Council (IIRC) and complements our other publications. The information presented has been selected based on its relevance and materiality. The integrated report is included in the Universal Registration Document (URD) and is also available as a standalone publication on Eramet's website.

Eramet, a global player in the responsible beneficiation of metals

Our conviction

The world is currently facing its greatest challenge ever: ensuring the success of the energy transition and restoring the conditions for lasting harmony between humankind and the Earth.

To achieve this, responsible mining practices that prioritise the well-being of living beings and the environment are essential for sourcing the metals needed for this transition.

Our corporate purpose

We want to become a reference for the responsible transformation of the Earth's mineral resources for 'living well' together.

1st
largest producer of high-grade manganese ore and refined manganese alloys in the world

1st
largest nickel mine in the world

4th
largest producer of zircon in the world

5th
largest producer of titaniferous raw materials in the world(1)

2024
start-up of lithium production

(1) Excl. China (captive market).

MESSAGE FROM THE CHAIR AND CEO

“Refocused and strengthened, Eramet is confidently pursuing its development by combining productivity and responsibility.”

Christel BORIES
Chair and Chief Executive Officer

A STRONGER GROUP AND SOLID FUNDAMENTALS

Eramet’s performance in 2023, amid a very depressed price environment, highlights the efficacy of the strategic plan I initiated six years ago to transform the Group. We now have a world-class portfolio of assets, our footprint has expanded internationally, our operations have grown more agile, and, most importantly, our safety record now ranks among the best in the industry. We have proven our resilience to cyclical downturns, particularly with our excellent operating performance in the second half of the year.

Whether it’s manganese in Gabon or nickel in Indonesia, Eramet now operates the two largest mines in the world. With production steadily on the rise, these two mines serve as significant cash generators, and they still have ample room for growth to sustain our value creation efforts and allow us to look to the future with confidence.

A BENCHMARK PLAYER IN RESPONSIBLE MINING

We've made great strides since 2018, when we launched the Group's first CSR roadmap! This roadmap has translated Eramet's ambition into tangible actions as a committed, socially responsible and contributory company, seamlessly integrating this ambition into our operations. In all places where we operate, we've launched initiatives aimed at fostering alternative economies alongside our mining activities, cultivating sustainable ecosystems that directly benefit local communities, young people, and women. But we want to go even further in our efforts, **which is why we launched our new CSR roadmap, Act for Positive Mining, in late 2023.** This roadmap revolves around three core ambitions that encompass our responsibilities: "Caring for people", "Being a trusted partner for nature" and "Transforming our value chain".

Central to this approach is a robust commitment: to engage all our sites in an IRMA certification process, which represents the highest standard for responsible mining. The first independent audit took place at our Senegal site in the second half of 2023, and we are preparing for an audit at our Centenario site in Argentina this year.

INNOVATIVE PROJECTS TO DRIVE GROWTH IN 2024

We are confident about 2024, despite the persistently depressed price environment at the year's outset. With the committed efforts of our teams on the ground, we are directing our efforts to improving the productivity of our operations and rigorous cash management.

In 2024, we anticipate reaching a historic milestone with **the start-up of our lithium production in Argentina.** This ambitious and innovative project will firmly establish us as a key player in the production of this essential metal, crucial for the energy transition, at a production cost that is among the best in the sector.

At the same time, we are advancing feasibility studies for our medium-term initiatives, including the production of battery-grade nickel-cobalt in Indonesia, as well as battery recycling and geothermal lithium production in France.

Refocused and strengthened, Eramet is entering a distinctive period in its history, characterized by a burgeoning demand for metals, particularly critical metals for the energy transition.

It is an exhilarating time and we are eager to continue demonstrating the pivotal role that a mining company like Eramet plays in the global economy, while also contributing significantly to creating a sustainable future.


2019 Start-up of the Centenario pilot site in Argentina


2019 1st tonne of ore extracted at Weda Bay in Indonesia

5 years that changed the face of Eramet

- GROWTH IN METALS SUPPORTING ECONOMIC DEVELOPMENT
- DEVELOPMENT OF CRITICAL METALS FOR THE ENERGY TRANSITION
- DIVESTMENTS
- CSR-RELATED ACTIONS

DISCOVER THE GROUP'S FULL HISTORY
See section 1.6 of the 2023 URD

2019

- Nickel: **1st tonne of ore extracted** at Weda Bay in Indonesia
- Launch of the **electric battery recycling** project (ReLieVe) in France
- Lithium: **start-up of the Centenario pilot site** in Argentina
- **1st CSR roadmap** for the Group

2020

- Ferronickel: **1st casting at the** Weda Bay plant in Indonesia
- Nickel-cobalt: agreement signed with BASF for the **Sonic Bay project** in Indonesia
- **Creation of a CSR fund** in Gabon


2022 Return of 85 hectares of revegetated land to the Senegalese State


2023 Opening of an office in Chile and acquisition of mining and exploration concessions


2021 Creation of the Lékédi Biodiversity Foundation in Gabon


2021 Commissioning of the Okouma plateau in Gabon

2021

- Manganese: **commissioning of the Okouma plateau** in Gabon
- Lithium: **success of the 1st pilot project for extraction from geothermal brines** in Alsace
- **Safety results** sharply improved (1st quartile)
- Validation of the Group's **CO_2 emissions reduction target** by the SBTi
- **CSR performance** recognised externally (CDP and MSCI ratings)
- Inscription of the company's **corporate purpose** into the articles of association
- Creation of the **Lékédi Biodiversity Foundation** in Gabon

2022

- **Record production** across our operations **and financial performance at an all-time high** (adjusted EBITDA of €1.9 billion)
- Lithium: **start-up of construction on the Centenario plant** in Argentina
- Divestment of the Sandouville plant in France
- **A record year** for safety
- Initiation of the return of **85 hectares of revegetated land** to the Senegalese State
- Commitment to developing a **responsible mining industry** through the IRMA standard
- **100% of our sites certified ISO 50001** for energy management

2023

- **Manganese:** start-up of the Okouma modular washing facilities in Gabon
- **Nickel:** record production at Weda Bay in Indonesia
- **Mineral sands:** commissioning of the dry extraction unit in Senegal
- **Manganese alloys:** refurbishment of the furnace in Dunkirk and one of the furnaces in Marietta
- **Lithium:** opening of an office in Chile and acquisition of new concessions
- **Recycling of electric batteries:** inauguration of the pilot plant in France
- Divestment of Aubert & Duval (France)
- Divestment of Erasteel (France and Sweden)
- Divestment of Eramet Titanium & Iron (Norway)
- Creation of **the Eramet Global Forum** for social dialogue at Group level
- Launch of a **traceability platform** for our metals
- Launch of **Act for Positive Mining,** Eramet's new CSR roadmap
- Launch of the **1st IRMA audit** in Senegal
- Publication of Eramet's **1st report on human rights**

2023 EraTrace, traceability platform for mineral sands


2023 Inauguration of the battery recycling pilot plant in France

Eramet in 2023

An internationally recognised player refocused on its mining and metallurgical activities, a leader in its business lines, with committed teams upholding a rigorous and responsible approach.

€3.8 bn

ADJUSTED TURNOVER[1]

Turnover by activity

52% MANGANESE — **29%** Ore (manganese) / **23%** Alloys (manganese)

41% NICKEL

7% MINERAL SANDS

LITHIUM — Start-up in 2024

Turnover by geographical area (sales destination)[1]

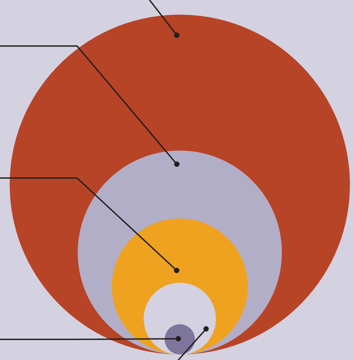
66% ASIA

17% EUROPE

11% NORTH AMERICA

1% FRANCE

5% OTHER



Financial performance

€772m
Adjusted EBITDA[2]

€78m
Restated free cash flow[3]

0.8x
adjusted leverage (net debt/adjusted EBITDA)

Employees

10,700
employees worldwide(4)

1.1
Accident frequency rate (FR2)(5) reduced five-fold since 2018

35%
of executives recruited on permanent contracts in 2023 were women

Operating performance

7.4Mt
of manganese ore produced in Gabon

628kt
of mineral sands produced in Senegal

5.8Mwmt
of nickel ore produced in New Caledonia

635kt
of manganese alloys produced

33.2Mwmt
of nickel ore sold externally in Indonesia

1.2
Ratio of rehabilitated mining areas to cleared areas over the 2019-2023 period

Non-financial performance

98.1%
Rate of achievement of 2018-2023 CSR roadmap objectives

-40%
Reduction in the Group's carbon intensity compared to 2018

€8.7m
Community investments mainly in Gabon, Indonesia and New Caledonia

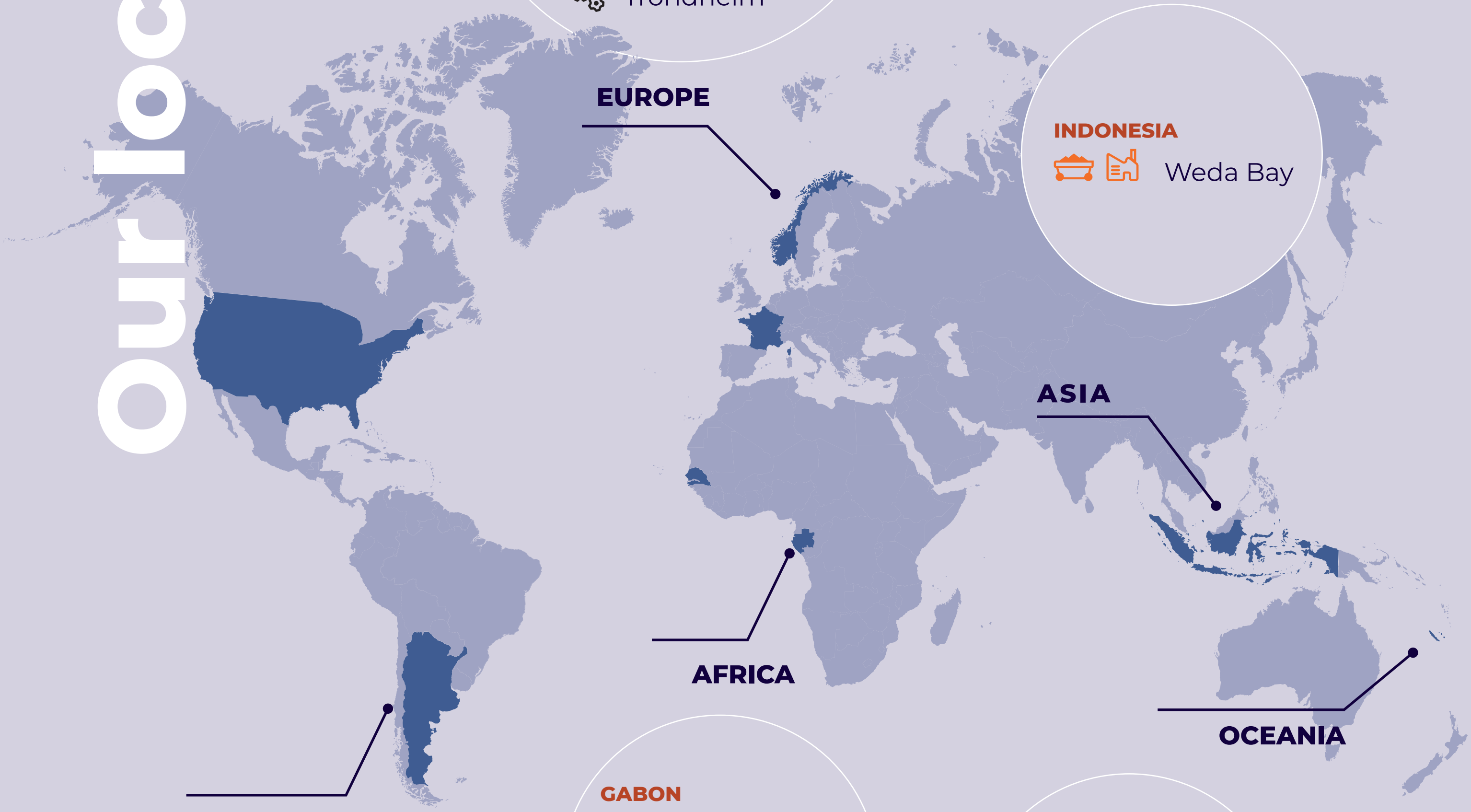
1_ Turnover is adjusted to include the contribution of PT Weda Bay Nickel, in which Eramet holds an indirect 38.7% stake.
2_ EBITDA is adjusted to include the proportional EBITDA of PT Weda Bay Nickel, in which Eramet holds an indirect 38.7% stake.
3_ Net of capital contributions from Tsingshan for the Centenario project (€321 million in 2023).
4_ Total employees of the Group, including Weda Bay Nickel employees.
5_ FR2 = number of lost time or recordable injury accidents for 1 million hours worked (employees and subcontractors).

Our locations

FRANCE
- Dunkirk
- Eramet headquarters
- Eramet Ideas

NORWAY
- Kvinesdal, Porsgrunn, Sauda
- Trondheim

INDONESIA
- Weda Bay



GABON
- Moanda
- Moanda-Libreville

SENEGAL
- Diogo

NEW CALEDONIA
- Thio, Nepoui, Kouaoua, Tiebaghi
- Doniambo

UNITED STATES
- Marietta

ARGENTINA
- Centenario-Ratones salt flat

PROJECT
MINING SITE
PLANT
RESEARCH & DEVELOPMENT
RAIL TRANSPORT
HEADQUARTERS

Manganese
Nickel
Mineral sands
Lithium

Our activities

Eramet extracts ores, which it sells or processes into metals that are essential for economic development and the energy transition, applying the highest standards in terms of corporate social responsibility.
Our customers are industrial manufacturers, operating mainly in the steelmaking, stainless steel production, pigment, energy and new-generation battery industries.

MANGANESE

- **In Gabon, the world's largest high-grade manganese ore mine** by Comilog
  - Estimated reserves **> 20 years**
  - In operation for over **50 years**
  - First quartile of the cost curve
- **Rail transport of the ore** by Setrag and the operator of the Transgabonese railway (**600+ km** of track)
- **Six pyrometallurgical plants**, which process the ore into alloys in Norway, France, the USA and Gabon

NICKEL

- **In Indonesia, Weda Bay Nickel**
  - Largest nickel deposit in the world, operated in partnership with the Tsingshan Group
  - Over 22 years of reserves
  - Production of ore and low-grade nickel ferroalloy
- **In New Caledonia, Société Le Nickel (SLN)**
  - Production of ore and ferronickel
  - Over 25 years of reserves
  - Five mining hubs and one processing plant

MINERAL SANDS

- Production of **titaniferous ores** (ilmenite, rutile, leucoxene) and zircon by Grande Côte Opérations (GCO) in **Senegal**
  - More than **20 years** of reserves
  - In operation since 2014

LITHIUM

- Extraction of brines from the salar and processing into **lithium carbonate,** a core compound for the energy storage industry
- Positioned in the **first quartile** of the lithium industry's cash cost curve
- Start-up of construction of the plant in the first quarter of 2022, in partnership with the Chinese group Tsingshan
- **Start-up of production in 2024,** with nominal production capacity expected to be reached in the second half of 2025
- Estimated reserves **> 40 years**

Producing and transforming metals by combining performance and responsibility

EXPLORATION AND PREPARATION

In searching for future deposits, while caring for the environment and local communities, our Exploration unit aims to uncover sustainable growth opportunities that will help our activities to develop over the long term.

Subsequently, we prepare for the establishment of new mines through feasibility studies to validate the environmental, social and economic viability of each project.

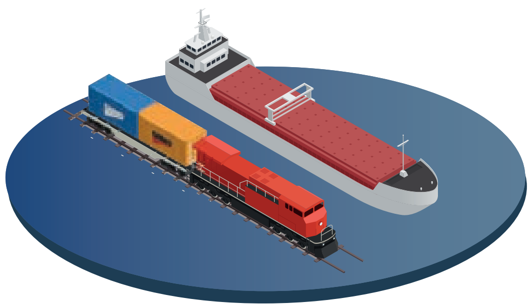
1

2

EXTRACTION

Harnessing the expertise of our geology teams alongside cutting-edge technologies like artificial intelligence, we have refined our ore extraction processes to maximise precision and minimise environmental impact.

Furthermore, the combined use of connected devices, drones, and the array of available data helps us to optimise efficiencies in mineral resource handling, storage and processing.



TRANSPORT

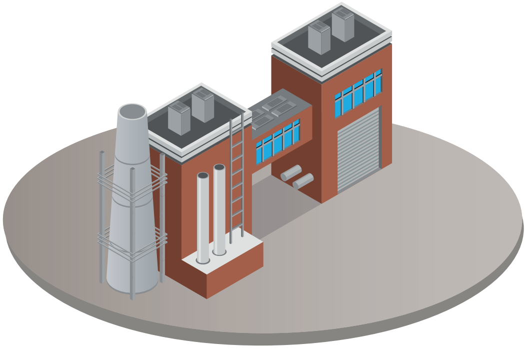
To supply our customers or our own processing plants, we oversee infrastructure and logistics solutions for the transport of our products.

Upon arrival at the port, our mining products are transferred to ore carriers to ultimately supply our customers.

3

We believe that sustainable mining is an ecosystem that must

- **Integrate** into an existing geographical, cultural, environmental and economic landscape
- **Contribute** positively to host communities
- **Generate** lasting economic development that is independent of mining activity



4

RECOVERY AND TRANSFORMATION

Following extraction, the raw material undergoes treatment by appropriate processes, including mineral processing, pyrometallurgy and hydrometallurgy.

Throughout this industrial process, we collect samples to ensure that the products we deliver meet high quality standards.

5

MARKETING

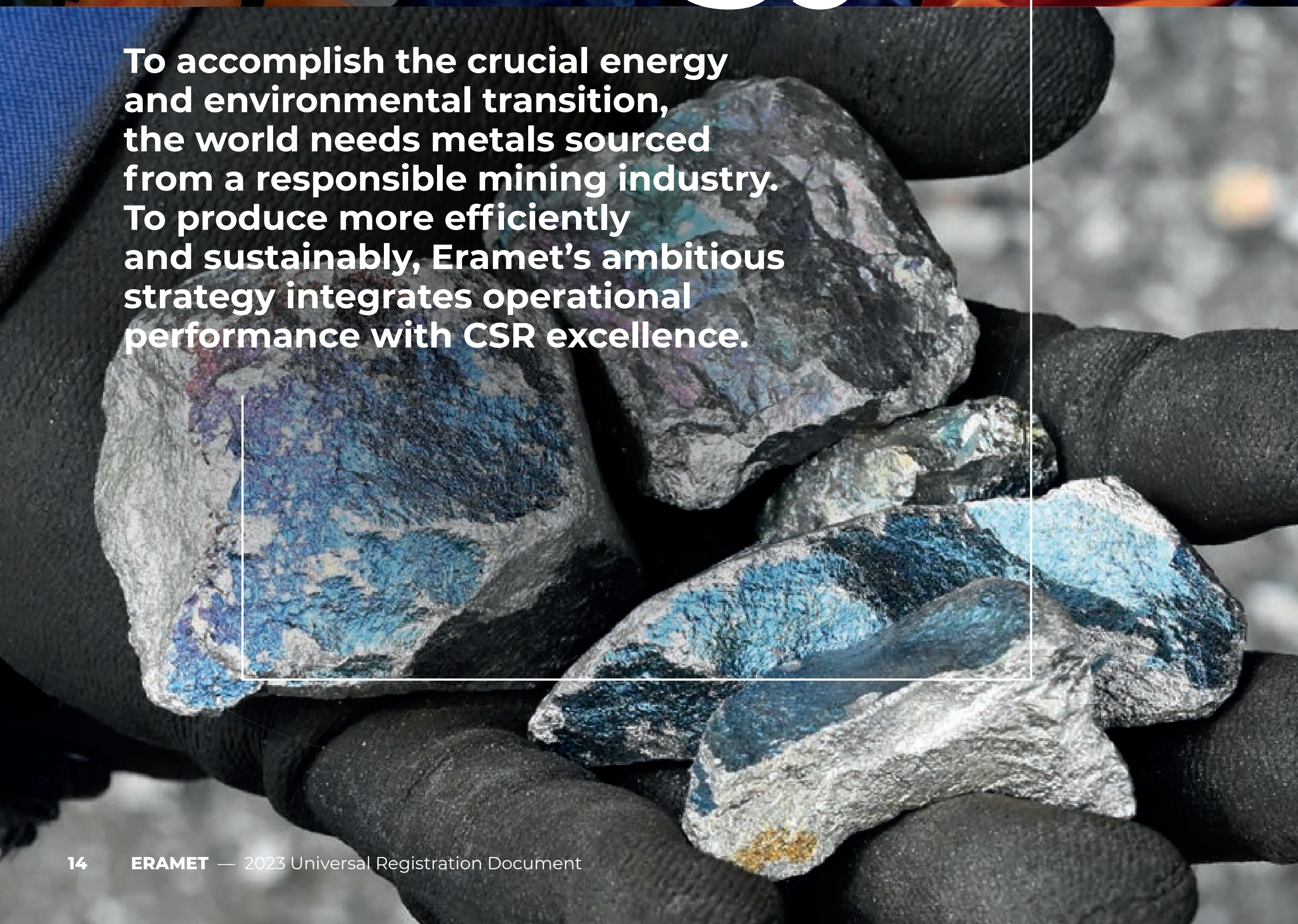
Our products are sold by Eramet's central sales teams in Paris. They are supported by our Eramet International sales network, located as close as possible to our customers and markets (offices in China, India, Taiwan, Japan, South Korea and Brazil).

6

RECYCLING

Eramet aims to become a major European player in lithium-ion battery recycling. By recycling production waste from gigafactories and end-of-life automotive batteries, the Group wishes to contribute to Europe's metal supply for the energy transition.

Strategy



To accomplish the crucial energy and environmental transition, the world needs metals sourced from a responsible mining industry. To produce more efficiently and sustainably, Eramet's ambitious strategy integrates operational performance with CSR excellence.

→ Trends and opportunities

Geoff STREETON

Chief Development Officer, in charge of Strategy, Innovation and Business Development

—

Energy transition, economic growth, urbanisation: over the next 30 years, the demand for metals will only continue to grow. At the centre of this new era, Eramet is positioning itself as a mining player aligned with the key trends of today and tomorrow.

20
billion tonnes of metals produced by 2060 (1)

—

TRENDS

A surge in demand for metals: 4 major factors

Demographic growth – According to the United Nations, the world's population should reach 8.5 billion in 2030 and around 10 billion in 2050.

Urbanisation – Population growth will lead to further urbanisation, particularly in emerging economies. The urban population is projected to double by 2050, and nearly 7 out of 10 people will live in cities, leading to a growing demand for infrastructure.

GDP growth – Emerging economies will become the drivers of the global economy and the largest consumers of materials.

Fight against climate change and decarbonisation – The climate crisis is driving governments to increasingly prioritise resources that support the energy transition. At the same time, industries are calling upon raw materials producers to decarbonise their value chains.

→ **OPPORTUNITIES**

GEOFF STREETON: "The surge in global metals demand presents an opportunity for responsible mining and metals companies to help shape the future of our economies and offer solutions for the energy transition. Eramet is optimally positioned to capitalise on these trends; our long-term strategy aligns with the global macroeconomic landscape, and we can access the necessary high-quality resources to execute it, at production costs that are among the best in each sector."

1_ *OECD – Global Material Resources Outlook to 2060.*

TRENDS
Electrification of mobility

Worldwide sales of electric cars increased by 60% in 2022, surpassing 10 million units (source: IEA). Half of all cars sold worldwide in 2030 will be fully or partially electric, with this figure rising to 70% in 2040[1].

The critical metals needed to build the batteries (lithium, nickel and cobalt) will see significant growth over the next 20 years, driving record demand compared with current levels of consumption.

→ **OPPORTUNITIES**

G.S.: "The surging demand for nickel and lithium, particularly for batteries, presents opportunities for high-quality mining and metallurgical projects situated at the first quartile of the cost curve. Eramet boasts projects of this calibre within its portfolio. Our investments concentrate on resource extraction and refinement into intermediate products crucial to the battery value chain. On the lithium market, our products cater to manufacturers of cathode active materials (CAMs). In the nickel sector, our customers are base metal refineries that supply precursor producers (PCAM)."

Geopolitical factors

Geopolitical factors present both risks and opportunities.

RISKS: Increasing resource nationalism and the persistent threat of geopolitical conflict disrupt the ore supply chains.

OPPORTUNITIES: The drive for sovereign security of supply is fostering new demand for metals and creating new funding opportunities for projects.

TRENDS
High expectations for decarbonisation, biodiversity, ethics, and from communities

In recent years, environmental and societal concerns have been recognised as the primary drivers of risks and opportunities for mining companies[2], spanning from water resource management to decarbonisation and climate change. Accountability for the impact of mining activities on the environment, society and all stakeholders is essential for the industry. A robust commitment to CSR is an ethical imperative for securing operating permits and can also provide a competitive edge.

→ **OPPORTUNITIES**

G.S.: "Eramet places CSR at the heart of its strategy, values and operations. Our actions are not only driven by what is right for our stakeholders; they also position us for long-term success. Securing operating permits entails more than just legal and regulatory approvals; it hinges on cultivating and preserving trust with the communities in our operational areas, as well as with our customers, investors and the broader public."

1_ Eramet International Market Analysis.
2_ EY, Top 10 business risks and opportunities for mining and metals in 2023.

Our strategic focuses

The Group's strategy has two main focuses: to sustainably support global economic development and to contribute to the energy transition. With a diversified portfolio of assets and world-class mining deposits, Eramet is well-equipped to deliver premium solutions tailored to the demands of this new era of metals. To uphold its corporate purpose, the Group has defined and executed a well-balanced strategy aligned with significant macroeconomic trends. This strategy is founded on two pillars and is firmly rooted in an ambitious CSR framework.

Grow in metals supporting global economic development

MANGANESE ORE AND ALLOYS

NICKEL

MINERAL SANDS

Continued global economic development should support growth in the demand for metals related to infrastructure (**carbon steel**), construction (**pigments, ceramics**) and consumer goods (**stainless steels**). The initial focus of the strategy is to expand the Group's activities in these robust markets for which Eramet boasts world-class assets. The Group supplies high-grade ores, enabling its customers to mitigate their carbon impact, along with manganese alloys boasting one of the best CO_2 footprints in the industry. Given the calibre of these assets, the Group's growth in these metals will primarily occur through organic growth, by improving the use of current assets and their productivity.

Innovation, digital transformation and decarbonisation are also accelerators, propelling sustainable growth and value creation.

Sustainably develop critical metals for the energy transition

LITHIUM

NICKEL/COBALT FOR BATTERIES

BATTERY RECYCLING

At the same time, demand for metals used in electrification – primarily for electric mobility – and which participate in decarbonising global economies, is seeing exponential growth. Indeed, the second strategic focus relates to the expansion of the portfolio into metals essential for the energy transition. Leveraging the substantial mineral resources of the Centenario salt flat (Argentina) for lithium and the Weda Bay mine (Indonesia) for nickel and cobalt, the Group aims to establish itself as a leading player in metals for the energy transition. The Group's electric vehicle battery recycling project is also in line with this strategy. Finally, Eramet continues to explore growth opportunities in these metals.

CSR AT THE HEART OF OUR STRATEGY

In 2024, Eramet's corporate social responsibility will be enhanced by a new CSR roadmap called Act for Positive Mining. At the heart of this initiative lies a vision: to go beyond environmental and social management and foster, wherever feasible, a positive impact for the Group's stakeholders and ecosystem, promoting a proactive and responsible approach centred on the continuous improvement of our practices. The roadmap is organised around three ambitions, encompassing all of Eramet's responsibilities and interactions, and is broken down into ten objectives for 2024-2026 (see appendix) and three objectives for 2035. These objectives tackle the Group's primary challenges and are informed by industry best practices (see details on page 21).

GROW IN METALS SUPPORTING GLOBAL ECONOMIC DEVELOPMENT

Manganese. The market for manganese is large and resilient, driven by the carbon steel industry, which is dominated (over 50%) by Chinese production. Global steel production should continue to grow, with a projected Compound Annual Growth Rate (CAGR) of 1%[1] over the 2023-2026 period, reflecting heightened demand from emerging economies, particularly India.

As the industry strives to save energy and curb emissions, there is a notable shift towards increased consumption of high-grade ore and the adoption of "green steel" practices, which will enable Eramet to create even more value in manganese.

The Moanda mine, operated by Eramet in Gabon, is now the world's largest high-grade manganese mine. The Group will continue to develop ore production and transport while maintaining its position in the first quartile of the cost curve.

In manganese alloys, Eramet is committed to advancing low-emission products to bolster value creation through the promotion of "green steel", while adhering to a value over volumes strategy. The objective is to align production with market demand and margin levels in the short term, targeting a capacity of **800 kt** per year by 2026 while maintaining our position as the leader in refined alloys.

8.5Mt

of manganese ore produced and transported annually by 2026 (targeting around 40% market share in high-grade ore), with capacity increased to over 10 Mt per year in the longer term

Nickel. Nickel demand should increase by 8%[1] annually (CAGR) over the 2023-2026 period, buoyed by the resilient growth of stainless steel (which constituted about two-thirds of applications in 2022) and surging battery demand. By 2032, nickel demand for batteries is even expected to surpass that for stainless steel.

Against this backdrop, Eramet and its partner Tsingshan are harnessing the potential of **PT Weda Bay in Indonesia, the world's largest nickel mine.** Positioned in the first quartile of the cost curve, this mine supplies saprolite and laterite ore to local Class I and II nickel producers.

60Mwmt

of nickel ore marketed by 2026, of which around 2/3 saprolite and 1/3 laterite (targeting ~15% share of the nickel ore market, in terms of nickel content)

Mineral sands.
Demand for titanium ores (with pigments making up about 90% of applications) and zircon (with ceramics accounting for 50% of applications) should increase by 2.8%[2] annually (CAGR) between 2023 and 2026. This growth is mainly due to increased demand for titaniferous raw materials, including ilmenite.

Following the sale of the ETI plant in September 2023, Eramet is now refocusing **on the mining operations of GCO in Senegal.** Through debottlenecking the plant and the increase in grade in the operating area, the Group aims to boost its production. The nominal capacity of mineral sands production (HMC) should total more than **1 Mt** per year by 2026.

1_ Source: Eramet internal market analysis based on public data.
2_ Source: TZMI Supply/Demand report, September 2023.
3_ The targets for 2024 are presented in Chapter 1 of this document.

DEVELOP CRITICAL METALS FOR THE ENERGY TRANSITION

Lithium. Lithium is a critical metal in battery technology for electric vehicles, with demand projected to surge at an extraordinary rate of 20%(3) annually (CAGR) throughout the current decade.

Likewise, demand for Class I nickel, a crucial component in the most prevalent cathode technologies, is anticipated to increase by 12% annually until 2040.

The Group is making significant strides in developing its lithium project in Argentina (Centenario). Promising medium-term projects are also being studied to strengthen the Group's presence in metals for batteries. These projects notably aim to leverage the substantial resources of the Weda Bay mine and the Centenario salt flat.

Furthermore, Eramet is studying long-term opportunities to sustain future growth and in recent years has set up an exploration and business development unit. Its aim is to acquire and explore projects in the preliminary phase, with a particular emphasis on identifying future growth opportunities in lithium, nickel for batteries, and manganese.

Centenario, the Group's flagship project

In collaboration with Tsingshan, Eramet is developing a project to extract and process lithium from the brines of Centenario, one of Argentina's most abundant salt flats. This project uses a highly competitive direct lithium extraction (DLE) technology developed in-house.

The annual production capacity of the plant (currently under construction) is **24 kt-LCE battery-grade,** with production start-up set for summer 2024. The cash cost of the project is positioned in the first quartile of the sector's cost curve.

At the end of 2023, Eramet's Board of Directors approved the investment decision for the first tranche of a second phase, representing an additional **30 kt-LCE** produced annually. This project remains subject to planning permission being granted.

>75kt-LCE

battery-grade per year: potential longer-term production capacity based on the salt flat's abundant resources

Projects under study

Class I nickel – Sonic Bay, Indonesia

In collaboration with BASF, Eramet is advancing the **Sonic Bay hydrometallurgical (HPAL) plant project in Indonesia. The aim is to produce battery-grade intermediate nickel and cobalt products** (60 kt of nickel and 6 kt of cobalt per year) derived from lateritic ore extracted from the Weda Bay mine. Discussions regarding the project's execution and financing strategy are currently under way.

Battery recycling

Reflecting Eramet's commitment to manage the planet's mineral resources responsibly, the Group is collaborating with Suez on a project to recycle electric batteries. This initiative aims to strengthen Eramet's position in the electric battery value chain, covering both upstream and downstream operations:

- **Upstream: a dismantling plant to extract black mass from lithium-ion batteries** (end-of-life or production waste) with an annual processing capacity of 50 kt of battery modules;
- **Downstream: a metals extraction plant** capable of producing 5 kt of nickel, 5 kt of lithium hydroxide and 1 kt of battery-grade cobalt annually. Currently, feasibility studies for the upstream component, led by Suez, are nearing completion. The pilot plant, designed to validate the downstream process, was inaugurated at Eramet's Research and Innovation Centre at the end of 2023 in Trappes, France.

Geothermal lithium in France

Eramet and its partner, Électricité de Strasbourg, are evaluating the feasibility of lithium extraction from geothermal brines in Alsace. The resulting product would boast very low carbon intensity. Several pre-feasibility studies are under way. Initial production could commence by the end of the decade, pending the outcomes of these studies, which will inform investment decisions.

CSR AT THE HEART OF ERAMET'S STRATEGY

Virginie DE CHASSEY

Chief Sustainability and External Affairs Officer at Eramet

—

Eramet publishes its first Human Rights report

This report provides responses to queries from external and internal stakeholders (including NGOs, customers, investors, employees and their representatives) concerning Eramet's approach to human rights. It highlights the Group's accomplishments since 2021 and outlines the challenges it faces, such as ensuring respect for human rights across the value chain, caring for local communities, and protecting the environment. It also provides an opportunity to amplify the voices of these stakeholders and increase our transparency with them. Furthermore, the report's publication has contributed to the achievement of Objective 8 of the 2018-2023 CSR roadmap, which was to become a benchmark for human rights in our sphere of activity.

—

In 2018, Eramet launched its first five-year CSR roadmap. What tangible results have you achieved?

Our overall performance on this roadmap is a remarkable achievement that we can all take pride in! On average, Eramet's performance throughout the period was 98%. We wanted to take action, and, out of the 13 objectives we set, 9 were successfully met or surpassed, with outstanding results in safety, host community relations, and mining site rehabilitation. On the four objectives we haven't yet attained, the Group has made substantial progress compared to the baseline year and is fully committed to achieving them. For five years, this roadmap has served as our guiding compass, aiding us internally in refining our operational practices, and externally in communicating with stakeholders. It has set us apart in our sector while boosting our ESG performance.

What role does CSR currently play in Eramet's strategy?

Since 2018, our unwavering commitment to operational CSR, executed at every site, has sustained the Group's transformation. By embedding these issues into Eramet's strategy, we have made our ambition a reality: to be a committed, sustainable and socially responsible company. Our CSR ambition has become ingrained in our identity: Eramet is recognised by its stakeholders as a Group committed to the well-being of its employees and local communities, and acting responsibly in mitigating its environmental impacts.

What challenges are you expecting?

In 2024, with the launch of Act for Positive Mining, we are igniting fresh momentum, focused on our critical challenges – climate, biodiversity, communities, health and safety, water – as well as on industry best practices. We have established targets for 2026 to measure our progress in the medium term, while also incorporating long-term objectives. For instance, in decarbonisation, we are targeting a 40% reduction in our CO_2 emissions by 2035 compared to 2019 levels. Similarly, regarding biodiversity, our aim is to achieve a net positive impact by 2035.

How will you ensure that the Group's CSR ambitions are embraced by all its subsidiaries?

The success of Act for Positive Mining hinges on executing this roadmap at the grassroots level, with specific action plans for each site, along with ongoing monitoring of outcomes. All managers should be able to convey the significance of this roadmap for the Group, attach meaning to it, and inspire the commitment of their teams. We also have to clearly explain our approach to all our stakeholders, both internally and externally, showcase the results we've achieved, and regularly provide tangible evidence of our progress in responsible mining.

OUR ROADMAP: ACT FOR POSITIVE MINING

To become a benchmark for sustainability in our sector, our actions and decisions must be aligned with our commitments. That's why we have an ambitious agenda for societal commitments that directly correlates our CSR priorities and strategic goals: Act for Positive Mining. This CSR roadmap is organised into three key areas, comprising a total of 10 specific objectives to be achieved by 2026, and 3 objectives for 2035.

CARE FOR PEOPLE

1. **Take care** of **Health** and **Safety** of people on our sites
2. **Provide** an **inclusive environment** where everyone can grow
3. Beyond Eramet activities, **accelerate the local and sustainable development** for communities and host regions

2035 COMMITMENT

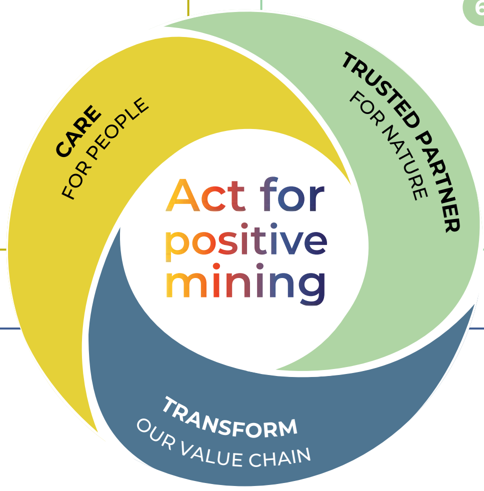
100%
of our subsidiaries have a D&I label

TRUSTED PARTNER FOR NATURE

4. **Control** and **optimize water consumption** to preserve a quality water resource available to all
5. **Integrate biodiversity preservation** within all our activities and develop plans towards an overall net positive contribution to biodiversity
6. **Mitigate the risks of pollution/Reduce our environmental impact**

2035 COMMITMENT

towards **NET POSITIVE IMPACT**[1] on biodiversity



TRANSFORM OUR VALUE CHAIN

2035 COMMITMENT

-40%
CO_2 emissions reduction

7. **Reduce the CO_2 footprint** of our value chain
8. **Optimize mineral resources** consumption and contribute to a **circular economy**
9. **Develop responsible value chain** with suppliers and customers that respect our Human Rights and CSR requirements

10. **Audit every mining site - including our Joint ventures - with IRMA standard**

1_ Methodology currently being defined, contribution defined according to International Finance Corporation Performance Standard 6 applied to all the Group's mining sites.

A leading mining and metallurgical group in its business lines

Our assets

Employees
- **75 nationalities in 16 countries.**
- **10,700** employees[1].
- **26.1%** of managers are women.

Resources
Exploitation of world-class deposits[2]:
- **457 Mwmt** of manganese ore (Gabon).
- **2,193 Mwmt** of nickel ore (Indonesia)[3].
- **1,566 Mwmt** of nickel ore (New Caledonia).
- **3,056 Mt** of mineral sands (Senegal).
- **15 Mt LCE** of lithium (LCE[4]) (Argentina).

Industrial capital
- Mining and metallurgical industrial sites on **five continents**
- **€522m*** in capital expenditure financed by Eramet

Financial capital
- Listed on the **SBF 120.**
- **€772m** of adjusted EBITDA in 2023, including the share in Weda Bay.
- Nearly **€3bn** in cash and cash equivalents as at 31/12/2023.

Intellectual and innovation capital
- **€29.4m** of R&D expenditure in 2023.
- **170** employees (in-house R&D).

Societal capital
Long-term relationships with local authorities that are often joint shareholders in our main subsidiaries:
- **34%** New Caledonia (SLN).
- **29%** Gabon (Comilog).
- **10%** Senegal (GCO).

Long-term relationships with customers.

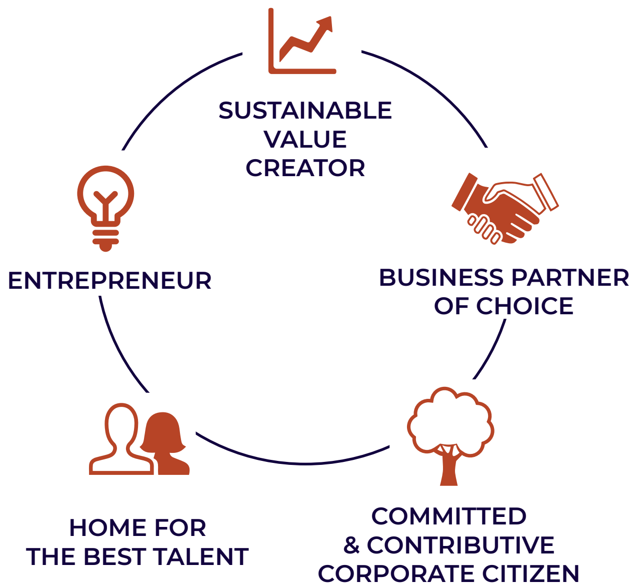
OUR CORPORATE PURPOSE

Our activities

Manganese
High-grade ore, alloys

Nickel
Ore, ferronickel, nickel ferroalloy, high-purity nickel

Our strategic vision



Macro-trends

SURGING DEMAND FOR METALS

* Net of capital contributions from Tsingshan for the Centenario project and excluding the impact of the devaluation of the ARS on the Centenario project's Capex.

Become a reference for the responsible transformation of the Earth's mineral resources for 'living well' together.

Mineral sands
Titanium dioxide,
zircon and ilmenite

Lithium
Lithium carbonate
(from 2024)

Our strategic focuses and CSR

Grow in metals supporting global economic development
Resilient markets:
Manganese ore and alloys, nickel, mineral sands.

Sustainably develop critical metals for the energy transition
Fast-growing markets:
Lithium, nickel/cobalt salts, battery recycling.

Set an example with a responsible roadmap: Act for Positive Mining
Caring for people.
Being a trusted partner for nature.
Transforming our value chain.

Our value creation

Employees
- FR2[6] (accident frequency rate): **1.1** in 2023, rate reduced five-fold between 2018 and 2023.
- **76%:** employee engagement rate in 2023, up 2 points on 2021.

Shareholders
- **€2.1bn** market capitalisation as at end of 2023.
- Proposed dividend of **€1.50** per share for 2023[7].

Customers/Suppliers
- Large industrial customers in **47** countries, which highlights the quality of our products, the reliability of our service and our CSR commitments.

Communities/Regions
- **€489m** paid by our subsidiaries active in the extractive industry to local governments (mainly taxes and duties in 2023[5]) and to local subcontractors.
- **€8.7m** in community investment, including €1.1 million for projects under the Eramet Beyond programme in 2023.
- **66%** of electricity consumed in 2023 came from a low-carbon source.

R&D and innovation partners
- **8** French and European subsidised projects and **18** Norwegian collaborative research projects.

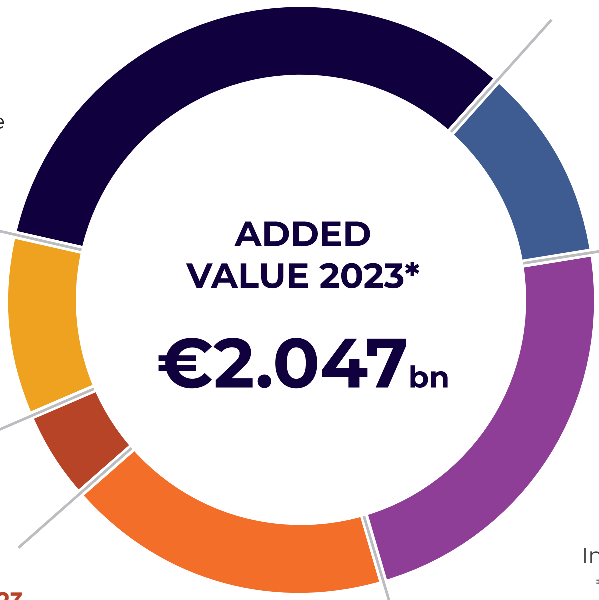
(1) Total Group employees including those of Weda Bay Nickel.
(2) The presentation of Eramet's resources follows IIRC recommendations.
(3) Total resources of the Weda Bay mine.
(4) LCE: Lithium Carbonate Equivalent.
(5) Yearly update issued in June.
(6) FR2 = number of lost time and recordable injury accidents for 1 million hours worked (employees and subcontractors).
(7) Subject to the Shareholders' Meeting of 30 May 2024.

ELECTRIFICATION OF MOBILITY

HIGH EXPECTATIONS FOR CSR AND ESG

→ Distribution of added value

For Eramet, being a company that sustainably creates value means successfully developing value that it shares with all its stakeholders.



33%

EMPLOYEES(1) 2023

A comprehensive remuneration scheme that rewards individual and collective performance while adapting to local context.

11%

GOVERNMENTS(2) 2023

Representing the taxes, royalties and other duties paid to the States and local governments by Eramet, in particular its subsidiaries active in the extractive industry.

10%

SHAREHOLDERS(5) 2023

Market capitalisation:
€2.1 billion as at 12/31/2024

Share buyback(7):
€10.3 million in 2023

23%

CAPEX 2023

In 2023, the Group invested €670 million(6) to sustain its growth and support its development.

5%

DEBT HOLDERS(4) 2023

Long-term relationships with lending banks.

18%

COMMUNITIES(3) 2023

Local subcontracting (Gabon, New Caledonia, Senegal) and community investment and sponsorship expenditure.

Eramet's stakeholders are the internal and external players who are directly or indirectly affected by Eramet's activities. Establishing a collaborative approach with all these protagonists is **key to the success of Eramet's projects and the creation of high added value.**

** Distributable to stakeholders.*
1_ Payroll paid (wages, bonuses and allowances).
2_ Taxes paid, royalties and other duties paid. Production rights; taxes on corporate revenue, production or income, except for consumer taxes received, such as value-added tax, income tax for natural persons or sales tax; royalties; excluding dividends; signature, discovery and production bonuses; licence fees, leases, right of entry and other licence and/or concession considerations; payments for infrastructure improvements.
3_ Community investment and sponsorship, and local subcontracting expenditure (New Caledonia, Gabon, Senegal).
4_ Cost of net debt and other financial income and expenses.
5_ Dividend of €1.50 per share put to vote at the Shareholders' Meeting for the 2023 financial year.
6_ Net of Tsingshan's capital contributions to finance the investments.
7_ Share buyback for the purpose of granting bonus shares under the provisions of Articles L. 225-197-1 et seq. and L. 22-10-59 and L. 22-10-60 of the French Commercial Code (coverage of bonus share grants to employees and corporate officers).

Eramet puts dialogue and listening at the heart of its relationship with its stakeholders. This collaborative approach strengthens the sustainability and effectiveness of the Group's actions.

EMPLOYEES AND REPRESENTATIVES

TOPICS OF INTEREST
Employee and subcontractor health and safety, management of careers and remuneration, staff development and training, managerial transformation, work environment and processes, diversity.

METHODS OF COMMUNICATION AND DIALOGUE
Local and internal Group communication (emails, intranet, social networks, manager meetings, newsletters etc.), annual reviews, engagement surveys, thematic questionnaires, whistleblowing system, Social and Economic Committee, European Works Council, Group Works Council.

CUSTOMERS

TOPICS OF INTEREST
Product quality and innovation, competitive positioning, traceability, ESG performance, duty of care and supply chain.

METHODS OF COMMUNICATION AND DIALOGUE
Group publications, trade relationships, meetings, trade shows, customer requests.

COMMUNITIES

TOPICS OF INTEREST
Jobs and subcontracting, community investment projects (infrastructure, economic diversification), impact management.

METHODS OF COMMUNICATION AND DIALOGUE
Information meetings, public meetings, tripartite committees, consultations, community relations offices, site visits, complaint management systems, local and Group publications.

CIVIL SOCIETY, MULTI-STAKEHOLDER INITIATIVES, NGOS, LOCAL CHARITIES, PROFESSIONAL ASSOCIATIONS ETC.

TOPICS OF INTEREST
Commitment to communities, biodiversity and rehabilitation, sustainable mining, energy consumption and GHG emissions, circular economy, respect for human rights, tax transparency.

METHODS OF COMMUNICATION AND DIALOGUE
Group publications, meetings, participation in task forces.

SUPPLIERS AND SUBCONTRACTORS

TOPICS OF INTEREST
Product quality and innovation, market opportunities, performance improvement, duty of care and supply chain, ESG performance.

METHODS OF COMMUNICATION AND DIALOGUE
Regular meetings, trade relationships, supplier portal, trade shows, supplier qualifications, Code of Conduct, CSR/Ethics assessments, monitoring of Responsible Purchasing action plans, awareness-raising, Group publications.

SHAREHOLDERS AND INVESTORS, DEBT HOLDERS AND LENDERS

TOPICS OF INTEREST
Financial, operating and non-financial (environmental, social and governance) income and duty of care and supply chain.

METHODS OF COMMUNICATION AND DIALOGUE
Group publications, Shareholders' Meetings, roadshows, ongoing meetings, queries.

STATES, ELECTED REPRESENTATIVES AND NATIONAL AND LOCAL AUTHORITIES

TOPICS OF INTEREST
Sharing value, contribution to the national and local economy and development, job creation, mining contracts and agreements, compliance.

METHODS OF COMMUNICATION AND DIALOGUE
Group publications, meetings, site visits, institutional letters.

LOCAL EUROPEAN AND INTERNATIONAL PROFESSIONAL ASSOCIATIONS

TOPICS OF INTEREST
Regulatory monitoring (raw materials, batteries, recycling, energy, products, CSR), local challenges specific to each operations site.

METHODS OF COMMUNICATION AND DIALOGUE
Email, briefing sessions, participation in working groups and institutional meetings.

Financial performance

SUMMARY OF THE CONSOLIDATED FINANCIAL STATEMENTS **pursuant to IFRS 5** *(in millions of euros)*[1]	**2023**[2]	**2022**[2]	**Change** (€m)	**Change**[3] (%)
Adjusted turnover[4]	**3,824**	**5,385**	**-1,561**	**-29%**
Turnover	3,251	5,014	-1,763	-35%
Adjusted EBITDA[4]	**772**	**1,897**	**-1,125**	**-59%**
EBITDA	347	1,553	-1,206	-78%
Current operating income (COI)	127	1,280	-1,153	-90%
Net income from continuing operations	**12**	**930**	**-918**	**-99%**
Net income from discontinued operations	6	-156	-162	N/A
Net income, Group share	**109**	**740**	**-631**	**-85%**
Group free cash flow	**-243**	**824**	**-1,067**	**N/A**
Restated free cash flow[5]	78	1,007	-929	N/A
Net debt (net cash)	**614**	**344**	**+270**	**+79%**
Shareholders' equity	1,994	2,245	-250	-11%
Adjusted leverage[4] (net debt/adjusted EBITDA[4])	**0.8x**	**0.2x**	**N/A**	**0.6 pts**
Leverage (net debt/EBITDA)	1.8x	0.2x	N/A	1.6 pts
Gearing (net debt/shareholders' equity)	31%	15%	N/A	16 pts
Gearing RCF[6]	13%	2%	N/A	11 pts
ROCE (COI/Capital employed[7] of year n-1)	**4%**	**51%**	**N/A**	**-47 pts**

(1) Data rounded up to the nearest million. (2) Excluding Aubert & Duval, Sandouville and Erasteel, which, in accordance with IFRS 5 are presented as discontinued operations in 2023 and 2022. (3) Data rounded to higher or lower %. (4) Adjusted turnover, adjusted EBITDA and adjusted leverage are defined in the Financial Glossary. (5) Net of capital contributions from Tsingshan for the Centenario project (€321 million in 2023 and €183 million in 2022). (6) Net debt-to-Shareholders' equity ratio, excluding IFRS 16 impact and French state loan to SLN. (7) Total shareholders' equity, net financial debt, site restoration provisions, restructuring and other social risks, less non-current financial assets, excluding Weda Bay Nickel capital employed.

CHANGES IN NET DEBT **pursuant to IFRS 5** *(in millions of euros)*	**Financial Year 2023**	**Financial Year 2022**
Operating activities		
EBITDA	347	1,553
Cash impact of items in EBITDA	(179)	(326)
Cash flow from operations	**168**	**1,227**
Change in WCR	73	(111)
Net cash generated by operating activities (A)	**241**	**1,116**
Investing activities		
Capital expenditure	(706)	(530)
Other investment flows	222	238
Net cash flows from investing activities of continuing operations (B)	**(484)**	**(292)**
Net cash flows from financing activities of continuing operations	**124**	**80**
Impact of fluctuations in exchange rates and other	(8)	(49)
Acquisition of IFRS 16 rights of use	(10)	(26)
Change in net financial debt of discontinued operations before taking into account flows with continuing operations[1]	(102)	(213)
(Increase)/Decrease in net financial debt	(239)	616
Opening (net financial debt) of continuing operations	**(344)**	**(936)**
Opening (net financial debt) of discontinued operations	**(31)**	**(54)**
Closing (net financial debt) of continuing operations	**(614)**	**(344)**
(Net financial debt) of discontinued operations	**-**	**(31)**
Free cash flow (A) + (B)	**(243)**	**824**

(1) Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Sandouville, Erasteel and Aubert & Duval activities are shown as operations to be divested.

Non-financial performance

CSR performance

AT THE END OF 2023, ERAMET COMPLETED ITS FIRST CSR ROADMAP, LAUNCHED IN 2018. Out of 13 objectives, 9 were achieved or exceeded. For the four objectives not met, the Group is ensuring it continues to make progress.

98.1% **RATE OF ACHIEVEMENT OF 2018-2023 CSR ROADMAP OBJECTIVES**

Progress on the 2018-2023 roadmap

	INDICATOR	2018	2023	Performance
Commitment to people				
1. Ensure the health and safety of employees and subcontractors	Zero deaths Workplace accident frequency rate for lost time and recordable injury incidents FR2 < 4	1 8.3	0 1.1	150%
2. Build skills and promote talent and career development.	100% of employees worldwide receive training at least once a year	71%	80.93%	50%
3. Strengthen employee engagement	Group employee engagement rate >75% (barometer)	67%	76%	100%
4. Embrace and promote the wealth of diversity	30% of managers are women	22%	26.1%	50%
5. Be a valued and contributing partner to our host communities	100% of sites have established a forum for dialogue with local stakeholders 100% of sites have investment programmes that actively contribute to local development, with a focus on youth initiatives	Benchmark year	100%	125%
Commitment to economic responsibility				
6. Be an energy transition leader in the metals sector	Diversification of Eramet's business portfolio into the supply chain for electric mobility batteries.	Benchmark year	achieved	100%
7. Actively contribute to the development of the circular economy	Quantities (t) of additional materials recovered thanks to the circular economy action plan 2 Mt of residues and low-grade ores recovered over the 2019-2023 period	Benchmark year	3,622 kt	150%
	10 kt of waste recovered over the 2019-2023 period	Benchmark year	268 kt	
8. Become a reference for the respect for human rights	Be recognised for our adherence to the United Nations Guiding Principles, with progress assessed by reaching a "mature level" as outlined in the UNGP Reporting Framework (Shift-Mazars)	Benchmark year	achieved	100%
9. Be an ethical partner of choice	100% of sales and purchasing teams trained on anti-corruption each year	Benchmark year	98% sales reps 95% buyers	50%
10. Be a responsible company of reference in the mining and metallurgy sector	100% of the Group's "at-risk" suppliers and customers are in compliance with Eramet's CSR/Ethics commitments.	Benchmark year	100%/100%	100%
Commitment to the planet				
11. Reduce our atmospheric emissions	Tonnes of channelled dust emitted by industrial facilities: -80% in 2023 vs 2018	Benchmark year	77%	50%
12. Protect water resources and accelerate the rehabilitation of our mining sites by fostering biodiversity	Ratio of rehabilitated mining areas/cleared areas ≥1 over the 2019-2023 period	Benchmark year	1.21	125%
13. Reduce our energy and climate footprint	KPI: Reduction in tCO_2/t of outgoing product (ref. 2018) -26% in 2023 compared with 2018	Benchmark year	40%	125%
Overall performance				**98.1%**

ESG performance assessment

CDP
Climate change: B
Water security: C
Among the best in the industry
FEBRUARY 2024

ecovadis
68/100
Silver medal
Top 3%
In the mining and metals sector
AUGUST 2023

ISS ESG
B - Prime
Among the best in the industry
2023

MSCI ESG RATINGS
2nd decile
In the mining and metals sector
2024

SUSTAINALYTICS RATED
28.3
18/187
In the mining and metals sector
DECEMBER 2023

MOODY'S ANALYTICS
69/100
Advanced 3/44
In the mining and metals sector
2024

→ The women and men of Eramet

A year marked by initiatives supporting our employees

With over 10,000 employees representing 72 nationalities and nearly 400 different professions, Eramet is a multifaceted company, reflecting the diversity of its teams. Whether in our mines, plants, or offices, the dedication and expertise of our employees contribute to the Group's performance on a daily basis.

ERASHARE

Allocation of 10 bonus shares to each employee

In 2023, the Board of Directors allocated 10 Eramet bonus shares to every employee through the EraShare programme. This gesture acknowledges the exceptional results achieved in 2022, reflecting a successful transformation and resilience amid challenging circumstances. This initiative, complementing our existing remuneration structures, underscores our commitment to enhancing employee engagement and fostering their active participation in the Group's continued growth.

LISTENING TO EMPLOYEES

Pulse Survey

To support the Group's transformation, Eramet has instituted an employee listening strategy aimed at cultivating a culture of feedback promoted by managers and one of open and transparent communication. Through this initiative, the Group is striving to increase its agility and responsiveness to employees' concerns, needs and expectations, while also facilitating talent engagement and retention. In 2023, an employee engagement survey was conducted across all subsidiaries, focusing on key themes including strategy, safety, CSR, ethics and workplace well-being. These are critical areas where employee input is vital for the advancement of the Group and its day-to-day operations.

DIVERSITY AND INCLUSION

Roadmap roll-out

The 2022-2024 Diversity & Inclusion roadmap outlines actions across four key areas: Communication, Training & Leadership, Development, and Assessment.
Among current initiatives, the "All Together" programme has facilitated six hours of diversity and inclusion training for Top 130 leaders, encompassing four webinars covering topics such as inclusive and ethical management.
The "Women Friendly" indicator launched in mid-2022 ensures access to personal protective equipment (PPE), changing rooms and toilets tailored to women. This indicator has been incorporated into the 2024-2026 CSR roadmap, with all sites aiming for full compliance, accompanied by a commitment to zero tolerance for sexual harassment.

WoMen @eramet

WoMen@eramet is an internal network dedicated to fostering gender diversity within Eramet, striving to advance women across all levels of the organisational hierarchy, recognising their underrepresentation within the company. The network provides its members with exclusive access to training, podcasts, conferences, social gatherings, and personalised support through paired mentoring and workshops.

eramet Global Forum

SOCIAL DIALOGUE

Inaugural session of the Eramet Global Forum in Paris

The groundbreaking Eramet Global Forum has been launched to coordinate and fortify social dialogue across the Group.
On 15 November 2023, the inaugural plenary meeting of the Eramet Global Forum took place in Paris, attended by select members of the Eramet Executive Committee. Created in June 2023, the Eramet Global Forum brings together for the first time Eramet's management and employee representatives from the main countries where the Group operates. A genuine innovation in terms of social dialogue, this initiative is the fruit of the Group's recent transformation, with its refocusing in 2022 on its core business: mining and metallurgy. This change in business model has significantly altered Eramet's geographical footprint: more than 80% of the Group's employees are now located outside Europe. Eramet is the first mining company to establish this type of body at global level.
Its mission is twofold: firstly, to develop and maintain open, respectful social dialogue, to share about strategy, major projects, CSR and employee development, and to give employees a voice on issues that are key to Eramet's future. Secondly, to negotiate agreements applicable to all employees on a variety of issues such as social protection, well-being and quality of life at work, diversity and inclusion, and parenthood, in addition to local initiatives. An initial negotiated agreement is expected in 2024.

80%

of Eramet's employees are located outside Europe

TRAINING

Supporting skills development

Skills development is a priority for the Group, and vocational training is an important part of our approach. This ambition is realised through targeted programmes, including: Imagine for young talent, Raise and Engage for middle managers, The Essentials of Management for local managers and the Executive Development Programme (EDP) for future executives. Our innovative digital learning portal, We Learn, provides free access to a wide selection of training content on a variety of subjects in a number of different formats (articles, podcasts, videos, online courses etc.) so that employees can develop their skills according to their own needs.

"The mission of Human Resources: to secure Eramet's competitiveness and sustainability."

—

Anne-Marie Le Maignan

Executive Vice-President Human Resources, Health and Security of the Eramet group

—

What are the current challenges for the Human Resources Department of a group like Eramet?

Eramet's Human Resources Department is currently facing several challenges. Externally, we are carefully navigating the "war for talent" and the outdated and often negative perception of the mining industry, as well as the evolving expectations of job candidates. Internally, the cultural and legislative variances across our host countries and the challenging economic climate present undeniable hurdles. Our priorities include fostering an inclusive working environment, promoting internal mobility, strengthening cohesion, developing managerial capabilities, and attracting new mining talent to secure the Group's competitiveness and sustainability.

How would you sum up the past year?

We are particularly proud to have successfully recruited nearly 1,200 employees to support the start-up of our major projects, especially in Argentina, and to bolster our teams in the rest of the world, despite an intense war for talent.
The interactive workshops we conducted in Argentina and Gabon in 2023, aimed at fostering a culture of feedback, demonstrate our commitment to supporting all our managers, whatever their position in the organisation, to care for their teams. These workshops will be extended to other sites in 2024.
Finally, the establishment of the Eramet Global Forum, a new body bringing together employee representatives from all our subsidiaries for the first time, underscores our ambition to develop a bold, comprehensive social policy.

What are the key priorities for 2024?

In 2024, we are focusing our priorities on five major areas. Firstly, to attract talent and cultivate skills internationally by implementing a new employer brand and training programmes. Secondly, to strengthen employee engagement by further enhancing our policy of active listening. Thirdly, to continue the efforts initiated in 2023 to advance international social dialogue through the Eramet Global Forum. The fourth priority is to promote diversity and inclusion in order to improve well-being and attract new talent. Lastly, ensuring the health and safety of our employees and subcontractors remains paramount. This involves implementing preventive measures, developing evacuation plans if necessary, and considering medical and regulatory diversity across our operating sites.

Prioritising employee safety above all

Between 2018 and 2023, Eramet achieved a remarkable reduction in its accident frequency rate (FR2), slashing it five-fold and positioning the company as one of the safest in its sector. This cultivation of a robust, shared safety culture across the Group reflects a change in mindsets and behaviours at our sites to ensure that employees and subcontractors operate in an environment where accidents are no longer a concern. Managers play a key role in this change, along with developing on-site protocols, and modernising our equipment. By placing teams at the forefront of this initiative, we aim to achieve our ambition of zero accidents.

NEW EMPLOYER BRAND: “THE NEW FACE OF MINING”

In 2024, the Group will roll out its new employer brand. The campaign will be personified by the Group’s employees, who represent the new faces of mining and metals.

The development of our new employer brand reflects the desire to champion an image among future – and current – employees of Eramet: that of a transformed and unified group that integrates and reflects all the international faces of our Group.

“I AM THE NEW FACE OF MINING”

The tagline, “I am the new face of mining”, and the brand concept showcase the transformation of the mining and metallurgy professions, highlighting their capacity to extract the raw ore used to create everyday objects and high-tech products. Through this new campaign, our aim is to spotlight the pride we hold in our industrial heritage, the value we place on what we do, and our heightened focus on the living world and the environment. This includes recognising the importance of international teamwork with high ethical standards and commitment. This new employer brand also emphasises the pivotal role of mining and metals in the energy transition, underpinned by three pillars and supported by tangible evidence.

Firstly, it champions meaningful employment, talent development, and consideration for the individual. Secondly, it makes contributions to both present and future global challenges, fostering innovation and supporting local development efforts. Finally, it underscores a commitment to issues that are critical for our business lines: safety, responsible mining, equal opportunities, diversity, inclusion, and environmental and biodiversity protection.

The graphics and visuals use photos of Eramet employees.

Maureen MORAN

Group Talent, Diversity & Inclusion Director

—

“We need to recruit people all over the world to bring our projects to life, while the war for talent is very real in our sector. Through our new employer brand, we aim to convey and promote our vision: that of a purposeful, committed group, unified around its employees. That’s why, in this new identity to be rolled out globally, we have chosen to highlight our employees. They are the new face of mining.”

Board of Directors

18
members

10
meetings in 2023

44%
proportion of independent directors (7/16)[1]

50%
parity level (8/16)[1]

93%
Average attendance rate of directors at meetings

The Board of Directors determines the business strategy, examines and approves all decisions on the Group's major strategic lines of action and monitors their implementation.
Eramet's strategy and actions are geared towards fostering long-term value creation within the business, considering the social and environmental challenges inherent in the sustainable development of its activities.

Christel BORIES,
Chair and
Chief Executive Officer

Alilat ANTSÉLÉVÉ-OYIMA,
director

Éméric BURIN DES ROZIERS,
independent director

Christine COIGNARD,
independent director

François CORBIN,
Lead Director,
independent director

Jérôme DUVAL (Sorame),
director

Héloïse DUVAL,
director

Jean-Yves GILET,
director

Nathalie DE LA FOURNIÈRE (CEIR),
director

Solenne LEPAGE,
independent director

Manoelle LEPOUTRE,
director

Ghislain LESCUYER,
independent director

Miriam MAES,
independent director

Nicolas NOEL,
director representing employees

Franck PECQUEUX,
director representing employees

Sonia SIKORAV,
independent director

Romain VALENTY,
director appointed by the State

Jean-Philippe VOLLMER,
director

The work of the Committees and the Board in 2023

The Board relies on the work of four Committees to carry out its duties. During the 2023 financial year, the work more specifically involved:

→ Board of Directors

In 2023, the Board of Directors placed special emphasis on overseeing the Group's strategic transformations and monitoring its projects. More specifically, the Board of Directors deliberated on Act for Positive Mining, the Group's new CSR roadmap for 2024-2026 on multiple occasions.

→ CSR and Strategy Committee

This Committee assists the Board in determining the Group's CSR strategy, in particular by monitoring the CSR roadmap and the attainment of its objectives. It analyses market trends within the Group's markets and explores resulting strategic alternatives.

→ Remuneration and Governance Committee

The Committee conducts an annual review of the collective criteria for the variable compensation of executives and the Executive Corporate Officer.
It also proposes the conditions for the performance share award plans for the Group's key management personnel.

→ Audit, Risks and Ethics Committee

In addition to monitoring the financial reporting process, the Committee also monitors the main risks and implements the appropriate risk management plans.

→ Appointments Committee

The Appointments Committee leads the process for appointing new directors to the Board.
The Committee conducts an annual review of the independence criteria of the independent directors and the succession plan for the Group's key management personnel.

CSR and Strategy Committee
10 members, including
3 independent members
3 MEETINGS

Audit, Risks and Ethics Committee
6 members, including
4 independent members
4 MEETINGS

Appointments Committee
4 members, including
2 independent members
5 MEETINGS

Remuneration and Governance Committee
6 members, including
3 independent members
3 MEETINGS

(1) These ratios do not include directors representing employees.

Executive Committee

The tasks of the Executive Committee are to set the Group's strategic lines of action, approve the budget and targets for the various activities and make decisions in structural areas for the Group.

Its members meet once a month to review topics relating to strategy, CSR, operating activities, human resources, financial and safety results, and the economic and competitive environment. The Executive Committee also conducts quarterly business reviews with each activity to monitor the past and future performance of the Group's operations, as well as biannual business reviews with the various functions.

A forum for discussion and decision-making, the Executive Committee is also a body that can be consulted on certain operational matters that require the approval of all its members.

This Committee brings together members of the Operational Departments and Support Departments. As at the date of this Universal Registration Document, the Executive Committee has three women among its seven members.

7 members including **3** women

1. Nicolas CARRÉ
Chief Financial Officer, in charge of Procurement and IT

2. Anne-Marie LE MAIGNAN
Executive Vice-President Human Resources, Health and Security

3. Guillaume VERCAEMER
Group General Counsel

4. Christel BORIES
Chair and Chief Executive Officer

5. Charles NOUEL
Chief Operating Officer(1)

6. Geoff STREETON
Chief Development Officer, in charge of Strategy, Innovation and Business Development.

7. Virginie DE CHASSEY
Chief Sustainability and External Affairs Officer

(1) Kléber Silva held the position of the Group's Chief Operating Officer until 3/31/2024.

→ Risk management

In a constantly changing environment marked by high levels of uncertainty, Eramet is building resilience with a robust risk management methodology applied across all Group entities.

Risk mapping

GROUP
1 map
17 risks

ENTITIES
11 maps
250 active risks

MAJOR PROJECTS
11 maps
620 active risks

UPDATE AND MANAGEMENT
- Updating the risk database
- Drawing up action plans
- Appointing contributors
- Implementation timetable

The Risk Management, Audit and Internal Control Division of Eramet (CARE) is responsible for implementing risk management for Eramet. It reports to the Chief Financial Officer, in charge of Group procurement and IT.

Its mission is to develop the tools, methods and procedures to ensure that risks are handled consistently by the Group and all its subsidiaries.

The CARE Division oversees a network of Risk Management Officers in the subsidiaries and major projects. They map the risks within their own fields, thereby ensuring that the approach is deployed. This work is consolidated by the Risk Department and contributes to Eramet's overall risk mapping.

Risk management model

The risk management model is founded on dedicated and integrated governance based on the three lines of defence model, and is applied at every level of the business.

GOVERNANCE BODIES

Board of Directors, Audit, Risks and Ethics Committee, Appointments Committee, CSR and Strategy Committee, Remuneration Committee, Executive Committee

MANAGEMENT

1st line of defence

—

- Operational managers
- Functional managers outside of the control function

Responsible for evaluating and mitigating risks, particularly by implementing a control system, which allows activities to be managed more effectively.

2nd line of defence

—

- Functional departments responsible for areas of expertise dedicated to organising the risk control system (risk management, internal control, insurance, ethics and compliance, legal etc.)

Responsible for the risk control systems of the various business lines.

INTERNAL AUDIT

3rd line of defence

—

Provide independent, objective assurance for any issue connected with the control of the Group's main processes.

EXTERNAL ASSURANCE PROVIDERS
(EXTERNAL AUDITORS, OTHERS)

Commitments

1. At Eramet, **effective risk management** is an integral part of how we protect ourselves, and how we create value to give all our stakeholders confidence in our ability to achieve our objectives, in keeping with our corporate purpose.

2. We are committed to **managing risks proactively and effectively.** Risk awareness is incorporated into every decision made by the organisation. All our employees and managers are responsible for identifying, assessing and managing risks in order to prevent and control the significant risks faced by Eramet.

3. To support this commitment, our **risk management framework** defines the fundamentals and organisational factors of effective risk management, as well as basic risk management principles.

Major risks

The risk factors mentioned below were identified in the 2023 risk mapping. A description of these risks and the associated management measures is provided in Chapter 4.5.

CATEGORY	RISK FACTORS 2023 URD	QUALITATIVE SCALE OF IMPORTANCE
Strategic and financial	Risk of non-recovery of Group activities whose performance is insufficient	High
	Risks relating to the non-execution of the development strategy for energy transition metals	High
	Risk of major structural changes in raw materials markets	High
	Risk of geopolitical tensions and impacts on the supply chain	High
Operational	Risk of serious rail accidents	High
	Risks of failure of information systems, data protection and cyber-attack	High
	Risk of physical impacts of climate change (extreme weather conditions) or major natural disasters	Medium
	Risk of difficulties in decarbonising activities competitively	Medium
Compliance	Risk of unethical behaviour	High
	Risk of not being able to implement the Group's environmental and social strategy	Medium

Activities

In all places where we operate and at all stages of our sites' life cycle, our mining and metallurgical know-how is consistently paired with responsible practices and robust social, societal and environmental commitments.

Manganese

4,705
employees

€1.9bn
turnover

25%
of global manganese reserves

7.4Mt
of manganese ore produced in 2023

6.6Mt
of manganese ore transported in 2023

635kt
of manganese alloys produced in 2023

Manganese is one of our Group's core activities and the foundation upon which we have established and strengthened our leadership position. Today, we stand as the world's leading producer of high-grade manganese ore and of "refined" manganese alloys, recognised for their higher added value.

Extraction – Manganese ore is produced by Comilog (Compagnie Minière de l'Ogooué) in an open-pit mine across the two plateaus of Bangombé and Okouma. The ore is then crushed, ground, washed and sorted before being sold. A portion of this ore is routed to the Moanda industrial complex (CIM) for beneficiation, elevating its manganese content to slightly above 50%. Another portion is mixed with coke and subjected to high temperatures in a concentration process. This stage increases its manganese content to 56%, one of the highest on the market.

Transport – Setrag (Société d'exploitation du Transgabonais), a Comilog subsidiary, has been appointed by the Gabonese authorities to manage the country's only rail network, which spans Gabon from east to west. As a backbone of the country's economic development, the Transgabonais serves 24 stations, carrying passengers, goods, timber and ore, including Comilog's concentrated ore and metallurgical products. This railway system thus plays a vital role in connecting rural communities, while also transporting over 50% of Gabon's exports and facilitating the movement of goods across five of the country's nine provinces. Since 2016, Setrag has embarked on an ambitious programme aimed at modernising the rail network.

Transformation – Manganese alloys are manufactured across four countries on three continents. In Norway, production capacity is divided among three plants, all powered exclusively by renewable energy sources. These plants receive around 60% of their manganese ore supplies from Gabon, but also from other sources, and they manufacture alloys used in steel production. In the United States, Eramet stands as the leading producer of manganese alloys in North America, as well as the sole ferromanganese producer in the nation. The Marietta plant, strategically situated along the Ohio river, serves as a hub for receiving raw materials from Gabon and supplying nearby steelmakers. In France, the Dunkirk plant produces silicomanganese, renowned for its mechanical properties, particularly its contribution to steel strength. In Gabon, the Moanda metallurgical complex (C2M) produces silicomanganese, a key alloy for the steel industry, alongside manganese oxide, an essential product used in battery composition and agrochemicals. These six plants are positioned near dynamic steel-producing regions within close proximity to major markets, ensuring an optimal supply chain for our customers among European and American steelmakers.

6 plants and **12** furnaces
ensure an optimal supply chain for our customers

APPLICATIONS

Manganese, essential to steel production

Manganese is found as a pigment in paintings dating back more than 17,000 years. Today, manganese ore is most often processed into manganese alloys for the production of carbon steel (90% of the market), used in infrastructure, construction, and the automotive and food industries, where it is employed in the fabrication of beams, rails, batteries, ceramics, and to support the cultivation of vegetables and citrus fruits.

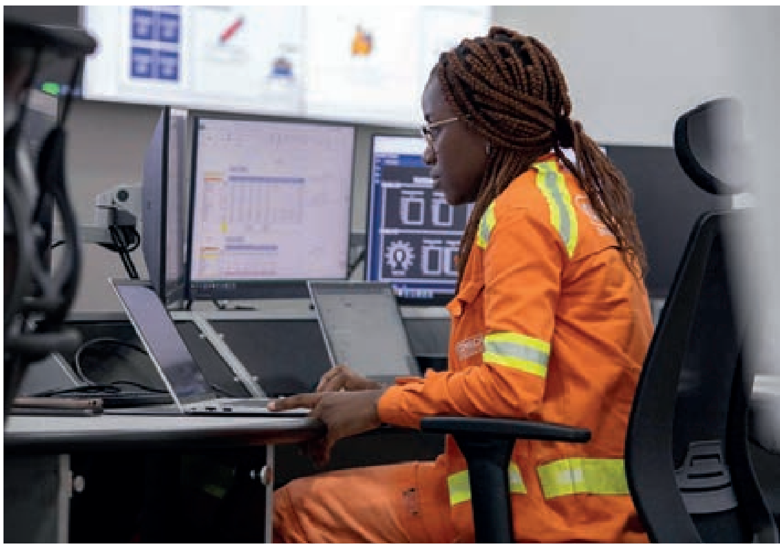
DECARBONISATION

Two promising projects in Norway

Two projects designed to optimise energy consumption, and minimise CO_2 emissions from manganese alloys plants, made significant progress in 2023. The first project involves the development of a furnace gas recycling system to generate both electrical and thermal energy. The second project entails a pilot test for capturing CO_2 from these gases, with the intention of constructing a large-scale carbon capture facility by 2028. In support of these initiatives, Enova awarded Eramet Norway funding totalling €12 million (132 million Norwegian kroner) in 2023.

#Mine 4.0

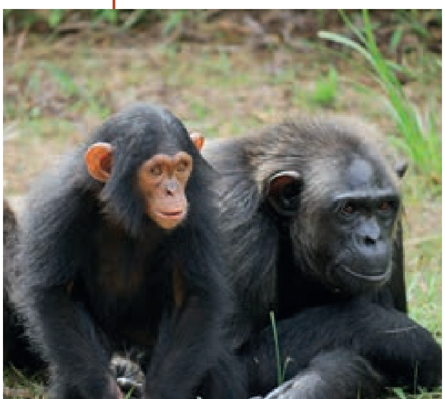
In order to meet their production growth targets, Eramet's mines need to ensure optimised monitoring, with a comprehensive view of operations that spans planning, production, supply chain logistics, transport, sales and macroeconomic influences. To achieve this, integrated remote operations control centres (IROCs) have been set up across the Group, including at Comilog.



A committed player in **Gabon**

"Femmes d'avenir": an inaugural cohort

A collaborative effort between Eramet, Women in Africa, and the Gabonese government, "Femmes d'avenir" (Women of the Future) is a programme aimed at supporting African women entrepreneurs and thereby promoting economic growth across the continent. The programme's objective is to provide training and support to 130 female-owned small and medium enterprises (SMEs) and very small enterprises (VSEs) in Gabon between 2022 and 2025. In 2023, the inaugural cohort of trained and mentored women entrepreneurs celebrated their graduation, while the second cohort got under way.



Lékédi Biodiversity Foundation: conserving local flora and fauna

Established by Eramet in 2021, the Lékédi Biodiversity Foundation is dedicated to the conservation of local flora and fauna within its 14,000-hectare park. In addition to conservation, the foundation heads up awareness-raising campaigns, research and anti-poaching initiatives in collaboration with governmental bodies such as the Ministry of Water and Forests and the Gabon National Parks Agency, as well as research institutes, NGOs, other foundations, sanctuaries and zoos. In 2023, the Foundation hosted the second iteration of "Biodiversity Encounters", serving as a platform for businesses, leaders and members of civil society to share their best practices in biodiversity conservation.

Nickel

2,381
employees

€1.5bn
turnover

1st
largest nickel mine in the world in Indonesia

33.2Mwmt
of nickel ore sold externally in 2023

44.8kt
of ferronickel produced in New Caledonia in 2023

Eramet is one of the of the world's leading producers of nickel ore and ferronickel.

New Caledonia: an enduring legacy

Established in 1880, SLN stands as the world's oldest nickel mining and metallurgical enterprise. As the principal private employer in New Caledonia, it oversees operations across four mining hubs. Extracted ore undergoes processing into ferronickel at the Doniambo plant in Noumea, or it is exported.

SLN practises continual rehabilitation of sites and pursues sustainability in its operations, including controlling the impact on local communities and the environment. Given the considerable volume of tailings being handled at SLN operations, the storage of waste rock in appropriate structures and its revegetation is a vital environmental task.

As a committed player in the sector, SLN also contributes to local community development initiatives within its operational areas. It stimulates economic growth and diversification in these regions by supporting various economic activities and non-profit associations promoting entrepreneurship.

Indonesia: a world-class mine

The Weda Bay Nickel site, situated on the island of Halmahera in northeast Indonesia, commenced production in 2019. Eramet oversees mining operations at Weda Bay Nickel in close collaboration with its partner, the Chinese steel conglomerate Tsingshan, the world's foremost producer of stainless steel.

In line with Eramet's CSR roadmap, Weda Bay Nickel applies the best internationally recognised mining techniques: tailings storage in engineered areas, water management, and revegetation. Under Eramet's stewardship, Weda Bay Nickel is committed to developing a responsible mining industry. In 2023, the process of independent auditing according to the IRMA standard commenced, with the self-assessment conducted towards the year's end.

Weda Bay Nickel has implemented a contributory CSR programme as part of an ongoing dialogue with local communities and authorities. Various initiatives aimed at economic development, education, health and cultural enrichment have been set in motion.

APPLICATIONS

Nickel for stainless steel and batteries

Nickel can be recycled indefinitely without compromising quality, and its unique physical and chemical properties make it a preferred component in various applications. Today, over two-thirds of global nickel production is allocated to manufacture stainless steel, essential to the construction, chemical and healthcare industries. Its capacity to maintain mechanical integrity at elevated temperatures makes nickel an indispensable component of special steels and superalloys used in the aerospace industry. Moreover, nickel enhances the energy density of batteries for electric vehicles, thus positioning it as a critical metal in the energy transition.

Sampling and analysis of water quality by an independent laboratory in the village of Gemaf, near the mine.

INDONESIA

Weda Bay Nickel: an ongoing dialogue with local communities

At Weda Bay, as with all its mining projects, Eramet has maintained an ongoing dialogue with the surrounding village communities and local authorities since the project's initial phase. Discussions primarily focus on operational deployment, measures for environmental and social management, and programmes contributing to the local economy.

Regular social surveys have been conducted on the island of Halmahera since 2010 to better understand the local populations and their way of life. In 2023, an additional study allowed for better assessment of the risks posed by the mine's impact on an identified semi-nomadic group comprising nine individuals from the Tobelo community (also known as O'Hongana Manyawa) who reside within the boundaries of the mining concession.

The proactive engagement initiative, conducted for several years now by Weda Bay Nickel, has been rolled out within this community, aimed at setting clear guidelines for all the mine's employees and subcontractors. These guidelines ensure respectful and culturally sensitive interactions with the Tobelo community. The primary recommendation of the 2023 study is to minimise interactions. A new study will be undertaken in 2024 to improve our understanding of the livelihoods of the O'Hongana Manyawa community living on the concession and their interactions with ecosystem services, with the aim of developing an additional engagement strategy.

A committed player in New Caledonia and Indonesia

Weda Bay Nickel innovates for safety

Safety remains the number one priority across all of Eramet's operational sites, and the Group has no shortage of innovations this critical area. Notably, Weda Bay Nickel received the Innovation Award from the Indonesian Department of Mines and Energy for its Roll Over Protection System (ROPS). This innovative structure, designed and installed by Weda Bay Nickel on its vehicle fleet, safeguards the driver's cab, potentially saving human lives in the event of an accident.

Nurseries dedicated to revegetation

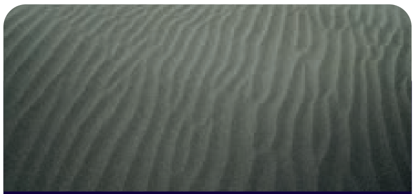
Weda Bay Nickel is committed to revegetating over 500 hectares annually by 2028, with a primary reliance on its nursery facilities. In 2023, the company successfully rehabilitated 869 hectares of catchment areas beyond the mining concession. Moreover, two new nurseries will be created in 2024 to help achieve this target progressively. Weda Bay Nickel has also initiated further studies to reinforce its biodiversity action plan, aligning it with the standards of the IFC[1].

SLN: fighting violence against women

Reflecting its long-standing commitment, and in observance of the International Day for the Elimination of Violence against Women, in 2023 SLN organised awareness-raising sessions for its female employees across various communities where the company operates. This initiative was carried out in collaboration with the Group's WoMen@eramet network.

(1) IFC: International Finance Corporation, Performance Standard 6 (PS6).

Mineral sands



843
employees

€275m
turnover

4th
largest producer of zircon in the world

5th
largest producer of titaniferous raw materials in the world(1)

628kt
of HMC(2) produced in 2023

Eramet is the world's fifth-largest producer of titaniferous raw materials and fourth-largest producer of zircon through its subsidiary GCO (Grande Côte Opérations) in Senegal.

Extraction – GCO's mineral sands mine is located along the coast of Senegal. The concession starts around 100 kilometres from Dakar and extends northwards for more than 100 kilometres. Within it lies the world's largest mining dredge, measuring 50 metres in length and 17 metres in width, operating in an artificial basin measuring 1,800 square metres. With its 24/7 operation, the dredge advances approximately 30 metres per day.

Concentration – The sand is suctioned and transported to the Wet Concentration Plant (WCP) via a pipeline connected to the aft section of the dredger. At the WCP, the mineral sands are physically separated from the water and ordinary sands, and the latter are returned to the dunes at the back of the basin. This discharge process serves to return the dunes as close as possible to their natural state. Meanwhile, the water is recycled back into the basin to maintain a constant level for the dredge and plant operations.

Separation – The mineral sands concentrate obtained at the WCP is then routed to the Mineral Separation Plant (MSP). The sands are processed there to yield ilmenite with titanium dioxide concentrations of 54%, 56% and 58%, along with rutile, leucoxene, and a small quantity of zircon. These commercial-grade sands are subsequently transported by train to the Meckhé station and onwards to the port of Dakar.

APPLICATIONS

Titanium and zircon, everyday ingredients

Mineral sands, primarily intended for the construction and decoration markets, are ubiquitous in our daily lives.

Ilmenite, rutile and leucoxene are enriched in titanium dioxide (TiO_2), used in the production of white pigments for paints, paper, plastic and inks. Products with a high TiO_2 content are used in the production of titanium metal and also in the welding flux industry.

As for zircon, a conductive metal highly resistant to heat and possessing whitening properties, it is extensively utilised in the ceramics industry, in abrasive materials, nuclear applications (zirconium metal), and even dental prosthetics.

(1) Excl. China (captive market).
(2) Heavy Minerals Concentrate.

1st

GCO is the first Eramet site to be audited according to the IRMA standard

#Biodiversity

To extract mineral sands, the dredge and concentration plant operate within a mobile artificial basin spanning 12 hectares and reaching a depth of 6 metres. As operations progress along the deposit, efforts are made to re-establish vegetation on the dunes once the mining activities have passed through. The site's teams are actively engaged in restoring the landscape to its original state by replanting the land in the mine's wake with vegetation cultivated in its nursery. This approach is founded on collaboration and consensus-building, with local communities participating throughout the process. Their involvement, particularly in selecting plant species for replanting, helps prioritise those with significant commercial value.

98%

of the sand extracted is returned to the dunes

COMMUNITIES

Resettling displaced populations

Given the mobile nature of dredging operations, the displacement of dwellings, agricultural lands and grazing areas stands as the primary impact on neighbouring communities. To mitigate this impact, GCO is committed to resettling individuals affected by the project through collaborative efforts. Regular information and consultation measures are undertaken by GCO, whether mandated by regulations or as voluntary initiatives. Furthermore, to align with international best practices, in 2023 Eramet initiated an audit of the site according to the IRMA standard for responsible mining, the first conducted by the Group.

A committed player in Senegal

First IRMA audit

To evaluate the CSR performance of its operational sites, Eramet chose to measure itself against the Initiative for Responsible Mining Assurance (IRMA). This internationally recognised, objective and independent standard certifies audited activities as “responsible” based on stringent criteria. After a self-assessment at the end of 2022, Eramet began the independent audit of the GCO site in May 2023, a first for the Group.

EraTrace: a traceability platform for mineral sands

In response to growing customer concerns regarding product origin and environmental and social issues, Eramet has introduced EraTrace, an online traceability platform to enhance transparency across the company’s entire value chain. Initially launched exclusively for GCO customers, EraTrace offers a product passport that provides access to detailed information about the origin of raw materials, production conditions, manufacturing processes and CSR performance.

Launch of “Femmes d’avenir” in Senegal

In 2023, Eramet and Women In Africa inaugurated “Femmes d’avenir” (Women of the Future) in Senegal, following a successful launch in Gabon. This initiative to empower women entrepreneurs in Africa comprises two programmes: “Jeunes pousses” (young start-ups) aimed at developing the soft skills of 200 women entrepreneurs, and “Entrepreneures confirmées” (seasoned entrepreneurs) offering tailored support to five high-potential women business owners.

Lithium

ARGENTINA

474
employees

2024
Year of start-up of production

24kt
Annual production target for lithium (LCE) for phase 1 of the project

10Mt
in Lithium Carbonate Equivalent (LCE) of mineral resources

30kt
Annual production target for lithium (LCE) for phase 2, tranche 1, of the project

AMBITIONS OF THE AGÉLI PROJECT IN FRANCE

10kt
or more of lithium carbonate per year by 2030, representing 10% of France's projected needs

250,000
electric vehicle batteries per year

To support the growth of electromobility and secure Europe's access to strategic metals, Eramet has incorporated lithium into its product range. In Argentina, the Group is undertaking a pioneering and responsible project centred on a proprietary extraction process. In France, our Ageli project, in collaboration with Électricité de Strasbourg, aims to extract lithium from geothermal brines.

Centenario: large-scale lithium production

In Argentina, Eramet, in collaboration with the Chinese steel group Tsingshan, is developing one of the world's largest lithium deposits through its subsidiary Eramine. Operations are under way at the heart of the Centenario-Ratones "salar" (salt flat), located at an altitude of 3,800 metres in the province of Salta.

Eramet has pioneered the world's most advanced technology for producing battery-grade lithium carbonate (LCE), using direct selective lithium extraction from brines. This process boasts a lithium recovery rate of 90%, surpassing the recovery rate of both conventional methods (approximately 50%) and direct extraction processes (approximately 70%). And it does this in very short time, taking only 1 week compared to 18 months required for the natural evaporation process. Moreover, 60% of the water used in the process undergoes recycling.

Following a decade of research and development, involving the acquisition of 12 patents, extensive laboratory testing, and an on-site pilot facility in 2020, the plant is set to start up production in 2024. The project's second expansion phase, comprising two tranches, will raise the Group's total annual production capacity to approximately 75 kt of LCE.

The entire project is being developed according to IRMA standards, the most rigorous international standards in the mining sector. These standards promote respect for local communities, biodiversity preservation and environmental protection.

Ageli: beneficiation of lithium from geothermal brines

Located in Alsace, at the heart of the European electric battery market, the Ageli project is being developed in partnership with Électricité de Strasbourg (ÉS). Three years of project research have demonstrated Eramet's capability to capture lithium from a geothermal source to produce battery-grade carbonate.

Eramet has adapted the process originally developed for its project in Argentina to the geothermal brines and operating conditions of Alsace, particularly focusing on the pressure and temperature of the reinjection well (80°C, 20 bars).

With the energy generated from geothermal heat, the project boasts virtually zero carbon footprint. Its proximity to the European battery industry will significantly reduce emissions associated with shipping between lithium extraction and refining sites and European battery manufacturing plants.

A pilot project is currently under way to demonstrate the effectiveness of the process and ensure the stability of the active lithium extraction material over time. This phase aims to identify the project's major risks and opportunities, providing recommendations for the next stage of development by the end of 2024. Production start-up is anticipated before the end of the decade.

APPLICATIONS

Lithium is key to the energy transition

The energy transition reduces the use of fossil fuels, but requires more metals, particularly for energy storage in batteries. Lithium is one of the main strategic metals for battery production, alongside nickel, cobalt and manganese According to the International Energy Agency, global demand for lithium could increase four- to six-fold between now and 2030 (representing annual production of 500 kt).

~90%

extraction efficiency for lithium production in Argentina

COMMUNITIES

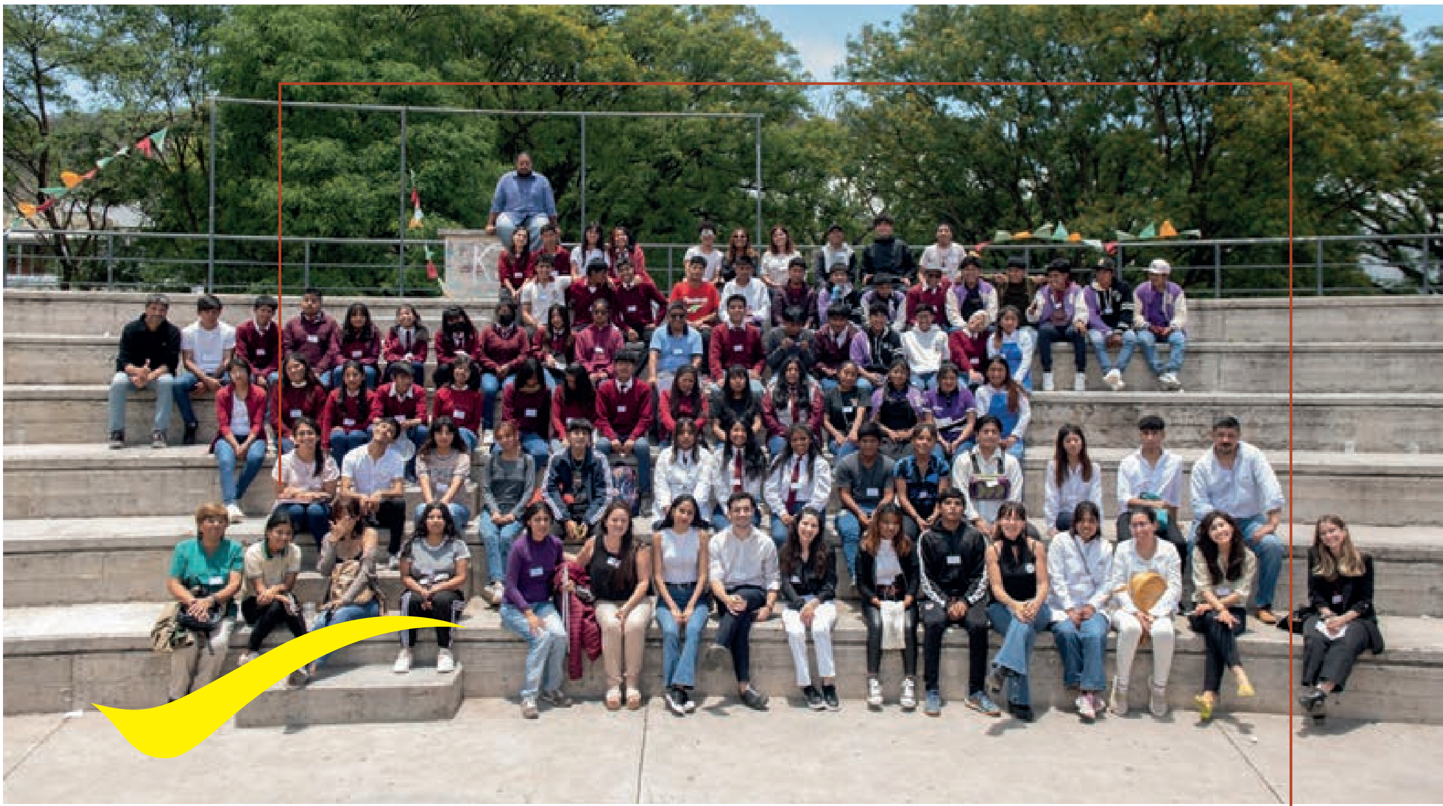
A relationship of trust

Transparency in assessing and managing the impacts of Eramet's project in Argentina plays a crucial role in fostering a relationship of trust with local communities. The project site, covering 500 km², has approximately 15 inhabitants, while the village of Santa Rosa de los Pastos Grandes, situated 50 km away, is home to 250 residents. From the start of the exploration phase, Eramine has engaged in a fair and open dialogue with the indigenous peoples as part of the free, prior and informed consent (FPIC) process and has established a system for addressing complaints. In accordance with national regulations and in collaboration with the Catholic University of Salta, Eramine has set up a training programme for environmental observers from the communities. This approach aligns with the expectations of IRMA, the internationally recognised standard for responsible mining, to which Eramet is committed.

ENVIRONMENT

Protecting water resources

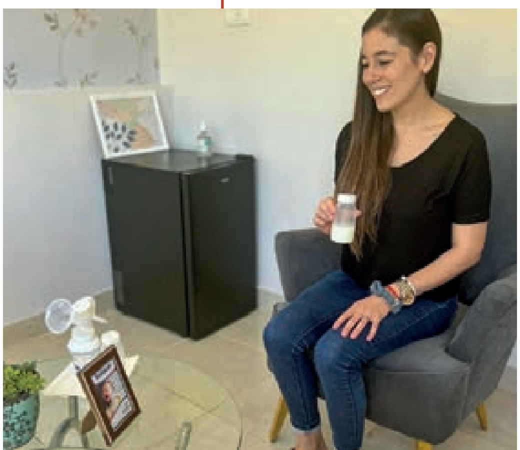
In the Centenario desert area, Eramet has integrated responsible water resource management into its process design. The absorbent material developed for lithium recovery operates like a sponge, capturing lithium from the brines. Subsequently, the brines are reinjected into the subsoil, while over 60% of the water used in the process is recycled. Currently, Eramet is exploring the direct reinjection of brines into the salt flat's aquifers, aiming to enhance environmental efficiency by further reducing water consumption.



A committed player in Argentina

Eramet is committed to education

As an economic force and a responsible partner, Eramine is committed to supporting inclusive and impactful education programmes that facilitate quality learning and prioritise local employment. In 2023, in collaboration with the Por Nuestros Niños foundation, the company initiated programmes centred on entrepreneurship in schools in Salta, La Silleta, Campo Quijano, Alfarcito and San Antonio de Los Cobres. The objective was to engage students in the realm of entrepreneurship and introduce the concept of triple impact – an approach aimed at generating economic, social and environmental benefits. A total of 323 young people and 66 entrepreneurs participated in the programme.



Supporting motherhood in the workplace

In its Salta offices, Eramet has set up a dedicated room for breastfeeding, aiming to support female employees as they return to work following maternity leave and help them to find a better balance between their personal and professional lives while at work. This innovative policy aligns seamlessly with the Eramet group's diversity and inclusion policy.

Recycling electric batteries

Eramet is participating in a European project focused on lithium-ion battery recycling, a process developed by the Group's R&D teams. This project, undertaken in partnership with Suez, employs hydrometallurgical methods to extract metals from used batteries. The goal is to recycle 50,000 tonnes of battery modules annually, recovering 90% of their constituent metals in line with forthcoming European regulations expected to be enforced by the decade's end.

In the upstream phase of the project, Suez would ensure the collection of batteries at the end of their life cycle and waste from battery manufacturing plants. This process involves dismantling the batteries, crushing them, separating their constituent elements and collecting the metals to be recycled into a powder known as black mass.

On the downstream side, Eramet would handle this black mass by dissolving, purifying and separating the metals to produce very high-purity nickel, cobalt and lithium. This initiative would help reduce Europe's reliance on imported critical metals essential for the energy transition.

In 2023, the project marked a significant milestone with the commissioning of a pilot demonstrator plant for the downstream process at Eramet Ideas in Trappes, France.

€80m

of grants received (€67m from the European Union and €13m from BPI)

50kt

of battery modules processed per year, or the equivalent in recycling capacity of 200,000 electric vehicle batteries

2

upstream plants for black mass production and downstream plants for refining battery-grade metals

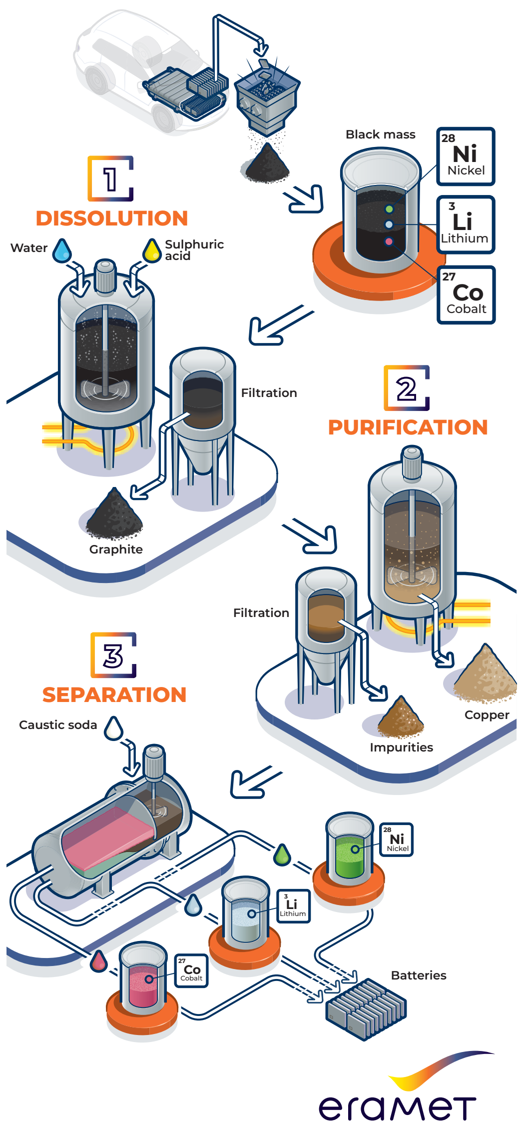
Dunkirk to host future plants

In 2023, Eramet and Suez decided to establish their future plants at the Grand Port Maritime de Dunkerque, as part of their collaborative venture. The site is ideally positioned at the heart of the burgeoning "battery valley" in Hauts-de-France, where numerous battery production plants (gigafactories) will be developed in the coming years.

November 2023: inauguration of a pilot plant

Eramet has inaugurated a pilot plant at its R&D centre in Trappes. The plant will serve as a testing ground to optimise the production process of battery-grade metal salts derived from the black mass of recycled lithium-ion batteries. This facility is a scaled-down replica, at 1/1000th scale, of the larger plant planned for construction in Dunkirk, with start-up expected in 2027, pending a final investment decision expected by the end of 2024. The inauguration ceremony was attended by Christel Bories, Chair and CEO of Eramet; Sabrina Soussan, CEO of Suez; Agnès Pannier-Runacher, French Minister for Energy Transition, and Luc Chatel, President of the French Automotive Platform (PFA).

CLOSED-LOOP LITHIUM-ION BATTERY RECYCLING



Support from the European Union

The European Union is backing this project with a grant of €67 million awarded in 2023. It is the sole recycling initiative selected at the European level to date.

2024 outlook

In a still sluggish macroeconomic environment and increasingly unstable geopolitical context, global GDP growth is expected to be around 2% in 2024 (v. 2.7% in 2023). In China, the many stimulus measures announced to shore up construction have yet to produce any significant effects, and Chinese GDP growth is likely to slow this year.

Demand from all the underlying markets for our products thus remains subdued, holding prices steady at a low level pending an upturn in demand, particularly from China.

In 2024, freight prices should exceed those of 2023, especially as uncertainty persists about the situation in the Red Sea, which could drive prices higher. Reductant prices and energy costs, although down compared with 2022, remain high.

Volume growth targets for the year are:

Between 7.0 and 7.7Mt of manganese ore transported in Gabon

Between 40 and 50Mwmt of nickel ore marketed at Weda Bay[1]

Between 5 and 7kt-LCE of lithium carbonate produced at Centenario

The average price consensus for the year is currently:

4.6 USD/dmtu for manganese ore[2]

17,100 USD/t for nickel on the LME

16,100 USD/t-LCE for lithium carbonate[3]

Invoiced selling prices for manganese alloys should remain significantly below 2023 on average for the year. Ferronickel prices should be slightly above the SMM NPI 8-12% index. Domestic prices for nickel ore sold in Indonesia are indexed to the LME and change accordingly. The EUR/USD exchange rate is expected to be 1.11 in 2024.

Sensitivities of Adjusted EBITDA to metal prices and exchange rates are presented in Chapter 4, section 4.5.1.3 of the Universal Registration Document.

As an example, based on current consensus prices for the year and the range of volume targets detailed above, **Adjusted EBITDA** should be **between €650 million and €800 million** in 2024. Financial performance in the first half of the year is also projected to be well below that of the second. This is due to the traditionally adverse seasonal effect on our operations and market prices which are unlikely to recover until the second half.

The amount of capex financed by the Group[4] is estimated at between
€700m and €750m in 2024, of which:

Current capex
nearly **€250m**

Growth capex
of nearly **€500 million**
mainly to sustain growth in ore production and transport in Gabon (around €150m), and to develop the lithium project in Argentina (around €250m).

1_ Based on the permitting schedule, including for one-third of laterites. 2_ CIF China 44%.
3_ Battery grade, CIF Asia. 4_ Excluding Tsingshan's capital contributions for the Centenario project.


COMILOG

1

PRESENTATION OF THE GROUP AND ITS ACTIVITIES

Introduction: all the activities of the High Performance Alloys division (Aubert & Duval and Erasteel) were sold during the first half of 2023, with the finalisation of the sale of Aubert & Duval to the consortium consisting of Airbus, Safran and Tikehau Capita at the end of April, and that of Erasteel to Syntagma Capital at the end of June.

The Group also sold its Norwegian subsidiary Eramet Titanium & Iron ("ETI") to INEOS Enterprises at the end of September 2023.

1.1 Summary of the Group's performance in 2023

Confirmation of the Group's solid fundamentals, in a very difficult price environment in 2023

- **Excellent intrinsic performance** in the second half of the year (+€230 million, for a total of +€153 million for the year), **leading to adjusted EBITDA**[1] **of €772 million in 2023**, in a deteriorated price environment for the year **as a whole (-€1,373 million);**
- Solid performance in **adjusted free cash flow**[2], at **€78 million**, against a backdrop of growth investments, leading to **net debt** of **€614 million** and **adjusted leverage** of **0.8x;**
- Announcement in early March 2024 of an agreement between the French State and Eramet regarding the **conversion of SLN's existing debt** into a single quasi-equity instrument; this agreement **will neutralise the weight of SLN's debt** in the Group's consolidated financial statements;
- **Success of the Group's first CSR Roadmap** and launch of its new **"Act for Positive Mining"** Roadmap, which involves the roll-out of the **IRMA responsible mining reference framework** to all of the mining sites.

The Group's adjusted turnover[1] stood at **€3.8 billion** in 2023, down 29% (-26% on a like-for-like basis[1], with a -2% reduction in the scope of consolidation due to the disposal of ETI). This decline reflects a negative price effect almost entirely.

Group EBITDA stood at €347 million. **Adjusted EBITDA**[1] was **€772 million**, down 59% compared with 2022, mainly reflecting:

- a **negative impact of external factors** of nearly **€1.3 billion**, including an unfavourable price effect of -€1,373 million (of which -€933 million for the Manganese activity and -€392 million for the Nickel activity). The latter is partly offset by lower freight costs (+€81 million compared with 2022) and lower input costs (+€68 million), given the decline in reducer and energy prices in the second half of the year;
- a **positive intrinsic performance** of **more than €150 million** over the year, including €230 million in the second half, reflecting the success of productivity and production optimisation initiatives.

Net income from divested operations amounted to €6 million**.**

Net income, Group share was **€109 million** for the year, after recognition of the Group's share of Weda Bay's profits (€295 million) and a -€218 million charge for impairment in the value of SLN's assets, as the Caledonian subsidiary was no longer able to continue as a going concern.

Investments amounted to **€920 million**, including the part of the Lithium project financed by Tsingshan (via a capital increase by the Argentinian subsidiary). **The portion financed by the Group amounted to €522 million**[3], including €249 million in growth investments, mainly in Gabon (€184 million) and Argentina (€53 million); ongoing investments totalled €273 million for the year.

Free cash flow (FCF) amounted to **-€243 million**. Net of Tsingshan's capital contributions for the Centenario project, it amounted to **€78 million**. It notably includes the contribution from Weda Bay (€280 million)[4], as well as the impact of the disposal of ETI in September (€214 million) and the initial payment made following the acquisition of mining concessions in Chile at the beginning of November (-€90 million).

Net debt stood at **€614 million** at 31 December 2023, with the sale of Aubert & Duval and Erasteel having no material net impact. It includes the payment of dividends in respect of 2022 to Eramet shareholders (-€100 million) and to Comilog minority shareholders (-€87 million).

The **adjusted leverage ratio**[5] is **0.8x**. The Group's capital allocation policy continues to focus on debt reduction, in order to maintain a leverage ratio of less than 1x on average over the cycle, while investing in growth projects and remunerating its shareholders.

In line with this policy, a proposal will be made to the Shareholders' Meeting on 30 May 2024 to pay a **dividend** of **€1.5** per share in respect of the 2023 financial year.

The Group's **liquidity**, including undrawn financing lines, remains high at nearly **€3 billion** at 31 December 2023. This includes $400 million in commercial advances under the lithium carbonate co-marketing contract signed with Glencore, of which $80 million was drawn down at the end of the year.

(1) See Financial Glossary in the Annex.
(2) Net of Tsingshan's capital contributions for the Centenario project, which amounted to €321 million in 2023, including €250 million for CapEx and €71 million for OpEx.
(3) Excluding the impact of the devaluation of the ARS on the Centenario project CapEx (approximately €150 million at 100%), recognised in financial income, with no impact on the Group's FCF.
(4) Including €267 million in dividends paid.
(5) Net debt/Adjusted EBITDA.

1.2 Mining and Metals activity

1.2.1 Manganese activity

1.2.1.1 Highlights of the year

1.2.1.1.1 Key figures

Manganese Activity *(in millions of euros)*	FY 2023	FY 2022
Turnover	1,978	3,151
Manganese ore activity(1) (2)	1,089	1,527
Manganese alloys activity(1)	889	1,624
EBITDA	499	1,402
Manganese ore activity(1)	443	722
Manganese alloys activity(1)	55	680
Current operating income	361	1,255
Net cash flow generated by operating activities	328	1,124
Capital employed at start of year	1,456	1,246
Capital expenditure(3)	378	273

(1) See definition in Glossary.
(2) Turnover linked to external sales of manganese ore only, including €55 million linked to Setrag transport activity other than Comilog's ore (vs. €64 million in 2021).
(3) Excluding right-of-use assets per IFRS 16 (€7 million in 2023 compared with €4 million in 2022).

OPERATIONAL INDICATORS

Manganese Activity *(in thousands of tonnes)*	FY 2023	FY 2022
Manganese ore and sinter production	7,409	7,539
Volume of ore and sinter transported	6,623	7,167
External manganese ore sales	5,879	6,537
Manganese alloy production	635	677
Manganese alloy sales	640	698
Manganese ore FOB *cash cost ($/dmtu)*	2.2	2.3
Sea transport cost per tonne *($/dmtu)*	0.9	1.1

1.2.1.1.2 Operating performance

Given the particularly unfavourable price environment and a decline in sales volumes, the Manganese activity posted a lower EBITDA of €499 million in 2023 (-64%).

Volumes of ore produced at Moanda, Gabon, amounted to 7.4 Mt, more or less stable compared with 2022, thanks to record production in the second half of the year; volumes transported stood at 6.6 Mt (-8%), reflecting the impact of non-recurring logistical incidents in the first half of the year.

EBITDA from ore activity was down at €443 million[1] (-39%), reflecting a fall in market prices (-20% for CIF Chine 44% ore) and a decline in external sales volumes (-10%).

EBITDA for the alloys activity fell sharply to €55 million (-92%). This was reflected in the fall in sales prices, which contracted sharply after the record levels achieved in the first half of 2022, and a decline in sales volumes (-8%).

Activities

The expansion programme continued in Gabon in 2023, accompanied by operational improvement. The Moanda mine, the world's largest manganese mine, produce 7.4 Mt of ore in 2023, down 2% compared to 2022. After the first half of the year was disrupted by logistical incidents that have now been resolved (landslide at the end of 2022, breakage of an engineering structure at the beginning of April), production reached a new record in the second half of the year, with volumes up 22% to 4.8 Mt compared with the second half of 2022.

Volumes of ore transported reached 6.6 Mt, down 8% compared with 2022, including 3.8 Mt in the second half of the year (stable compared with the second half of 2022), for an annualised rate of 7.6 Mt.

The FOB cash cost[2] for the ore business was $2.2/dmtu, stable compared with 2022. The positive impact of a reduction in fixed costs and the gradual introduction of the three washing plants on the Okouma plateau was offset by lower volumes, combined with cost inflation (fuel, coke, Setrag rates) and an unfavourable exchange rate effect.

(1) Includes €17 million linked to Setrag transport activity other than Comilog's ore (€29 million in 2022)
(2) See Financial Glossary in the Annex. Cash cost calculated excluding sea transport and marketing costs.

Sea transport costs per tonne were down by around 20% to $0.9/dmtu.

Manganese alloy production was down 6% to 635 kt in 2023. This drop in production is linked to the value over volume strategy implemented to adapt to market conditions, but also to the scheduled rehabilitation of several furnaces during the year. Sales fell by 8% to 640 kt, with a more favourable mix over the year (higher proportion of refined alloys sold than in 2022).

The alloys margin, which was exceptionally high in 2022, fell sharply in 2023 as a result of lower sales prices, despite a decrease in energy and reducer costs, particularly in the second half of the year, which remains limited compared to the drop in prices.

Outlook

Global production of carbon steel is expected to increase slightly in 2024, in a context of relatively high energy costs. Only India, where Eramet has a strong presence, is expected to continue to post significant production growth, thanks to government investment in infrastructure and a still fast-growing automotive sector.

Demand for ore could decline slightly over the year, due to expected destocking of manganese alloys in China. Supply, meanwhile, is expected to fall in the first half of the year, with a shortfall in supply relative to demand expected over the year as a whole.

The market consensus, which is currently positioned at around $4.6/dmtu for 2024, with the first half of the year lower than the second, anticipates a fall of nearly 4% in the average manganese ore price index (CIF China 44%) compared with 2023.

Demand for alloys should be relatively stable, with a slight increase if steel production improves. Supply should continue to adjust accordingly, with several producers likely to resume production and the less competitive ones continuing to shut down.

After falling sharply until early 2024, invoiced selling prices for manganese alloys have recently seen an upturn in Europe, particularly in view of the conflict in the Red Sea, which is impacting logistics costs and delivery times for Asian producers in the short term.

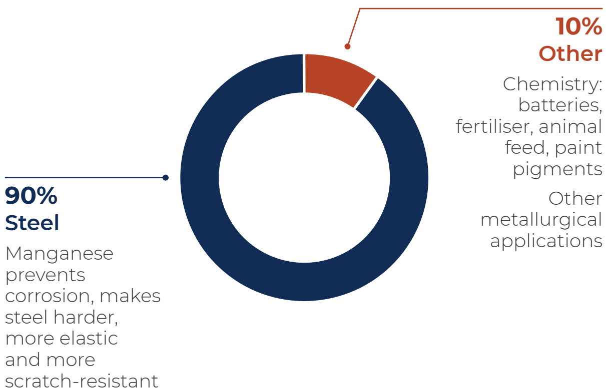
In Gabon, volumes of ore transported are expected to reach between 7.0 Mt and 7.7 Mt, given the renovation and maintenance work on the railway. Ore production will be adjusted to transport levels in order to limit mine inventories. The successful start-up of the modular washing plants and the conveyor on the Okouma plateau means that production capacity of more than 8 Mt per year is expected, along with productivity gains and a reduction in CO_2 emissions in 2024.

Alloy production is expected to reach around 700 kt per year and may be adjusted according to market conditions.

1.2.1.2 The manganese market

1.2.1.2.1 Main applications

Manganese applications



Source: Eramet.

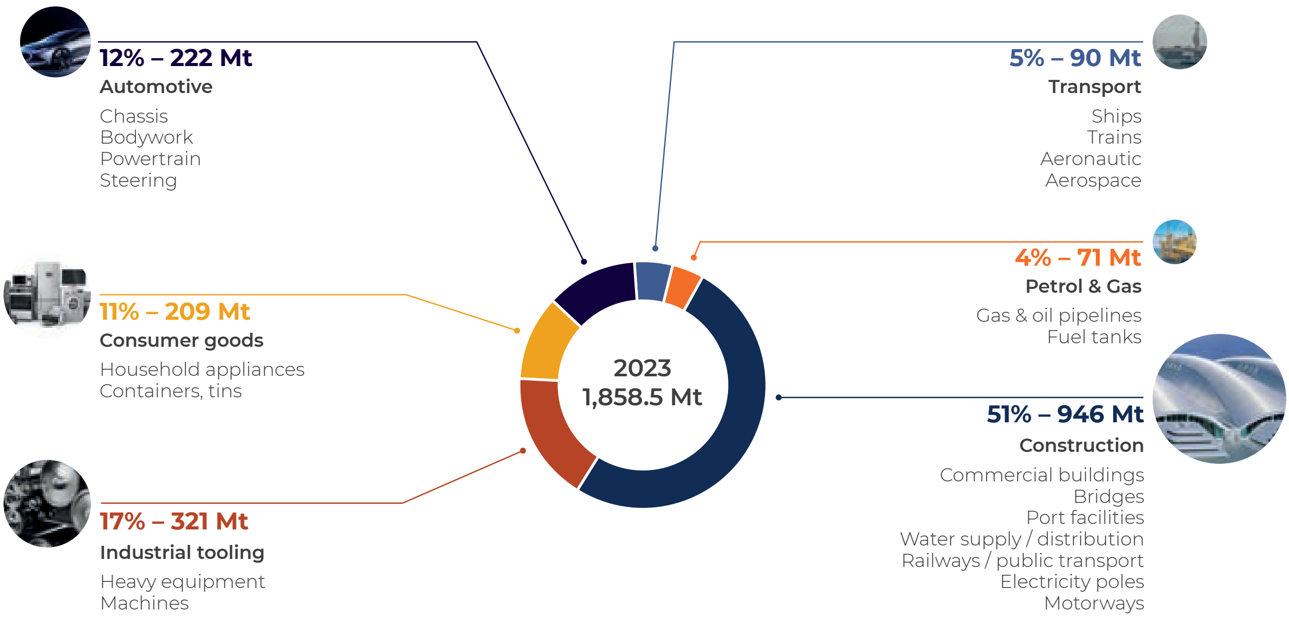
Steel, main application market with 90% of manganese used

All steel producers use manganese in their production processes – an average of 6-7 kg per tonne of steel, so that the steel takes on its usual properties. Manganese is used in steel mainly in the form of an alloy (ferromanganese or silicomanganese) with an average manganese content of 70% or in the form of manganese metal (pure manganese). Around 2.0 tonnes of manganese ore are required to produce one tonne of manganese alloy.

Manganese is mainly used as an alloying element to improve hardness, abrasion resistance, elasticity and surface condition for rolling. As an alloy element, it cannot be replaced by other non-ferrous metals. It is also used for deoxidation and desulphurisation during production.

The end uses are mostly construction and transportation/ transport infrastructure. Carbon steel, the main outlet for manganese, is an essential material for the construction of modern buildings. The manganese is used, for example, to make reinforced concrete rods more rigid and more resistant, and to manufacture quick steel used in making cutting tools for mechanical industries. In the transportation area, manganese steels are appreciated for their strong resistance to wear and tear and deformation. They are used to manufacture an entire series of railway infrastructure parts because they can withstand the weight of trains and avoid the distortion of tracks. Manganese is widely used by the automotive industry for the same properties.

The primary uses for stainless steel are:



Source: World Steel Association, Eramet.

Other applications

- Batteries: mainly alkaline batteries. Manganese is also a key element of cathodes for lithium-ion batteries;
- Ferrites: used in electronic circuits;
- Agriculture: fertiliser and animal feed;
- Other uses in chemistry: pigments, fine chemicals.

1.2.1.2.2 Manganese demand

Manganese demand thus depends very heavily on trends in global carbon steel production and particularly on China, which alone is responsible for more than half of global production. The economic take-off of China, which has experienced rapid urbanisation with growing demand on its infrastructure, has also contributed significantly to the long period of strong growth in steel production and demand for manganese over the last two decades.

Steel production in 2023 was very irregular across the world:

Europe saw a sharp decline in steel production (-7.5%), reflecting very weak demand. The market was hit by a decline in industrial operations due to high inflation, which reduced demand and led to very high production costs. However, production volumes remained more stable in some major steel producers, such as the United States (+0.1%), and even increased in Russia (+5.6%) thanks to government measures to stimulate the construction market.

China led growth in global production, as did India, where local demand continues to rise sharply (production increased by 11.8% in 2023), thanks to government investment in infrastructure and a fast-growing automotive sector. However, this was not the case in the rest of Asia, which was forced to slow production in the face of weak demand and high production costs. Competition from China, whose exports have increased due to sluggish domestic demand, has also weighed on these countries. Chinese steel exports are even reaching South America, where some local producers in Brazil are currently in talks with the government about introducing a 25% import tax to protect domestic steel demand.

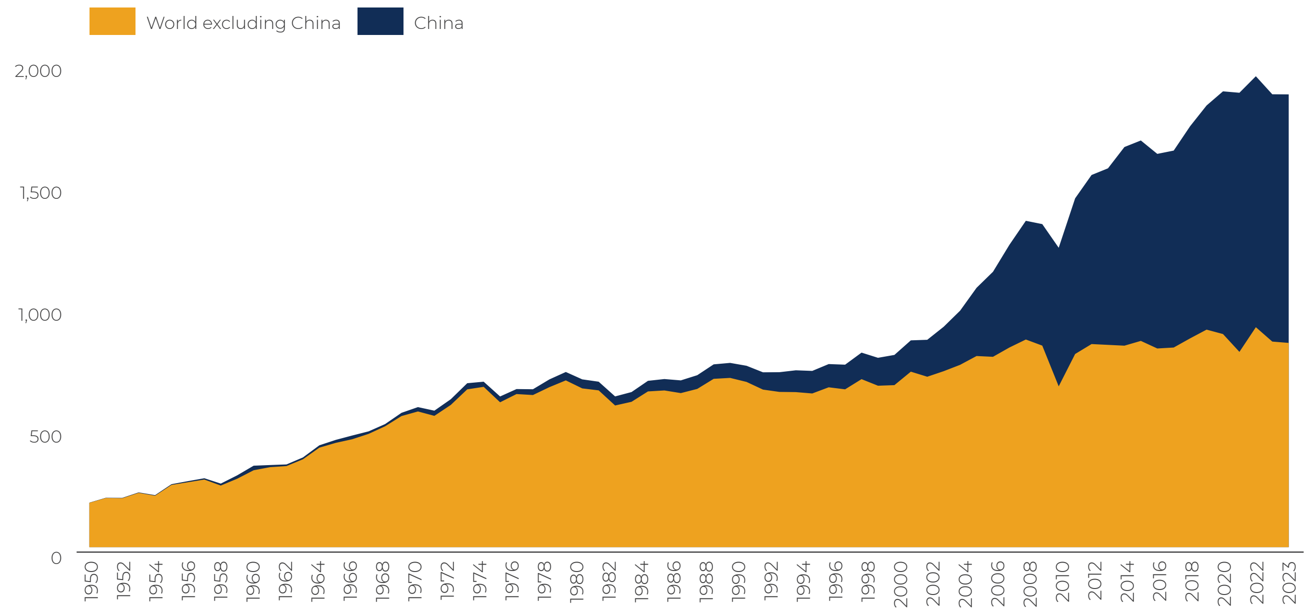
These highly contrasting variations on the global scale have resulted in an estimated 1,858.5 Mt of overall steel production in 2023, an increase of 0.3% compared to 2022. Chinese production thus increased by 0.6%, while the rest of the world saw a decline of only 0.1%.

BREAKDOWN OF CRUDE STEEL PRODUCTION

Global production of crude steel	Volumes *(in millions of tonnes)*					% annual growth				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
China	996.3	1,063.7	1,030.2	1,015.1	1,020.2	8.3%	6.8%	-3.2%	-1.5%	0.6%
Other Asia and Oceania	241.3	218.5	244.6	227.8	222.3	-1.7%	-9.4%	11.9%	-6.9%	-2.4%
India	111.2	100.3	117.9	125.4	140.1	1.8%	-9.9%	17.6%	6.3%	11.8%
European Union	158.3	138.8	160.1	136.9	126.6	-6.1%	-12.3%	15.4%	-14.5%	-7.5%
North America	119.7	101.1	117.5	110.7	109.7	-1.0%	-15.5%	16.2%	-5.8%	-0.9%
CIS	100.6	101.8	105.5	85.5	89.5	-0.3%	1.2%	3.6%	-18.9%	4.7%
Middle East	40.1	41.0	40.6	44.6	45.9	11.4%	2.0%	-0.9%	9.7%	3.0%
Other Europe (including Turkey)	45.6	46.8	52.2	45.7	43.5	-7.4%	2.7%	11.5%	-12.3%	-4.9%
South America	41.7	38.3	45.4	43.8	41.0	-7.4%	-8.2%	18.6%	-3.6%	-6.3%
Africa	16.4	15.2	19.2	18.3	19.7	-7.4%	-7.3%	26.5%	-4.9%	7.6%
COUNTRY	**1,871.1**	**1,865.3**	**1,933.1**	**1,853.6**	**1,858.5**	**3.2%**	**-0.3%**	**3.6%**	**-4.1%**	**0.3%**

Source: World Steel Association, Eramet, January 2024.

▼ **Trends in global crude steel production** *(in millions of tonnes)*



Source: World Steel Association, Eramet. January 2024.

1.2.1.2.3 Manganese supply

Manganese ore

The supply of ore is made up of ores of varying qualities. A distinction is made between the supply of medium- to high-grade ore with more than 25% manganese content, which is profitable to transport and export (these ore flows are classified as seaborne), and the supply of low-grade ore, which is consumed and transformed locally. Among the exportable ores, there are two categories: the supply of "high-grade" ore (more than 40% manganese content) and the supply of medium-grade ore (between 30% and 40% manganese content), most of which is commonly known as "semi-carbonate". Although all these grades of ore are used in combination by alloy producers, high-grade ore has a use value far greater than that of its high manganese content alone: its mineralogical characteristics allow a reduction in the electricity and reducers (metallurgical coke) used during processing. The increasing constraints on energy supply and carbon impact should allow a strengthening of this use value of high-grade ores in the future.

Global ore production in 2023 was estimated at approximately 20.6 million tonnes of manganese content. This production is concentrated in three countries that account for three quarters of the ore supply and are its main source of growth: South Africa represents nearly 40% of the global supply, Gabon nearly 20% and Australia nearly 15%, although the types of deposits vary.

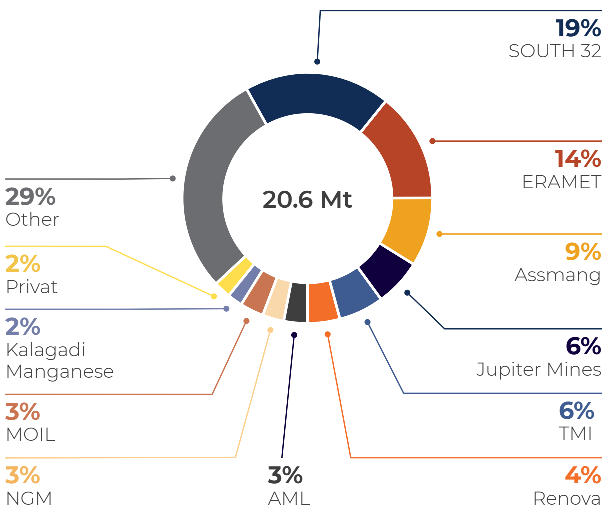
Australia and Gabon are the main producers of high-grade ore thanks to their rich and shallow deposits, giving them a high degree of competitiveness regardless of the market situation. South Africa has the largest ore reserves in the world, but these consist mainly of medium-grade semi-carbonate ore at depth and with limited logistics. As a result, South African mining production, although growing over time, must adapt to changes in prices and production costs.

MANGANESE ORE PRODUCTION *(in millions of tonnes content)*

	2018	2019	2020	2021	2022	2023
South Africa	6.6	7.2	7.7	8.2	7.9	8.1
Gabon	2.3	2.6	3.3	3.7	4.2	3.9
Australia	3.5	3.1	3.2	3.1	2.9	3.0
China	1.5	1.5	1.4	1.3	1.1	1.0
India	1.0	1.0	0.8	0.9	1.0	1.1
Ghana	1.1	1.5	0.7	0.7	0.8	0.8
Brazil	1.2	1.7	1.2	0.7	0.5	0.8
Ukraine	0.5	0.4	0.4	0.6	0.4	0.2
Côte d'Ivoire	0.4	0.4	0.6	0.4	0.4	0.3
Myanmar	0.2	0.3	0.2	0.2	0.2	0.1
Other	1.2	1.3	1.1	1.1	1.2	1.3
WORLDWIDE	**19.5**	**21.2**	**20.6**	**20.9**	**20.6**	**20.6**

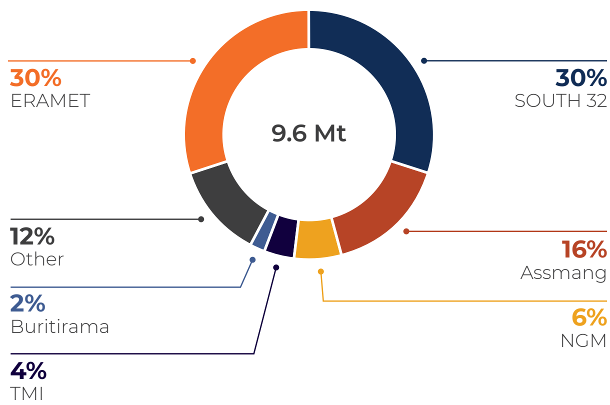
Source: Eramet, January 2024.

▼ Estimated manganese ore production by player



Source: Eramet, January 2024.

▼ High-grade manganese ore production by player



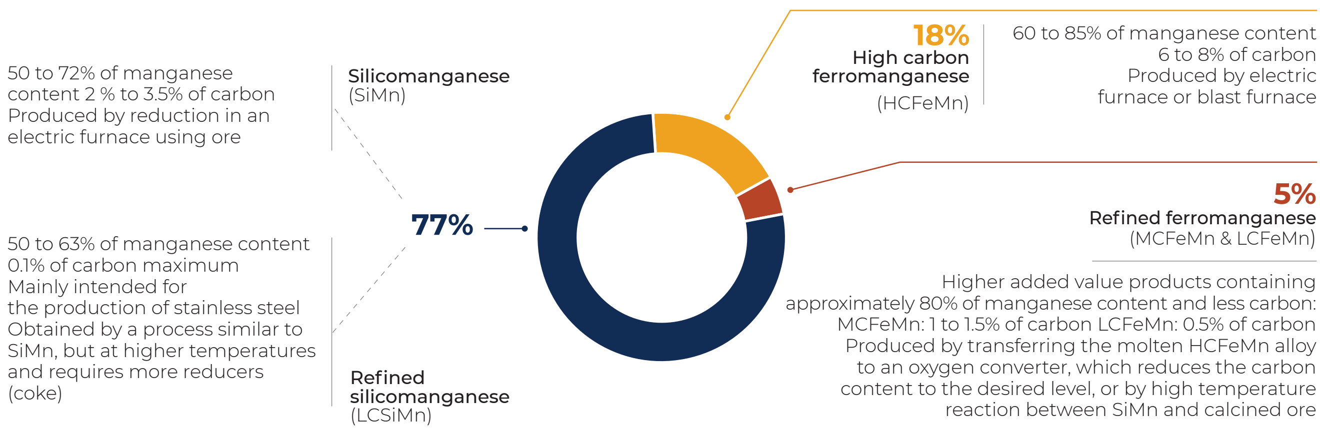
Source: Eramet, January 2024.

Thanks to its Moanda mine in Gabon, Eramet is the world's largest producer of high-grade ore and the second-largest producer of manganese ore of all grades.

Manganese alloys

Manganese alloys are produced by smelting manganese ore at a temperature of around 1,600°C. This operation, known as metallurgical reduction, is carried out by adding metallurgical coke to the furnaces, most of which are electric. However, some producers, mainly based in China, use blast furnaces, but this process is used less and less.

▾ Manganese alloy families



Source: Eramet.

	2019	2020	2021	2022	2023
China	14.8	15.0	14.2	14.1	15.7
India	2.5	2.4	3.2	3.3	3.6
Russia	0.6	0.6	0.6	0.6	0.7
Norway	0.7	0.6	0.7	0.7	0.6
Malaysia	0.6	0.5	0.5	0.7	0.5
South Korea	0.6	0.5	0.6	0.6	0.4
Japan	0.5	0.5	0.5	0.6	0.4
Ukraine	0.9	0.6	0.8	0.4	0.3
Brazil	0.3	0.2	0.3	0.4	0.3
South Africa	0.4	0.3	0.3	0.3	0.2
Other	1.9	1.7	2.0	1.8	1.7
WORLDWIDE	**23.9**	**22.9**	**23.8**	**23.4**	**24.4**

Source: Eramet, January 2024.

BREAKDOWN OF GLOBAL MANGANESE ALLOY PRODUCTION BY PRODUCT TYPE

	2019	2020	2021	2022	2023
Silicomanganese (of which refined)[1]	76%	78%	77%	75%	77%
High-carbon ferromanganese	18%	16%	17%	22%	18%
Refined ferromanganese	6%	5%	6%	3%	5%

Source: Eramet, January 2024.

(1) We currently do not have sufficient information to distinguish between volumes of refined silicomanganese compared with those of standard grade silicomanganese.

Silicomanganese has experienced the strongest growth of all the standard alloys. The availability in China (as well as in India and Ukraine) of local low-grade ore, which can more easily be used to produce silicomanganese, has favoured its development. However, low-grade ores are always mixed with rich imported ores in an ongoing attempt to achieve a price/performance balance. Lastly, silicomanganese is preferred for construction steels, a predominant activity in China over the last decade.

The Chinese market is characterised by a very large number of alloy producers that are very dependent on high-grade imported ores, which consume more than 60% of global seaborne ore. As a result of the introduction of export taxes in 2008, China is not a significant player in the international alloy market, unlike India, which is a major exporter of commodities (SiMn and HCFeMn). However, the Chinese export tax was lifted in 2012 for Electrolytic Manganese Metal, a competitive product to refined alloys.

Refined alloys account for a low share of global alloy production, but are higher added-value products due to their low carbon and high manganese content, which makes them particularly suitable for more demanding steel markets such as the energy and automotive markets.

Manganese metal

Manganese metal is produced using a hydrometallurgical process during electrolysis (Electrolytic Manganese Metal or EMM). It is an extremely pure manganese product (over 99%), generally produced in the form of flakes. Since the hydrometallurgical process is adapted to the treatment of low-grade ores, EMM production is concentrated in China, the main exporter of metal with a traditionally very fragmented industry, but which has been highly concentrated in the last five years with the emergence of one producer that alone accounts for more than 50% of global EMM production capacity.

The main markets for manganese metal are carbon steel, stainless steel and aluminium alloy production. Global manganese metal production varies between 1 and 1.6 Mt annually, depending on the year.

Manganese oxide

Manganese oxide is obtained by a process of reducing manganese dioxide or by a process of calcining manganese carbonate. It is mainly used as an input for fertilisers, animal feed and welding, or as an intermediate product for the battery market. These markets are expected to remain relatively stable over the next few years. Meanwhile, there has been very strong growth in manganese oxide for rechargeable batteries, driven by NMC cathode technology[1]. This sector is expected to grow strongly in the coming years.

1.2.1.2.4 Price

Formation and monitoring of manganese ore prices

The sale price of manganese ore is usually expressed in USD/dmtu (dry metric tonne unit). The dmtu price is higher for high-grade ores, and also depends on particle size and the possible presence of impurities.

There are currently two reference indices for manganese ore prices: CRU and Fastmarkets. These two independent companies are specialised in the analysis and publication of reference prices for the mining and metal products markets. The prices are referenced for two ore grades: 44% and 37% of manganese for the different Incoterms® [2]. The Free On Board (FOB) reference indicates that the transfer of the seller's costs and risks to the purchase occurs when the good is loaded on board the ship at the port of embarkation. The CIF (Cost Insurance and Freight) indicates that the seller bears the shipping costs to the destination indicated by the Incoterms®, and is required to take out insurance covering the risks linked to the transportation of goods to the specified location.

Manganese ore is transported in bulk in ore carriers. The Baltic Dry Index (BDI) serves as a reference index for the price of dry bulk sea transport (mainly ore, coal and grains). The index is published by an independent organisation based in London – the Baltic Exchange – and is established on the basis of information provided by an international panel of maritime brokers on the most recent contracts concluded. It is divided into several other indices according to the size of the ships.

Manganese ore prices are set by over-the-counter negotiations between market stakeholders (producers, consumers, traders). These negotiations are generally conducted on a monthly basis, primarily with Chinese players, who account for nearly 60% of the volumes traded worldwide.

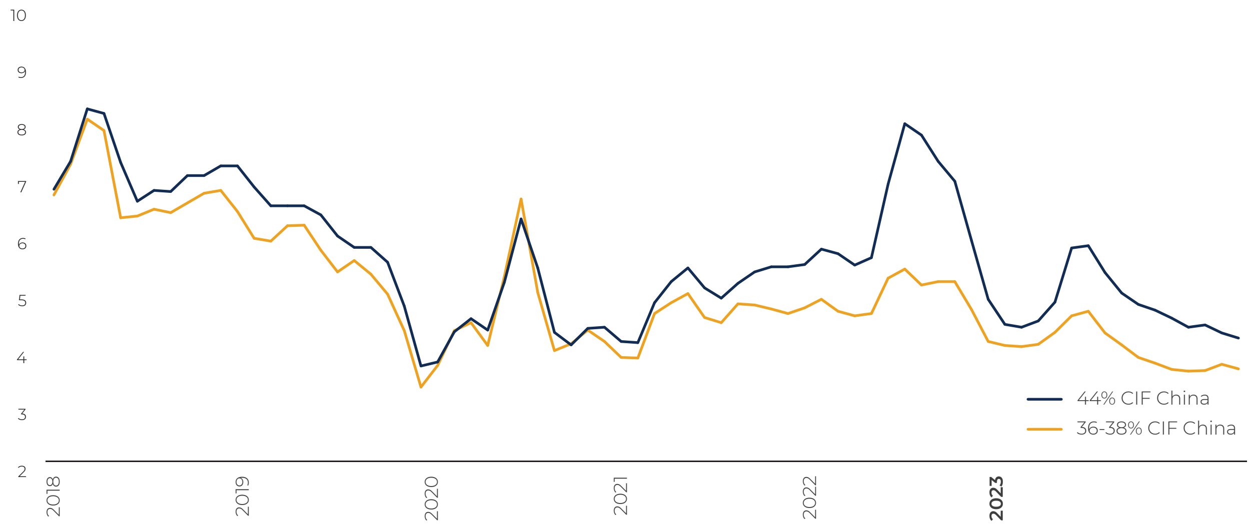
Given the sea journey between Gabon and the ports of destination, the invoiced price is behind the spot price by around a month.

These prices are then applied in the secondary markets, accompanied by premiums or discounts. However, longer-term contracts can stipulate guaranteed sales volumes for multiple players. Chinese players are likely to continue to play this role due to the advanced development of the Chinese market (port market, numerous intermediaries, financial derivatives on silicomanganese).

The gap between the referenced prices for 44% and 37% manganese ore grades makes it possible to assess the valuation difference between high-grade and semi-carbonate ore, linked among other things to energy prices and constraints on the availability of these grades.

(1) NMC (nickel manganese cobalt) batteries: Li-ion batteries containing these three elements.
(2) Incoterms®: Standardised term which defines the seller's and buyer's respective obligations and responsibilities, in international trade.

▾ Monthly price of manganese ore 44% CIF China *(USD/dmtu)*



Source: CRU.

Formation and monitoring of manganese alloy prices

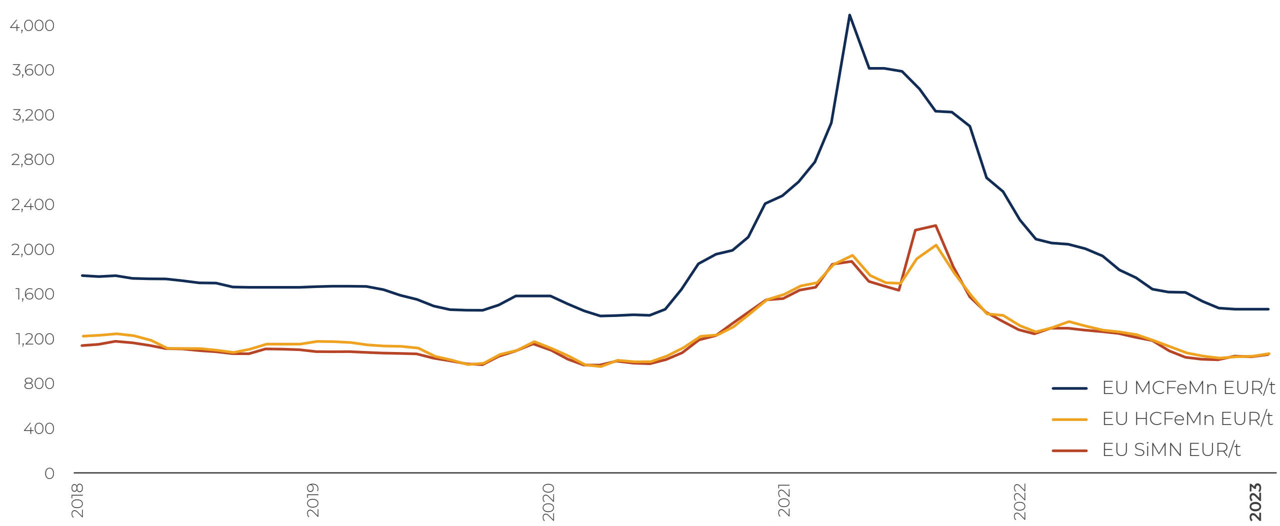
There is no market as such for manganese alloys, except in China. Prices are negotiated directly between producers and customers. As far as scheduled sales are concerned, alloy prices are often negotiated on a quarterly basis. Non-scheduled sales are often negotiated on the basis of spot prices.

The manganese alloys market is a global market by nature, but with strong regional trends. China is generally a closed market due to a prohibitive export tax; only international prices that are much higher than local prices result in exports. The Asian markets are less attractive because they are extremely competitive. The European market has moderate import taxes and attracts few Asian imports, other than from India. Finally, the North American market is the most isolated, relying mainly on imports (lack of significant local supply) and showing somewhat higher average prices than the rest of the world due to the remoteness of suppliers and high transport costs.

The different alloy families have price differences related to their use value and their content of certain chemical elements critical to steel, such as carbon and phosphorus. In this regard, refined alloys in particular command a much higher sale price than standard alloys.

There are several reference indices which are used to track trends in manganese alloy prices using weekly to monthly spot price surveys. Market players (buyers and sellers) mostly use the CRU and to a lesser extent Fastmarkets.

▾ Price of manganese alloys in Europe *(€/tonne)*



Source: CRU.

Generally speaking, fluctuations in the price of manganese alloys reflect those of ore and/or steel. However, the ability of producers to preserve their margins largely depends on supply and demand regional balances for each type of alloy.

1.2.1.2.5 Recent trend and growth outlook

In 2023, global manganese ore production was 20.6 million tonnes of manganese content, stable compared with 2022. While Gabon suffered a setback following logistical incidents and production in Ukraine was affected by the war, Brazil and South Africa returned to their 2021 export levels: Brazil has seen a resurgence in exports from the Para region (+60%), while South Africa is currently limited by the country's port capacities.

Ore inventories in Chinese ports amounted to around 6.5 million tonnes at the end of 2023, up compared with the end of 2022, due in particular to a fall in global demand for manganese ore in 2023.

The first half of 2023 was marked by an increase in manganese ore prices following the landslide in Gabon at the end of December 2022, which damaged the country's only railway line (Transgabonais), affecting the transport and shipments of locally produced ore. This event weighed on high-grade ore supply forecasts, prompting alloy producers to secure their volumes at a higher price. Subsequently, weakened demand for ore with a stable supply pushed prices down throughout the second half of the year. Thus, the average ore price over the year was 4.8 USD/dmtu (44% Mn CIF China), down 19.6% compared with 2023.

Silicomanganese prices stabilised at €945/tonne at the end of the year, representing a 20% fall compared with the start of 2023, and a 57% fall from their all-time high in 2022. However, these prices have recently rebounded to €1,105/tonne following the conflict in the Red Sea, which is impacting logistics costs and creating a short-term supply deficit.

High-carbon and medium-carbon ferromanganese suffered similar declines due to various factors, including the fall in general demand and strong competition from India, whose manganese alloy production capacity has increased sharply over the past three years.

Despite recent events and rising prices in the short term, market players are not expecting a major upturn in demand, as market dynamics remain unchanged against a backdrop of inflation and relatively high energy costs (forcing many steelmakers to halt production). A recovery in demand may occur if the ongoing deceleration in inflation leads to a drop in interest rates, thereby boosting the economy.

1.2.1.3 Manganese activity overview

1.2.1.3.1 Structure and positioning

The Manganese Activity combines the ore extraction activities in Gabon, its transportation by rail, including the other transport activities linked to the Trans-Gabonese railway concession and its loading at the port. This activity also includes manganese ore processing activities, essentially in the form of manganese alloys for the steel industry.

It includes several companies:

- Comilog a company operating under Gabonese law, is 63.71% owned by Eramet. Its activities mainly include: the operation of the mine, the manganese ore sintering plant and manganese alloys production, in Moanda (Gabon);
- Setrag (a subsidiary of Comilog), concession holder of the Trans-Gabonese railway;
- Comilog Dunkerque (a subsidiary of Comilog) which produces manganese alloys in France;
- Eramet Norway has three alloy plants in Porsgrunn, Sauda and Kvinesdal (Norway);
- Eramet Marietta, which runs a manganese alloy plant in the United States.

Eramet is a leading global player in the manganese industry, in both mining extraction and ore processing:

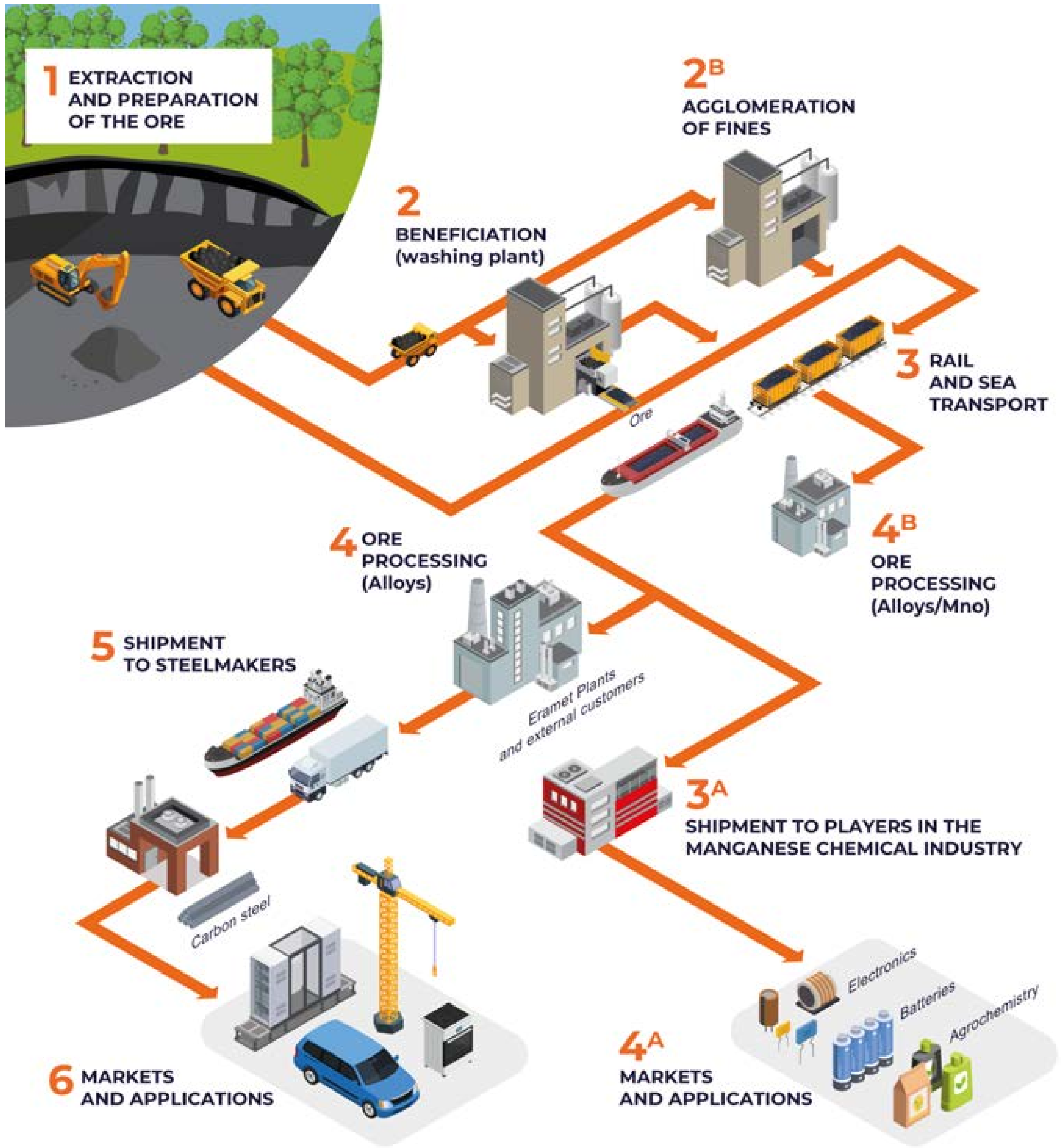
- the Moanda mine is the world's largest manganese mine, and overall the Group is the world's second-largest producer of manganese ore (market share of 14%), but the largest producer of high-grade ore (market share of 30%);
- the largest producer of refined alloys, which are higher value-added products, and the world's second-largest producer of manganese alloys.

Thanks to its industrial presence and its very comprehensive range of products, the Manganese Activity, backed by the Group's commercial network, can offer a flexible response to the various manganese-related needs of its customers.

1.2.1.3.2 Activities and products

Manganese mining activities and processing (manganese alloys)

▾ Illustration of the stages involved in manganese ore processing activities at Eramet



MANGANESE ORE PRODUCTION

(thousands of tonnes)	2023	2022	2021	2020	2019
Manganese ore and sinter production	7,409	7,539	7,024	5,803	4,765

The mine

The Moanda deposits are among the richest manganese deposits in the world. The commercial ore content averages about 45%. The mine's reserves and resources are discussed at the end of this section.

Mining operations are carried out in open pits. The layer of overburden covering the ore is a few metres thick. The extracted ore is processed either *via* mobile crushing and screening units or *via* a stationary crushing and washing unit. The resulting ore is transported by conveyor or lorry to Moanda railway station.

The enrichment and sintering plant

The Moanda industrial complex (CIM) processes the fine by-products of beneficiation, as well as manganeferous sediments extracted from the Moulili River. Finished products are enriched to increase their manganese content from 35% to a little over 50%. Part of the concentrates produced by this process is sold directly, while the rest is mixed with coke and sintered at a temperature of 1,300°C to achieve a product with approximately 56% manganese content. The sinter plant has a production capacity of 650,000 tonnes per year. The sintered product is mainly intended for melting in furnaces (Eramet plant and external customers) for transformation into manganese alloys.

Logistics

The Trans-Gabon Railway (Setrag, a 51% subsidiary of Comilog since the end of January 2022) transports Comilog's manganese ore and that of other ore producers, as well as wood, general cargo and passengers, between Franceville and Libreville, a distance of more than 600 kilometres. Comilog owns and operates its own locomotives and goods wagons.

In November 2021, Meridiam, a private investor[(1)], entered Setrag's capital through a capital increase of approximately €30 million, which gave it a 40% shareholding in the subsidiary. As well as its capital contribution, Meridiam has also undertaken to contribute around €40 million to the financing of Setrag and to provide its railway expertise to ensure the future development of the Trans-Gabon railway. As part of the agreement signed between the parties, the Gabonese State also acquired a 9% holding in the subsidiary in January 2022 and an amendment to the Trans-Gabon rail concession contract was signed, extending its duration by 10 years.

The concession, which was obtained in November 2005 for a period of 30 years, secures the connections and ensures the shipment of rapidly growing quantities of ore. In 2016, the Company embarked on a major railway renovation and operational progress programme which will take nearly 10 years, the first stages of which have already allowed it to make significant progress in terms of logistics.

Through its subsidiary, Port Minéralier d'Owendo, Comilog is a concession holder for its ore carrier port, the port of Owendo, with a storage capacity equal to roughly one month's production. The port can accommodate 55,000 tonne ships and load them in three days.

An optimised transshipment solution allowing the sea transport of manganese ore by larger vessels was deployed at the beginning of 2022. As such, the loading of Capesize vessels (200,000 tonne ships) is helping to reduce sea transport costs for manganese ore.

Manganese alloy production

Eramet is the world's leading producer of refined alloys. Eramet produces a very extensive range of alloys and standard products (high-carbon ferromanganese, silicomanganese), but also so-called refined products (medium and low-carbon ferromanganese, low-carbon silicomanganese) with high value added. Since 2014, the Moanda metallurgical complex in Gabon (C2M) supplements this production. C2M produces silicomanganese through ore melting. In Europe, Eramet is a major manganese alloys player, thanks to its three plants in Norway and France-based plant (Dunkirk). These plants' electricity sources (nuclear and hydroelectric) allow it to produce alloys with a particularly low carbon footprint. In the United States, Eramet is also the leading producer of manganese alloys (Marietta site, Ohio).

Production of manganese oxide (MnO)

The C2M has four rotary furnaces producing MnO with a nominal capacity of almost 46,000 tonnes per year. Since 2021, Eramet has sold MnO on the agricultural, animal feed and battery markets.

MANGANESE ALLOY AND MANGANESE OXIDE PRODUCTION

(thousands of tonnes)	2023	2022	2021	2020	2019
High-carbon ferromanganese	61	85	67	83	83
Standard silicomanganese	238	273	276	251	229
Refined alloys and manganese metal	336	319	404	363	428
Manganese oxide (MnO)	9	7	5	-	-
TOTAL	**644**	**683**	**752**	**698**	**740**

(1) *Meridiam is an investment fund specialising in the long-term management of sustainable public infrastructure.*

MANGANESE ALLOY AND MANGANESE OXIDE PRODUCTION SITES

Site	Country	Production capacity	Type of furnace	Income
Dunkirk	France	70 kt	Electric furnace	SiMn
Sauda	Norway	220 kt	Electric furnace	HC, MC, LC FeMn
Porsgrunn	Norway	170 kt	Electric furnace	HC, MC, LC FeMn, SiMn
Kvinesdal	Norway	165 kt	Electric furnace	SiMn, LC SiMn
Marietta	United States	120 kt	Electric furnace	HC, MC, LC FeMn, SiMn
Moanda	Gabon	65 kt	Electric furnace	SiMn
		46 kt	Rotary furnace	MnO

1.2.1.3.3 Capital expenditure

(in millions of euros)	2023	2022	2021	2020	2019
Capital expenditure Mines and Plants	327	227	211	154	184
Trans-Gabonese Remedial Investment Plan	51	46	33	42	50

In 2023, the Manganese Activity implemented an investment programme for a higher amount than in 2022, aimed in particular at increasing Comilog's ore production capacity as well as the related logistics chain.

Total investment expenses dedicated to the organic growth of Comilog in terms of production but also transport, very profitable with a very rapid ROI, amounted to around €130 million in 2023. These investments are part of a modular programme.

Investments of around €50 million have been made to continue strengthening transport capacity (wagon delivery, preparation and repair work on storage and loading areas).

Comilog also carried out environmental and societal projects. In 2023, Eramet committed to an investment to improve the quality of airborne emissions of the CIM (REACIM project). This investment will be staggered until 2025 when all its functions will be commissioned.

Routine investments for maintaining existing facilities and the studies necessary for future developments (integrated planning of operations, upgrading of port facilities, construction of waste storage capacity and additional studies of the organic growth programme) account for the rest of the investments.

Within the manganese alloys plants, the main investments were devoted to maintaining the main production tools. In particular, this included three furnace rehabilitations at the Sauda (Norway), Marietta (United States) and Dunkirk (France) plants (the latter to be completed in the first quarter of 2024). In 2023, Eramet began converting the pilot project started in 2021 at the Sauda plant to its industrial phase, to recover the thermal energy contained in the gases from melting furnaces in the form of electricity (Energy Recovery Unit (ERU) project). The ERU project is currently under construction, with commissioning scheduled for 2024.

Trans-Gabonese Remedial Investment Plan

The aim of Setrag's Remedial Investment Plan is to restore and then increase the original transport capacity of the Trans-Gabonese railway. A multi-year remedial investment plan for the railway has been implemented, and 2023 saw ongoing work to consolidate the rail platform (work carried out by the Gabonese State), work to renovate the track superstructure (rails, tracks, ballast) and the installation and coming on stream of equipment required for the new Train Controlling System (TCS).

In 2023, efforts to structure renovation work focused on rail changes, with 30 km replaced in 2023 (65% more compared to 2022).

Spread out over almost 10 years, the cost of this operation is approximately €500 million, of which €150 million by the Gabonese government. The remainder will be borne by Setrag, which benefits from several tranches of international financing obtained via IFC (World Bank) and Proparco (subsidiary of the French Development Agency), with Comilog's guarantee.

In addition to this project, investments were made to improve safety (particularly by closing off the area and building pedestrian walkways over the tracks), reduce the environmental impact and boost productivity.

1.2.1.3.4 Strategic growth projects

Organic growth – Manganese ore

Against the current economic backdrop, the industry's efforts to save energy and reduce emissions are pushing towards increased consumption of high-grade ore and towards "green steel", which will allow Eramet to capture more value in manganese over the next few years.

The Moanda mine, operated by Eramet in Gabon, is currently the world's largest high-grade manganese mine. Its significant reserves suggest that the mine will be able to continue its growth plan over many years.

The 2023 commissioning of the fixed modular washing plants and the conveyor linking the Okouma deposit to the ore station should support organic growth in ore volumes in 2024, and help to reduce the mine's cash costs.

Investments aimed at continuing but also sustaining the growth in the production and transport of ore are likely to amount to around €150 million in 2024.

Eramet will also continue to develop ore production and transport with the following objectives:

- maintain a cash cost in the top quartile of the cost curve;
- **8.5 Mt** of manganese ore produced and transported **per year by 2026** (targeting around 40% market share in high-grade ore), with **capacity increased to over 10 Mt** per year **in the longer term.**

Value Over Volume – manganese alloys

The manganese alloys market is cyclical and requires a high degree of adaptability to make the most of its upswings and protect against its downswings.

The recent health and energy crises, linked to global geopolitical imbalances, have made it necessary for the production system to be more agile and flexible in order to remain profitable.

In an unbalanced market, the ability to adapt supply in terms of alloy type and quality and to adjust volumes to demand quickly by dynamically managing the projected margin in line with changes in energy and raw material supply costs are the main areas of focus of the Eramet Manganese Alloys Division's development strategy.

The strategy pursued in 2023, which sometimes involved shedding production capacity to boost operating margins, either by selling energy or by maintaining quotas at negotiated rates, will be continued in 2024. Focus continues to be placed on creating value rather than achieving volume, by limiting the impact on contracted sales and by dynamically and opportunistically arbitrating production start-ups for spot markets.

Eramet also aims to develop low-emission products to create value through the development of "green steel", while prioritising a value over volumes strategy, with the following objectives for 2026:

- #1 in refined alloys, which account for around 50% of the Group's total alloy production and have a higher margin than other alloys;
- short-term production target adjusted according to market demand and margin levels, with a capacity of 800 kt per year;
- become a choice supplier for green steel produced in Europe and North America, capitalising on Eramet's carbon footprint, which is already 60% lower than the industry average, and on the Group's future decarbonisation projects.

1.2.2 Nickel activity

1.2.2.1 Highlights of the year

1.2.2.1.1 Key figures

Nickel Activity *(in millions of euros)*	FY 2023	FY 2022[5]
Adjusted turnover[1]	1,567	1,763
Weda Bay – 38.7% share[2]	*573*	*371*
Weda Bay – Off-take contract	*178*	*278*
SLN[3]	*815*	*1,115*
Adjusted EBITDA	305	430
Weda Bay – 38.7% share[2]	*425*	*344*
Weda Bay – Off-take contract	*8*	*11*
SLN[3]	*(124)*	*75*
Others & projects	*(4)*	*0*
Current operating income	(146)	14
Net cash flow generated by operating activities	(19)	0
Capital employed at start of year	346	579
Capital expenditure[4]	20	85

(1) *Adjusted turnover and EBITDA including the proportional contribution of* Weda Bay. *Definition of adjusted turnover and EBITDA, the Group's Alternative Performance Indicators, presented in the financial glossary.*
(2) *Excluding off-take contract.*
(3) *SLN and others.*
(4) *Excluding right-of-use assets per IFRS 16 (€3 million in 2023 compared with €18 million in 2022).*
(5) *Excluding Sandouville, sold on 4 February 2022, which, pursuant to IFRS 5 "Non-current assets held for sale and discontinued operations", is presented as an activity sold or held for sale in 2022.*

OPERATIONAL INDICATORS

	FY 2023	FY 2022
WEDA BAY NICKEL (INDONESIA)		
Marketable nickel ore production – high-grade saprolite *(millions of wet tonnes – 100%)*	16.9	15.1
Production of low-grade nickel ferroalloys *(in thousands of tonnes of nickel content – 100%)*	33.4	36.6
Sales of nickel ore *(in millions of wet tonnes – 100%)*	33.2	18.0
Including:		
• Saprolite	32.1	15.1
• Limonite	1.0	0
Sales of low-grade nickel ferroalloys *(in thousands of tonnes of nickel content – Eramet off-take)*	14.3	15.8
SLN (NEW CALEDONIA)		
Nickel ore production *(in millions of wet tonnes)*	5.8	5.4
Nickel ore sales *(in millions of wet tonnes)*	2.7	3.0
Ferronickel production *(in thousands of tonnes of nickel content)*	44.8	40.9
Ferronickel sales *(in thousands of tonnes of nickel content)*	44.4	41.3

1.2.2.1.2 Operating performance

In 2023, the Weda Bay mine in Indonesia continued its ramp-up, with external sales of 33.2 Mth of ore, up 85% compared to 2022.

Weda Bay's contribution to the Group's EBITDA (Eramet's 38.7% share) rose by 24% to €425 million, thanks to an excellent operating performance at the mine, in terms of both ore volumes and quality, with a positive impact on selling prices.

Despite an improved operating performance, SLN's EBITDA[1] fell sharply to -€124 million, reflecting a sharply deteriorated pricing environment.

Activities

In Indonesia, the Weda Bay mine set a new record with 36.3 Mth of nickel ore sold in 2023 (100%), representing an increase of 72% compared to 2022.

External ore sales[2] reached 33.2 Mth (+85%), including 32.2 Mth of saprolite (including 14.4 Mth of high-grade saprolite) and around 1.0 Mth of limonite. Internal consumption for NPI production amounted to 3.1 Mth over the year.

The plant's production was 33.4 kt-Ni of NPI in 2023 (100% basis), down 9%, due to furnace maintenance work and electricity supply constraints on the industrial estate in the first half of the year. Volumes sold by Eramet under the off-take contract, i.e. 14.3 Kt-Ni (-9%), contributed €178 million to Group turnover in 2023, down 36% due to lower volumes and an unfavourable price environment.

The mine's cash cost remains positioned in the first quartile of the cost curve. As a result, mining activity accounts for around 85% to 95% of the EBITDA of the PT Weda Bay Nickel joint venture.

Weda Bay's operating performance once again made a major contribution of €280 million to the Group's FCF over the period, including €267 million in dividends.

In New Caledonia, mining production reached a record high of 5.8 Mth in 2023 (+7%), reflecting better weather conditions and improved availability and utilisation of mining machinery.

Exports of low-grade nickel ore fell by 9% to almost 2.7 Mth, due to difficulties in obtaining operating permits (activity shut-down at the Poum site since August, restrictions at other mines) and continuing social difficulties.

Ferronickel production and sales rose to 44.8 kt-Ni (+10%) and 44.4 kt-Ni (+8%) respectively, reflecting improved ore supply and better plant operation, with electricity now being supplied from the temporary offshore power plant.

The cash cost[3] of ferronickel production averaged $8.3/lb over the year, up slightly compared to 2022. Higher ferronickel sales volumes and better control of fixed costs only partially offset the impact of lower export margins (price and volume) and an unfavourable currency impact.

The savings plan implemented by the New Caledonian subsidiary has reduced cash consumption by around €140 million in 2023. However, SLN continues to face significant difficulties, both in terms of operating permits and access to competitive energy, against the backdrop of a deteriorating price environment. As a result, the company posted negative free cash flow of -€125 million[4] for the year (compared with -€70 million in 2022).

(1) SLN and others.
(2) Sales to plants on the industrial site other than the JV plant.
(3) see Financial Glossary in the Annex.
(4) Individual financial statements.

Outlook

Global production of stainless steel should rise again in 2024, driven by strong growth in Indonesia and India.

Demand for primary nickel should grow steadily, driven in particular by inventory replenishment in the battery industry in the second half of the year. Global production of primary nickel is also expected to grow, driven mainly by the HPAL and NPI-to-matte projects. The supply/demand balance should continue to show a surplus, albeit smaller than in 2023.

The LME nickel price consensus is currently $17,100/t for the year, down 21% compared to 2023.

Ferronickel prices are expected to remain slightly above the SMM NPI 8-12% index. The latter currently stands at $11,600/t.

In Indonesia, the Weda Bay mine will continue to ramp up production in 2024. Subject to obtaining the permits currently under review, external nickel ore sales volumes (100% basis) are expected to reach between 40 Mth and 50 Mth, of which around a third will be low-grade limonite intended for HPAL plants. The average grade of ore sold should be slightly lower than in 2023, given the growing proportion of limonite sales and the lower grade of saprolites (linked to the normal development of the mining plan). As a result, the mix will be less favourable, with a negative impact on average selling prices.

The plant's NPI production should be limited to around 35 kt-Ni in 2024, due to furnace maintenance operations.

In New Caledonia, SLN's financial position remains critical, with short-term cash payments due. In February 2024, the French government granted SLN a new loan of €60 million. The subsidiary's external debt to the government now stands at €320 million.

Eramet's priority is to find solutions that will ensure the continuity of the entity's activity, while reiterating its decision not to grant any further financing to SLN, in order to preserve the Group's balance sheet and its ability to finance its strategic projects for the energy transition.

In view of the above, at the beginning of March 2024, the government and Eramet entered into an agreement regarding SLN's existing debt. This agreement will neutralise the weight of SLN's debt in the Group's consolidated financial statements. It contains the following provisions:

- the government and Eramet have agreed to convert their existing loans to SLN into a single quasi-equity instrument;
- the €320 million of existing government loans to SLN, which are currently consolidated under financial debts in the Group's financial statements, will be converted to quasi-equity and be accounted for in the same way as shareholders' equity in Eramet's consolidated financial statements;
- Eramet will convert the existing €325 million of intra-Group debt in the same way. This conversion will have no impact on the Group's consolidated financial statements but enables the government's receivables and those of Eramet to be accounted for in the same way.

Alongside potential financial support from the government and from local authorities in New Caledonia as part of the nickel agreement, and with a view to ensuring that SLN remains a going concern, Eramet will continue to provide SLN with operational support over the long term.

Subject to normal operations, ferronickel production from the plant is estimated at around 45 kt-Ni for 2024. Exports of ore are expected to reach nearly 2.5 Mth, taking into account the suspension of activity at Poum.

1.2.2.2 The nickel market

1.2.2.2.1 Main nickel applications

Nickel is a critical component in the manufacture of numerous products due to its physical and chemical properties.

As such it is often combined with chromium and other metals to produce special steels: the stainless steel industry is by far the largest consumer of nickel (corrosion resistance, ductility, easy to shape steel). Other alloy steel categories include superalloys for aeronautics such as high-grade nickel (exceeding 45%) combined with other metals such as cobalt and chrome ensure that they retain their mechanical properties at the increasingly high temperatures of functioning reactors.

Electroplating[1], catalysis and pigments represent other outlets for nickel use, albeit on a smaller scale.

Lastly, nickel is used in rechargeable batteries, especially for electric vehicles, expected to become a booming market in upcoming years. Nickel gives batteries greater energy density and larger storage capacity.

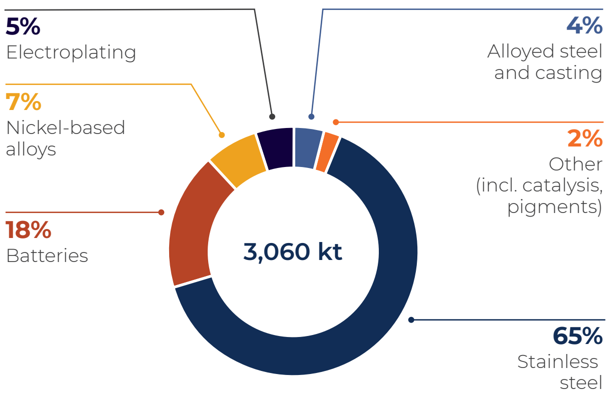
Nickel in the energy transition

Nickel is an essential element for the stainless steel industry, which accounts for around 65% of global nickel demand. Stainless steel is widely used in infrastructure and green energy projects. Its wear and corrosion-resistant properties open the door for applications in the construction of offshore wind farms, solar power installations, nuclear facilities and storage tanks for liquefied natural gas (LNG) and hydrogen.

The rapid development of batteries for electric vehicles has also accelerated demand for nickel in recent years, forcing the industry to adapt accordingly. Nickel demand for the manufacture of electric vehicle batteries is expected to increase more than four-fold over the next 10 years and to exceed nickel demand for the stainless steel sector by 2033.

(1) See Technical glossary in the Annex.

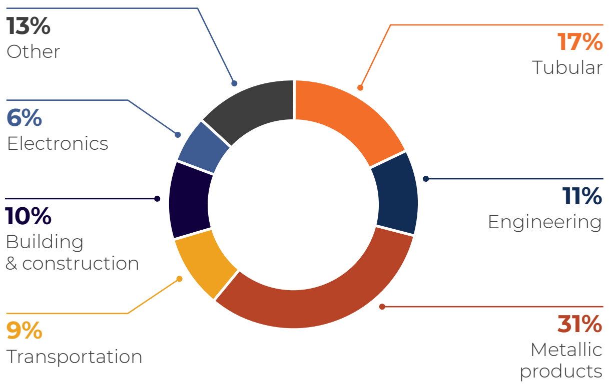
▼ Main applications of primary nickel in 2023



Source: Eramet.

The primary uses for stainless steel are:

▼ Main uses of stainless steel (end consumption of nickel)



Source: Nickel Institute.

- **engineering with three predominant sub-sectors:** chemical, petrochemical, and offshore; food processing (such as vessels and pipes for milk and wine production); and energy, tanks and heat exchangers;
- **metallic products,** mainly for food safety and hygiene with tableware and holloware, cutlery, catering and medical applications such as surgical equipment;
- **transport** to limit corrosion and due to low maintenance costs: trains, ships, tanker lorries, aeronautics and automotive catalytic converters;
- **building and construction industry** (aesthetics, durability and low maintenance costs): lifts, ramps, street furniture and building accessories;
- **electric and electronics:** household appliances (washing machines, refrigerators etc.), data processing and consumer electronics (computers, smartphones etc.).

Nickel recycling

Nickel is infinitely recyclable, and its high economic value makes it profitable to collect and recycle. The structure of the nickel recycling industry has been in place for many years. Nickel is most often recycled in the production of stainless steel and the proportion of secondary nickel should increase further in the next few years as this sector expands in China.

1.2.2.2.2 Nickel demand

In 2023, the **stainless steel** industry, nickel's main outlet, generated higher demand than the previous year, with a 5% increase in global production to reach 56.6 Mt. This growth was largely supported by the increase in production in China (a +10% increase compared the previous year), particularly in the third quarter, driven by substantial investment in infrastructure, green energy and the automotive sector, and by a significant rise in exports. India also saw an increase of more than 18% compared to 2022. Conversely, production in the rest of the world, and particularly in Europe and the United States, was weighed down by an unfavourable macroeconomic environment (linked in particular to the slowdown in demand as a result of the increase in central bank interest rates).

Overall, primary nickel consumption in stainless steel stood at 2 Mt (up 3.5% compared to 2022), thanks to strong growth in Chinese production in the third quarter of the year, particularly in the 300 series, which consume more nickel. Consumption of secondary nickel (recycling) totalled 989 kt, representing growth of just 3% compared to the previous year.

Among **other applications**, demand from the **aerospace** sector remained stable, but all other sectors saw their share of primary nickel consumption fall in 2023, with the exception of **batteries**. This sector saw its share of primary nickel consumption continue to grow (+15% compared with 2022), but less strongly than expected due to a slowdown in the electric vehicle market, particularly in China, and to a lesser extent in Europe and the United States. Production of nickel-rich NMC[1] batteries was also impacted by the boom in LFP[2] (nickel-free) battery production in China.

Non-stainless steel applications thus consumed nearly 1.1 Mt of primary nickel (7% compared with 2022).

In total, primary nickel consumption increased by 5% in 2023, representing growth of more than 133 kt of additional nickel units.

(1) NMC: Nickel manganese cobalt.
(2) LFP: Lithium iron phosphate.

1.2.2.2.3 Nickel supply

Nickel products

There are two categories of primary nickel:

- **Class 1, pure nickel metal:** mainly includes electrolytic nickel, powders and nickel briquettes. The products generally correspond to the chemical specifications required by the London Metal Exchange (LME[1]), with a nickel grade above 99.8%.

  This category usually includes nickel salts, which can be used for the same applications as nickel metal (e.g. electroplating) or briquettes (in the case of batteries for electric vehicles). With the boom in the electric vehicles sector, nickel production has expanded significantly. The most suitable product for this application is nickel sulphate ($NiSO_4$). This is a salt produced by dissolving briquettes, or from MHP (Mixed Hydroxide Precipitate), an intermediate product containing 20-25% nickel and 5-10% cobalt. Production of MHP (using the HPAL – High Pressure Acid Leach hydrometallurgical process) for the battery sector has grown significantly over the last two years in Indonesia and will continue to grow in the coming years. Another intermediate product saw its production increase for the same reasons: nickel matte. In Indonesia, nearly 140 kt of matte were produced in 2023 using an NPI (Nickel Pig Iron) conversion process. These two intermediate products, MHP and matte, are mostly refined in China.

  In 2023, class 1 represented around 28% of total primary nickel production;

- **Class 2, nickel ferroalloys:** this category mainly includes NPI (nickel pig iron) and ferronickel, produced by pyrometallurgy and intended for the stainless steel market. These products are not qualified to be delivered in LME warehouses. In 2023, this class represented around 72% of global production of primary nickel, following the exponential growth of NPI in Indonesia in recent years and the dominance of stainless steel in the end use of nickel. It should be noted that some Class 2 nickel is converted into Class 1 nickel by the NPI to matte conversion process.

Nickel ore producers

Nickel is extracted from two types of ore:

- **oxidised ore** or laterites generally located in tropical zones and mainly mined in Indonesia, the Philippines, New Caledonia and Brazil. The deep layers of the deposit, known as **saprolites,** with an iron content of around 15% and a high nickel content , are suitable for pyrometallurgical processing to obtain nickel or ferronickel pig iron. **Limonites**, also present in the upper layers of these deposits, are more suited to the hydrometallurgical process used for producing MHP;
- **sulphide ores** primarily found in Russia, Canada, Australia and China and generally used to produce high-purity nickel via hydrometallurgical processes.

Oxidised ore currently represents more than 84% of global nickel ore production (in nickel units).

After being overtaken by the Philippines, following a three-year ban on nickel ore exports (2014 to 2016) without any domestic outlets at that time, Indonesia has regained its global leadership in nickel ore production since 2017 and is far outstripping its competitors. Indonesian production is stimulated by numerous NPI and intermediate product projects developed in the country. Since the reinstatement of the ban in January 2020, all extracted ore is sold on the domestic market. Indonesia alone accounts for over half of the nickel ore produced in the world, and this share is likely to increase in the coming years as refinery projects are announced in the country. There are, however, a number of issues affecting the sustainability of this trend, including a decline in the nickel content of the ore produced.

Meanwhile, in the Philippines, the nickel content of the country's ore also declined and some sites were closed for environmental reasons. The country currently accounts for around 11% of global ore production, but remains the leader in terms of ore exports.

ORE PRODUCTION *(thousands of tonnes of nickel content)*

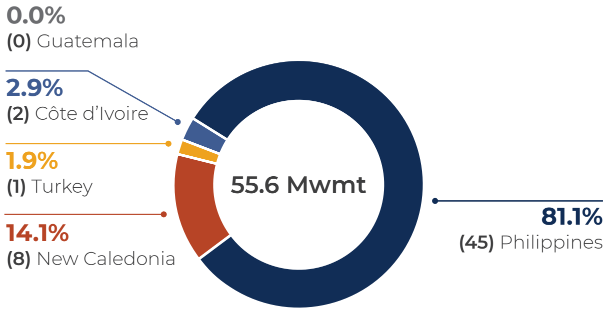
	2019	2020	2021	2022	2023 (annualised)
Indonesia	853.0	767.0	1069.0	1,579.0	2,012.7
Philippines	323.3	328.9	386.4	307.5	392.7
New Caledonia	208.2	199.7	186.3	200.0	233.7
Russia	223.2	237.3	191.2	221.0	209.6
Australia	158.8	169.3	153.2	155.6	150.7
China	104.7	104.1	103.9	109.4	113.9
Canada	187.1	157.9	116.3	94.9	111.9
Brazil	54.1	68.2	76.0	84.3	76.0
Cuba	48.9	49.6	46.8	48.0	42.4
Guatemala	36.3	50.3	61.6	48.6	15.2
Other	321	300	317.0	312.8	315.3
WORLDWIDE	**2,518.4**	**2,432.6**	**2,769.3**	**3,161.0**	**3,674.2**

Source: INSG, January 2024.

(1) *LME: London Metal Exchange.*

Nickel ore exports come from only a few countries. New Caledonia accounts for 14% of nickel ore exports in terms of tonnage and benefits from high-grade ore with a lower humidity than its competitors. SLN's share amounts to nearly 40% of New Caledonia's exports and around 6% of global exports.

▾ Main nickel ore exporting countries



Source: INSG, Dimenc, January 2024.

Primary nickel producers

For the third year running, Indonesia was the world leader in primary nickel production, with a 14% increase compared with 2022 due to the continuous growth in local NPI production, more than half of which is controlled by Tsingshan, Eramet's partner at the Weda Bay site. Around 1.66 million tonnes of NPI nickel content were produced in 2023. The proportion of NPI in the global production of primary nickel rose to 52% from 24% in 2014 at the start-up of production in Indonesia.

Primary nickel production in Europe was lacklustre in 2023, due to weak demand from the stainless steel sector and high production costs linked in particular to the sector's high energy intensity.

In New Caledonia, primary nickel production increased slightly in 2023 compared with 2022, but the situation remains difficult due to high production costs linked to energy prices and social and societal disturbances (particularly access to mines).

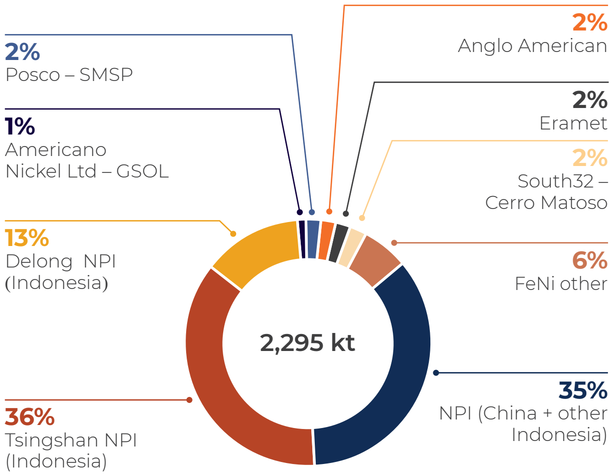
PRODUCTION OF FINISHED PRODUCTS (FERRONICKEL, NICKEL PIG IRON, NICKEL METAL, BRIQUETTES, NICKEL SALTS, OTHER PRIMARY NICKEL PRODUCTS) *(in thousands of tonnes of nickel content)*

	2018	2019	2020	2021	2022	2023
Indonesia	273.1	369.9	606.2	945.8	1,270.9	1,449.6
China[1]	655.0	801.2	709.8	657.4	776.8	745.2
Russia	150.2	155.3	156.4	123.1	123.1	121.5
Australia	113.5	106.7	115.6	115.8	115.8	115.5
Japan	154.2	151.1	136.6	139.6	118.4	114.5
Canada	140.7	123.5	119.5	103.2	121.4	108.4
Norway	90.8	92.1	91.1	91.2	81.9	93.0
New Caledonia	108.5	94.5	95.8	56.0	66.3	69.3
Finland	60.8	62.4	63.4	47.2	60.0	61.3
Brazil	65.2	54.3	59.6	60.8	63.4	57.7
Other	321.2	322.2	280.1	319.1	306.9	268.0
WORLDWIDE	**2,133.2**	**2,333.0**	**2,434.1**	**2,659.2**	**3,109.1**	**3,204.0**

Source: Eramet; January 2024.
(1) Primary nickel production takes into account the refining of the intermediate product "nickel matte" produced in Indonesia from local ore.

Main producers of Class 2 nickel (ferronickel, NPI)

NPI represents approximately 85% of Class 2 nickel, and our partner Tsingshan[(1)] is the leading player in this market, present in Indonesia and China with market share of around 37%.



Source: SMM, Eramet, Class 2 producers.

1.2.2.2.4 Nickel price

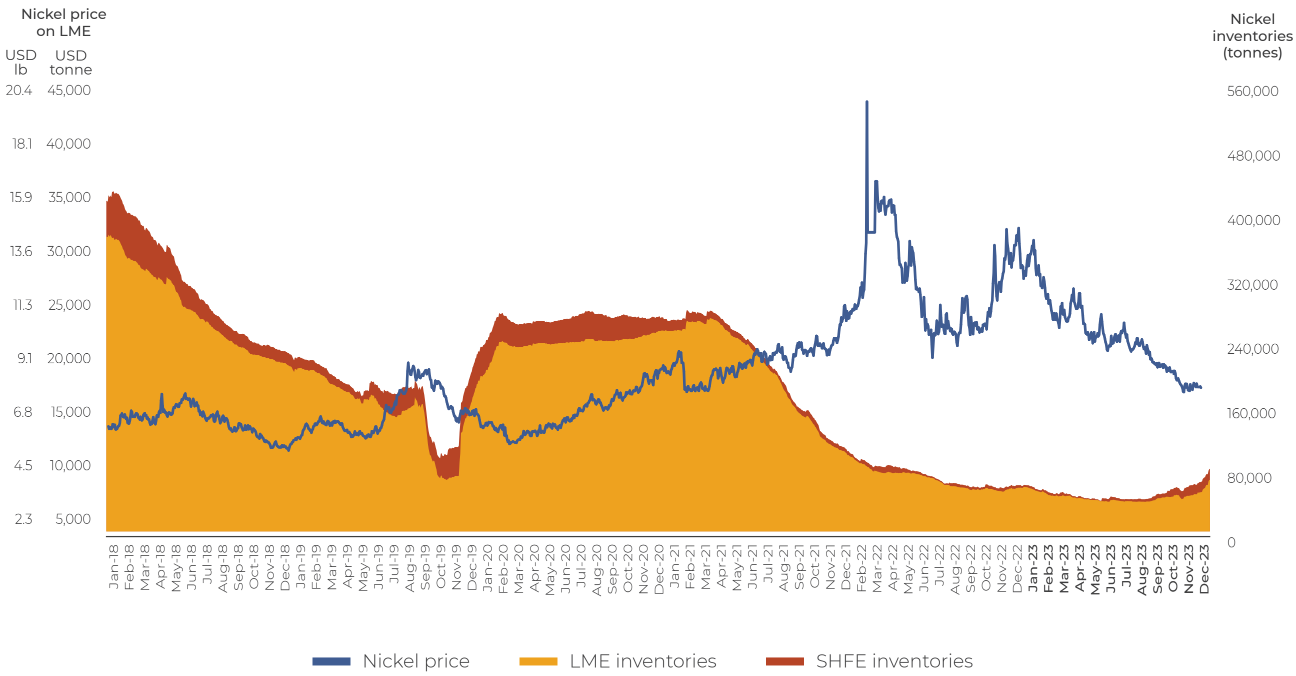
Historically, nickel is listed on the London Metal Exchange (LME). This reference corresponds to a metal with a nickel content greater than 99.8%. Since late March 2015, nickel metal is also listed on the Chinese SHFE (Shanghai Futures Exchange).

However, the development of new projects to produce nickel sulphate from intermediate products, such as nickel matte or MHP, has considerably reduced China's need to import nickel metal. The volumes traded and prices on the LME are no longer representative of the situation on the physical nickel market, which is now focused on the consumption of Class 2 nickel for the stainless steel industry and the mass production of NPI in Asia. This situation led steelmakers to use the Chinese NPI price index to structure their nickel supply contracts in 2023.

The price differential between nickel metal listed on the LME and NPI listed on the Shanghai Metal Market narrowed sharply in 2023.

In 2023, nickel prices followed a downward trajectory, linked to the surplus on the market following the rapid growth in the production of intermediate products in Indonesia and sluggish demand from the battery and stainless steel sectors outside China. The price of nickel on the LME fell by nearly 50% over the year to reach $16,300/t ($7.39/lb) at the end of 2023. NPI prices have fallen by nearly 70% to $11,433/t.

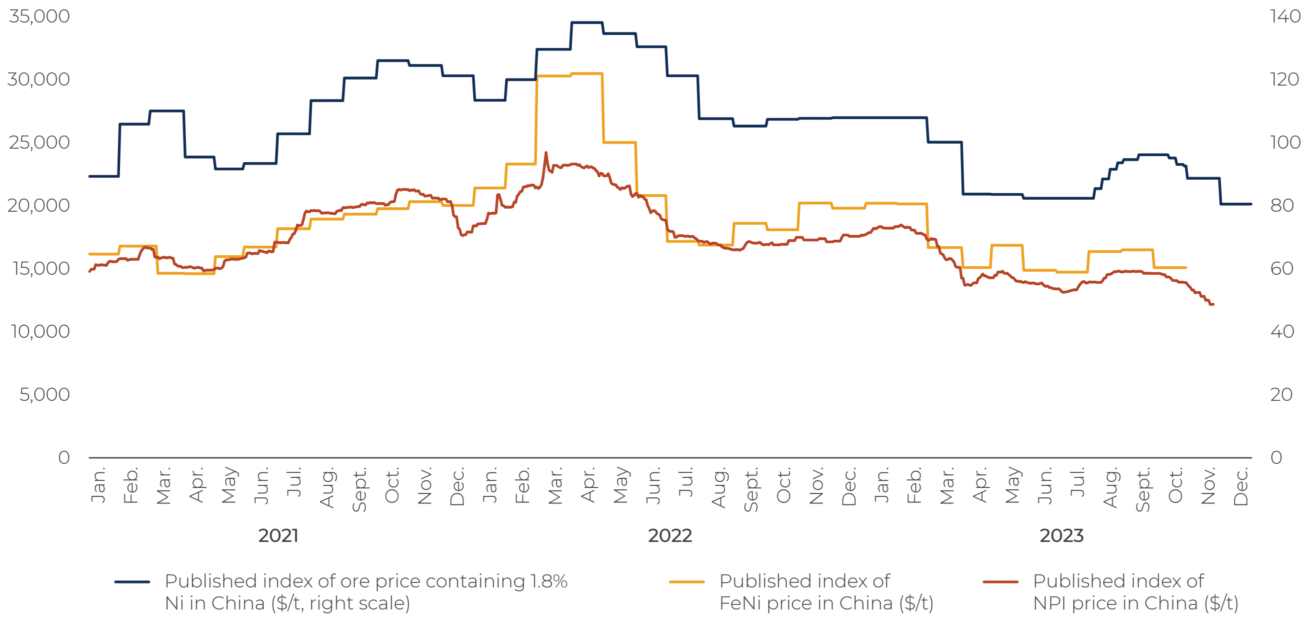
▼ **LME price** *(in USD per pound and USD per tonne)* **and nickel inventories** *(in tonnes of nickel)*



Source: LME, SHFE.

(1) *The production of the Weda Bay project is accounted for in the share of Tsingshan.*

▼ NPI price (SMM 8-12%)



Source: SMM, Eramet.

Nickel ore price is not listed on the stock market, it is the result of direct negotiations between buyers and sellers. It is traditionally expressed in USD/wmt (wet metric ton). There are two reference indices: CNFEOL and SMM (Shanghai Metals Market). Prices are referenced for several ore grades including the prices of 1.8% and 1.5% nickel content for the CIF (Cost Insurance and Freight) and FOB (Free On Board) Incoterms®. Nickel ore prices generally reflect the share of Chinese NPI producers and the availability of the ore in China.

Nickel ore prices remained at high levels in the first half of the year, but declined in the second half following the slowdown in NPI production in China related to the stainless-steel activity. Exports from the Philippines were hampered by poor weather conditions, favouring increased imports from other exporting countries, notably New Caledonia. Thus, nickel ore 1.8% CIF China averaged $89/wmt in 2023, down 24% compared with 2022.

The price of nickel ore sold locally in Indonesia is correlated to a price formula which sets the minimum FOB price (HPM) set by the government and indexed to the price of nickel on the LME.

1.2.2.2.5 Recent trends and market outlook

In 2023, the nickel market remained largely in a surplus, with a supply surplus representing more than two weeks' consumption for the second year in a row.

In 2024, global primary nickel consumption is expected to grow more than 7%, thanks to renewed activity in the battery sector following a period of destocking, but also to the expected recovery in the stainless steel consumer sectors in Europe and the United States from the second half of the year onwards. Over the next 10 years, global demand for primary nickel is expected to grow at an average annual rate of more than 4%.

Primary nickel production should also continue to grow, with new MHP, NPI and nickel matte production projects being commissioned. However, the current period of lower prices compared to 2022 should slow this trend.

1.2.2.3 Nickel activity overview

1.2.2.3.1 Structure and positioning

The Nickel Activity handles the beneficiation of ore from the nickel mines of New Caledonia and Indonesia (island of Halmahera), either by selling it on international markets, or by processing it into nickel ferroalloy.

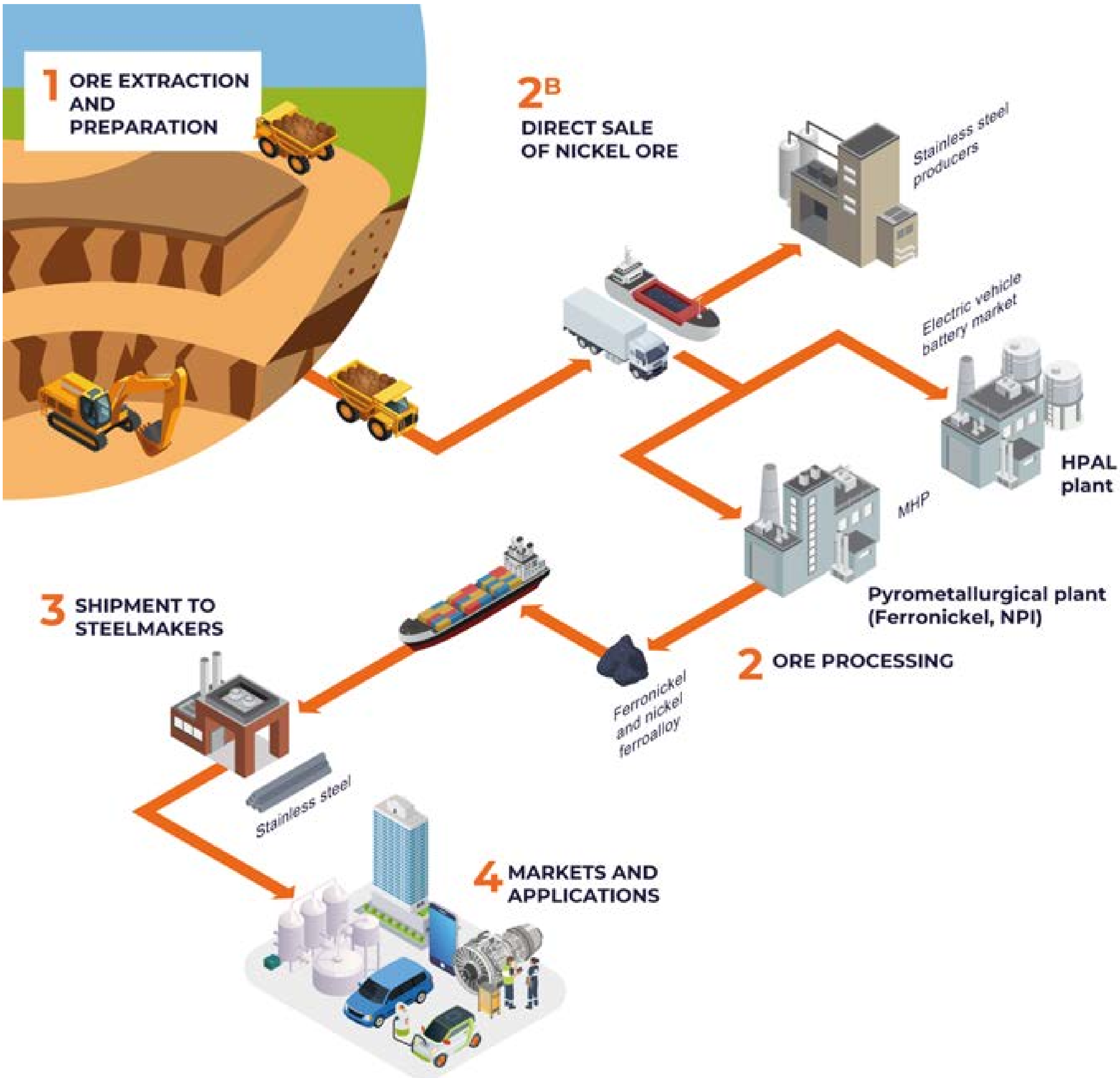
It currently consists of:

- The Pt Weda Bay Nickel company in Indonesia, which at the end of 2019 began operating world-class deposit – now the world's largest nickel mine – developed in partnership with the Chinese company Tsingshan, the leading producer of stainless steel. In particular, the mined ore feeds the partnership's plant, which produces low-grade nickel ferroalloy (Nickel Pig Iron - NPI); the mining production also supplies numerous other Indonesian producers present at the Halmahera industrial site;
- Société Le Nickel-SLN ("SLN") in New Caledonia, a mining and metallurgy operator which produces high-grade ferronickel at the Doniambo plant and exports nickel ore. The strategy implemented is based both on the beneficiation of medium-grade ore for export (<1.8% of Ni) and on local beneficiation through melting and processing of high-grade ores (2.1 to 2.6%) into ferronickel.

The Nickel business maintains long-term partnerships with its customers and relies on the Group's sales network. The latter provides significant technical and sales support to customers in order to help them derive maximum benefit from its products in their own production processes.

1.2.2.3.2 Activities and products

▾ Mining activity and nickel processing (ferronickel and nickel ferroalloy)



Weda Bay Nickel in Indonesia

Under the leadership of the Eramet-led team, Weda Bay Nickel's mining capacity has grown particularly rapidly since its launch in October 2019, from an initial commercial production of 3 Mwmt of nickel ore in 2020 to over 30 Mwmt of nickel ore sold in 2023. Weda Bay Nickel's nickel ferroalloy (NPI) plant and the associated infrastructure were built and commissioned in two years, between 2018 and 2020.

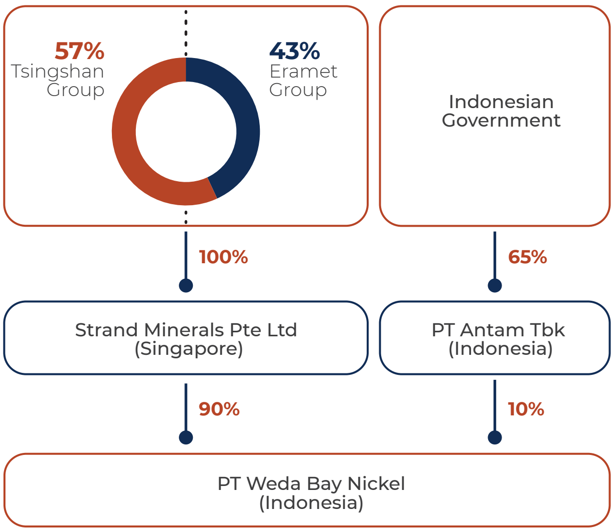
Since 2021, the plant has demonstrated solid performance, reaching an annual production capacity of around 36,000 tonnes of nickel content. WBN's overall performance has generated an EBITDA of ~$1.1 billion (100% basis), resulting in €267 million in dividends paid to Eramet in 2023. Mining activity now accounts for between 85% and 95% of the Indonesian subsidiary's EBITDA.

Shareholding, governance and regulatory framework

The Indonesian company, Pt Weda Bay Nickel, was created to develop the Weda Bay nickel deposit – one of the world's largest – situated on the island of Halmahera in Indonesia.

This company is 90% owned by Strand Minerals (Indonesia) Pte Ltd. ("Strand"), based in Singapore, and 10% owned by the Indonesian public company, Pt Antam Tbk ("Antam"), which specialises in exploration, mining operations and the refining and distribution of mining products, including nickel, gold and bauxite.

In June 2017, a partnership agreement was signed with the Chinese steel group Tsingshan, the world's largest producer of stainless steel, in order to obtain maximum value from this mining asset. Eramet holds 43% of the shares of Strand and the Tsingshan Group Tsingshan through its subsidiary Newstride Ltd Co or Newstride 57%.



The desire to implement strong environmental and societal commitments for this project is an integral part of the objectives set out in the agreements signed between Eramet and Tsingshan.

The development of Weda Bay is governed by a Contract of Work ("COW") defining the framework and its mining concession and in particular the tax regime applicable to production activity at the start of the site's operations. This COW was amended in 2018 and is aligned with the prevailing laws and regulations on issues related to state revenues (royalties, tax incentives, VAT) as well as divestment obligations to Indonesian interests. The deposit mining permit was granted for a 30-year period.

Nickel mine

PT Weda Bay Nickel operates a mining concession, which stretches over a surface area of forty-seven (47,000) hectares, made up of 15 identified and evaluated deposits.

The mining operation began in late 2019 in open-pit mines. During mining, on the basis of the mining plan defined in agreement with the supervisory authorities, the run-of-mine volumes extracted are separated according to their future use. Firstly, the topsoil is stored separately in the immediate vicinity of the pits, in order to be reused to rehabilitate and revegetate the mine after exploitation. Then the tailings which have no industrial use are stored in waste dumps which are rehabilitated once completed. High- and medium-grade saprolitic nickel ores (> 1.5% and > 1.2% nickel content) are used in pyrometallurgical plants and, from 2023, nickel-bearing limonites (between 1% and 1.3% nickel content) will also be processed in hydrometallurgical plants at the PT Indonesia Weda Bay Industrial Park (IWIP).

The commercial ore is then hauled by lorry from the mine to the storage areas of the metallurgical plant of the partnership or those of the industrial park of PT Indonesia Weda Bay Industrial Park (IWIP). These other plants, which produce nickel ferroalloys (nickel pig iron - NPI) mainly for the stainless steel market, or battery-grade nickel in the form of an intermediate product (mixed hydroxide product – MHP), also source ore from PT Weda Bay Nickel, among other sources.

Management of the PT Weda Bay Nickel mine applies Eramet's mining techniques, which are designed to protect the environment and are recognised worldwide: mainly storage of tailings in stabilised heaps, water control and revegetation.

The metallurgical plant

The PT Weda Bay Nickel plant produces a low-grade nickel ferroalloy (between 12% and 15% of nickel content) that is directly marketable.

The plant owns four RKEF (Rotary Kiln Electrical Furnace) type production lines. First, the ore is dried by the heat recovered from downstream furnaces. It is then calcinated and then melted in four EAF (Electrical Arc Furnace) furnaces. The annual production capacity of the plant after ramp up is between 35 kt and 40 kt of nickel content in the form of nickel ferroalloy (depending on the nickel grade of the ore used).

The plant is located at the foot of the mining concession in the IWIP Industrial Park, which belongs to the Tsingshan Group. The industrial park, located on the coast, is home to other companies with metallurgical plants (17 NPI plants and one HPAL plant at the end of 2023), an electricity producer (provides the plant with power) and a port that provides direct access for cargo ships.

Eramet and Newstride (Tsingshan Group) have an off-take agreement with PT Weda Bay Nickel (on a pro rata basis according to each partner's interest, relating to the sale of 100% of the plant's production) at market commercial terms, after deduction of logistics and marketing costs and a commercial margin for Eramet and Newstride.

PRODUCTION OF ORE AND LOW-GRADE NICKEL FERROALLOY

	2023	2022	2021	2020
Marketable ore production (high-grade saprolite) – 100% *(thousands of wet tonnes)*	16,905	15,139	9,899	3,409
Production of low-grade nickel ferroalloy – 100% *(in tonnes of nickel content)*	33.4	36.6	39.0	23.5

Société Le Nickel (SLN, New Caledonia)

Context

SLN's difficult situation over several years has led the company to review its business model, which is now based on the two pillars of mining and metallurgy, and to put in place a rescue plan based on three areas:

- exporting ore with a grade not suitable for the Doniambo plant: SLN exported 2.7 million Mwmt of ore in 2023 and aims to export 2.5 million Mwmt in 2024. Strengthening exports is absolutely necessary to make the SLN model competitive and sustainable;
- perpetuate the reorganisation of work at the plant and at the mine based on agreements signed at the plant and at the mine;
- an eventual drop in the price of electricity because SLN remains penalised by the highest price in the world in the nickel industry.

Factoring in the depressed environment, difficulties in effectively implementing the rescue plan, and negative cash generation, Eramet and the French State had paid SLN the last available tranche of its credit facility in September 2022. In 2023, its financial position remained critical, both in terms of obtaining operating permits and access to competitive energy, against the backdrop of a deteriorating price environment, which weighed on its results. To meet its short-term payment commitments, during the year SLN drew down the two tranches of the additional loan granted by the government in early 2023 for a total amount of €60 million. At the same time, the subsidiary continued its drastic cost-cutting and cash preservation plan, which remains a priority, while focusing its efforts on production.

Mining activity

SLN's mining activity utilises world-class deposits, considering the nickel grade of the ore and their reserves. SLN introduced a new business model enabling the recovery of medium-grade ores, allowing it to optimise the beneficiation of its deposits, whose average grade is diminishing.

Oxidised ore deposits are mined in open pits. They are generally located at altitudes of 500 to 1,000 metres. As the incumbent operator, SLN has extensive experience in mining deposits in New Caledonia.

Eramet's internationally recognised mining techniques are designed to protect the environment: storage of tailings in stabilised heaps, control of water run-off, revegetation etc.

The strongly positive contribution of ore exports in terms of performance shown in 2020 was, however, limited over the last three years. Production at both the mine and the plant has been severely limited, given the many social and societal disturbances that persist in New Caledonia, particularly in 2023. Difficulties in accessing exploitable resources had an impact on SLN's performance in 2023, particularly at the Poum mining centre (where activity has been suspended since August 2023) and at the Népoui mining centre, as a result of the North Province's failure to issue mining permits.

The Népoui and Tiébaghi ore beneficiation plants

SLN has had two beneficiation facilities on its Népoui mine since 1994 and on its Tiébaghi mine since 2008. These two units use granulometric and densimetric sorting processes that enable the exploitation of portions of low grade deposits or old tailings stockpiles.

Ore transportation

Mining production is partly shipped to the Doniambo plant and partly to external customers outside New Caledonia. Lorries are used for the first stage of ore transportation from the storage areas to the port or, as in Kouaoua, by a conveyor a conveyor that is several kilometres long. At the port, the ore is stored and standardised before being loaded onto ships. The nickel ore is sold to customers that use a pyrometallurgical process in Japan, South Korea and China.

(in millions of wet tonnes)	2023	2022	2021	2020	2019
Exported ore	2.7	3.0	2.9	2.5	1.6
Ore transported to the Doniambo plant	2.8	2.3	2.1	2.9	3.0
TOTAL	**5.5**	**5.3**	**5.0**	**5.4**	**4.6**

Doniambo metallurgy plant

The Doniambo plant produces an iron and nickel alloy (ferronickel). The ore is homogenised and dried. It is then calcined in five rotary kilns. The next step is the melting, which is carried out in three electric furnaces. The resulting product is purified into marketable ferronickel, SLN25 (approximately 23% of nickel in the final product), by ladle refining followed by shot blasting.

(thousands of tonnes)	2023	2022	2021	2020	2019
Production of ferronickel *(in tonnes of nickel content)*	44.8	40.9	39.0	47.8	47.4

The entire ferronickel production is sold to stainless steel producers. Eramet generally operates under medium or long-term contracts, providing for commitments of volume in accordance with periodically negotiated prices. These contracts ensure relatively regular shipments for SLN.

1.2.2.3.3 Capital expenditure

(in millions of euros)	2023	2022	2021	2020	2019
SLN Mines and Plant	20	84	35	39	30

Weda Bay

PT Weda Bay's ongoing investments average around $100 million for the mine each year. The main investment for 2023 was in mining infrastructure to exploit new deposits and increase production (including the construction of access roads, platforms, crushing and sorting plants and operating stations), as well as mining equipment to continue to support strong activity growth. At the same time, specific investments have been made to strengthen health, safety and environmental (HSE) aspects, as part of the mine's roadmap to IRMA certification.

SLN

In view of the difficulties facing the New Caledonian subsidiary, the main investments at the mining sites in 2023 were strictly to maintain SLN's mining capacity, particularly for sorting units and mining machinery.

At the Doniambo plant, most investments concerned maintaining the industrial tool and making it safe.

1.2.2.3.4 Strategic growth projects

Organic growth at the Weda Bay mine

In order to meet growing demand for nickel ore, to optimise the exploitation of the deposit by beneficiating all products and to maximise performance, the Weda Bay Nickel mine plans to significantly increase its extraction volume in the short to medium term. The target is therefore a mining capacity of 60 Mwmt per year by 2026 (i.e. around 15% of the nickel ore market, in terms of nickel content), comprising around two-thirds saprolite and around one-third limonite. This will strengthen Weda Bay Nickel's position as the world's largest nickel mine. The aim is also to maintain the mine's cash cost in the top quartile of the industry.

This increase in capacity will allow the mine to supply saprolitic ore to Weda Bay Nickel's NPI plant, as well as to Tsingshan and its partners' other NPI plants located in the Weda Bay Industrial Park (IWIP). It will also supply lateritic ore to fuel IWIP's HPAL plants.

Sonic Bay project

Together with the German chemical group BASF, Eramet plans to develop a hydrometallurgy project to produce nickel-cobalt for the Mixed Hydroxide Product (MHP) – an intermediate product in the form of mixed hydroxide – battery value chain, using lateritic ore extracted from the Weda Bay mine. Sonic Bay would be 51% controlled by Eramet and 49% by BASF.

The plant project is centred around three high-pressure acid leaching (HPAL) lines and will be located near the Weda Bay mine.

The HPAL process consists of placing low-grade nickel ore and sulphuric acid in an autoclave. A chemical reaction at high pressure and high temperature in the autoclave causes the oxidised ore to dissolve and produces a solution of nickel and cobalt. Iron, which represents 80% of the ore, re-precipitates in the form of oxides and constitutes the process waste to be treated and stored responsibly (Tailings). The nickel and cobalt contained in the solution are then precipitated and recovered through various steps of chemical and physical treatment (neutralisation, precipitation, decantation), in the form of a nickel-cobalt intermediate product (MHP: Mixed Hydroxide Precipitate) to be used as a raw material for electric vehicle batteries.

The supply of nickel ore will be secured from the Weda Bay deposit, allowing the Sonic Bay project to access resources locally and at competitive market prices. This project will allow BASF to have access to a secure source of around **60,000 tonnes of nickel** and around **6,000 tonnes of cobalt** per year (content in MHP) on the basis of current feasibility studies.

The Eramet and BASF social and environmental standards will be integrated into the design of the project, and will constitute several differentiating elements compared with other HPAL projects:

Dry stacking for tailings

The responsible Dry-Stacking method is used for the treatment of tailings stored in heaps, which are then rehabilitated and revegetated, and includes prior separation of the manganese content. The project has chosen not to use the deep-sea tailings placement method, which consists of discharging mining waste into the ocean at depth, nor the liquid tailings dam method, which is risky in a seismic zone such as Indonesia.

Minimisation of CO_2 emissions

In addition to recycling the heat and vapours from its process, which self-generates around 75% of its electricity needs, the project plans to implement clean energy sources (solar power) gradually over a period of five to six years after the start-up of the plant.

Full compliance with EU rules on responsible procurement

The mining resources supplied to the HPAL plant are exploited according to internationally recognised social and environmental standards. The PT Weda Bay mine is currently preparing to obtain IRMA (Initiative for Responsible Mining Assurance) certification.

Furthermore, the Group is continuing to explore and study opportunities for deposits of lateritic nickel, particularly in Indonesia.

1.2.3 Mineral sands activity

1.2.3.1 Highlights of the year

1.2.3.1.1 Key figures

Mineral Sands Activity *(in millions of euros)*	2023	2022
Turnover, of which	275	465
GCO	*238*	*340*
Intra-group elimination[(1)]	*-39*	*-97*
ETI	*76*	*222*
EBITDA, of which	105	184
GCO	*89*	*166*
ETI	*16*	*18*
Current operating income	62	140
Net cash flow generated by operating activities	81	157
Capital employed at start of year	654	637
Capital expenditure[(2)]	65	52

(1) Turnover corresponding to sales of ilmenite produced by GCO to ETI.
(2) Excluding right-of-use assets per IFRS 16 (less than €1 million in 2022 and in 2021).

OPERATIONAL PRODUCTION INDICATORS

Mineral Sands Activity *(in thousands of tonnes)*	2023	2022
Production of heavy mineral concentrates[(1)]	628	742
Ilmenite production	421	498
Zircon production	48	57
Zircon sales	298	231
(External) Ilmenite sales	48	59
Titanium slag production	66	188
Titanium slag sales	56	175

(1) Heavy Minerals concentrates (HMC).

1.2.3.1.2 Operating performance

EBITDA for the Mineral Sands activity was €105 million in 2023, down 43%, reflecting a weaker performance from GCO (EBITDA of €89 million, down 46%) due to a major equipment failure in the first quarter, a lower grade in the area mined and lower selling prices.

In September, Eramet sold the Eramet Titanium & Iron (ETI) plant to INEOS Enterprise for an enterprise value of $245 million. ETI's EBITDA for the year prior to the sale was €16 million, reflecting lower selling prices.

Activities

At **GCO** in Senegal, volumes of mineral sands (HMC[1]) produced fell by 15% over the year to 628 kt. This decline was due to a major equipment failure at the start of the year, the anticipated drop in the average grade of the area mined, and operational issues encountered in the second half of the year, partly due to the Lompoul road passage.

Ilmenite production volumes totalled 421 kt, also down 15%, in line with the trend in mineral sands production. Total ilmenite sales (including internal sales to ETI until its disposal, i.e. 122 kt) amounted to 420 kt, down slightly compared to 2022 (-2%). The agreement to sell the ETI plant signed at the end of September includes a long-term supply contract for ilmenite produced by GCO.

Zircon production volumes fell by 16% to 48 kt, all of which was sold during the year. Sales volumes thus totalled 48 kt (-19%).

Outlook

Demand for zircon could increase in 2024, driven in particular by support measures for the renovation sector in China. However, the market is likely to remain in a surplus due to the arrival of new projects in Australia, maintaining the price pressures that began at the end of 2023.

Demand for titanium-containing products could also increase thanks to the Chinese market and benefit from low inventories in the downstream value chain. However, supply is likely to remain in a surplus due to the addition of capacity in China, leading to lower prices on average.

In **Senegal**, production of mineral sands in 2024 is expected to rise to more than 800 kt-HMC, thanks in particular to an increase in the grade of the mining area and the end of dredging in the complex areas of the Louga region.

1.2.3.2 Markets of the Mineral Sands activity

1.2.3.2.1 The ilmenite market

Main applications

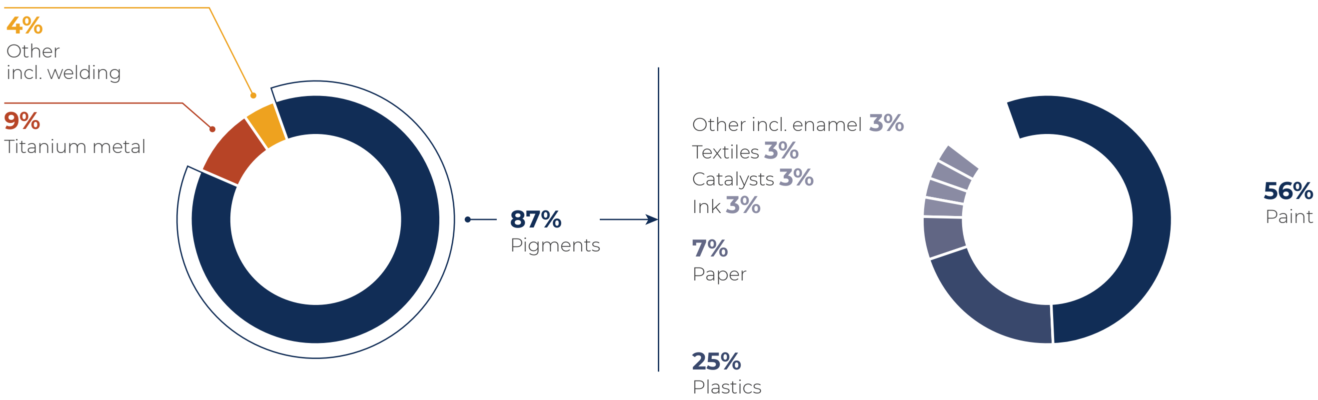
Ilmenite is mainly used in the manufacture of TiO_2 pigments. It can be used as is or processed into titanium slag or synthetic rutile to increase its purity. When processed in this way, it can also be used in the production of titanium metal.

TiO_2 pigment production accounts for 87% of titanium demand, while titanium metal consumes 9%.

The use of titanium involves the production of titanium oxide TiO_2, which is the reference unit for this market.

Pigment producers make extensive use of a raw material rich in TiO_2. TiO_2 gives pigments three essential exceptional properties: opacity, reflective power and dispersing power. It is widely used in paint, plastics, textiles and paper.

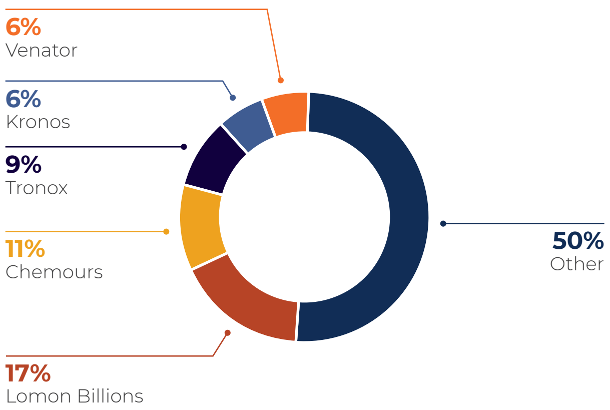
▾ TiO_2 unit applications



Source: TZMI November 2023, Eramet December 2023.

(1) HMC: Heavy Minerals Concentrates.

▾ Estimated TiO_2 pigments production by player



The five leading producers of TiO_2-based pigments account for almost 50% of global production.

Demand and production of titanium products

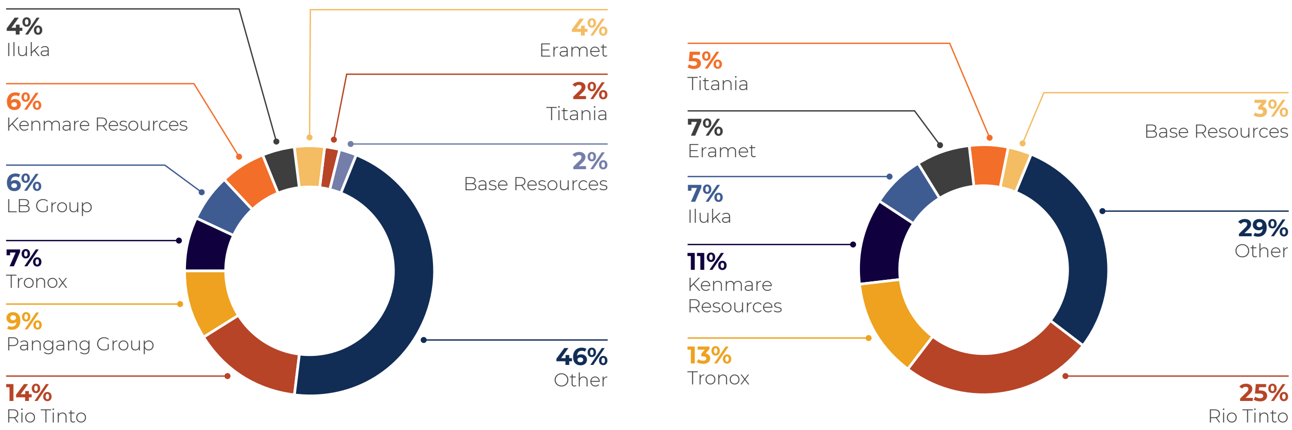
The vast majority of TiO_2 pigments are produced through two processes:

- the sulphate process used in China and in Europe;
- the chloride process used in North America and Europe. In recent years, the leading Chinese producers have also been adopting this technology, which has environmental advantages.

The chloride process requires richer materials such as high-TiO_2 ilmenite, slag and enriched slag, and natural or synthetic rutile. Eramet essentially produces and sells high-TiO_2 ilmenite, used in the chloride process.

To date, demand for chloride quality raw materials accounts for around 46% of global demand compared to 54% for sulphate quality raw materials. However, it is expected to grow in upcoming years to reach 48% in 2027. This trend is confirmed by the reduced capacities for TiO_2 pigments production by sulphate process in Japan and in Europe, and by the rapid development of the chloride process in China.

▾ Estimated production of titaniferous raw materials by player



Source: TZMI November 2023, Eramet December 2023.

The top three producers of titaniferous raw materials outside China, which remains a captive market, account for nearly 50% of the global production of TiO_2 units. Eramet is the world's fifth-largest producer of high-grade titaniferous raw materials, outside China.

Recent trends and growth outlook

Global demand for TiO_2 pigments, the main outlet for titanium-containing products, fell by 2% in 2023 to 6.8 million tonnes, impacted in particular by sluggish growth and a Chinese real estate market in crisis, as well as inflation in North America and Europe. Demand could increase again in 2024, driven by a more favourable macroeconomic context.

The fall in demand for pigments in 2023, combined with rapid destocking in the pigment production chain, led to a 4% decrease in demand for titaniferous raw materials, despite strong growth in titanium metal driven by the recovery of the aerospace sector.

The supply of titanium-containing products adjusted to lower demand for low-titanium products in China, although this was partially offset by the development of titanium slag production capacity in China. Thus, supply fell to 8.5 million units of TiO_2, a decrease of 2% compared with 2022.

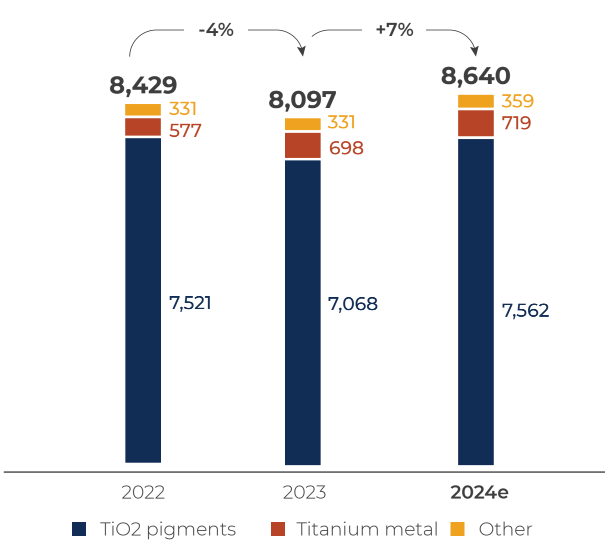
As a result, 2023 showed a surplus in the supply and demand scenario. This imbalance is expected to persist into 2024, with the addition of new production capacity exceeding the recovery in demand.

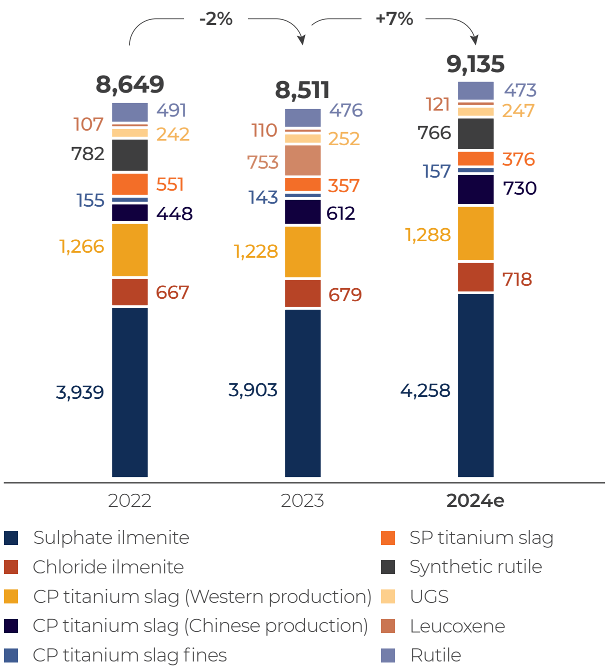
Prices of titanium-containing products

There is no market as such for titaniferous raw materials. Prices are negotiated directly between producers and customers. In the case of contracts, prices are generally negotiated every six months, with the exception of China (spot price). Some consulting companies, such as TZMI and Ferroalloynet, publish price benchmarks based on transactions in China and the rest of the world.

In 2023, the average price of high-grade ilmenite[(1)], as produced by Eramet in Senegal, stood at $325/t FOB in the first half of the year, before falling to $308/t in the second half as a result of the slowdown in demand. The average market price over the year was 316 USD/t FOB, up by 4% compared with 2022.

▾ Demand by application and production by type of titanium-containing raw material
(in thousands of TiO_2 units)





Sources: TZMI November 2023, Eramet December 2023.

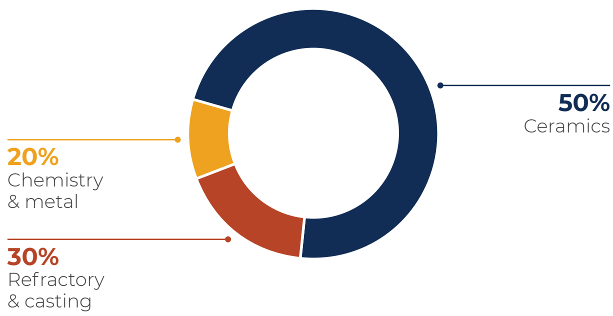
1.2.3.2.2 The zircon market

The main application for zircon (around 50% of global consumption) is in the ceramics industry, where its whitening and opacity-enhancing properties are unmatched, especially for the surfaces and bodies of tiles and sanitary equipment. Zircon is thus used as a fine or micronised powder in sintering, glazing or enamelling processes.

Zircon's second property, which makes it a material of choice for industry, is its refractory nature (accounting for about 30% of consumption). It is thus used in the production of refractory materials or as a mould for the production of high-precision castings.

The chemical derivatives of zircon (accounting for around 20% of consumption) include many different applications, such as abrasive or abrasion-resistant materials, nuclear (zirconium metal), certain catalysts, dental prostheses and jewellery (zirconium dioxide).

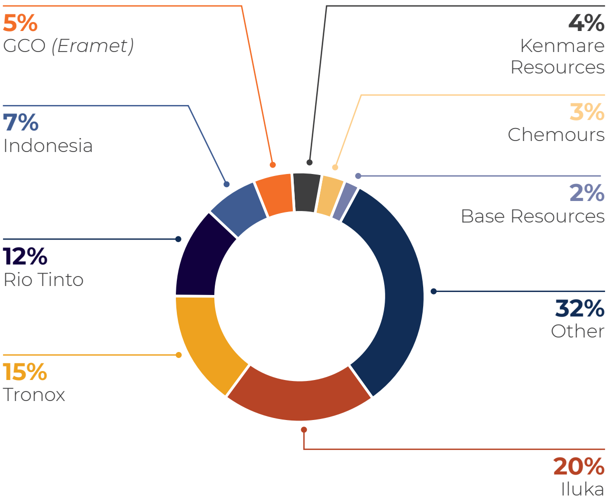
▾ Zircon applications



Source: TZMI.

(1) Source: Market analysis and Eramet.

▾ Zircon producers



Source: TZMI November 2023, Eramet December 2023.

The three leading zircon producers accounted for nearly 50% of global production in 2023. Through its subsidiary GCO, Eramet is the world's fourth largest producer.

Recent trends and growth outlook

Demand for zircon fell in 2023 compared with 2022. Inflation and weak real estate activity around the world have led to a decrease in demand for ceramics, while high prices have prompted some Chinese ceramic producers to moderate their consumption. Demand could increase again in 2024, driven in particular by the recovery of the Chinese real estate sector. Global demand stood at 1.1 Mt in 2023.

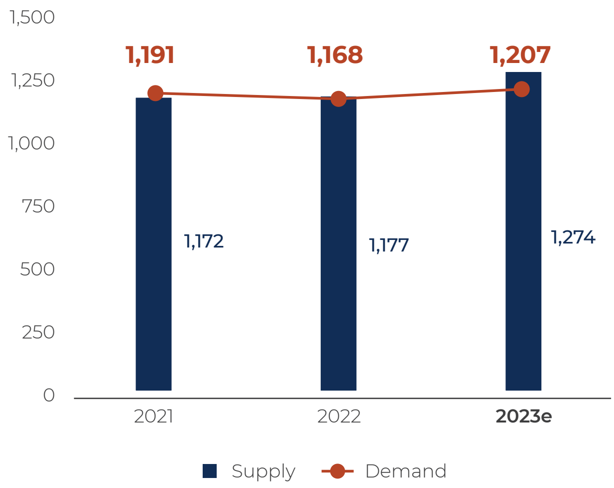
At the same time, zircon supply increased, driven by the launch of certain projects and the rise in Chinese production from imported heavy mineral concentrates. As a result, global supply stood at 1.2 Mt, well above demand. This surplus is expected to continue in 2024, as rising production from new projects offsets the recovery in demand.

Zircon prices

Just as for titanium-containing raw materials, there is no organised market place for zircon. Prices are negotiated directly between producers and customers. Contracts are entered into on an annual basis in terms of volumes and general terms of sale, but prices can be negotiated quarterly in the light of market volatility. Some consulting companies, such as TZMI and Ferroalloynet, publish reference indices based on transactions in China and the rest of the world.

Decreased demand combined with increased supply has led to a 3% fall in market prices, to an average of $2,038/tonne FOB[1] in 2023 compared with 2022.

▾ Zircon supply and demand *(in kilotonnes)*



1.2.3.3 Mineral Sands activity overview

1.2.3.3.1 Structure and positioning

TiZir was established in 2011 by Eramet and MDL[2]. Since the takeover of the latter in August 2018, Eramet has owned 100% of TiZir.

TiZir, a major player in the mineral sands industry, had two sites:

- **Grande Côte Operations** (GCO) in Senegal, which operates a mineral sands deposit and mainly produces ilmenite and zircon;
- the **Eramet Titanium & Iron (ETI)** plant in Tyssedal, Norway, which transforms ilmenite – in particular that produced by GCO – to produce titanium dioxide slag for the pigments industry and titanium metal, as well as high-purity pig iron.

Following various operations to simplify the corporate organisation chart in 2022 and 2023, Eramet now directly owns the GCO mine, and TiZir is currently undergoing liquidation.

In addition, following a unilateral offer received from INEOS Enterprises, Eramet sold the ETI plant at the end of September 2023, with immediate effect, for an enterprise value of $245 million (around €225 million), corresponding to an EBITDA multiple of 12x[3]. The agreement between Eramet and INEOS Enterprises includes a long-term supply contract for ilmenite produced by GCO.

(1) *Source: Market analysis and Eramet.*
(2) *Mineral Deposits Limited (MDL), an Australian company.*
(3) *Based on the Norwegian subsidiary's 2022 EBITDA.*

Mineral sands are mineral raw materials that contain heavy minerals concentrated over time in an alluvial environment (rivers, coasts and lakes) or a windy environment (dunes). Mineral sand deposits are thus old beaches, dunes or riverbeds. These sands contain titaniferous ore, mainly found in the form of ilmenite ($FeTiO_3$), but also rutile (TiO_2), and to a lesser extent leucoxene (ilmenite partially altered into rutile) and zircon ($ZrSiO_4$).

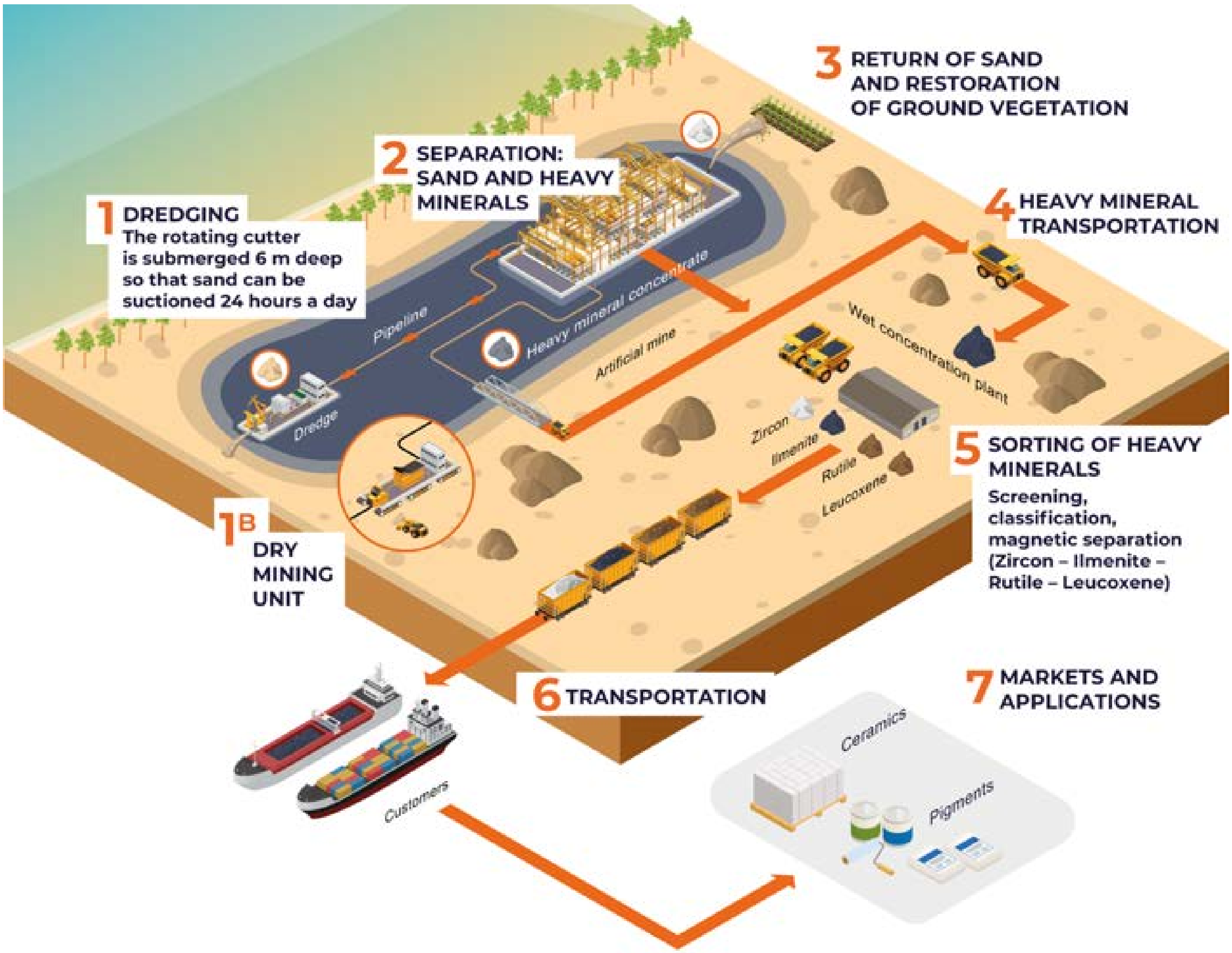
Ore concentrations in the sand are often in the order of a few percent; one of the most economical methods of extraction entails using a floating dredge in a basin. However, this is only possible if the sands contain few clay particles, which is the case at GCO. Otherwise, more conventional mining methods (excavators and dumpers or bull dozers) are used – for rocky titaniferous ore, for example.

Ilmenite is the main titaniferous ore in terms of tonnage, but its titanium dioxide (TiO_2) content is relatively low. As a result, it is often enriched by transformation into synthetic rutile or TiO_2 slag, before being used mainly by pigment producers.

1.2.3.3.2 Activities

Grande Côte Operations (GCO)

The Grande Côte Operations mineral sands mine is located along a stretch of the Senegalese coast. The concession begins about 50 kilometres north of Dakar and stretches north for more than 100 kilometres.



The industrial facilities include:

- a dredge and a dry extraction unit, commissioned in the second half of 2022, which feed a floating concentration unit producing a concentrate containing the heavy minerals;
- a heavy mineral separation plant producing ilmenite, rutile, leucoxene and various grades of zircon;
- a power plant;
- a railway line of which GCO is the partial concession holder, together with the associated railway equipment;
- port and storage infrastructure in Dakar.

The site employs approximately 2,360 people (including subcontractors), 98% of whom are Senegalese nationals.

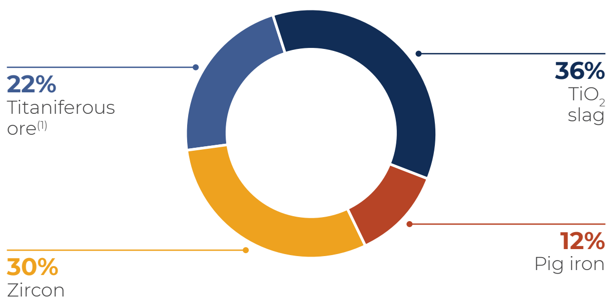
Income

GCO produces three grades of ilmenite with 54, 56 or 58% TiO_2: ilmenite 54 is produced in the greatest quantity and is mainly intended for the INEOS Tyssedal plant (formerly ETI), while ilmenite 58 is sold for direct production of pigments by chloride process. GCO also sells small quantities of its ilmenite 56, rutile and leucoxene production. These titanium ores are mainly intended for welding flux producers.

GCO also produces two grades of zircon (premium and standard) and a lower-grade intermediate zircon. GCO's zircon is recognised on the market for its excellent quality and can be used in all applications, particularly in zirconium-based chemical derivatives, ceramics and the casting and refractory industry.

	2023	2022	2021	2020	2019
GCO – MINE					
Sand extracted *(Mt)*	40.4	47.6	50.4	49.2	49.4
Heavy mineral concentrate *(kt)*	628	742	804	762	735
GCO – FINISHED PRODUCTS					
Ilmenite *(kt)*	421	498	543	521	492
Zircon *(kt)*	48.4	57.1	63.7	59.2	58.4
Intermediate zircon *(kt)*	24.9	27.0	27.0	25.8	22.3
Rutile and leucoxene *(kt)*	8.0	10.5	11.4	9.5	10.1

▾ Breakdown of the activity's turnover by product in 2023



(1) Ilmenite, rutile, leucoxene.

1.2.3.4 Capital expenditure

(in millions of euros)	2023	2022	2021	2020	2019
Capital expenditure	65	52	21	16	12

The first phase of the organic growth programme for mineral sands in Senegal came on stream in October 2022. The second phase was officially launched in October 2023. The amount of investment spent in 2023 for these two phases was approximately €12 million. The remainder of GCO's investment (around €15 million) relates to ongoing capital expenditure.

Investments made at ETI in the first eight months of the year (before the sale of the plant) totalled €38 million. These amounts are mainly due to ten-yearly maintenance (in particular, the complete rehabilitation of the electric furnace and partial rehabilitation of the rotary furnace) and investment in debottlenecking the plant to achieve an effective capacity of 230 kt of slag per year.

1.2.3.5 Strategic growth projects

Following the sale of the ETI plant, the Group is now refocusing on the organic growth of GCO's mineral sands production in Senegal.

The aim is to optimise the use of the available capacity of enrichment and transport units, in order to achieve incremental production increases between the end of 2022 and 2025. This optimal beneficiation of the deposit, combined with an increase in the grade of the mining area, will contribute to a significant increase in production from 2024.

The first stage was aimed at increasing mineral sand production capacity by around 10% using a dry sand mining unit, and began in October 2022. The second stage, which was officially approved in October 2023 for an investment amount of €75 million, involves commissioning a third sand treatment line at the floating concentration plant in 2025, thereby increasing capacity by an additional 10%. Nominal production capacity for mineral sands (HMC) is expected to exceed 1.0 Mt per year by 2026.

In addition, exploration work has begun in the areas at the northern and southern ends of the concession in order to study the economic profitability of additional mining in these areas.

In Cameroon, the results of the technical and environmental feasibility study carried out in 2023 failed to confirm the economic profitability of the Akonolinga project (mining a rutiliferous block in the Central region of the country), while ensuring compliance with CSR standards. As a result, the Group has decided not to pursue the project and to proceed with a responsible dismantling that respects local laws, including the rehabilitation of the exploration sites to international standards, the return of the mineral sands permits to the Cameroonian government, and the handover of the studies carried out on the deposit.

1.2.4 Lithium activity

1.2.4.1 Highlights of the year

Prices for lithium carbonate (battery grade, CIF Asia) fell by almost half in 2023 (-45%), from $80,000/t LCE at the beginning of January to $15,000/t LCE at the end of December, averaging $39,394/t LCE over 2023. This decline can be explained by weaker-than-expected demand, particularly in terms of worldwide sales of electric vehicles (+30% in 2023 vs. +60% in 2022), coupled with destocking by cathode producers.

Activities

In Argentina, the construction of the Centenario lithium plant (phase 1), launched in 2022, is continuing, with a completion rate of more than 87% at the end of January 2024. Given the administrative delays and timeframes in the second half of the year due to the election period, the start-up of production could be postponed by a few weeks this summer. Full capacity of 24 kt LCE of battery-grade lithium (at 100%) is still expected to be reached by mid-2025. CapEx for Phase 1 amounted to around $270 million (at 100%) in 2023, for a cumulative total of around $600 million since the start-up of construction.

In July, Eramet agreed with Glencore on a prepayment of $400 million, ahead of the future joint marketing of 50 kt of lithium carbonate from Phase I of the Centenario project (equivalent to a business contract of around five years, or around 10 kt LCE per year). Marketing under this contract is expected to begin in early 2025, in line with the start-up and ramp-up schedule for phase 1 of the project. The commercial advance will be used in particular to finance the Group's growth projects in energy transition metals.

In November, Eramet's Board of Directors approved the investment decision for the first tranche of Phase 2, which represents an additional 30 kt LCE per year. The preliminary work carried out in 2023 amounted to approximately $50 million (100%).

Outlook

Demand should continue to grow in 2024 (by around +20%), driven by the increase in sales of electric vehicles worldwide.

A strong increase in supply is also expected in 2024, driven by the arrival of new projects on the market as well as the development of existing projects. However, this growth remains conditional on price trends. In the current price environment, some high-cost producers could decide to halt production (particularly spodumene) or perform maintenance on their plants.

In 2024, given the expected start-up of Phase 1 of production at Centenario in Argentina this summer, production volumes of lithium carbonate (battery quality) are estimated to be between 5 and 7 kt LCE in the second half of the year.

Investments (100%) in Phase 1 of the Centenario project and investments in Phase 2 are each estimated at around $200 million for the year.

In Chile, following the acquisition in November of concessions covering a cluster of lithium salars in the Atacama region, the Group is working to develop future partnerships with companies authorised by the Chilean government to hold lithium exploration and mining rights.

1.2.4.2 The lithium market

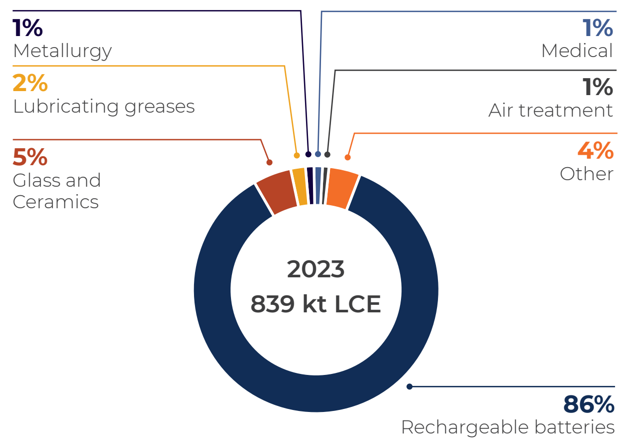
1.2.4.2.1 Main lithium applications and demand

Lithium has particular physical and chemical properties that have led to it being used in a wide range of applications: energy storage, glass and ceramics, metallurgy, air treatment and medicine.

The most dynamic application market is energy storage in the form of lithium-ion batteries. These batteries can be found in electric vehicles, portable electronics and high-voltage electricity storage.

This market accounted for 86% of lithium demand in 2023, of which 63% was for electric vehicles and 8% for energy storage systems (ESS) (e.g. storage of wind and solar energy).

▾ Breakdown of lithium demand 2023



Source: BMI WoodMac.

1.2.4.2.2 Lithium supply

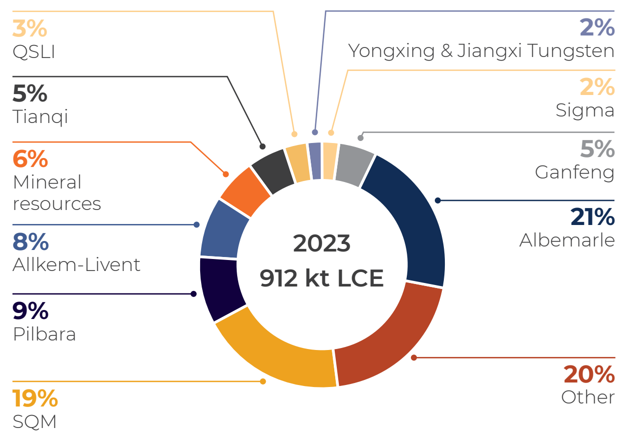
Lithium compounds, of which lithium carbonate and lithium hydroxide are the most widespread, are produced mainly from:

- **brines** present in saline groundwater tables, located mostly in the salars of the "Lithium Triangle" in Latin America (Chile, Argentina, Bolivia) and to a lesser extent in China and some geothermal waters, such as in the plain of Alsace in France. In 2023, lithium production using the brine method accounted for 40% of total production. There are two main forms of brine extraction and treatment:
  - **production based on natural evaporation,** through a "conventional" process, used by lithium producers in Chile and by the majority of producers in Argentina. The brine is pumped into a series of shallow ponds, and impurities are gradually removed by solar evaporation and concentration of the brine. The production cycle varies between 12 and 18 months,
  - **Direct Lithium Extraction** (DLE), currently used on an industrial scale by a producer in Argentina for over 20 years and by some producers in China. While evaporation relies on solar energy to concentrate brines in evaporation ponds, DLE relies on selective recovery of lithium through the use of various chemical and physical processes (adsorption, ion exchange or solvent extraction). The production cycle is about one week, which is significantly shorter than that of the conventional process;
- **lithiniferous minerals,** mainly **spodumene.** This production via the "hard rock" method accounts for 60% of the lithium volumes produced in 2023. The production of lithium compounds from minerals is separated into two stages:
  - production of a lithium concentrate (mainly spodumene concentrate) using conventional mining techniques similar to those used in other hard rock mining sectors (crushing, milling, separation),
  - production of lithium compounds from lithium concentrate, through calcination and leaching processes.

The production of lithium compounds from minerals is often non-integrated: the miners, mainly located in Australia, sell concentrates to refiners, mainly located in China, for conversion into lithium components. Lithium producers using the brine method are generally fully integrated.

The world's five largest producers of lithium (Albemarle, SQM, Pilbara, Allkem-Livent and Mineral Resources) are expected to represent 63% of lithium supply in 2023. The entry of new players, necessary to fuel future demand, should diversify the landscape of producers by 2025.

▾ 2023 production of lithium by producer



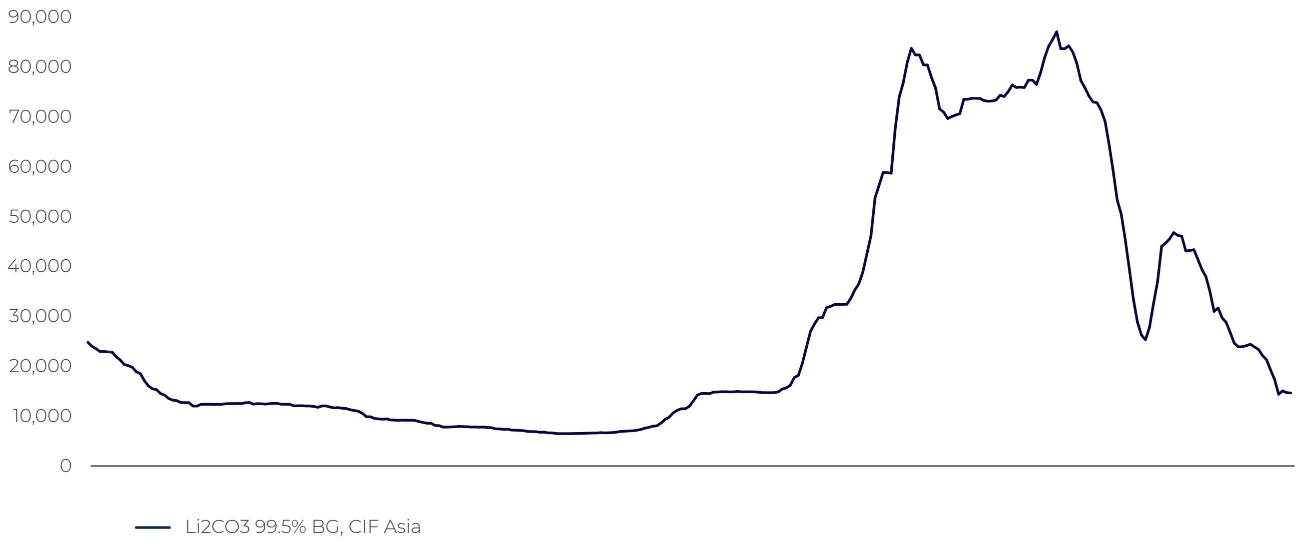
Source: Eramet.

1.2.4.2.3 Lithium price

Lithium carbonate prices fell sharply in 2023 from the record levels of 2022, averaging below $40,000/t, with a price of $15,250/t at the end of 2023.

This followed a period of destocking throughout the year, alongside growth in demand that was slower than anticipated.

▾ **CIF Asia lithium carbonate prices** *(in USD/tonne)*

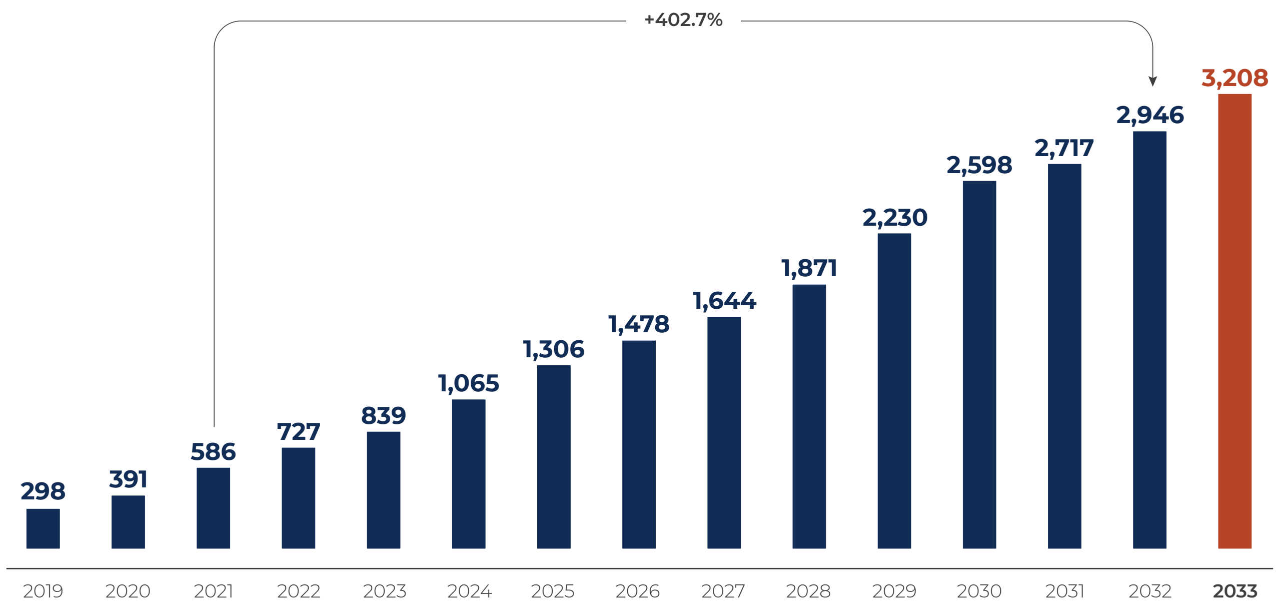


Source: Eramet market research.

1.2.4.2.4 Recent trends and market outlook

The numerous studies of this market converge to predict very strong growth in demand. Driven by the battery market, particularly for electric vehicles, it is estimated that lithium demand in 2032 will be nearly four times that of 2021 (see graph below).

▾ **Evolution of lithium demand** *(in thousands of tonnes of LCE)*



Source: Eramet, WoodMac.

1.2.4.3 Centenario project

In 2012, Eramet discovered the Centenario-Ratones deposit, located at an altitude of 3,800 metres in the province of Salta in the north-west of Argentina. With Chile and Bolivia, this country forms part of the "lithium triangle", which, according to the USGS (United States Institute of Geological Studies), represents more than half of the world's lithium resources.

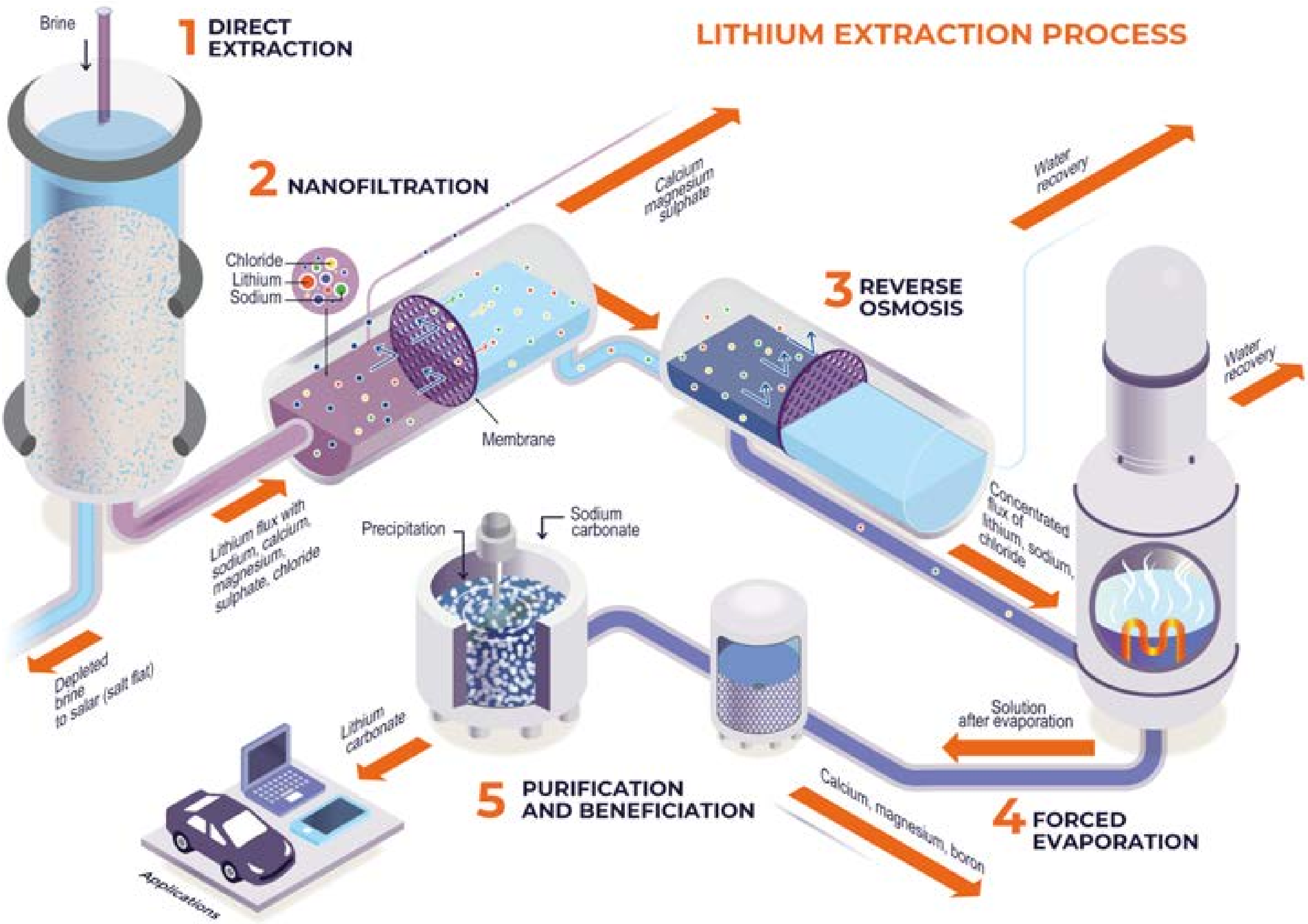
Since April 2014, the Group has held mining rights to this salt flat, which extends over more than 500 square kilometres. It contains very substantial drainable resources, estimated at nearly 10 million tonnes of lithium carbonate equivalent (LCE).

The project developed by Eramet consists of extracting brines from the salar and processing it into battery-grade lithium carbonate, with the aim of producing around 55,000 tonnes per year, with an initial phase of 24,000 tonnes (phase 1) followed by an extension of 30,000 tonnes (phase 2 first tranche).

The project is based on a high-performance direct extraction process (DLE) that uses a solid active ingredient developed by Eramet Ideas, Eramet's R&D centre, in association with IFPEN, the French Institute of Oil and New Energies.

The project also has a solid CSR performance, particularly given the quality of relationships forged with local communities during the project preparation phase. Eramet's process also represents a benefit in terms of the use of water resources compared with projects based on a conventional extraction process. All of Eramet's CSR standards will be applied to the activity.

1.2.4.3.1 Direct extraction process and technology developed by Eramet



Although the production of lithium by direct extraction (DLE) remains in the minority today, this process has been used in the lithium industry for more than 20 years.

The DLE process developed by Eramet offers several advantages over the conventional process of natural evaporation used by the vast majority of producers of lithium from brine:

- Eramet's yield from the process is approximately 90%, compared with around 50% for the conventional evaporation process, and thus requires the consumption of half as many resources from the deposit for the same final production;
- the production cycle, between the pumping of the brine and achievement of the final product, is much shorter, at about one week, compared with 12 to 18 months for the conventional process;
- production is much less exposed to changing weather conditions, because it does not include a natural evaporation stage.

The DLE process developed by Eramet also provides several advantages over the DLE processes currently used:

- the lithium sorbent developed by Eramet Ideas works at the native temperature of the brine. The brine does not need to be heated, thus reducing the energy cost of the operation;
- the regeneration of the lithium sorbent is accomplished by water only.

The Eramet process also benefits from a high level of technological maturity: Eramet worked for 10 years to develop an effective DLE technology. The training centre, an on-site small-scale reproduction of the future industrial plant, was started up in late 2019 and has continued to operate since then, in real conditions, integrating all the steps of the process, from the pumping of the brine to the production of battery-grade lithium carbonate.

The feedback from the operation of the training centre, combined with the expertise of the project team and selected suppliers, makes for excellent conditions for a rapid start-up and for achieving full capacity and the desired battery quality.

These advantages make the process developed by Eramet very competitive, placing it in the first quartile of the lithium industry's cash cost curve (cash cost of around 4,500 to 5,000 USD/tonne LCE EXW[1]). EBITDA (at 100%) after ramp-up is estimated at between $210 million and $315 million per year[2], based on a long-term price assumption of between $15,000 and $20,000/tonne LCE.

1.2.4.3.2 Start-up of the project (phase 1) and construction of the plant in progress

In view of very strong growth in demand for lithium, a critical metal for the energy transition, which is a strategic development area for Eramet, the Group decided in November 2021 to start construction of the lithium production plant in Argentina, having mothballed the project in April 2020 due to the health crisis context.

The restart of the project was achieved through the signing of a partnership agreement with the Chinese steel group Tsingshan, with which Eramet has successfully developed nickel production in Weda Bay, Indonesia.

Eramet has a majority share of 50.1% in the project and will manage it from an operational standpoint. Production will be sold by each of the two shareholders up to their share of the capital on the basis of an off-take contract (trading) under commercial market conditions.

The investment for Phase 1 has been estimated at $800 million, including investments made before the project was mothballed. Around 60% of this investment ($480 million) is being financed by Tsingshan.

Construction of the plant began in April 2022. The first tonnes of lithium carbonate will be produced in the second quarter of 2024. Nominal production capacity (24,000 tonnes) is expected to be reached by mid-2025.

With this project, Eramet will become the first European company to develop large-scale sustainable lithium production, based on an efficient process developed by its own R&D centre.

1.2.4.3.3 Project extension (phase 2, tranche 1)

In October 2023, Eramet's Board of Directors approved the investment decision for the first tranche of Phase 2, which represents the production of an additional 30,000 tonnes of lithium carbonate per year.

This approval remains subject to planning permission being granted. Production start-up is expected in the second half of 2026, with full capacity expected to be reached within 12 months, subject to building work beginning in the second half of 2024.

The cash cost is expected to be in line with that of Phase 1, and the investment should amount to around $800 million (100%), i.e. a lower capital intensity (in USD per tonne of capacity) than Phase 1.

1.2.4.4 Strategic projects and future growth opportunities

Further extension of the Centenario project in Argentina

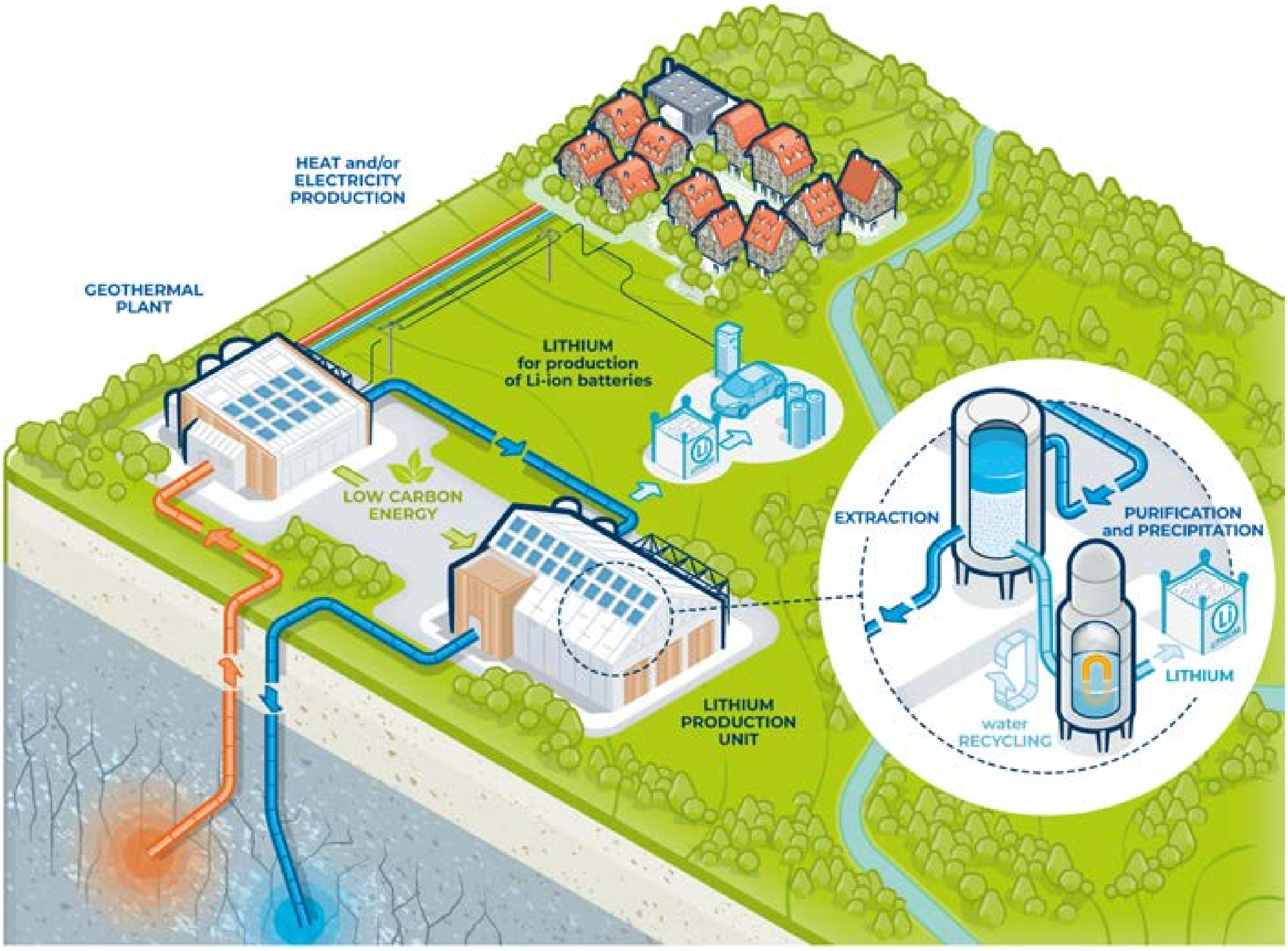
The size of the Centenario lithium deposit in Argentina makes it possible to envisage a further extension by the two partners. In the longer term, the potential capacity of operations should exceed 75,000 tonnes per year.

In addition to continuing drilling to increase the resources at the Centenario salar, Eramine, the Group's local subsidiary, has also launched the exploration of concessions owned in the neighbouring Arizaro salar.

AGELI (Alsace Géothermie Lithium) project, low-carbon lithium production in France

In France, Eramet and Electricité de Strasbourg (ES), a subsidiary of EDF, announced in January 2023 that their cooperation would continue, with the signing of an exclusive memorandum of understanding to jointly study the development and industrialisation of a low-carbon process for extracting and refining lithium from geothermal brines in Alsace. Annual production is expected to be at least 10,000 tonnes. This could begin before the end of the decade, subject to a final investment decision that would be made within the next three years.

(1) Ex-Works: Ex-factory costs, excluding taxes and royalties.
(2) Including royalties and logistics costs.



The technological extraction process used is derived from the DLE process developed by Eramet as part of the Centenario project, adapted to geothermal conditions. Unlike the salars in Argentina, the brine pumped in Alsace is at a depth of 3 km, at 180°C and 20 bars. Production will have very low CO_2 emissions, thanks to the reuse of geothermal energy in the extraction process. The project will also reduce the environmental footprint of the battery industry through short-circuit production. The project is expected to generate numerous socio-economic windfalls for the region. The highest environmental standards will be applied. The project also includes the development and distribution of geothermal renewable energy to the region.

Acquisition of exploration and mining concessions in the Atacama region of Chile

In November 2023, with a view to building a portfolio of future growth opportunities, Eramet acquired 120,000 hectares of exploration and mining concessions. They are located in the heart of the Lithium Triangle region of Latin America and cover a cluster of salars in the Atacama region of northern Chile. Some of these are considered to be among the most promising undeveloped salars in the region. Eramet will secure 100% ownership of the concessions package for an up-front payment of $95 million. A subsequent payment of $10 million will be contingent upon completion of the future project.

Ownership of the concessions will support Eramet's objective to participate in the future development of a new project. This will be subject to, and likely facilitated through, future partnerships with parties authorised by the Chilean government to hold lithium exploration and exploitation rights.

1.2.5 Exploration unit

Set up in July 2019, the exploration unit currently has around 20 employees and a budget of nearly €10 million a year. The unit aims to add new mining projects to the portfolio of the Group in order to sustain and develop Eramet's mining resources and industrial operations. The unit has two specific teams, based in Indonesia and Chile, dedicated to nickel and lithium exploration respectively. It is also continuing its research work in Brazil and West Africa, particularly in manganese.

In 2023, the exploration unit conducted its activities on mineral sand prospects in Malawi and Cameroon. The results of the programmes carried out were not sufficiently satisfactory to continue exploration in these countries. As such, the teams were dismantled at the end of the year.

In Indonesia, the unit remains very active in prospecting for nickel projects (stand-alone and satellites for the Sonic Bay project).

In Latin America's Lithium Triangle, the unit is focusing on identifying opportunities in Chile and Argentina, where it is involved in exploring the Arizaro salar, adjacent to the Centenario-Ratones salar. At the end of 2023, Eramet acquired 120,000 hectares in the Atacama region of northern Chile, considered highly prospective, for the development of a lithium production project.

1.3 Exploration results, mineral resources and ore reserves

1.3.1 General information

Definitions

Definition of exploration results

The Exploration Results come from data and information generated by exploration programs. The exploration results are conceptual in nature. The level of knowledge is not high enough to declare mineral resources. The exploration results are not included in either mineral resources or ore reserves.

Definition of mineral resources

A Mineral Resource is the concentration or occurrence of materials of economic interest in or on the Earth's crust in such quantity and quality that the outlook for economic extraction is reasonable. The location, quantity, quality and continuity of the deposit and the geological characteristics of these resources are known, estimated or interpreted from specific geological evidence and knowledge. Mineral resources are ranked in ascending order of geological confidence as "inferred", "indicated" and "measured" resources.

An Inferred Mineral Resource is the part of a mineral resource of which quantity and quality can be estimated on the basis of geological evidence, with a low level of confidence. The geological continuity of the mineralisation and its quality is assumed but not verified. The estimate is based on limited information or information of uncertain quality and reliability, gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An Indicated Mineral Resource is the part of a mineral resource for which tonnages, densities, shape, physical characteristics, quality and grades can be estimated with a reasonable level of confidence. The estimate is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, quarries and drill holes. The locations are too far from each other or spaced too inadequately to confirm the geological continuity and/or quality of the mineralisation but are close enough to reasonably envisage such continuity.

A Measured Mineral Resource is the part of a mineral resource for which tonnages, densities, shape, physical characteristics, quality and grades can be estimated with a high level of confidence. The estimate is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, quarries and drill holes. The locations are spaced closely enough to each other to confirm the geological continuity and/or quality of the mineralisation and the hydrogeological continuity of the facies of the resource.

Definition of drainable mineral resources in the case of lithium extracted from brine

A Drainable Mineral Resource is defined by the availability of brine with a given lithium content in an envelope with a known effective porosity. The classification level is based on a grid of test drill holes which allow to assess the lateral and vertical continuity of the lithology, the lithium brine concentrations and the hydraulic parameters.

An Inferred Drainable Mineral Resource is the part of a drainable resource for which only geophysical measurements are available and possibly some drilling sites. Hydraulic continuity is not verified. The lithium content estimate is based on limited information or information of uncertain quality and reliability.

An Indicated Drainable Mineral Resource is the part of the drainable resource for which there is proven lateral continuity of the hydraulic parameters of the aquifer, the lithium content of the brine and vertical continuity between two measurement points in the same well.

A Measured Drainable Mineral Resource is the part of the drainable resource for which the sampling quality, hydraulic parameters and grades can be estimated with a high level of confidence and that meet quality criteria (QA/QC).

Definition of ore reserves

An Ore Reserve is the economically mineable part of the "measured" or "indicated" mineral resources of a deposit. The estimate of ore reserves is based on a pre-feasibility or feasibility study (mining project in the broad sense) that includes technical constraints (pit drawing, diluting materials and mining losses according to mining methods, efficiency of plants) and economic, commercial, legal, environmental, social and governmental constraints that exist or are foreseeable at the time of the estimate. At the very least, a pre-feasibility study shows that mining is justified at the time of declaration. Ore reserves are ranked in ascending order of confidence as "probable" and "proven".

A Probable Ore Reserve is the economically mineable part of an "indicated" and, in some circumstances, a "measured" resource, while a Proven Ore Reserve is the economically exploitable part of a "measured" resource.

Location

In Gabon, Comilog S.A. is mining high-grade manganese tabular deposits, located under low overburden layer and formed by the weathering of volcano-sedimentary rocks.

In New Caledonia, Société Le Nickel-SLN is mining oxidised nickel deposits formed by the weathering of ultrabasic rocks.

On the island of Halamahera in Indonesia, Pt Weda Bay Nickel is mining oxidised nickel ore in a context of lateritic weathering.

In Senegal, Grande Côte Opérations (GCO) is mining a heavy mineral sands deposit. The deposit is a heavy mineral placer of coastal dunes, containing high quantities of titaniferous minerals (ilmenite, rutile and leucoxene) and zircon.

In Argentina, Eramine S.A. will start mining the lithium-enriched brines contained in the Centenario-Ratones salar in 2024.

Legal titles

Exploration results, mineral resources and ore reserves are present on mining titles for which the Group has the following rights:

- **Gabon:** a 75-year concession expiring on 25 January 2032, renewable ten years by right then upon request by ten-year tranches;
- **New Caledonia:** some mining claims are so-called "perpetual" concessions, which expire on 31 December 2048 under the current legislative section of the Mining Code.

  The expiry dates of the other concessions making up Société Le Nickel-SLN's mining reserves are staggered until 2041, and renewal applications are systematically submitted to the relevant authorities within the time frames required by the Mining Code.

  The maximum period of validity of a concession is set at 50 years, including any renewal periods, which may not exceed 25 years each;
- **Indonesia:** Contract of Work, ending on 27 February 2048, renewable;
- **Senegal:** mining concession awarded to Mineral Deposits Limited (MDL) by the Senegalese Government on 2 November 2007 (Decree 2007-1326) for a term of 25 years and renewable, transferred to GCO in July 2008;
- **Argentina:** mining concessions awarded to Eramine S.A. on the salars (salt deserts) of Centenario-Ratones. These are issued in perpetuity, subject to payment of the half-yearly mining royalties and compliance with the investment programme.

Ore reserves are recognised at historical cost in the accounts only in the case of titles purchased, while titles granted by the authorities are not valued.

References

The presentation of the Group's exploration results and its mineral resources and ore reserves was established according to the principles of the "JORC Code" (Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves), 2012 edition.

Exploration results, mineral resources and ore reserves are based on documentation reviewed and validated by people with sufficient and relevant experience for the type of deposits under consideration. These competent persons certify that the figures presented are compliant with the requirements of the Code. These are:

- professionals employed on a full-time basis by the Group, its subsidiaries or holdings;
- competent persons from external firms mandated by the group, its subsidiaries or holdings.

Basis of estimates

The estimates are based on samples, which may not be fully representative of the whole deposits. As they are explored and/or mined, the estimates may change either positively or negatively, according to the improved knowledge of the ore deposits.

Presentation of the exploration results

The exploration results refer to a potential quantity associated with a grade. These elements are expressed as a range. The exploration results reflect the situation as of 1 January 2024.

Presentation of figures for mineral resources and ore reserves

The figures for the mineral resources and ore reserves shown in the tables:

- are rounded to reflect the relative uncertainty of the estimates, which might produce calculation differences in the totals. They are provided for all the licences;
- represent the mineral resources and ore reserves of subsidiaries or holdings and not Eramet's share in the entities concerned;
- are expressed using the abbreviations below:
  - Mwmt: millions of wet metric tonnes,
  - Mdmt: millions of dry metric tons,
  - Y: Yield,
  - Mn: manganese,
  - Mt Mn: millions of tonnes of manganese,
  - Ni: nickel,
  - ktNi: thousands of tonnes de nickel,
  - HM: Heavy minerals,
  - Li: lithium,
  - LCE: *Lithium Carbonate Equivalent.*

Mineral resources and ore reserves figures reflect the situation as of 1 January 2024. When ore reserves are declared, they are included in mineral resources.

1.3.2 Mineral resources and ore reserves of Comilog S.A.

Mineral Resources

The table below shows the figures for the mineral resources of Comilog S.A., updated at 1 January 2024.

STATEMENT OF COMILOG S.A. MINERAL RESOURCES AT 1 JANUARY 2024

	1 January 2024						1 January 2023					
Mineral Resources	RoMt *Mwmt*	RoMt *Mdmt*	Y *%*	Ore *Mwmt*	Mn *%*	Mn *Mt*	RoMt *Mwmt*	RoMt *Mdmt*	Y *%*	Ore *Mwmt*	Mn *%*	Mn *Mt*
Measured	136	124	66.7	92	45.1	37	141	128	64.6	92	45.1	37
Indicated	265	242	66.0	177	43.8	70	252	229	64.3	163	43.2	64
Inferred	55	50	64.4	36	43.5	14	61	56	62.1	38	43.2	15
TOTAL	**457**	**416**	**66.0**	**304**	**44.2**	**121**	**454**	**414**	**64.1**	**294**	**43.8**	**116**

Notes:

1. Tonnes for run-of-mine (RoMt) are given in place and expressed in millions of tonnes. Yields (% Y) represent the proportion of run-of-mine that can be beneficiated and are used to calculate ore tonnages expressed in millions of tonnes.
2. The manganese content (% Mn) is applied to the ore and is used to calculate the tonnes of Mn content.
3. The mineral resources are defined at an Mn cut-off grade of the lumpy fraction higher than or equal to 30%.
4. The mineral resources are validated by the competent person: Ms Sophie Rodrigues, geologist at Eramet's CTO (Central Technical Office) (EurGeol #1726).

Ore reserves

The table below shows the figures for the ore reserves of Comilog S.A., updated at 1 January 2024.

STATEMENT OF COMILOG S.A. ORE RESERVES AT 1 JANUARY 2024

	1 January 2024						1 January 2023					
	RoMt	RoMt	Y	Ore	Mn	Mn	RoMt	RoMt	Y	Ore	Mn	Mn
Ore reserves	*Mwmt*	*Mdmt*	*%*	*Mwmt*	*%*	*Mt*	*Mwmt*	*Mdmt*	*%*	*Mwmt*	*%*	*Mt*
Proven	90	82	65.6	60	45.5	24	97	89	63.9	63	46	26
Probable	185	168	64.7	121	43.8	48	150	136	63.2	96	44	38
TOTAL	**275**	**250**	**65.0**	**180**	**44.3**	**72**	**247**	**225**	**63.5**	**158**	**44.7**	**64**

Notes:

1. Tonnes for run-of-mine (RoMt) are given in place and expressed in millions of tonnes. Yields (% Y) represent the proportion of run-of-mine that can be beneficiated and are used to calculate ore tonnages expressed in millions of tonnes.
2. The manganese content (% Mn) is applied to the ore and is used to calculate the tonnes of Mn content.
3. The ore reserves are defined at an Mn cut-off grade of the lumpy fraction higher than or equal to 30%.
4. Mining factors as well as technical factors related to ore processing are applied.
5. The ore reserves figures are defined on the basis of a long-term mining sequence developed over a 20-year period from 1 January 2024.
6. The ore reserves are validated by the competent person: Mr Yves Broch, Head of the Geology and Mining Department at Eramet's CTO (Central Technical Office) (MAusIMM #3001380).

1.3.3 Mineral resources and ore reserves of Société Le Nickel-SLN

Mineral Resources

The table below shows the figures for the mineral resources of Société Le Nickel-SLN, updated at 1 January 2024.

STATEMENT OF SLN MINERAL RESOURCES AT 1 JANUARY 2024

	1 January 2024				1 January 2023			
Mineral Resources	Mwmt	Mdmt	% Ni	ktNi	Mwmt	Mdmt	% Ni	ktNi
LIMONITES								
Measured	45.5	28.2	1.46	411	45.9	28.5	1.45	415
Indicated	58.9	36.6	1.47	537	49.2	30.3	1.46	441
Inferred	238.3	149.4	1.41	2,105	237.7	148.6	1.40	2,086
Total Limonites	**342.7**	**214.2**	**1.43**	**3,054**	**332.8**	**207.4**	**1.42**	**2,942**
SAPROLITES								
Measured	187.2	136.8	2.08	2,841	164.4	118.6	2.11	2,501
Indicated	226.9	169.3	2.01	3,396	232.2	173.1	2.03	3,514
Inferred	809.3	600.1	1.88	11,297	790.0	583.8	1.89	11,030
Total saprolites	**1,223.4**	**906.2**	**1.93**	**17,534**	**1,186.7**	**875.5**	**1.95**	**17,046**
GRAND TOTAL	**1,566.2**	**1,120.4**	**1.84**	**20,587**	**1,519.5**	**1,082.9**	**1.85**	**19,988**

Notes:

1. The figures are reported in millions of dry metric tonnes (Mdmt) and are associated with the nickel grade and tonnes of nickel content (ktNi).
2. In accordance with the system describing the drill hole data, the tonnages and grades shown for Saprolites mineral resources correspond only to the altered phase of the saprolites, which entails the mineralisation and not to the entire saprolitic column.
3. The cut-off grades applied are as follows: 1.3% Ni for limonites and 1.4% Ni for saprolites.
4. The mineral resources are validated by the competent person: Mr Yves Broch, Head of the Geology and Mining Department at Eramet's CTO (Central Technical Office) (MAusIMM #3001380).

Ore reserves

The table below shows the figures for the ore reserves of Société Le Nickel-SLN, updated at 1 January 2024.

STATEMENT OF SLN ORE RESERVES AT 1 JANUARY 2024

	1 January 2024				1 January 2023			
Ore reserves	Mwmt	Mdmt	% Ni	ktNi	Mwmt	Mdmt	% Ni	ktNi
LIMONITES								
Proven	11.0	6.8	1.46	99	24.7	15.3	1.46	223
Probable	8.9	5.8	1.48	85	33.5	20.6	1.49	307
Total	**19.9**	**12.5**	**1.47**	**184**	**58.2**	**35.9**	**1.47**	**530**
SAPROLITES								
Proven	62.7	44.5	2.11	940	64.9	45.5	2.12	965
Probable	78.5	58.1	2.05	1,190	139.0	103.2	2.08	2,145
Total	**141.2**	**102.6**	**2.08**	**2,130**	**203.9**	**148.7**	**2.09**	**3,109**
GRAND TOTAL	**161.1**	**115.1**	**2.01**	**2,314**	**262.1**	**184.7**	**1.97**	**3,639**

Notes:

1. The figures are reported in millions of dry metric tonnes (Mdmt). They are associated with the nickel grade and tonnes of nickel content (kt Ni).
2. The tonnages and grades shown for Saprolites ore reserves correspond only to the altered phase of the saprolites, which entails the mineralisation and not to the entire saprolitic column.
3. The cut-off grades applied are as follows: 1.3% Ni for limonites and between 1.3% Ni and 1.6% Ni for saprolites depending on the deposit under consideration.
4. Mining factors as well as technical factors related to ore processing are applied.
5. Given the difficulties in accessing certain deposits and the lack of visibility over SLN's ability to resolve certain situations, 101 Mwmt of Ore Reserves have been downgraded in accordance with the JORC code (reassessment based on technical, legal, societal and environmental criteria).
6. The ore reserves are validated by the competent person: Mr Pierre Epinoux, CTO (Chief Technical Officer) at Eramet (MAusIMM #316009).

1.3.4 Mineral resources and ore reserves of PT Weda Bay Nickel

Mineral Resources

The table below shows the figures for the mineral resources of PT Weda Bay Nickel, updated at 1 January 2024.

STATEMENT OF PT WEDA BAY NICKEL MINERAL RESOURCES AT 1 JANUARY 2024

	1 January 2024				1 January 2023			
Mineral Resources	Mwmt	Mdmt	% Ni	ktNi	Mwmt	Mdmt	% Ni	ktNi
LIMONITES								
Measured	114.6	69.8	1.15	802	104.8	62.9	1.15	723
Indicated	394.1	238.0	1.03	2,444	157.9	94.7	1.08	1,022
Inferred	248.1	150.0	1.05	1,570	348.5	209.1	1.10	2,299
Total Limonites	**756.8**	**457.8**	**1.05**	**4,815**	**611.2**	**366.7**	**1.10**	**4,044**
SAPROLITES								
Measured	239.0	175.1	1.35	2,363	257.9	167.6	1.39	2,330
Indicated	660.9	480.6	1.28	6,130	309.7	201.3	1.34	2,697
Inferred	535.9	390.6	1.32	5,172	662.2	430.4	1.42	6,111
Total saprolites	**1,435.8**	**1,046.2**	**1.31**	**13,665**	**1,229.8**	**799.3**	**1.39**	**11,138**
GRAND TOTAL	**2,192.6**	**1,503.9**	**1.23**	**18,480**	**1,841.0**	**1,166.0**	**1.30**	**15,182**

Notes:

1. The figures are reported in millions of dry metric tonnes (Mdmt). They are associated with the nickel grade and tonnes of nickel content (kt Ni).
2. The cut-off grades applied are 0.7% Ni for limonites and 0.8% Ni for saprolites.
3. The indicated tonnages and grades for saprolites correspond to the entire saprolitic column.
4. The mineral resources are validated by the competent person: Mr Ade Kadarusman, Director of PT AKA Geosains Consulting, MAusIMM #303680, member of the Indonesian Association of Geologists (IAGI), the Indonesian Society of Economic Geologists (MGEI), and Indonesian Competent Person (CPI# 088).

Ore reserves

The table below shows the figures for the ore reserves of PT Weda Bay Nickel, updated at 1 January 2024.

STATEMENT OF PT WEDA BAY NICKEL ORE RESERVES AT 1 JANUARY 2024

	1 January 2024				1 January 2023			
Ore reserves	Mwmt	Mdmt	% Ni	ktNi	Mwmt	Mdmt	% Ni	ktNi
ORE FOR HYDROMETALLURGICAL PLANTS								
Proven	98.9	60.2	1.13	681	91.8	55.2	1.13	623
Probable	329.0	198.8	1.02	2,022	141.1	80.9	1.06	857
Total	**428.0**	**259.0**	**1.04**	**2,703**	**233.0**	**136.0**	**1.09**	**1,481**
ORE FOR PYROMETALLURGICAL PLANTS								
Proven	197.2	144.1	1.34	1,927	205.9	139.1	1.37	1,905
Probable	545.8	396.5	1.27	5,025	247.2	165.1	1.33	2,195
Total	**743.1**	**540.6**	**1.29**	**6,952**	**453.0**	**304.2**	**1.35**	**4,101**
GRAND TOTAL	**1,171.0**	**799.6**	**1.21**	**9,655**	**686.0**	**440.2**	**1.27**	**5,581**

Notes:

1. The figures are reported in millions of dry metric tonnes (Mdmt). They are associated with the nickel grade and tonnes of nickel content (kt Ni).
2. Ore reserves are presented according to the ore beneficiation process, i.e. a hydrometallurgical or pyrometallurgical treatment.
3. The ore reserves are defined at a cut-off grade varying between 0.7% and 0.9% Ni.
4. The ore reserves figures are defined on the basis of a long-term mining sequence developed over a 21-year period from 1 January 2024.
5. The ore reserves are validated by the competent person: Mr Dzikril Hakim, Senior Mining Engineer at PT AKA Geosains Consulting (MAusIMM #3053421).

1.3.5 Mineral resources and ore reserves of Grande Côte Opérations

Mineral Resources

The table below shows the figures for the mineral resources of Grande Côte Opérations, updated at 1 January 2024.

STATEMENT OF GRANDE CÔTE OPERATIONS MINERAL RESOURCES AT 1 JANUARY 2024

	1 January 2024			1 January 2023		
Mineral Resources	Sands Mdmt	HM Mdmt	% HM	Sands Mdmt	HM Mdmt	% HM
Measured	2,422	27.7	1.14	2,228	26.6	1.19
Indicated	412	4.1	0.99	712	7.3	1.03
Inferred	222	1.9	0.87	86	0.7	0.83
TOTAL	**3,056**	**33.7**	**1.10**	**3,026**	**34.6**	**1.14**

Notes:

1. The figures are reported in millions of dry metric tonnes of mineral sands (Sands Mdmt) and they are associated with the average in situ heavy mineral grade of the sands (% HM) and the dry metric tonnage of heavy minerals (HM Mdmt).
2. Mineral Resources are the sum of the tonnages included in the dredge path of GCO's long-term mining plan (without a cut-off grade), plus all the sands outside the mining path, located between the topographic surface and six metres below the level of the natural water table, with a grade higher than the cut-off grade of 0.70% HM.
3. The mineral resources do not include tonnages located in non-exploitable exclusion zones (rights of way of major villages, tailings and materials under tailings).
4. The mineral resources are validated by the following competent persons:
   - Mr Fanguin Philippe, Senior Geologist at Eramet's CTO (Central Technical Office) (EurGeol #1259),
   - Mr Mamadou Ly, Head of GCO Geology Department (FAusIMM #319223).

Ore reserves

The table below shows the figures for the ore reserves of Grande Côte Opérations, updated at 1 January 2024.

STATEMENT OF GRANDE CÔTE OPERATIONS ORE RESERVES AT 1 JANUARY 2024

	1 January 2024			1 January 2023		
Ore reserves	Sands Mdmt	HM Mdmt	% HM	Sands Mdmt	HM Mdmt	% HM
Proven	1,155	16.5	1.43	1,222	17.6	1.44
Probable	72	1.0	1.43	162	2.4	1.45
TOTAL	**1,227**	**17.5**	**1.43**	**1,384**	**20.0**	**1.44**

Notes:

1. The figures are reported in millions of dry metric tonnes of mineral sands (Sands Mdmt) and they are associated with the average in situ heavy mineral grade of the sands (% HM) and the dry metric tonnage of heavy minerals (HM Mdmt).
2. The ore reserves correspond to the sum of the tonnages of mineral sands exploited by the dredger (mine path) and by a conventional mining method (dry mining) in the rich superficial areas adjacent to the dredge path.
3. Within the path of the dredge and dry mining pits, no cut-off grade is applied, as all the sand is recovered there.
4. The ore reserves take into account losses of sands and heavy minerals at the level of the dredge and the entry of the WCP. The recovery rates of heavy minerals in the processing plants (WCP and MSP) are not applied in the calculation of ore reserves.
5. The ore reserves figures are defined on the basis of a long-term mining sequence developed over a 21-year period from 1 January 2024.
6. The ore reserves are validated by the competent person: Mr C. Nouel, Director of Eramet's Mineral Sands Business Unit (MAusIMM #206668).

1.3.6 Mineral resources and ore reserves of Eramine S.A.

Drainable mineral resources

The table below shows the figures for the drainable mineral resources of Eramine S.A., updated at 1 January 2024. The drainable mineral resources are defined on the Centenario and Ratones salars.

STATEMENT OF ERAMINE S.A. DRAINABLE MINERAL RESOURCES AT 1 JANUARY 2024

	1 January 2024			1 January 2023		
Drainable Resources	Brine volume *(in millions of m^3)*	Li content *(in mg/l)*	LCE *(in kt)*	Brine volume *(in millions of m^3)*	Li content *(in mg/l)*	LCE *(in kt)*
Measured	2,790	415	6,210	929	409	2,023
Indicated	3,000	395	6,320	1,594	380	3,226
Inferred	1,180	414	2,590	2,826	312	4,689
TOTAL	**6,970**	**407**	**15,120**	**5,349**	**350**	**9,938**

Notes:

1. The figures are presented in millions of cubic metres of brine. They are associated with the lithium content of the brine expressed in mg/l.
2. The change in Mineral Resources between 2023 and 2024 is the result of a general revision of the geological model.
3. The calculation of the LCE (lithium carbonate equivalent) infers no loss linked to the process. The LCE (lithium carbonate equivalent) tonnage equivalent is calculated based on the lithium mass multiplied by a factor given by the atomic mass of each lithium carbonate element, i.e. 5.32.
4. The competent person responsible for the estimate of reserves is Mr Frits Reidel, Certified Professional Geologist (#11454) with the American Institute of Professional Geologists and employee of Atacama Water.

Ore reserves

The table below shows the figures for the ore reserves of Eramine S.A., updated at 1 January 2024. The ore reserves are only defined on the Ratones salar.

STATEMENT OF ERAMINE S.A. ORE RESERVES AT 1 JANUARY 2024

	1 January 2024					1 January 2023				
Ore reserves	Years	Brine volume pumped *(in millions of m^3)*	Average Li content *(mg/l)*	Metal Li *(in tonnes)*	LCE *(in tonnes)*	Years	Brine volume pumped *(in millions of m^3)*	Average Li content *(mg/l)*	Metal Li *(in tonnes)*	LCE *(in tonnes)*
Proven	1-7	95	463	44,000	234,000	1-3	30	460	12,180	65,000
Probable	1-20	336	450	152,000	808,000	1-40	518	436	196,620	1,047,000
TOTAL	**1-20**	**430**	**455**	**196,000**	**1,042,000**	**1-40**	**548**	**438**	**208,800**	**1,112,000**

Notes:

1. The figures are presented in millions of cubic metres of brine. They are associated with the lithium content of the brine expressed in mg/l and with the average density of the brine.
2. The years mentioned correspond to periods of the pumping sequence. The retained scenario covers a period of 20 years and guarantees annual production of 55 kt LCE.
3. A recovery factor of the lithium extraction process (87%) was applied to the ore reserves.
4. Average lithium grades are calculated on the basis of the mass from all resource categories, including the low contribution of inferred mineral resources.
5. The proportion of brine volume from inferred mineral resources is not taken into account in total brine volume.
6. Metal lithium tonnage only includes masses from measured and indicated mineral resources.
7. Metal lithium tonnage is converted into LCE (lithium carbonate equivalent) using the factor 5.32.
8. The competent person responsible for this estimate of ore reserves is Mr Frits Reidel, Certified Professional Geologist (#11454) with the American Institute of Professional Geologists and employee of Atacama Water.

1.4 Holding activity

Eramet S.A., the consolidating parent company, combines two main operating divisions:

- a pure **holding function** called Eramet Holding, bringing together the various support services including the Administrative and Financial Department, the Human Resources, Health and Security Department, the Sustainability and Corporate Engagement Department, the Legal Department, the Information Systems Department and the Strategy and Innovation Department;
- an **Operations division**, which includes the Manganese, Nickel, Mineral Sands and Lithium mining activities. On 1 January 2023, all the assets and liabilities of Eramet Marketing Services (EMAS) were transferred to Eramet S.A., which now combines all the Group's support, commercial and industrial functions, intended for the Operations Division.

The costs of these different services are billed back to the different Group companies through management fee contracts.

Eramet S.A. also groups together directly held subsidiaries, acting on behalf of the various entities or for the parent company. These include:

- **Eramet Services:** a company that includes accounting, payroll and IT support functions for some of the Group's companies;
- **Eramet Ideas:** Eramet's research centre, responsible for Research and Development as well as project engineering activities and technologies;
- **Eramet International:** a company that includes Eramet's sales network for certain activities of the Operations division. Eramet International has subsidiaries and branches throughout the world. The activity of Eramet International is remunerated by agency commission contracts;
- **Metal Securities:** the Group's cash management company, which centralises cash surpluses and short-term requirements for the Group as a whole;
- **Metal Currencies:** the Group's foreign exchange management company, which carries out all foreign exchange hedging operations for the Group as a whole;
- **ERAS:** reinsurance company.

In terms of consolidation level, Eramet Holding includes the holding function within Eramet and the consolidated subsidiaries (Eramet Services, Eramet Ideas, Metal Securities, Metal Currencies, ERAS).

1.5 Innovation, digital transformation and operations integration

1.5.1 Innovation by Eramet

Eramet Ideas spearheads our drive for innovation to create value for the Group's strategic sites and projects. Boasting top-notch expertise in research and development and industrial roll-out,

"Innovation by Eramet" is founded on three pillars:

- draw on open innovation to **create lasting value** for the Group's mines, plants and growth projects;
- make digital transformation, technological agility and mining and metallurgical expertise **accelerators of innovation**;
- be a **centre of excellence** for mining operations, extractive metallurgy and recycling. Be the gold standard for Europe and earn worldwide renown.

In total, Eramet employs around 200 people entirely dedicated to innovation, who are supported by the operational teams. Within the Business Units, these teams coordinate testing and essential phases of industrialisation for the Group's research and innovation projects. In all, around 1% of Eramet's turnover is channelled into innovation. The ultimate goal of the innovation teams is to create sustainable value from opportunities. The innovation of Eramet Ideas is open because this is the mode of organisation that makes it possible to seize or identify these opportunities as quickly as possible wherever they exist, both outside and inside the company.

Innovation is aligned with the Group's priorities and strategic orientations, and is built to be essential across its entire value chain, with the following priorities:

- **reduce the environmental footprint of the mines and plants** by continuously offering innovative solutions for reducing CO_2 emissions, fresh water consumption, raw material or reagent requirements and waste production, or to implement short recycling circuits;
- **dare to innovate** and create significant improvements in the performance of mining operations through the development and adoption of new technologies, techniques, processes and products;
- **be disruptive** by mobilising creativity and technical and industrial expertise to improve the competitiveness of our existing plants or unlock the value of undeveloped projects through the way we process and extract minerals.

1.5.2 Expertise by Eramet

Eramet's employees demonstrate world-class expertise along the entire the value chain, from mining to extractive metallurgy processes.

Eramet's **geological and mining** expertise is recognised worldwide. The exploration and then exploitation geology enables optimal understanding and planning of deposits. Mining expertise is a key success factor in view of the diversity of the deposits mined: altered ore containing nickel, cobalt and manganese, brine containing lithium and mineral sands containing titanium and zircon.

Geometallurgical expertise is the link between mining and metallurgy. Geometallurgy is the integration of geological, mining, metallurgical, environmental and economic information to maximise the economic value of an ore body while minimising technical and operational risks. We use powerful characterisation tools for geometallurgy processes at our sites, up to nanometric scales, coupled with data processing tools and chemical analysis of the materials processed or produced.

The Group's **metallurgical** expertise is rooted in the main disciplines of **extractive metallurgy**, namely mineral processing, hydrometallurgy and pyrometallurgy. The ore is first enriched through mineralurgical processes. These processes consist of separating recoverable fractions by using the physical properties of the minerals in the ore, i.e. density, size, magnetism, electrostatic susceptibility, hydrophobicity etc. These processes, which consume relatively fewer chemical products and/or energy and whose waste is inert, are always pushed to their maximum potential. If ore beneficiation is not (or no longer) possible, the ore may be treated via more complex chemical or thermal processes. Hydrometallurgy emphasises ore beneficiation by chemical treatment in solution. Pyrometallurgy emphasises ore beneficiation by melting and reduction at very high temperatures.

Expertise in **digital metallurgy and mining** enables the use of all mathematical methods of interpolation, extrapolation and algorithmic processing to support our mining and metallurgical operations. The aim here is to apply innovative digital transformation technologies to mining and industrial operations.

The ability to innovate is improved by developing skills/expertise and promoting diversity of origins and ideas. A training requirement for young recruits during their first year at Eramet Ideas helps to attract the best professionals. Multicultural diversity enhances creativity and innovation through internal mobility, international recruitment, the hosting of scientists from the best universities and partnerships with foreign institutes or universities.

1.5.3 *Open innovation* by Eramet

Open innovation consists of developing external collaborations with scientific groups, academic institutions, start-ups or industrial partners to accelerate the development of our growth projects. Open innovation by Eramet is:

- challenges with students in mineralogy, mineralurgy, pyrometallurgy, hydrometallurgy and data science, to attract the most talented individuals;
- scientific challenges to solve industrial problems;
- start-up competitions to appropriate emerging technologies more rapidly;
- long-term partnerships with universities to pool experimental facilities and the associated know-how;
- participation in European projects as a leader when the issue is strategic or as a simple participant when it is only a question of being informed of the progress achieved, ultimately always in order to develop tools and knowledge that are too expensive to bring in-house;
- an Innovation Council made up of recognised international academics in the field of mining and metallurgy, which audits and guides our portfolio of projects twice a year;
- participation in think tanks in our businesses to help influence the direction of future areas of research and innovation in Europe.

Open innovation, an innovation accelerator, is a tremendous source of opportunities, know-how and challenges for Eramet's innovation teams and helps to optimise the generation of ideas.

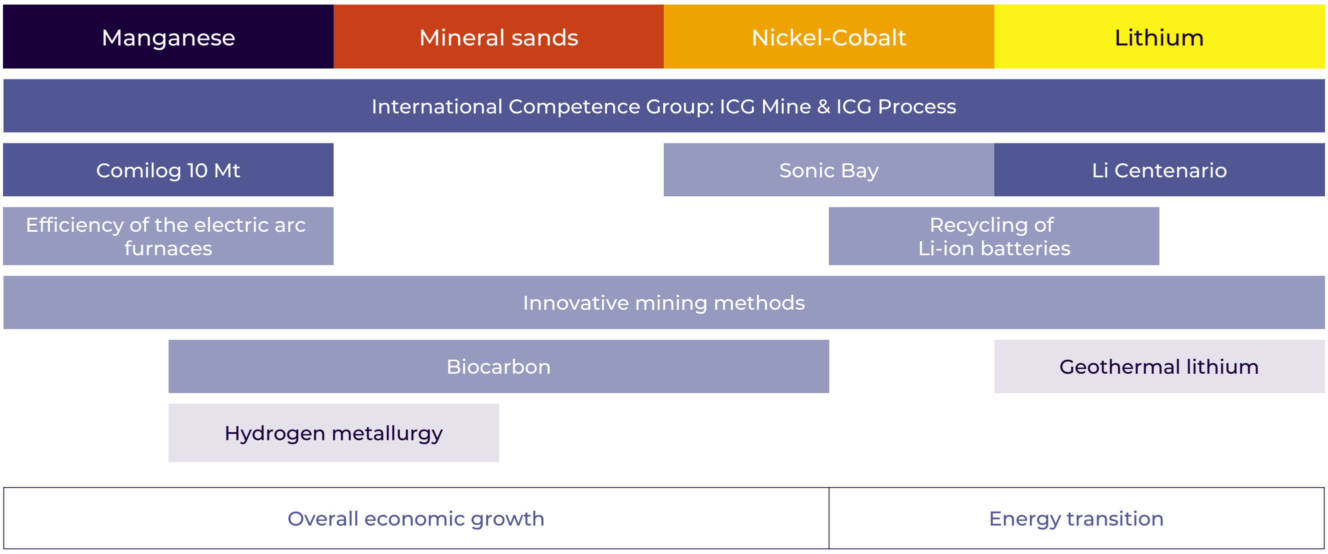
In 2023, Eramet launched the Open Mine platform dedicated to open innovation on its website (Open Mine – Eramet). This platform aims to facilitate contacts and partnerships with the Group by giving people the opportunity to propose innovative solutions and apply directly for various challenges posted online. This year, the Water Resource challenge launched in partnership with EIT RawMaterials attracted more than one hundred entries. The challenge, which is fully in line with Eramet's CSR roadmap, aims to find innovative solutions for measuring water quality, reducing consumption and promoting water recycling.

Finally, open innovation is a driver of the economic performance of Eramet's innovation. Openness makes it possible to access skills to advance our projects without having to bear the full cost directly.

▾ Types of partners of Eramet Ideas

1.5.4 Innovation projects by Eramet

These programmes are conducted within the Business Units or at the Eramet Ideas centre. To ensure the results are wholly relevant, the innovation teams work in close collaboration with the operational staff. This makes it possible to optimise the effectiveness of R&I programmes, from the definition of the programmes to the implementation of the innovations on industrial sites. These innovations may relate to products, improvement of the productivity of processes or reduction of their environmental footprint. The following 2023 projects are particularly noteworthy:



Short-term priority. Medium-term priority. Long-term priority.

International competence group for mining and processes

In order to disseminate best practices and share common performance indicators within Eramet, international competence groups (ICGs) have been set up on cross-functional challenges such as the estimation of mineral resources and reserves, mining geology, mineralurgy, water management, electrode calcination, electric arc furnace lining, diffuse emissions, cold metal management and chemical analysis. These multi-skilled teams support the plants and mines in their key transformations, whether these relate to environmental, economic or market issues.

Increase in manganese ore production in Gabon

The innovation teams support the operating teams to design and start setting up the mining, mineralurgical and logistics equipment necessary for pursuing organic growth of the mining activity.

Development of battery-grade nickel and cobalt production in Indonesia (Sonic Bay project)

The innovation teams are working on the impact of ore variability on the process, effluent treatment, reduction of Capex and reduction of reagent consumption.

Development of lithium production in Argentina (Centenario project)

In the context of the ongoing construction of the plant, the teams focused in 2023 on preparing for the start-up by organising tests and training on the small-scale pilot plant operated at altitude under real-life conditions in the Argentine salar. In addition, the R&D teams are working on the development of new equipment for phase 2 of the project. In parallel, exploratory tests are being conducted to reduce freshwater consumption with a view to further reducing the environmental footprint of the Eramet process.

Efficiency of the ferroalloy furnaces of the manganese alloys activity

The innovation teams are working on the design of the furnaces, the measurement of electrical parameters, the exothermic potential of the ores and the recovery of some of the energy from the fumes in order to achieve unparalleled sustainable efficiency.

Recycling of lithium-ion batteries

An ambitious research programme on short-loop lithium battery recycling has helped to identify areas where Eramet can set itself apart and be competitive. The project includes an “upstream” part, managed by our partner Suez, for dismantling, grinding and separating the various components of a battery and producing concentrated nickel, cobalt and lithium blackmass. It also includes a “downstream” part, managed by Eramet, for the hydrometallurgical treatment of this blackmass by dissolving, purifying and separating the metals to produce very high-purity nickel, cobalt and lithium, which can be reused in the manufacture of new batteries. A demonstration unit for the “downstream” part was built by the Eramet Ideas research centre and inaugurated in Trappes in November 2023. This pilot plant integrates all the technological advances developed by this research programme.

Innovative mining methods

Mining innovation consists of implementing new technologies, techniques, processes and products that improve mine profitability and productivity as well as safety and the environment. With R&I tools developed in extractive metallurgy, a strong digital culture and collaboration with mining institutes, the innovation teams bring value to the mines. In 2023, geometallurgy programmes were launched at the GCO and Comilog sites to link and adapt mineralurgical and metallurgical processing parameters to the precise location of the ores mined.

Biocarbon

Eramet’s strategic roadmap for reducing CO_2 emissions is based on the decarbonisation of pyrometallurgical processes, made possible by the use of solid fuels and biomass reducers. These materials, if produced and exploited sustainably, are carbon-neutral and replace fossil-based carbon materials. This strategic effort requires R&D actions to characterise and understand these new types of carbonaceous materials and to evaluate the durability and performance of their production process through reference tests, and substitution tests need to be carried out on a pilot scale.

Geothermal lithium production

The innovation teams produced the very first kilogrammes of European battery-grade lithium carbonate in 2021. The recovery of lithium from geothermal brines is perfectly in line with Eramet’s strategic focus and would make it possible to provide lithium for the European battery market.

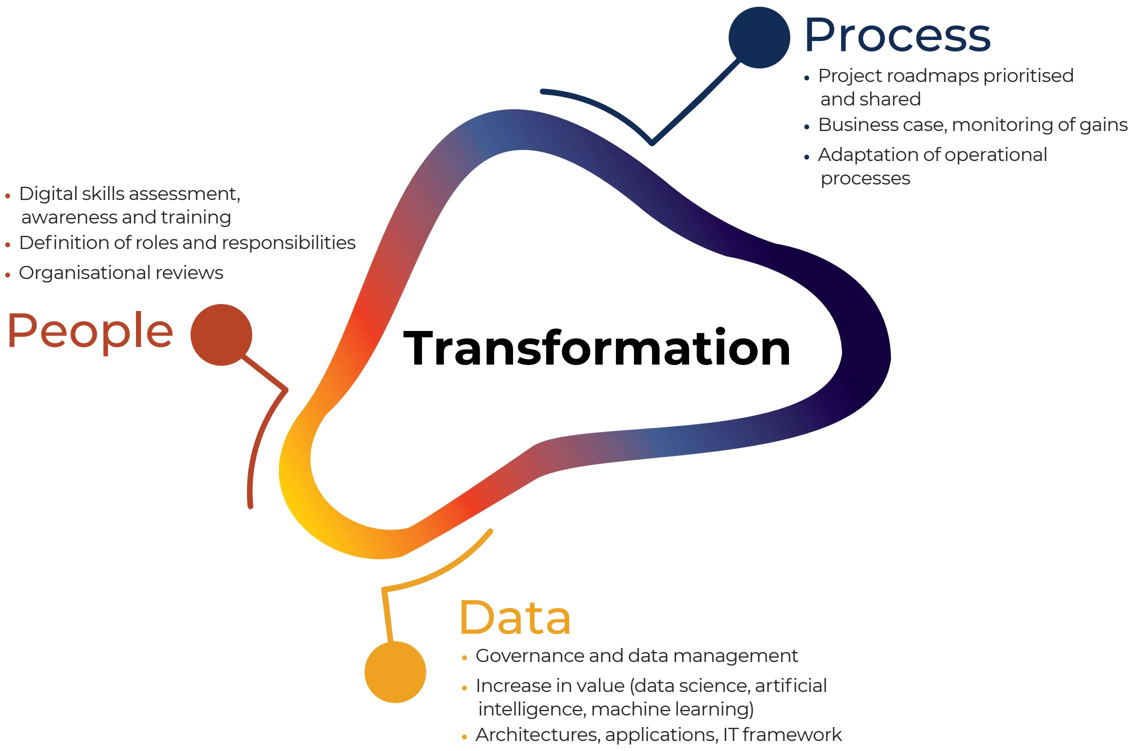
A lithium beneficiation pilot project was launched on one of Électricité de Strasbourg’s geothermal sites at the end of 2023. The process developed by Eramet Ideas will be tested over a long period of time.

Hydrogen metallurgy

An innovative way of manufacturing manganese obtained by hydrogen pre-reduction, followed by electrolysis in an aqueous solution, is currently being explored to replace the coke reduction process currently used. At the same time, highly innovative molten oxide electrolysis processing technologies are being studied.

1.5.5 Digital transformation and operations integration

Digital transformation and operations integration contribute to Eramet's cultural evolution and operating performance. Implemented around three areas of focus – *People, Process and Data* – they allow Operations to be managed in real time and in an integrated way, making organisations more agile and innovative.



1.5.5.1 Digital transformation

Eramet's digital transformation vision was defined in 2018 with the participation of many employees and approved by the Group's Executive Committee with the following objectives:

- **connect geology to the economy** by being able to adjust mining maps and production according to predicted demand for each market and **streamline processes** using big data and artificial intelligence;
- **ensure the traceability and quality** of products, from extraction and production to delivery to the customer.

This vision has been broken down into three structuring programmes – Mine 4.0, Plant 4.0, Logistics 4.0 – whose achievements have been presented in the 2022 Universal Registration Document.

The digital transformation also supports the Group's **strong CSR ambitions**, notably through projects carried out in 2023 on product traceability (EraTrace platform), environmental and community monitoring (Connected Concession at GCO in Senegal) and local integration (Comilog's FabLab in Gabon).

CSR initiatives will continue over the next few years in several areas:

- **monitoring indicators in real time**, thanks to comprehensive instrumentation (water, air, biodiversity etc.) and the consolidation of a Geographic Information System at Group level. This monitoring must be made more reliable and be certified in order to meet the requirements of future audits as part of the IRMA certification;
- **evolving towards data-driven decision-making procedures** by linking all available CSR data and taking these parameters into account to improve Operations management;
- **strengthening the ability to collaborate with stakeholders** by opening data up to the outside world, but also through greater traceability.

Cross-functional initiatives have also been implemented to support the Group's transformation process:

- **employee training**, from awareness-raising to certification training, involving more than 1,000 employees (digital challenges, Data *for Managers* with HEC, mastery of agile methodologies, data science certification with our partner Datascientest);
- **collaboration with the digital ecosystem**, through peer benchmarking and numerous partnerships with start-ups (DeepLime in geology, Quantcube on market structures), Digital Women's Day (Journée de la femme digitale – JFD), the France and Africa Margaret awards, and an agreement with Station N in New Caledonia.

1.5.5.2 The Operations integration programme

At the end of 2021, the Group launched a global Operations Integration programme to support its objectives of increasing production and improving the agility of its operations. Thanks to the latest digital technologies and access to managed and controlled data, the Operations Integration approach allows for the real-time monitoring of operations throughout the value chain: planning, production, supply chain and transport, sales and macroeconomic impacts.

The Operations Integration programme translates, in particular, into the establishment of **Integrated Remote Operations Centres** (**IROCs**), which have been developing in the mining sector since 2018 (BHP in Perth, ArcelorMittal in Canada, Vale in Canada). For Eramet's mining subsidiaries (Comilog, Setrag, SLN and GCO), the long-term objective is **a fully consolidated "ore-to-market" scenario**, with a shorter-term "ore-to-port" objective. The planning aspect is also taken into account through strategic and tactical planning and weekly/daily operational planning. Comilog's Integrated Operations Centre was inaugurated in January 2023 in Moanda; it will continue its gradual roll-out across the value chain.

Initiatives or discussions on establishing IROCs are under way at Setrag, GCO and for the manganese alloy production activity. Since 2020, Setrag has invested particularly in solutions for monitoring locomotive status and wagon tonnage, and for real-time optimisation of fuel consumption. The subsidiary implemented a traffic management modernisation programme coupled with continuous monitoring of the status of installations, notably with the aid of drones for monitoring engineering structures and sensors for anticipating maintenance operations. These achievements will fuel Setrag's initial version of the IROC, which will later be linked to Comilog's IROC to cover Eramet's entire manganese production value chain.

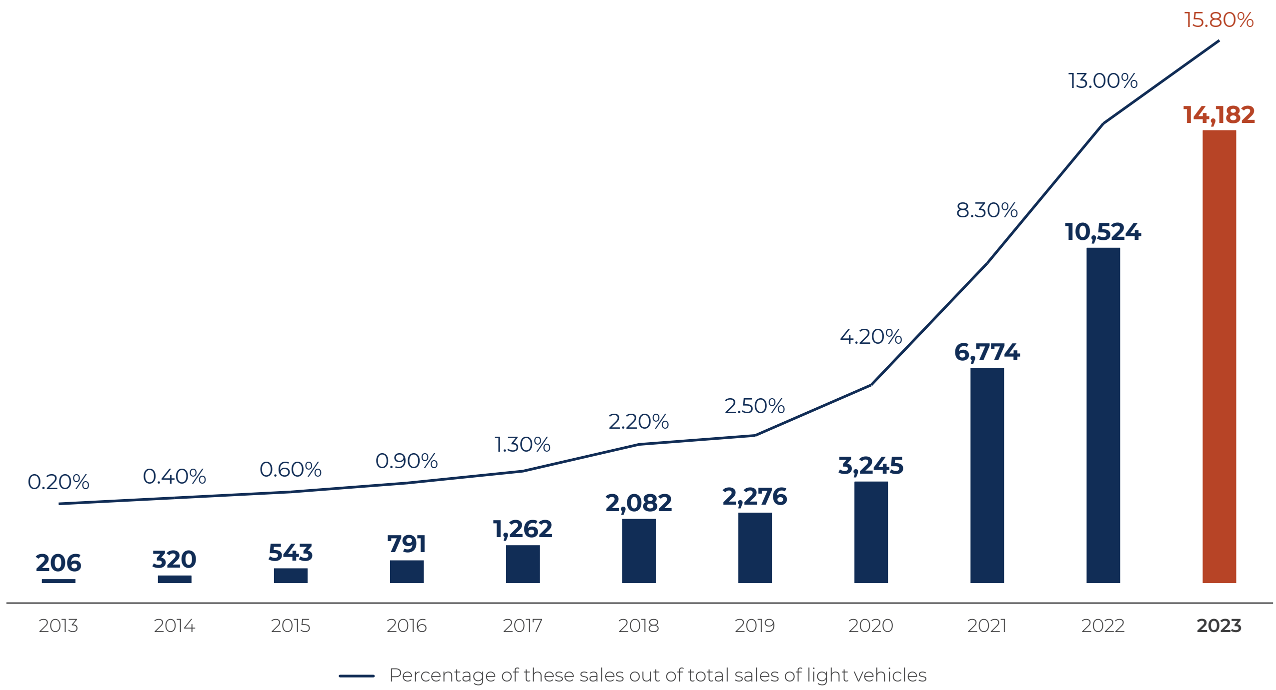
Finally, the digital transformation and integration of operations also concern the **greenfield projects** – Lithium in Argentina and Sonic Bay in Indonesia – which will be built to the highest standards of Industry 4.0: real-time management of all operations to improve decision-making, continuous monitoring of the process using prescriptive or descriptive algorithms and optimisation of logistics.

1.6 Electric vehicle battery recycling project (under study)

1.6.1 Lithium-ion battery market dynamics

The electric vehicle industry is the main driver of global demand for lithium-ion batteries. This market has experienced spectacular growth over the last two years, exceeding forecasts with an average penetration of 13% worldwide and almost 21% in Europe.

▾ Total sales per year of electric vehicles (battery-powered and plug-in hybrids)



Source: ev-volumes.com

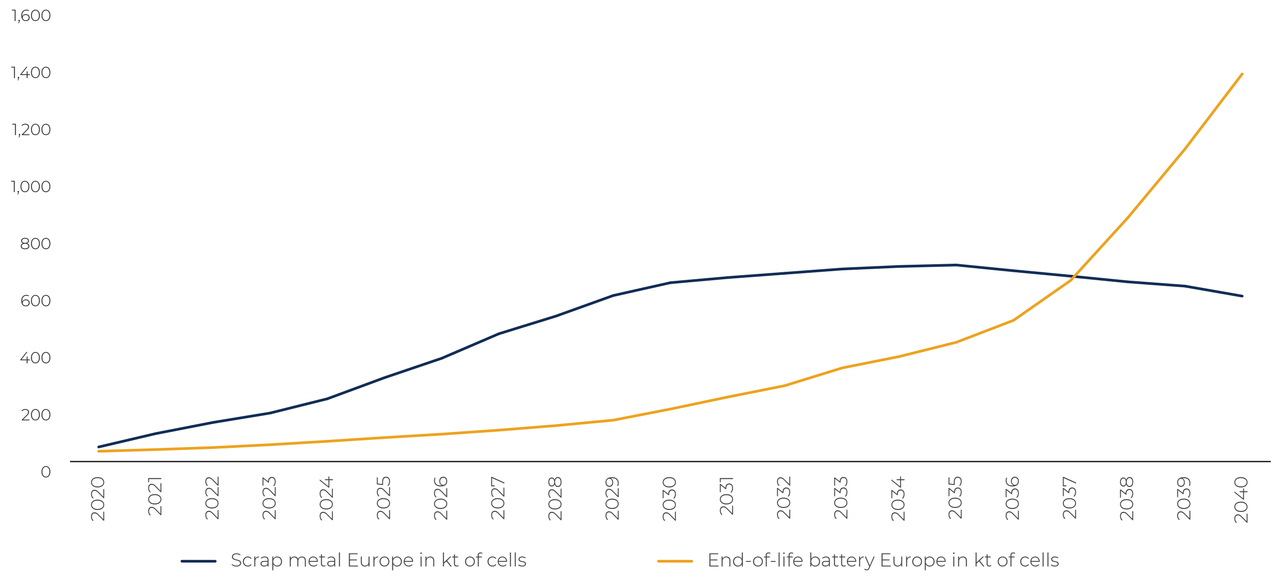
Demand forecasts for Li-ion batteries have therefore been revised upwards, with a projection of more than 40 million electric vehicle sales in 2030 worldwide (~40% of total sales).

This acceleration is mainly due to environmental awareness, strict government policies and incentives. For example, the European Commission has proposed a package of measures known as "Fit for 55", aimed at reducing carbon emissions by 55% by 2030. In addition, the European Parliament has formally agreed on new vehicle emissions standards that would effectively ban the widespread sale of combustion engine cars and vans in the 27-nation bloc by 2035.

1.6.2 Projections of volumes available for recycling in Europe

There are two main sources of raw materials for recycling:

- end-of-life batteries: with an average lifespan of 15 years before reaching the recycling market, the flow of end-of-life batteries available for recycling on the European market should remain relatively limited until 2030. Volumes should then increase significantly between 2030 and 2035, before growing exponentially from 2035 onwards;
- waste generated by Gigafactories during their production process: waste from Gigafactories[1] is expected to be the predominant source of raw materials and to account for the bulk of recycling needs until 2036/2037, when very large volumes of end-of-life batteries are expected to enter the recycling chain.



Source: Eramet internal analysis.

1.6.3 Regulatory framework in Europe

The European recycling landscape benefits from a favourable regulatory framework, which makes it compulsory to include recycled raw materials in the production of new batteries, with an ambitious minimum recycling content by 2031 and 2036:

MINIMUM PERCENTAGE OF RECYCLED RAW MATERIALS IN BATTERY PRODUCTION

	2031	2036
Nickel	6%	15%
Cobalt	16%	26%
Lithium	6%	12%

Recyclers have also been given ambitious targets for material recoveries by 2027: 90% for nickel and cobalt, 50% for lithium. This target is to be reviewed by 2031.

In addition, the EU regulation specifies that battery producers must have "extended producer responsibility" (EPR) for the products they make available on the market, to encourage them and electric vehicle manufacturers to structure battery recycling solutions.

(1) Battery production plants.

1.6.4 Eramet recycling project

In partnership with Suez, a leader in circular water and waste solutions, Eramet is developing a battery recycling project that would strengthen the Group's position in the electric battery value chain. Each partner will contribute its key skills to the project:

- Suez for the collection, sorting, preparation, dismantling and recycling of materials from used batteries;
- Eramet for the development of hydrometallurgical technology to recycle the strategic metals contained in blackmass[1].

The project involves the construction of two adjacent facilities at the Dunkirk site in France, ideally located at the heart of the "battery valley"[2]:

- an "upstream" blackmass dismantling and production plant, with the capacity to process 50,000 tonnes of battery modules per year, equivalent to 200,000 electric vehicle batteries;
- a "downstream" hydrometallurgy plant to extract and refine the strategic metals contained in blackmass (nickel, cobalt, lithium), allowing them to be reused in the production of new batteries.

The performance obtained during the studies indicates that it is possible to meet or exceed the requirements of future European regulations with a reduced use of natural resources and a lower carbon footprint.

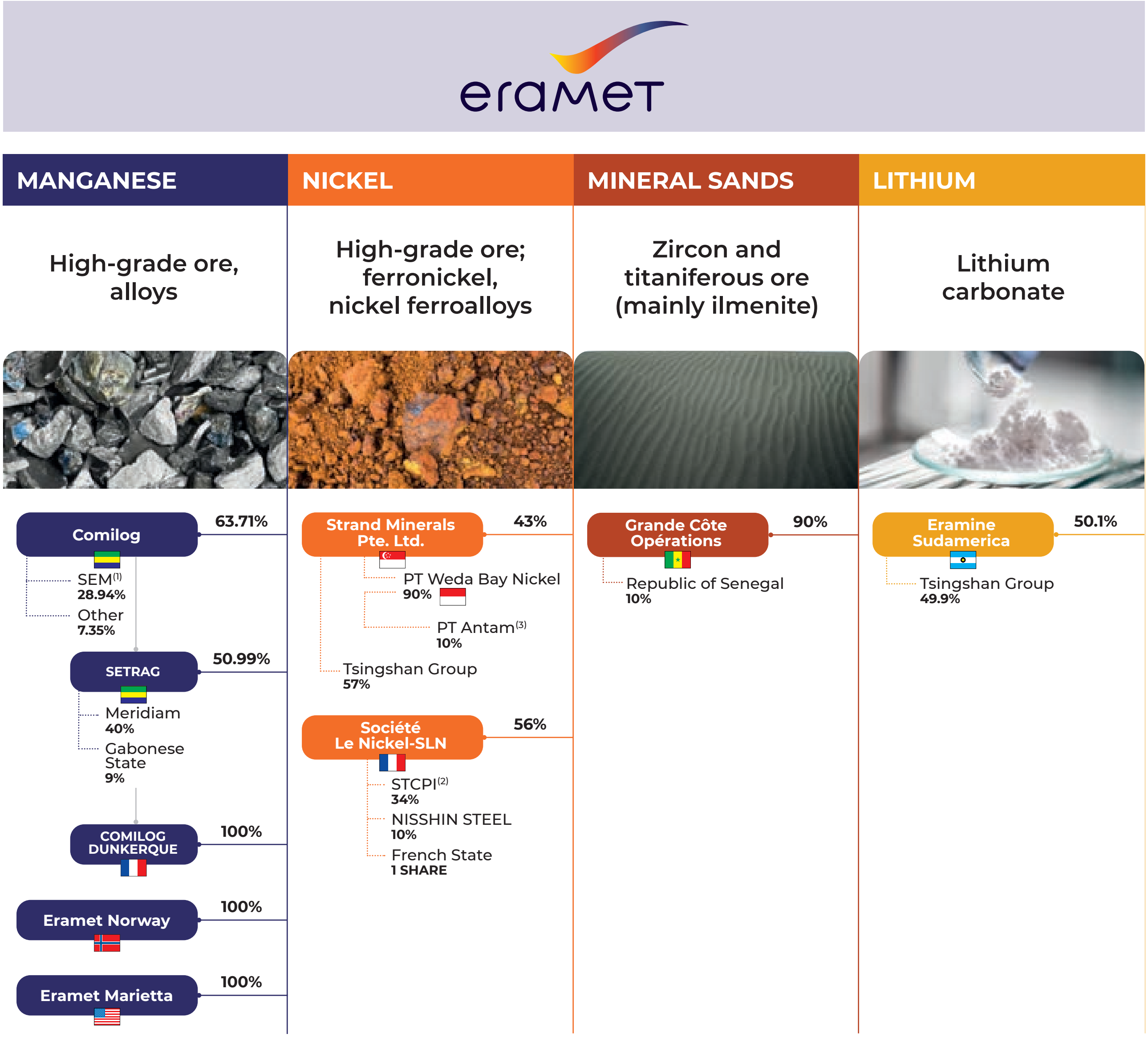
Eramet has received an €80 million grant from the European Union and BPI to finance pre-industrialisation studies, plant construction and operating costs for the first 10 years of operation.

Feasibility studies led by Suez for the upstream portion are currently being finalised.

The pilot plant, designed to validate the downstream process, was inaugurated at Eramet's Research and Innovation Centre, located near Paris, at the end of 2023.

(1) Concentrate of nickel, cobalt, manganese, lithium and graphite.
(2) Several gigafactories are expected to be commissioned in the region over the next few years.

1.7 Group organisation chart



Eramet Ideas **100%**
Eramet International **100%**

1.8 History of the Company

1880

- Société Le Nickel was incorporated in 1880 to operate nickel mines in New Caledonia. Under the majority control of the Rothschild family since the end of the 19th century, in the late 1960s it became the parent company of all the Rothschild group's mining subsidiaries (Le Nickel-Peñarroya-Mokta group).

1974

- The nickel business was spun off into a subsidiary under the name Société Métallurgique Le Nickel-SLN: Elf Aquitaine acquired a 50% interest in this new company. The former company Société Le Nickel changed its name to Imétal, thereafter holding the remaining 50% in Société Métallurgique Le Nickel-SLN.

1983

- As part of an industrial, shareholding and financial restructuring programme, ERAP, a French state-owned company, acquired a 70% stake in the share capital of Société Métallurgique Le Nickel-SLN. Imétal and Elf Aquitaine's interests were reduced to 15% each.

1985

- Société Métallurgique Le Nickel-SLN, owner of the mining assets in New Caledonia, became a wholly owned subsidiary of a new parent company known as Eramet-SLN, in which the shareholders continued to be ERAP (70%), Imétal (15%) and Elf Aquitaine (15%).

1989-1991

- From 1989 onwards, in order to smooth out the effects of nickel cycles, the Company adopted a strategy of diversifying into complementary activities.
- Acquisition of French company La Commentryenne and Swedish company Kloster Speedsteel in the high-speed steels sector. These two companies were merged in 1992 to form a new company known as Erasteel.

1991

- Long-term commercial and financial partnership with Nisshin Steel. At the end of October 1994, Nisshin Steel's holding in the capital of Société Métallurgique Le Nickel-SLN reached 10%.

1992

- Société Métallurgique Le Nickel-SLN and Eramet-SLN took on their current names of Société Le Nickel-SLN and Eramet, respectively.

1994

- A private placement was followed by a listing of 30% of Eramet's share capital on the Paris Stock Exchange's "Second Marché".
- The BRGM group (Bureau de Recherches Géologiques et Minières, a French state-owned company) transferred ownership of its Cofremmi subsidiary, the owner of nickel ore reserves in New Caledonia, to Eramet, in return for shares representing 2.34% of Eramet's new share capital.

1995-1996

- Eramet acquired a 46% stake in Comilog (Gabon), a producer of manganese ore, ferromanganese and manganese-based chemicals products.

1997

- Eramet acquired from Gengabon (Gencor Group) a further 15% of the share capital of Comilog.

1999

- The Group consolidated SIMA (Duval family), a producer and transformer of high-performance special steels.
- Sale of a 30% stake in Société Le Nickel-SLN to ERAP in exchange for Eramet shares; ERAP then transferred the stake to a New Caledonian publicly owned entity, Société Territoriale Calédonienne de Participation Industrielle (STCPI). The French government sold ERAP's remaining interest to Cogema, which then became part of the Areva group. After these operations, the Group's activities were organised into three Divisions – Nickel, Manganese and Alloys – and the Group's capital was mostly held by private shareholders (Cogema/AREVA and Sorame and CEIR – Duval family), with the French government retaining a non-controlling interest.

2000

- Inauguration of the Moanda industrial complex in Gabon.

2002

- Acquisition of the Guilin manganese alloy plant (China).

2006

- Acquisition of Weda Bay Nickel in Indonesia.

2007

- Shares in Eramet were exchanged for those in SLN for STCPI as part of the SLN Shareholders' Agreement.

2008

- Acquisition of a 58.93% controlling interest in Norwegian group Tinfos.
- Creation of UKAD for preliminary mining and first transformation of titanium (forging ingots).

2009

- Eramet increased its stake in Eralloys (formerly Tinfos, Norway) to 100% after buying up the non-controlling interests. Sale of Nizi, an international trading business acquired in 2008 with Tinfos.
- Acquisition of Valdi (France), engaged in the recycling of non-ferrous metals.

2011

- Creation of TiZir, a joint venture in mineral sands with Mineral Deposits Ltd.

2012

- Acquisition by FSI Equation, a subsidiary of Fonds Stratégique d'Investissement (which became Bpifrance, later a subsidiary of APE) of the Eramet shares previously held by Areva.
- Diversification into lithium production with the discovery of a deposit in Argentina, taken on by Eramine Sudamerica (lithium project).

2013

- Appointment, following a joint nomination by BPI and by Sorame and CEIR, of a director to represent Gabon on Eramet's Board of Directors.

2014

- Start-up of the Moanda metallurgical complex in Gabon and (via TiZir) of Grande Côte Operations in Senegal (mineral sands).

2015

- Launch of EcoTitanium, Europe's leading producer of aviation-grade titanium producer using recycled materials.
- Creation of MKAD, a new plant machining large titanium parts, a joint venture between Aubert & Duval and Mecachrome. The aim is to use the plant to transform the titanium produced by EcoTitanium.

2016

- Start of MKAD production.
- Opening of the École des mines in Moanda.
- Sale of Erachem and Bear Metallurgical Corporation.

2017

- Sale of Eurotungstène.
- Launch of EcoTitanium.
- The Weda Bay Nickel partnership is signed with the Chinese company Tsingshan, the world's largest producer of stainless steel.

2018

- Success of the tender offer made for the shares of Mineral Deposits Ltd.: acquisition of 100% of TiZir.
- Sale of the Guilin manganese alloy plant (China).
- Lifting of the preconditions of the agreement signed with Tsingshan regarding the Weda Bay Nickel deposit and effective implementation of the partnership (shareholding: Eramet 43%/Tsingshan 57%).

2019

- Obtention of a research permit in the field of mineral sands in Cameroon on the rutiliferous block of Akonolinga.
- Start-up of the Centenario pilot site in Argentina (lithium project).

2020

- The first casting of low-grade nickel ferroalloy took place in the first furnace of the PT Weda Bay Nickel plant, the Indonesian joint venture between Eramet, Newstride Technology (controlled by the Tsingshan Group) and Pt Antam. The plant was ramped up successfully with nominal production capacity achieved at the end of the year.
- Signature of an agreement with BASF in December to assess the development of refined nickel-cobalt production for the expanding electric vehicle market.

2021

- The opening of the capital of Setrag (a subsidiary of Comilog) to Meridiam, a private investor specialising in the long-term management of sustainable public infrastructure, and to the Gabonese State, which now have respective stakes of 40% and 9% in the subsidiary.
- Signing of a partnership agreement with the Chinese steel group Tsingshan to recommence construction of the Centenario plant in Argentina (lithium project).

2022

- Sale of the Sandouville (France) hydrometallurgical plant to Sibanye-Stillwater, a major precious metals player.

2023

- Sale of Aubert & Duval to a consortium consisting of Airbus, Safran and Tikehau Capital.
- Sale of Erasteel to Syntagma Capital, a Belgian investment fund, finalising the sale of the entire High Performance Alloys division.
- Sale of Eramet Titanium & Iron ("ETI") to INEOS Enterprises, a world leader in the production of intermediate chemicals.
- Acquisition of an extensive set of exploration and mining concessions in the Atacama region of northern Chile, at the heart of the Lithium Triangle.

2

CONSOLIDATED FINANCIAL STATEMENTS AND INDIVIDUAL FINANCIAL STATEMENTS

2.1 Consolidated financial statements for the 2023 financial year

Income statement

(in millions of euros)	Notes	FY 2023	FY 2022
Turnover	**6**	**3,251**	**5,014**
Other income	6	89	88
Raw materials and purchases consumed	6	(1,101)	(1,495)
External expenses	6	(1,255)	(1,406)
Personnel cost	6	(602)	(608)
Taxes	6	(18)	(16)
Operating depreciation and amortisation	6	(240)	(271)
Net change in operating provisions and impairment allowances	6	3	(26)
Current operating income	**6**	**127**	**1,280**
Other operating income and expenses	7	(320)	(255)
Operating income	**7**	**(193)**	**1,025**
Net debt cost	8	(85)	(115)
Other financial income and expenses	8	83	26
Financial income	**8**	**(2)**	**(89)**
Share of income from joint ventures and associates	11	295	258
Income taxes	12	(88)	(264)
Net income from continuing operations		**12**	**930**
Net income from discontinued operations[(1)]	4	6	(156)
Net income for the period		**18**	**774**
Attributable to non-controlling interests	7	(91)	34
o/w continuing operations attributable to non-controlling interests		*(91)*	*34*
o/w discontinued operations attributable to non-controlling interests		*-*	*-*
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		**109**	**740**
o/w continuing operations attributable to equity holders of the parent company		*103*	*896*
o/w discontinued operations attributable to equity holders of the parent company		*6*	*(156)*
Basic earnings per share of continuing operations *(in euros)*		3.59	31.23
Basic earnings per share of discontinued operations *(in euros)*		0.20	(5.42)
Basic earnings per share *(in euros)*		3.80	25.81
Diluted earnings per share of continuing operations *(in euros)*		3.54	30.84
Diluted earnings per share of discontinued operations *(in euros)*		0.19	(5.42)
Diluted earnings per share *(in euros)*[(2)]		3.75	25.49

(1) Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Erasteel and Aubert & Duval CGUs are shown as divested operations, as Aubert & Duval was disposed of in April 2023 and Erasteel in June 2023.

(2) Where basic earnings per share are negative, the diluted earnings per share are deemed equal to them, in which case the instruments are considered to be antidilutive.

Statement of comprehensive income

(in millions of euros)	Notes	FY 2023	FY 2022
Net income for the period		**18**	**774**
Translation differences for subsidiaries' financial statements in foreign currency		(374)	(208)
Change in the fair value reserve for bonds	9	-	-
Change in revaluation reserve for hedging instruments	9	(41)	68
Income taxes		8	(12)
Items recyclable to profit or loss		**(406)**	**(152)**
Revaluation of net defined benefit plan liabilities	14	2	10
Income taxes		0	(2)
Items not recyclable to profit or loss		**2**	**8**
Other comprehensive income		**(404)**	**(144)**
• attributable to non-controlling interests		(180)	(54)
• **attributable to equity holders of the parent company**		**(223)**	**(90)**
TOTAL COMPREHENSIVE INCOME		**(386)**	**630**
• attributable to non-controlling interests		(272)	(20)
• **attributable to equity holders of the parent company**		**(114)**	**650**

These items are listed in the table of changes in equity under the section relating to Other Comprehensive Income (OCI).

Statement of cash flows

(in millions of euros)	Notes	FY 2023	FY 2022
OPERATING ACTIVITIES			
Net income for the period		18	774
Reincorporation of net income from operations to be divested		(6)	156
Non-cash income and expenses	8	156	297
Cash flow from operations		168	1,227
Net change in working capital requirement (WCR)	10	73	(111)
Net cash flow from continuing operating activities[1]		**241**	**1,116**
Net cash flow from discontinued operating activities[3]	4	(69)	(125)
Net cash flow from operating activities[1]		**172**	**991**
Investing activities			
Acquisition of non-current assets[2]	11	(920)	(588)
Net change in other non-current financial assets	11	(114)	150
Disposal of non-current assets	11	6	7
Net change in current financial assets	8	8	(134)
Capital increase (reduction) from joint ventures		(0)	37
Dividends received from equity-accounted companies[4]	11	267	25
Impact of changes in consolidation scope	8	229	79
Net investment cash flow relating to continuing operations		**(524)**	**(424)**
Net investment cash flow relating to discontinued operations[3]	4	(33)	(89)
Net cash used in investing activities		**(557)**	**(513)**
Financing activities			
Capital increase subscribed by non-controlling interests		321	183
Dividends paid to non-controlling interests		(87)	(32)
Payment of dividends		(100)	(72)
Buyback of equity shares		(10)	(7)
Issue of new debt	8	1,419	167
Loan repayments	8	(1,118)	(382)
Change in lease commitments	8	(17)	(16)
Change in bank overdrafts	8	(69)	98
Other changes		(36)	3
Net financing cash flow relating to continuing operations		**303**	**(58)**
Net financing cash flow relating to discontinued operations[3]	4	(34)	(2)
Net cash used in financing activities		**269**	**(60)**
Impact of fluctuations in exchange rates of continuing operations		45	(64)
Impact of fluctuations in exchange rates of discontinued operations[3]	4	(0)	-
Net cash flow from continuing operations carried out with discontinued operations		(104)	(236)
Net cash flow from discontinued operations carried out with continuing operations		104	236
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS OF CONTINUING OPERATIONS		**(39)**	**334**
Increase (decrease) in cash and cash equivalents of discontinued operations		(33)	20
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(71)**	**354**
Opening cash and cash equivalents	8	1,123	789
Closing cash and cash equivalents	8	1,084	1,123
Cash and cash equivalents of assets held for sale[3]	4	0	33
(1) including under operating activities:			
Interest income		*41*	*8*
Interest paid (including IFRS 16 charge)		*(144)*	*(105)*
Tax paid		*(172)*	*(187)*

(2) Lease-purchases are treated as purchases and recognised as acquisition of non-current assets in contrast to other leases.

(3) Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Erasteel and Aubert & Duval CGUs are shown as divested operations, as Aubert & Duval was disposed of in April 2023 and Erasteel in June 2023.

(4) The impact of Weda Bay amounts to €267 million and consists mainly of the payment of dividends.

Balance sheet

(in millions of euros)	Notes	31/12/2023	31/12/2022
Intangible assets and goodwill	11	434	486
Property, plant and equipment	11	2,236	2,222
Lease rights of use	11	70	76
Investments in joint ventures and associates	11	315	297
Other non-current financial assets	11	177	41
Deferred tax assets	12	64	44
Other non-current assets	10	8	11
Non-current assets		**3,304**	**3,177**
Inventories	10	619	724
Customers	10	221	369
Other current assets	10	480	434
Current tax receivables	12	10	6
Derivatives – assets	9	35	75
Current financial assets	8	522	537
Cash and cash equivalents	8	1,084	1,123
Assets held for sale(1)	4	-	714
Current assets		**2,972**	**3,982**
TOTAL ASSETS		**6,276**	**7,159**

(in millions of euros)	Notes	31/12/2023	31/12/2022
Capital	8	88	88
Share premiums	8	466	466
Revaluation reserve for available-for-sale assets	8	7	7
Revaluation reserve for hedging instruments	8	10	42
Revaluation reserve for defined benefit plan liabilities	8	(82)	(84)
Translation adjustments	8	(486)	(292)
Other reserves	8	1,597	1,554
Attributable to equity holders of the parent company		1,600	1,781
Attributable to non-controlling interests	7	394	464
Shareholders' equity		**1,994**	**2,245**
Employee-related liabilities	13	99	90
Provisions – due in more than one year	14	579	562
Deferred tax liabilities	12	246	270
Non-current borrowings – due in more than one year	8	1,541	1,393
Lease commitment – more than one year	8	65	75
Other non-current liabilities	10	0	8
Non-current liabilities		**2,530**	**2,398**
Current provisions – due in less than one year	14	132	162
Current borrowings – due in less than one year	8	603	520
Lease commitment – less than one year	8	18	16
Suppliers	10	445	424
Other current liabilities	10	456	496
Current tax payables	12	88	150
Derivatives – liabilities	9	10	11
Liabilities associated with assets held for sale(1)	4	-	737
Current liabilities		**1,752**	**2,516**
TOTAL LIABILITIES		**6,276**	**7,159**

(1) Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the assets and liabilities of the Aubert & Duval and Erasteel CGUs are shown in the consolidated balance sheet at 31 December 2022 as "assets held for sale". At 31 December 2023, as the Aubert & Duval and Erasteel CGUs were disposed of during the first half of 2023, the assets and liabilities of these CGUs no longer appear on the balance sheet.

Statement of changes in equity

(in millions of euros)	Number of shares	Capital	Share premiums	Revaluation reserve for available-for-sale assets	Revaluation reserve for hedging instruments	Revaluation reserve for defined benefit plan liabilities	Translation adjustments	Other reserves	Attributable to equity holders of the parent company	Attributable to non-controlling interests	Shareholders' equity
Shareholders' equity restated at 1 January 2022[1]	**28,755,047**	**88**	**466**	**7**	**(11)**	**(92)**	**(141)**	**695**	**1,012**	**323**	**1,335**
Net income for the period 2022	-	-	-	-	-	-	-	740	740	34	774
Other comprehensive income	-	-	-	-	53	8	(151)	-	(90)	(54)	(144)
Total comprehensive income	-	-	-	-	53	8	(151)	740	650	(20)	630
Distribution of dividends	-	-	-	-	-	-	-	(72)	(72)	(32)	(104)
Share-based payment	-	-	-	-	-	-	-	8	8	-	8
Buyback of equity shares	-	-	-	-	-	-	-	(7)	(7)	-	(7)
Transactions with non-controlling interests	-	-	-	-	-	-	-	55	55	125	180
Other movements[2]	-	-	-	-	-	-	-	135	135	68	203
Total transactions with shareholders	-	-	-	-	-	-	-	119	119	161	280
Shareholders' equity at 31 December 2022	**28,755,047**	**88**	**466**	**7**	**42**	**(84)**	**(292)**	**1,554**	**1,781**	**464**	**2,245**
Net income for the period 2023	-	-	-	-	-	-	-	109	109	(91)	18
Other comprehensive income	-	-	-	-	(32)	2	(193)	-	(223)	(180)	(403)
Total comprehensive income	-	-	-	-	(32)	2	(193)	109	(114)	(272)	(385)
Distribution of dividends	-	-	-	-	-	-	-	(100)	(100)	(87)	(187)
Share-based payment	-	-	-	-	-	-	-	11	11	-	11
Buyback of equity shares	-	-	-	-	-	-	-	(10)	(10)	-	(10)
Transactions with non-controlling interests[3]	-	-	-	-	-	-	-	33	33	288	321
Other movements[2]	-	-	-	-	-	-	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-	-	-	(66)	(66)	201	134
Shareholders' equity at 31 December 2023	**28,755,047**	**88**	**466**	**7**	**10**	**(82)**	**(486)**	**1,597**	**1,600**	**394**	**1,994**

(1) At 31 December 2021, in compliance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", Eramet restated its opening equity, reducing it by €39 million.

(2) At 31 December 2022, other movements consisted mainly in the effects of hyperinflation in Argentina. At 31 December 2023, the effects of hyperinflation were reclassified as other comprehensive income, pursuant to the Group's decision to present them as such (see Note 4.1 "General principles and declaration of compliance").

(3) At 31 December 2023, transactions with non-controlling interests mainly included the impact of the Eramine Sudamerica capital increase by Tsingshan.

Main components of changes in equity

Premiums essentially consist of issue premiums, representing the difference between the par value of the shares issued and the amount of the contributions in cash or in kind received on issue.

Hedging instrument reserves comprise the cumulative change in the effective portion of the fair value of derivatives relating to future cash flow hedging in connection with transactions that have not yet impacted the net income for the period. This is offset in Derivatives under assets or liabilities, depending on whether hedging gains or losses are recognised.

Reserves on Defined benefit plans include the impact of changes in actuarial assumptions used for commitments, and the variance between actual returns and the discount rates on the plans' hedging assets.

Translation adjustments account for the conversion differences deriving from the translation of the financial statements of foreign subsidiaries into euros.

Notes to the consolidated financial statements

Eramet is a French public limited company with a Board of Directors, governed by the provisions of Articles L. 225-17 and R. 225-1 et seq. of the French Commercial Code and the provisions of its Articles of Association. As required by law, the Company is audited by two Statutory Auditors.

The Eramet Group's consolidated financial statements at 31 December 2023 were approved by the Eramet Board of Directors on 21 February 2024.

The accompanying notes are an integral part of the consolidated financial statements.

Contents

NOTE 1 Description of the Eramet Group's activities

Eramet is one of the world's leading producers of manganese and nickel, used to improve the properties of steels, mineral sands (titanium dioxide and zircon), parts and semi-finished products made of high-performance alloys and special steels used by industries such as aeronautics, power generation and tooling (operations divested during the financial year).

The Eramet Group is broken down into the following activities:

Continuing operations

The Manganese Activity extracts and processes manganese ore:

- Comilog operates the Moanda mine and industrial and metallurgical facilities in Gabon. Setrag transports ore by train from the mine to the port of Owendo/Libreville;
- the manganese ore extracted is either marketed to downstream industries or processed in the Group's metallurgical plants in Gabon, France, Norway and the United States. The Group produces the widest range of alloys on the market.

The Nickel Activity extracts and processes nickel ore:

- Société Le Nickel-SLN operates five mines and one ferronickel producing metallurgical plant in New Caledonia;
- the Eramet Group owns 38.7% of Pt Weda Bay Nickel, a company that operates a major nickel deposit in Indonesia, which came on stream in 2020.

The Mineral Sands Activity extracts and develops mineral sands, mainly zircon and titanium dioxide slag:

- Eramet Titanium & Iron (ETI) (formerly TTI), which operated a metallurgical conversion plant in Norway, was disposed of on 21 September 2023;
- Grande Côte (GCO) mines a deposit of mineral sands in Senegal: titaniferous ore (ilmenite, rutile, leucoxene) and zircon.

The Lithium Activity

The Lithium Activity was set up to mine and process the lithium deposit in Argentina through the company Eramine Sudamerica. This project is run in partnership with Tsingshan. The construction of the Centenario lithium plant (phase 1) continued in 2023, with an expected start-up some time in 2024. Pre-feasibility studies for a Phase 2 also continued in 2023.

Divested operations

- The High Performance Alloys Division develops, designs and transforms alloys: Aubert & Duval and Erasteel make special steels and superalloys, in particular for the aeronautics and power generation sectors. These markets require high added-value metallurgical expertise. This Division encompasses the following:
  - the Die-Forged Parts and Long Forged and Rolled Parts Business Units, which include Aubert & Duval's activities,
  - the High-Speed Steels and Recycling Business Unit encompasses Erasteel's activities.

These two activities, accounted for under IFRS 5, were sold on 28 April and 30 June 2023 respectively (see Note 4.2).

A global group with a presence in 20 countries, Eramet relies on high-quality mining reserves, particularly in Gabon, New Caledonia, Indonesia and Argentina, world-class research and development, high-performance industrial facilities and high-level expertise.

The Group is also developing strategic metal production projects and virtuous recycling solutions in order to establish a presence on the energy transition market.

The Group employed 9,167 people at 31 December 2023.

NOTE 2 Key events in the reporting period

2.1 Operational and financial difficulties for SLN in New Caledonia and going concern

SLN continues to face significant difficulties, both in terms of operating permits and access to competitive energy, against the backdrop of a deteriorating price environment. The company posted a loss of -€249 million (group share) and net debt now stands at €681 million, including the French government loan of €260 million.

Given its financial position, which remains critical, and in order to meet its short-term payment requirements, SLN should shortly draw down the new loan granted by the French government at the beginning of the year (for a total amount of €60 million). At this stage, this amount will not allow the company to continue as a going concern for 12 months.

The conciliation procedure with the Noumea Commercial Court began in November 2023 and should end on 10 April 2024 at the latest.

A mission deemed the “Nickel Mission”, is currently being carried out by the French government to assess the state of the nickel industry in New Caledonia and to evaluate the necessary support measures needed to ensure the long-term future of the industry. The results of this study should be published during the first half of 2024.

The loans granted by Eramet (€325 million) and the French government (€260 million), totalling €585 million at 31 December 2023, fall due in May and June 2024. To date, no solution has been found for the repayment of these loans.

In addition, the environmental guarantees granted by Eramet to allow the mine and plant to operate expire at the end of the conciliation procedure.

At the date of approval of the Group’s financial statements, these factors meant that SLN could not be considered a going concern. As a result, a €218 million impairment provision for SLN’s assets has been recorded at 31 December 2023.

2.2 Disposal of Aubert & Duval and disposal of Erasteel

The disposal of the entire High Performance Alloys division (Aubert & Duval and Erasteel) has been finalised.

On 28 April, Eramet finalised the disposal of Aubert & Duval to a consortium consisting of Airbus, Safran and Tikehau Capital and, on 30 June 2023, it finalised the disposal to Syntagma Capital of 100% of shares in its subsidiary Erasteel.

The impact on net income of the removal of these two companies from the scope of consolidation was €6 million in 2023 (-€156 million in 2022).

2.3 Sale of Norwegian subsidiary Eramet Titanium & Iron (“ETI”)

Eramet sold its Norwegian subsidiary Eramet Titanium & Iron (“ETI”) to INEOS Enterprise for $245 million on 21 September 2023. This sale enables Eramet to strengthen its balance sheet and will contribute to the financing of its projects in metals required for the energy transition. The agreement between Eramet and INEOS Enterprises also includes a long-term supply contract for ilmenite produced by Grande Côte Opérations (“GCO”), the Group’s subsidiary which operates the mineral sands mine in Senegal.

2.4 Mining production and transport in Gabon

The mine expansion programme as well as operational improvements are continuing at Comilog in Gabon. However, the suspension of rail transport following the landslide at the end of December 2022 led to a suspension of operations for the entire month of January. Additionally, a derailment in April 2023 also had an impact on mining and rail activity. These incidents, which have now been resolved, limited production to 7.4 Mt, virtually stable compared with 2022, thanks to record production in the second half of 2023.

2.5 Lithium project in Argentina

In Argentina, the construction of the Centenario lithium plant (phase 1), launched in 2022, is continuing, with a completion rate of more than 87% at the end of January 2024. Full capacity of 24 kt LCE (Lithium Carbonate Equivalent) of battery-grade lithium (at 100%) is expected to be reached by mid-2025, with a production start-up in mid-2024.

The total investment for phase 1 is estimated at $800 million, of which Tsingshan will finance around $480 million. In 2023, investment amounted to around $270 million, for a cumulative total of around $600 million since the start-up of construction.

On the other hand, in November, Eramet’s Board of Directors approved the investment decision for the first tranche of Phase 2 ($800 million), which represents an additional 30 kt LCE per year. This approval remains subject to planning permission being granted.

2.6 Battery recycling in France

In partnership with Suez, Eramet is continuing to develop a battery recycling project, which will strengthen the Group's position on the electric battery value chain thanks to its upstream and downstream presence. Feasibility studies for the upstream portion are currently being finalised. The pilot plant, designed to validate the downstream process, was inaugurated at Eramet's Research and Innovation Centre at the end of the year.

2.7 Sonic Bay project in Indonesia

In partnership with BASF, Eramet continued its studies on the Sonic Bay hydrometallurgical project (HPAL18) in 2023. Discussions on project execution and the financing strategy are also continuing.

2.8 Acquisition of exploration and mining concessions in Chile

In Chile, following the acquisition in November of concessions covering a cluster of lithium salars in the Atacama region for €90 million, recognised as a non-current financial asset, the Group is working to develop future partnerships with companies authorised by the Chilean government to hold lithium exploration and mining rights.

Eramet also recently signed an initial farm-in exploration agreement to secure access to further exploration and mining concessions in regions covering lithium salars. This agreement could add further potential growth opportunities to the Group's pipeline.

2.9 Financing

Extension of the term loan

In January 2023, Eramet renewed and extended the term loan for an amount of €480 million with a pool of banks. This amount was extended to €515 million in April 2023. The new floating-rate loan matures in January 2027 and can be amortised as of January 2025. €357 million of the loan was drawn down and the available balance, i.e. €145 million, was drawn down at the end of January 2024. The amount drawn down at the end of January was therefore €502 million.

Bond issue

Eramet completed its first issue of sustainability-linked bonds in early May 2023, for an amount of €500 million, with a maturity of five years and an annual coupon of 7%. The bond issue is linked to two sustainable performance objectives, measured at 31 December 2025 compared to those for 2019:

- a 35% reduction in the Group's annual greenhouse gas emission intensity (Scope 1 and Scope 2), and;
- a 67% increase in the share (in terms of emissions) of its suppliers and customers who have decarbonisation targets that are in line with the "well-below 2°C" scenario of the Paris Agreement.

At the same time, in June 2023, Eramet bought back all its outstanding bonds maturing in February 2024 (for a total of €429.7 million).

Other borrowings

A commercial advance of $400 million under the lithium carbonate co-marketing agreement signed with Glencore in July 2023, of which $80 million was drawn down at the end of the year.

Financial rating

Following an in-depth assessment, the Group received its first financial ratings from two rating agencies in April 2023. Moody's and Fitch rated Eramet's long-term credit notes Ba2 and BB+ respectively, with stable outlook. In August 2023, Fitch changed the outlook to "negative".

NOTE 3 Climate challenges

3.1 Decarbonisation

Around 90% of Eramet's greenhouse gas emissions (Scope 1 & 2) are related to its pyrometallurgical processing of manganese and nickel ore.

Eramet has set a 40% reduction target for its emissions by 2035, when compared to 2019. An action plan has been drawn up to achieve this target and is mainly focused on pyrometallurgical activities.

The main projects are as follows:

- the sourcing or production of low carbon electricity, with the renewable energy procurement study for the Marietta site (United States);
- energy efficiency measures, with notably the production of electricity using exhaust gases from the production of manganese alloys;
- the replacement of fossil-based carbon-reducers with biocarbons from biomass (manganese alloys);
- the introduction (feasibility study underway) of a CO_2 capture, liquefaction, transport and storage system at the Sauda site (Norway).

With regards to mining activities, which account for around 10% of the Group's greenhouse gas emissions, other decarbonisation initiatives are also underway or being studied, with notably the production of photovoltaic-generated electricity at our sites in Senegal and Argentina.

These projects are incorporated into Eramet's long-term planning, and are taken into account when assessing pyrometallurgical assets (particularly through the inclusion in CapEx of an internal carbon price of €100 per tonne).

3.2 Climate change impacts

In 2023, Eramet updated its water stress risk analysis for all of its sites using the Aqueduct 4.0 Water Risk Atlas. This tool, provided by the World Resources Institute (WRI), maps and analyses current and future water-related risks, based on climate change and socio-economic scenarios and the location of activities. The Water Risk Atlas, which was updated in 2023, uses a global hydrological model called PCR-GLOBWB 2 to generate new data sets on the supply and use of sub-basin water. Water Stress is the ratio between total water demand and available renewable surface water and underground water resources.

The analysis factors in the current situation and projected trends to 2030 and 2050 under three socio-economic and climate scenarios using CMIP6 climate forcings based on three future scenarios (business-as-usual SSP 3 RCP 7.0, optimistic SSP 1 RCP 2.6 and worst case SSP 5 RCP 8.5).

The result of these scenarios is low risk in all Group sites except:

- the Trappes research centre site and the Comilog Dunkerque plant in France, which currently presents a low to medium risk of water stress. The situation shifts towards a medium to high risk for the optimistic scenario by 2050;
- from 2023, the GCO site in Senegal will be at high risk of water stress (using 40 to 80% of the water available in the catchment area). This risk increases as of 2030, with a very high level of risk for the optimistic scenario as of 2030 and as of 2050 for the other scenarios (use of > 80% of the water available in the catchment area). Water footprint reduction measures are actively implemented at this site, with a recycling target of 60% by 2026.

NOTE 4 Basis of preparation of the consolidated financial statements

4.1 General principles and declaration of compliance

Pursuant to European Regulation 1606/2002 of 19 July 2002 on the application of international accounting standards, the consolidated financial statements of the Eramet Group for the financial year ended 31 December 2023 have been prepared in euros rounded to the nearest million, unless instructed otherwise, in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union at 31 December 2023.

The accounting principles applied for the preparation of the annual consolidated financial statements are in line with IFRS and the related interpretations, as adopted by the European Union at 31 December 2023.

The accounting principles and methods applied for the consolidated financial statements at 31 December 2023 are identical to those used for the consolidated financial statements at 31 December 2022, while also taking into account the IFRS standards and IFRIC interpretations, the application of which has been mandatory since 1 January 2023.

The Group therefore applies the following standards and amendments since 1 January 2023, which have no material impact on the consolidated financial statements:

- amendments to IFRS 17 – Initial application of IFRS 17 and IFRS 9 – Comparative information;
- amendments to IAS 1 and to Practice Statement 2 – Disclosure of Accounting Policies;
- amendments to IAS 8 – Definition of Accounting Estimates;
- amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

International tax reform: Pillar Two

In December 2022, the European Union published Directive 2022/2523 to implement the OECD tax reform. This directive will apply in France from 1 January 2024.

In this context, the IASB has published an amendment to IAS 12 "International Tax Reform – Pillar Two Model Rules" applicable for financial years beginning on or after 1 January 2023, which introduces a mandatory temporary exception from the requirement to recognise deferred tax assets or liabilities relating to this minimum tax.

The Group falls within the scope of the Pillar Two Model Rules (also known as the "Global Anti-Base Erosion Model Rules" or "GloBE Rules").

The Group proceeded to assess its potential exposure to the rules. This assessment is based on the most recent information available concerning the financial performance of the entities that make up the Group. Based on the assessment performed, the Group does not expect to pay any additional tax for the 2024 financial year. Consequently, the exposure to additional taxation under the GloBE Rules is estimated to be immaterial.

Treatment of hyperinflation in Argentina

The Group applies IAS 29 "Financial Reporting in Hyperinflationary Economies" to its activity in Argentina through its subsidiary Eramine. In accordance with IAS 29, the non-monetary assets and liabilities from the closing balance sheet and the income statement for the period must be restated and revalued based on the general price index at the reporting date. The impacts of restating the investments made in Argentina were the following: a +€117 million gain in financial income and a -€361 million loss in shareholders' equity. At 31 December 2023, as permitted by the decision of the IFRS Interpretations Committee (IFRIC) in March 2020, Eramet opted to present all impacts related to the "restatement" or "translation" effects as other comprehensive income.

4.2 Application of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"

IFRS 5 reminder

A non-current asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction instead of through continuing use. For this to be the case, the asset must be available for immediate sale and its sale must be highly probable. The assets and liabilities concerned are reclassified as assets held for sale and liabilities associated with assets held for sale and may not be offset. The assets thus reclassified are booked at the lower of the net fair value of sale costs and their net carrying value, i.e. their cost less cumulative depreciation and amortisation and impairment, and they are no longer depreciated/amortised.

An operation is considered a discontinued operation when it represents a separate major line of business for the Group and the criteria for classification as an asset held for sale have been met, or when Eramet has sold the operation. Discontinued operations are presented on a separate line in the income statement for the periods presented, including the net income after tax of discontinued operations until the date of sale and the profit or loss after tax resulting from the sale or the valuation at fair value less costs to sell of the assets and liabilities constituting the discontinued operations. Similarly, the cash flows generated by the discontinued operations are presented on a separate line in the statement of consolidated cash flows for the reporting periods.

Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", since 31 December 2021, the Aubert & Duval and Erasteel CGUs have been presented in Eramet's consolidated financial statements as operations to be divested, as follows:

- their contribution, until their actual sale, to each line of Eramet's consolidated income statement (before non-controlling interests) is pooled under "Net income from discontinued operations"; these restatements are applied to all the periods presented in order to make the information consistent;
- their contribution, until their actual sale, to each line of Eramet's consolidated statement of cash flows is grouped within the lines "Cash flows of discontinued operations" for the three main aggregates of statements of cash flows (operating, investing and financing activities); these restatements are applied to all the periods presented in order to make the information consistent;
- their contribution to each line of Eramet's consolidated balance sheet at 31 December 2022 is grouped within the lines "Assets held for sale" and "Liabilities associated with assets held for sale". As Aubert & Duval and Erasteel were sold during the 2023 financial year, their assets and liabilities no longer appeared on the balance sheet as at 31 December 2023.

Details of the items classed under "Net income from discontinued operations", "Cash flows of discontinued operations", "Assets held for sale" and "Liabilities associated with assets held for sale" are set out in the following tables.

Net income from divested operations in 2023

(in millions of euros)	Aubert & Duval CGU	Erasteel CGU	Sandouville CGU	Restatements and eliminations	Total discontinued operations
Turnover	217	129	-	-	346
Current operating income	(19)	6	-	7	(6)
Operating income	(13)	8	-	(6)	(10)
Net income from discontinued operations	8	2	-	(4)	6

Net income from discontinued operations in 2022

(in millions of euros)	Aubert & Duval CGU	Erasteel CGU	Sandouville CGU	Restatements and eliminations	Total discontinued operations
Turnover	553	273	11	-	837
Current operating income	(50)	23	(2)	37	8
Operating income	(71)	(111)	13	37	(132)
Net income from discontinued operations	(90)	(121)	13	42	(156)

Cash flow from operations divested in 2023

(in millions of euros)	Aubert & Duval CGU	Erasteel CGU	Sandouville CGU	Restatements and eliminations	Total discontinued operations
Net cash flow from discontinued operating activities	(87)	15	-	2	(69)
Net investment cash flow relating to discontinued operations	54	(3)	-	(83)	(33)
Net financing cash flow relating to discontinued operations	23	(35)	-	(22)	(34)
Impact of fluctuations in exchange rates of discontinued operations	-	-	-	-	-
Net cash flow from discontinued operations carried out with continuing operations[1]	116	(12)	-	-	104

(1) The amounts relate mainly to investment cash flows from discontinued operations of continuing operations.

Cash flows from discontinued operations 2022

(in millions of euros)	Aubert & Duval CGU	Erasteel CGU	Sandouville CGU	Restatements and eliminations	Total discontinued operations
Net cash flow from discontinued operating activities	(139)	(6)	5	15	(125)
Net investment cash flow relating to discontinued operations	171	(9)	79	(330)	(89)
Net financing cash flow relating to discontinued operations	(22)	28	1	(9)	(2)
Impact of fluctuations in exchange rates of discontinued operations	-	-	-	-	-
Net cash flow from discontinued operations carried out with continuing operations	225	7	13	(9)	236

Assets held for sale and associated liabilities at 31 December 2022

(in millions of euros)	Aubert & Duval CGU	Erasteel CGU	Sandouville CGU	Restatements and eliminations	Total discontinued operations
Non-current assets	1	13	-	-	14
Current assets	558	142	-	-	700
Assets held for sale	**559**	**155**	**-**	**-**	**714**
Non-current liabilities	76	73	-	(11)	137
Current liabilities	441	165	-	(7)	600
Liabilities associated with assets held for sale	**517**	**238**	**-**	**(18)**	**737**

NOTE 5 Operating performance of the Group's activities – Segment reporting

The Eramet Group consists of the Nickel, Manganese, Mineral Sands and Lithium Activities. The High Performance Alloys Division includes the activities of Aubert & Duval and Erasteel (sold during the 2023 financial year). Each Activity offers different products and services and relies on distinct technologies and sales strategies. Their operating and financial performance is therefore monitored separately. Their contribution to the main financial indicators of the Group is given below.

ACCOUNTING METHOD

Financial information on the Activities is prepared in accordance with the accounting principles adopted for the Group's reporting.

Transactions between different Activities are carried out under market conditions.

The scope and principles of the financial management data set out in the Group's reporting are the same as those of its reported financial data.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Executive Committee, the chief operating decision-maker, regularly assesses the performance of each Activity against the following indicators:

- Turnover;
- Adjusted turnover corresponds to turnover, including Eramet's share in the revenues of material joint ventures accounted for by the equity method in the Group's financial statements, restated for the offtake of all or part of the activity if applicable;
- EBITDA, which is current operating income restated for depreciation, amortisation and provisions and including net changes in impairment of current assets (stock, trade and other receivables);
- Adjusted EBITDA, which is EBITDA including Eramet's share in the EBITDA of material joint ventures accounted for by the equity method in the Group's financial statements;
- Current operating income, including EBITDA, depreciation and amortisation and provisions for liabilities and charges. Current operating income excludes material transactions that are considered to be unusual in nature, in particular events relating to restructuring, impairment losses and disposals of assets;
- Cash flows generated by operating activities including EBITDA, other operational cash flows not impacting EBITDA and the change in working capital requirement (WCR);
- Capital expenditure, including acquisitions of intangible assets and property, plant and equipment.

The Executive Committee also monitors consolidated indicators such as:

- Net income, Group share, defined as the net profit after tax attributable to Eramet shareholders, after accounting for the percentage of non-controlling interests in each Group subsidiary;
- Net financial debt is gross financial debt (long and short-term borrowings) less current financial assets and cash and cash equivalents. These items include the valuation of debt-hedging derivatives;
- Gearing, defined as the ratio of net financial debt to shareholders' equity (Group and non-controlling interests).

The holding companies that provide the Group's central services (cash management, currency risk management, Group reinsurance management) do not constitute an Activity. *Their* aggregates are shown in a column with the eliminations of inter-Activity transactions (holding and eliminations).

5.1 Reconciling EBITDA of reported financial indicators

(in millions of euros)	FY 2023	FY 2022
Turnover	**3,251**	**5,014**
Other income	89	88
Raw materials and purchases consumed	(1,101)	(1,496)
External expenses	(1,255)	(1,406)
Personnel cost	(602)	(608)
Taxes	(18)	(16)
Net change in impairment of current assets	(17)	(23)
EBITDA	347	1,553
Operating amortisation expense	(240)	(271)
Net change in operating provisions and impairment allowances (excluding current assets)	20	(2)
Current operating income	**127**	**1,280**
Other operating income and expenses	(320)	(255)
Operating income	**(193)**	**1,025**
Net debt cost	(85)	(115)
Other financial income and expenses	83	26
Financial income	**(2)**	**(89)**
Share of income from joint ventures and associates	295	258
Income taxes	(88)	(264)
NET INCOME FROM CONTINUING OPERATIONS	**12**	**930**
Net income from discontinued operations[1]	6	(156)
Net income for the period	*18*	*774*
• attributable to non-controlling interests	(91)	34
• attributable to the Group	109	740

(1) *Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Erasteel and Aubert & Duval CGUs are shown as divested operations, as Aubert & Duval was disposed of in April 2023 and Erasteel in June 2023.*

5.2 Performance indicators by Activity

	Mining Activities				Holding and eliminations and other	Total continuing operations	High-Performance Alloys	Sandouville	Eliminations	Total Continuing and discontinued operations
(in millions of euros)	Manganese	Nickel	Mineral sands	Lithium						
FY 2023										
Turnover	1,978	994	275	-	4	**3,251**	346	-	-	**3,597**
EBITDA	499	(120)	105	(17)	(121)	**347**	(9)	-	7	**346**
Current operating income	361	(146)	62	(17)	(133)	**127**	(13)	-	7	**121**
Net cash flow generated by operating activities	328	(19)	81	62	(211)	**241**	(71)	-	2	**172**
Industrial investments (intangible assets and property plant & equipment)	378	20	65	226	16	**706**	26	-	-	**732**
FY 2022										
Turnover	3,151	1,392	465	-	6	**5,014**	826	11	-	**5,851**
EBITDA	1,402	86	184	(12)	(107)	**1,553**	(24)	(2)	37	**1,564**
Current operating income	1,255	14	140	(13)	(116)	**1,280**	(27)	(2)	37	**1,288**
Net cash flow generated by operating activities	1,124	-	157	(23)	(142)	**1,116**	(146)	5	16	**991**
Industrial investments (intangible assets and property plant & equipment)	273	85	52	109	11	**530**	63	-	-	**593**

5.3 Adjusted turnover, adjusted EBITDA

(in millions of euros)	FY 2023	FY 2022
TURNOVER	**3,251**	**5,014**
Share of turnover from joint ventures and associates:		
PT Weda Bay (38.7%)	573	371
Adjusted TURNOVER	**3,824**	**5,385**

(in millions of euros)	FY 2023	FY 2022
EBITDA	**347**	**1,553**
Share of EBITDA from joint ventures and associates:		
PT Weda Bay (38.7%)	425	344
Adjusted EBITDA	**772**	**1,897**

5.4 Sales, industrial investments and non-current assets by geographical area

(in millions of euros)	France	Europe	North America	China	Other Asia	Oceania	Africa	South America	Total
SALES (SALES DESTINATION)									
FY 2023	43	663	403	1,011	944	71	75	41	**3,251**
FY 2022	313	1,215	294	1,057	1,261	76	128	670	**5,014**
INDUSTRIAL INVESTMENTS (INTANGIBLE ASSETS AND PROPERTY PLANT & EQUIPMENT)									
FY 2023	35	69	29	-	-	19	327	227	**706**
FY 2022	9	50	13	1	-	84	263	110	**530**
NON-CURRENT ASSETS (EXCLUDING DEFERRED TAX)									
31 December 2023	297	310	70	-	315	76	1,804	367	**3,240**
31 December 2022	130	399	51	3	298	286	1,630	336	**3,133**

5.5 Consolidated performance indicators

Segment reporting information is supplemented with the main consolidated performance indicators monitored by the Executive Committee. These indicators are taken from Group reporting and are used for the financial disclosure of the Group's results and performance.

5.5.1 Income statement

(in millions of euros)	FY 2023	FY 2022
Turnover	**3,251**	**5,014**
EBITDA	347	1,553
Amortisation and depreciation of non-current assets	(240)	(271)
Provisions for liabilities and charges	20	(2)
Current operating income	**127**	**1,280**
(Impairment of assets)/reversals	(218)	(221)
Other operating income and expenses	(102)	(34)
Operating income	**(193)**	**1,025**
Financial income	(2)	(89)
Share of income from associates	295	258
Income taxes	(88)	(264)
Net income from continuing operations	**12**	**930**
Net income from operations to be divested(1)	6	(156)
NET INCOME FOR THE PERIOD	**18**	**774**
• attributable to non-controlling interests	(91)	34
• attributable to the Group	109	740
Basic earnings per share *(in euros)*	3.80	25.81

(1) Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Erasteel and Aubert & Duval CGUs are shown as divested operations, as Aubert & Duval was disposed of in April 2023 and Erasteel in June 2023.

5.5.2 Statement of changes in net debt

(in millions of euros)	FY 2023	FY 2022
OPERATING ACTIVITIES		
EBITDA	347	1,553
Cash impact of items in EBITDA	(179)	(326)
Cash flow from operations	168	1,227
Change in WCR	73	(111)
Net cash flow generated by continuing operations (A)	**241**	**1,116**
INVESTING ACTIVITIES		
Capital expenditure	(706)	(530)
Other investment flows	222	238
Net cash flows from investing activities of continuing operations (B)	**(484)**	**(292)**
Net cash flows from equity transactions of continuing operations	**124**	**80**
Impact of fluctuations in exchange rates and other	(8)	(49)
Acquisition of IFRS 16 rights of use	(10)	(26)
CHANGE IN NET FINANCIAL DEBT OF CONTINUING OPERATIONS BEFORE TAKING INTO ACCOUNT FLOWS WITH DISCONTINUED OPERATIONS	**(137)**	**829**
Net cash flow from continuing operations carried out with discontinued operations[(1)(2)]	(133)	(236)
Change in net financial debt of continuing operations	**(270)**	**593**
CHANGE IN NET FINANCIAL DEBT OF DISCONTINUED OPERATIONS BEFORE TAKING INTO ACCOUNT FLOWS WITH CONTINUING OPERATIONS	**(102)**	**(213)**
Net cash flow from discontinued operations carried out with continuing operations[(1)(2)]	133	236
Change in net financial debt of discontinued operations	**31**	**23**
(INCREASE)/DECREASE IN NET FINANCIAL DEBT	**(239)**	**616**
Opening (net financial debt) of continuing operations	(344)	(936)
Opening (net financial debt) of discontinued operations	(31)	(54)
Closing (net financial debt) of continuing operations	(614)	(344)
(Net financial debt) of discontinued operations	-	(31)
FREECASH FLOW (A) + (B)	**(243)**	**824**

(1) Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Erasteel and Aubert & Duval CGUs are shown as divested operations, as Aubert & Duval was disposed of in April 2023 and Erasteel in June 2023.
(2) In 2023, the amounts relate mainly to cash flows from operations divested from continuing operations.

The reconciliation of cash and cash equivalents in the statement of cash flows to the net financial debt in the Eramet Group reporting is as follows:

(in millions of euros)	31/12/2023	31/12/2022
Cash and cash equivalents	**1,084**	**1,123**
Other current financial assets	522	537
Financial instruments (Fair value of debt)	7	-
Loans	(2,144)	(1,913)
Lease liabilities (IFRS 16)	(83)	(91)
NET FINANCIAL DEBT – REPORTING	**(614)**	**(344)**

5.5.3 Economic balance sheet

(in millions of euros)	31/12/2023	31/12/2022
Non-current assets	**3,231**	**3,122**
Inventories	619	724
Customers	221	369
Suppliers	(445)	(424)
Simplified WCR	**(445)**	**669**
Other items of WCR	(41)	(201)
Total WCR	**354**	**468**
Derivatives	15	62
Assets held for sale[1]	**-**	**714**
TOTAL ASSETS	**3,600**	**4,366**

(in millions of euros)	31/12/2023	31/12/2022
Shareholders' equity – Group share	1,600	1,781
Non-controlling interests	394	464
Shareholders' equity	**1,994**	**2,245**
Cash and cash equivalents and other current financial assets	(1,613)	(1,660)
Loans	2,227	2,004
Net financial debt	**614**	**344**
Net financial debt/shareholders' equity (gearing)	31%	15%
Employee-related liabilities and provisions	**810**	**814**
Net deferred tax	**182**	**226**
Derivatives	**-**	**-**
Liabilities associated with assets held for sale[1]	**-**	**737**
TOTAL LIABILITIES	**3,600**	**4,366**

(1) Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the assets and liabilities of the Aubert & Duval and Erasteel CGUs are shown in the consolidated balance sheet at 31 December 2022 as "assets held for sale". At 31 December 2023, as the Aubert & Duval and Erasteel CGUs were disposed of during the first half of 2023, the assets and liabilities of these CGUs no longer appear on the balance sheet.

NOTE 6 Current operating income (COI)

Current operating income reflects the performance of the Eramet Group's ordinary business activities as presented and defined in Note 5.

6.1 Turnover

ACCOUNTING METHOD

Turnover mainly consists of sales of ores (nickel and manganese) and manufactured products (special steels, alloys, superalloys etc.) to third parties, as well as related performance obligations such as transport or insurance services depending on contractual Incoterms.

Revenue from the sale of these products and services is recorded when control over the product sold and the service rendered has been transferred to the customer.

Turnover related to performance obligations for transport and insurance is determined based on the contractual price of these obligations and is recognised as the work progresses.

Consolidated turnover for 2023 was €3,251 million, compared with €5,014 million in 2022, a decrease of 35.2% (-€1,763 million).

Note 5 gives the breakdown by Activity.

6.2 Other income, raw materials and purchases consumed, external expenses and taxes

ACCOUNTING METHOD

Costs and expenses mainly comprise costs incurred in industrial, mining and metallurgical facilities.

“Other income” includes items related to current operating income, such as translation adjustments on turnover and insurance proceeds.

“Raw materials” and purchases consumed include the consumption of raw materials, energy costs and logistics and transport costs on purchase. It also accounts for the impacts of the change in and measurement of raw material inventories, work-in-progress and finished products.

“External expenses” include transport expenses on sales, maintenance and other external expenses. This item also includes non-IFRS 16 lease costs.

“Taxes” comprise levies on the business that are not classed as corporation tax.

Currency transactions are recognised at the monthly exchange rate for the month of the transaction effective date. Gains and losses arising from the conversion of operating receivables and payables are recognised in Current operating income.

In the case of hedged transactions, the translation adjustments arising from the difference between the monthly exchange rate used to recognise sales and receipts or purchases and payments and the hedging rate for the settlement of transactions are also recognised in Current operating income.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The transaction date is the date on which it is executed.

For practical reasons, the currency transaction date used is the month in which the transaction is booked.

The rate applied to recognise currency transactions in a given month corresponds to the average daily rate applicable in the previous month.

6.3 Operating depreciation and amortisation and net change in operating provisions and impairment allowances

ACCOUNTING METHOD

OPERATING AMORTISATION AND DEPRECIATION

Non-current assets can be depreciated when their expected use is limited in time or based on production units.

Where the duration or the pace of utilisation of an asset cannot be determined reliably, the straight-line method is applied.

The selected depreciation method is applied across all similar assets with the same conditions of use.

Depreciation begins at the date on which the asset is put into service.

Any significant change in the planned use of the asset, in terms of duration or pace, for example, will result in the depreciation being revised for the current and subsequent years. Likewise, in the case where impairment loss provisions are set aside or reversed following the comparison between the recoverable amount of a non-current asset and its carrying amount (Note 11 “Investments”), the depreciation basis is modified prospectively, i.e. the depreciation and amortisation is adjusted based on the new duration or the new pace of use for the current and future reporting periods.

The depreciation for the reporting period is recognised under a separate heading, Operating amortisation and depreciation, between EBITDA and current operating income.

Assets for lease rights of use on the balance sheet (IFRS 16) are amortised over the identified period of the right of use. In the income statement, lease impairments are posted to Current operating income on the “Operating amortisation and depreciation” line.

Rights of use for 3-6-9 commercial leases are amortised over the estimated terms of these leases.

PROVISIONS FOR LIABILITIES AND CHARGES

See Note 14.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Eramet Group uses two depreciation methods: the straight-line method and the units of production method.

STRAIGHT-LINE DEPRECIATION METHOD

The Group's mining production remained relatively stable and a straight-line depreciation was chosen.

The depreciation of property, plant and equipment is calculated on a straight-line basis over the estimated useful life at 31 December 2023:

- buildings between 10 and 50 years;
- industrial and mining facilities – between 5 and 50 years;
- other property, plant and equipment between 2 and 10 years.

Assets invested in the Group's concessions (Setrag, Comilog and Grande Côte) are depreciated over the shorter of their useful life or the remaining period of the concession.

Computer software is amortised over a variable period not exceeding five years.

UNITS OF PRODUCTION METHOD

The economic benefits generated by the use of certain industrial assets are determined in relation to the level of production, in particular in the start-up phase of new production units. These assets are depreciated using the units of production method.

The depreciation calculation accounts for the quantities produced during the reporting period, expressed as a percentage of the total quantities of product to be extracted or produced in the current and future reporting periods.

If the production is not deemed to fluctuate significantly from one year to the next, as with the assets whose material lifespan is shorter than the life of the plant or the mine to which they relate, the assets are depreciated using the straight-line method mentioned above over the life of the plant or the mine.

REVISION OF DEPRECIATION PERIODS

The residual values and useful life of non-current assets are revised and adjusted at the end of each reporting period, as appropriate. Change is seen as a change in estimates and impacts only the current and subsequent reporting periods.

The Eramet Group measures its existing assets and the depreciation and amortisation period when reviewing mining plans (Nickel Activity, Manganese Activity, Mineral Sands Activity and Lithium Activity) and plant operation plans at the end of each reporting period. When it is established that the life of the allocated assets no longer matches the remaining period of expected returns, their depreciation period is modified prospectively. Uncertainties are inherent in the estimation of reserve and resource quantities, especially as regards assumptions about future prices, the geology of the mines, the mining methods used, and associated costs incurred to develop and mine the reserves and resources. Changes in these assumptions could lead to major adjustments in the estimation of reserves and resources, which may be the basis for impairment or modification in depreciation expense in future periods. In the event of an impairment loss, an impairment test is carried out and conclusions are drawn, as applicable.

(in millions of euros)	FY 2023	FY 2022
Intangible assets	(27)	(25)
Property, plant and equipment	(213)	(246)
TOTAL	**(240)**	**(271)**
Net impairment of trade receivables	(1)	(5)
Net allowances for stock depreciation	(13)	(18)
Net provisions for liabilities and charges	20	(3)
TOTAL	**(235)**	**(297)**

NOTE 7 Net income, Group share and non-controlling interest

Net income, Group share is the net income for the period after tax, attributable to Eramet shareholders, after accounting for the non-controlling interest in each of the Group companies.

Apart from the Current operating income, the Net income for the period includes the following items:

- other operating income and expenses (see below);
- financial income (Note 8);
- share of income from joint ventures and associates (Note 11);
- income tax (Note 12).

7.1 Other operating income and expenses

ACCOUNTING METHOD

Other operating income and expenses includes only very limited, unusual, abnormal and infrequent income and expenses for significant amounts that the Eramet Group presents separately in its income statement in order to facilitate the understanding of current operating performance. In particular, it includes the following items:

- restructuring costs;
- costs incurred for development projects whose technical feasibility and profitability have not yet been demonstrated;
- defined benefits plan settlements and amendments;
- disputes and unusual risks;
- capital gains and losses on disposals of assets;
- impairment losses on goodwill and non-current assets.

7.1.1 Breakdown by category

(in millions of euros)	FY 2023	FY 2022
Impairment of assets and impairment losses	(218)	(221)
Other operating income and expenses excluding impairment	(101)	(34)
OTHER OPERATING INCOME AND EXPENSES	**(319)**	**(255)**

(in millions of euros)	FY 2023	FY 2022
Relieve project	(6)	(1)
Lithium project	(21)	(11)
SonicBay project	(15)	-
Other projects	(2)	(5)
Development projects	**(44)**	**(17)**
Restructuring and redundancy plans	(5)	(2)
Gains and losses on disposals	-	-
Other items	(52)	(15)
Other income and expenses	**(57)**	**(17)**
TOTAL – OTHER OPERATING INCOME AND EXPENSES EXCLUDING IMPAIRMENT	**(101)**	**(34)**

In 2023, expenditure on the Lithium project in Argentina essentially comprised the expenses for the period relating to phase 2 of the project (see Note 2.5 “Lithium project in Argentina”).

7.1.2 Impairment of assets and impairment losses

(in millions of euros)	FY 2023	FY 2022
Losses on impairment tests – Assets	(218)	(221)
Impairment reversals	-	-
TOTAL – IMPAIRMENT OF ASSETS AND IMPAIRMENT LOSSES	**(218)**	**(221)**

(in millions of euros)	FY 2023	FY 2022
Nickel Activity	(218)	(221)
Lithium Activity	-	-
TOTAL – IMPAIRMENT OF ASSETS AND IMPAIRMENT LOSSES	**(218)**	**(221)**

In 2023, the impairment of the Nickel Activity related to SLN (see Note 2.1 "Operational and financial difficulties for SLN in New Caledonia and going concern", and Note 11 "Investments").

In 2022, the €221 million impairment loss also related to SLN.

7.2 Net income per share – Group share

ACCOUNTING METHOD

Net earnings per share can be obtained by dividing the Group share of net income by the average number of shares outstanding during the reporting period. This average number of shares outstanding excludes treasury shares.

Diluted earnings per share are calculated by taking into account net income, Group share and the number of shares adjusted for potentially dilutive effects, mainly represented by employee share subscription.

	FY 2023			FY 2022		
	Net income, Group share *(in millions of euros)*	Average number of shares	Profit (loss) per share[1]	Net income, Group share *(in millions of euros)*	Average number of shares	Profit (loss) per share[1]
Basic earnings per share of continuing operations	103	28,591,485	3.59	896	28,674,721	31.23
Basic earnings per share of operations to be divested	6	28,591,485	0.20	(156)	28,674,721	(5.42)
Basic earnings per share	109	28,591,485	3.80	740	28,674,721	25.81
Diluted earnings per share of continuing operations[1]	**103**	**28,941,883**	**3.54**	**896**	**29,037,022**	**30.84**
Diluted earnings per share of discontinued operations[1]	6	28,941,883	0.13	(156)	29,037,022	(5.42)
DILUTED EARNINGS PER SHARE[1]	**109**	**28,941,883**	**3.75**	**740**	**29,037,022**	**25.49**

(1) Where basic earnings per share are negative, the diluted earnings per share are deemed equal to them, in which case the instruments are considered to be antidilutive.

7.3 Non-controlling interest share in earnings – minority interests

		Share of		Share of	
	% of non-controlling interests	Results	Shareholders' equity	Results	Shareholders' equity
(in millions of euros)		FY 2023	31/12/2023	FY 2022	31/12/2022
AT BEGINNING OF PERIOD		**-**	**464**	**-**	**323**
Profit (loss) for the period		-	(91)	-	34
Change in revaluation reserve for financial instruments		-	(1)	-	3
Translation adjustments		-	(538)	-	(58)
Sub-total Other comprehensive income		-	(629)	-	(21)
Distributions of dividends		-	(87)	-	(32)
Setrag capital increase		-	-	-	7
Eramine Sudamerica capital increase		-	288	-	118
Other movements		-	358	-	69
AT PERIOD CLOSE		**(91)**	**394**	**34**	**464**
Société Le Nickel-SLN	44.00%	(196)	(464)	(115)	(268)
Comilog S.A.	36.29%	97	600	141	597
Grande Côte Operations	10.00%	3	17	14	14
Eramine Sudamerica	49.90%	30	261	(5)	122
Interforge	4.30%	(0)	-	-	(1)

See Statement of changes in equity.

NOTE 8 Net financial debt and shareholder's equity

8.1 Net financial debt

Net financial debt is gross financial debt (long and short-term borrowings) less current financial assets and cash and cash equivalents. These items include the valuation of hedging derivatives related to borrowings.

ACCOUNTING METHOD

Borrowings are initially recognised on the basis of the amount received, less financing costs incurred. Borrowings are subsequently measured at amortised cost. Any variance between the amounts received and the redemption value of the borrowing is recognised in the income statement under Net financial income (Borrowing costs) over the term of the borrowing, using the effective interest rate (EIR) method.

When the renegotiation of a loan does not substantially modify the debt in accordance with IFRS 9 criteria, it is maintained on the balance sheet and revalued at the overall effective interest rate on the basis of the new contractual flows. The impact of this revaluation is recognised in the income statement.

Lease-purchases and financial leases are treated like purchases and are recognised as financial debts. Other lease contracts under IFRS 16 are recognised as lease liabilities.

They are posted to the balance sheet upon lease commencement for the present value of the future fixed payments.

The discount rates used by the Group are the incremental borrowing rates per currency per portfolio of asset leases, grouped according to the lease term, the underlying financed asset (asset category) and the economic environment. Rates are determined by country and by duration.

The average rate of IFRS 16 net debt was 10.1% at 31 December 2023 (from 10.6% at 31 December 2022).

(in millions of euros)	31/12/2023	31/12/2022
Loans	**(2,144)**	**(1,913)**
• Borrowings on financial markets	(904)	(846)
• Borrowings from credit institutions	(695)	(614)
• Bank overdrafts and creditor banks	(97)	(195)
• Finance lease liabilities	(17)	(25)
• Other borrowings and financial debts	(431)	(233)
Lease liabilities	**(83)**	**(91)**
Derivatives - Fair value of debt	7	-
Other current financial assets	**522**	**537**
Cash and cash equivalents	**1,084**	**1,123**
• Cash equivalents	433	837
• Cash	651	286
NET FINANCIAL DEBT	**(614)**	**(344)**
Net financial debt – due in more than one year	(1,606)	(1,468)
Net financial debt – due in less than one year	992	1,124

8.2 Loans

8.2.1 Borrowings and lease commitments by type

(in millions of euros)	31/12/2023	31/12/2022
Loans	**2,144**	**1,913**
• Borrowings on financial markets	904	846
• Borrowings from credit institutions	695	614
• Bank overdrafts and creditor banks	97	195
• Finance lease liabilities	17	25
• Other borrowings and financial debts	431	233
Lease liabilities	**83**	**91**
TOTAL	**2,227**	**2,004**
Long-term portion	1,606	1,468
Short-term portion	621	536

8.2.2 Borrowings on financial markets and bank loans

(in millions of euros)	Nominal amount *(currency unit million)*	Interest rate	Maturity	31/12/2023	31/12/2022
Bond issue – Eramet S.A.	€500 million	4.196%	2024	-	457
Bond issue – Eramet S.A.	€300 million	5.875%	2025	310	309
Bond issue – Eramet S.A.[1]	€500 million	7.000%	2028	522	-
Euro private placement – Eramet S.A.[2]	€50 million	5.290%	2026	21	29
Euro private placement – Eramet S.A.[2]	€50 million	5.100%	2026	51	51
BORROWINGS ON FINANCIAL MARKETS				**904**	**846**
Borrowing Base – Eramet S.A.[3]	€65 million	1-month Euribor +1.5%	2025	-	45
European Investment Bank – Eramet S.A.	€80 million	1.736%	2025	18	27
European Investment Bank – Eramet S.A.	€30 million	2.720%	2029	-	21
European Investment Bank – Eramet S.A.	€60 million	1.580%	2030	53	61
European Investment Bank – Eramet S.A.	$67 million	3.550%	2030	55	64
IFC/Proparco – Setrag	€85 million	Euribor +4%/5%	2031	162	109
Syndicated credit facility[4]	€935 million	Euribor +1.15%	2027	-	-
Term Loan (Multicurrency Term Loan Facility Agreement)[5]	€350 million	6-month Euribor 2.00%	2024	-	263
Term Loan (Multicurrency Term Loan Facility Agreement)[5]	€502 million	3-month Euribor +3.00%	2027	358	-
CAT Finance – Comilog	-	-	-	16	23
CAT Finance – Setrag	-	-	-	26	-
Other borrowings from credit institutions	-	-	-	7	1
BORROWINGS FROM CREDIT INSTITUTIONS	**-**	**-**	**-**	**695**	**614**

(1) 2 May 2023 bond issue.
(2) With investor put options that may be exercised after the seventh year, i.e. in 2021.
(3) Renewed in June 2022. Three-year maturity.
(4) The credit facility was renewed in 2022 in the amount of €935 million.
(5) Renegotiated in January 2023 with maturity in 2027. The credit facility was drawn down in 2020.

Certain borrowings need to comply with financial ratios or covenants (Note 9.4.6).

8.2.3 Change during the period (borrowings and lease liabilities)

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**1,913**	**2,033**
New borrowings	1,419	167
Loan repayments	(1,118)	(382)
Change in bank overdrafts	(69)	98
Change in accrued interest not yet due	17	(3)
Changes to consolidation scope	(28)	-
Translation adjustments and other movements	10	-
AT END OF PERIOD – BORROWINGS	**2,144**	**1,913**

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**91**	**79**
Change in lease liabilities (IFRS 16)	(6)	9
Changes to consolidation scope	(0)	-
Translation adjustments and other movements	(2)	2
AT PERIOD CLOSE–LEASE COMMITMENTS	**83**	**91**

New borrowings correspond mainly to the renegotiation of the Term Loan for €370 million, the bond issue for €500 million, the Glencore loan for €72 million, the subscription of commercial paper for €60 million, the increase in the IFC/Proparco loan to Setrag for €62 million and the increase in shareholder loans: SLN/French government for €60 million, Setrag/Meridiam for €30 million.

Loan repayments correspond mainly to the repayment of the bond issue for €458 million, the repayment of the first Term Loan for €263 million and the second for €13 million, the repayment of the BEIs for €48 million and the repayment of the Borrowing Base for €45 million.

8.2.4 Borrowings and lease liabilities by currency

(in millions of euros)	31/12/2023	31/12/2022
Euro	1,918	1,790
US dollar	173	145
CFA franc	53	23
Norwegian krone	3	2
Other currencies	80	44
TOTAL	**2,227**	**2,004**

8.2.5 Confirmed credit facilities

(in millions of euros)	31/12/2023	31/12/2022
Unused confirmed credit facilities[1]	**1,383**	**935**
Revolving Credit Facility (RCF)	935	935
Term Loan	145	-
Lithium prepayment – Glencore	290	-
Comilog Dunkerque	13	-

(1) Bank covenants relating to these credit facilities are fully respected. These covenants relate to the ratio of the Group's net financial debt to shareholders' equity.

8.2.6 Borrowings and lease liabilities by interest rate

(in millions of euros)	31/12/2023	31/12/2022
Interest-free	11	33
Fixed interest rates	1,580	1,728
• below 5%	387	1,161
• between 5% and 10%	1,177	554
• above 10%	16	13
Variable interest rates	637	243
• below 5%	569	135
• between 5% and 10%	67	108
• above 10%	-	-
TOTAL	**2,227**	**2,004**

8.2.7 Borrowings and lease liabilities by maturity

BORROWING MATURITY (EXCLUDING LEASE COMMITMENTS, INCLUDING LEASE PURCHASE COMMITMENTS)

(in millions of euros)	31/12/2023	31/12/2022
Less than one year	603	520
One to five years	1,409	1,300
More than five years	132	93
TOTAL	**2,144**	**1,913**

FINANCE LEASE LIABILITIES AND LEASE LIABILITIES BY MATURITY

	31/12/2023		31/12/2022	
(in millions of euros)	Nominal value	Present value	Nominal value	Present value
LEASE-PURCHASE COMMITMENTS				
Less than one year	8	8	9	9
One to five years	9	9	16	16
More than five years	-	-	-	-
Total before interest expense	**17**	**17**	**25**	**25**
Future Interest expense	-	-	-	-
LEASE COMMITMENTS				
Less than one year	26	18	25	16
One to five years	65	48	75	53
More than five years	36	17	44	22
Total before interest expense	**127**	**83**	**144**	**91**
Future Interest expense	-	44	-	53
TOTAL	**144**	**144**	**169**	**169**

8.3 Cash and cash equivalents

ACCOUNTING METHOD

Cash includes cash in hand and demand deposits, excluding bank overdrafts which appear under borrowings. Cash equivalents correspond to marketable securities and consist of investments held to meet short-term cash commitments.

Marketable securities are recognised at their fair value in the balance sheet. To be considered a cash equivalent, they must be readily convertible to cash and subject to negligible risk of fluctuations in value. Changes in fair value are recognised in net income for the period.

8.3.1 Breakdown by category

(in millions of euros)	31/12/2023	31/12/2022
Cash	651	286
Cash equivalents	433	837
TOTAL	**1,084**	**1,123**

8.3.2 Breakdown by currency

(in millions of euros)	31/12/2023	31/12/2022
Euro	553	709
US dollar	375	308
Yuan Ren-Min-Bi (China)	1	1
Norwegian krone	26	18
Other currencies	128	87
TOTAL	**1,084**	**1,123**

8.3.3 Breakdown by interest rate type

(in millions of euros)	31/12/2023	31/12/2022
Interest-free	617	297
Fixed interest rates	154	-
Variable interest rates	312	826
TOTAL	**1,084**	**1,123**

Interest-free items mainly consist of non-interest-bearing sight deposits. Cash includes cash and cash equivalents.

Cash equivalents mostly comprise investments managed by Metal Securities.

(in millions of euros)	31/12/2023	31/12/2022
Money market fund shares/units	273	765
Negotiable Debt Securities (NDS)	160	72
Cash equivalents	**433**	**837**
Cash	651	286
CASH AND CASH EQUIVALENTS	**1,084**	**1,123**

The change from one period to the next is analysed through the statement of cash flows prepared using the indirect method.

8.4 Statement of cash flows

8.4.1 Non-cash income and expenses

(in millions of euros)	FY 2023	FY 2022
Depreciation, amortisation, impairment and provisions	324	489
Accretion expenses	8	14
Financial instruments	(19)	30
Deferred tax	(3)	18
Deconsolidation effect on the income statement	96	3
Effect on hyperinflation adjustments on the income statement	(27)	20
Unrealised translation differences	72	(19)
Share of income from joint ventures and associates	(295)	(258)
NON-CASH INCOME AND EXPENSES	**156**	**297**

8.5 Current financial assets

ACCOUNTING METHOD

These assets consist mainly of short- or medium-term bonds of listed European companies whose objective is to receive contractual flows.

These bonds are measured at their fair value on initial recognition. The fair value used for listed bonds is the stock-market value, and for unlisted bonds it is based on estimates using specific financial criteria that reflect the specific situation of each bond (similar transactions or discounted value of future cash flows).

Other investments classified as financial assets are largely negotiable debt securities and are valued at fair value through profit or loss.

Changes in the fair value of these assets are recognised in the income statement.

The net change of -€15 million in current financial assets between 2023 and 2022 (€134 million between 2021 and 2022) is shown in net cash flow used in investing activities.

8.6 Financial income

(in millions of euros)	FY 2023	FY 2022
Net debt cost	(85)	(115)
Other financial income and expenses	83	26
FINANCIAL INCOME	**(2)**	**(89)**

8.6.1 Net debt cost

ACCOUNTING METHOD

Net debt costs include expenses relating to gross debt, interest expense on "lease liabilities" (IFRS 16) and financial revenue in connection with bonds and investment securities.

Borrowing costs relate to interest payable on the debt and other costs incurred in connection with the borrowing of funds. Borrowing costs directly linked to the acquisition, building or production of an asset that requires more than 12 months to be put into service are deducted from the financing expense to which they relate. All the other borrowing costs are expensed in the period in which they are incurred.

(in millions of euros)	FY 2023	FY 2022
Interest income	41	8
Interest expense	(134)	(101)
Amortised cost on borrowings	(10)	(5)
Net income on marketable securities	11	1
Change in fair value of investment securities	1	(2)
Net translation differences	6	(16)
NET DEBT COST	**(85)**	**(115)**

8.6.2 Other financial income and expenses

ACCOUNTING METHOD

Other financial income and expenses include all the components of net financial income except for income and expenses relating to the net debt cost.

(in millions of euros)	FY 2023	FY 2022
Investment and dividend income	1	1
Employee benefits – net interest	(6)	(3)
Profit (loss) on disposal of equity investments	0	(25)
Accretion expenses	(9)	(7)
Financial instruments ineligible as hedges – currency	2	(8)
Securitisation financial expense	(11)	(4)
Impairment of securities and current accounts	(8)	19
Net translation differences	278	53
Impact of hyperinflationary economies	(172)	(16)
Other	9	16
OTHER FINANCIAL INCOME AND EXPENSES	**83**	**26**

Accretion expenses relate to provisions for mining site restoration and the decommissioning of industrial facilities, as detailed in Note 14 "Provisions".

The financial instruments that do not qualify as hedges correspond to the portion of hedging instruments recognised in profit or loss.

8.7 Shareholders' equity

8.7.1 Changes to the share capital

The share capital of €87,702,893 (as at 31 December 2022) comprises 28,755,047 fully paid-up shares (as at 31 December 2022) with a par value of €3.05 each.

	31/12/2023				31/12/2022			
	Capital		Voting rights		Capital		Voting rights	
Registered shares	%	number of shares	%	number of shares	%	number of shares	%	number of shares
Sorame and Compagnie d'Études Industrielles du Rouvray (CEIR)	37.08	10,661,562	43.44	21,323,124	37.08	10,661,562	43.46	20,501,705
FSI Equation (a subsidiary of Bpifrance) and the French State (Caisse des Dépôts et Consignations)	27.13	7,801,093	31.79	15,602,186	27.13	7,801,093	30.97	14,611,510
S.T.C.P.I.	4.03	1,159,994	4.73	2,319,988	4.03	1,159,994	4.73	2,230,581
Eramet S.A.	0.91	262,200	0.00	-	0.73	209,377	-	-
Eramet S.A. share fund	0.66	190,403	0.62	303,061	0.62	179,060	0.62	291,718
Other	30.19	8,679,795	19.43	9,536,734	30.41	8,743,961	20.22	9,538,069
TOTAL NUMBER OF SHARES	**100.00**	**28,755,047**	**100.00**	**49,085,093**	**100.00**	**28,755,047**	**100.00**	**47,173,583**
of which registered shares	72.88	20,956,206	84.29	41,374,742	72.40	20,818,491	83.33	39,309,022
of which bearer shares	27.12	7,798,841	15.71	7,710,351	27.60	7,936,556	16.67	7,864,561

Pursuant to a Shareholders' Agreement concluded on 16 March 2012, which entered into force on 16 May 2012, tacitly renewed by six-month period as of 1 January 2021 (as per the amendment on 30 November 2020, which was notified to the Autorité des marchés financiers (AMF) under No. 220C5283), which was the subject of a decision and information of the Autorité des marchés financiers under No. 212C0647 when it was concluded and decision and information No. 216C1753 relating to the change within the group acting in concert at the time of the acquisition by the Agence des participations de l'État (APE) of the entire share capital of FSI Equation, the Company is majority controlled by a group of shareholders having declared to be acting in concert, including:

- a subgroup between Sorame and CEIR, companies controlled by the Duval family, under a concurrent Shareholders' Agreement dated 19 July 1999, which came into force on 21 July 1999 and was the subject of an amendment on 13 July 2009;
- the Agence des Participations de l'État (APE), through its subsidiary FSI Equation.

The provisions of the shareholders' agreement mentioned above, and those of the subgroup agreement, are contained in key extracts from the AMF decision and notice texts numbered 220C5283, 216C1753, 212C0486 and 209C1013 (amended on 13 July 2009).

Since 1 January 2002, registered shares that meet the necessary conditions benefit from double voting rights.

An amendment to the Shareholders' Agreement concluded on 23 April 2021, which was the subject of a decision and information of the AMF under No. 221C0886, stipulates that as long as the positions of Chair and CEO of Eramet are held by the same person, the parties undertake to jointly propose and/or support the Board of Directors' appointment of a chosen lead director, by mutual agreement, from among the independent directors put forwards by Sorame and CEIR. The parties also agree to do their utmost to ensure that the candidate that they wish to nominate as lead director is named by Eramet Board of Directors, and that these commitments will be valid for as long as the Shareholders' Agreement is in force and at the latest until the Shareholders' Meeting to be held in 2025 is called to approve the financial statements for the financial year 2024.

8.7.2 Treasury shares

The table below summarises the treasury share transactions:

	Total number of shares	Market making(1)	Grants to employees	Total
Position at 1 January 2022	**28,755,047**	**50,159**	**133,254**	**183,413**
As a percentage of capital	-	*0.17%*	*0.46%*	*0.64%*
Buyback mandate	-	-	90,000	90,000
Final allocation of bonus shares	-	-	(82,448)	(82,448)
Purchases/sales	-	21,836	-	21,836
Position at 31 December 2022	**28,755,047**	**71,995**	**140,806**	**212,801**
As a percentage of capital	-	*0.25%*	*0.49%*	*0.74%*
Buyback mandate	-	-	150,000	150,000
Final allocation of bonus shares	-	-	(113,722)	(113,722)
Purchases/sales	-	13,121	-	13,121
POSITION AT 31 DECEMBER 2023	**28,755,047**	**85,116**	**177,084**	**262,200**
As a percentage of capital	-	*0.30%*	*0.62%*	*0.91%*

(1) Liquidity agreement signed with Exane BNP Paribas.

Eramet treasury shares are classified under “Other reserves” and recognised at purchase cost for an amount of €26.0 million at 31 December 2023 (€22.6 million at 31 December 2022). These transaction amounts were allocated to shareholders’ equity.

NOTE 9 Financial instruments and risk management

This note gives an overview of the financial instruments of the Eramet Group, the associated risks, its risk management objectives, sensitivity and monitoring of the financial risk management strategy.

ACCOUNTING METHOD

FINANCIAL INSTRUMENTS

Derivative assets and liabilities, current financial assets, and cash and cash equivalents are initially recognised in the balance sheet at their fair value (transaction price) adjusted for transaction costs. At each period closing, the change in fair value is recognised in income (Other financial income and expenses) unless a designated and documented cash flow hedge exists. In that case, the change is recognised in Other comprehensive income and shown in equity (change in the revaluation reserve of hedging instruments). Variations of time value are accounted in other comprehensive income.

DERIVATIVES

The Eramet Group uses derivatives to hedge certain risks. To manage its currency risk, the Eramet Group uses foreign currency forwards/futures, foreign currency swaps and foreign currency options. Foreign currency forwards/futures are recognised as hedges where the Eramet Group has defined and documented the hedging relationship and demonstrated its effectiveness. Interest rate risk is managed using interest-rate swaps or options. Lastly, the Eramet Group also uses derivatives when hedging raw material purchases and sales (electricity).

Derivatives are measured at their fair value upon initial recognition. Subsequently, the fair value of derivatives is remeasured at each reporting date, in equity if a hedging relationship has been designated and documented, or in the income statement where no hedging relationship exists. The fair value of foreign currency forwards/futures is estimated on the basis of market conditions. The fair value of interest rate derivatives is that which the Eramet Group would receive (or pay) to transfer current contracts at the reporting date. The fair value of commodity derivatives is estimated on the basis of market conditions. Derivatives are shown in the balance sheet under current assets or liabilities.

ACCOUNTING METHOD

HEDGING TRANSACTIONS

Gains or losses on hedging instruments are recognised symmetrically with the gains or losses on the hedged items. However, changes in the fair value of hedges, independently of the hedged transactions, are recognised as profit or loss for the period under Current operating income or Other financial income and expenses, depending on the nature of the hedge.

The Eramet Group identifies the hedging item and hedged item when the hedge is set up and formally documents the hedging relationship by identifying the hedging strategy, the hedged risk and the hedge effectiveness measurement method:

- fair value hedge: the hedged item is remeasured in respect of the hedged risk and the hedging instrument is measured and recognised at fair value. The changes in both items are recognised simultaneously in Current operating income;
- cash flow hedge: the hedged item is not remeasured. Only the hedging instrument is remeasured at fair value. To offset the remeasurement, the effective portion of the change in fair value that can be ascribed to the hedged risk is recognised net of tax in shareholders' equity. The Group qualifies the ineffective portion (i.e. the time value of options and the swap points of forward transactions) as the cost of hedging, and recognises it as shareholders' equity. The cumulative amounts in shareholders' equity are recognised in income for the period when income is affected by the hedged item;
- hedging of net investment in foreign subsidiaries: derivatives intended to hedge net foreign currency investment in foreign subsidiaries are treated as net foreign currency investment hedges. The gains or losses from such hedges, and the changes in fair value (apart from the time value) are recognised in equity as currency translation differences and transferred to income when the subsidiary is sold;
- recognition of derivatives that do not fulfil hedge accounting conditions: the Eramet Group uses these derivatives only to hedge future cash flows, and changes in fair value are immediately recognised in "Other financial income and expenses".

FAIR VALUE MEASUREMENT

The Eramet Group measures its financial instruments at fair value at each reporting date.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. When measuring fair value, it is assumed that the transaction to sell the asset or transfer the liability is carried out:

- on the main market for that asset or liability;
- if there is no main market, on the best market for that asset or liability.

The fair value measurement of a non-financial asset considers the capacity of a market participant to generate economic benefits by making full use of the asset or by selling it to another market participant who will make full use of the asset.

The fair values of financial instruments are ranked according to a three-level hierarchy:

- Level 1: Listed prices (unadjusted) of the same assets and liabilities on an active market;
- Level 2: Listed price of a similar instrument on an active market, or another measurement technique based on observable parameters;
- Level 3: Measurement technique incorporating non-observable parameters.

The criteria for classifying and recognising financial assets and liabilities and any transfer from one level to another in the fair value hierarchy where applicable are given below.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The uncertainties and estimates as well as the judgements used are considered for the valuation of forward/futures contracts, the application of hedge accounting and the valuation of derivatives measured at fair value.

To continue to apply hedge accounting to raw material purchases and sales (electricity), the Eramet Group determines that the hedging instrument is efficient so as to offset the currency risk on its raw material purchases and sales and ensures that the documentation complies with the requirements. The process for testing the efficiency of the hedge calls for the use of judgements and estimates.

FAIR VALUE MEASUREMENT

Fair value represents an estimate at a given date and can change from one period to another due to market conditions and other factors.

The Eramet Group gives priority to the assumptions that the market participants would use to determine the price of the asset or the liability, considering that the market participants act in their own best economic interests. The Eramet Group uses measurement techniques that are appropriate in the circumstances and for which sufficient data is available to determine the fair value, maximising the use of pertinent observable inputs while minimising the use of non-observable inputs.

9.1 Financial instruments shown in the balance sheet

	31/12/2023	Breakdown by type of instrument				
(in millions of euros)	Balance sheet	Fair value through profit or loss	Fair value through shareholders' equity	Loans and receivables at cost amortised	Liabilities at amortised cost	Derivatives
Non-consolidated equity investments	95	95	-	-	-	-
Other non-current financial assets	82	-	-	82	-	-
Other non-current assets	8	-	-	8	-	-
Trade receivables	221	-	-	221	-	-
Other current assets	480	-	-	480	-	-
Derivatives	35	-	-	-	-	35
Current financial assets	522	522	-	-	-	-
Cash and cash equivalents	1,084	1,084	-	-	-	-
ASSETS	**2,528**	**1,701**	**-**	**792**	**-**	**35**
Non-current borrowings – due in more than one year (incl. lease commitments)	1,606	-	-	-	1,606	-
Other non-current liabilities	0	-	-	-	0	-
Current borrowings – due in less than one year (incl. lease commitments)	621	-	-	-	621	-
Trade payables	445	-	-	445	-	-
Other current liabilities	456	-	-	456	-	-
Derivatives	10	-	-	-	-	10
LIABILITIES	**3,137**	**-**	**-**	**900**	**2,227**	**10**

	31/12/2022	Breakdown by type of instrument				
(in millions of euros)	Balance sheet	Fair value through profit or loss	Fair value through shareholders' equity	Loans and receivables at cost amortised	Liabilities at amortised cost	Derivatives
Non-consolidated equity investments	6	6	-	-	-	-
Other current/non-current financial assets	35	-	-	35	-	-
Other non-current assets	11	-	-	11	-	-
Trade receivables	369	-	-	369	-	-
Other current assets	434	-	-	434	-	-
Derivatives	75	-	-	-	-	75
Current financial assets	537	537	-	-	-	-
Cash and cash equivalents	1,123	1,123	-	-	-	-
ASSETS	**2,590**	**1,666**	**-**	**849**	**-**	**75**
Non-current borrowings – due in more than one year (incl. lease commitments)	1,468	-	-	-	1,468	-
Other non-current liabilities	8	-	-	-	8	-
Current borrowings – due in less than one year (incl. lease commitments)	536	-	-	-	536	-
Trade payables	424	-	-	424	-	-
Other current liabilities	496	-	-	496	-	-
Derivatives	11	-	-	-	-	11
LIABILITIES	**2,943**	**-**	**-**	**920**	**2,012**	**11**

The classification of financial assets and liabilities has been revised to comply with IFRS 9 classifications. Equity investments and other current financial assets are recognised in the balance sheet at fair value. Other non-current financial assets are measured at amortised cost calculated using the effective interest rate (EIR).

Borrowings are recognised at amortised cost measured at the effective interest rate (EIR).

The fair value of trade receivables and trade payables is equal to the value shown in the balance sheet, since for the most part they fall due in less than one year.

(in millions of euros)	Nature of hedging instrument	Notional amount of hedging instruments	Carrying amount of hedging instrument	
			Assets	Liabilities
Fair Value Hedge (FVH)	-	-	-	-
Interest rate risk	**Interest rate swap**	**500**	**7**	**-**
Currency risk	**-**	**-**	**-**	**-**
Balance sheet hedges (customers/suppliers/banks 2023)	Forward and currency option	253	4	-
Commodity risk	**-**	**-**	**-**	**-**
Cash Flow Hedge **(CFH)**	-	-	-	-
Interest rate risk	**-**	**-**	**-**	**-**
Trading	Interest rate swap	19	1	-
Eramet swap hedging	Interest-rate option	500	0	1
Setrag EUR borrowing	Interest rate swap	49	2	-
Currency risk	**-**	**-**	**-**	**-**
Trading	Currency options	228	-	3
Group future revenue foreign exchange hedge	Forward and currency option	272	6	5
Commodity risk	**-**	**-**	**-**	**-**
Electricity supply	Future on electricity	206	16	1

The fair value of financial instruments broken down by fair value hierarchy is as follows:

(in millions of euros)	31/12/2023				31/12/2022		
	Value on balance sheet	Breakdown by fair value category			Value on balance sheet	Breakdown by fair value category	
		Level 1	Level 2	Level 3[1]		Level 1	Level 2
Current financial assets	522	522	-	-	537	537	-
Cash and cash equivalents	1,084	1,084	-	-	1,123	1,123	-
Derivatives	35	-	36	(1)	75		75
ASSETS	**1,641**	**1,606**	**36**	**-**	**1,735**	**1,660**	**75**
Derivatives	10	-	10	-	11	-	11
LIABILITIES	**10**	**-**	**10**	**(1)**	**11**	**-**	**11**

(1) The amount shown under Level 3 corresponds to the fair value of Eramet Norway's electricity price hedging contract maturing in 2024.

9.2 Effects of financial instruments on the income statement

(in millions of euros)	FY 2023						
	Effects in profit (loss)	Income and (expense) financial	Cost amortised	Fair value	Conversion monetary	Profit (loss) on disposal	Impairment net
Equity investments	(1)	-	-	-	-	-	(1)
Other current/non-current financial assets	268	(3)	-	-	278	-	(7)
Derivatives	1	-	-	1	-	-	-
(Net debt)/Net cash	(84)	(82)	(10)	1	7	-	-
TOTAL	**184**	**(85)**	**(10)**	**2**	**285**	**-**	**(8)**

(in millions of euros)	FY 2022						
	Effects in profit (loss)	Income and (expense) financial	Cost amortised	Fair value	Conversion monetary	Profit (loss) on disposal	Impairment net
Equity investments	(25)	-	-	-	-	(25)	-
Other current/non-current financial assets	72	-	-	-	53	-	19
Derivatives	(8)	-	-	(8)	-	-	-
(Net debt)/Net cash	(115)	(92)	(5)	(2)	(16)	-	-
TOTAL	**(76)**	**(92)**	**(5)**	**(10)**	**37**	**(25)**	**19**

The financial revenue from equity investments consists of dividends of non-consolidated companies. The gains or losses on currency and commodity hedging instruments are for the most part recognised in Current operating income. The portion that does not qualify as hedges is recognised in "Other financial income and expenses".

9.3 Details of financial instruments shown in the statement of financial position

(in millions of euros)	31/12/2023		31/12/2022	
	Assets	Liabilities	Assets	Liabilities
AT BEGINNING OF PERIOD	**75**	**11**	**38**	**74**
Change in hedging instruments for the period – shareholders' equity[1]	(43)	1	50	(16)
Change in hedging instruments for the period – financial income[2]	4	3	3	(3)
Net change in hedging instruments[3]	-	(4)	5	(3)
Other movements	(1)	(1)	(21)	(41)
AT PERIOD CLOSE	**35**	**10**	**75**	**11**
Net position in hedging instruments[3]	5	2	4	1
Financial instruments – currency hedging	6	8	15	10
Financial instruments – interest-rate hedges	10	-	8	-
Financial instruments – commodity hedges	14	-	48	-

(1) The impact corresponds to the effective portion of the change in fair value of currency, interest-rate and commodity hedging derivatives.
(2) The impact corresponds to the non-effective portion of the change in fair value of currency, interest-rate and commodity hedging derivatives.
(3) Foreign-currency receivables and debts are translated at the closing rate, and the difference between the closing rate and the hedging rate is recognised under Financial instrument assets and liabilities.

9.4 Risk management

The Eramet Group uses derivatives to control its exposure to currency, interest rate and commodity risks. The Executive Committee has delegated the management of the main risks to the Eramet Group Finance Department. This management is carried out directly by Eramet or via Metal Currencies, which was set up specifically to manage the Eramet Group's currency risk.

The Eramet Group's policy is to reduce its exposure to interest rate and foreign exchange fluctuations. Positions are traded either on organised markets, or over the counter with leading banking counterparties.

Gains or losses on hedging instruments are recognised symmetrically with the gains or losses on the hedged items. However, unrealised gains and losses on financing hedging transactions that are ineligible under hedging standards are recognised in Net income for the period.

All transactions outstanding at the reporting date are recognised in the Statement of financial position, without an offsetting entry.

9.4.1 Currency risk

When the exposure stemming from borrowings taken out by Eramet Group companies in currencies other than their functional currencies is not offset by income in those foreign currencies, the Eramet Group may have recourse to hedging instruments. In addition, the Eramet Group uses financial instruments to limit its exposure to currency risk on its sales and on certain dollar-denominated costs.

The Eramet Group is exposed to two types of currency risk, namely:

- transactional risk where a Group company has revenue in a currency other than its functional currency that is not offset by purchases in that currency;
- balance sheet risk related to changes in the net assets of subsidiaries valued in currencies other than the euro.

The Eramet Group centralises the subsidiaries' transactional risk. Each Eramet Group company reports its exposure in currencies other than its functional currency to Group Treasury. This management is part of a multi-year policy with procedures approved by the Executive Committee along with monthly reporting to its members. The Eramet Group manages the currency risk to the balance sheet for each case individually.

9.4.2 Transactional risks

As part of transactional risk management, currency hedging primarily involves the US dollar but also the Norwegian krone. These hedges are designed to protect the Eramet Group's present and future positions on trade transactions, more than 50% of which are invoiced in foreign currencies, whereas production costs are for the most part denominated in euros or in currencies indexed to the euro. The transactions are carried out via the company Metal Currencies.

The subsidiaries in question determine the amount of their net exposure based on multiyear budgets and forecasts. The associated risks are then hedged within a maximum horizon of 36 months, without exception. The Eramet Group uses various instruments to hedge against currency risk: futures/forward contracts and options.

The breakdown of the hedging portfolio by currency is shown below:

As at 31/12/2023	2023 sales			2024 sales			2025 sales and beyond		
(foreign currency unit million)	Amount	Currency	Price	Amount	Currency	Price	Amount	Currency	Price
COMMERCIAL HEDGES									
EUR/USD	241	USD	1.055	-	-	-	-	-	-
EUR/NOK	(421)	NOK	12.000	(865)	NOK	10.730	(1,345)	NOK	12.000
OTHER HEDGES – TOTAL AMOUNT NOT DETAILED BY YEAR									
EUR/USD	211	USD	1.110	-		-	-		-
EUR/NOK	(430)	NOK	11.070	-		-	-		-

As at 31/12/2022	2022 sales			2023 sales			2024 sales and beyond		
(foreign currency unit million)	Amount	Currency	Price	Amount	Currency	Price	Amount	Currency	Price
COMMERCIAL HEDGES									
EUR/USD	282	USD	1	415	USD	1	-	USD	-
EUR/NOK	(487)	NOK	10	(633)	NOK	11	(500)	NOK	11
OTHER HEDGES – TOTAL AMOUNT NOT DETAILED BY YEAR									
EUR/USD	124	USD	1.01	-		-	-		-
EUR/NOK	(355)	NOK	10.71	-		-	-		-

9.4.3 Balance sheet risks

The Eramet Group manages currency risks to the balance sheet, primarily related to the US dollar, by issuing financial debt denominated in the same currency as the net assets in question, or via currency swaps.

At 31 December 2023, the fair value of currency hedging represented a net liability of +€2 million (31 December 2022: net asset of €9.6 million).

For hedges of 2023 USD revenue, an increase or decrease of 10% in the EUR/USD exchange rate would have a pre-tax impact on the hedging instruments recognised in financial income at 31 December 2023 of around +€12.6 million should exchange rates rise and around -€15.4 million should exchange rates fall.

The notional amount of currency hedging contracts breaks down as follows:

	31/12/2023				31/12/2022			
(foreign currency unit million)	Forward sales	Forward purchase	Call options	Put options	Forward sales	Forward purchase	Call options	Put options
CURRENCY AGAINST EUR								
• USD	408	44	-	-	487	-	323	210
• JPY	-	-	-	-	-	-	-	-
• GBP	-	-	-	-	-	-	-	-
• NOK	-	1,771	860	1,290	-	910	710	1,065

The pre-tax impact on shareholders' equity and profits of financial instruments hedging currency risks is shown below:

	31/12/2023		31/12/2022	
(in millions of euros)	Transactional risks	Balance sheet risks	Transactional risks	Balance sheet risks
AT BEGINNING OF PERIOD	**6**	**(292)**	**(7)**	**(140)**
Change in unexpired hedging portion(1)	(8)	-	15	-
Change in ineffective portion via income(2)	(3)	-	2	-
Change in effective portion via income(3)	5	-	(4)	-
Translation adjustments and other movements	-	(193)	-	(152)
AT PERIOD CLOSE	**(0)**	**(486)**	**6**	**(292)**
Changes recognised in shareholders' equity:				
• hedging reserve	(8)	-	11	-
• translation reserve	-	(193)	-	(152)
TOTAL	**(8)**	**(193)**	**11**	**(152)**
Changes recognised via income:				
current operating income	2	-	4	-
financial income	-	-	2	-
TOTAL	**2**	**-**	**6**	**-**

(1) The impact corresponds to the effective portion of the change in fair value of currency hedging derivatives.
(2) The impact corresponds to the non-effective portion of the change in fair value of currency hedging derivatives.
(3) Foreign-currency receivables and debts are translated at the closing rate, and the difference between the closing rate and the hedging rate is recognised under Financial instrument assets and liabilities.

9.4.4 Interest rate risk

Depending on market conditions and forecast changes in net financial debt, the Eramet Group's Finance Department monitors the allocation between fixed and floating rate debt and cash investments and decides on whether to set up rate hedges. The financial instruments used are interest rate swaps, caps and floors. The Group's Treasury Department is responsible for setting up hedges.

The cash surpluses managed by Metal Securities are invested in:

- instruments linked to the ESTR (Euro Short-Term Rate) or the Euribor (Euro Interbank Offered Rate), or equivalent rates in other currencies (e.g. SOFR/Fed Funds rate for the US dollar);
- bond-type fixed-rate instruments.

These instruments are included in "Other current financial assets" and are hedged using interest rate futures (fixed rates against floating rates). Other cash surpluses managed by Metal Securities are primarily invested in instruments linked to the ESTER (European Short Term Rate).

9.4.5 Commodity risk

The Eramet Group is exposed to commodity price volatility, affecting both its turnover as a nickel and manganese producer and its production costs, as a consumer of energy (fuel oil and electricity) and commodities (nickel and aluminium).

The Eramet Group holds derivative instruments for the purposes of reducing its exposure. To this end, the Eramet Group mainly uses forwards, tunnel options and call options.

The main Group entities involved are:

- Eramet and Société Le Nickel-SLN for nickel sales;
- Société Le Nickel-SLN for fuel oil;
- Eramet Norway A/S for electricity.

The exposures to manganese and coke price volatility are not hedged since there is no organised market for these commodities.

Hedging is carried out according to the strategic plan and depending on commodities. Only part of the forecast consumption or production is hedged (e.g. for fuel oil, a maximum of 80% of the budget is hedged). The Eramet Group uses various instruments to hedge and limit its exposure, namely forwards/futures and options.

However, Eramet Norway has established long-term electricity supply contracts with various suppliers through forward purchase contracts that are not considered hedging derivatives under IFRS (because they are intended for "own use").

9.4.6 Liquidity risk

The Eramet Group must ensure that it maintains a sufficient level of liquidity to meet its contractual obligations, including servicing its bank and bond debt.

In this context, the Eramet Group anticipates the regular renewal of its existing borrowings (credit facilities, bonds, IFRS 16 leases etc.) and establishes new modes of financing according to the opportunities available.

Furthermore, operational funding (investments and working capital requirements) is provided directly to some of the Eramet Group's subsidiaries as required.

Eramet also aims to diversify its sources of funding, particularly between the bond and banking markets.

Eramet centralises virtually all the cash requirements and surpluses of its controlled companies, through Metal Securities, which is responsible for managing investment of cash surpluses.

The Eramet Group's financial liquidity, defined as the sum of cash and cash equivalents, current financial assets and confirmed credit facilities, stood at €2,989 million at 31 December 2023 (31 December 2022: €2,596 million (restated)), of which €1,084 million is classified as cash and cash equivalents (31 December 2022: €1,123 million).

The cash surpluses are, for the most part, transferred to Metal Securities, the Group company in charge of centralising and investing the Eramet Group's cash surpluses.

Revolving credit facility

The *Revolving Credit Facility* (RCF) was renegotiated in June 2022 for an amount of €935 million with a maturity of five years, accompanied by two successive *upfront* one-year extension options (June 2023 and June 2024) potentially leading to a maturity in June 2029. The amount available under this revolving credit facility is €935 million. It was extended for the first time in June 2023.

The Eramet Group is liable to repay its borrowings, primarily comprising financial market borrowings and bank borrowings, and its other liabilities and derivatives, for which the repayment schedule is given below:

	Balance sheet	Future payment schedule			
(in millions of euros)	31/12/2023	Less than one year	One to five years	More than five years	Total
Borrowings on financial markets	904	111	798	-	909
Borrowings from credit institutions	695	63	535	99	697
Bank overdrafts and creditor banks	97	97	-	-	97
Finance lease liabilities	17	8	9	-	17
Other borrowings and financial debts	431	326	76	35	437
IFRS 16 lease liabilities	83	18	48	17	83
TOTAL BORROWINGS	**2,227**	**623**	**1,466**	**151**	**2,240**
Derivatives	10	10	-	-	10
Trade and other payables	900	900	-	-	900
TOTAL OTHER FINANCIAL LIABILITIES	**910**	**910**	**-**	**-**	**910**

The schedule of future receipts on financial assets is set out below:

	Balance sheet	Future receipts at fair value schedule			
(in millions of euros)	31/12/2023	Less than one year	One to five years	More than five years	Total
Cash and cash equivalents	1,084	1,084	-	-	1,084
TOTAL CASH AND CASH EQUIVALENTS	**1,084**	**1,084**	**-**	**-**	**1,084**
Other non-current financial assets	177	34	9	134	177
Current financial assets	522	522	-	-	522
Derivatives	35	35	-	-	35
Trade and other receivables	710	702	8	-	710
TOTAL OTHER FINANCIAL ASSETS	**1,445**	**1,293**	**17**	**134**	**1,445**

Where appropriate, financial debts are covered by banking covenants at Group level or locally; the main covenants are described below:

Company	Type of credit facility		Contractual ratios	Nominal amount *(currency unit million)*
Eramet S.A.	Revolving credit facility (RCF)	Net debt, excluding SLN's loan from the French government and IFRS 16 lease liabilities/shareholders' equity	< 1	€935 million
	UMR Bond	Net debt excluding IFRS 16 lease liabilities/shareholders' equity	< 1	€50 million
	Term Loan	Net debt, excluding SLN's loan from the French government and IFRS 16 lease liabilities/shareholders' equity	< 1	€502 million
	European Investment Bank	Net debt, excluding SLN's loan from the French government and IFRS 16 lease liabilities/shareholders' equity	< 1	€171 million
	Lithium prepayment (from 2024)	Lithium to be delivered in the coming quarter/ Principal + Interest for the coming quarter	> 1.25	$400 million
Comilog S.A.	CAT Finance Comilog and Setrag (guarantee)	Net debt/EBITDA on a rolling 12-month basis	< 3	€10 million
		Net cash flow / Debt servicing	> 1.30	
		Net debt / Shareholder's equity	< 2	-
	IFC/Proparco – Setrag guarantee	Net debt / Shareholder's equity	< 1.15	€162 million
		Net debt/EBITDA on a rolling 12-month basis	< 4	-
		Debt service coverage	> 1.3	-
		OHADA: Shareholders' equity	<= Share capital	
Setrag	CAT Finance	Net debt / Shareholder's equity including subordinated debt	< 3	€26 million
		OHADA: Shareholders' equity	<= Share capital	-
	IFC/Proparco	Net debt / Shareholder's equity including subordinated debt	< 3 (75:25)	€162 million
		OHADA: Shareholders' equity	<= Share capital	-
		Debt service account	1 maturity	

Eramet's covenants are determined on the basis of the published consolidated accounts.

Comilog's covenants are determined on the basis of Comilog's individual and consolidated financial statements.

At 31 December 2023, there were no circumstances of accelerated maturity. Moreover, at 31 December 2023, no cases of cross-default likely to impact funding at the level of Eramet were recorded.

9.4.7 Credit or counterparty risk

The Eramet Group may be exposed to credit risk in the event of counterparty default: in relation to its customers and its financial partners, because of its cash surpluses invested by Metal Securities, the Group company established specifically for this purpose. The Eramet Group has several means to limit this risk: gathering information ahead of entering into transactions (from rating agencies, published financial statements etc.), credit insurance and the establishment of letters of credit and documentary credits. Cash surpluses are mainly invested in investment grade instruments or with investment grade counterparties.

The age of the Group's trade receivables and overdue receivables is shown below:

	31/12/2023			31/12/2022		
(in millions of euros)	Gross amount	Impairment	Net amount	Gross amount	Impairment	Net amount
On time or not due	45	(4)	41	280	(9)	271
Delays:						
• less than one month	120	-	120	71	-	71
• one to three months	53	(1)	52	8	-	8
• three to six months	2	(0)	2	8	-	8
• six to nine months	3	(2)	0	2	(1)	1
• nine to twelve months	1	(1)	0	5	(1)	3
• over one year	8	(2)	6	9	(3)	6
TOTAL TRADE RECEIVABLES	**232**	**(10)**	**221**	**383**	**(14)**	**369**

No material unpaid or impaired receivables have been renegotiated.

9.4.8 Equity and bond risk

Eramet and its subsidiaries do not speculate on the stock markets; the investments held relate to unlisted controlled companies entirely in line with the Group's activities.

In accordance with the Group's investment policy, which defines and limits the counterparty risk, the Eramet Group has purchased bonds subject to credit risk, which are recognised in "Other current financial assets" and intended to be held to maturity.

NOTE 10 Working capital requirement

(in millions of euros)	31/12/2022	Change in WCR Statement of changes	Change in trade payables on non-current assets	Translation adjustments and other movements	31/12/2023
Inventories	724	(26)	-	(79)	619
Customers	369	(153)	-	5	221
Suppliers	(424)	(19)	-	(2)	(445)
Simplified WCR	**669**	**(197)**	**-**	**(76)**	**395**
Other items of WCR[1]	(201)	124	215	(179)	(41)
TOTAL WCR	**468**	**(73)**	**215**	**(255)**	**354**

(1) Includes tax and payroll payables and receivables, other assets and liabilities, tax liabilities and receivables due and liabilities on non-current assets.

10.1 Inventories

Inventories consist mainly of the products of the Nickel, Manganese and Mineral Sands Activities at different stages of the production process, and are recorded at the lower of cost and net liquidation value.

ACCOUNTING METHOD

Inventories are measured using the Weighted Average Unit Cost (WAUC) method for the industrial operations of the High Performance Alloys Division and on a First-In-First-Out (FIFO) basis for the industrial and mining operations of the Nickel, Manganese and Mineral Sands Activities.

Inventories are carried at cost price and only include production costs, while not exceeding the realisable value. Costs stemming from sub-normal activity are eliminated from inventory measurement at the end of the reporting period.

Impairment losses for raw materials are recognised when the net realisable value falls below the cost of entry into storage. Consumables are fully depreciated where the quantities are in storage over a much longer period than their estimated use. The impairment of spare parts that do not qualify for capitalisation is calculated on the basis of their use during the year. Spare parts inventory in excess of one year's use is fully depreciated. For work-in-process, intermediate and finished products in inventory for over a year, the forward-looking approach is applied on the basis of the order book and market validation of achievements within one year; the quantities beyond one year of consumption are fully depreciated, except in specific cases.

Fixed production costs relating to recognised or planned sub-normal activity are not incorporated in inventory measurement and are recognised as ordinary operating expenses for the period in which they are incurred. Sub-normal activity is taken into account when the actual production volume is considerably lower than the normal production volume (or normative capacity).

JUDGEMENTS AND ESTIMATES

Judgement is exercised to determine the net realisable value, as well as to allocate the fixed and variable production overheads attributable directly to inventories.

(in millions of euros)	31/12/2023	31/12/2022
AT BEGINNING OF PERIOD	**724**	**577**
Change in gross inventories	52	167
(Impairment)/net reversals for the period	(17)	(17)
Increase/(Decrease) in net inventories – cash flows	35	150
Translation adjustments and other movements	(140)	(3)
AT PERIOD CLOSE	**619**	**724**
Raw materials	230	328
Merchandise and finished products	198	198
Work-in-progress and semi-finished goods	45	60
Consumables and spare parts	144	138
CO_2 quotas	2	-
Breakdown of impairment losses:		
AT BEGINNING OF PERIOD	**(118)**	**(99)**
• (Impairment)/Net Reversals for the period	(17)	(17)
• Translation adjustments and other movements	(56)	(2)
AT PERIOD CLOSE	**(190)**	**(118)**

Impairment provisions mainly relate to raw materials, merchandise and finished products.

10.2 Trade and other receivables

Trade and other receivables are amounts that the Eramet Group expects to collect from third parties.

ACCOUNTING METHOD

Receivables are booked at transaction value at initial recognition and are subsequently measured at each reporting date at amortised cost. Foreign currency receivables and payables are re-measured at the prevailing foreign exchange rate at period end. The resulting translation adjustments are recognised in current operating income or in net financial income (other financial income and expenses) depending on the type of receivable or debt.

The Group's portfolio of trade receivables is measured to take into account the expected loss rate at maturity in this portfolio. This rate is determined by qualifying the customer portfolio according to its risk exposure, with secured receivables limiting the expected level of risk of loss, and by assessing the probability of default and the impact of the expected loss on the portfolio, based on historical losses on receivables, the age of the receivable and an assessment of the risks involved.

Individual impairment losses are recognised for receivables where they are more than likely not to be recovered and it is possible to reasonably measure the amount of the impairment based on historical losses on receivables, the age of the receivable and an assessment of the risks involved. This impairment, offset in Current operating income, is deducted from the gross value of the receivable.

Receivables disposed of under a securitisation contract are removed from the balance sheet when the Eramet Group has transferred the contractual rights to collect the cash amount and where almost all the risks and rewards attached to these receivables have been transferred to the transferee. Where risks remain but do not prejudice the removal of the receivables from the balance sheet, they are recognised under Other operating receivables together with the related security deposits (Note 9).

Disposals with recourse against the Eramet Group in the event of payment default by the client means that these transferred receivables must be retained in the balance sheet.

JUDGEMENTS AND ESTIMATES

Determining the expected level of loss on the collection of receivables requires judgement. The impairment loss is calculated consistently based on historical losses on receivables, the age of the receivable and an assessment of the risks involved for each receivable category.

	31/12/2023			31/12/2022
(in millions of euros)	Gross amount	Impairment	Net amount	Net amount
AT BEGINNING OF PERIOD	**842**	**(28)**	**814**	**665**
Change in gross amount	(152)	-	(152)	(1)
Reversals (impairments) in the period	-	(35)	(35)	161
Changes in working capital requirement – cash flows	-	-	(187)	160
Translation adjustments and other movements	66	17	83	(11)
AT PERIOD CLOSE	**756**	**(46)**	**710**	**814**
Trade receivables	**232**	**(10)**	**221**	**369**
Tax and payroll receivables	140	(10)	130	211
Security deposit – securitisation agreement	-	-	-	7
Other operating receivables	376	(25)	351	216
Other current assets	**516**	**(35)**	**480**	**434**
Other receivables	8	(0)	8	11
Other non-current assets	**8**	**(0)**	**8**	**11**
TOTAL	**756**	**(46)**	**710**	**814**

The bulk of trade and other receivables are due in less than one year.

Tax and payroll receivables include a VAT credit amount to the Gabonese government of €30.2 million at 31 December 2023 (€85.7 million at 31 December 2022). Under a memorandum of understanding signed with the Gabonese government on 5 July 2022, €120.7 million of taxes (corporate tax and proportional mining royalties) were offset, limiting the increase in VAT credits for the year.

Securitisation of customer receivables

The Eramet Group uses factoring or securitisation as a source of funding for its receivables. Under these agreements, certain subsidiaries in France and the United States have committed to banking institutions to transfer their trade receivables totalling €257 million at 31 December 2023 (€169 million at 31 December 2022). The analysis of the transfer of risks and rewards resulted in full deconsolidation.

A security deposit may be required to cover the commitments given by the transferor subsidiaries to the financing company and will be returned upon the settlement of the transaction. It consists of reserves to hedge against dilution risk. This deposit amounted to €0 million at 31 December 2023 (31 December 2022: €7 million).

(in millions of euros)	31/12/2023	31/12/2022
Trade receivables – Invoices assigned	(257)	(169)
Trade receivables – Invoices not deconsolidated	-	-
Other operating receivables – Security deposit	-	7

10.3 Trade and other payables

Trade and other payables mainly comprise amounts owed to suppliers and tax authorities that have already been billed or are already due.

(in millions of euros)	31/12/2023	31/12/2022
AT BEGINNING OF PERIOD	**928**	**803**
Changes in working capital requirement	32	89
Change in payables on non-current assets	53	12
Translation adjustments and other movements	(113)	24
AT PERIOD CLOSE	**900**	**928**
Trade payables	**445**	**424**
Tax and payroll payables	277	361
Payables on non-current assets	54	35
Deferred income	1	1
Other operating payables	123	100
Other current liabilities	**456**	**496**
Other non-current liabilities	0	8
Other non-current liabilities	**0**	**8**
TOTAL	**900**	**928**

Most of the trade and other payables are due in less than one year.

The debts recognised under non-current liabilities include Setrag S.A.'s 25-year debt to the Gabonese Republic for the transfer of the concession.

NOTE 11 Investments

The Eramet Group groups its investments into two categories:

- industrial investments relating to assets in connection with extraction or production equipment: intangible assets and property, plant and equipment;
- financial investments that mainly relate to interest held in joint ventures and non-consolidated companies, as well as other non-current financial assets.

11.1 Acquisition of non-current assets

(in millions of euros)	FY 2023	FY 2022
Capital expenditure on property, plant & equipment for the period	596	491
Capital expenditure on intangible assets for the period	110	39
Total industrial capital expenditure	**706**	**530**
Change in payables for the acquisition of non-current assets[1]	215	58
TOTAL ACQUISITION OF NON-CURRENT ASSETS – STATEMENT OF CASH FLOWS	**920**	**588**

(1) Of which change in payables for the acquisition of non-current assets (other payables).
Of which change in supplier advances on non-current assets (other receivables).

11.2 Property, plant and equipment and rights of use for leases on assets classified as Property, plant and equipment

ACCOUNTING METHOD

Property, plant and equipment are stated in the balance sheet at their carrying amount, which is the acquisition or manufacturing cost less depreciation and impairment of losses incurred.

Land is not depreciated.

Spare parts deemed to be items of property, plant and equipment are capitalised and depreciated on the basis of their actual use.

Tooling specifically manufactured for certain customers is capitalised and depreciated over its likely useful life.

Major repairs are deemed to be components of items of property, plant and equipment.

Borrowing costs that are directly linked to the acquisition or production of an asset, in accordance with IAS 23, are incorporated into that asset's cost.

At the start-up of operations, a provision is made to take into account the obligations to restore the mining site, offset by an environmental and decommissioned asset. Decommissioned assets recognised against provisions are written down over the planned operating life of the mining reserves and resources intended for the plant or for export and are measured with respect to the estimated long-term nature of current licences. Revisions to these restoration cost estimates correct the value of this asset and provision by prospectively allocating the result over the period of operation, including the current year.

IFRS 16-eligible leases on assets classified as "property, plant and equipment" are recognised on the balance sheet at lease commencement for the present value of the future fixed payments (on the asset line concerned by IFRS 16 lease-purchase and/or finance contracts and on a "lease rights of use" line for operating leases). Leases where the underlying assets have a low value and/or are for a short term (12 months or less) are accounted for as a lease expense according to the exemptions permitted by the standard.

The Trans-Gabon railway concession was recognised as follows: property owned by the Eramet Group is recognised as a balance sheet asset and depreciated over the shorter of its useful life or the remaining period of the concession. Returnable assets representing the assets contributed to the concession by the Gabonese Republic that must be returned in the same state upon expiry of the agreement are not recognised in the balance sheet. Assets acquired by the Eramet Group following the signing of the concession agreement that must be turned over to the Gabonese Republic at the end of the concession are recognised as property, plant and equipment and depreciated over the term of the concession. A provision is made to cover the net value of the property, plant and equipment at the end of the concession based on investment assumptions.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Judgement is exercised to determine all the expenses (i.e. labour, overheads) directly associated with the acquisition, construction, improvement or development of a non-current asset, including the costs of bringing it to the location and in the state that is required for its use as planned by Management.

Expenses for non-current assets are no longer capitalised once the non-current asset is practically completed and is capable of functioning as intended. In order to determine whether these conditions are met, a review must be carried out of the practices applied in the same industries, predetermined by the Management's judgement with reference to the factors affecting the expected production capacity.

Where a non-current asset is composed of individual components which call for different methods or depreciation rates, judgement is exercised to determine how best to split the asset. Distinguishing between inspections and major revisions for repair and maintenance, and determining the appropriate period for amortising these costs, are a matter of judgement.

11.2.1 Property, plant and equipment by category

	31/12/2023				31/12/2022
(in millions of euros)	Gross amount	Depreciation & amortisation	Impairment losses	Net amount	Net amount
Land and buildings[1]	942	(717)	(105)	121	208
Industrial and mining facilities[2]	3,153	(1,983)	(271)	898	880
Other property, plant and equipment[3]	1,217	(703)	(16)	498	366
Work-in-progress, down-payments	764	-	(45)	720	768
TOTAL	**6,077**	**(3,404)**	**(437)**	**2,236**	**2,222**
(1) Including:					
• *IFRS 16 lease assets*	*1*	*-*	*-*	*1*	*1*
(2) Including:					
• *IFRS 16 lease assets*	*27*	*(27)*	*-*	*-*	*-*
• *Decommissioned assets – site restoration*	*224*	*(139)*	*(20)*	*66*	*116*
(3) Including:					
• *IFRS 16 lease assets*	*77*	*(60)*	*-*	*17*	*24*

11.2.2 Lease rights of use (type of property, plant and equipment)

	31/12/2023				31/12/2022
(in millions of euros)	Gross amount	Depreciation & amortisation	Impairment losses	Net amount	Net amount
Rights of use relating to land and buildings	28	(17)	(0)	11	15
Rights of use relating to industrial and mining facilities	10	(4)	-	6	7
Rights of use relating to other property, plant and equipment	100	(47)	-	53	54
TOTAL	**138**	**(68)**	**(0)**	**70**	**76**

11.2.3 Change for the financial year

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**2,222**	**2,254**
Investments for the period	597	461
Disposals for the period	(3)	(7)
Depreciation and amortisation for the period	(194)	(228)
Impairment losses for the period	(194)	(234)
Reversals in the period	43	9
Change in the gross amount of decommissioned assets	(31)	(101)
Change in lease non-current assets	(86)	26
Changes to consolidation scope	(86)	-
Hyperinflation	579	177
Translation adjustments and other movements	(697)	(135)
AT PERIOD CLOSE	**2,236**	**2,222**
• Gross amount	6,077	5,837
• Depreciation & amortisation	(3,404)	(3,284)
• Impairment losses	(437)	(331)

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**76**	**69**
Change in rights of use	13	25
Depreciation and amortisation for the period	(19)	(18)
Impairment losses for the period	-	-
Translation adjustments and other movements	(0)	-
AT PERIOD CLOSE	**70**	**76**
• Gross amount	138	132
• Depreciation & amortisation	(68)	(56)
• Impairment losses	(0)	-

11.3 Intangible assets

ACCOUNTING METHOD

Intangible assets are stated in the balance sheet at their carrying amount, which is the acquisition cost less amortisation and any impairment of losses incurred.

IFRS 16-eligible leases on assets classified as “intangible” are recognised on the balance sheet at lease commencement for the present value of the future fixed payments (on the asset line concerned by IFRS 16 lease-purchase and/or finance contracts and on a “lease rights of use” line for operating leases). Leases where the underlying assets have a low value and/or are for a short term (12 months or less) are accounted for as a lease expense according to the exemptions permitted by the standard.

GOODWILL

Goodwill is the difference between the acquisition price of an entity and the Eramet Group’s and minority interests’ share in the fair value of the identifiable asset or liability (including possible liabilities) of the acquired entity at the acquisition date. It is recognised at cost, less accumulated impairment losses.

Goodwill in associates and joint ventures is recognised under investments in joint ventures and associates (Note 11).

MINING RESERVES

Amounts capitalised with respect to mineral deposits relate to partial asset contributions or permits acquired since 1974. Depending on the specific operating characteristics, mining reserves are amortised on the basis of the ratio of annual production to the estimated reserves or the length of the concession.

GEOLOGY, PROSPECTING AND RESEARCH EXPENSES

Geology, prospecting and research expenses incurred prior to operation are recognised as intangible assets, in compliance with IFRS 6 “Exploration for and Evaluation of Mineral Resources”.

The royalties paid for mining prospecting and exploration are also recognised under intangible assets.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS
Judgement must be used to determine whether the expenditure on intangibles can be recognised as an intangible asset.
If its useful life is limited in time, the intangible asset is amortised on a straight-line basis over the estimated useful life.
The goodwill is allocated to the cash-generating unit that it is recognised in, for the purposes of impairment testing.

At 31 December 2023, as at 31 December 2022, the Group had no rights of use to an “intangible” asset under leases or lease-purchase arrangements (IFRS 16).

11.3.1 Intangible assets by category

	31/12/2023				31/12/2022
(in millions of euros)	Gross amount	Depreciation & amortisation	Impairment losses	Net amount	Net amount
Goodwill	189	-	(3)	186	208
Gabon mining reserves	61	(52)	-	9	15
Senegal mining reserves	100	(13)	-	87	87
New Caledonia mining reserves	47	(38)	-	9	9
Other geology, prospecting and research expenses	155	(49)	(1)	105	112
Software	92	(82)	(1)	9	10
Other intangible assets	32	(31)	(11)	(10)	6
Work-in-progress, down-payments	74	-	(34)	40	39
TOTAL	**750**	**(265)**	**(50)**	**434**	**486**

Net goodwill stood at €186 million at 31 December 2023 (€208 million at 31 December 2022). It mainly resulted from:

- the acquisition of the Norwegian company Eralloys Holding A/S in 2008 for €150 million, allocated to the Eramet Norway CGU and now associated with the Manganese Alloys CGU;
- the acquisition of Mineral Deposit Limited on 1 July 2018, resulting in goodwill of €58 million, allocated to the Mineral Sands CGU, €22 million of which was allocated to Eramet Titanium & Iron (ETI);
- following the sale of this subsidiary in September 2023, goodwill was reduced by €22 million.

11.3.2 Change for the financial year

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**486**	**477**
Investments for the period	110	39
Disposals for the period	-	-
Depreciation and amortisation for the period	(27)	(25)
Impairment losses for the period	(14)	(16)
Changes to consolidation scope	(21)	-
Hyperinflation	7	4
Translation adjustments and other movements	(106)	7
AT PERIOD CLOSE	**434**	**486**
• Gross amount	750	773
• Depreciation & amortisation	(265)	(249)
• Impairment losses	(50)	(38)

11.4 Impairment of assets and impairment losses

ACCOUNTING METHOD

Impairment tests are performed regularly: systematically at least once a year at the annual reporting date for goodwill and intangible assets with indefinite lives, and where there are indications of impairment. For intangible assets and items of property, plant and equipment with finite useful lives, impairment tests are carried out whenever there is an indication of impairment.

Impairment testing consists in comparing the carrying amount of assets with their recoverable amount, which is defined as the higher of value in use (or recoverable amount through use) and fair value (or recoverable amount through sale), less selling costs.

Impairment losses are calculated as the difference between the recoverable and net book value and are recognised in the income for the period under Other operating income and expenses (Note 7).

Impairment losses recognised in goodwill are not reversible. For the other assets, previously recognised impairment losses are measured at each reporting date to identify whether the losses have decreased or no longer exist. An impairment loss is reversed only if the carrying amount of the asset does not exceed its net book value, as it would have been determined had no impairment been recognised.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Cash-generating units (CGU) are homogeneous groups of assets whose continuous use generates independent cash flows.

The Eramet Group has defined its CGUs with reference to the various production sites of the Nickel, Manganese Ore, Manganese Alloys, Mineral Sands and Lithium Activities and the High Performance Alloys Division.

Impairment tests are performed for each CGU. All intangible assets, including goodwill, and all items of property, plant and equipment are allocated to CGUs.

At 31 December 2023, the Eramet Group is divided into six CGUs as follows:

- one CGU in the Nickel Processing Plant Activity;
- one CGU in the Nickel Ore Activity;
- one CGU in the Manganese Ore Activity;
- one CGU in the Manganese Alloys Activity;
- one CGU in the Mineral Sands Activity;
- one CGU in the Lithium Activity.

At 31 December 2022, the Group had one CGU in the Nickel Activity. In 2023, this Activity was restructured into two separate Activities – Mines and Plants. The Group also had two CGUs in operations to be divested in the High Performance Alloys Division, up until the date on which these activities were sold – in April for Aubert & Duval and in June for Erasteel.

Eramet Group's General Management determines the existence of events calling for impairment testing based on several criteria. Impairment loss indicators correspond mainly to changes and fluctuations in:

- raw material prices and the selling price of finished products;
- economic and regulatory environment and market conditions;
- interest rates;
- technological level;
- asset performance and obsolescence.

An impairment test is carried out on the CGUs concerned when these indicators show a negative development.

To determine the value in use, the Eramet Group uses the method of discounted future cash flows generated from the use of the assets. The data used to calculate the discounted forecast cash flows is taken from the annual budgets and multiyear plans prepared by the Management of the CGUs concerned. These plans are created on the basis of five-year projections, in keeping with mining and industrial cycles, plus a final value corresponding to the capitalisation to infinity of normative cash flows. Plans for certain CGUs are prepared for longer periods corresponding to the operating period of the sites without assigning a terminal value. The Group incorporates the investments it intends to make with regard to climate issues into its business plans.

The growth rates used are the same as those used in budgets. The growth rates to infinity used for the terminal values are generally between 1% and 2%, depending on the CGU.

The discount rate applied to calculate the value in use is the weighted average cost of capital (WACC), namely:

- 11.5% for mining activities (excluding lithium) (11.5% in 2022);
- 10.0% for alloy activities (9.5% in 2022);
- 16.5% for the lithium activity (13.5% in 2022).

The Eramet Group may measure the recoverable amount using other methods that it deems relevant in the context of the CGUs concerned. These methods may include estimated transaction values.

Whatever the method used, the assumptions used are Management's best estimates. The Eramet Group regularly reviews its estimates and assessments to take account of past experience and other factors that are deemed relevant with regard to economic conditions.

The change in impairment of assets and other impairment losses is broken down as follows:

(in millions of euros)	31/12/2022	2023 impairment losses and reversals	Translation and other movements	31/12/2023
Nickel Activity (excl. Sandouville)	(250)	(128)	18	(360)
Manganese Activity	(84)	5	1	(78)
Lithium Activity	(2)	-	-	(2)
Holding and others	(32)	-	(19)	(51)
Total continuing operations	**(368)**	**(123)**	**-**	**(491)**
High Performance Alloys Division	(569)	569	-	-
Total divested operations	**(569)**	**569**	**-**	**-**
TOTAL	**(937)**	**446**	**-**	**(491)**
Goodwill	(3)	-	0	(3)
Intangibles	(35)	(13)	(0)	(48)
Property, plant and equipment	(331)	(110)	-	(440)
IFRS 16 rights of use	-	-	-	-
Assets held for sale	(569)	569	-	-

11.4.1 Sensitivity

Sensitivity is determined with reference to changes in future cash flows and discount rates.

The Eramet Group's cash projections for its mining and metallurgical businesses are highly dependent on the sale price assumptions, especially for ores (nickel, manganese, zircon etc.), on euro-dollar parity, on raw materials (electricity, coal, coke etc.) and on global demand for products sold by the Group.

CGUs of continuing operations

SLN CGT – Nickel Activity

The value in use is extremely sensitive to the prices of nickel and inputs (electricity and coal in particular, as well as the US dollar), which are key assumptions in the impairment testing of this CGU.

The sale prices used are determined by reference to the average industry consensus, as well as to NPI (nickel pig iron) prices. These selected prices are thus integrated into the multi-year business plan, which allows the cash flow projections of the CGU to be determined. However, there is strong interdependence between the different variables, namely the value of the dollar, the price of Brent crude oil and the prices of nickel and electricity, which generally do not impact the test in the same way.

The electricity price used is based on the use of the CAT (Centrale Accostée Temporaire [floating power plant]) and on the discussions held with the government of New Caledonia in the context of the agreement relating to the future path of Société Le Nickel-SLN.

In 2023, changes in selling prices, the dollar and inputs had no impact on impairment, as SLN's assets have been fully written down (see Note 2.1 "Operational and financial difficulties for SLN in New Caledonia and going concern").

Manganese Ore CGU and Manganese Alloys CGU – Manganese Activity

Manganese ore is not a listed commodity. The price is adjusted according to supply and demand, particularly concerning alloy production forecasts and the marginal capacity of the South African producer.

To determine the forecast price of manganese ore, the Eramet Group uses an internal model that takes into account the marginal cost of South African production, available logistical means (trains or trucks) and ZAR/USD parity.

The price forecasts thus determined are integrated into the business plans of the Manganese Ore and Manganese Alloys CGUs. These price forecasts can be compared with studies published by the CRU (Commodities Research Unit), an independent body that carries out studies on certain metals, including manganese.

Regarding the Mineral Ore CGU, a 0.5% increase in the discount rate, a 0.5% decrease in long-term growth rate or a fall of 1% in the EBITDA margin of the final year would not result in the recognition of an impairment loss.

Regarding the Manganese Alloys CGU, assuming that prices continue to deteriorate in an already low-price environment, the Group may need to recognise an impairment loss.

Mineral Sands CGU

More than half of the CGU's revenues come from the sale of titanium raw materials, about one third from the marketing of zircon, and more marginally from ferrous materials.

Titanium raw materials, in the form of titanium slag or titanium dioxide, are intended for the pigment market, while zircon is produced for the ceramics market.

None of these products are listed. In both cases, the price forecasts used in the business plan are determined by reference to the analyses of sector specialists (TZMI), using the lower range of their forecast.

Regarding the Mineral Sands CGU, a 0.5% increase in the discount rate, a 0.5% decrease in long-term growth rate or a fall of 1% in the EBITDA margin of the final year would not result in the recognition of an impairment loss.

Lithium CGU

As indicated in Note 2.5, the Lithium CGU relates only to the project under construction in Argentina.

11.4.2 Residual values by CGU group

The residual values of invested capital are detailed as follows by CGU group:

(in millions of euros)	31/12/2023	31/12/2022
NICKEL ACTIVITY		
Net intangible assets and property, plant & equipment(1)	54	259
Working capital requirement	(16)	125
Total	**38**	**384**
MANGANESE ACTIVITY		
Net intangible assets and property, plant & equipment(1)	1,710	1,492
Working capital requirement	366	351
Total	**2,076**	**1,843**
MINERAL SANDS ACTIVITY		
Net intangible assets and property, plant & equipment(1)	557	652
Working capital requirement	(40)	6
Total	**517**	**658**
LITHIUM ACTIVITY		
Net intangible assets and property, plant & equipment(1)	367	336
Working capital requirement	133	75
Total	**500**	**411**
HOLDING AND OTHERS		
Net intangible assets and property, plant & equipment(1)	308	57
Working capital requirement	(89)	(15)
Total	**219**	**42**
CONTINUING OPERATIONS		
Net intangible assets and property, plant & equipment(1)	2,996	2,796
Working capital requirement	**354**	**542**
TOTAL CONTINUING OPERATIONS	**3,350**	**3,338**
HIGH PERFORMANCE ALLOYS DIVISION		
Net intangible assets and property, plant & equipment(1)	-	4
Working capital requirement	-	276
Total	**-**	**280**
OPERATIONS TO BE DIVESTED		
Net intangible assets and property, plant & equipment(1)	-	4
Working capital requirement	-	276
TOTAL OPERATIONS TO BE DIVESTED	**-**	**280**

(1) Including rights of use for leases.

Capital employed is defined as the sum of net property plant and equipment, intangible assets and working capital requirements. It is used to determine the accounting values of assets tested as part of asset impairment tests.

11.5 Investments in joint ventures and associates

ACCOUNTING METHOD

Joint ventures are companies over which Eramet has joint control, meaning that the decisions concerning the relevant activities require the unanimous consent of all controlling parties.

Associates are companies over which the Eramet Group has significant influence.

Joint ventures and associates are accounted for using the equity method of accounting and are initially recognised at cost. Their carrying amount includes the goodwill determined at their acquisition less accumulated impairment.

The consolidated financial statements include Eramet's share in earnings and the equity movements of the companies accounted for using the equity method, after adjustments to bring the accounting rules of those companies in line with those of the Eramet Group.

The dividends received from joint ventures and associates are deducted from their balance sheet value. An impairment test is carried out when there are indicators that the recoverable amount may fall below its carrying amount (Note 10).

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Significant influence exists when Eramet has the powers to take part in financial and operating decisions of the Company but does not exercise control or joint control over these policies. Eramet has significant presumed influence if it holds 20% to 50% of the voting rights of a company.

Eramet Group's General Management determines the existence of events calling for impairment testing under the same conditions as those given in the Impairment of assets section.

11.5.1 Breakdown by entity

(in millions of euros) Company	Country	% holding	Share of Results FY 2023	Share of Shareholders' equity 31/12/2023	Share of Results FY 2022	Share of Shareholders' equity 31/12/2022
Strand Minerals – Weda Bay	Indonesia	38.7%	295	315	258	297
TOTAL INVESTMENTS IN JOINT VENTURES AND ASSOCIATES			**295**	**315**	**258**	**297**

The €16 million increase in the value of the equity-accounted investments in Strand Minerals – Weda Bay is primarily related to the portion of income attributable to the Group of €295 million, less €267 million in dividends.

11.5.2 Key data for 100% of Weda Bay

(in millions of euros)	FY 2023	FY 2022
Turnover	1,955	1,656
EBITDA[1]	1,098	890
Current operating income	1,047	845
Net income	685	600

(1) Eramet share at 38.7%: €425 million in 2023 (€344 million in 2022).

(in millions of euros)	31/12/2023	31/12/2022
Non-current assets	297	231
Current assets	441	542
Non-current liabilities	29	51
Current liabilities	208	272

11.6 Other non-current financial assets

ACCOUNTING METHOD

Other non-current financial assets include other long-term financial assets and non-consolidated equity investments.

Other long-term financial assets relate to loans or current accounts extended to non-consolidated companies or companies under joint control. They are initially recognised at fair value plus acquisition costs and are measured on each reporting date at amortised cost using the effective interest rate (EIR) method, less any offsetting provisions for impairment losses recognised in financial income for the period.

Non-consolidated equity investments are recognised in the balance sheet at their acquisition cost or their value on the date of their deconsolidation, less any offsetting provisions for impairment losses recognised in income for the period, to reflect changes in the fair value of this asset category.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Eramet Group has divided its non-consolidated subsidiaries into two categories:

- controlled companies that are not consolidated owing to their low cumulative impact on the Eramet Group's financial statements;
- non-controlled companies corresponding to holdings in companies over which the Eramet Group has no control or significant influence.

11.6.1 By category

(in millions of euros)	Gross amount	Impairment	Net amount at 31/12/2023	Net amount at 31/12/2022
Deposits and guarantees	33	0	34	28
Other financial assets	174	(126)	49	8
Other non-current financial assets	**208**	**(125)**	**82**	**36**
Non-consolidated equity investments	263	(168)	94	5
TOTAL OTHER FINANCIAL ASSETS	**471**	**(294)**	**177**	**41**

The change in non-consolidated equity investments between 2022 and 2023 corresponds to the investment in Chile for €90 million.

11.6.2 Change

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**41**	**188**
Net change in current financial assets (statement of cash flows)	114	(150)
Net change in financial assets of discontinued operations	-	-
Impairment losses for the period	(8)	(9)
Changes to consolidation scope	31	-
Translation adjustments and other movements	(1)	12
AT PERIOD CLOSE	**177**	**41**

11.6.3 By currency (excluding consolidated equity investments)

(in millions of euros)	FY 2023	FY 2022
Euro	42	11
US dollar	22	14
CFP franc	8	5
Other currencies	10	6
TOTAL	**82**	**36**

11.6.4 By interest rate type (excluding consolidated equity investments)

(in millions of euros)	FY 2023	FY 2022
Interest-free	17	20
Fixed interest rates	58	13
Variable interest rates	7	3
TOTAL	**82**	**36**

Interest-free items mainly relate to deposits and guarantees as well as certain loans to employees.

11.6.5 Non-consolidated equity investments

(in millions of euros) Company	Country	% holding	Net amount at 31/12/2023	Net amount at 31/12/2022
MAIN CONTROLLED COMPANIES:				
• Eramet Alloys GmbH	Germany	100%	-	3
• Eramet Alloys UK Ltd	United Kingdom	100%	-	2
• Sodépal	Gabon	100%	-	-
• GCM Liquidation Co. (formerly GCMC)	Gabon	100%	-	-
• Eramet Chile S.A.	Chile	100%	90	-
MAIN NON-CONTROLLED COMPANIES:				
Other companies			4	-
TOTAL			**94**	**5**

Controlled but non-consolidated companies are mainly sales entities, the services of which are fully assigned to the Eramet Group, and industrial companies (shaping, wire-drawing and drawing of metallurgical products).

Equity investments in controlled companies are not consolidated since they have no material impact on the Eramet Group's consolidated financial statements.

Eramet Chile S.A. was incorporated in early November 2023 and currently only holds mining concessions in Chile.

NOTE 12 Taxes

This note explains the income tax expense and related tax amounts shown in the income statement and balance sheet. The section on deferred tax provides information on expected future tax payments.

ACCOUNTING METHOD

Income tax includes both current and deferred tax. The income tax expense is recognised in the income statement, except where it relates to a business acquisition or items recognised directly in equity or in Other comprehensive income.

Current income tax includes taxes that the Eramet Group expects to pay on its taxable income for the reporting period at the prevailing tax rates or rates substantively enacted at the reporting date, as well as any adjustments for tax relating to prior reporting periods.

Deferred tax is recognised as temporary differences between the carrying amount of the assets and liabilities measured for the purposes of financial reporting and the tax basis of those assets and liabilities measured at the income tax rate and tax laws enacted or substantively enacted at the reporting date and effective in the period in which these temporary differences should be used.

Deferred tax assets, including those related to loss carry-forwards, which are determined by fiscal entity, are recognised whenever it can be shown that they are likely to be realised.

The deferred tax assets and liabilities are classified in the balance sheet as non-current items and are offset if the entity has a legally enforceable right of set-off as is the case with the French tax consolidation group.

Deferred tax liabilities on investments in subsidiaries, associates and joint ventures are recognised unless where the Eramet Group can determine the timetable for the reversal of the related temporary differences, and where it is likely that such differences will not reverse in the foreseeable future. Provisions are made for non-recoverable tax on dividends planned in the foreseeable future.

The Group does not report deferred taxes on first-time recognition of the right of use and the lease liability.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Eramet Group operates in several countries. Its income is therefore taxed at various income tax rates. Given the magnitude of the operations and the complexity of tax regulations, the Eramet Group must assess uncertainties and exercise judgement to estimate the tax amount that it will eventually pay. The tax amount finally paid depends on various factors that include negotiations with tax authorities and the outcome of tax audits.

The Eramet Group estimates deferred tax based on the temporary differences between the assets and liabilities shown in its consolidated financial statements and the tax bases of these assets and liabilities determined under the applicable tax laws. The deferred tax asset amount is generally recognised insofar as a probable taxable profit will be available in the future against which deductible temporary differences can be used. Consequently, the deferred tax asset that is recognised and considered as realisable can be reduced if the projected profit cannot be obtained.

To assess the likelihood that these assets will be realised, the Eramet Group reviews the following information in particular:

- projected future profitability;
- extraordinary losses not expected to recur in the future;
- past taxable profits; and
- tax strategies.

12.1 Income tax

(in millions of euros)	FY 2023	FY 2022
Current tax	(107)	(234)
Deferred tax	19	(30)
INCOME TAX INCOME (EXPENSE)	**(88)**	**(264)**

12.2 Effective tax rate

(in millions of euros)	FY 2023	FY 2022
Operating income	(193)	1,025
Financial income	(2)	(89)
Pre-tax profit (loss) of consolidated companies	**(195)**	**936**
Standard tax rate in France (in percent)	25.83%	25.83%
Theoretical tax income/(expense)	**50**	**(242)**
Impact on theoretical tax of:		
• permanent differences between accounting and taxable profit	(8)	91
• taxes on dividend distribution (withholding tax)	(8)	(16)
• impairment of assets	-	-
• standard rate differences in foreign countries	10	(12)
• changes in the tax rate	-	6
• tax credits	2	1
• unrecognised or limited deferred tax assets	(141)	(98)
• use or activation of deferred tax assets previously not recognised	4	41
• use of tax losses recognised in net income from discontinued operations	-	2
• miscellaneous items	3	(37)
ACTUAL TAX INCOME/(EXPENSE)	**(88)**	**(264)**
TAX RATE	**(45)%**	**28%**

Unrecognised or limited deferred tax assets relate mainly to the tax loss carry-forwards of Société Le Nickel-SLN, tax loss carry-forwards in France and the limited deferred taxes on asset impairments over the period. At 31 December 2023, in view of the provisional tax results in France, €30 million in deferred tax assets of the tax consolidation group were recognised.

12.3 Main standard tax rates in foreign countries

	FY 2023	FY 2022
Argentina	25.0%	25.0%
China	25.0%	25.0%
United States	23.1%	23.1%
Gabon	35.0%	35.0%
Indonesia	17.0%	17.0%
Norway	22.0%	22.0%
New Caledonia	35.0%	35.0%
Senegal	25.0%	0.0%

12.4 Change in tax receivables and tax payables

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**(144)**	**(97)**
Current tax (income)	(107)	(234)
Tax paid	171	187
Translation adjustments and other movements	2	-
AT PERIOD CLOSE	**(78)**	**(144)**
• Current tax receivables	10	6
• Current tax payables	(88)	(150)

12.5 Deferred taxes in the balance sheet

12.5.1 Breakdown by category

(in millions of euros)	31/12/2023	31/12/2022
Tax loss carry-forwards[1]	38	32
Intangible assets and property, plant & equipment	19	22
Inventory measurement	10	24
Financial instruments	7	5
Employee-related liabilities	23	16
Other provisions for liabilities and charges	49	44
Other items	18	22
Deferred tax assets before netting	**164**	**165**
Deferred tax netting by tax entity	(100)	(121)
Deferred tax assets	**64**	**44**
Regulated provisions and special amortisation and depreciation	(216)	(231)
Intangible assets and property, plant & equipment	(65)	(90)
Inventory measurement	(11)	(11)
Financial instruments	(9)	(18)
Employee-related liabilities	-	-
Other provisions for liabilities and charges	(12)	(10)
Distribution of dividends	(6)	(13)
Other items	(27)	(18)
Deferred tax liabilities before netting	**(346)**	**(391)**
Deferred tax netting by tax entity	100	121
Deferred tax liabilities	**(246)**	**(270)**
NET DEFERRED TAX LIABILITIES	**(182)**	**(226)**
(1) Limited deferred tax assets for tax loss carry-forwards	*721*	*602*

12.5.2 Change in deferred taxes in the balance sheet

(in millions of euros)	Assets	Liabilities	Net FY 2023	Net FY 2022
AT BEGINNING OF PERIOD	**44**	**(270)**	**(226)**	**(184)**
Deferred tax offset in shareholders' equity	-	-	-	(12)
Deferred tax on profit (loss)	38	7	46	(31)
Deferred tax netting by tax entity	(11)	11	-	-
Other movements	(6)	(4)	(9)	1
Translation adjustments	(1)	9	8	-
AT PERIOD CLOSE	**64**	**(246)**	**(181)**	**(226)**

NOTE 13 Employee charges and benefits

13.1 Workforce and personnel costs

13.1.1 Average workforce and workforce at end of period by Activity/Division

The average workforce and workforce at end of period include all fully consolidated companies at 31 December of each year.

	FY 2023	31/12/2023	FY 2022	31/12/2022
	Average workforce	Workforce at period end	Average workforce	Workforce at period end
Workers	1,509	1,494	1,556	1,554
Administrative, Technical and Supervisory staff	593	607	576	589
Management	211	224	179	197
Nickel Activity	**2,313**	**2,325**	**2,311**	**2,340**
Workers	2,322	2,342	2,254	2,292
Administrative, Technical and Supervisory staff	1,503	1,518	1,475	1,517
Management	785	792	742	768
Manganese Activity	**4,610**	**4,652**	**4,471**	**4,577**
Workers	255	244	441	449
Administrative, Technical and Supervisory staff	339	351	385	386
Management	231	244	223	241
Mineral Sands Activity	**825**	**839**	**1,049**	**1,076**
Workers	140	101	100	132
Administrative, Technical and Supervisory staff	154	235	71	94
Management	80	138	32	41
Lithium Activity	**374**	**474**	**203**	**267**
Workers				
Administrative, Technical and Supervisory staff	182	176	208	209
Management	508	527	457	482
Holding and others	**690**	**703**	**665**	**691**
Workers	4,226	4,181	4,351	4,427
Administrative, Technical and Supervisory staff	2,771	2,887	2,715	2,795
Management	1,815	1,925	1,633	1,729
TOTAL CONTINUING OPERATIONS	**8,812**	**8,993**	**8,699**	**8,951**
Workers	-	-	2,202	2,174
Administrative, Technical and Supervisory staff	-	-	1,579	1,616
Management	-	-	576	593
High Performance Alloys Division	**-**	**-**	**4,357**	**4,383**
Workers	4,226	4,181	6,553	6,601
Administrative, Technical and Supervisory staff	2,771	2,887	4,293	4,411
Management	1,815	1,925	2,210	2,322
TOTAL	**8,812**	**8,993**	**13,056**	**13,334**

The total workforce managed in the HR reporting system implemented by the Group, including non-consolidated companies, was 9,167 at 31 December 2023 (13,764 at 31 December 2022).

13.1.2 Personnel costs by category

(in millions of euros)	FY 2023	FY 2022
Wages and salaries	(401)	(410)
Social security contributions and other personnel costs	(166)	(160)
Profit sharing	(9)	(12)
Share-based payment	(11)	(8)
Personnel costs sub-total	**(587)**	**(590)**
Personnel costs – temporary staff	(15)	(18)
TOTAL PERSONNEL COSTS INCLUDING TEMPORARY STAFF	**(602)**	**(608)**
Personnel costs (including temporary staff) as % of turnover	19%	12%

13.2 Employee-related liabilities

The Eramet Group offers its employees many long-term benefits, such as retirement packages, pension plans, healthcare plans and long-service awards. The characteristics of these benefits vary in line with the governing laws and regulations in each country and the agreements in force in each company.

ACCOUNTING METHOD

Employee-related liabilities are either defined benefit plans or defined contribution plans. Defined benefit plans specify the amount that an employee will receive at the time of retirement whereas defined contribution plans specify how the contributions are calculated.

DEFINED CONTRIBUTION PLANS

For these plans, the Eramet Group makes payments to a fund manager and is released from its obligations for the current period and prior periods. As a result, these plans do not show any deficit or surplus and are not included in the balance sheet. The contributions are expensed when paid.

DEFINED BENEFIT PLANS AND OTHER LONG-TERM BENEFITS

A defined benefit plan is a post-employment benefit plan that is distinct from the defined contribution plan. The cost of the retirement benefits and other benefits accrued to employees is established actuarially for each plan using the projected unit credit cost method. They are assessed annually by independent actuaries. The obligations of the Eramet Group are recognised as balance sheet liabilities and correspond to the difference between the present value of the obligations in respect of defined benefits and the fair value of plan assets at the reporting date. Plan assets consist of assets held in pension funds or insurance policies.

The costs of services rendered are recognised in Current operating income in the period in which they are incurred. The costs of past services resulting from amendments and curtailments to the plan, as well as the gains and losses upon plan settlement are recognised in Other operating income and expenses. The interest expense for net obligations is included in Other financial income and expenses.

The actuarial gains (losses) (including the impact of foreign exchange) on plan assets and the obligation in respect of defined benefits are recognised directly in Other comprehensive income for the period in which they arise. They are recognised immediately in income in the case of long-term benefits.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The cost of employee benefits and the value of the obligations are calculated using assumptions such as discount rates, salary increases, retirement age, life expectancy, inflation and cost of healthcare. These assumptions are determined annually by the Eramet Group's Management.

The discount rates used are mostly calculated for each zone or country based on the average rates of private issuers observed in those zones or countries at each reporting date.

The rates vary from country to country:

- in the Eurozone and in the United States, the discount rates were determined on the basis corporate bonds;
- in Norway, the discount rate is determined based on secured bonds (such as mortgage-backed bonds);
- in New Caledonia, given that the corporate and government bond markets are illiquid, the rate used is determined with reference to the French sovereign bond rate adjusted for discounting and local inflation;
- in Gabon and Senegal, the discount rates used are based on the local governments bonds rates.

13.2.1 Main actuarial assumptions and related sensitivity

The actuarial assumptions used vary according to the economic and demographic conditions existing in the country in which the plan is in force. The main actuarial assumptions used for measuring these liabilities are as follows:

	31/12/2023		31/12/2022	
	Rate		Rate	
	Discount	Inflation	Discount	Inflation
Eurozone	3.60%	2.00%	3.00%	2.00%
United States	5.00%	2.25%	4.40%	2.50%
Norway	4.00%	3.50%	4.00%	3.50%
New Caledonia	3.60%	2.00%	3.00%	2.00%
Gabon	6.00%	3.00%	6.00%	3.00%
Senegal	5.90%	5.00%	6.00%	3.00%

13.2.2 Sensitivity

An increase or decrease of 0.5 percentage point in the discount rate or inflation rate, with other actuarial assumptions remaining constant, will have the following impact on period-end commitments:

	31/12/2023 Discount rate				31/12/2023 Inflation rate			
	Increase +0.5%		Decrease -0.5%		Increase +0.5%		Decrease -0.5%	
	(in millions of euros)	*in %*	*(in millions of euros)*	*in %*	*(in millions of euros)*	*in %*	*(in millions of euros)*	*in %*
France	(1)	(1)%	1	0%	1	1%	(1)	(1)%
United States	(1)	(1)%	1	1%	-	0%	-	0%
Norway	-	0%	-	0%	-	0%	-	0%
New Caledonia	(1)	(1)%	1	1%	-	0%	-	0%
Gabon	(1)	(1)%	1	0%	-	0%	-	0%
Senegal	-	0%	-	0%	-	0%	-	0%
Other countries	-	0%	-	0%	-	0%	-	0%
TOTAL	**(4)**	**(3)%**	**4**	**3%**	**1**	**1%**	**(1)**	**(1)%**

13.2.3 Description of the main defined benefit plans and associated risks

The Eramet Group's main defined benefit plans are offered in France, United States, Gabon and New Caledonia. The main plan assets are therefore located in these countries. The main characteristics of the plans described below relate to these four countries.

Retirement packages are generally paid as a lump sum or annuities determined on the basis of the employee's length of service, final salary or average final remuneration. Pre-retirement and supplementary healthcare benefits and life insurance are also provided under the pension plan, along with long-service awards in the form of a lump sum that varies according to the number of years' service completed.

In the United States, most defined benefit plans are no longer accessible to new employees. They participate in defined contribution plans.

In New Caledonia, the obligations also include the payment of a loyalty bonus awarded after 10 years of service and then every 5 years, calculated as a percentage of the basic salary, as well as the granting of plane tickets whose number, value and frequency depends on the employee's professional category.

13.2.4 Risks associated with the plans

The Eramet Group is exposed to the standard risks inherent to defined benefit plans, such as higher-than-expected salary increases, increased inflation rates or lower-than-expected returns, as well as actuarial risks, especially investment risk, interest rate risk and longevity risk. The plans are also exposed to the risk of internal negotiation to reach a more favourable agreement, and the risk of increase in taxes or annuities for supplementary pension plans.

13.2.5 Governance policy

Under the laws governing defined benefit plans, it is the Eramet Group's duty to manage the plan assets and design investment policies that define, for each prefinanced plan, the investment objectives, the asset allocation target, risk mitigation strategies, and other components required by law for pension plans.

13.2.6 Investment policies and risk management initiatives

The investment policies are designed to obtain long-term return on investment which, combined with contributions, will enable the plans to have sufficient assets to be able to pay the promised benefits while keeping risk at an acceptable level.

The asset allocation target is determined on the basis of the expected market conditions and climate, the maturity profile of plan liabilities, the level of cover of the respective plans, and the risk tolerance of the plans' beneficiaries.

In France, the plans are funded by insurers through group life insurance contracts. The investments are made by the insurers in their respective euro funds. These funds, of which over 80% is invested in buy and hold rate products, have suffered from a deterioration in bond returns for some years now and are still exposed to default risk on returns in a protracted low interest rate period.

In the United States, the financial management of funds is entrusted to various asset managers who are among the key players in the business. Index-based management is used for the most part and active management for the remainder. Globally, 80% of the asset allocation is in US corporate bonds denominated in USD, with the objective of matching the liability duration. The remaining 20% is invested in funds in American equities, world equities and emerging market equities and bonds. The risks inherent to these financial assets are therefore curve risk, duration risk, credit risk and inflation risk for bonds, and market risk and capital risk for equities.

13.2.7 Overall cost of employee-related liabilities

The cost of employee-related liabilities is recognised in the Income Statement and in the Statement of comprehensive income below:

	Pension plans		Retirement package		Other benefits		Total employee-related liabilities	
(in millions of euros)	2023	2022	2023	2022	2023	2022	2023	2022
Service cost	-	-	5	4	3	2	8	6
Past service cost[1]	-	-	2	(2)	-	-	2	(2)
Net interest expense	-	-	3	2	1	1	4	3
Other adjustments	-	-	-	-	(1)	-	(1)	-
Cost recognised in income	**-**	**-**	**10**	**4**	**3**	**3**	**13**	**7**
Impact of revaluation on commitments	2	(5)	-	(1)	(1)	(3)	1	(9)
• experience	3	1	-	3	(1)	-	2	4
• demographic assumptions	-	-	-	-	-	-	-	-
• financial assumptions	(1)	(6)	-	(4)	-	(3)	(1)	(13)
Impact of revaluation on pension plan assets	(3)	7	-	(1)	-	-	(3)	6
Cost recognised in other comprehensive income	**(1)**	**2**	**-**	**(2)**	**(1)**	**(3)**	**(2)**	**(3)**
TOTAL COST RECOGNISED IN COMPREHENSIVE INCOME	**(1)**	**2**	**10**	**2**	**2**	**-**	**11**	**4**

(1) Pension plan changes and curtailments.

13.2.8 Change in obligations and plan assets

The table below illustrates the change in obligation by plan type, distribution by beneficiary and based on whether or not pre-financing is used, as well as the change in the fair value of the plan assets and its differentiation by category (listed and unlisted assets).

	Pension plans		Retirement package		Other benefits		Total employee-related liabilities	
(in millions of euros)	2023	2022	2023	2022	2023	2022	2023	2022
CHANGE IN OBLIGATION								
Obligation at beginning of period	**114**	**121**	**66**	**73**	**30**	**33**	**210**	**227**
• Cost recognised in income	1	2	10	4	3	3	14	9
• Impact of revaluation	1	(5)	-	(1)	(1)	(3)	-	(9)
• Contributions and benefits paid	(2)	(5)	(9)	(10)	(4)	(3)	(15)	(18)
• Change to consolidation scope and other[1]	(76)	-	-	-		-	(76)	-
• Translation differences and other movements	(1)	1	-	-	-	-	(1)	1
Obligation at period close (I)	**37**	**114**	**67**	**66**	**28**	**30**	**132**	**210**
Obligation attributable to:								
• *working beneficiaries*	8	9	67	66	26	27	101	102
• *beneficiaries entitled to deferred benefits*	-	-	-	-	-	-	-	-
• *pensioners*	29	105	-	-	2	3	31	108
	37	**114**	**67**	**66**	**28**	**30**	**132**	**210**
Commitments								
• *prefinanced*	33 89%	113 99%	26 39%	28 42%	-0 0%	- 0%	59 45%	141 67%
• *not financed*	4 11%	1 1%	41 61%	38 58%	28 100%	30 100%	73 55%	69 33%
	37	**114**	**67**	**66**	**28**	**30**	**132**	**210**
CHANGE IN PLAN ASSETS								
Fair value of plan assets at beginning of period	**104**	**109**	**16**	**15**	**-**	**-**	**120**	**124**
• Interest income recognised in income	1	2	-	-	-	-	1	2
• Impact of revaluation	2	(7)	-	1	-	-	2	(6)
• Contributions paid	1	3	-	-	1	1	2	4
• Benefits paid	(3)	(5)	(12)	-	(1)	(1)	(16)	(6)
• Change to consolidation scope and other[1]	(76)	-	-	-	-	-	(76)	-
• Translation differences and other movements	-	2	-	-	-	-	-	2
Fair value of plan assets at period close (II)	**29**	**104**	**4**	**16**	**-**	**-**	**33**	**120**
Plan assets								
• *listed on an active market*	28 97%	101 97%	4 100%	16 100%	-	-	32 97%	117 98%
• *unlisted*	1 3%	3 3%	0%	-	-	-	1 3%	3 2%
	29	**104**	**4**	**16**	**-**	**-**	**33**	**120**
NET LIABILITIES IN THE BALANCE SHEET (I)–(II)	**8**	**10**	**63**	**50**	**28**	**30**	**99**	**90**

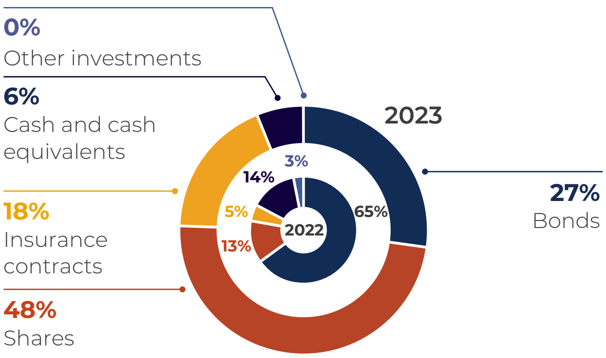
(1) *The restatement, in 2023, of a fully funded, Article 39 pension plan with no impact on the provision.*

The table below shows the breakdown between the main countries, the obligations in connection with employee-related liabilities, plan assets, net liability and financial cover ratio.

	31/12/2023				31/12/2022			
	Current value of bonds	Fair value of assets plan	Net liabilities in the balance sheet	Financial cover ratio	Current value of bonds	Fair value of assets plan	Net liabilities in the balance sheet	Financial cover ratio
(in millions of euros)	**(a)**	**(b)**	**(a) + (b)**	**- (b)/(a)**	**(a)**	**(b)**	**(a) + (b)**	**- (b)/(a)**
France	23	(13)	10	56.5%	97	(87)	10	89.7%
United States	24	(17)	7	70.8%	27	(17)	10	63.0%
Norway	7	(2)	5	28.6%	8	(3)	5	37.5%
New Caledonia	38	(1)	37	2.6%	40	(13)	27	32.5%
Gabon	35	-	35	0.0%	37	-	37	-
Senegal	5	-	5	0.0%	1	-	1	-
TOTAL	**132**	**(33)**	**99**	**25.0%**	**210**	**(120)**	**90**	**57.1%**

The chart below illustrates how the funds are invested.

▾ Distribution as a percentage of fund investments by asset class



13.2.9 Projected cash outflows

The global average term was 8 years at 31 December 2023 (31 December 2022: 11 years).

In 2024, contributions for employee-related liabilities are estimated to be € 1 million (€1.4 million). Future benefits, whether paid by levies on investments or directly by the Eramet Group, are estimated at €10 million (€9,873 million).

13.3 Bonus share plan and share-based payments

ACCOUNTING METHOD

The Eramet Group has established various share award plans that are all equity-settled plans: "democratic" plans open to all employees that are not subject to performance criteria and "selective" plans open to certain employees and corporate officers subject to performance requirements.

The fair value of the services received in consideration for the granting of these options is definitively measured with reference to the fair value of the options on the grant date and the number of options that will have vested by the end of the vesting period.

The total fair value thereby determined is apportioned on a straight-line basis over the full vesting period for the plans, with the number of vested exercisable options assumed at the beginning of the vesting period being reviewed at every reporting date.

This fair value is recognised in Current operating income as administrative and selling expenses, offset by shareholders' equity.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Judgement must be exercised to determine the fair value of share award plans at the award date.

The fair value of "democratic" plans is estimated using the Black-Scholes-Merton model.

"Selective" plans are subject to two performance conditions: one intrinsic condition based on the Eramet Group's financial performance and one external condition based on the Eramet stock performance. The fair value of these plans is measured using the Monte Carlo model.

The assumptions used to measure the plans are based on:

expected volatility determined on the basis of an observation of the stock's historical performance;

a risk-free zero coupon rate over the term of the plan;

a future distribution rate based on the average for the last five years.

The bonus shares awarded to all employees with tax residence in France or outside France fully vest and are transferable after a three-year period.

Share-based payments relate only to bonus share plans for the benefit of employees and settled in the form of shares. They represented an expense of €10 million for the 2023 financial year (€8 million for the 2022 reporting period).

Two new bonus share plans were granted in March 2023:

- a plan for all employees for an initial total of 89,270 shares;
- a plan for a category of employees and corporate officers including:
  - a portion of the shares are subject to three performance conditions. The first, tied to corporate social responsibility, covers 20% of the shares. The second relates to internal conditions with the EBITDA indicator and covers 50%, and an external condition, covering 30%, yields an initial total of 113,918 shares, and
  - part of the shares are not subject to performance conditions, for an initial total of 10,891 shares.

The criteria for share awards and the assessment of the accounting expense are the same as those described above.

The characteristics of the two new bonus share plans for 2023 are as follows:

		Number of shares	Exercise price *(in euros)*	Maturity *(years)*(1)	Risk-free rate	Average dividend rate	Fair value of the option *(in euros)*(2)
Plan open to all employees	France/Italy	7,180	free	3 + 0	2.64%	3%	75.12
	Worldwide	82,090	free	3 + 0	2.64%	3%	75.12
Plan open to certain employees and corporate officers	France/Italy	78,142	free	3 + 0	2.64%	3%	86.96/64.98
	Worldwide	46,667	free	3 + 0	2.64%	3%	86.96/64.98

(1) Maturity = vesting period + lock-in period.
(2) Bonus share award plans whose share awards are subject to two performance conditions have two fair values: the first being the intrinsic condition and the second being the external condition.

The change in the number of bonus share awards in the 2022 and 2023 reporting periods was as follows:

(in number of bonus shares)	31/12/2023	31/12/2022
AT BEGINNING OF PERIOD	**485,570**	**491,652**
New plans 2022/2023	214,079	113,450
Definitive allocations	(113,722)	(82,448)
Prescribed shares	(19,955)	(9,865)
Lapsed shares	(19,711)	(27,219)
AT PERIOD CLOSE	**546,261**	**485,570**
DISTRIBUTION BY YEAR OF ALLOCATION		
2023	-	134,723
2024	227,566	238,786
2025	106,006	112,061
2026	212,689	-

NOTE 14 Provisions

A provision is a debt recorded in the balance sheet. It is an estimated value owing to uncertainty as to the time of payment and the amount to be paid. The main provisions set aside by the Eramet Group relate to site restoration and environmental and social risks (especially restructuring).

ACCOUNTING METHOD

The Eramet Group sets aside a provision, where its amount can be reliably estimated, to cover all liabilities arising from past events that are known at the reporting date and the settlement of which is likely to result in an outflow of resources to settle the liability.

PROVISIONS FOR SITE RESTORATION AND DECOMMISSIONING, PROVISIONS FOR ENVIRONMENTAL RISKS

The provisions for mining site restoration are recognised when mining sites are opened and as and when they show degradation and are then remeasured and accreted at each reporting date. Where there is a legal or contractual obligation to restore mining or industrial sites, a restoration provision is made, offset by an environmental and decommissioned asset. The provision is based on site-by-site estimates of the cost of this work. The asset is amortised over the life of the operation of the mine or the industrial site. Restoration costs are discounted over the period remaining until the expected end of operation of the mine or site, and the effects attributable to the passage of time (accretion expenses) are recognised in Net income for the period under Other financial income and expenses (see Note 7). Provisions are made for all other environmental contingencies on the basis of estimated future costs without, however, making any allowance for insurance indemnities receivable. For industrial sites where there are no plans to discontinue operations, no provision is made for site restoration.

Depending on the governing laws in each country, an environmental bond issued by a banking or financial institution to the benefit of local authorities may need to be set up for the rehabilitation of mining and industrial sites.

RESTRUCTURING AND REDUNDANCY PLANS

Provisions are made for restructuring and redundancy costs where such measures have been planned in detail and announced before the reporting date or whose implementation has begun.

ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

PROVISIONS FOR SITE RESTORATION AND DECOMMISSIONING

The Group's industrial sites comply with the environmental regulations in force in each country where they are located. The Eramet Group must meet regulatory and constructive obligations with regard to the restoration of certain mining sites at the end of operation. Provisions for site restoration and decommissioning of industrial sites are estimated on the basis of forecast cash flows by maturity and discounted using an inflation rate and a discount rate determined in accordance with local economic conditions.

These provisions are recognised in relation to the immediate deterioration of an asset to be restored or decommissioned and changes in assumptions will therefore correct this value with a prospective effect.

The Eramet Group measures its provision for site restoration and decommissioning at each reporting date or as new information becomes available. The final costs of site restoration and decommissioning are, by their very nature, uncertain. These uncertainties may lead to actual expenditure in the future whose amount may differ from the current provision amount. Therefore, major adjustments may be made to the provisions set aside, which may impact future income.

The provisions made are based on good practice in the sector and are calculated as follows:

- **for mining**, calculation of a cost per hectare for site restoration (replanting, landscaping, soil management etc.) based on the cleared areas. The costs are based on estimated internal costs or the cost of providers, depending on the nature and complexity of the areas to be restored;
- **for the decommissioning of facilities**, cost estimation based on external estimates or experience from decommissioning/remediation work performed on other Group sites;
- these costs are inflated and accreted based on the estimated useful lives. The estimated rates, including the discount rate, are fixed according to the same terms as those used for the assessment of employee-related liabilities (see Note 12).

The provision for site restoration represents the best estimate of the discounted value of future costs to be incurred.

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**724**	**796**
Allocations (reversals) for the period	11	(37)
• allocations for the period	58	50
• used (reversals) for the period	(48)	(87)
• unused (reversals) for the period	-	-
Accretion expenses	9	7
Decommissioned assets	(49)	(101)
Changes to consolidation scope	-	-
Reclassification under IFRS 5	-	-
Translation adjustments and other movements	16	59
AT PERIOD CLOSE	**711**	**724**
• Long-term portion	579	562
• Short-term portion	132	162
Environmental contingencies and site restoration	488	525
Personnel	13	6
Other liabilities and charges	210	193

14.1 Site restoration, decommissioning and environmental risks

(in millions of euros)	31/12/2023	31/12/2022
Site restoration[1]	427	468
Environmental risks	61	57
TOTAL	**488**	**525**
(1) Of which provisions offsetting a decommissioned asset	14	115
• Long-term portion	488	525
• Short-term portion	0	-

14.1.1 Site restoration and decommissioning

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**468**	**568**
Allocations (reversals) for the period	0	(5)
• allocations for the period	7	4
• used (reversals) for the period	(7)	(9)
• unused (reversals) for the period	-	-
Accretion expenses	9	7
Decommissioned assets	(49)	(101)
Translation adjustments and other movements	(1)	(1)
AT PERIOD CLOSE	**427**	**468**
Société Le Nickel-SLN (New Caledonia) – Nickel Activity	350	381
Comilog (Gabon) – Manganese Activity	40	45
Eramet Marietta (United States) – Manganese Activity	18	25
Comilog France – Manganese Activity	11	12
Other companies	8	5

14.1.2 Regulatory framework of provisions for site restoration and decommissioning

New Caledonia

For mining, the 2009 mining code establishes the general framework. The provisions are allocated to each of the mine sites in their prefectural operating licence.

For industrial operations governed by ICPE (Installation Classified for the Protection of the Environment), the regulatory framework is based on Article 3 of the decision of the Southern Province of 25 September 2008, whose implementation involves the application of certain metropolitan circulars relating to site safety.

The provisions for wash facilities (industrial facilities on mine sites) are for their part included in the ICPE prefectural orders for each of the sites concerned.

Gabon

The existing provisions used as a reference for Gabon have not been set out in detail (no implementing circular). However, rehabilitation projects are based on the decree establishing the conditions for application of Law No. 005/2000 of 12 October 2000 (mining code), as amended and supplemented by Order 2002 on the Mining Code in the Gabonese Republic.

The provision under Article 78 was also accounted for, in line with Article 21.5 of the Comilog Mining Convention.

United States

Provision is made for two key components:

- restoration of wastewater basins, a regulatory requirement contained in the local permit ("Permit to Install");
- work performed as part of the Voluntary Action Plan negotiated with the US Environmental Protection Agency (EPA) in 2010 in connection with the Ohio waste laws as part of the cessation of activities at the North site (asbestos removal and decommissioning of the corresponding facilities).

Senegal

The new mining Code in force in Senegal since 8 November 2016 specifies that the dismantling and restoration obligations are not applicable to GCO. However, a provision has been set aside to meet the obligations inherent in the Group's new environmental responsibility policy. It only covers the obligations to dismantle the facilities. Rehabilitation of sites for which mining constraints have been lifted are being provisioned gradually.

The discount and inflation rates used to determine the site restoration and decommissioning provisions are detailed below:

	31/12/2023		31/12/2022	
	Discount rate	Inflation rate	Discount rate	Inflation rate
United States	5.00%	2.25%	4.40%	2.50%
New Caledonia	3.60%	2.00%	3.00%	2.00%
Gabon	6.00%	3.00%	6.00%	3.00%

An increase or decrease of 0.25% in the discount rate would result in an increase or decrease of around €26.5 million in provisions at 31 December 2023 (31 December 2022: €30 million), mainly affecting Société Le Nickel-SLN in New Caledonia.

Estimated expenditure is allocated as follows:

	31/12/2023	31/12/2022
2024-2028 / 2023-2027	4%	5%
2029-2033 / 2028-2032	0%	0%
2034 and beyond/2033 and beyond	96%	95%

14.2 Personnel

(in millions of euros)	31/12/2023	31/12/2022
Other labour liabilities and charges	13	6
TOTAL	**13**	**6**

14.3 Other liabilities and charges

(in millions of euros)	FY 2023	FY 2022
AT BEGINNING OF PERIOD	**193**	**166**
Allocations (reversals) for the period	30	29
• allocations for the period	39	36
• used (reversals) for the period	(9)	(7)
Translation adjustments and other movements	(13)	(2)
AT PERIOD CLOSE	**210**	**193**
Tax risks	3	3
Other provisions for liabilities and charges	207	190

NOTE 15 Related-party transactions

ACCOUNTING METHOD

Transactions with related parties comprise the following:

- ordinary transactions with non-consolidated companies and associates;
- gross compensation and benefits to Directors and members of the Executive Committee.

15.1 Ordinary transactions with non-consolidated companies and associates

15.1.1 Income statement

(in millions of euros)	FY 2023	FY 2022
TURNOVER		
• Non-consolidated controlled subsidiaries	1	5
• Associates and joint ventures	-	6
EXPENSES INCLUDED IN CURRENT OPERATING INCOME		
• Non-consolidated controlled subsidiaries	(21)	(13)
• Associates and joint ventures	(177)	(274)
NET DEBT COST		
• Non-consolidated controlled subsidiaries	1	-
• Associates and joint ventures	1	2

The above figures include continuing operations and operations to be divested.

Costs relate primarily to ore purchases by entities of the Weda Bay tier amounting to €169 million (€258 million in 2022) (equity-accounted company).

15.1.2 Balance sheet

(in millions of euros)	31/12/2023	31/12/2022
TRADE AND OTHER RECEIVABLES		
• Non-consolidated controlled subsidiaries	-	2
• Associates and joint ventures	16	35
TRADE AND OTHER PAYABLES		
• Non-consolidated controlled subsidiaries	3	8
• Associates and joint ventures	31	41
NET FINANCIAL ASSETS (FINANCIAL DEBTS)		
• Non-consolidated controlled subsidiaries	(1)	2
• Associates and joint ventures	-	-

The above figures include assets and liabilities classed as assets and liabilities held for sale.

15.2 Gross compensation and benefits to Directors and members of the Executive Committee

(in thousands of euros)	FY 2023	FY 2022
SHORT-TERM BENEFITS		
• Fixed compensation	2,985	3,084
• Variable compensation	2,298	2,379
• Directors' fees	776	791
OTHER BENEFITS		
• Post-employment benefits	1,011	1,390
• Retirement package	-	-
• Compensation paid in shares	2,358	1,349
TOTAL	**9,428**	**8,993**

NOTE 16 Off-balance sheet commitments, other commitments, contingent liabilities and other disclosures

The Eramet Group reached agreements with third parties to cover the good performance of its obligations. These obligations are dependent upon subsequent events that may result in the Eramet Group's making or receiving a payment. They are not recognised in the balance sheet if they are not likely to increase the obligations already reported in the balance sheet.

16.1 Off-balance sheet commitments

(in millions of euros)	31/12/2023	31/12/2022
Commitments made:	**56**	**100**
• Operating activities	56	66
• Financing activities	-	34
Commitments received	**46**	**45**
• Operating activities	46	45
• Financing activities	-	-

These commitments mostly relate to:

- operating activities: client and environmental bank guarantees, other endorsements and bank guarantees (customs, leases), letters of credit;
- financing activities: guarantees, pledges, collateral and mortgages for external financing of equity method and non-consolidated companies.

SLN: retention of mining rights

On 5 February 2019, the Congress of New Caledonia adopted provisions amending Article LP 131-12-5 of the New Caledonian Mining Code, which requires operators to survey their entire mining reserves on penalty of forfeiture.

SLN conducted geophysical surveys of its entire mining reserves, as required under the new provisions of the Mining Code.

It now has a period that expires in December 2024 for its mining claims located in the South Province and in April 2025 for its mining cla

ims in the North Province to provide research-based corroborating evidence of the existence of a resource essential for SLN's process and thus avoid forfeiting its mining concessions.

16.2 Other commitments

Trans-Gabonese railway concession – Setrag

Under the terms of the 2005 agreement, signed for an initial period of 30 years, Setrag, the concession holder, is required to meet operating capacity targets (volume of goods and number of passengers). The concession holder is free to set prices. Its main shareholder, Comilog, is committed to ensuring that the necessary funding is made available to cover the capital expenditure required to achieve the operating capacity targets.

On 16 October 2015, Setrag and the Gabonese Republic signed a first amendment to the concession agreement for the Management and Operation of the Trans-Gabonese Railway. The aim of the amendment is to sustainably restore the technical capacity of the railway and the economic viability of the concession holder.

This amendment thus provides for a remedial investment plan estimated at €316 million over eight years, of which €93 million will be provided by the Gabonese state and €223 million by Setrag. The financing required to implement this plan was put in place in 2016. Work to renovate the railway began in 2017 and has since been ramped up. In addition, work to restore the railway platform ("unstable areas"), overseen by the Gabonese government, began in 2018. On 25 June 2021, a second amendment to the concession agreement was signed, which revalued the amount of the remedial investment plan at €509 million, comprising €158 million borne by the Gabonese State and €351 million borne by Setrag. This work continued in 2022.

On 8 September 2021, a third amendment to the concession agreement was signed, authorising Meridiam's acquisition of a 40% interest in Setrag's capital and the sale of 9% of the capital to the State, which took place at the beginning of 2022. The third amendment to the concession agreement also confirmed a 10-year extension of the concession until 2045.

Work continued in 2023 and is scheduled for completion in 2028.

Manganese ore supply agreement between Eramet and Vibrantz Technologies

On 19 December 2023, Eramet and Vibrantz Technologies signed a 10-year sales agreement under which Eramet will supply Vibrantz with manganese ore, an essential raw material used in Vibrantz's portfolio of technologies for lithium-ion batteries and other applications. Eramet's manganese ore will come from the mine in Gabon.

16.3 Contingent liabilities

Contingent liabilities arise from:

- past events which, by their nature, can be solved only if one or more unpredictable future events occur or do not occur;
- a current obligation resulting from past events but not recognised because:
  - it is not likely that an outflow of resources embodying economic benefits will be required to settle the obligation, or
  - the amount of the obligation cannot be measured with sufficient reliability.

To measure their potential impact, the Eramet Group exercises judgement to a great extent and may rely on estimated outcomes of future events.

Contingent liabilities are not recognised in the financial statements unless they result from a business combination. Any material contingent liabilities are described in the notes to the financial statements.

Tax risk

Comilog is currently undergoing a tax audit in Gabon covering the period from 2019 to 2022. Only 2019 has been audited and the audits for the remaining years (2020 to 2022) will continue in 2024. At this stage of the procedure, it is not possible to comment on the outcome of the audit. Discussions will be held with the tax authorities.

Commitments made during sales

In connection with significant sales that took place in particular during the 2023 financial year, Eramet granted a number of customary guarantees or specific indemnities. Depending on the estimates and opinions on each item, which could lead to an outflow of resources in the short or medium term, a provision for liabilities has been recognised in the financial statements. The residual amount is considered a contingent liability.

16.4 Other information

SLN: Energy, operating licences and financial guarantees

SLN had negotiated the partial adjustment of the cost of energy purchased from Enercal (a local electricity supplier) in line with LME fluctuations. In 2023, SLN and Enercal reached an agreement to end this mechanism from January 2023. The Doniambo power plant (Plant B), which was licensed to operate until 2025, ceased operations in 2023. SLN arranged for the arrival of a power barge: the CAT (Centrale Accostée Temporaire – temporary floating power plant). On 6 January 2023, the CAT was commissioned for a three-year regulatory period of operation. Beyond these three years, the solution for the Caledonian network, through implementation of the STENC (Schéma de Transition Energétique de la NC [New Caledonia Energy Transition Scheme]), must be implemented. The operating principles of this solution were validated in the Framework Agreement of 24 May 2022 signed with the government, the South Province and the Caledonian metallurgists. This agreement outlines the trajectory for decarbonising the electricity mix. The technical content of this mix will include photovoltaics with storage and supplementary gas systems.

The operation of the mining centres and the Doniambo plant requires financial guarantees to be obtained in accordance with the Mining Code and the Environment Code. These guarantees are granted in the provinces of New Caledonia for a period of up to five years. They were granted by SLN or by Eramet directly (€88 million). They were renewed until 9 April 2024. Regarding waste and by-product management, the permit for the storage of desulphurisation slag in Doniambo has been extended until 2027. As for ore exports, on 16 April 2019, SLN received authorisation to export 3 Mwmt in 2020 and a maximum of 4 Mwmt from 2021 onwards of medium-grade ore (1.8% nickel content), for a period of 10 years. These authorisations were increased to 6 Mwmt in February 2022.

16.5 Information on current procedures

To the best of the Company's knowledge, there are no governmental, legal or arbitration proceedings either pending or threatened that could have, or have had in the past twelve months, a material impact on the Company's financial position or profitability.

NOTE 17 Fees of the Statutory Auditors

	Grant Thornton		KPMG		Other		Total	
(in thousands of euros)	2023	2022	2023	2022	2023	2022	2023	2022
STATUTORY AUDIT, CERTIFICATION, EXAMINATION OF INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS								
Eramet S.A.	312	248	383	306	-	-	694	554
Fully consolidated companies	615	842	585	1,007	23	44	1,223	1,893
Sub-total	**927**	**1,090**	**968**	**1,313**	**23**	**44**	**1,917**	**2,447**
	92%	96%	78%	88%	100%	100%	85%	92%
OTHER WORK AND SERVICES DIRECTLY RELATING TO THE STATUTORY AUDIT								
Eramet S.A.	70	41	216	63	-	-	286	104
Fully consolidated companies	6	6	48	76	-	-	54	82
Sub-total	**76**	**47**	**264**	**139**	**-**	**-**	**340**	**186**
	8%	4%	21%	9%	0%	0%	15%	7%
OTHER SERVICES PROVIDED BY THE STATUTORY AUDITOR FIRMS TO THE FULLY CONSOLIDATED COMPANIES								
Legal, tax and employee-related	-	-		25	-	-	-	25
Other	-	-	2	9	-	-	2	9
Sub-total	**-**	**-**	**2**	**34**	**-**	**-**	**2**	**34**
	0%	0%	0%	2%	0%	0%	0%	1%
TOTAL	**1,003**	**1,137**	**1,234**	**1,486**	**23**	**44**	**2,260**	**2,667**

NOTE 18 Events after the reporting date

To the best of the company's knowledge, no event occurred after the reporting date.

NOTE 19 Consolidation principles and scope

19.1 Consolidation principles

The consolidated financial statements of the Eramet Group comprise the financial statements of Eramet and those of its fully consolidated and equity-accounted subsidiaries.

The subsidiaries are fully consolidated if Eramet holds exclusive direct or indirect control. Eramet has exclusive control over a subsidiary when it is exposed to variable returns from its involvement with that subsidiary and has the ability to affect those returns through its power over the subsidiary. Eramet reassesses its control over a subsidiary if facts and circumstances indicate a change to any audit elements.

The subsidiaries are accounted for using the equity method if Eramet exercises joint control or has significant influence (Note 11.5). The equity method of accounting consists of replacing the carrying amount of the holding in a joint venture or an associate by the acquisition cost of these shares adjusted for Eramet's share in the equity at the reporting date.

19.2 Translation of foreign currency-denominated transactions and financial statements

Foreign currency transactions are translated at the applicable exchange rate at the time of the transaction. Foreign currency debts and receivables are measured at the closing rate. Translation adjustments resulting from this conversion are recognised in income for the period, except those involving loans and borrowings between the Eramet Group companies, considered an integral part of the net investment in a foreign subsidiary. These are recognised directly in shareholders' equity under Translation adjustments, linked to the foreign subsidiary.

The financial statements of foreign entities with functional currencies other than the euro were translated using the official exchange rates at 31 December 2023 for balance sheet items, except for shareholders' equity, for which historical rates were applied. For cases where the hyperinflation criteria do not apply, items from the Income statement and Statement of cash flows are translated at the average rate over the period. Translation adjustments stemming from currency fluctuations used to translate shareholders' equity and profit (loss) for the period are allocated to reserves. Translation adjustments are carried as a change to shareholders' equity and broken down between Group and non-controlling interests. Where a foreign subsidiary ceases to be consolidated, the cumulative amount of translation differences is recognised in profit or loss for the period.

The main currencies used to prepare the consolidated financial statements for the 2022 and 2023 reporting periods are as follows (conversion into euro):

	FY 2023		FY 2022	
Currency/conversion rate for €1	closing	average	closing	average
US dollar	1.105	1.08106	1.0666	1.05438
Norwegian krone	11.2405	11.413	10.5138	10.0924
Yuan Renminbi	7.8509	7.65339	7.3582	7.0762
Argentine peso	894.5372	313.23231	188.50234	136.14654
CFA franc (pegged)	655.957	655.957	655.957	655.957
CFP franc (pegged)	119.33174	119.33174	119.33174	119.33174

19.3 Scope of consolidation

(in number of companies)	31/12/2023	31/12/2022
Fully consolidated companies	28	40
Equity method companies	3	3
NUMBER OF CONSOLIDATED COMPANIES	**31**	**43**

FY 2023

At 31 December 2023, the following movements were noted in the scope of consolidation compared to 31 December 2022:

- disposal of Aubert & Duval on 28 April 2023;
- disposal of Erasteel on 30 June 2023;
- disposal of Eramet Titanium & Iron (ETI) on 21 September 2023;
- transfer of all assets and liabilities (merger) of Eramet Marketing Services to Eramet S.A. as at 1 January 2023.

FY 2022

There were no changes in the scope of consolidation at 31 December 2022 compared to 31 December 2021, with the exception of the following movements:

- entry into the scope of consolidation of the newly established companies PT Eramet Halmahera Nickel and PT Eramet Indonesia Mining;
- disposal of Eramet Sandouville on 4 February 2022;
- deconsolidation of TiZir Mauritius Ltd;
- transfer of all assets and liabilities (merger) of Eramet Comilog Manganese to Eramet Holding Manganese.

19.4 List of companies within the scope of consolidation as at 31 December 2023

Company	Country	Head office	Consolidation method	Percentage (%) control	Percentage (%) interest
Eramet	**France**	**Paris**	**Consolidating entity**	**-**	**-**
SUBSIDIARIES OF CONTINUING OPERATIONS					
Nickel					
Le Nickel-SLN	New Caledonia	Noumea	Fully consolidated	56	56
Strand Minerals Pte Ltd	Singapore	Singapore	Equity method	43	43
PT Weda Nickel Ltd	Indonesia	Jakarta	Equity method	38.7	38.7
PT Eramet Halmahera Nickel	Indonesia	Jakarta	Equity method	100	100
PT Eramet Indonesia Mining	Indonesia	Jakarta	Fully consolidated	100	100
Eramet Holding Nickel	France	Paris	Fully consolidated	100	100
Manganese					
Eramet Holding Manganèse	France	Paris	Fully consolidated	100	100
Eramet Marietta Inc.	United States	Marietta	Fully consolidated	100	100
Eramet Norway A/S	Norway	Porsgrunn	Fully consolidated	100	100
Comilog S.A.	Gabon	Moanda	Fully consolidated	63.71	63.71
Setrag S.A.	Gabon	Libreville	Fully consolidated	100	32.49
Comilog Holding	France	Paris	Fully consolidated	100	63.71
Port Minéralier d'Owendo S.A.	Gabon	Libreville	Fully consolidated	97.24	61.95
Comilog France	France	Paris	Fully consolidated	100	63.71
Comilog Dunkerque	France	Paris	Fully consolidated	100	63.71
Mineral sands					
Eramet Mineral Sands	France	Paris	Fully consolidated	100	100
Eralloys Holding A/S	Norway	Baerum	Fully consolidated	100	100
Mineral Deposit Ltd	Australia	Melbourne	Fully consolidated	100	100
Mineral Deposit Ltd Mining	Australia	Melbourne	Fully consolidated	100	100
TiZir Ltd	United Kingdom	London	Fully consolidated	100	100
Eramet Titanium & Iron	Norway	Tyssedal	Deconsolidated	N/A	N/A
Grande Côte Operations S.A.	Senegal	Dakar	Fully consolidated	90	90
Lithium					
Eramet Lithium (formerly Eramine)	France	Paris	Fully consolidated	100	100
Bolera Minera S.A.	Argentina	Buenos Aires	Fully consolidated	82.43	82.43
Eramine Sudamerica S.A.	Argentina	Buenos Aires	Fully consolidated	50.1	50.1
Holding and others					
ERAS S.A.	Luxembourg	Luxembourg	Fully consolidated	100	100
Metal Securities	France	Paris	Fully consolidated	100	100
Metal Currencies	France	Paris	Fully consolidated	100	100
Eramet Services	France	Paris	Fully consolidated	100	100
Eramet Ideas (previously Eramet Research)	France	Trappes	Fully consolidated	100	100
Eramet Marketing Services	France	Paris	Deconsolidated	N/A	N/A
Eramet Holding Alliages	France	Paris	Fully consolidated	100	100

Company	Country	Head office	Consolidation method	Percentage (%) control	Percentage (%) interest
SUBSIDIARIES OF DIVESTED OPERATIONS					
Alloys					
Erasteel S.A.S.	France	Paris	Deconsolidated	N/A	N/A
Erasteel Champagnole	France	Champagnole	Deconsolidated	N/A	N/A
Erasteel Kloster AB	Sweden	Söderfors	Deconsolidated	N/A	N/A
Erasteel Inc.	United States	New Jersey	Deconsolidated	N/A	N/A
Erasteel Innovative Materials Co. Ltd	China	Tianjin	Deconsolidated	N/A	N/A
Aubert & Duval	France	Paris	Deconsolidated	N/A	N/A
Interforge	France	Clermont-Ferrand	Deconsolidated	N/A	N/A
EcoTitanium	France	Paris	Deconsolidated	N/A	N/A
UKAD	France	Paris	Deconsolidated	N/A	N/A

Glossary

Adjusted CA

Revenue including Eramet's share in the revenues of material joint ventures accounted for by the equity method in the Group's financial statements, restated for the offtake of all or part of the activity.

Adjusted EBITDA

EBITDA including Eramet's share in the EBITDA of material joint ventures accounted for by the equity method in the Group's financial statements.

Capital expenditure

Includes the acquisition of property, plant and equipment and intangible assets.

Current operating income (COI)

Includes EBITDA (as defined above), depreciation of property, plant and equipment, amortisation of intangible assets and provisions for liabilities and charges. Current operating income excludes material transactions that are considered unusual in nature, in particular events related to restructuring and impairment losses, shown in operating income and expenses.

EBITDA

Earnings before financial income and expenses and other operating income and expenses, income tax, provisions for liabilities and charges, and depreciation of property, plant and equipment and amortisation of intangible assets.

Financial liquidity

Includes cash and cash equivalents, current financial assets and the available amount in the credit facilities made available to Eramet Group companies.

Gearing

Ratio of net financial debt to total equity (Group non-controlling interest).

Group reporting

Financial information prepared for the Executive Committee, the chief operating decision-maker (CODM). This information is reconciled with published data and is used to measure the performance of the Eramet Group, its Divisions and Activities (segment information – see Note 4). It is also used for the Eramet Group's financial reporting.

Net financial debt

Represents the gross financial debt (long and short-term borrowings) less cash and cash equivalents and current financial assets. These items include the valuation of debt-hedging derivatives.

Net income, Group share

Net income for the period after tax, attributable to Eramet shareholders, after accounting for the non-controlling interest in each of the Eramet Group companies.

OCI (Other Comprehensive Income)

Transactions for which the change in value of an asset or liability is recognised directly in equity without passing through the income statement. This is the case, for example, for unrealised gains or losses on hedging instruments, actuarial gains and losses relating to employee-related liabilities, and certain translation adjustments.

Statutory Auditor's Report on the Consolidated Financial Statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2023

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us at the Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Eramet, for the year ended December 31, 2023.

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, 2023 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, Risk and Ethics 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 Consolidated Financial Statements section of our report

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors for the period from January 1, 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Emphasis of matter

Without qualifying our opinion expressed above, we draw your attention to the matter described in Note 2.2 "Operating and financial difficulties of SLN in New Caledonia and going concern" to the consolidated financial statements and its accounting treatment in the consolidated financial statements of Eramet for the year ended December 31, 2023.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 et R.821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed 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, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Impairment testing of goodwill, intangible assets and property, plant & equipment

Risks identified

At December 31, 2023, goodwill, intangible and tangible fixed assets amounted to €2,740 million.

As indicated in Note 11.4 to the consolidated financial statements, the Group systematically performs impairment tests on goodwill and intangible assets with indefinite useful lives, at least once a year when it issues its annual report or whenever there is an indication of impairment. For intangible assets and items of property, plant and equipment with finite useful lives, impairment tests are carried out whenever there is an indication of impairment.

Cash-generating units (CGU) are homogeneous groups of assets whose continuous use generates independent cash flows. Impairment tests are performed for each CGU. All intangible assets, including goodwill, and all items of property, plant and equipment are allocated to CGUs.

Eramet Group's General Management determines the existence of events calling for impairment testing based on several criteria. An impairment test is carried out on the CGUs concerned when these indicators show a negative trend.

Impairment testing consists in comparing the carrying amount of assets with their recoverable amount, which is defined as the higher of value in use (or recoverable amount through use) and fair value (or recoverable amount through sale), less selling costs.

To determine value in use, the Eramet Group mainly uses discounted cash flows generated from the use of the assets or other methods if circumstances allow another approach to market value. The data used to calculate the discounted forecast cash flows is taken from the annual budgets and multi-year plans prepared by the management of the CGUs concerned. Impairment losses are calculated as the difference between the recoverable amount and the carrying amount, if the carrying amount exceeds the recoverable amount.

Impairment testing is a key point of the audit due to the material importance of the value of the non-current assets in the Group's financial statements and because the calculation of their recoverable amount, most often based on projected discounted cash flows, requires the use of assumptions, estimates or assessments.

Audit procedures implemented in view of the identified risks

We examined the process of identifying the impairment indicators and the procedures for implementing the impairment tests, including on the following cash generating units (CGUs): the Nickel processing plant CGU, the Nickel Alloys CGU, the Manganese Ore CGU, the Manganese Alloys CGU, the Mineral Sands CGU and the Lithium CGU.

In the context of our audit of the consolidated financial statements, our work on this subject mainly consisted of:

- assessing the completeness of the elements making up the carrying amount of the CGUs relating to the tested activities and how consistent the calculation of this amount was with the way in which cash flow projections were determined for value in use;
- studying the consistency of:
  - past and future cash flows with the latest management estimates as presented to the Board of Directors as part of the budget process;
  - the information taken into account in these models with regard to our knowledge of the sector and the activity within the scope of our assignment, in particular the examination of the strategic plan and interviews with management control;
  - the price parameters used by the Group (industry consensuses for nickel and internal company analyses for manganese);
- assessing the appropriateness of the discount rates applied to the estimated cash flows by specifically ascertaining that the different parameters making up the weighted average cost of capital of each CGU approximate the return expected by market participants for similar activities, with the assistance of our measurement experts (audit team members);
- studying the value-in-use sensitivity analyses conducted by management, taking changes in the main assumptions used into account;
- verifying the mathematical accuracy of the calculations.

Lastly, we assessed the appropriateness of the disclosures provided in Note 11.4 to the consolidated financial statements.

Provisions for site decommissioning and restoration

Risks identified

As mentioned in Note 14 to the consolidated financial statements, the Group recognizes provisions for site decommissioning and restoration to cover its environmental obligations, mainly in New Caledonia. At December 31, 2023, these provisions amounted to €427 million for the entire Group.

These provisions are estimated on the basis of forecasted cash flows by maturity and discounted using an inflation rate and a discount rate determined in accordance with local economic conditions.

These provisions are recognized in relation to the immediate degradation of an asset to be restored or decommissioned. Subsequent different assumptions will correct this value with prospective effect.

These provisions are measured at each reporting date or as new information becomes available. The final costs of site restoration and decommissioning are, by their very nature, uncertain. Actual future expenditure may differ from current estimates used to measure the provision.

We considered this subject to be a key point of our audit, given the materiality of the amounts in question, the occasionally distant time horizons for the estimates, the sensitivity of the assumptions and the degree of judgment required by management to determine these provisions.

Audit procedures implemented in view of the risks

In the context of our audit of the consolidated financial statements, our work on this subject mainly consists of:

- interviewing the persons responsible for environmental matters at Le Nickel-SLN (New Caledonia) and the Group about the framework of their obligations and communication with the authorities;
- examining the procedures implemented by the Group in order to identify and list all of its obligations;
- assessing the accounting framework and consistency of accounting policies between reporting periods;
- obtaining an understanding of the Group's analysis of the corresponding documentation, including consultations with external advisors;
- analyzing the various parameters and assumptions used by management to estimate the amount of these provisions, including:
  - the inventory of property and sites to be decommissioned and areas to be restored;
  - restoration cost, particularly pertaining to external estimates and feedback from past experience;
  - the residual useful life of facilities and deposits in line with the technical analyses and the mining plan.
  - the inflation and discounting assumptions used.

Lastly, we examined the information provided in Note 14 to the consolidated financial statements in this regard.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group information given in the management report of the Board of Directors.

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

We attest that the consolidated non-financial information required by Article L.225-102-1 of the French Commercial Code (*Code de commerce*) is included in the Group's management report, it being specified that, in accordance with article L.823-10 of the Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Presentation of the consolidated financial statements included in the annual financial report

In accordance with the professional standard applicable in France relating to procedures performed by statutory auditors on annual and consolidated financial statements presented in the European single electronic reporting format, we have also verified that the presentation of the consolidated financial statements to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic reporting format defined in Commission Delegated Regulation (EU) 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

It is not our responsibility to verify that the consolidated financial statements that your company actually includes in the annual financial report filed with the AMF match those on which we have worked.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Eramet by the combined shareholders' meeting held on May 29, 2015 for KPMG Audit, and by the annual shareholders' meeting held on May 28, 2022 for Grant Thornton.

As at December 31, 2023, KPMG Audit was in its ninth year of total uninterrupted engagement and Grant Thornton in the third year of its engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 operations.

The Audit, Risk and Ethics 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 were approved by the Board of Directors.

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

Objectives 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 consolidated financial statements.

As specified in Article L.821-55 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 the consolidated financial statements.

Report to the Audit, Risk and Ethics Committee

We submit a report to the Audit, Risk and Ethics Committee which includes a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit, Risk and Ethics 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 that we are required to describe in this audit report.

We also provide the Audit, Risk and Ethics Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set out in Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit, Risk and Ethics Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense and Neuilly-sur-Seine, March 22, 2024

The staturory Auditors,

KPMG SA		Grant Thornton French member firm of Grant Thornton International	
Michel Piette Partner	**Jérémie Lerondeau** Partner	**Jean-François Baloteaud** Partner	**Alexandre Mikhail** Partner

2.2 Individual financial statements as of 31 December 2023

Income statement

(in thousands of euros)	Notes	FY 2023	FY 2022
Sales of goods and merchandise		3,034,014	1,049,033
Income from ancillary activities		124,619	144,296
Turnover	**5.1**	**3,158,634**	**1,193,329**
Capitalised production		11	-
Operating subsidies		80	71
Reversals of provisions and amortisation, transfer of charges		15,970	7,424
Other income		61	24
Other income		**16,121**	**7,519**
Total operating income		**3,174,755**	**1,200,848**
Purchase of goods		(2,669,900)	(583,168)
Changes in inventories (goods)		(29,473)	(399,610)
Purchase of raw materials and other supplies		(663)	(46,377)
External purchases and expenses		(453,940)	(157,143)
Taxes, duties, and other levies		(3,793)	(2,382)
Wages and salaries		(65,504)	(41,843)
Social security contributions		(29,373)	(15,557)
Depreciation and amortisation		(14,648)	(11,046)
Provisions for current assets		(2,432)	(147)
Provisions for liabilities and charges		(8,989)	(15,463)
Other expenses		(2,797)	(6,458)
Total operating expenses		**(3,281,512)**	**(1,279,193)**
Operating revenue		**(106,757)**	**(78,345)**
Financial income	**5.4**	**631,719**	**135,005**
Current income before taxes		**524,962**	**56,660**
Extraordinary loss	**5.5**	**(535,796)**	**(1,251)**
Employee shareholding		(225)	(1,358)
Income taxes		4,370	88,539
NET INCOME		**(6,689)**	**142,591**

Balance sheet – Assets

(in thousands of euros)	Notes	Gross amount	Depreciation, amortisation and provisions	31/12/2023 Net amount	31/12/2022 Net amount
Patents, licences, rights and similar assets		42,067	34,288	7,779	7,802
Goodwill		5,264	-	5,264	64
Intangible assets in progress		36,636	34,727	1,909	0
Intangible assets		**83,967**	**69,015**	**14,952**	**7,866**
Technical installations, industrial machinery and equipment		496	496	-	-
Other property, plant and equipment		9,529	7,274	2,255	3,508
Property, plant and equipment in progress		26,288	16,158	10,130	10,839
Property, plant and equipment		**36,314**	**23,929**	**12,385**	**14,346**
Equity investments		2,717,815	1,427,534	1,290,281	1,397,675
Receivables from equity investments	4.2	1,829,661	679,994	1,149,667	819,005
Other long-term investments		25,986	19,921	6,065	5,913
Other non-current financial assets	4.2	36,838	-	36,838	13,967
Non-current financial assets		**4,610,300**	**2,127,449**	**2,482,851**	**2,236,560**
Non-current assets	**4.1**	**4,730,580**	**2,220,392**	**2,510,188**	**2,258,772**
Goods		37,112	534	36,578	6,615
Inventories and work in progress	**4.7**	**37,112**	**534**	**36,578**	**6,615**
Advances and down payments on orders		5,868	-	5,868	5,632
Trade receivables		168,480	5,124	163,356	142,295
Other receivables		88,822	-	88,822	35,289
Operating receivables	**4.2 & 4.7**	**257,302**	**5,124**	**252,178**	**177,585**
Marketable securities		7,580	-	7,580	-
Cash and cash equivalents		27,206	-	27,206	75,518
Cash		**34,786**	**-**	**34,786**	**75,518**
Prepaid expenses		4,342	-	4,342	3,493
Loan issue costs to be deferred		18,734	-	18,734	8,249
Bond redemption premiums		2,646	-	2,646	690
Adjustment accounts	**4.4**	**25,721**	**-**	**25,721**	**12,433**
Current assets		**360,790**	**5,658**	**355,132**	**277,783**
TOTAL ASSETS		**5,091,370**	**2,226,051**	**2,865,319**	**2,536,555**

Balance sheet – Liabilities

(in thousands of euros)	Notes	31/12/2023	31/12/2022
Capital		87,703	87,703
Issue, merger and contribution premiums		466,485	466,485
Legal reserve		8,770	8,770
Other reserves		80,663	181,305
Retained earnings		(140,602)	(283,567)
Result for the financial year		(6,689)	142,591
Net position	**4.5**	**496,330**	**603,287**
Regulated provisions	4.8	7,608	7,608
Shareholders' equity		**503,938**	**610,895**
Provisions for liabilities		54,775	196,919
Provisions for charges		5,773	2,237
Provisions for liabilities and charges	**4.8**	**60,548**	**199,156**
Bond issues		912,338	848,601
Borrowings and debt with credit institutions		551,215	482,053
Other borrowings and financial debts		72,585	-
Current account liabilities with the Group		224,086	170,163
Financial debts	**4.9**	**1,760,224**	**1,500,817**
Advances and deposits received on current orders		279	838
Trade payables and related accounts		461,260	163,786
Tax and payroll payables		45,429	27,160
Operating debts	**4.9 & 4.10**	**506,689**	**190,946**
Liabilities on non-current assets and related accounts		1,065	-
Other liabilities		31,900	33,062
Miscellaneous liabilities	**4.9 & 4.10**	**32,965**	**33,062**
Adjustment accounts	**4.10**	**677**	**840**
Liabilities		**2,300,834**	**1,726,503**
TOTAL LIABILITIES		**2,865,319**	**2,536,555**

Net debt table

(in thousands of euros)	FY 2023	FY 2022
OPERATING ACTIVITIES		
Net income	(6,689)	142,591
Elimination of income and expenses with no impact on cash flow or not related to operating activities	(250,163)	308,131
Cash flow from operations	(256,852)	450,722
Change in operating working capital requirement	197,956	85,254
Net cash flow generated by operating activities	**(58,896)**	**535,976**
INVESTING ACTIVITIES		
Net payments for non-current financial assets	(80,918)	(36,322)
Outflow of non-current financial assets	571,214	-
Payments for intangible assets and PP&E	(13,347)	(22,805)
Disposal of intangible assets and PP&E	148	-
Change in other receivables and payables	(2,033)	900
Net cash used in investing activities	**475,063**	**(58,228)**
EQUITY TRANSACTIONS		
Dividends paid to Eramet S.A. shareholders	(100,269)	(71,687)
Share capital increases	-	-
Net cash used in financing activities	**(100,269)**	**(71,687)**
INCREASE (DECREASE) IN NET CASH	**315,898**	**406,063**
Net cash (borrowings) at beginning of period	**(178,844)**	**(584,907)**
Net cash (borrowings) at period end	**137,054**	**(178,844)**

Notes to the individual financial statements

Contents

NOTE 1 Description of activities

The Group is one of the world's leading producers of alloy metals, especially manganese and nickel, which are used to improve the properties of steel.

The Group is structured into Activities under the Operations Department (formerly the Mining and Metals Division).

Eramet S.A., the parent company, has two main functions:

- a pure holding function called Eramet Holding, bringing together the various support services including the Administrative and Financial Department, the Health and Security Department, the Sustainability and Corporate Engagement Department, the Legal Department, the Information Systems Department and the Strategy and Innovation Department;
- the operating and marketing activities of the Nickel, Manganese Ore and Alloys, Mineral Sands and Lithium Activities.

The costs of these various services are billed to the Group subsidiaries through management fee contracts. Other operating costs relating to Nickel, Manganese, Mineral Sands and Lithium are directly allocated to their respective Activity.

As part of the internal reorganisation, the marketing of the Group's mining and metallurgical products, previously carried out by Eramet Marketing Services, is now carried out by Eramet S.A. as of 1 January 2023 (see Note 2).

Eramet has directly held subsidiaries, acting on behalf of the various entities or for the parent company. These include:

- Eramet Services: a company which includes accounting functions, payroll and IT support for the Group's French companies;
- Eramet Ideas: Eramet's Research Centre, which brings together Research and Development and project and technology engineering activities;
- Eramet International: a company that brings together Eramet's sales network for certain activities. Eramet International has subsidiaries and branches throughout the world. The activity of Eramet International is generally remunerated by agency commission contracts;
- Metal Securities: the Group's cash management company, which centralises cash surpluses and short-term requirements for the Group as a whole;
- Metal Currencies: the Group's foreign exchange management company, which carries out all currency hedging transactions for the Group as a whole;
- ERAS: reinsurance company.

NOTE 2 Key events in the reporting period

Transfer of all assets and liabilities of Eramet Marketing Services S.A.S. to Eramet S.A.

As part of the internal reorganisation and simplification of the Group's legal organisation chart in connection with the refocusing of the Group's activity on the Mining and Metals business, the marketing of the Group's mining and metallurgical products, previously carried out by Eramet Marketing Services, is now carried out by Eramet S.A. as of 1 January 2023.

The employees of Eramet Marketing Services were transferred to Eramet S.A., which now includes all headquarters employees. This reorganisation was effected by a transfer of all assets and liabilities of Eramet Marketing Services S.A.S. to Eramet S.A., which now includes all the Group's support, commercial and industrial functions.

Operational and financial difficulties for SLN in New Caledonia and going concern

SLN continues to face significant difficulties, both in terms of operating permits and access to competitive energy, against the backdrop of a deteriorating price environment. The company posted a loss of €249 million and net debt now stands at €681 million, including the French government loan of €260 million.

Given its financial position, which remains critical, and in order to meet its short-term payment requirements, SLN should shortly draw down the new loan granted by the French government at the beginning of the year (for a total amount of €60 million). At this stage, this amount will not allow the company to continue as a going concern for 12 months.

The conciliation procedure with the Noumea Commercial Court began in November 2023 and should end on 10 April 2024 at the latest.

A mission deemed the "Nickel Mission", is currently being carried out by the French government to assess the state of the nickel industry in New Caledonia and to evaluate the necessary support measures needed to ensure the long-term future of the industry. The results of this study should be published during the first half of 2024.

The loans granted by Eramet (€325 million) and the French government (€260 million), totalling €585 million at 31 December 2023, fall due in May and June 2024. To date, no solution has been found for the repayment of these loans.

In addition, the environmental guarantees granted by Eramet to allow the mine and plant to operate expire at the end of the conciliation procedure.

At the date of approval of the Group's financial statements, these factors meant that SLN could not be considered a going concern. As a result, an additional €210 million provision for Eramet's loan to SLN has been recorded at 31 December 2023. The SLN shares held via the subsidiary Eramet Holding Nickel and the loan totalling €328 million (principal and interest) were fully provisioned at 31 December 2023.

Disposal of Aubert & Duval and disposal of Erasteel

The disposal of the entire High Performance Alloys division (Aubert & Duval and Erasteel) has been finalised.

On 28 April, through its subsidiary Eramet Holding Alliages, Eramet finalised the sale of Aubert & Duval to the consortium consisting of Airbus, Safran and Tikehau Capital. An additional impairment loss of €134 million for the Eramet securities and loan to Eramet Holding Alliages was recognised at 31 December 2023.

On 30 June 2023, Eramet finalised the disposal to Syntagma Capital of 100% of shares in its subsidiary Erasteel.

The impact on net income of the removal of this company from the scope of consolidation was -€2.1 million in 2023.

Sale of Norwegian subsidiary Eramet Titanium & Iron (“ETI”)

Eramet sold its Norwegian subsidiary Eramet Titanium & Iron (“ETI”), which it held via its subsidiary Eramet Mineral Sands, to INEOS Enterprise for $245 million on 21 September 2023. This sale enables Eramet to strengthen its balance sheet and will contribute to the financing of its projects in metals required for the energy transition. The agreement between Eramet and INEOS Enterprises also includes a long-term supply contract for ilmenite produced by Grande Côte Opérations (“GCO”), the Group’s subsidiary which operates the mineral sands mine in Senegal.

Lithium project in Argentina

In Argentina, the construction of the Centenario lithium plant (phase 1), launched in 2022, is continuing, with a completion rate of more than 87% at the end of January 2024. Full capacity of 24 kt LCE (Lithium Carbonate Equivalent) of battery-grade lithium (at 100%) is expected to be reached by mid-2025, with a production start-up in mid-2024.

The total investment for phase 1 is estimated at $800 million, of which Tsingshan will finance around $480 million. In 2023, investment amounted to around $270 million, for a cumulative total of around $600 million since the start-up of construction.

On the other hand, in November, Eramet’s Board of Directors approved the investment decision for the first tranche of Phase 2 ($800 million), which represents an additional 30 kt LCE per year. This approval remains subject to planning permission being granted.

Battery recycling in France

In partnership with Suez, Eramet is continuing to develop a battery recycling project, which will strengthen the Group’s position on the electric battery value chain thanks to its upstream and downstream presence. Feasibility studies for the upstream portion are currently being finalised. The pilot plant, designed to validate the downstream process, was inaugurated at Eramet’s Research and Innovation Centre at the end of the year.

Sonic Bay project in Indonesia

In partnership with BASF, Eramet continued its studies on the Sonic Bay hydrometallurgical project (HPAL18) in 2023. Discussions on project execution and the financing strategy are also continuing.

Acquisition of exploration and mining concessions in Chile

In Chile, following the acquisition in November of concessions covering a cluster of lithium salars in the Atacama region for €90 million, recognised as equity investments via its subsidiary Eramet Lithium, the Group is working to develop future partnerships with companies authorised by the Chilean government to hold lithium exploration and mining rights.

Eramet also recently signed an initial farm-in exploration agreement to secure access to further exploration and mining concessions in regions covering lithium salars. This agreement could add further potential growth opportunities to the Group’s pipeline.

Financing

Extension of the term loan

In January 2023, Eramet renewed and extended the term loan for an amount of €480 million with a pool of banks. This amount was extended to €515 million in April 2023. The new floating-rate loan matures in January 2027 and can be amortised as of January 2025. €357 million of the loan was drawn down and the available balance, i.e. €145 million, was drawn down at the end of January 2024. The amount drawn down at the end of January was therefore €502 million.

Bond issue

Eramet completed its first issue of sustainability-linked bonds in early May 2023, for an amount of €500 million, with a maturity of five years and an annual coupon of 7%. The bond issue is linked to two sustainable performance objectives, measured at 31 December 2025 compared to those for 2019:

- a 35% reduction in the Group’s annual greenhouse gas emission intensity (scope 1 and scope 2), and;
- a 67% increase in the share (in terms of emissions) of its suppliers and customers who have decarbonisation targets that are in line with the “well-below 2°C” scenario of the Paris Agreement.

At the same time, in June 2023 Eramet bought back its outstanding bonds maturing in February 2024 (for a total of €429.7 million).

Other borrowings

A commercial advance of $400 million under the lithium carbonate co-marketing agreement signed with Glencore in July 2023, of which $80 million was drawn down at the end of the year.

Financial rating

Following an in-depth assessment, the Group received its first financial ratings from two rating agencies in April 2023. Moody’s and Fitch rated Eramet’s long-term credit notes Ba2 and BB+ respectively, with stable outlook. In August 2023, Fitch changed the outlook to “negative”.

NOTE 3 Accounting principles, rules and methods

The financial statements of Eramet S.A. as at 31 December 2023 were approved by the Board of Directors on 21 February 2024.

Review of principles

The annual financial statements for the year ended 31 December 2023 have been prepared in accordance with French Accounting Standards Authority (ANC) Regulation No. 2015-06 of 23 November 2015 and Regulation No. 2020-09 of 4 December 2020, amending Regulation No. 2014-03 of 5 June 2014 relating to the general chart of accounts. The Company also applies ANC Regulation No. 2015-05 on forward financial instruments and hedging transactions, as well as ANC recommendation No. 2013-02 of 7 November 2013, amended on 5 November 2021, on the rules for valuing and accounting for pension commitments and similar benefits.

The general accounting conventions have been applied in accordance with the principle of prudence and in compliance with the basic assumptions of a going concern, consistency of accounting methods and independence of financial years and according to the rules for drawing up and presenting the annual financial statements.

The basic method used to value recorded items is the historical cost method.

Change of method

There was no change in method compared with 31 December 2022.

Rules and methods applied to the various balance sheet and income statement items

3.1 Intangible assets and property, plant and equipment

The gross value of non-current assets is the value at which the items were recorded when first acquired by the Company and includes any expenses required to bring them into working order.

Non-current assets not used or whose market value is lower than the carrying value are generally written down through extraordinary depreciation or provisions.

The economically justified method for calculating depreciation and amortisation is on a straight-line basis. This depreciation and amortisation is calculated over the expected life of the assets.

The useful lives of property, plant and equipment for depreciation purposes are, except in exceptional cases, as follows:

- Buildings: between 20 and 30 years;
- Technical installations: between 12 and 20 years;
- Equipment and tooling: between 3 and 10 years;
- Installations, fixtures and fittings: between 5 and 10 years;
- Transport equipment: between 5 and 8 years;
- Office equipment, computers and furniture: between 3 and 8 years.

The impact of the difference between straight-line depreciation and amortisation and declining-value depreciation and amortisation is recognised through a special depreciation allowance.

3.2 Non-current financial assets

The gross value of non-current financial assets consists of the purchase price excluding incidental expenses. Loans are stated at their nominal value. At the end of the financial year, securities are estimated at their value in use, which takes into account both the net asset value and expected future profitability. When the value in use is less than the gross value, an impairment provision is recognised to the amount of the difference.

3.3 Ongoing development projects

Costs incurred on these projects are initially recognised either as assets or as expenses. If these development projects do not meet sufficient economic criteria or do not succeed, these costs are recognised as expenses, or written down or recognised as exceptional losses.

3.4 Inventories

Inventories of nickel-bearing products are valued at cost price calculated on a “first-in, first-out” basis. When the value thus obtained is greater than the net realisable value (selling price less selling costs), a provision for impairment corresponding to this difference is recognised.

3.5 Receivables and payables

Currency receivables and payables are re-measured at the prevailing rate at period end.

The effects of currency hedging transactions applied to currency receivables and payables are recognised as foreign exchange gains or losses in the income statement. The contra entry is made in the "Difference in hedging valuation" accounts.

Provisions for impairment of trade receivables are valued on a customer-by-customer basis according to the estimated risk.

3.6 Marketable securities

These are valued at acquisition cost and are subject to impairment provisions if their net asset value (average share price for the last month) is lower than the acquisition cost. Unrealised gains are not recognised.

3.7 Provisions for liabilities and charges

Provisions are made when the risk is estimated to be probable and the amount can be reliably estimated, to cover all liabilities arising from past events that are known at the reporting date and the settlement of which is likely to result in an outflow of resources representing the economic benefits necessary to settle the liability.

Personnel salaries and allowances

Eramet offers its employees various long-term benefits such as retirement packages and other post-employment benefits, such as long-service awards.

Certain commitments are covered completely or partially by contracts with insurance companies.

In this case, commitments and hedging assets are valued independently. A provision is therefore made for the level of commitments and financial assets.

Eramet's commitments are valued by independent actuaries. The actuarial assumptions used (Eramet's probability of maintaining active staff, probability of mortality, retirement age wage trends etc.) vary according to the demographic and economic conditions prevailing in the country. The discount rates are based on the rate of government bonds or qualified companies of "Premium Quality" with a duration equivalent to the commitments at the valuation date.

The expected returns on assets over the long term have been determined taking into account the investment portfolio structure.

Bonus share plan for employees

The corresponding provision has been valued based on the value of the treasury shares and the share price at 31 December 2023.

The provision is spread over the vesting period (from two to four years depending on the plan) for Eramet S.A. employees. For other beneficiaries (excluding Eramet S.A.), the provision is created as of the allocation date of the plans.

3.8 Turnover

Turnover comprises:

- sales of ferronickel (sales and purchases of SLN products);
- sales of pig iron nickel (sales and purchases of Weda Bay products);
- sales of manganese ore;
- sales of manganese alloys;
- sales of mineral sands;
- provision of services and billing back of shared costs.

Revenue is recognised as turnover when the business has transferred the risks and rewards of property ownership to the buyer.

3.9 Net debt table

The Net debt table presents the changes in the following balance sheet items:

- receivables from equity investments (gross value). *See Note 4.2*;
- cash and cash equivalents. *See Note 4.3*;
- other equity. *See Note 4.8*;
- financial debts. *See Note 4.9*.

NOTE 4 Explanatory notes to the balance sheet

4.1 Non-current assets & depreciation and amortisation

Intangible assets

(in thousands of euros)	Acquisition values 31/12/2022	Acquisitions	Reclassification	Outflows(1)	Acquisition values 31/12/2023
Concessions, patents, licences, trademarks, processes, rights and similar assets	32,226	11,222	-	(1,381)	42,067
Goodwill	64	5,200	-	-	5,264
Other intangible assets	34,727	-	1,909	-	36,636
TOTAL	**67,017**	**16,422**	**1,909**	**(1,381)**	**83,967**

(1) Disposals, retirements and adjustments.

Acquisitions during the year mainly include the expenses incurred by implementing Eramet S.A.'s marketing flows in the SAP operating system and by rolling out an optimised, simplified network platform.

Active Directory, the foundation of the IT environment, has also been rolled out. It manages user accounts as well as communication between different workstations, servers and equipment.

During the year, the Company also continued to incur expenses on the development of a solution chosen by Eramet to digitalise and harmonise its Human Resources Information System, and on supporting Eramet entities as they rolled out and standardised the platform/product.

(in thousands of euros)	Depreciation, amortisation and provisions at 31/12/2022	Allocations	Reversals	Outflows(1)	Depreciation, amortisation and provisions at 31/12/2023
Concessions, patents, licences, trademarks, processes, rights and similar assets	24,424	11,245	-	(1,381)	34,288
Other intangible assets	34,727	-	-	-	34,727
TOTAL	**59,151**	**11,245**	**-**	**(1,381)**	**69,015**

(1) Disposals, retirements and adjustments.

Depreciation and amortisation expenses mainly concern the amortisation of the solution chosen by Eramet to digitalise and harmonise its Human Resources Information System, the budget simulation tool, the creation of the digital Cloud platform, the transformation of the Group's data centre, the development of office collaboration and communication practices with the integrated Office 365 platform, the implementation of standard practices and tools configured to manage the Group's information in complete security, and the amortisation of expenses incurred by implementing Eramet S.A.'s marketing flows in the SAP operating system.

As a reminder, the non-current assets related to the development of hydrometallurgical technology were fully depreciated in 2015 for €18.5 million following the decision to suspend the hydrometallurgical process.

Property, plant and equipment

(in thousands of euros)	Acquisition values 31/12/2022	Acquisitions	Reclassification	Outflows(1)	Acquisition values 31/12/2023
Technical installations, industrial machinery and equipment	496	-	-	-	496
Other property, plant and equipment	9,506	23	-	-	9,529
Property, plant and equipment in progress	26,997	-	(709)	-	26,288
TOTAL	**37,000**	**23**	**(709)**	**-**	**36,314**

(1) Disposals, retirements and adjustments.

(in thousands of euros)	Depreciation, amortisation and provisions at 31/12/2022	Allocations	Reversals	Outflows[1]	Depreciation, amortisation and provisions at 31/12/2023
Technical installations, industrial machinery and equipment	496	-	-	-	496
Other	5,999	1,276	-	-	7,275
Non-current assets under construction	16,158	-	-	-	16,158
TOTAL	**22,653**	**1,276**	**-**	**-**	**23,929**

(1) Disposals, retirements and adjustments.

The €16.2 million allowance for impairment of non-current assets under construction recognised during the 2020 financial year follows on from the suspension of the Convergence project to design and roll out a new ERP solution in the Group.

Non-current financial assets

(in thousands of euros)	Acquisition values 31/12/2022	Acquisitions	Outflows[1]	Acquisition values 31/12/2023
Equity investments	3,218,378	70,651	(571,214)	2,717,815
Receivables from equity investments	1,246,455	3,619,604	(3,036,398)	1,829,661
Other long-term investments	22,599	11,306	(7,919)	25,986
Other	13,967	47,946	(25,074)	36,838
TOTAL	**4,501,398**	**3,770,552**	**(3,661,650)**	**4,610,300**

(1) Disposals, retirements and adjustments.

The increase in the "Equity investments" item is due to:

1. the capital increase before the sale of the company Erasteel for €70 million;
2. the €425,000 increase in the shareholding in PT Eramet Indonesia Mining;
3. the €180,000 increase in the shareholding in Metal Securities, bringing it to a 100% stake.

The decrease in the "Equity investments" item is due to:

1. the disposal of shares in Erasteel for €514 million;
2. the cancellation of 100% of the shares of Eramet Marketing Services for €57 million, related to the transfer of all assets and liabilities between the two companies on 1 January 2023.

The increase in "Receivables from equity investments" was mainly due to the €442 million investment in Metal Securities and the €210 million increase in loans to Eramet Lithium.

The line "Other long-term investments" concerns treasury shares. Movements in this item are attributable to repurchases of Eramet shares for €10.2 million, outflows of shares, mainly due to the delivery to employees of French and foreign companies of selective bonus share plans for 2019 and 2020, and democratic bonus share plans for 2019, amounting to €7.9 million, as well as the net balance of the liquidity agreement.

The shares from the buyback mandates (balance of 177,084 shares as of 31 December 2023) are to be distributed as part of the bonus share plans.

(in thousands of euros)	Depreciation, amortisation and provisions at 31/12/2022	Allocations	Reversals	Outflows[1]	Depreciation, amortisation and provisions at 31/12/2023
Equity investments	1,820,702	51,000	-	(444,169)	1,427,534
Receivables from equity investments	427,450	299,675	-	(47,130)	679,995
Other long-term investments	16,686	889	-	2,346	19,921
TOTAL	**2,264,838**	**351,564**	**-**	**(488,953)**	**2,127,449**

(1) Disposals, retirements and adjustments.

An additional provision for impairment of equity investments and the loan was recognised during the year in respect of the subsidiary Eramet Holding Alliages in the amount of €139 million following the disposal of the Aubert & Duval shares previously held by the latter.

A reversal of impairment provisions for equity investments and loans was recognised for €491 million following the sale of Erasteel in June 2023.

Provisions for impairment of receivables from equity investments were recorded for the SLN loans in the amount of €210 million and Eramet Cameroun in the amount of €7.6 million.

Breakdown of equity investments

(in thousands of euros)	31/12/2023 Gross amount	31/12/2023 Impairment	31/12/2023 Net amount	31/12/2022 Gross amount	31/12/2022 Impairment	31/12/2022 Net amount
Agence Caledonienne de Transit	151	-	151	151	-	151
Comilog S.A.	53,407	-	53,407	53,407	-	53,407
Eramet Holding Alliages	1,045,861	(1,045,861)	-	1,045,861	(994,861)	51,000
Eramet Holding Manganèse	310,156	-	310,156	310,156	-	310,156
Eramet Holding Nickel	229,652	(143,588)	86,064	229,652	(143,588)	86,064
Eramet Mineral Sands	50	-	50	50	-	50
Enercal	305	(260)	45	305	(260)	45
Eralloys Holding	419,445	(237,825)	181,620	419,445	(237,825)	181,620
Eramet Cameroun	15	-	15	15	-	15
Eramet Ideas	9,161	-	9,161	9,161	-	9,161
Eramet International	892	-	892	892	-	892
Eramet Services	1,540	-	1,540	1,540	-	1,540
Eramet Lithium (Eramine S.A.S.)	40,040	-	40,040	40,040	-	40,040
Eras	1,986	-	1,986	1,986	-	1,986
Erasteel	-	-	-	444,169	(444,169)	-
Metal Currencies	1	-	1	1	-	1
Metal Securities	247	-	247	66	-	66
Société Le Nickel	0	-	0	0	-	0
Strand	384,323	-	384,323	384,323	-	384,323
TiZir	218,807	-	218,807	218,807	-	218,807
Eramet Halmahera Nickel	675	-	675	675	-	675
Eramet Indonesia Mining	1,100	-	1,100	675	-	675
Eramet Marketing Services	-	-	-	57,000	-	57,000
Eramet Chile	0	-	0	-	-	-
TOTAL	**2,717,815**	**(1,427,534)**	**1,290,281**	**3,218,378**	**(1,820,702)**	**1,397,675**

Breakdown of receivables from equity investments

(in thousands of euros)	31/12/2023 Gross amount	31/12/2023 Impairment	31/12/2023 Net amount	31/12/2022 Gross amount	31/12/2022 Impairment	31/12/2022 Net amount
Erasteel S.A.S.	-	-	-	47,000	(47,000)	0
Eramet Holding Alliages	334,447	(334,447)	-	251,893	(251,893)	-
Eramet Lithium (Eramine S.A.S.)	453,024	-	453,024	257,643	-	257,643
TiZir	-	-	-	27,489	-	27,489
SLN	328,277	(328,277)	-	328,277	(118,847)	209,430
Eralloys Holding	26,583	-	26,583	26,187	-	26,187
Eramet Cameroun	17,271	(17,271)	-	9,710	(9,710)	-
Eramet Mineral Sands	222,156	-	222,156	217,763	-	217,763
Eramet Norway CC EUR	-	-	-	80,493	-	80,493
Eramet Halmahera	5,230	-	5,230	-	-	-
Eramet Indonesia	643	-	643	-	-	-
Metal Securities	442,030	-	442,030	-	-	-
TOTAL	**1,829,661**	**(679,994)**	**1,149,667**	**1,246,455**	**(427,450)**	**819,005**

4.2 Schedule of receivables

(in thousands of euros)	Gross amount 31/12/2023	1 year or less	Over 1 year	Reminder 31/12/2022
Receivables from equity investments(1)	1,829,661	796,185	1,033,476	1,246,455
Other non-current financial assets(2)	36,838	36,838	-	13,967
Trade receivables and related accounts	168,480	168,480	-	142,295
Other receivables(3)	88,822	88,822	-	35,289
TOTAL	**2,123,801**	**1,090,325**	**1,033,476**	**1,438,006**

(1) Receivables from equity investments: loans to Group companies.
(2) Including 3 million in deposits and guarantees.
(3) Other receivables include €34 million in credit notes receivable for the Group, of which €10 million from Comilog S.A. and €10 million from Weda Bay Nickel; performance interest receivables from Metal Currencies for €13 million; a net corporate tax receivable of €9 million in connection with the tax consolidation; and a €18 million security deposit from Société Générale in connection with factoring.

4.3 Cash and cash equivalents

Cash and cash equivalents are only made up of bank accounts.

4.4 Prepaid expenses and accrued income

(in thousands of euros)	31/12/2023	31/12/2022
Prepaid expenses(1)	4,342	3,493
Loan issue costs to be deferred(2)	18,734	8,249
Bond redemption premiums(3)	2,646	690
TOTAL	**25,721**	**12,433**

(1) Prepaid expenses relate to prepaid insurance premiums in the amount of €0.8 million, and software maintenance charges and licence costs in the amount of €3.4 million.
(2) Loan issue costs (revolving credit facility, bonds, Borrowing Base, BEI, Term Loan and Glencore) spread over the term of repayment of the loan.
(3) Premium related to the issue of bonds of €300 million in November 2019 and €500 million in May 2023.

4.5 Net position

The share capital is broken down as follows:

	31/12/2023				31/12/2022			
	capital		voting rights		capital		voting rights	
	%	number of shares	%	number of shares	%	number of shares	%	number of shares
Registered shares Sorame and Compagnie d'Études Industrielles du Rouvray (CEIR)	37.08	10,661,562	43.44	21,323,124	37.08	10,661,562	43.46	20,501,705
FSI Equation (a subsidiary of Bpifrance) and the French State (Caisse des Dépôts et Consignations)	27.13	7,801,093	31.79	15,602,186	27.13	7,801,093	30.97	14,611,510
S.T.C.P.I.	4.03	1,159,994	4.73	2,319,988	4.03	1,159,994	4.73	2,230,581
Eramet S.A.	0.91	262,200	(0)	-	0.73	209,377	(0)	-
Eramet S.A. share fund	0.66	190,403	0.62	303,061	0.62	179,060	0.62	291,718
Other	30.19	8,679,795	19.43	9,536,734	30.41	8,743,961	20.22	9,538,069
TOTAL NUMBER OF SHARES	**100.00**	**28,755,047**	**100.00**	**49,085,093**	**100.00**	**28,755,047**	**100.00**	**47,173,583**
• of which registered shares	72.88	20,956,206	84.29	41,374,742	72.40	20,818,491	83.33	39,309,022
• of which bearer shares	27.12	7,798,841	15.71	7,710,351	27.60	7,936,556	16.67	7,864,561

Pursuant to a Shareholders' Agreement concluded on 16 March 2012, which entered into force on 16 May 2012, tacitly renewed by six-month period as of 1 January 2021 (as per the amendment on 30 November 2020, which was notified to the Autorité des marchés financiers (AMF) under No. 220C5283), which was the subject of a decision and information of the Autorité des marchés financiers under No. 212C0647 when it was concluded and decision and information No. 216C1753 relating to the change within the group acting in concert at the time of the acquisition by the Agence des participations de l'État (APE) of the entire share capital of FSI Equation, the Company is majority controlled by a group of shareholders having declared to be acting in concert, including:

- a subgroup between Sorame and CEIR, companies controlled by the Duval family, under a concurrent Shareholders' Agreement dated 19 July 1999, which came into force on 21 July 1999 and was the subject of an amendment on 13 July 2009;
- the Agence des Participations de l'État (APE), through its subsidiary FSI Equation.

The provisions of the shareholders' agreement mentioned above, and those of the subgroup agreement, are contained in key extracts from the AMF decision and notice texts numbered 220C5283, 216C1753, 212C0486 and 209C1013 (amended on 13 July 2009).

Since 1 January 2002, registered shares that meet the necessary conditions benefit from double voting rights.

An amendment to the Shareholders' Agreement concluded on 23 April 2021, which was the subject of a decision and information of the AMF under No. 221C0886, stipulates that as long as the positions of Chair and CEO of Eramet are held by the same person, the parties undertake to jointly propose and/or support the Board of Directors' appointment of a chosen lead director, by mutual agreement, from among the independent directors put forwards by Sorame and CEIR. The parties also agree to do their utmost to ensure that the candidate that they wish to nominate as lead director is named by Eramet Board of Directors, and that these commitments will be valid for as long as the Shareholders' Agreement is in force and at the latest until the Shareholders' Meeting to be held in 2025 is called to approve the financial statements for the financial year 2024.

The net position is broken down as follows:

(in thousands of euros)	Number of shares	Capital	Premiums, reserves and retained earnings	Result for the financial year	Total
Net position as at 31 December 2021	**28,755,047**	**87,703**	**113,758**	**330,923**	**105,790**
Appropriation of 2021 result	-	-	330,923	(330,923)	-
Result as of 31 December 2022	-	-	-	142,591	142,591
Dividend	-	-	(71,687)	-	(71,687)
Impact of ANC Recommendation No. 2013-02 on the rules for valuing and accounting for pension commitments	-	-	-	-	-
Net position as at 31 December 2022	**28,755,047**	**87,703**	**372,994**	**142,591**	**603,287**
Appropriation of 2022 result	-	-	142,591	(142,591)	-
Result as of 31 December 2023	-	-	-	(6,689)	(6,689)
Dividend and related costs	-	-	(100,269)	-	(100,269)
NET POSITION AS AT 31 DECEMBER 2023	**28,755,047**	**87,703**	**415,316**	**(6,689)**	**496,330**

The share capital of €87,702,893.35 (31 December 2022: €87,702,893.35) is composed of 28,755,047 fully paid-up shares (31 December 2022: 28,755,047 shares) with a nominal value of €3.05 each.

4.6 Treasury shares

The table below summarises the treasury share transactions:

	Number of shares	Market making[1]	Grants to employees	Total
Position at 1 January 2022	**28,755,047**	**50,159**	**133,254**	**183,413**
As a percentage of capital	-	*0.17%*	*0.46%*	*0.64%*
Buyback mandate	-	-	90,000	90,000
Final allocation of bonus shares	-	-	(82,448)	(82,448)
Purchases/sales[1]	-	21,836	-	21,836
Position at 31 December 2022	**28,755,047**	**71,995**	**140,806**	**212,801**
As a percentage of capital	-	*0.25%*	*0.49%*	*0.74%*
Buyback mandate	-	-	150,000	150,000
Final allocation of bonus shares	-	-	(113,722)	(113,722)
Purchases/sales	-	13,121	-	13,121
POSITION AT 31 DECEMBER 2023	**28,755,047**	**85,116**	**177,084**	**262,200**
As a percentage of capital	-	*0.30%*	*0.62%*	*0.91%*

(1) Liquidity agreement signed with BNP Paribas.

The balance of 262,200 shares corresponds to:

- the shares purchased under a market maker contract entered into with Exane BNP Paribas;
- the shares to be allocated under the bonus share plans.

4.7 Provisions for impairment of current assets

(in thousands of euros)	31/12/2022	Allocations	Reversals	31/12/2023
Raw materials and other supplies	-	-	-	-
Semi-finished and finished products	2	-	(2)	-
Goods[1]	152	8,263	(7,881)	534
Trade receivables	-	5,124	-	5,124
TOTAL	**152**	**13,387**	**(7,883)**	**5,658**

(1) The actual allocation for the year was €534,000. The significant €7,728,000 change in allocations and reversals over the year correspond to the inclusion of Eramet Marketing Services in Eramet S.A.'s accounts following the transfer of all assets and liabilities on 01/01/2023.

4.8 Provisions in liabilities

			Reversals			
(in thousands of euros)	31/12/2022	Allocations	Used during the financial year	Not used during the financial year	Reclassification	31/12/2023
Special depreciation allowances	7,608	-	-	-	-	7,608
Total regulated provisions	**7,608**	**-**	**-**	**-**	**-**	**7,608**
Personnel[1]	2,237	3,725	(182)	-	(7)	5,773
Other provisions for liabilities[2]	168,523	5,100	(64,486)	(7,820)	(76,573)	24,744
Other provisions for charges[3]	28,396	16,919	(12,940)	-	(2,345)	30,030
Total provisions for liabilities and charges	**199,156**	**25,744**	**(77,608)**	**(7,820)**	**(78,925)**	**60,547**
PROVISIONS FOR LIABILITIES	**206,764**	**25,744**	**(77,608)**	**(7,820)**	**(78,925)**	**68,155**

(1) Eramet makes provisions for pension and similar commitments according to the actuarial valuation carried out by an independent firm. Detailed calculations were made as of 31 December 2023. The corridor method is used to calculate pension commitments.

(2) The provision for financial risk includes the potential loss on the bond portfolio of Metal Securities guaranteed by Eramet for €9.6 million. It also includes a €15.1 million provision for liability guarantees relating to disposals in 2023.

(3) Other provisions for charges relate to bonus share plans for €20.8 million, a €6 million provision for the Erasteel liability guarantee and a €3 million provision for the closure of Eramet Cameroun's activities.

Employee-related liabilities

(in thousands of euros)	Actuarial value of obligations	Fair value of assets plan	Financial position Surplus/(Deficit)
Supplementary pension plan	9,326	(9,791)	(465)
Retirement package	5,213	(2,940)	2,273
Long service awards	3,669	-	3,669
Plans for medical expenses	-	-	-
TOTAL	**18,208**	**(12,731)**	**5,477**

(in thousands of euros)	Unrecognised actuarial (gains)/losses	Unrecognised services recorded	Provision on the balance sheet (Assets)/Liabilities
Supplementary pension plan	(727)	-	(1,192)
Retirement package	(107)	(62)	2,104
Long service awards	-	-	3,669
Plans for medical expenses	-	-	-
TOTAL	**(834)**	**(62)**	**4,581**
Personnel provisions	-	-	5,773
Plan assets (other non-current financial assets)	-	-	(1,192)

Details of pension fund investments

(in thousands of euros)	Insurance contract	Other investments	Total
Amount	12,731	-	12,731
Percentage	100%	-	100%

Change in pension liabilities

(in thousands of euros)	FY 2023
AT BEGINNING OF PERIOD	**(7,618)**
Expenses recognised	7,629
• Service cost	7,187
• Amortisation of actuarial gains (losses)	327
• Interest expense	444
• Return on plan assets	(329)
Contributions and benefits paid	(1,076)
AT PERIOD CLOSE	**(1,065)**

The actuarial assumptions used for the valuations are as follows:

Actuarial assumptions	FY 2022	FY 2023
Discount rate	3.00%	3.60%
Inflation rate	2.00%	2.00%
Salary increase rate	2.30%	2.30%
Rate of return on plan financial assets	3.00%	3.60%

4.9 Breakdown of liabilities and maturity schedule

Net amount *(in thousands of euros)*	31/12/2023	1 year or less	More than 1 year and up to 5 years	More than five years	31/12/2022
Other bond issues[1]	912,338	112,338	800,000	-	848,601
Borrowings and debt with credit institutions[2]	550,833	94,641	426,104	30,088	482,053
Other borrowings and financial debts[3]	297,053	224,655	57,156	15,242	170,258
Suppliers and related accounts[4]	461,260	461,260	-	-	163,786
Tax and payroll payables	45,429	45,429	-	-	27,160
Liabilities on non-current assets and related accounts	1,065	1,065	-	-	-
Other liabilities[5]	31,900	31,900	-	-	32,967
TOTAL	**2,299,878**	**971,288**	**1,283,260**	**45,330**	**1,724,825**

(1) This item includes several bond issues:
- *2014 issue for €77.5 million (the initial issue of €100 million was partially redeemed for €22.5 million in July 2020);*
- *November 2019 issue for €300 million.*
- *May 2023 issue for €500 million;*

(2) Borrowings from credit institutions include the Term Loan for €357 million, three loans from the European Investment Bank for a total of €123 million and the Commercial Paper for €60 million.

(3) The Eramet loan is provided by the Metal Securities company, an 100% subsidiary of Eramet. The amount as of 31 December 2023 is €224 million, compared with €170.2 million as of 31 December 2022. In December 2023, Eramet also took out a loan with its business partner Glencore for €72.4 million.

(4) The company has a trade payable more than 60 days from the invoice date of €1.2 million.

(5) As part of the tax consolidation, this item includes corporate tax payable by subsidiaries for an amount of €11.5 million.

Breakdown of miscellaneous borrowings and financial debts

Net amount *(in thousands of euros)*	31/12/2023	31/12/2022
Glencore loan	72,585	-
Current accounts with Metal Securities	224,086	170,163
Deposits received	78	40
Term Loan and revolving credit facility utilisation/non-utilisation fee	304	55
TOTAL	**297,053**	**170,258**

4.10 Breakdown of liabilities and accrued expenses

Gross amount *(in thousands of euros)*	31/12/2023	31/12/2022
Trade payables and related accounts	461,260	163,786
Tax and payroll payables	45,429	27,160
Liabilities on non-current assets and related accounts	1,065	-
Other liabilities	31,900	33,062
Deferred income	677	840
TOTAL	**540,331**	**224,848**

4.11 Information on related companies

Balance sheet

(in thousands of euros)	31/12/2023	31/12/2022
Equity investments	3,128,582	3,239,628
Financial receivables	1,862,492	1,210,606
Trade receivables and related accounts	139,129	69,378
Other receivables	20,411	15,428
Other borrowings and financial debts	224,086	(170,162)
Trade payables and related accounts	367,078	(114,470)
Other liabilities	13,200	(5,753)

Income statement

(in thousands of euros)	31/12/2023	31/12/2022
Operating income	496,257	407,913
Operating expenses	(2,739,730)	(1,054,174)
Financial income	44,052	34,728
Financial expenses	(12,810)	(4,167)

NOTE 5 Explanatory notes to the income statement

5.1 Turnover

(in thousands of euros)	Total	France	Foreign
Sales of products and goods[1]	3,034,014	10,978	3,023,037
Income from ancillary activities	124,619	26,616	98,004
TURNOVER	**3,158,634**	**37,593**	**3,121,040**

(1) *Turnover includes a positive currency difference of €9.4 million.*

5.2 Increases and reductions in future tax liabilities

(in thousands of euros)	31/12/2023	31/12/2022
Increases in taxable base		
• Regulated provisions	7,608	7,608
Reductions in taxable base		
• Provisions not deductible in the accounting period	13,186	1,053
• Accrued expenses	627	(525)
• Financial expense carry-forwards	43,564	21,720
• Tax loss carryforwards	951,954	806,667
Net reduction in taxable base	**1,001,722**	**821,307**
REDUCTION IN FUTURE TAXATION	**258,745**	**212,144**
	25.83%	*25.83%*

Breakdown of income tax

(in thousands of euros)	Gross amount	Tax owed	31/12/2023 Net income	31/12/2022 Net income
Current income	524,962	-	524,962	56,660
Extraordinary income	(535,796)	-	(535,796)	(1,251)
Employee shareholding	(225)	-	(225)	(1,358)
Impact of tax consolidation and research tax credit	-	4,370	4,370	88,539
TOTAL	**(11,059)**	**4,370**	**(6,689)**	**142,591**

Corporate taxes

The tax consolidation agreement signed between Eramet and its subsidiaries respects the principle of neutrality and places the subsidiaries in the situation they would have been in without consolidation. Each subsidiary determines its tax as if it were not part of the consolidated tax group and pays its corporate tax contribution to Eramet as the parent company of the Group. The subsidiaries keep their deficits to determine the amount of the corporate tax contribution they have to pay Eramet.

As a result of the tax consolidation, the corporate income tax account can be broken down as follows:

- €5 million in tax income from the consolidated tax group (of which €0.7 million from the adjustment of the 2022 research tax credit; €4.3 million from 2023 tax credits);
- €3.5 million in 2023 tax consolidation income;
- -€4.2 million of tax consolidation expenses (including tax credits returned to subsidiaries: -€4.2 million in 2023 tax credit).

5.3 Tax consolidation

All French subsidiaries that are at least 95% owned are consolidated for tax purposes, Eramet being the Group's parent company. The scope of tax consolidation in France includes the following companies:

Tax-consolidated companies	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
CONSOLIDATED COMPANIES					
Eramet	x	x	x	x	x
Eramet Holding Alliages	x	x	x	x	x
Eramet Holding Manganese (EHM)	x	x	x	x	x
Eramet Holding Nickel (EHN)	x	x	x	x	x
Eramet Mineral Sands	x	x	x	x	
Eramet Marketing Services (previously Eramet Nickel)(1)		x	x	x	x
Eramet Ideas	x	x	x	x	x
Eramet Services	x	x	x	x	x
Eramet Lithium (formerly Eramine)	x	x	x	x	x
Erasteel		x	x	x	x
Erasteel Champagnole		x	x	x	x
Metal Securities	x	x	x	x	x
NON-CONSOLIDATED COMPANIES					
AD TAF	x				x
Campus Eramet(2)		x	x	x	x
Eramet International	x	x	x	x	x
Forges de Monplaisir			x	x	x

(1) *Eramet Marketing Services was absorbed by Eramet S.A. on 01/01/2023.*
(2) *Campus Eramet was absorbed by Eramet Services on 01/01/2023.*

5.4 Financial income

(in thousands of euros)	31/12/2023	31/12/2022
Investments – Dividends[(1)]	407,529	480,454
Investments – Interest[(2)]	44,617	38,552
Other dividends and interest	2,621	1,194
Reversals of provisions[(3)]	640,252	382,196
Exchange rate differences[(4)]	8,142	24,071
Net proceeds from sale of marketable securities	597	-
Financial income	**1,103,758**	**926,467**
Depreciation, amortisation and provisions[(5)]	(356,853)	(717,594)
Interest and similar expenses[(6)]	(115,163)	(73,868)
Losses on receivables related to equity investments	(24)	-
Financial expenses	**(472,039)**	**(791,462)**
FINANCIAL INCOME	**631,719**	**135,005**

(1) *Dividends paid by Strand (€267 million), Eramet Holding Manganèse (€90 million) and Comilog S.A. (€50 million).*
(2) *Interest income on current account loans of the Group (€44 million).*
(3) *Reversals of impairment provision for Erasteel securities and receivables for €523 million, reversal of provision for Eramet Holding Alliages financial risk for €109 million, and reversal of provision for MSEC bonds for €7.8 million.*
(4) *Net exchange gain of €8 million mainly resulting from the revaluation of Group loans and borrowings in foreign currencies.*
(5) *Impairment of Eramet Holding Alliages securities and loan amounting to €134 million. Impairment of loans to Société Le Nickel for €209.6 million and Eramet Cameroun for €7.6 million.*
(6) *Consists mainly of interest expense on financial debt for €86 million (Loan Term, Bonds, BEI, revolving credit facility), interest on Metal Securities current accounts for €11.7 million and €8.8 million in pre-deducted factoring interest.*

5.5 Extraordinary income

(in thousands of euros)	31/12/2023	31/12/2022
Income from management transactions	-	-
Gains on capital transactions	11,608	-
Reversals of provisions and expense transfer[(1)]	7,919	72,435
Extraordinary income	**19,527**	**72,435**
Charges on management transactions[(2)]	(1,098)	(51,388)
Expenses on capital transactions[(3)]	(538,797)	(6,095)
Exceptional depreciation, amortisation and provisions[(4)]	(15,428)	(16,202)
Extraordinary expenses	**(555,324)**	**(73,686)**
EXTRAORDINARY INCOME	**(535,796)**	**(1,251)**

(1) *Reversal of provision for the bonus share plan (€7.9 million).*
(2) *Settlement of liability guarantee (€1 million).*
(3) *Disposal of Erasteel equity investments (€514 million).*
(4) *Provision for Erasteel liability guarantee (€6 million), provision for top-hat pensions (€6.4 million) and provision for the closure of Eramet Cameroun (€3 million).*

5.6 Workforce

	FY 2023	FY 2022
Management	389	205
Administrative, Technical and Supervisory staff	80	44
WORKFORCE AT END OF PERIOD[(1)]	**469**	**249**
AVERAGE NO. OF EMPLOYEES	**445**	**224**

(1) *Increase in employees due to merger with EMAS.*

NOTE 6 Off-balance sheet commitments

(in thousands of euros)	31/12/2023	31/12/2022
COMMITMENTS MADE:		
Securities, endorsements and guarantees	121,471	102,377
COMMITMENTS RECEIVED:		
Securities, endorsements and guarantees	-	3,842
Internal USD exchange contracts (MCUR)	171,200	153,533
Multi-currency revolving credit facility & term loan	1,080,000	935,000
Glencore financing of Lithium	289,593	-
Interest rate hedging (Swap & Cap)	1,000,000	-
Credit facilities	-	25,000

The table above does not include current orders for the business or commitments on non-current asset orders related to investment projects.

Commitments made during sales

In connection with significant sales that took place in particular during the 2023 financial year, Eramet granted a number of customary guarantees or specific indemnities. Depending on the estimates and opinions on each item, which could lead to an outflow of resources in the short or medium term, a provision for liabilities has been recognised in the financial statements. The residual amount is considered a contingent liability.

NOTE 7 Risk management

7.1 Currency risk

Eramet is exposed to exchange risk on two levels:

- by way of its Nickel activity, Eramet receives its turnover mainly in US dollars (SLN and Strand Minerals nickel sales and Strand Minerals dividends), while its costs are mainly denominated in Euros (SLN nickel purchases). Hedging transactions are therefore carried out on the basis of multi-annual budgets and forecasts, with a maximum horizon of 36 months. As part of the technical assistance between Eramet and its subsidiary SLN, all commercial hedges are made on behalf of SLN and billed back directly to SLN under the marketing agreement;
- by way of its Holding activity, Eramet puts loans in place in foreign currencies for the benefit of Group companies and may enter into foreign exchange hedges. As at 31 December 2023, there was no currency hedging on long-term loans.

7.2 Risks on raw materials

Eramet is exposed to the volatility of raw material prices with regard to its turnover. Eramet may be required to set up term hedges on a limited portion of nickel sales.

These hedges may be made on behalf of SLN, a producer of ferronickel. As part of the technical assistance contract, the result of these hedges is charged to SLN’s monthly bills.

To a lesser extent, hedging can also be implemented as part of customer fixed price hedging.

As at 31 December 2023, there was no hedging on raw materials (31 December 2022: no hedging).

7.3 Credit or counterparty risk

The counterparty risks of Eramet relate mainly to its commercial operations and, by extension, to customer accounts. Thus, Eramet may be exposed to credit risk in the event of counterparty default. To limit this risk, of which the maximum exposure is equal to the net receivables recognised in the balance sheet, Eramet uses different tools: gathering information ahead of financial transactions (from rating agencies, published financial statements etc.), credit insurance and the establishment of letters of credit and documentary credits in order to prevent certain specific risks inherent to, for example, the geographical situation of customers.

Furthermore, Eramet’s customer portfolio consists mainly of large international groups in the fields of metallurgy whose insolvency risks are more limited.

7.4 Interest rate risk

Eramet regularly issues bank financing and bonds at fixed or floating rates. Eramet may hedge its interest rate exposure in order to reduce the interest expense paid on its debt.

At 31 December 2023, Eramet hedged its 2028 fixed-rate bond issue with a €500 million capped interest rate swap to convert the fixed rate into a capped floating rate. The market value of the hedge (swap + cap) was +€5.8 million at the reporting date.

7.5 Liquidity risk

The Eramet Group must ensure that it maintains a sufficient level of liquidity to meet its contractual obligations, including servicing its bank and bond debt. In this context, the Eramet Group anticipates the regular renewal of its existing borrowings (credit facilities, bonds, IFRS 16 leases etc.) and establishes new modes of financing according to the opportunities available. Furthermore, operational funds (investments and receivables) are implemented directly in the Eramet Group's subsidiaries. Eramet also aims to diversify its sources of funding, particularly between the bond and banking markets.

Eramet centralises virtually all the cash requirements and surpluses of its controlled companies, through Metal Securities, which is responsible for managing investment of cash surpluses. The Eramet Group's financial liquidity position at 31 December 2023 was €2,996 million (€2,596 million at 31 December 2022), including €1,621 million classified under cash and investments (31 December 2022: €1,661 million).

The cash surpluses are, for the most part, transferred to Metal Securities, the Group company in charge of centralising and investing the Eramet Group's cash surpluses.

Revolving credit facility

The revolving credit facility (RCF) was extended in June 2022 for an amount of €935 million and for a five-year term, with a new maturity in June 2027. The amount available under this revolving credit facility is €935 million. At 31 December 2023, this credit line had not been drawn down.

On 31 December 2023, the €123 million loan from the European Investment Bank to finance investments in research, development and innovation (RDI) in digitalisation and advanced manufacturing had not been drawn down.

On 31 January 2023, the Group signed a Multi-currency Term Loan Agreement for €480 million to fund general and investment requirements. The maturity of this financing is now set at January 2027, with the possibility of exercising an extension option for a further year. In June 2023, the total amount was increased to €515 million. At 31 December 2023, this credit line had also been partially drawn down for an amount of €357 million.

Finally, on 26 July 2023, the Group signed an offtake contract for lithium production in Argentina with Glencore International AG for a total of $400 million. At 31 December 2023, this credit line had also been partially drawn down for an amount of $80 million.

Financial debts are subject to the bank covenants described below:

Type of credit facility		Ratio	Amount
Revolving Credit Facility	Net debt decreased by the French State's loan to SLN and the amount of liability pursuant to IFRS 16/Shareholders' equity	< 1	€935 million
Term Loan	Net debt decreased by the French State's loan to SLN and the amount of liability pursuant to IFRS 16/Shareholders' equity	< 1	€357 million
Euro private placement	Net debt / Shareholder's equity	< 1	€78 million
European Investment Bank	Net debt decreased by the French State's loan to SLN and the amount of liability pursuant to IFRS 16/Shareholders' equity	< 1	€127 million

At 31 December 2023, the covenants showed no circumstances of accelerated maturity. Moreover, at 31 December 2023, no cases of cross-default likely to impact funding at the level of Eramet were recorded.

NOTE 8 Fees paid to the Statutory Auditors

The Statutory Auditors' fees for the certification of the financial statements invoiced for 2023 amounted to €694,000 (including €383,000 for KPMG and €312,000 for Grant Thornton).

NOTE 9 Consolidation of the Company's financial statements

Eramet S.A. is consolidated in the Eramet Group, of which it is the parent company.

NOTE 10 Employee charges and benefits

Compensation of administration and management bodies

(in thousands of euros)	FY 2023	FY 2022
SHORT-TERM BENEFITS:		
• Fixed compensation	2,985	3,084
• Variable compensation	2,298	2,379
• Directors' fees	776	791
OTHER BENEFITS:		
• Post-employment benefits	1,011	1,390
TOTAL	**7,070**	**7,643**

Bonus share plans

Three new bonus share plans were granted in March 2023:

Plan open to all employees ("Erashare"): not subject to performance conditions, for a initial total amount of 89,270 shares.

Plan open to certain employees and corporate officers, for which:

- a portion of the shares are subject to three performance conditions. The first, tied to corporate social responsibility, covers 20% of the shares. The second relates to internal conditions with the EBITDA indicator and covers 50%, and an external condition, covering 30%, yields an initial total of 113,918 shares; and
- part of the shares are not subject to performance conditions, for an initial total of 10,891 shares.

The criteria for share awards and the assessment of the accounting expense are the same as those described above.

The characteristics of the three new bonus share plans for 2023 are as follows:

		Number of shares	Exercise price *(euros)*	Maturity *(years)*(1)	Risk-free rate	Average dividend rate	Fair value of the option *(euros)*(2)
Plan open to all employees	France/Italy	7,180	free	3 + 0	2.64%	3.00%	75.12
	Worldwide	82,090	free	3 + 0	2.64%	3.00%	75.12
Plan open to certain employees and corporate officers	France/Italy	78,142	free	3 + 0	2.64%	3.00%	86.96/64.98
	Worldwide	46,667	free	3 + 0	2.64%	3.00%	86.96/64.98

(1) Maturity = vesting period + lock-in period.
(2) Bonus share award plans whose share awards are subject to two performance conditions have two fair values: the first being the intrinsic condition and the second being the external condition.

The change in the number of bonus share awards in the 2022 and 2023 reporting periods was as follows:

Number of bonus shares	31/12/2023	31/12/2022
AT BEGINNING OF PERIOD	**485,570**	**491,652**
New plans 2022/2023	214,079	113,450
Definitive allocations	(113,722)	(82,448)
Prescribed shares	(19,955)	(9,865)
Lapsed shares	(19,711)	(27,219)
AT PERIOD CLOSE	**546,261**	**485,570**
Distribution by year of allocation		
2023	-	134,723
2024	227,566	238,786
2025	106,007	112,061
2026	212,688	-

NOTE 11 Events after the reporting date

To the best of the company's knowledge, no event occurred after the reporting date.

NOTE 12 Table of subsidiaries and equity investments

As at 31 December 2023

(in thousands of euros or currencies)		Capital	Equity other than share capital	Share of capital held	Gross carrying amount of shares held	Net carrying amount of shares held	Loans and advances granted and not repaid	Endorsements and guarantees given	Dividends received during the year	Turnover in last financial year	Profit(loss) in last completed financial year
		Currency	Currency	%	EUR	EUR	EUR	EUR	EUR	Currency	Currency
I - DETAILED INFORMATION ON EACH SECURITY (GROSS VALUE GREATER THAN 1% OF THE CAPITAL OF THE COMPANY)											
Subsidiaries (at least 50% of share capital owned)											
Eralloys Holding	NOK	12,800	1,342,456	100%	419,445	181,620	26,583	-	-	-	(17,004)
Eramet Cameroun	XAF	-	-	100%	15	15	17,271	-	-	-	-
Eramet Holding Alliages	EUR	10,000	(341,578)	100%	1,045,860	-	334,447	-	-	696	(138,955)
Eramet Holding Manganèse	EUR	310,156	64,982	100%	310,156	310,156	-	-	90,000	-	86,755
Eramet Holding Nickel	EUR	227,104	(138,607)	100%	229,652	86,064	-	-	-	-	2,434
Eramet Ideas (formerly Eramet Research)	EUR	9,410	5,668	100%	9,162	9,162	-	-	-	24,849	2,823
Eramet International(1)	EUR	160	5,266	100%	892	892	-	-	-	904	156
Eramet Mineral Sands	EUR	50	(43,869)	100%	50	50	222,156	-	-	-	(37,714)
Eramet Services	EUR	1,540	621	100%	1,540	1,540	-	-	-	12,037	381
Eramine	EUR	40,040	(716)	100%	40,040	40,040	453,024	-	-	-	5,540
Eras	EUR	2,000	9	100%	1,986	1,986	-	-	-	-	-
Mineral Deposits Ltd	AUD	520,900	(166,985)	100%	218,807	218,807	-	-	-	-	1,723
PT Eramet Halmahera Nickel	EUR	691	317	100%	675	675	5,230	-	-	8,840	317
PT Eramet Indonesia Mining	EUR	1,148	189	100%	1,100	1,100	643	-	-	4,710	189
Equity investments (between 10 and 50% held)					**2,279,380**	**852,107**					
Comilog	XAF	40,811,593	710,614,166	23%	53,407	53,407	-	-	50,172	660,832,415	87,899,191
Strand Minerals Pte Ltd	USD	720	7,417	43%	384,323	384,323	-	-	267,266	-	675,988
					437,730	**437,730**					
II - GENERAL INFORMATION ON OTHER SECURITIES (GROSS VALUE AT MOST EQUAL TO 1% OF THE CAPITAL OF THE COMPANY)											
• French subsidiaries	EUR	-	-	-	248	248	442,030	-	-	-	-
• Foreign subsidiaries	EUR	-	-	-	-	-	-	-	-	-	-
• Equity investments	EUR	-	-	-	457	197	328,277	-	100	-	-
TOTAL		**-**	**-**	**-**	**2,717,815**	**1,290,282**	**1,829,661**	**-**	**407,538**		

(1) Turnover and results as at 31/12/23.

	Siren No.	Head office address
I - DETAILED INFORMATION ON EACH SECURITY (GROSS VALUE GREATER THAN 1% OF THE CAPITAL OF THE COMPANY)		
Subsidiaries (at least 50% of share capital owned)		
Eras	N/A	6B, route de Trèves L – 2633 Senningerberg R. C. Luxembourg B 35.721
Eramet Ideas (formerly Eramet Research)	301,608,634	1, avenue Albert Einstein BP 120 78193 Trappes, France
Eramet International	398,932,939	10, boulevard de Grenelle 75015 Paris Cedex 15 France
Eramet Holding Nickel	335,120,515	10, boulevard de Grenelle 75015 Paris Cedex 15 France
Weda Bay Minerals Inc.	N/A	14th Floor, 220 Bay Street Toronto Ontario, M5J2W4 Canada
Eramet Holding Manganèse	414,947,275	10, boulevard de Grenelle 75015 Paris Cedex 15 France
Eralloys Holding	N/A	Eralloys Holding AS Strandv 50 1366 Lysaker Norway
Eramet Holding Alliages	562,013,995	10, boulevard de Grenelle 75015 Paris Cedex 15 France
Mineral Deposits Ltd	N/A	Level 17 530 Collins St, Melbourne, Victoria 3000, Australia
Eramet Services	529,241,895	10, boulevard de Grenelle 75015 Paris Cedex 15 France
Eramine	428,739,627	10, boulevard de Grenelle 75015 Paris Cedex 15 France
Eramet Cameroun		Rue 1828 next to the Embassy of Japan, BP No. 35580 Yaoundé-Bastos, Cameroon
Eramet Mineral Sands	879,061,968	10, boulevard de Grenelle 75015 Paris Cedex 15 France
Equity investments (between 10 and 50% held)		
Comilog	N/A	Compagnie minière de l'Ogooué Z.I. de Moanda BP 27-28 Gabon
Strand Minerals Pte Ltd	N/A	8 Marina Boulevard #05-02 – Marina Bay Financial Centre – Singapore 018981

Statutory auditors' report on the financial statements

Year ended 31 December 2023

To the Shareholders' Meeting of Eramet S.A.,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Eramet S.A. for the year ended 31 December 2023.

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 31 December 2023 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, Risks and Ethics 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.

Independance

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes) for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Emphasis of Matter

Without qualifying the opinion expressed above, we draw your attention to the matter described in note 2 "Operating and financial difficulties of SLN in New Caledonia and going concern" to the financial statements and its accounting treatment in the financial statements of Eramet S.A. for the year ended December 31, 2023.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed 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, and we do not provide a separate opinion on specific items of the financial statements.

Impairment tests on equity investments and related receivables

Risk identified	Audit procedures in response to the identified risk
Equity investments and related receivables are recorded on the balance sheet at 31 December 2023 for €2,440 million net. They are initially recognised at acquisition cost and depreciated based on their value in use, in accordance with the approach described in note 3.2 to the annual financial statements. Management generally estimates value in use by taking into account both the net asset value and expected future profitability, When the value in use is less than the gross value, an impairment provision is recognized to the amount of the difference. In estimating the value in use of these equity investments and related receivables, Management uses its judgement to select the items to be taken into consideration, depending on which equity investments and related receivables are concerned. Impairment testing is a key audit matter due to the material importance of the value of the equity investments and related receivables in the company's financial statements and because the calculation of their recoverable value, when it is based on projected discounted future cash flows, requires the use of assumptions, estimates, judgments or assessments.	We examined indicators of impairment as well as how impairment tests were conducted. For impairment tests based on the historical data, our procedures consisted, in particular, in: • reconciling the shareholders' equity used with the financial statements of the entities that were audited or were subject to other procedures where necessary; • assessing whether any adjustments made to equity were based on documentation that provides the grounds for such adjustments. For impairment tests based on the forecasts, our procedures consisted, in particular, in: • obtaining cash flow forecasts for the activities of the entities concerned and assessing their consistency with the medium- and long-term plans, if so, reviewed by management in the context of the crisis; • assessing the consistency of the assumptions used with our knowledge of the economic environment on the date the financial statements were prepared; • comparing the forecasts used for the previous periods with the corresponding actual results to assess whether the past targets have been achieved; • assessing whether any adjustments made to tge cash flow forecasts were based on documentation that provides the grounds for such adjustments. Our work also consisted in assessing the degree to which receivables from equity investments are recoverable, in the light of the audit procedures performed on the equity investments.

Specific verifications

We have also performed, in accordance with the professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in other documents with respect to the financial position and the financial statements provided to the shareholders

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 other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment ratios mentioned in Article D. 441-6 of the French Commercial Code (Code de commerce).

Report on Corporate Governance

We attest that the Board of Directors' Report on Corporate Governance sets out the information required by Articles L. 225-37-4, L. 22-10-10 et L. 22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (Code de commerce) relating to the compensation and benefits received by, or allocated to the directors and any other commitments made in their favour, 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 thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

Regarding the information that your company has considered likely to have an impact in the event of a takeover bid or exchange offer, provided in accordance with the provisions of Article L.22-10-11 of the French Commercial Code, we have verified its consistency with the documents from which it was extracted and which were communicated to us. On the basis of our work, we have no matters to report on this information.

Other information

In accordance with French law, we have verified that the required information and 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

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the CEO, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF correspond to those which we have performed our work on.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Eramet S.A. by your combined shareholders' meeting of May 29, 2015 for KPMG SA and by your combined shareholders' meeting of May 28, 2021 for GRANT THORNTON.

At 31 December 2023, KPMG SA was in the nineth year of its uninterrupted engagement and GRANT THORNTON in the third year.

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 operations.

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

The financial statements were approved by the Board of Directors

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is 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. 821-55 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 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 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 financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit, Risks and Ethics Committee

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

Our report to the Audit, Risks and Ethics 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 that we are required to describe in this report.

We also provide the Audit, Risks and Ethics Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit, Risks and Ethics Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris La Défense, 22 March 2024

The Statutory Auditors

French original signed by

KPMG SA		Grant Thornton Membre français de Grant Thornton International	
Michel Piette *Associé*	Jérémie Lerondeau *Associé*	Jean-François Baloteaud *Associé*	Alexandre Mikhail *Associé*

Statutory auditors' report on related party agreements

Annual General Meeting held to approve the financial statements for the year ended 31 December 2023

To the Annual General Meeting of Eramet S.A.,

In our capacity of the statutory auditors of your Company, we hereby present to you our report on the related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. 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.

We are also required, where applicable, to inform you in accordance with Article R.225-31 of the French Commercial Code (Code de commerce) of the continuation of the implementation, during the year ended 31 December 2023, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with the 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 Annual General Meeting

In accordance with Article L.225-38 of the French Commercial Code (Code de commerce), we have not been notified of any related party agreements authorized during the year ended 31 December 2023 that should be submitted to the approval of the Shareholders' Meeting.

Agreements previously approved by the Annual General Meeting

Agreements approved in prior years

In accordance with Article R.225-30 of the French Commercial Code (Code de commerce), we have been notified that the implementation of the following agreements, which were approved by the Annual General Meeting in prior years, continued during the year ended 31 December 2023.

With Société Le Nickel-SLN

Person performing the duties of director at both companies:

Madame Christel Bories (CEO of your Company).

Technical assistance contract

Nature and purpose

Under the terms of the technical assistance contract signed in 1999, your Company provides general support to Société Le Nickel-SLN in strategic, industrial, financial, tax and human resource management matters. This agreement was amended with retroactive effect from 1 January 2010.

Terms and conditions

The services are remunerated on the basis of the costs actually incurred by your Company for these services, plus a margin of 8%. The amount billed was €7,954,404 for 2023, same amount as in 2022. In 2023, SLN has benefited from a cap on the billing of this margin at the level of 2022, while the services provided by Eramet continued unchanged.

Marketing agreement

Nature and purpose

The marketing agreement entered into between your Company and Société Le Nickel-SLN in 1985, under which your Company markets the products of Société Le Nickel-SLN (excluding ore), was amended with retroactive effect as from 1 January 2010.

Terms and conditions

Under this agreement, your Company purchased nickel matt and ferro-nickel from Société Le Nickel-SLN, based on a purchase price at which Eramet could realise a 3% sales margin plus a bonus, the calculation terms and trigger threshold price of which have been redefined.

The total amount of purchases billed by Société Le Nickel-SLN to your Company was €586,440,961.00 in 2023 compared with €712,199,865.74 in 2022.

Under the same agreement, your Company, as an agent of Société Le Nickel-SLN, billed Société Le Nickel-SLN a 1.5% commission on sales of low-grade or intermediate-grade ore or washing by-products or Demag slag. The amount billed was €3,137,599.37 in 2023, compared with €5,045,274.48 in 2022.

Under an amendment that took effect on 9 May 2016 and in line with the conditions of one of your Company's "borrowing base" financing agreements, the terms for full or partial early payment were set at the fourth business day of the month, in exchange for remuneration at a rate of 1-month Euribor + 2.10%

Intra-group loan agreements

Nature and purpose

An intra-group loan agreement granted by Eramet to Société Le Nickel-SLN, entered into on 23 December 2015 (authorized by the Board of Directors on 22 December 2015 and approved by the Annual General Meeting of 27 May 2016) for an initial amount of €120 million, amended as follows

- Amendment No. 1 of 22 February 2016 (authorized by the Board of Directors on 17 February 2016 and approved by the Annual General Meeting of 27 May 2016, increasing the loan to €150 million;
- Amendment No. 2 of 27 May 2016 (authorized by the Board of Directors on 9 May 2016 and approved by the Annual General Meeting of 23 May 2017), increasing the loan to €190 million and extending the maturity to 31 December 2016;
- Amendment No. 3 of 27 July 2016 (authorized by the Board of Directors on 27 July 2016 and approved by the Annual General Meeting of 23 May 2017)), increasing the loan to €325 million and extending the maturity to 30 June 2024. The interest rate was also increased to 4% plus the performance participation rate based on the EBITDA of Société Le Nickel-SLN;
- Amendment No. 4 (authorized by the Board of Directors on 24 May 2018 and approved by the Annual General Meeting of 23 May 2019), extending the loan availability period from 30 June 2018 to 31 December 2020.
- Amendment No. 5 (authorized by the Board of Directors on 10 December 2020) extending the loan availability period from 31 December 2020 to 31 December 2021.
- Amendment No. 6 (authorized by the Board of Directors on 9 December 2021) extending the loan availability period from 31 December 2021 to 31 December 2022.

Terms and conditions

At the end of December 2022, €325 million had been drawn down. The interest was calculated based on an interest rate of 4%. The performance participation rate was zero in the period.

The interest amount billed was €13,000,000.00 in 2023, compared with €12,056,109.59 in 2022.

Neuilly-sur-Seine and Paris La Défense, 22 March 2024

The Statutory Auditors

French original signed by

KPMG SA		Grant Thornton Membre français de Grant Thornton International	
Michel Piette *Associé*	Jérémie Lerondeau *Associé*	Jean-François Baloteaud *Associé*	Alexandre Mikhail *Associé*

Table of the financial results of the Company over the past five years

	2019	2020	2021	2022	2023
SHARE CAPITAL AT END OF YEAR					
a) Share capital	81,239,800	81,239,815	87,702,893	87,702,893	87,702,893
b) Number of shares issued	26,636,000	26,636,005	28,755,047	28,755,047	28,755,047
OPERATIONS AND RESULTS FOR THE YEAR *(in thousands of euros)*					
a) Turnover excluding tax	731,954	842,313	1,069,505	1,193,329	3,158,634
b) Result before tax, employee shareholding, depreciation, amortisation and provisions	128,866	(26,645)	87,115	358,411	(274,170)
c) Income tax	2,343	2,253	74,646	88,539	4,370
d) Employee shareholding	-	-	2,067	1,358	225
e) Result after tax, employee shareholding, depreciation, amortisation and provisions	4,697	(907,356)	330,923	142,591	(6,689)
f) Amount of proposed dividend	-	-	-	-	-
EARNINGS PER SHARE *(in euros)*					
a) Result after tax and employee shareholding but before depreciation, amortisation and provisions	4.75	(1.08)	0.36	9.34	(9.69)
b) Result after tax, employee shareholding, depreciation, amortisation and provisions	0.18	(34.07)	11.51	4.96	(0.23)
c) Proposed dividend per share	-	-	-	2.50	-
PERSONNEL					
a) Average number of employees	181	204	201	224	445
b) Payroll *(in thousands of euros)*	24,950	39,261	42,423	41,843	63,349
c) Sums paid for social security benefits *(in thousands of euros)*	10,882	12,165	15,709	15,557	32,510

Invoices received and issued not settled at the end of the financial year and past due (table provided under I of Article D. 441-4)

	Article D. 441.-I: Invoices received and not settled at the end of the financial year and past due						Article D. 441.-I: Invoices issued and not settled at the end of the financial year and past due					
(in thousands of euros)	0 day (for information)	1-30 days	31-60 days	61-90 days	91 days or more	Total (1 day or more)	0 day (for information)	1-30 days	31-60 days	61-90 days	91 days or more	Total (1 day or more)
A/ LATE PAYMENT TRANCHES												
Number of invoices concerned	280					657	9					880
Total amount of invoices concerned inc. tax	16,586	2,876	96	(43)	8,576	11,504	982	76,794	5,889	799	9,676	93,159
Percentage of total amount of purchases in the year inc. tax	0.51	0.09	0.00	0.00	0.26	0.35						
Percentage of sales for the year inc. tax							0.03	2.26	0.17	0.02	0.28	2.74
B/ INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNBOOKED PAYABLES AND RECEIVABLES												
Number of invoices excluded						0						0
Total amount of invoices excluded inc. tax						0						0
C/ REFERENCE PAYMENT PERIODS USED (CONTRACTUAL OR LEGAL – ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)												
Payment periods used to calculate late payments	Contractual periods						Contractual periods					

Reincorporation of general costs and sumptuary expenses

Not applicable.

2.3 Consolidated financial statements for 2022 and 2021

In accordance with Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, the following information is included by reference in this Universal Registration Document:

a) For the financial year ended 31 December 2022, the consolidated financial statements and the individual financial statements, the reports of the Statutory Auditors relating thereto and their special report on regulated agreements and commitments and the management report appearing respectively in Chapter 2 "Consolidated financial statements and individual financial statements" (pages 102-215), the integrated report (pages 32 and 33) and Chapter 1 "Activities" (pages 38, 51, 62, 69 and 83) of the 2022 Universal Registration Document filed with the Autorité des marchés financiers (AMF) on 13 April 2023 under number D. 23-0269.

b) For the financial year ended 31 December 2021, the consolidated financial statements and the individual financial statements, the reports of the Statutory Auditors relating thereto and their special report on regulated agreements and commitments and the management report appearing respectively in Chapter 3 "Consolidated financial statements and individual financial statements" (pages 102-221), the integrated report (pages 38-40 and 41) and Chapter 2 "Activities" (pages 44, 56, 67, 73 and 92-95) of the 2021 Universal Registration Document filed with the Autorité des marchés financiers (AMF) on 4 April 2022 under number D. 22-0235 and available on the Company's website (https://www.eramet.com/sites/default/files/2022-04/Eramet_2021_COMPLET_MEL_BD.pdf).

The parts not included in the 2021 and 2022 Universal Registration Documents are either not applicable to investors or are covered elsewhere in this Universal Registration Document.

The two documents cited above are available on the Company's website (www.eramet.com) and on the AMF's website (www.amf-france.org).

2.4 Dividend distribution policy

Dividend payment methods

Dividends are paid out annually at the time and place established by the Shareholders' Meeting, or, failing this, by the Board of Directors, within a maximum period of nine months from the end of the financial year. Dividends duly received cannot be repeated.

An interim dividend may be paid out before the date of the Shareholders' Meeting, by setting the amount, as decided by the Board of Directors, under the conditions established in Article L. 232-12, paragraph 2, of the French Commercial Code.

It may be proposed to shareholders, in whole or in part, that they opt for payment in new shares of the Company, under the conditions of Article L. 232-18, paragraph 1 of the French Commercial Code.

In accordance with the provisions in force in France, the limitation period for unclaimed dividends is five years from their payment date. Unclaimed sums are paid to the French State, in accordance with the applicable provisions.

Allocation and division of results (Article 24 of the Articles of Association)

"From the net profits, as defined by law, less previous losses where applicable, 5% shall be deducted to establish the reserve fund provided for by law, until this fund has reached one-tenth of the share capital.

Distributable profit is made up of net profit for the financial year, less previous losses and the deduction provided above and increased by profit carryforwards. From the distributable profit, the Ordinary Shareholders' Meeting may deduct any sum it deems appropriate to set, either to be carried forward to the next financial year, or to be carried in one or more reserve funds, general or special, the assignment or use of which it shall determine.

Any surplus shall be distributed evenly across all of the shares.

The Shareholders' Meeting may grant each shareholder, for all or part of the dividend distributed, the option of a dividend payment in shares under legal conditions, or in cash".

Table of allocation of 2023 result

The proposed allocation of the 2023 result and the recap of the dividends paid over the last three financial years appear in the resolutions proposed to the next Shareholders' Meeting in the Shareholders' Meeting chapter of this document.

Dividend policy

Payment methods

The Company does not usually pay out an interim dividend. Dividends are paid out each year after the Shareholders' Meeting called to vote on the management and the financial statements for the previous year. A mixed pay-out in cash and in shares may be proposed as an option for shareholders.

Amount of dividend

The Company strives to pay regular, substantial dividends.

2.5 Insurance policy

Property and casualty insurance (Fire, Accident, Multi-risk)

As risks are identified and their impact managed, the Group defines the most suitable insurance strategy to transfer the financing of its insurable residual risks as part of global schemes, taken out with internationally recognised, reputable insurers of sound financial standing.

The Group thus implements adapted solutions, offering the optimum balance between the cost and scope of the proposed coverage, and has sufficient insurance in place to cover the main risks relating to its activity, both in scope and in the amounts insured or cover limits.

The Group also provides primary coverage in some insurance schemes, which enables it to define and/or adapt retention levels to have some control over insurance costs.

The three main categories of insurance taken out cover possible claims against the Group's civil liability stemming from its activities, damage to its facilities and the associated operating loss, and the risk of damage or loss during transportation.

Civil liability

The general civil liability scheme covers the financial consequences for the Group of loss, damage or injury caused to third parties in the context of its activities or due to its products.

This scheme includes civil liability components: exploitation/pre-delivery, products/post-delivery, professional or engineering.

The Group is also covered by an insurance scheme for Harm to the Environment and Environmental Liability.

Property damage and operating losses

Its purpose is to cover the damaging consequences of events that may occur at facilities such as fire, explosion, machine breakdown or natural event.

Faculty/goods transported

This scheme covers all of the Group's subsidiaries around the world for all of the goods transported for which they are responsible.

3

CORPORATE GOVERNANCE REPORT

This report, provided for in the last paragraph of Article L. 225-37 of the French Commercial Code, covers the points provided for in Articles L. 225-37-4, L. 22-10-9, L. 22-10-10 and L. 22-10-11 of the French Commercial Code.

3.1 Governance information

PRESENTATION OF THE BOARD OF DIRECTORS

44 %(1)
INDEPENDENT

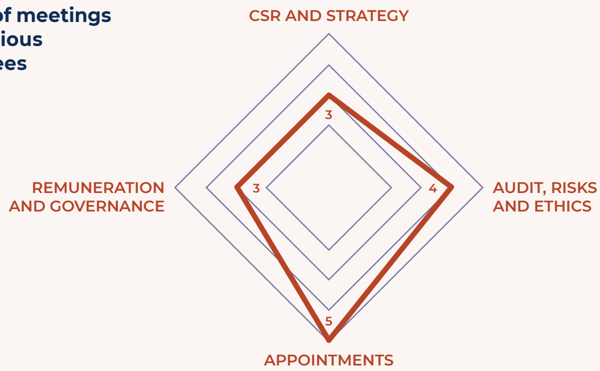
50 %(1)
WOMEN

56 years
AVERAGE AGE

4 SPECIALISED COMMITTEES

- CSR and Strategy
- Audit, Risks and Ethics
- Appointments
- Remuneration and Governance

Number of meetings of the various committees



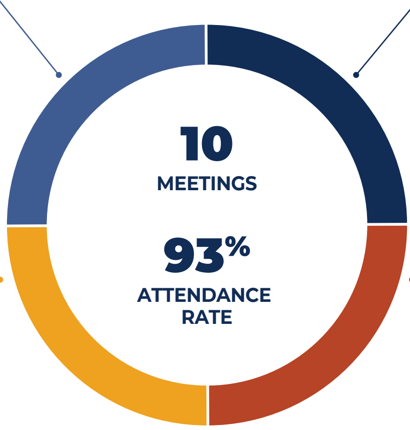
SUMMARY OF THE WORK OF THE COMMITTEES AND OF THE BOARD IN 2023

CSR AND STRATEGY

The Committee assists the Board in determining the Group's strategic lines of action in terms of CSR, in particular by monitoring of the CSR Roadmap and the achievement of its objectives. It reviews developments taking place in the Group's markets and the resulting strategic options.

REMUNERATION AND GOVERNANCE

The Committee conducts an annual review of the collective criteria for variable remuneration of management executives and the executive corporate officer. It also proposes the terms and conditions of the performance share award plans for the Group's main management executives.



AUDIT, RISKS AND ETHICS

In addition to monitoring the financial reporting process, the Committee also monitors the key risks and the implementation of associated remediation plans.

APPOINTMENTS

The Appointments Committee leads the process of proposing new directors for appointment by the Board. The Committee conducts an annual review of the independence criteria for independent directors and of the succession planning for key Group management personnel.

OVERVIEW OF THE GROUP GOVERNANCE BODIES

BOARD OF DIRECTORS	EXECUTIVE COMMITTEE
18 MEMBERS	7 MEMBERS
8 WOMEN, 4 NATIONALITIES	3 WOMEN, 2 NATIONALITIES

(1) These ratios do not include directors representing employees.

3.1.1 The Board of Directors and its Committees

3.1.1.1 Composition of the Board of Directors – Lead Director

The Articles of Association specify that the Company is administered by a Board of Directors with 17 members at most. Where relevant, the members include a Government representative and directors appointed at the Government's proposal pursuant to Articles 4 and 6 of Order No. 2014-948 of 20 August 2014 on the governance and share capital transactions of publicly owned companies. Under this Order, a Government representative, Romain Valenty, was appointed to the Board by the successive orders of 18 October 2022 and 23 May 2023. Furthermore, in accordance with Article L. 22-10-7 of the French Commercial Code and Article 10.9 of the Articles of Association, two directors representing employees were appointed, one by the Company Social and Economic Council and the other by the European Works Council. Their term of office is four years from their appointment.

In accordance with the Shareholders' Agreement of 16 March 2012 between Sorame and CEIR, on the one hand, and FSI Equation (wholly owned by the State) on the other, as set out in paragraph 6.4, chapter of this document entitled "Eramet and its shareholders", the Board of Directors is comprised as follows:

- eight directors put forward by the Sorame-CEIR agreement, including at least three independent directors: the Sorame-CEIR agreement proposed the appointment of Sorame represented by Jerome Duval, CEIR represented by Nathalie de La Fournière, Héloïse Duval and Manoelle Lepoutre, and four directors considered as independent by the Board of Directors: François Corbin, Miriam Maes, Emeric Burin des Roziers and Christine Coignard;
- five directors, put forward by the Agence des participations de l'État (APE – French Government shareholding agency), including at least two independent directors; Romain Valenty was appointed as Government representative by order of the Minister of the Economy in accordance with Order No. 2014-948 of 20 August 2014 and the Government put forward the appointment of Jean-Yves Gilet, and three directors considered as independent by the Board of Directors: Solenne Lepage, Ghislain Lescuyer, and Sonia Sikorav;
- two directors put forward by STCPI (Jean-Philippe Vollmer, the second post is currently vacant);
- one director put forward by Sorame-CEIR and APE by mutual agreement (Alilat Antsélévé Oyima);
- one director called on to chair the Board of Directors (Christel Bories).

In accordance with the Articles of Association and the Directors' Charter, each individual director must become the holder of one hundred shares within eighteen months of joining the Board and retain them for the duration of their term of office.

The current terms of office of the 15 directors appointed by the Shareholders' Meeting are as follows: three terms of office expiring at the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2023; four terms expiring at the Shareholder's Meeting called to approve the financial statements for the year ended 31 December 2024; and eight terms expiring at the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2026.

Other participants on the Board of Directors (without voting rights): Jean-Philippe Letellier (Social and Economic Council delegate).

Lead Director

The Articles of Association provide that, after seeking the opinion of the Appointments Committee, the Board may appoint a Lead Director, chosen from among the independent directors. The Lead Director's duties include: ensuring that the Company's governance bodies function effectively; collaborating with the Remuneration and Governance Committee in the annual self-assessment and three-year external assessment of the Board; and arranging at least one annual meeting between the non-executive Board members and the independent directors to facilitate access, on the part of directors – whether independent or not – to the information they require to perform their duties in the best conditions possible. The full list of the Lead Director's duties is set out in the Company's internal regulations, which is regularly updated and published on the Company's website.

The Board appointed François Corbin as Lead Director with effect from 30 March 2021 and reappointed him on 23 May 2023. In 2023, fulfilment of these duties achieved the following:

- preventing conflicts of interest: the Group guarantees that directors have no ongoing conflicts of interest vis-à-vis their various duties. When opening each session, the Chair asks each director to indicate whether they have a conflict of interest regarding one of the agenda items. If a director in fact does, they shall leave the meeting; the Lead Director shall ensure this;
- holding non-executive meetings: the Lead Director held such a meeting on 26 July 2023 and then shared his key comments and suggestions with the Chair. A report was written and recommendations issued and applied;
- holding meetings solely for independent directors: this meeting took place on 21 March 2023. Feedback on this was given to the Chair;
- facilitating a clear structure for the roles of Chair and Chief Executive Officer, and ensuring that Committee meetings run properly: the Lead Director meets frequently with the Chair for this purpose;
- participating, in collaboration with the Remuneration and Governance Committee, in the annual self-evaluation. The Lead Director is involved in the 2023 evaluation;
- discussing the Group's governance issues. The Lead Director shall make himself available to the shareholders who so request. He shall also take the initiative to meet with the shareholders acting in concert to make every effort to anticipate any divergences that may arise. Said shareholders shall also regularly take the initiative to meet with the Lead Director.

As at 31 December 2023	Age	Female/Male	Date of initial appointment	End of term of office (at close of financial year)	Attendance rate at Board of Directors' meetings in 2023	Committees			
						CSR and Strategy Committee	Audit, Risks and Ethics Committee	Appointments Committee	Remuneration and Governance Committee
Christel Bories	59	F	23 May 2017	2024	100%	•			
Alilat Antsélévé-Oyima	63	M	28 May 2021	2024	100%				
Émeric Burin des Roziers(1)	43	M	23 May 2019	2026	100%	•			
Christine Coignard(1)	59	F	23 May 2017	2024	100%	•	•	•	
François Corbin(1)(2)	66	M	23 May 2019	2026	100%		•		•
Jérôme Duval (Sorame)	51	M	23 May 2019	2026	100%	•	•		
Héloïse Duval	34	F	23 May 2023	2026	100%				
Jean-Yves Gilet	67	M	23 July 2016	2026	100%	•			
Nathalie de La Fournière (CEIR)	56	F	29 May 2015	2026	100%	•		•	•
Solenne Lepage(1)	52	F	22 March 2024	2024	N/A				
Manoelle Lepoutre	64	F	11 May 2011	2026	100%	C			
Ghislain Lescuyer(1)	66	M	23 May 2023	2026	100%			C	C
Miriam Maes(1)	67	F	27 May 2016	2023	70%		C		•
Nicolas Noël(3)	46	M	23 June 2022	22 June 2026	100%	•			
Franck Pecqueux(3)	53	M	12 November 2022	11 November 2026	100%				•
Sonia Sikorav(1)	66	F	27 May 2016	2023	100%	•	•		
Romain Valenty(4)	40	M	18 October 2022	N/A	100%	•	•	•	•
Jean-Philippe Vollmer	47	M	15 October 2020	2023	50%				

C *Committee chair.*
(1) Independent director.
(2) Lead Director.
(3) Director representing employees.
(4) Government representative.

3.1.1.2 Detail of terms of office

Full details of the composition of the Board of Directors and of the terms of office of its members at the date of this report can be found below.

Date of birth:
20 May 1964
(59 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
25,559
(36,158 voting rights)

Christel **Bories**

DIRECTOR(D)

CHAIR AND CHIEF EXECUTIVE OFFICER

Training and professional career

Christel Bories joined Eramet in February 2017 and, since May 2017, has been the Chair and Chief Executive Officer of the Eramet Group.

Christel Bories was previously Deputy Chief Executive Officer of Ipsen (listed company) from 27 February 2013 until March 2016. Before that, she held various positions of responsibility with the Pechiney Group from 1995 onwards. After Pechiney was taken over by the Alcan Group in 2003, Christel Bories was appointed Chair and Chief Executive Officer of Alcan Packaging and then Chair and Chief Executive Officer of Alcan Engineered Products, and finally Chief Executive Officer of Constellium (formerly Alcan), from which she resigned in 2012. From 1993 to 1995, she was Director of Strategy and Control at Umicore.

She began her career in 1986 as a strategy consultant at Booz-Allen & Hamilton, and then at Corporate Value Associates.

Christel Bories is a graduate of the École des Hautes Études Commerciales (HEC Paris).

Date of first appointment

Director and Chair and Chief Executive Officer: Shareholders' and Board Meeting of 23 May 2017

Date of last reappointment, and expiry date of term of office

Reappointment: Shareholders' Meeting of 28 May 2021, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2024 financial statements

Other offices held

- **Within Group companies**
  - Director of Comilog S.A.
- **Within non-Group companies**
  - Director of the France Industrie organisation

Offices held and completed during the past five years

- **Within non-Group companies**
  - Director of Legrand (listed company) (until 31 May 2023)
  - Director of Smurfit Kappa (listed company) (until December 2019)
- **Within Group companies**
  - Director of Société Le Nickel SLN (until 21 September 2023)

(D) CSR and Strategy Committee.

Date of birth:
1 January 1960
(63 years old)

Nationality:
Gabonese

Business address:
BP 20169, Libreville,
Gabon

Alilat **Antsélévé-Oyima**

DIRECTOR

Training and professional career

Alilat Antsélévé-Oyima has been Chair of the Board of Directors of Société Équatoriale des Mines (SEM) since October 2023. From March 2019 to September 2023, he served as Special Adviser to the President of the Republic of Gabon, Head of the Hydrocarbons, Mines and Industries Department. He was Head of Hydrocarbons from October 2009 until January 2017.

From December 2006 to December 2009, Alilat Antsélévé-Oyima was Deputy Chief Executive Officer of Shell Gabon. Before that, he was advisor to the Gabon Minister of Mines and Hydrocarbons and began his career as Head of Topography and Operational Oversight at Comilog.

Alilat Antsélévé-Oyima is a Mining Engineer (Moscow Mining Institute) and holds an MBA from UQAM.

Date of first appointment

Shareholders' Meeting of 28 May 2021

Date of last reappointment, and expiry date of term of office

Expiry date: Shareholders' Meeting called to approve the 2024 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Chair of the Board of Directors of Société Équatoriale des Mines (Gabon)

Offices held and completed during the past five years

None

Date of birth:
8 July 1980 (43 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle, 75015 Paris, France

Eramet shares held:
1,067 (1,938 voting rights)

Émeric **Burin des Roziers**

INDEPENDENT DIRECTOR(D)

Training and professional career

Since January 2023, Emeric Burin des Roziers has been Chief Executive Officer of the NW Group, the first French energy transition unicorn, specialising in distributed electricity storage units and high-power EV charging stations. As such, he is a corporate officer of NW Energy and NW Storm. From 2016 to 2022, he was Deputy Chief Executive Officer of Engie Solution's Industry BU and Chief Executive Officer of Endel, the French leader in nuclear maintenance, which was then a subsidiary of Engie.

From 2011 to 2016, he served the Eramet Group in a series of capacities: as Director of Business Development of the Manganese Branch, as Chief Executive Officer of the Recycling Activity and as Director of Central Operations Restructuring.

He has previously worked for the Ministry of Energy, as adviser and then Deputy Cabinet Director to the Minister. He began his career in 2003 as a consultant with the Boston Consulting Group.

Émeric Burin des Roziers graduated from the École Polytechnique and ENSTA.

Date of first appointment

Shareholders' Meeting of 23 May 2019

Date of last reappointment, and expiry date of term of office

Reappointment: Shareholders' Meeting of 23 May 2023, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies (unlisted companies)**

– Chair of Heos (since July 2022)
– CEO of NW Energy and NW Storm (since January 2023)

Offices held and completed during the past five years

– Chair of Endel S.A.S. and of Technical Engineering Support S.A.S. (an Endel subsidiary) (until April 2022)
– Manager of SN Europipe (until April 2022)

(D) CSR and Strategy Committee

Date of birth:
5 February 1964
(59 years old)

Nationality:
French and Canadian

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
418 (518 voting rights)

Christine **Coignard**

INDEPENDENT DIRECTOR(A)(C)(D)

Training and professional career

Christine Coignard is the Founder and Managing Director of Coignard & Haas GmbH, a strategy and development consultancy since 2001, where she holds general management and financing consultancy positions for several clients, mainly active in the mining sector.

Christine Coignard was Director of Investments and Financing at Norilsk Nickel from 1997 to 2000 and has worked for the investment firm Interros.

She began her career in 1988 at the Royal Bank of Canada (1988-1991), followed by Société Générale (1991-1994) and Citibank (1994-1996).

Christine Coignard is a graduate of EM Lyon and holds an MBA from the Schulich School of Business (Canada).

Date of first appointment

Shareholders' Meeting of 23 May 2017

Date of last reappointment, and expiry date of term of office

Reappointment: Shareholders' Meeting of 28 May 2021, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2024 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Managing Director and Founding Partner of Coignard & Haas GmbH (Germany)
– Director of Rigel Resource Acquisition Corporation (listed company – United States)
– Director of Ecora Resources plc (listed company – United Kingdom and Canada)

Offices held and completed during the past five years

– Director of Polymetal International plc (listed company – United Kingdom) (until April 2020)

(A) Audit, Risks and Ethics Committee.
(C) Appointments Committee.
(D) CSR and Strategy Committee.

Date of birth:
14 September 1957
(66 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
2,101 (3,201 voting rights)

François **Corbin**

LEAD DIRECTOR – INDEPENDENT DIRECTOR(A)(B)

Training and professional career

François Corbin is Vice President of MEDEF International in charge of coordination in the ASEAN region, and the French Minister for Europe and Foreign Affairs' special representative for economic relations in the ASEAN region.

François Corbin joined the Michelin Group in 2004 where he worked until 2021, holding senior management positions in Business Units in France and abroad, then as member of the Group's Executive Committee, where he supervised the geographical areas of the world, the Strategy and Mergers & Acquisitions Department, and then as General Delegate for International Affairs to the Chair of the Michelin Group.

François Corbin began his career in 1980 at the Pechiney Group where he held several positions as head of the operating department, after which he was Human Resources Director and Business Units Chief Executive Officer.

François Corbin graduated from the École Centrale de Paris.

Date of first appointment

Shareholders' Meeting of 23 May 2019

Date of last reappointment, and expiry date of term of office

Reappointment: Shareholders' Meeting of 23 May 2023, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies (unlisted companies)**

– Director and Vice-President Medef International (France)
– Director, MEDEF International (United States)

Offices held and completed during the past five years

– Chair of Michelin Ventures SASU (until 2019)
– Director, Michelin Foundation (until 2019)
– Director, France/China Committee (until 2020)

(A) Audit, Risks and Ethics Committee.
(B) Remuneration and Governance Committee.

Date of birth:
30 December 1972
(51 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Cousin of Héloïse Duval and Nathalie de La Fournière

Eramet shares held:
600 (1,200 voting rights)

Indirect holding:
CEIR and Sorame shareholder

Sorame

DIRECTOR[(A)(D)] REPRESENTED BY JÉRÔME DUVAL

Training and professional career

Jérôme Duval has been Director of Intermodal Financing Activities at Crédit Agricole CIB since September 2022. He was previously Director of Maritime and Americas Intermodal Financing activities at Crédit Agricole CIB New York from 2013. In New York, he established the regional maritime financing platform and went on to create the Intermodal financing activity for the bank.

He began his career at Crédit Lyonnais in New York followed by experience in professional client coverage at Crédit Agricole in Île-de-France. He then joined Crédit Agricole CIB where, after coordinating international maritime financing activities, he developed a portfolio of the sector's key accounts from London.

Jérôme Duval holds a Director's certificate from Sciences Po-IFA and a Master's degree from ISG.

Date of first appointment

Shareholders' Meeting of 11 May 2011 for Sorame and Shareholders' Meeting of 23 May 2019 for Jérôme Duval

Date of last reappointment, and expiry date of term of office

Renewal of the term of office of Sorame: Shareholders' Meetings of 29 May 2015, 23 May 2019 and 23 May 2023, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies (unlisted companies)**

– Chief Executive Officer of CEIR S.A.S.

Offices held and completed during the past five years

None

(A) Audit, Risks and Ethics Committee.
(D) CSR and Strategy Committee.

Date of birth:
15 February 1989
(34 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Cousin of Jérôme Duval and Nathalie de La Fournière

Eramet shares held:
1 (1 voting right)

Indirect holding:
CEIR and Sorame shareholder

Héloïse **Duval**

DIRECTOR

Training and professional career

Héloïse Duval is a Mergers & Acquisitions Project Director for the SEB Group. She joined the Group in 2018 in the Group Strategy and Mergers & Acquisitions Directorate, where she coordinated strategic projects and oversaw the integration of acquired companies, before switching to focussing solely on mergers and acquisitions. Héloïse Duval began her career with Unibail-Rodamco-Westfield, where she was responsible for investments and transaction structuring. Héloïse Duval has a degree from the École des Hautes Études Commerciales (HEC Paris) and holds a Director's certificate from Sciences Po-IFA.

Date of first appointment

Shareholders' Meeting of 23 May 2023

Date of last reappointment, and expiry date of term of office

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

None

Offices held and completed during the past five years (non-Group companies)

None

Jean-Yves **Gilet**

DIRECTOR[D]

Date of birth:
9 March 1956
(67 years old)

Nationality:
French

Business address:
18, rue de Bourgogne,
75007 Paris

Eramet shares held:
100 (100 voting rights)

Training and professional career

Jean-Yves Gilet has been Chair of Gilet Trust Invest S.A.S., a strategy and management consulting company, since 2017. He is an engineer in the Corps des mines.

Jean-Yves Gilet was Executive Director of BPI France from 2013 to 2016 and prior to that, CEO of the Fonds Stratégique d'Investissement (FSI) from 2010 to 2013.

Beginning in 1990, he held various senior management roles in the Usinor Sacilor Group, including as CEO of Acesita in Brazil (1998-2002), followed by Arcelor (2002-2005) and ArcelorMittal (2006-2010).

Having held various positions in the Direction générale de l'industrie (DGI) and Datar (1981-1988), Jean-Yves Gilet was Cabinet Director to the Deputy Minister in charge of Regional Planning and Conversions (1988-1990).

He began his career in 1981 as deputy to the Regional Director of Industry and Research in Picardy.

Jean-Yves Gilet is a graduate of the École Polytechnique and the École Nationale Supérieure des Mines de Paris (ENSMP).

Date of first appointment

Co-opted by the Board on 23 September 2016

Date of last reappointment, and expiry date of term of office

Reappointment: Shareholders' Meetings of 23 May 2019 and 23 May 2023, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

- Chair of Gilet Trust Invest S.A.S.
- Director of Fondation Mines-Télécom (since 2017)
- Chair of Initiative Grandes Écoles et Université (since 2020)
- Member of the Supervisory Board of la Brigade du Buyer (since 2022)
- Member of the Supervisory Board of Thermo Technologie (since 2023)
- Director of Telos Transition (Brazil) (since 2022)

Offices held and completed during the past five years

None

(D) CSR and Strategy Committee.

Date of birth:
1 October 1967
(56 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Cousin of Jérôme Duval and Héloïse Duval

Eramet shares held:
100 (200 voting rights)

Indirect holding: CEIR and Sorame shareholder

CEIR

DIRECTOR[(B)(C)(D)] REPRESENTED BY NATHALIE DE LA FOURNIÈRE

Training and professional career

Nathalie de la Fournière is currently Human Resources and Finance Director of the Agence d'Urbanisme et d'Aménagement Toulouse Aire Métropolitaine. Since 1999, she has held positions as research officer and Research Director of the Agence d'Urbanisme et d'Aménagement Toulouse Aire Métropolitaine.

Nathalie de La Fournière began her career in 1990 at the RATP as a research officer followed by operational manager of the network.

Nathalie de La Fournière graduated from the École Centrale de Paris and holds a Master's degree in auditing and management control from Toulouse Business School, as well as a Director's certificate from Sciences Po-IFA.

Date of first appointment

Shareholders' Meeting of 11 May 2011 (for CEIR), Shareholders' Meeting of 29 May 2015 (for Ms de La Fournière)

Date of last reappointment, and expiry date of term of office

Renewal of the term of office of CEIR: Shareholders' Meetings of 29 May 2015, 23 May 2019 and 23 May 2023, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Chief Executive Officer of Sorame S.A.S.

Offices held and completed during the past five years

None

(B) Remuneration and Governance Committee.
(C) Appointments Committee.
(D) CSR and Strategy Committee.

Date of birth:
7 February 1972
(52 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
0

Solenne **Lepage**

INDEPENDENT DIRECTOR

Training and professional career

Since 15 January 2024, Solenne Lepage is General Delegate of the Association française des Sociétés Financières (ASF – French Association of Financial Companies).

From April 2019 to that date, Solenne Lepage was Deputy CEO at the French Banking Federation (FBF); she was in charge of the retail and remote banking, digital, payments and operational resilience departments and of the legal and compliance department.

Appointed Head of the "EDF and other shareholdings" office of the Agence des participations de l'État (APE – French Government shareholding agency) in 2009, she was, from 2012 to 2019, Director of Transportation Shareholdings at the French Government shareholding agency and was a member, as representative of the Government, of the Boards of Directors of Air France-KLM, Aéroports de Paris, SNCF Mobilités and RATP.

A graduate of the École nationale des chartes, holder of a degree in philosophy and an MPhil in history, a graduate of the Institut d'études politiques de Paris and the École nationale d'administration, Solenne Lepage began her career in 2002 as Deputy Head of the State Shareholdings Department at the Ministry of Economy, Finance and Industry, then Deputy Head of the European Coordination and Strategy Office at the Treasury and Economic Policy Directorate General. In 2006, she joined HSBC France as Customer Relations Manager for Large Companies in the banking and insurance sector.

Date of first appointment

Co-opted by the Board of Directors on 22 March 2024

Date of last reappointment, and expiry date of term of office

Expiry date: Shareholders' Meeting called to approve the 2024 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

None

Offices held and completed during the past five years (non-Group companies)

– Representative of the Government on the Boards of Directors of Air France-KLM, Aéroports de Paris, SNCF Mobilités and RATP (until March 2019)

Date of birth:
8 May 1959 (64 years old)

Nationality:
French

Business address:
10 boulevard de Grenelle,
75015 Paris

Eramet shares held:
100 (200 voting rights)

Manoelle **Lepoutre**

DIRECTOR(D)

Training and professional career

Manoelle Lepoutre has been consulting in strategy and CSR at MSML Tech Conseil since June 2022.

Manoelle Lepoutre has worked at ELF and then at TotalEnergies in the energy sector for many years.

She has held various corporate positions within the Group: Director of Sustainable Development in 2009, Human Resources Director (Managers and High-Flyers) in 2013 and Citizen Engagement Director (CSR) from 2016 to the end of 2021.

In 2004, she was appointed R&D Director of the Exploration & Production division.

In 2000, she was appointed to the Executive Committee of Total E&P USA, where she held the position of Geosciences Director, responsible for exploration and the management of permits and reserves for North America.

In 1998, she was appointed to the Executive Committee of Elf Norge, as Exploration Director.

Her career began in 1982 in the exploration and production sector, and she has held various roles in exploration and R&D, in France and the Netherlands.

Manoelle Lepoutre is a graduate of the École Nationale Supérieure de Géologie de Nancy (ENSG) and the École Nationale Supérieure des Pétroles et des Moteurs (ENSPM). She is an elected member of the National Academy of Technologies of France.

Date of first appointment

Shareholders' Meeting of 11 May 2011

Date of last reappointment, and expiry date of term of office

Reappointments: Shareholders' Meetings of 29 May 2015, 23 May 2019 and 23 May 2023, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Since 1 January 2024, Vice-President responsible for promotion at the Académie des technologies (administrative public body)
– Co-Chair of the CCUS working Group of the French Energy Regulatory Commission (Commission de régulation de l'énergie – CRE)

Offices held and completed during the past five years

– Director of several non-profits (Chair of Industreet, Admical, Rameau)

(D) CSR and Strategy Committee (Chair).

Date of birth:
21 June 1957
(66 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
300 (300 voting rights)

Ghislain **Lescuyer**

INDEPENDENT DIRECTOR[(B)(C)]

Training and professional career

From 2015 to April 2022, Ghislain Lescuyer was Chairman of the Management Board and then Chief Executive Officer of the Saft Group, following its acquisition by TotalEnergies; he founded the Automotive Cells Company (a JV between Stellantis, Daimler and Saft/TotalEnergies), where he was Chairman of the Board of Directors from September 2020 to September 2022. In 2007, he was appointed Executive Vice-President of Areva T&D's Products division, then, when it was taken over by Alstom, Senior Vice-President of Strategy & Development and Chief Information Officer (2010-2015). In 2003, he became a member of the Executive Committee and Director of various activities with Thomson/Technicolor in France and the United States. From 2000 to 2003, he was Managing Director of Europ@web (Groupe Arnault). Within the Bull group (1994 – 1999), he was a member of the Executive Committee and led various Divisions. Ghislain Lescuyer began his career as a Sales Engineer at SAT and Hewlett Packard, before becoming a consultant at McKinsey (1989-1994). Ghislain Lescuyer holds degrees from Télécom Paris (1980) and INSEAD (MBA 1988).

Date of first appointment

Shareholders' Meeting of 23 May 2023

Date of last reappointment, and expiry date of term of office

Expiry date: Shareholders' Meeting called to approve the 2026 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Chairman of GreenTouch Conseil (unlisted company)

Offices held and completed during the past five years (non-Group companies)

– Chairman of the Management Board (2015/2016), then Chief Executive Officer of SAFT SAS (Paris) (until April 2022)
– Chair of the Board of Directors of Automotive Cells Company (European Company – Paris) (until September 2022)

(B) Remuneration and Governance Committee (Chair).
(C) Appointments Committee (Chair).

Date of birth:
8 May 1956 (67 years old)

Nationality:
Dutch

Business address:
Condominium
Verde Mar, Rua Monte
Leite 346, Edificio B1 3
Esq, São Jão Estoril,
2765-496 Estoril,
Portugal

Eramet shares held:
100 (200 voting rights)

Miriam **Maes**

INDEPENDENT DIRECTOR(A)(B)

Training and professional career

Since 2007, Miriam Maes has been Chairwoman of Foresee, a London-based consulting firm that provides sustainable development and energy management advice to companies.

She worked in the energy sector from 2002 to 2007, and was Chief Executive Officer of EDF Energy Development in London from 2003 to 2007.

Prior to that, Miriam Maes held senior management roles in Europe in several international groups in the agri-food sector (Unilever and Imperial Chemical Industries). Her career began in marketing in 1977.

Miriam Maes holds a degree in business administration from the Nijenrode Business School.

Date of first appointment

Appointed by the Shareholders' Meeting of 27 May 2016

Date of last reappointment, and expiry date of term of office

Reappointment: Shareholders' Meeting of 26 May 2020, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2023 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Director of Assystem S.A. (France) (listed company)
– Director of Urenco (England) and member of the Supervisory Board of Ultra Centrifuge Netherlands (Netherlands) (until 30 September 2023)
– Chair of the Supervisory Board of the Port of Rotterdam (Netherlands) (until 31 December 2023)
– Chairwoman of Foresee (United Kingdom)

Offices held and completed during the past five years

– Director of Naturex (France) (listed company) (until September 2018), and Vilmorin & Cie (France) (listed company) (until December 2019)

(A) Audit, Risks and Ethics Committee (Chair).
(B) Remuneration and Governance Committee.

Date of birth:
16 October 1977
(46 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
25 (46 voting rights)

Nicolas **Noël**

DIRECTOR REPRESENTING EMPLOYEES(D)

Training and professional career

Nicolas Noël has been *Front Office* Treasurer at Eramet since 2015.

From 2009 to 2014, he was Quality Manager and Project Engineer at Aubert & Duval.

From 2001 to 2009, he held a series of engineering and manufacturing support manager positions in the Renault and Safran groups.

Nicolas Noël has a degree in mechanics from the École Supérieure d'Ingénierie Léonard de Vinci and holds a Director's certificate from Sciences Po-IFA.

Date of first appointment

Appointed by the Social and Economic Council from 23 June 2022 in accordance with Article 10.9 of the Articles of Association

Date of last reappointment, and expiry date of term of office

Expiry date: 22 June 2026

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

None

Offices held and completed during the past five years

None

(D) CSR and Strategy Committee.

Date of birth:
7 January 1970
(53 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
12 (22 voting rights)

Franck **Pecqueux**

DIRECTOR REPRESENTING EMPLOYEES(B)

Training and professional career

Franck Pecqueux has been Management Controller at Comilog Dunkerque since 2000 and in 2023 became Head of Internal Control and Risk Management at Comilog Dunkerque.

He has previously held various positions in accounting and management control in industrial groups.

Franck Pecqueux holds a certificate in management control, a technical diploma (BTS) in accounting and management, and Director's certificate from Sciences Po-IFA.

Date of first appointment

Appointed by the European Works Council at its meeting on 12 November 2022 in accordance with Article 10.9 of the Articles of Association

Date of last reappointment, and expiry date of term of office

Expiry date: 11 November 2026

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

None

Offices held and completed during the past five years

None

(B) Remuneration and Governance Committee.

Date of birth:
8 May 1957 (66 years old)

Nationality:
French

Business address:
10, boulevard de Grenelle,
75015 Paris, France

Eramet shares held:
100 (200 voting rights)

Sonia **Sikorav**

INDEPENDENT DIRECTOR[(A)(D)]

Training and professional career

Sonia Sikorav is an independent director.

From 2010 to 2014, Sonia Sikorav was Purchasing Director for the Total Group.

From 2005 to 2007, she was Strategy Director at Alstom Transport.

She served from 1991 to 2005 at the Saint-Gobain Group as Director of the Operational Division and Director of Group Purchasing.

Sonia Sikorav began her career in 1982 with the Rhône Poulenc group, where she held positions in management control and as project manager to the CEO and in R&D.

Sonia Sikorav graduated with a PhD from the École Normale Supérieure, where she is associate professor of physical chemistry.

Date of first appointment

Appointed by the Shareholders' Meeting of 27 May 2016

Date of last reappointment, and expiry date of term of office

Reappointment: Shareholders' Meeting of 26 May 2020, for a four-year term

Expiry date: Shareholders' Meeting called to approve the 2023 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Director of NSC Groupe and the Gascogne Group (listed companies) (France)
– Member of the Briand Group's Strategic Committee

Offices held and completed during the past five years

– Director of Eolane (France) – (2009-2017)
– Director of PSB (France) – (2017-2021)

(A) Audit, Risks and Ethics Committee.
(D) CSR and Strategy Committee.

Date of birth:
30 May 1983
(40 years old)

Nationality:
French

Business address:
Agence des participations de l'État, 139, rue de Bercy, Teledoc 229, 75012 Paris, France

Number of Eramet shares held:
not applicable

Romain **Valenty**

GOVERNMENT REPRESENTATIVE[(A) (B) (C) (D)]

Training and professional career

Romain Valenty has been Head of Equity Investments in charge of the Energy Sector at the APE since 30 September 2022.

From 2020 to 2022, he was Director of Organisation, then Secretary General of the Nexity Group's housing division.

From 2016 to 2020, he was with the Casino Group, first as Head of Strategy, then as Group Head of Data and Strategic Partnerships.

From 2014 to 2016, he was investment adviser to the Government in the cabinet of the French Minister of Finance and Public Accounts.

In 2009, he joined the French Ministry of Economy and Finance, firstly at the APE, as GDF Suez manager (2009-2011), then from 2011 to 2014, as head of market operations at the French Treasury Agency (AFT).

He began his professional career in 2007 as a project officer at the French Postal and Electronic Communications Regulator (ARCEP).

Romain Valenty is a Chief Engineer in the Corps des mines. He is a graduate of the École Polytechnique and the École Nationale Supérieure des Télécommunications (ENST).

Date of first appointment

Appointed as Government representative on 18 October 2022 and again on 23 May 2023, in accordance with the Order of 20 August 2014

Date of last reappointment, and expiry date of term of office

N/A

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Government representative on the Board of Directors of Orano
– Government representative on the Board of Directors of Enedis

Offices held and completed during the past five years

– Government representative on the Board of Directors of Areva

(A) Audit, Risks and Ethics Committee.
(B) Remuneration and Governance Committee.
(C) Appointments Committee.
(D) CSR and Strategy Committee.

Date of birth:
5 October 1976
(47 years old)

Nationality:
French

Business address:
13, rue Kervistin – Motor Pool, 98800 Nouméa, New Caledonia

Eramet shares held:
1 (1 voting right)

Jean-Philippe **Vollmer**

DIRECTOR

Training and professional career

Jean-Philippe Vollmer is Chairman of Société des Hôtels de Nouméa in New Caledonia, Co-Manager of SNC Casino de Nouméa, Director of CAFAT (New-Caledonia's local social security fund) and Chairman and Chief Executive Officer of the transportation company Carsud S.A.

Jean-Philippe Vollmer has spent most of his career with French groups specialising in services to local authorities (environment and public transport), where he has participated in the development and restructuring of activities.

Jean-Philippe Vollmer holds a Master 2 in Business Administration.

Date of first appointment

Co-opted by the Board on 15 October 2020

Date of last reappointment, and expiry date of term of office

Expiry date: Shareholders' Meeting called to approve the 2023 financial statements

Other offices held

- **Within Group companies**

None

- **Within non-Group companies**

– Chair of Société des Hôtels de Nouméa
– Société des Hôtels de Nouméa's permanent representative on the Boards of Directors of Société Hôtelière de Deva and Maguenine SEO
– Co-manager of SNC Casino de Nouméa
– Director of CAFAT
– Chairman and Chief Executive Officer of the transportation company Carsud S.A.

Offices held and completed during the past five years

– Director of the Banque Calédonienne d'Investissement (until July 2019)
– Director representing the government of New Caledonia on the Board of the EIG, Tourisme Pointe Sud (until 2022)
– Director of the public interest groups: Union pour le Handicap, Handicap Dépendance and Bien Vieillir (until 2023)

3.1.1.3 Composition of Committees

The internal rules specifying the operating rules and duties of each Committee are available on the Company's website. Regarding the social and environmental issues that are taken into account by the Board when defining and reviewing the Group's strategy, it should be noted that, within the Board of Directors, the CSR and Strategy Committee is tasked with assessing the conformity between the Group's strategy and the CSR principles adopted by the Group, while the other specialist committees of the Board of Directors are responsible for CSR matters that are relevant to their functions (the Audit, Risk and Ethics Committee monitors developments in the area of non-financial reporting requirements; the Remuneration and Governance Committee ensures the proper integration of CSR criteria, in particular those relating to climate change and the environment, in the annual variable remuneration and in the long-term remuneration of the Chair and Chief Executive Officer and managers; the Appointments Committee ensures that CSR expertise is represented on the Board).

The Audit, Risks and Ethics Committee currently comprises six directors: Miriam Maes (Committee Chair and independent director), Christine Coignard (independent director), François Corbin (independent director), Jérôme Duval, Sonia Sikorav (independent director) and Romain Valenty.

The Remuneration and Governance Committee currently comprises six directors: Ghislain Lescuyer (Committee Chair and independent director), François Corbin (independent director), Nathalie de La Fournière, Miriam Maes (independent director), Franck Pecqueux (director representing employees) and Romain Valenty.

The Appointments Committee currently comprises four directors: Ghislain Lescuyer (Committee Chair, Chair of the Remuneration and Governance Committee and independent director), Christine Coignard (independent director), Nathalie de La Fournière and Romain Valenty.

The CSR and Strategy Committee currently comprises nine directors: Manoelle Lepoutre (Committee Chair), Christel Bories (Chair and Chief Executive Officer), Emeric Burin des Roziers (independent director), Christine Coignard (independent director), Jerome Duval, Jean-Yves Gilet, Nathalie de La Fournière, Nicolas Noël (director representing employees), Sonia Sikorav (independent director) and Romain Valenty.

3.1.1.4 Changes to the composition of the Board of Directors and its Committees during the 2023 financial year and up to the date of filing of this registration document

BOARD	
Co-opting	Solenne Lepage was co-opted as director to replace Catherine Ronge, who had resigned, at the Board of Directors' meeting of 22 March 2024.
Appointment of new permanent representatives representing legal entity directors	Jerome Duval was appointed as the new permanent representative of Sorame as from the Shareholders' Meeting of 23 May 2023.
Appointments by the Shareholders' Meeting	Héloïse Duval and Ghislain Lescuyer were appointed directors by the Shareholders' Meeting of 23 May 2023.
Resignations	Catherine Ronge resigned from her position as director with effect from on 22 March 2024.
Expiry of the terms of office of directors	The terms of office of Claude Tendil and Sorame (represented by Cyrille Duval) expired at the Shareholders' Meeting of 23 May 2023.
COMMITTEES	
Audit, Risks and Ethics Committee	Jerome Duval joined the Committee on 23 May 2023, and Cyrille Duval left the Committee on the same date.
Remuneration and Governance Committee	Catherine Ronge became the Committee Chair on 23 May 2023, following the departure of Claude Tendil from the Committee on the same date. Nathalie de La Fournière joined the Committee on 23 May 2023, and Cyrille Duval left the Committee on the same date. François Corbin, Ghislain Lescuyer and Franck Pecqueux joined the Committee on 23 May 2023. Ghislain Lescuyer became the Committee Chair on 15 December 2023, following the departure of Catherine Ronge from the Committee on the same date.
CSR and Strategy Committee	Cyrille Duval left the Committee on 23 May 2023. Emeric Burin des Roziers and Nicolas Noël joined the Committee on the same date.
Appointments Committee	Catherine Ronge became the Committee Chair on 23 May 2023, following the departure of Claude Tendil from the Committee on the same date. Nathalie de La Fournière and Christine Coignard joined the Committee on 23 May 2023, and Cyrille Duval and Manoelle Lepoutre left the Committee on the same date. Ghislain Lescuyer became the Committee Chair on 15 December 2023, following the departure of Catherine Ronge from the Committee on the same date.

As provided by paragraph 12.1 of Appendices 1 and 2 of Commission Delegated Regulation (EU) 2019/980, the Company states that, to the best of its knowledge and at the time of writing this report:

- no conviction of fraud has been handed down in the last five years against any member of the Board of Directors or of General Management;
- in the last five years, no member of the Board of Directors or of General Management has been associated with a bankruptcy, receivership, liquidation or court-ordered administration in their capacity as member of an administrative, management or supervisory body, or as CEO of a company, with the exception of Ms Sikorav, independent director of the NSC Group, whose subsidiary, NSC Packaging, was placed into liquidation in April 2020 by the Sedan Commercial Court, after selling its operations;
- no proceedings and/or official public penalty has been handed down in the last five years against any member of the Board of Directors or of General Management by the statutory or regulatory authorities (including the relevant professional bodies); and
- no director or member of General Management has in the last five years been stripped by a court of his or her right to act as a member of an administrative, management or supervisory body or from participating in the management or business affairs of a listed company.

No director has a conflict of interest within the meaning of section 12.2 of Appendices 1 and 2 of Commission Delegated Regulation (EU) 2019/980 or has entered into a service contract with Eramet.

3.1.1.5 Changes to the composition of the Board in 2024

Co-opting of Ms Lepage to replace Ms Ronge, who resigned

Following the work of the Appointments Committee, the Board of Directors of 22 March 2024 decided to co-opt Solenne Lepage (independent director) to replace Catherine Ronge (independent director), who had resigned, and for the remainder of her term of office (i.e. until the Shareholders' Meeting to be called to approve the financial statements for financial year 2024). Consequently, the Board recommends the ratification of this appointment to the vote of the 2024 Shareholders' Meeting.

Since 15 January 2024, Solenne Lepage is General Delegate of the Association française des Sociétés Financières (ASF – French Association of Financial Companies). From April 2019 to that date, Solenne Lepage was Deputy Chief Executive Officer at the French Banking Federation (FBF); she was in charge of the retail and remote banking, digital, payments and operational resilience departments, and the legal and compliance department. Appointed Head of the "EDF and other shareholdings" office of the French Government shareholding agency in 2009, she was, from 2012 to 2019, Director of Transportation Shareholdings at the French Government shareholding agency and was a member, as representative of the Government, of the Boards of Directors of Air France-KLM, Aéroports de Paris, SNCF Mobilités and RATP. A graduate of the École nationale des chartes, holder of a degree in philosophy and an MPhil in history, a graduate of the Institut d'études politiques de Paris and the École nationale d'administration, Solenne Lepage began her career in 2002 as Deputy Head of the State Shareholdings Department at the Ministry of Economy, Finance and Industry, then Deputy Head of the European Coordination and Strategy Office at the Treasury and Economic Policy Directorate General. In 2006, she joined HSBC France as Customer Relations Manager for Large Companies in the banking and insurance sector.

Terms of office expiring in 2024

The terms of office as directors of Miriam Maes, Sonia Sikorav and Jean-Philippe Vollmer expire at the close of the 2024 annual Shareholders' Meeting. Ms Maes and Mr Vollmer have informed the Appointments Committee that they are standing for re-election.

As regards the potential renewal of Mr Vollmer's term of office, STCPI has not informed Eramet of his proposal. As regards the term of office of Ms Maes, following the work of the Appointments Committee, the Board of Directors decided to submit to the vote of the 2024 Shareholders' Meeting the appointment of Miriam Maes (independent director) whose experience as Chair and member of Audit Committees is particularly useful for the Board.

Regarding the third term of office to expire, following the work of the Appointments Committee, the Board of Directors decided to recommend to the vote of the 2024 Shareholders' Meeting the appointment of Arnaud Soirat (independent director), whose industrial and mining experience and expertise will be particularly useful for Eramet.

Arnaud Soirat left Rio Tinto, where he successively held various roles as Deputy Chief Executive Officer for Europe, Middle East and Africa, then as Chief Executive Officer Northern Hemisphere Aluminium, then as Chief Executive Officer Copper and Diamonds and member of its Executive Committee, and finally as Chief Executive Officer of Global Operations of the Rio Tinto Group from 2021. Previously, at the Alcoa Group, he held various managerial positions in production, then as Plant Manager and Regional Manager in Australia from 2001 to 2010.

A graduate of the École Nationale Supérieure de Chimie de Paris (Chimie ParisTech) and holder of a PhD in theoretical physics and chemistry from City University of New York, Arnaud Soirat began his career as a research engineer in the United States, then as a computer engineer at Dassault Systèmes, before holding various engineering positions at Pechiney in France and Queensland Alumina in Australia.

3.1.1.6 Work of the Board and its Committees during the 2023 financial year

Board of Directors

The Board met ten times in 2023.

Each year, directors also take part in a one-day strategic seminar to review the Group's strategy.

In addition to examining recurring items relating to the business of the Group and its subsidiaries, Board meetings were concerned, in particular, with:

- approval of the Group's and Company's financial statements for 2022 and of the documents relating to the convening of the annual Shareholders' Meeting and the disclosure of information to shareholders;
- review of the 2023 interim financial statements;
- review of occupational safety action plans and results within the Group;
- the Group's strategy review;
- review of the Group's new CSR roadmap (2024-2026) and of progress on the roadmap 2018-2023;
- review of budget items, monitoring results and operational KPIs, and earnings and cash flow forecasts;
- review of the activities' investment and divestment projects and, in general, the Group's strategic expansion projects and significant operations;
- examination of development financing options for the Group and its main subsidiaries;
- review of the Group's HR policy;
- analysis of the Group's risk mapping;
- analysis of the Group's digital transformation roadmap;
- review of the report required by Article L. 225-102-3 of the French Commercial Code on payments made to the authorities of countries where the Group conducts mining activities.

Individual participation at meetings of the Board of Directors and the Committees in 2023 is shown in the table below.

	Board of Directors	Audit, Risks and Ethics Committee	Remuneration and Governance Committee	CSR and Strategy Committee	Appointments Committee
Alilat Antsélévé-Oyima	100%	-	-	-	-
Christel Bories	100%	-	-	100%	-
Émeric Burin des Roziers	100%	-	-	100%	-
Christine Coignard	100%	100%	-	100%	100%
François Corbin	100%	100%	100%	-	-
Cyrille Duval (Sorame) (until May 2023)	100%	100%	100%	100%	100%
Jérôme Duval (Sorame)	100%	100%	-	100%	-
Héloïse Duval (from May 2023)	100%	-	-	-	-
Jean-Yves Gilet	100%	-	-	100%	-
Nathalie de La Fournière (CEIR)	100%	-	100%	100%	100%
Manoelle Lepoutre	100%	-	-	100%	100%
Ghislain Lescuyer (from May 2023)	100%	-	100%	-	-
Miriam Maes	70%	100%	67%	-	-
Nicolas Noël	100%	-	-	100%	-
Franck Pecqueux	100%	-	100%	-	-
Catherine Ronge	90%	-	100%	-	100%
Sonia Sikorav	100%	100%	-	100%	-
Claude Tendil (until May 2023)	40%	-	100%	-	100%
Romain Valenty	100%	100%	67%	100%	100%
Jean-Philippe Vollmer	50%	-	-	-	-
AVERAGE ATTENDANCE RATE	**93%**	**100%**	**88%**	**100%**	**100%**

Audit, Risks and Ethics Committee

The Company refers to the AMF working group's report on Audit Committees when organising the Committee's work (AMF recommendation of 22 July 2010).

The Committee meetings are notably attended by the Chair and Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer in charge of procurement and IT, the Statutory Auditors, the Group Director of Risk, Internal Control and Internal Audit, the Group Director of Accounting, Consolidation and Taxation, the Group Director of Management Control, the Director of Financing and Treasury, the Director of Ethics and Compliance and the General Counsel.

The Committee met four times in 2023.

In addition to presenting the financial statements for the previous year in February and examining the interim financial statements in July, the Committee conducts an annual review of the internal audit reports for the year, as well as the internal audit programme for the following year. The examination of the financial statements by the Committee is accompanied by a presentation by the Statutory Auditors describing the findings of their work and the main issues involved.

In 2023, the Committee examined the following points in particular:

- the monitoring of budget items and changes in the Group's and its main subsidiaries' profit, cash-flow and working capital requirement forecasts;
- the monitoring of the financial disclosure process to the market;
- the monitoring of progress in the Group's and its subsidiaries' projects;
- the monitoring of the Group's divestment plans;
- the monitoring of the Group's financing and investment operations;
- the process for monitoring the Group's risk management processes, including social and environmental risks;
- the monitoring of the management of the Group's internal control systems and in particular the implementation of the Eramet Management System (EMS);
- the work of the Internal Audit Department for the current year and its draft work plan for the following year;
- the process of monitoring the relevance and consistency of accounting methods, and of monitoring the Group's off-balance sheet commitments and tax issues;
- the monitoring of the Group's ethics compliance programme;
- the monitoring of the Group's procurement roadmap;
- the monitoring of cybersecurity risks;
- the monitoring of the Group's contract management function;
- primary changes to the Group's insurance;
- apart from the conclusions of the Statutory Auditors, the monitoring of their fees and their independence, as well as the terms of the new assurance engagements relating to sustainability information for financial years beginning on or after 1 January 2024;
- draft reports to shareholders.

Remuneration and Governance Committee

The Committee met three times in 2023.

During the year, in addition to its proposals regarding the remuneration items for executive corporate officers, which are described in detail later in this chapter, the Committee reviewed the collective variable remuneration criteria for executives and proposed that the Board approve an annual Performance Share Plan for the Company's and its subsidiaries' corporate officers and senior executives, as well as a new bonus share plan (Erashare). As it does every year, the Committee reviewed the criteria and conclusions of the annual evaluation of the Board's operations, as well as the *Say on Pay Ex Ante* and *Say on Pay Ex Post* components to be submitted to the annual Shareholders' Meeting.

Appointments Committee

The Committee met five times in 2023 for the review of the proposals for the appointment of new directors submitted to the Shareholders' Meeting and for the annual review of the independence criteria for independent directors and of the succession planning for key Group management personnel in the short-, mid- and long-term. During the year, the Committee also reviewed the distinctive skills of Eramet's directors against the competency matrix used by the Board. The results are set out in this report. The executive corporate officer is involved in the work of the Appointments Committee.

CSR and Strategy Committee

In particular, the Committee's mission is to assist the Board in determining multi-year strategic CSR guidelines and, in particular, to assess the alignment between the CSR strategy and the methods by which it is implemented, its action plan and the timescales in which these actions are carried out. It also assists the Board in setting strategic lines of action for the activity, in particular through the development of the Group's innovation and exploration projects and strategies.

The Committee met three times in 2023. During the financial year, the Committee reviewed the criteria of the Group's new multi-year CSR roadmap 2024-2026. The Committee also conducted an annual review of the level of achievement of the Group's previous multi-year CSR roadmap ending in 2023. Throughout the year, the Committee also examined the evolution of the markets in which the Group operates and their competitiveness, as well as the resulting strategic options. On a case by case basis, the Committee examined the progress of the Group's projects, as well as its investment or divestment plans. During the year, the Committee also reviewed the Group's exploration strategy and its innovation strategy.

3.1.1.7 Assessment of the work of the Board and its Committees

The Board provides for an assessment by an external independent consultancy firm every three years of the Company and its governance bodies; this assessment was last carried out in early 2023 in respect of the 2022 financial year. In respect of the 2023 financial year, an internal assessment was carried out *through* a detailed online questionnaire on the functioning of the Board and its specialised Committees (and their chairs). Directors may also, if they so wish, freely express their appreciation of the individual contributions of directors to the Lead Director. The results of the assessment were presented to the Chair of the Board of Directors, the Lead Director and the Remuneration and Governance Committee before submission to and discussion at the Board meeting of 22 March 2024.

In terms of shared sources of improvement, the Board has retained several possible options, namely: continue to work on the size and composition of the Board in view of future required competencies; continue to reinforce relationships between the Board and management by fostering a culture where decisions are supported as well as challenged and give feedback to directors on their role; continue to improve the quality of the information and documents provided to directors and reduce the time taken for said information and documents to be passed on to them; and run training activities for directors.

3.1.1.8 Internal rules of the Board and its Committees, Directors' Charter, and Securities Trading Code of Conduct

The internal rules, which can be consulted on the Company's website, specify the composition, organisation and functioning of the Board and its Committees, the roles and powers of the Chair of the Board and the Chief Executive Officer and the rights and duties of the directors. The internal rules are binding on all directors, as well as on any other person who may attend meetings of the Board or its Committees in any capacity whatsoever.

In addition to its general powers defined by law and the rules, the Board reviews and approves all decisions relating to the Group's major strategic directions and ensures that they are effectively implemented by General Management.

Board members and Committee members may, in the performance of their respective duties and having first informed the Chair and Chief Executive Officer, confer with members of the Group's management. They report on the information obtained and advice received. The Group's key management executives regularly take part in the various meetings of the Board and its Committees on matters that concern them.

The Committee members may request any advice or opinion from any external consultant or expert, if they consider it necessary.

To this end, they may request external technical studies relating to matters within the Committee's competence, at the expense of the Company, after being put out to competitive tender and after informing the Chair and Chief Executive Officer or the Board of Directors itself, subject to reporting back to the Board thereon.

The Board meets as often as the interests of the Company require on dates that are adapted to legal obligations. Convening notices are sent by the means judged to be the best adapted for ensuring traceability of the convening notice and within sufficient time to allow the directors to examine the files with the appropriate advance notice. If specified in the convening notice, Board meetings may be held by videoconference or telecommunications on subjects authorised by the Company's Articles of Association or by law.

The Chair is responsible for circulating to each director, in advance of the meeting, a file containing all the documents and information required for consideration of the items on the agenda.

The Secretary of the Board draws up the minutes of each Board meeting, which the Chair submits to directors for approval at the subsequent Board meeting, the draft minutes being sent to each participant (directors and employee representative) before the scheduled meeting date.

In the interest of good corporate governance, the Board has incorporated the Directors' Charter into its internal rules, which sets out the rights and duties of the directors and to which every director is accountable. Directors must adhere to the charter by signing it when they are appointed. This charter notes in particular that:

- directors shall, in all circumstances, act in the corporate interest of the Company, and are committed to defending and promoting the Company's values;
- directors must ensure that the Board is fully informed in advance of any actual, potential or perceived conflict of interests. He/she must abstain from taking part in the debate on the related resolution;
- directors must maintain their personal independence of analysis, judgement, decision and action, and reject any direct or indirect pressure that may be exerted on them, which may emanate from any third party or functions they perform elsewhere;
- directors contribute to the collective responsibility and efficiency of the work of the Board and the Committees, acting in good faith, with loyalty and with duty of confidentiality;
- directors must dedicate the necessary time and attention to their duties and, where possible, attend all meetings of the Board and the Committees of which they are a member, take the necessary time to prepare the work carried out therein and obtain all relevant information for such purpose. Directors undertake to keep the Board informed of mandates held in other companies. They attend Shareholders' Meetings;

- directors must seek the approval of the Board before committing themselves personally to a competitor of the Group;
- directors must treat all the files submitted to them for the performance of their mandate in the strictest confidence, as well as the debates and information to which they have access as part of the Board and the Committees and, as such, shall not disclose them to anyone in any way;
- directors must ensure that they receive in a timely manner all documents and information required for the fulfilment of their duties. It is their responsibility to request from the Chair all documents they deem necessary for such purposes. Any director who believes that the information provided in advance is not sufficient may request the Chair or the Board to postpone ruling on this issue;
- if a director is no longer in a position to perform his or her duties, either by his/her own decision or for any other reason, he/she must inform the Chair of the Board of Directors, seek solutions to remedy the situation and, failing this, draw the personal conclusions with regard to the exercise of his/her mandate.

The Stock Exchange Ethical Procedure, established in accordance with the European "market abuse" regulation, aims at preventing insider trading offences and infringements and establishes a blackout period for any transaction involving Eramet securities prior to publication of the Company's annual and interim financial statements and its quarterly turnover. All directors shall follow this procedure.

3.1.1.9 Governance principles

Corporate Governance Code

In accordance with the decision of the Board of Directors taken on 9 December 2008, Eramet refers to the AFEP-MEDEF Corporate Governance Code for listed companies ("the AFEP-MEDEF Code") as its reference framework; the Code is available on the AFEP and MEDEF websites.

The Company considers that its practices are compliant with AFEP-MEDEF Code recommendations. In some cases, certain adjustments have been made to the recommendations for reasons detailed in the table set out in the Appendix to this report.

Diversity policy applied to Board members (excluding directors representing employees): a description of its objectives, implementation methods and results obtained during the past financial year

Pursuant to Article L. 22-10-10 of the French Commercial Code, the Board of Directors reflected on the desirable balance of its composition and that of the Committees it has set up within it, particularly in terms of diversity (representation of women and men, nationalities, age, qualifications and professional experience).

In general, the Board recognises the benefits of diversity in its broadest sense and considers the diversity of its members as an essential element for its discussions and decision-making, which promotes effective functioning and good governance. A diversified Board is a Board that has a balance of skills, experience and expertise, as well as a diversity of perspectives that are relevant to the Company's interests and strategic objectives.

With regard to the composition of the Board during the past financial year, the following points should be noted:

- forty-four percent (50%) of the directors are female (i.e. 8 of the 15 members chosen by the shareholders, plus the government representative). This proportion is in compliance with the minimum threshold of 40% provided for in the first paragraph of Article L. 22-10-3 of the French Commercial Code;
- the directors are between 34 and 67 years old. The average age of directors is 56. Under Article 10 of the Articles of Association, directors may not be over seventy years of age at the time of their appointment. A director who has reached the age of seventy during their term of office may have their term of office renewed once. The number of directors over the age of seventy may not exceed one-third of the Board's membership. Directors are appointed for a term of four years;
- on the date of the 2024 Shareholders' Meeting, of the 15 directors chosen by the shareholders, two directors will have been in office for one year, two for less than four years, three for five years, six for between seven and eight years, one for nine years and one for 13 years. The Government representative has been in office for less than two years. The distribution between the older directors on the Board and those most recently appointed combines new vision with long-term consistency;
- eleven of the directors chosen by the shareholders reside in metropolitan France, two elsewhere in the European Union, one in New Caledonia and one in Gabon. The government representative resides in metropolitan France.

Training for directors

All directors can, upon appointment and throughout their term of office, receive training on the Group's specificities, its activity, its business lines and its challenges (particularly regarding CSR). This programme includes various Group presentation documents (including presentations of strategic seminars by the Board of Directors), meetings with members of the Group's Executive Committee and site visits that are regularly offered. In addition, presentations are regularly scheduled in the form of working meetings on a specific theme (e.g. climate change or the new CSRD regulation). As such, in 2023, directors participated in a working meeting led by a member of France's High Council on Climate.

Directors' competencies

In its deliberations on 12 March 2020, the Board decided: "to structure the process for appointing new directors to bring it more in line with best governance practices as follows: adoption of a competency matrix approved by the Board on the proposal of the Committee; review of candidates by an external firm; short-listing of candidates; presentation to the Board of several fully documented candidate files." The competency matrix used by the Board incorporates the requirement to promote diversity in the composition of the Board, while at the same time enhancing it by appointing members with specific professional skills in mining, metallurgy and finance, non-financial competencies (CSR, HR etc.), skills in digital technologies and innovation, and knowledge of the Group's key geographical territories.

During the 2023 financial year, the Board's work focused on defining the distinctive skills of directors. The choice was made to select the most distinctive skills of each director and to limit these to a maximum of four skills.

Following this work, the table of distinctive skills of members of the Eramet Board is as follows:

	Mining and geology business lines	Metallurgy business lines (incl. metals recycling in the energy transition)	Energy transition business lines, battery value chain	International experience/ Geopolitical issues in Africa, Asia, South America	Management of a profit centre and general management of an international group	Audit and Finance	CSR and social policies	Management of large-scale projects	Governance
Christel Bories	●	●			●				●
Alilat Antsélévé-Oyima	●						●	●	
Émeric Burin des Roziers		●	●		●				
Christine Coignard	●			●		●	●		
François Corbin				●	●		●	●	
Héloïse Duval						●		●	●
Jérôme Duval				●		●			●
Jean-Yves Gilet		●		●	●		●		
Nathalie de La Fournière			●				●		●
Solenne Lepage						●	●	●	●
Manoelle Lepoutre	●		●	●			●		
Ghislain Lescuyer			●	●	●				●
Miriam Maes			●		●	●	●		
Nicolas Noël						●	●		●
Franck Pecqueux						●	●		
Sonia Sikorav				●	●	●		●	
Romain Valenty						●			●
Jean-Philippe Vollmer					●	●	●		

Christel Bories

Mining and geology business lines: Director of Strategy and Control of Umicore; Director of Comilog and SLN

Metallurgy business lines: operational responsibilities at Pechiney, then Alcan, then Constellium groups

Management of a profit centre and general management of an international group: Chair and Chief Executive Officer of Alcan Packaging and Alcan Engineered products, then Chief Executive Officer of Constellium. Deputy Chief Executive Officer of Ipsen

Governance: director of listed companies (Smurfit, Legrand), Chair of the Commitments/CSR Committee (Legrand) and Member of the Audit Committee (Smurfit and Legrand)

Alilat Antsélévé-Oyima

Mining and geology business lines: Mining Engineer

CSR and social policies: CSR Manager in charge of government relations at Shell Gabon.

Management of large-scale projects: Gabon's Petroleum Code and call for tenders for the award of Gabon's oil blocks

Emeric Burin des Roziers

Metallurgy business lines: CEO Eramet recycling BU, CEO of Endel (subsidiary of Engie)

Energy transition business lines: consultant in energy transition strategy, adviser in various ministries, CEO Eramet recycling BU, CEO of the NW group, specialising in renewable electricity generation and electricity storage by lithium-ion batteries connected to the electricity grid

Management of a profit centre and general management of an international group: CEO Eramet recycling BU, CEO of Endel (subsidiary of Engie) and later of NW group

Christine Coignard

Mining and geology business lines: international financing consultancy in the mining field, Investment and Financing Director at Norilsk Nickel

International experience/Geopolitical issues: director of listed companies in the United Kingdom and the United States

Audit and Finance: international financing consultant, Investment and Financing Director at Norilsk Nickel, MBA from Schulich Business School (Canada)

CSR and social policies: consultancy and teaching in the field of sustainable development for financing, member of the Board of Directors and of the Sustainable Development Committee of Ecora Resources

François Corbin

International experience/Geopolitical issues: General Delegate for International Affairs to the Chair of the Michelin Group, Vice-President of MEDEF International in charge of coordination in the ASEAN region, Special Representative of the French Minister for Europe and Foreign Affairs

Management of a profit centre and general management of an international group: general management roles in *Business Units* at the Pechiney and later Michelin groups in France and abroad

CSR and social policies: HR experience at the Pechiney Group

Management of large-scale projects: at the Pechiney and Michelin groups

Héloïse Duval

Audit and Finance: Mergers & Acquisitions Project Director for the SEB Group, investment and transaction structuring for the Unibail-Rodamco-Westfield group

Management of large-scale projects: coordination of strategic projects for the SEB group

Governance: Director's certificate from Sciences Po-IFA

Jérôme Duval

International experience/Geopolitical issues: As part of his responsibilities as Director of Maritime and Americas Intermodal Financing activities at Crédit Agricole CIB London, New York, then Paris: dialogue with private and multilateral players in Latin America (including Chile and Argentina) and Asia (including China, Korea and Singapore)

Audit and Finance: more than 25 years' experience in corporate and investment banking

Governance: Director's certificate from Sciences Po-IFA

Jean-Yves Gilet

Metallurgy business lines: engineer in the Corps des Mines, general management positions at Usinor (Imphy, Ugitech, Ugine S.A. etc.), Arcelor, then ArcelorMittal

International experience/Geopolitical issues: Chief Executive Officer of Acesita in Brazil (now Aperam Brazil), director of Telos Transition (Brazil), CEO of the Strategic Investment Fund and Executive Director of BPI France

Management of a profit centre and general management of an international group: General management at Usinor, then Arcelor, then ArcelorMittal (Global CEO of ArcelorMittal Stainless) with subsidiaries in Europe, USA, Thailand, China etc.

CSR and social policies: consultancy in strategy and transformation, coordinator of the IFA's RSS working group, former Chair of Entreprises pour l'Environnement (EpE) and of the Environment-Sustainable Development Commission of MEDEF

Nathalie de La Fournière

Energy transition business lines: knowledge of mobility practices and prospective work on changes in usage patterns

CSR and social policies: HR Director of Agence d'Urbanisme et d'Aménagement Toulouse Metropolitan area

Governance: Director's certificate from Sciences Po-IFA

Solenne Lepage

Audit and Finance: Head of Corporate Client Relations for the Banking and Insurance branch at HSBC France, Director of Shareholdings at the French Government Shareholding Agency and member of several audit committees (Air France-KLM, Aéroports de Paris, SNCF, RATP), Deputy Director General of the French Banking Federation (FBF), General Delegate of the Association française des Sociétés Financières (ASF – French Association of Financial Companies)

CSR and social policies: Deputy Director General of the French Banking Federation (FBF), General Delegate of the Association française des Sociétés Financières (ASF – French Association of Financial Companies)

Management of large-scale projects: Head of the "EDF and other shareholdings" office of the French Government Shareholding Agency, Director of Transportation Shareholdings at the French Government Shareholding Agency, Deputy Director General of the French Banking Federation (FBF) in charge of the retail and remote banking, digital, payments and operational resilience departments

Governance: Head of the "EDF and other shareholdings" office of the French Government Shareholding Agency, Director of Transportation Shareholdings at the French Government Shareholding Agency, and member of boards of directors (in particular Air France-KLM, Aéroports de Paris, SNCF, RATP)

Manoëlle Lepoutre

Mining and geology business lines: graduated from the National School of Geology of Nancy (ENSG), 20 years in exploration and development of oil and gas deposits

Energy transition business lines: SVP Sustainable Development of TotalEnergies

International experience/Geopolitical issues: experience in the Netherlands, Norway and the USA in the exploration branch of TotalEnergies, numerous missions in the Middle East and Africa

CSR and social policies: SVP Sustainable Development, SVP Human resources and SVP Citizen Engagement for TotalEnergies

Ghislain Lescuyer

Energy transition business lines: director of the Saft group from 2015 to 2022, CEO of the group from 2015 to 2022

International experience/Geopolitical issues: senior management experience in large industrial companies

Management of a profit centre and general management of an international group: senior management experience at Saft, Areva T&D, Alstom, Thomson/Technicolor, Bull

Governance: Chair of Boards of Directors, Chief Executive Officer roles

Miriam Maes

Energy transition business lines: CEO EDF Energy Distribution networks, Chair of the *Energy transition Forum* since 2012, member of the Board of Directors of Urenco (uranium enrichment) and Assystem (nuclear engineering)

Management of a profit centre and general management of an international group: CEO EDF Energy Distribution Networks, CEO Unilever, CEO Imperial Chemical Industries

Audit and Finance: Chair of the Audit Committee of Vilmorin/Limagrain (listed company), member of the Audit Committee of Urenco and Assystem

CSR and social policies: Chair of Urenco's Sustainable Development Committee, Chair of Assystem's CSR and Remuneration Committee, member of the Port of Rotterdam CSR and Remuneration Committee

Nicolas Noël

Audit and Finance: Front Office Treasurer in the Financing and Treasury Department of Eramet

CSR and social policies: experience in implementing Plans for safeguarding employment (PSE) and elected member of the Social and Economic Council (CSE) of Eramet S.A. from 2019 to 2022

Governance: Director's certificate from Sciences Po-IFA

Franck Pecqueux

Audit and Finance: accounting and management control for industrial groups

CSR and social policies: Director's certificate from Sciences Po-IFA under way

Sonia Sikorav

International experience/Geopolitical issues: Purchasing Department of Saint-Gobain and TotalEnergies groups, General management of Saint-Gobain international subsidiaries

Management of a profit centre and general management of an international group: General management of Saint-Gobain subsidiaries

Audit and Finance: MSM MIT Sloan School, experience in management control at Rhône-Poulenc and Saint-Gobain

Management of large-scale projects: Purchasing Departments of Saint-Gobain and TotalEnergies, Industrial Department of Saint-Gobain Céramiques Industrielles

Romain Valenty

Audit and Finance: Head of Shareholding at the APE (since 2022), Secretary General of the housing division of Nexity Group (2020-2022), Director of Strategy of Casino Group (2016-2018), Head of Market Operations at Agence France Trésor (2011-2014)

Governance: responsible for shareholding at the APE from 2009 to 2011, Adviser on State shareholdings in the Office of the Minister of Finance and Public Accounts (2015-2016), Head of Shareholding at the APE (since 2022)

Jean-Philippe Vollmer

Management of a profit centre and general management of an international group: Chair of various companies, including Société des Hôtels de Nouméa

Audit and Finance: Master 2 in Business Administration

CSR and social policies: Director of the public interest groups, Union pour le Handicap, Handicap Dépendance and Bien Vieillir

Independence of directors

The AFEP-MEDEF Code considers a director to be independent "when he/she has no relationship of any kind whatsoever with the Company, its Group or its management that could compromise his/her freedom of judgement. Therefore, an independent director means any non-executive corporate officer of the Company or its Group who does not have any special ties (significant shareholder, employee, other) with the Company, its Group or its management". The AFEP-MEDEF Code also identifies a number of criteria that the Board must consider to determine whether a director can be classified as independent:

- "not being or not having been in the preceding five years:
  - an employee or an executive corporate officer of the Company,
  - a salaried employee, executive corporate officer or director of a company consolidated by the Company,
  - a salaried employee, executive corporate officer or director of the parent company or of a company consolidated by the latter";
- "not being an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which a directorship is held by a salaried employee designated as such or by an executive corporate officer (current or former within the past five years), of the Company";

- "not being a customer, supplier, investment banker, commercial banker or advisor (or being directly or indirectly related to these persons):
  - whose role vis-à-vis the Company or its Group is considered significant,
  - or for which the Company or its Group represents a significant percentage of its business activity.

  The assessment of the significance of the relationship with the Company or its Group is debated by the Board and the quantitative and qualitative criteria leading to this assessment (continuity, economic dependency, exclusivity etc.) are explained in the report on corporate governance.";
- "not having close family ties with a corporate officer";
- "not having been a Statutory Auditor of the Company in the past five years";
- "not having been a director of the Company for more than twelve years. After twelve years, a director is no longer considered to be independent";
- "a non-executive corporate officer cannot be considered independent if he or she receives variable compensation in cash or in the form of securities or any remuneration linked to the performance of the Company or the Group";
- "directors representing major shareholders of the Company or its parent company may be considered independent, provided these shareholders do not take part in the control of the Company. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board, upon a report from the appointments committee, should systematically review the qualification of a director as independent in the light of the make-up of the Company's capital and the existence of a potential conflict of interest";

As at the date of this report, based on the Board's annual review of the aforementioned criteria, seven of the 15 Board members chosen by the shareholders and the government representative were considered to be independent directors. The two directors representing employees were not counted, in accordance with the provisions of the AFEP-MEDEF Code. As such, more than one third of Board members are independent, in accordance with recommendation 8.3 of the AFEP-MEDEF Code, applicable to controlled companies.

It is noted that at the annual review of the independent status of directors, the Board performed an appraisal of the business relationships that may exist between the Eramet Group and the group within which certain independent directors work or hold a corporate office, based on both quantitative criteria (size of Eramet Group's turnover in comparison with the concerned company) and qualitative criteria (type of services and exclusivity, if any). As at the date of this document, the conclusion of this appraisal is that there are no business relationships between the Eramet Group and its directors.

3.1.1.10 Implementation of the "Comply or Explain" rule

AFEP-MEDEF Code recommendation	Eramet Corporate Governance
Recommendation 18.1 – on the composition of the Appointments Committee: "It must comprise a majority of independent directors".	The Appointments Committee comprises two independent directors out of its four members, including the Chair of the Remuneration and Governance Committee, who is also Chair of the Appointments Committee. This is due to the control on the Company's shares in which a group of shareholders holds 64% of shares and 74% of voting rights. For the Appointments Committee, the HCGE agreed that the presence of 50% of the independent directors (in lieu of a majority) meets the Code's recommendations when the Committee Chair is independent.

3.1.2 General management

3.1.2.1 Management of the Company

Since the deliberations of the Board meeting of 26 March 2003, the Company's Chief Executive Officer is also Chair of the Board of Directors, given that the Board considered this arrangement best suited to the Company's organisation and shareholding structure, with 64% of the share capital controlled by two shareholder groups acting in concert. Regular dialogue between the two main shareholders that are party to the Shareholders' Agreement and General Management is thus facilitated through a single point of contact combining the duties of Chair of the Board of Directors and Chief Executive Officer. The amalgamation of the functions of Chair and Chief Executive Officer is in compliance with balanced corporate governance rules, based on:

- a Board structure comprising at least one third independent directors;
- prior examination of the strategic lines of action by the CSR and Strategy Committee, with Board approval required for major strategic lines of action.

In accordance with Article 16 of the Articles of Association, the Board may, at the recommendation of the head of the Company's General Management, appoint up to five Deputy CEOs. The Company's CEO and the Deputy CEOs may not hold their position beyond the age of 70. There are currently no Deputy CEOs.

3.1.2.2 Role of General Management

The Executive Committee (Comex) is made up of the Chair and Chief Executive Officer, the Chief Operating Officer, the Executive Vice-President Human Resources, Health and Security, the Chief Financial Officer in charge of procurement and IT, the Chief Sustainability and External Affairs Officer in charge of corporate affairs and communication, the Chief Development Officer in charge of Strategy, Innovation and Business Development, and the General Counsel. The fact that the Corporate heads of the Group's support functions (Human Resources, Health and Security, Finance in charge of procurement and IT, Sustainability and Corporate Engagement in charge of public affairs and communication, Strategy, Innovation and Business Development, and Legal) are members of the Executive Committee strengthens the effectiveness and consistency of their actions.

All members of the Executive Committee, as well as the Director of Risk, Internal Control and Internal Audit, the Director of Group Safety and the Director of Ethics and Compliance report directly to the Chair and Chief Executive Officer.

The Chief Financial Officer in charge of procurement and IT also supervises investor relations, information systems, Group management control, insurance, financing and treasury, accounting, consolidation, Group taxation, Group real estate, mergers & acquisitions and Group purchasing.

3.1.2.3 Limitations to the powers of the Chief Executive Officer

At its meeting of 23 May 2017, the Board of Directors granted Ms Bories all powers conferred by French law to a Chair and Chief Executive Officer of a public limited company.

The Chair and Chief Executive Officer exercises full authority pursuant to the law and within the scope of the Company's corporate purpose, subject to the proviso that, "no decision relating to the Company's major strategic, economic, financial or technological direction may be taken without first being discussed by the Board", as specified in Article 13, sub-section 2 of the Articles of Association.

However, in accordance with the Board's Internal Rules, the following operations are subject to prior authorisation by the Board: all strategic investment projects, as well as any significant transaction, particularly acquisitions or disposals, exceeding €50 million or that may significantly affect the Group's results, the structure of its balance sheet or its risk profile. Projects and transactions of between €20 million and €50 million that are not significant in scope are submitted to the Board for information purposes.

In line with Article 13, sub-section 4 of the Articles of Association, "acts concerning the Company are signed either by the CEO, the Deputy CEO or by any specially authorised person."

3.1.3 Miscellaneous provisions

3.1.3.1 Description of related-party agreements – internal procedure to assess current agreements concluded under normal conditions

For full details on related-party agreements, please refer to the section of the Statutory Auditors' special report entitled, "Individual Financial Statements". An internal procedure has been implemented to assess current agreements concluded under normal conditions. The procedure follows the CNCC 2014 guidelines on agreement types. It is implemented by the Company's internal departments, and provides for an annual review by the Audit Committee of the types of agreements entered into during the financial year and the conditions attached to them. The Audit Committee's conclusions are submitted annually to the Board for review.

3.1.3.2 Powers given by the Shareholders' Meeting to the Board of Directors relating to capital increases and the status of their use – Information on share ownership, shareholders' agreements and investments in associates

This information appears in section "Eramet and its shareholders" of this document.

3.1.3.3 Means of shareholder participation at Shareholders' Meetings

The means by which shareholders may participate at Shareholders' Meetings are set out in Articles 8, 20, 21 and 22 of the Articles of Association.

3.1.3.4 Company policy on gender equality in the workplace, including within the Executive Committee

These elements are included in the Chapter entitled "Non-Financial Performance Statement/Human resources" of this document.

3.2 Information relating to remuneration of the management and administration bodies

In accordance with Articles L. 22-10-8 and R. 22-10-14 of the French Commercial Code, this chapter includes a comprehensive explanation of the components that make up the remuneration of Eramet S.A. corporate officers, including the following components, which will be submitted for the approval of the Shareholders' Meeting to be held on 30 May 2024:

Say on Pay Ex Ante:

- in the tenth resolution regarding the remuneration policy applicable to the Chair and Chief Executive Officer;
- in the ninth resolution regarding the remuneration policy applicable to the members of the Board of Directors;

Say on Pay Ex Post:

- in the eleventh resolution regarding the information set out in Article L. 22-10-9 of the French Commercial Code;
- in the twelfth resolution regarding the items comprising the total remuneration paid in 2023 and granted in that financial year to the Chair and Chief Executive Officer.

The remuneration policy will be published on the Company's website on the next business day after the vote, where it will remain freely available to the public throughout the period it applies, together with the date and result of the vote by the Shareholders' Meeting.

3.2.1 *Say On Pay Ex Ante* – Remuneration policy for corporate officers for financial year 2024

Our remuneration policy was set out by the Board of Directors on 22 March 2024, in accordance with Article L. 22-10-8 of the French Commercial Code, based on the recommendations of the Remuneration and Governance Committee.

As at the date of this report, the Company's corporate officers are Christel Bories, Chair and CEO, and all the members of the Board of Directors.

3.2.1.1 Guiding principles for the remuneration policy applicable to all corporate officers

a. Process to determine, review and implement the remuneration policy for corporate officers

The Board of Directors decides on the remuneration policy applicable to the corporate officers and oversees implementation. It sets the remuneration of Eramet's Chair and Chief Executive Officer and its directors. Moreover, as part of its preparatory work for the annual review of the remuneration of corporate officers, the Remuneration and Governance Committee is informed about the changes proposed for the Group's employees as a whole, both in terms of fixed and variable remuneration and the granting of shares, with or without performance conditions. This information ensures alignment and consistency between the provisions applicable to corporate officers and those applicable to the Group's employees.

i. Determination

The remuneration policy applicable to corporate officers is determined by the Board of Directors, on a recommendation by the Remuneration and Governance Committee, then submitted each year for the approval of the shareholders. The Board of Directors ensures that the remuneration policy applicable to corporate officers is aligned with the Group's strategy, is designed to promote our performance and competitiveness over the medium and long term to ensure our longevity and is in the corporate interest.

These are the principles underlying the policy:

Compliance	In its analysis and proposals, the Remuneration and Governance Committee pays special attention to making sure that the remuneration policy accords with legal and regulatory requirements, as well as with the recommendations of the AFEP-MEDEF Code and the High Committee on Corporate Governance.
Simplicity and consistency	In drafting the remuneration policy, the Remuneration and Governance Committee ensures that it proposes simple, intelligible rules that are consistent with those that apply to Group employees.
Comprehensiveness and balance	All components of remuneration and benefits of all kinds are exhaustively analysed each year, with both an approach by component, based on justification and the interests of the Company and the Group, and an analysis of overall consistency. The aim is to achieve the best possible balance between fixed and variable, individual and collective, short and long-term remuneration.
Aligning interests	This criterion is predicated on the need to be able to attract, motivate and retain the talent to execute on the strategy the Company needs, and to meet the requirements of shareholders and other stakeholders, especially when it comes to CSR and the link to performance.
Competitiveness	We regularly benchmark remuneration levels and structures against panels of our corporate peers, with the assistance of external consulting firms. The international panel is made up of international mining players: Rio Tinto, Anglo American, BHP, Vale, Lonmin, Bolinden and Glencore. In the national market, we use a panel of 120 companies comprising the SBF 120 (the 120 most actively traded stocks on the Paris stock exchange), with a particular focus on industrial companies like Alstom, Air Liquide, Faurecia, Imerys, Nexans, Legrand, Valeo, Vallourec, Arkema, TotalEnergies and CGG.
Performance	Financial and extra-financial performance requirements are stringent and assessed annually. They encompass the key factors of value creation and the Company's profitable and sustainable growth and are aligned with our short, medium and long-term objectives, which contributes to lasting growth. They are regularly reviewed in line with the Group's strategic priorities.

ii. Review

The remuneration policy applicable to corporate officers is reviewed each year by the Board of Directors, on a recommendation by the Remuneration and Governance Committee. The aim is to ensure that this policy is relevant and aligned with the Group's strategy. These recommendations are based on analysing market practices and yearly surveys of the remuneration of corporate officers of similar companies in terms of turnover and market capitalisation. The Committee Chair reports to the Board of Directors, on the Committee's work, studies and recommendations. The Committee may also request technical studies on the remuneration of corporate officers from any external advisor, consultant or expert as part of their responsibilities.

iii. Implementation

The remuneration policy is implemented rigorously by the Board of Directors, in compliance with the resolutions voted on by the Shareholders' Meeting. No payment, award or commitment can be made that contradicts the remuneration policy.

The Remuneration and Governance Committee meets as often as necessary, especially before approving the "Say on Pay" agenda item for the Shareholders' Meeting.

The Committee is tasked with:

- deciding on all forms of remuneration for the corporate officer, including benefits in kind, pensions or retirement benefits, received from any Group company or affiliated company;
- scrutinising and formulating proposals to the Board of Directors on the remuneration of corporate officers and, in particular, the fixed portion, the variable portion, medium- and long-term remuneration plans (including performance shares), as well as pension plans and the contractual terms and conditions relating to their termination of employment (including the fixed portion and the variable portion of remuneration);
- proposing the principles for determining how directors' fees should be allocated amongst the directors;
- proposing the total annual sum allocated to the directors, the breakdown of individual amounts, as well as the remuneration allocated to the directors tasked with exceptional assignments.

b. Structure of the remuneration policy

By being tailored to the Group's strategy, performance and context, as well as to its ambitions in terms of corporate social responsibility, the remuneration policy helps to ensure its longevity. In order to align this policy with the Group's strategy, and reflecting the practice of previous financial years, the remuneration of the Chair and Chief Executive Officer is made up of a fixed annual component, annual variable remuneration and long-term remuneration, with the majority of the variable components being directly linked to the performance of both the Group and the Chair and Chief Executive Officer themselves. Most of the criteria are based on the Group's financial performance, as well as its performance in terms of the responsible transformation of the Earth's mineral resources.

The **annual variable remuneration**, which is applicable to all Group executives, is based on demanding objectives established based on:

- CSR performance criteria in the form of quantitative indicators selected with the aim of being a committed and contributing corporate citizen in social and environmental matters;
- safety criteria related to the accident record, as well as criteria on prevention initiatives aimed at building a robust safety culture;
- and more specifically for the Executive Committee, the introduction of a specific decarbonisation criterion with the aim of significantly reducing our impact on the environment;
- financial indicators reflecting economic performance and designed to facilitate comparison with comparable companies and its alignment with the Group's growth and value creation objectives;
- criteria related to business development and management issues.

The **long-term remuneration** scheme for the Chair and Chief Executive Officer, which is identical to the scheme for the Group's key executives and managers, is based exclusively on intrinsic and extrinsic financial performance criteria, and CSR criteria, the weighting of which was increased in 2024 to emphasise the Group's commitment to the environment and society. The criteria applied in 2024 are described in Chapter 3.2.1.2.b.ii of this Reference document.

c. Method used to determine the performance criteria for executive corporate officers

During the first quarter of each year, the Board of Directors, on a recommendation by the Remuneration and Governance Committee, sets the various annual variable remuneration objectives for the current year, the long-term remuneration objectives, as well as the expected levels of performance.

Annual variable remuneration objectives are measured using **quantitative and qualitative criteria. Quantitative objectives** are determined on the basis of performance thresholds specified as follows:

- the threshold below which no variable remuneration is granted;
- the target and maximum levels of the variable remuneration paid when each objective is achieved or exceeded.

The qualitative criteria cover strategic and managerial aspects.

Long-term variable remuneration objectives are set according to performance thresholds defined as follows:

- the threshold below which no share vests;
- target share acquisition level when each objective is met and which entitles holders to all shares granted.

d. Method used to evaluate the performance criteria for executive corporate officers

During the first quarter of each year, the Board of Directors, on recommendations by the Remuneration and Governance Committee, evaluates the level to which the performance criteria for the last year, upon which the annual variable remuneration and the long-term remuneration of the Chair and Chief Executive Officer are based, have been achieved.

At the end of the evaluation, the levels of achievement of the annual variable remuneration and long-term remuneration objectives are communicated criterion by criterion.

With regard to annual variable remuneration, when objectives are achieved, 100% of the annual variable remuneration is paid. If objectives are exceeded, annual variable remuneration may reach 150% of annual fixed remuneration.

With regard to long-term variable remuneration, if all the performance conditions are met, long-term remuneration corresponds to 100% of annual fixed remuneration.

The evaluation of each criterion is defined according to the following methodology:

<table>
<tr><th>Annual variable remuneration</th><th>Long-term variable remuneration</th></tr>
<tr><td colspan="2">The financial performance criteria are evaluated on the basis of the detailed figures in the annual financial statements approved by the Statutory Auditors.</td></tr>
<tr><td colspan="2">The level to which the CSR roadmap objectives have been achieved, each objective of which is precisely defined in advance, as well as the decarbonisation criterion, are assessed annually by the CSR and Strategy Committee. The criteria are quantitative and in line with the indicators reported in the non-financial performance statement.
An external reasoned report on the non-financial performance statement, which sets out Eramet's approach to its commitments in detail, is prepared by an independent third party on the statement's compliance with Article R. 225-105 of the French Commercial Code, as well as on the fairness of the information provided in accordance with said Article R. 225-105-I(3) and II, namely the policy outcomes, including key performance indicators, and the measures implemented to address the main non-financial risks.</td></tr>
<tr><td>The safety indicators are evaluated by applying the "Accident and safety incident reporting" procedure. Reporting is carried out using the SAFEE tool, which allows the results to be compared with those from previous years, thereby ensuring consistent monitoring. The Group Safety and Prevention Department periodically checks the safety information collected. These checks are based on verifying that the information expected is consistent with that of previous periods, and they rely on the information regularly collected from the sites. They ensure the quality and completeness of the information can be checked. The results are available in the form of consolidated reports that can be consulted using the Power BI tool.</td><td>The relative performance of Eramet shares is assessed by an external firm, Forward Finance. Their detailed assessment is sent every year to the Remuneration and Governance Committee.</td></tr>
</table>

e. Managing conflicts of interest

In its procedures for managing conflicts of interest, Eramet complies with the recommendations of the AFEP-MEDEF Code on the independence of directors that sit on the Remuneration and Governance Committee and the Board of Directors.

All directors are bound by the Directors' Charter appended to Eramet's Internal Regulations, which sets out the directors' obligations with respect to conflicts of interest.

Accordingly, the executive corporate officer concerned (in this case, the Chair and Chief Executive Officer) does not take part in the work of the Remuneration and Governance Committee that concerns him/her.

Similarly, the executive corporate officer does not take part in the deliberations or vote on decisions concerning him/her taken by the Board of Directors.

f. Changes to the remuneration policy

The remuneration policies applicable to directors and to the Chair and Chief Executive Officer were approved by more than 99% of the shareholders when they voted on the fourteenth and fifteenth resolutions at the Shareholders' Meeting of 23 May 2023. The Board of Directors, on a recommendation by the Remuneration and Governance Committee, decided to renew the remuneration policies applicable to the Chair and Chief Executive Officer for 2024.

With regard to the remuneration policy applicable to directors, the Board of Directors, on the recommendation of the Remuneration and Governance Committee, has decided to introduce the following changes: each meeting of the Appointments Committee attended as from the third meeting of the financial year will give rise to a remuneration of €2,000 for directors. This compensation is increased to €4,000 for the Committee Chair as from the third meeting of the financial year.

Exceptional circumstances

In accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, in exceptional circumstances, the Board of Directors, on a recommendation by the Remuneration and Governance Committee, may depart from the remuneration policy if this departure is temporary, in line with the corporate interest and necessary to guarantee the longevity or viability of the Company. Exceptional circumstances may arise, in particular, from a development, or even a substantial change, in the economy, the conditions of the market in which the Group operates or the competitive climate, a significant change in the Group's scope such as a transformative operation (merger, disposal etc.), the acquisition or creation of a significant new business activity, or withdrawal of a significant business activity, or a change in accounting method/standard.

In these circumstances, the Board of Directors may, following a recommendation by the Remuneration and Governance Committee, adjust the criteria and performance conditions for variable remuneration. Any adjustments will be duly justified and strictly implemented. This remuneration will be submitted to the ex post vote of the Shareholders' Meeting and may only be paid if approved by the Shareholders. Any such changes must remain aligned with the best interests of the shareholders and beneficiaries. A detailed report on this matter will be given by the Board of Directors to the shareholders.

3.2.1.2 Remuneration policy applicable in 2024 to the Chair and Chief Executive Officer

a. Term of office of the Chair and Chief Executive Officer

Christel Bories was appointed Chair and Chief Executive Officer with effect from 23 May 2017, for the duration of her term of office as director, until the Shareholders' Meeting called to approve the financial statements for the 2020 financial year.

The ninth resolution of the Shareholders' Meeting of 28 May 2021, called to approve the financial statements for the 2020 financial year, voted by 99.66% to renew the term of office of Christel Bories, Chair and Chief Executive Officer, for a period of four years, i.e., until the Shareholders' Meeting called to approve the financial statements for the 2024 financial year.

The Chair and Chief Executive Officer may be dismissed at any time by the Board of Directors.

b. Total remuneration and benefits of any kind

i. Fixed remuneration

The Chair and Chief Executive Officer receives a fixed remuneration in consideration for the responsibilities attached to this type of corporate office. The remuneration is determined mainly on the basis of the following:

- level of responsibility and complexity of the assignments attached to this position;
- skills, professional experience, expertise and background of the incumbent;
- market research on the remuneration for similar positions at French companies with turnover and market capitalisation comparable to those of the Group, with the aim of positioning itself in the market median of comparable companies.

It is reviewed each year, and its revision may be proposed in the event of significant change to the incumbent's scope of responsibility or discrepancy with respect to the Company's market positioning, on the basis of the remuneration surveys carried out each year.

In 2023, as in the previous year, the fixed remuneration of the Chair and Chief Executive Officer was significantly lower than the market median (84% of the median of comparable companies).

Nevertheless, given the market conditions and the difficult economic climate, the Board of Directors, on the recommendation of the Remuneration Committee, has decided to maintain the annual fixed remuneration at its current level.

The fixed remuneration of the Chair and Chief Executive Officer was defined as part of her appointment as Chair and Chief Executive Officer on 23 May 2017. It amounts to €800,000 (annual gross fixed amount) and has remained unchanged since that date.

ii. Annual variable remuneration

The objective of the annual variable remuneration is to encourage the Chair and Chief Executive Officer to attain the annual performance objectives set by the Board of Directors in line with the implementation of the Company's strategy.

The variable portion for objectives achieved (i.e. 100% of the gross fixed annual remuneration) and the maximum variable portion (i.e. 150% of the gross fixed annual remuneration) are reviewed each year by the Remuneration and Governance Committee in relation to market practice, as part of the remuneration surveys conducted annually. Annual variable remuneration of the Chair and Chief Executive Officer, identical to the one applied to the Group's executives and the Executive Committee, is determined as follows:

		Indicators	Weighting of objectives
QUANTIFIED COLLECTIVE OBJECTIVES: 75% OF VARIABLE REMUNERATION	Safety objectives	**-Workplace accident frequency rate** with or without lost days, including the accident record of Eramet employees, temporary workers and subcontractors. In the event of a fatal accident at a site, the level of achievement is zero. In the event of a serious accident, the level of achievement is halved.	5%
		Risk prevention indicator determined by initiatives relating to the causes of serious or high-potential incidents across all Group sites.	5%
	CSR objective	Development of the **new CSR Roadmap 2024-2026.**	15%
		Decarbonisation: reduce the carbon footprint of our value chain.	5%
	Financial objective	Group adjusted EBITDA[1].	70%
INDIVIDUAL OBJECTIVES: 25% OF VARIABLE REMUNERATION	Individual objectives	Finalise t**he neutralisation of SLN's debt in Eramet's accounts** while providing SLN with long-term operational support. **Deliver lithium projects.** **Deliver the Group's growth strategy** by making proposals on the various development areas of the roadmap. **Strengthen the managerial organisation** to deliver the strategy.	
TOTAL = 100%			

(1) Adjusted EBITDA; EBITDA including PT Weda Bay Nickel's share of EBITDA.

All the criteria significantly contribute to the remuneration policy objectives. The performance criteria are strict and correspond to the Group's main profitable and sustainable growth factors, and are generally aligned with the short- and long-term objectives. Eramet's strategy places social responsibility at the heart of its operations and initiatives worldwide. In 2024, a new CSR roadmap was launched to bolster this commitment. This roadmap expands the company's areas of corporate social responsibility, focusing on performance criteria that include safety, the working environment and quantitative objectives, in particular reducing its carbon footprint. These performance criteria are consistent with those for executives and managers, ensuring that all key employees are aligned with the interests of shareholders and the company. This approach aims to promote sustainable and profitable growth for the Group.

The remuneration policy does not provide the Company with the ability to demand that variable remuneration be returned. The variable portion owed in a given year is determined by the Board of Directors approving the financial statements for the same year. Thus, in accordance with Article L. 22-10-34 of the French Commercial Code, payment of the variable portion due for 2024 will be subject to an *ex post* vote by the Shareholders' Meeting called in 2025 to approve the financial statements for the 2024 financial year. It is paid within the month following the validation of this payment by the Shareholders' Meeting.

There is no other period of potential postponement.

iii. Long-term remuneration

The share-based payment plan for the Chair and Chief Executive Officer, which is identical to the plan in place for the Group's key executives and managers, is based on both intrinsic and extrinsic financial performance criteria, as well as on CSR criteria that also include a carbon footprint reduction criterion.

The Chair and Chief Executive Officer's long-term remuneration is exclusively based on the granting of shares that are contingent on performance conditions, as detailed below.

Share-based remuneration is in line with the objectives of the remuneration policy, since it allows the Company to retain its executives and encourages aligning their interests with the Group's corporate interests and the interests of shareholders.

The level of this share grant is subject to analysis, renewed at least every three years to ensure that it corresponds to best market practices and, under all circumstances, to AFEP MEDEF guidelines. A revised share grant may be proposed in the event of a material change to the Chair and Chief Executive Officer's scope of responsibility or a divergence relative to the Company's market positioning, on the basis of the remuneration surveys carried out. In the light of the benchmarking carried out in 2023 that revealed a marked divergence between market practices and the practices of Eramet, the Board of Directors proposes that, as of 2024 and subject to the approval of the Shareholders' Meeting, the Chair and Chief Executive Officer be granted performance shares amounting to 120% of her annual fixed remuneration if all the performance conditions of the plan are fully achieved.

Share grants are granted annually at the same time of year and are not discounted. Since these concern existing shares as opposed to new shares, there is no share dilution. With regard to the dilution of voting rights, the granting of existing shares only has a marginal impact, given the composition of Eramet's equity, on one hand, and the selectivity of the criteria established for these plans, on the other. The share plan regulations prohibit hedging operations and executive corporate officers give a formal undertaking in this respect.

Granted shares are contingent on performance conditions as described below as well as a continuous three-year presence condition for the Group's employees. Since the 2021 grants, an additional two-year holding period no longer applies to shares vested at the end of the three-year vesting period to ensure that the plan is both attractive and competitive internationally.

Nonetheless, pursuant to AFEP-MEDEF recommendations, the executive corporate officer is required to hold 20% of the shares vested under the performance share plans until the end of their term as a corporate officer, a decision that must be reviewed each time their term of office is renewed.

Performance conditions

Share grant performance conditions are calculated over three years and are identical to those imposed on other Eramet Group beneficiaries. These performance condition indicators are reviewed at least every three years, after analysing the practices of comparable companies on the market, and to ensure alignment and consistency between long-term remuneration and the Eramet Group's strategy.

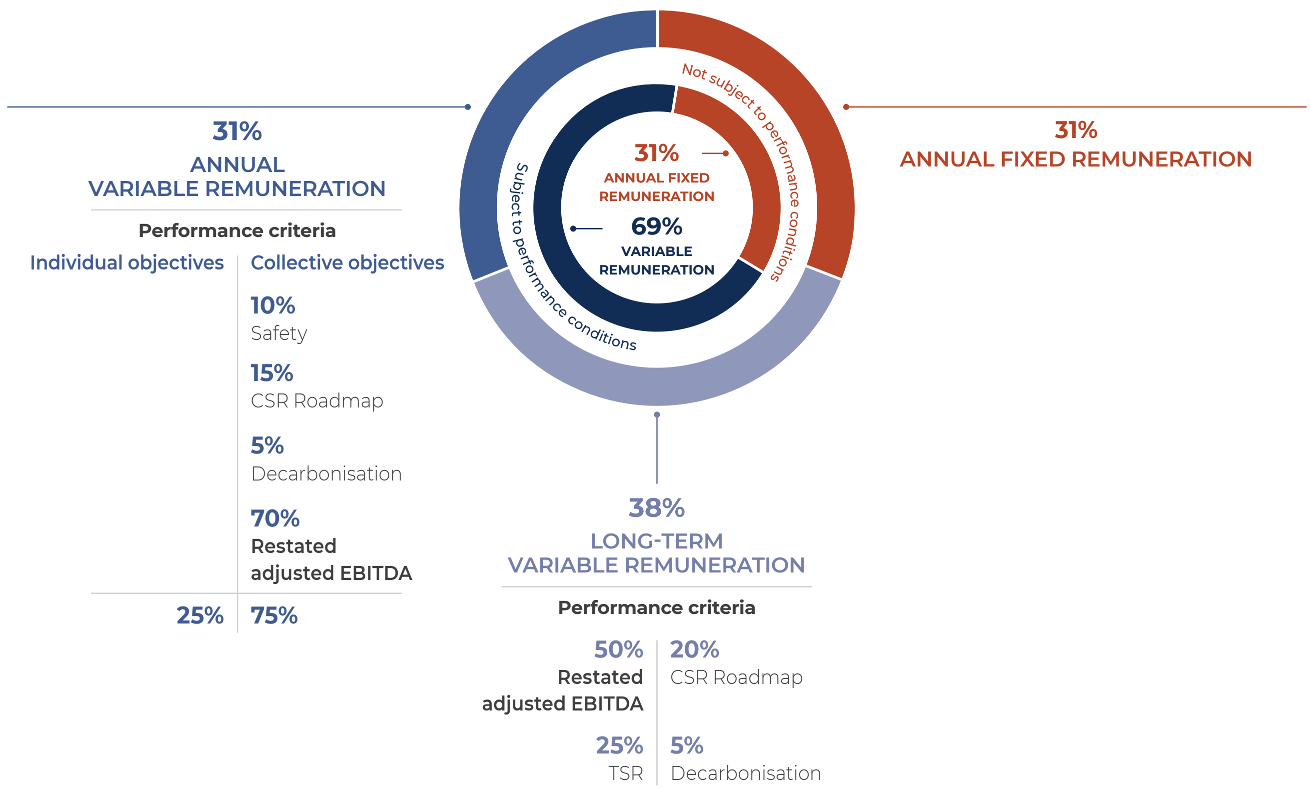
The performance conditions for 2024 are based on three indicators whose weighting is changing to emphasise the Group's commitment to the environment and society:

- the Eramet Group's **CSR performance** has been strengthened and now represents **25% of the share grant**. It is measured over three years through:
  - the level of achievement of the Group's new CSR roadmap, representing 20%, and broken down into ten objectives based on three major means of action: caring for people, being a trusted partner for nature and transforming our value chain. Each objective and the associated progress are defined and quantified in Chapter 5.1.5.1,
  - the introduction of a decarbonisation criterion, representing 5%, aimed at reducing CO_2 emissions per tonne produced;
- **the relative performance of the Eramet share accounts for 25% of the share grant.** This involves comparing the total annual shareholder return over a three-year period with that of a panel of several dozen comparable companies on the Euromoney Global Mining Index; this performance condition is only 100% achieved if the Eramet share is ranked among the first quartile of the basket;
- **the intrinsic adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) performance[1] achieved in three instalments over a three-year period represents 50% of the share grant.** This performance condition is only 100% achieved if these objectives are met.

iv. Respective weight of remuneration components

The remuneration policy for the Chair and Chief Executive Officer aims to strike a balance between long-term and short-term performance in order to promote the development of the Eramet Group for all of its stakeholders.

The **total target remuneration** for the Chair and Chief Executive Officer breaks down as follows:



(1) *EBITDA is calculated at constant economic conditions in relation to the budget, i.e. it excludes the exogenous effects of the period on EBITDA (changes in prices of products sold, cost of inputs, currency conversion rates, impact of uncontrollable events, changes in the Group's scope of consolidation or accounting standards).*

v. Other remuneration components

Supplementary insurance scheme and healthcare plan

The Chair and Chief Executive Officer is covered by the supplementary insurance scheme and healthcare plan in force within the Company under the same conditions as those applicable to other employees.

The supplementary healthcare plan, which is 56% financed by Eramet and 44% by beneficiaries, covers the hospitalisation, medical costs, dental and optical costs of beneficiaries and their assigns.

The supplementary insurance scheme, which is 67% financed by Eramet and 33% by beneficiaries, provides coverage in the event of lost days due to illness or accident, a disability allowance, as well as capital or income proportional to the gross annual pay in the event of death.

Insurance policies related to these schemes can be cancelled under the statutory law conditions applicable in the field.

Furthermore, the Board of Directors may unilaterally revisit whether these schemes shall apply to the Chair and Chief Executive Officer.

Supplementary pension plan

The Chair and Chief Executive Officer is covered by a life insurance policy pursuant to Article 82 of the French General Tax Code, designed to supplement the level of the Chair and Chief Executive Officer's replacement income when she retires.

The annual amount paid in respect of this policy is 30.39% of the gross total annual remuneration (fixed remuneration + variable remuneration subject to performance conditions) paid to the Chair and Chief Executive Officer during the reference year.

The amount thus determined shall be paid in two instalments:

- payment by the Company to an insurance company of an annual contribution, up to 50% of the total amount of the additional remuneration;
- annual payment by the Company to Chair and Chief Executive Officer of an amount in cash, up to 50% of the total amount of the additional remuneration, to finance the corresponding social security and tax charges.

The subscription of the life insurance policy was authorised by the Board of Directors on 26 July 2017 and approved by the Shareholders' Meeting of 24 May 2018 under the procedure for related-party agreements (Article L. 225-38 et seq. of the French Commercial Code). Insurance policies related to these schemes can be cancelled under the statutory law conditions applicable in the field.

To comply with the objectives of the remuneration policy, the basis for calculating this additional remuneration includes fixed and variable remuneration and is therefore de facto subject to performance conditions, which are described in section 3.2.1.2.b.ii on annual variable remuneration.

vi. Absence of other remuneration items

The following provisions are not included in the term of office of the Chair and Chief Executive Officer:

- compensation in respect of a non-competition commitment at the end of her term of office;
- remuneration for the directorships held within the Group's companies;
- exceptional remuneration;
- provision of a company car, which she has waived even though the Group's remuneration policy provides for the provision of such a vehicle to the Group's senior executives;
- an employment contract or service contract.

vii. Severance package

The corporate office of the Chair and Chief Executive Officer provides that in case of dismissal (except for gross misconduct) or forced resignation, particularly following a change of company control or substantial imposed changes to the scope of responsibility (including in the event that the roles of Chair and Chief Executive Officer are separated before the end of Ms Bories' renewed term of office, that Ms Bories is proposed to continue with only one of those two roles and that she would decline the proposal), the Chair and Chief Executive Officer will be awarded severance pay equal to two years of her gross fixed and variable remuneration.

To comply with the objectives of the remuneration policy, this package is subject to the condition that the sum of gross variable remuneration received over the last three complete years of her term of office must be 35% or more of the total gross annual fixed remuneration received during the same three-year period.

In the event that the number of full financial years is less than three, the performance will be assessed based on the actual duration of the term of office, at the discretion of the Board of Directors as proposed by the Remuneration and Governance Committee.

The Board of Directors can unilaterally cancel this severance package based on a performance evaluation.

3.2.1.3 Remuneration policy applicable in 2024 to directors

a. Term of office of directors

Directors are appointed for a term of four years in office. The director can be dismissed at any time by resolution of the Shareholders' Meeting.

Christel Bories	appointed on 23 May 2017	expiry date SM convened for 2024 financial statements
Alilat Antsélévé-Oyima	appointed on 28 May 2021	expiry date SM convened for 2024 financial statements
Emeric Burin des Roziers	appointed on 23 May 2019	expiry date SM convened for 2026 financial statements
Christine Coignard	appointed on 23 May 2017	expiry date SM convened for 2024 financial statements
François Corbin	appointed on 23 May 2019	expiry date SM convened for 2026 financial statements
Sorame (Jérôme Duval)	Sorame appointed on 11 May 2011 – Mr Duval appointed on 23 May 2019	expiry date SM convened for 2026 financial statements
Héloïse Duval	appointed on 23 May 2023	expiry date SM convened for 2026 financial statements
Jean-Yves Gilet	appointed on 23 September 2016	expiry date SM convened for 2026 financial statements
CEIR (Nathalie de La Fournière)	CEIR appointed on 11 May 2011 – Ms de La Fournière appointed on 29 May 2015	expiry date SM convened for 2026 financial statements
Solenne Lepage(1)	appointed on 22 March 2024	expiry date SM convened for 2024 financial statements
Manoelle Lepoutre	appointed on 11 May 2011	expiry date SM convened for 2026 financial statements
Ghislain Lescuyer	appointed on 23 May 2023	expiry date SM convened for 2026 financial statements
Miriam Maes	appointed on 27 May 2016	expiry date SM convened for 2023 financial statements
Nicolas Noël	Director appointed to represent employees	term of office effective from 23 June 2022 until 22 June 2026
Franck Pecqueux	Director appointed to represent employees	term of office effective from 12 November 2022 until 11 November 2026
Sonia Sikorav	appointed on 27 May 2016	expiry date SM convened for 2023 financial statements
Romain Valenty	Appointed as Government representative on 18 October 2022, as per the Order of 20 August 2014	Not appointed by the AGM
Jean-Philippe Vollmer	appointed on 15 October 2020	expiry date SM convened for 2023 financial statements

(1) Solenne Lepage has not yet been appointed as at the date of the Remuneration and Governance Committee meeting. She is due to be appointed on 22 March 2024.

b. Remuneration of the directors for financial year 2024

The total sum allocated to the Board of Directors was set at €950,000 at the Shareholders' Meeting of 23 May 2017 (seventeenth resolution). As previously disclosed, the Chair and Chief Executive Officer receives no remuneration as a corporate officer in the Company. Consequently, that remuneration is split among the other members of the Board, including the two directors who represent the employees. These rules for distribution comply with the AFEP-MEDEF Code, which recommends that the variable component of directors' fees weigh more heavily.

Fixed remuneration

Directors receive an annual package of €10,000.

Depending on cases, directors receive the following compensation:

- an annual package of €5,000 for Appointments Committee members; annual package of €15,000 for the Lead Director;
- compensation of €2,500 for each meeting of the Board of Directors, the CSR and Strategy Committee and the Remuneration and Governance Committee attended. This amount is increased to €5,000 for the Chairman of each of these two Committees;
- compensation of €3,000 for each meeting of the Audit, Risks and Ethics Committee attended. This amount is increased to €6,000 for the Chairman of the Committee;
- compensation of €2,000 for each meeting of the Appointments Committee attended as from the third meeting of the financial year. This amount is increased to €4,000 for the Committee Chair as from the third meeting of the financial year.

Travel allowance

Each director who is a non-European resident receives a travel allowance of €1,525 for each journey to attend a Board or Committee meeting.

Absence of other remuneration items

Directors do not receive variable or exceptional remuneration, nor share-based payments.

The above remuneration procedures apply to all Eramet directors.

Employment or service contracts

Directors do not, under any circumstances, have an employment contract nor a service contract with Eramet.

In accordance with the Articles of Association and the Directors' Charter, each individual director must become the holder of one hundred shares within 18 months of joining the Board and retain them for the duration of their term of office.

3.2.2 *Say On Pay Ex Post* – Total remuneration and benefits paid during the 2023 financial year or granted during that financial year to the corporate officers

3.2.2.1 Total remuneration and benefits paid in 2023 or granted during that financial year to the Chair and Chief Executive Officer

a. Summary of components applicable to the Chair and Chief Executive Officer

The tables below summarise the remuneration and benefits of any kind paid during the 2023 financial year or granted for that financial year to the Chair and Chief Executive Officer:

SUMMARY OF THE REMUNERATION, SHARES AND OPTIONS GRANTED TO THE CHAIR AND CHIEF EXECUTIVE OFFICER

(TABLE 1 OF THE CORPORATE GOVERNANCE CODE)

	2023	2022
Christel Bories, Chair and CEO		
Remuneration granted for the financial year(1) (detailed in table 2)	2,283,390	2,207,242
Value of share options granted during the financial year (detailed in table 4)	0	0
Value of performance shares granted during the financial year (detailed in table 6)	857,307	1,250,617
Value of other long-term remuneration plans		0
TOTAL	**3,140,696**	**3,457,859**

(1) The valuation method used to calculate the value of performance shares does not permit the actual remuneration of the executive to be extrapolated from these figures for the years in question.

PROCEDURES FOR THE GRANTING AND VALUATION OF SHARES

		2023	2022
Annual fixed remuneration	A	800,000	800,000
Granting of shares as a % of fixed remuneration	B	100%	100%
Average share price in the last quarter of the previous year	C	75.30	75.70
Maximum number of shares granted for 100% achievement of performance criteria	**=A x B/C**	**10,667**	**10,568**
Fair value of the share on the grant date		80.37	118.34
VALUATION OF SHARES ON THE GRANT DATE		**857,307**	**1,250,617**

SUMMARY OF REMUNERATION OF THE CHAIR AND CHIEF EXECUTIVE OFFICER

(TABLE 2 OF THE CORPORATE GOVERNANCE CODE)

	Amount for 2023		Amount for 2022	
	Granted	Paid	Granted	Paid
Christel Bories, Chair and CEO				
Fixed remuneration	800,000	800,000	800,000	800,000
Annual variable remuneration	951,200	892,800	892,800	1,084,000
Contribution to the Art. 82 scheme	532,190	514,442	514,442	572,548
Remuneration allocated for term of office as director				
Benefits in kind				
TOTAL	**2,283,390**	**2,207,242**	**2,207,242**	**2,456,548**

No multi-year variable remuneration was due or paid during the financial year.

b. Remuneration components paid for financial year 2023

i. Fixed remuneration

For the 2023 financial year, Christel Bories received gross fixed remuneration of €800,000.

ii. Variable remuneration

The gross variable remuneration paid in 2023 in respect of the 2022 financial year was €892,000. This represents an overall objective achievement level of 111.6%. This level of achievement is detailed in Chapter 3.2.2.1.b of the 2022 Reference document.

Variable remuneration granted in 2023 and paid in 2024 totalled €951,200 gross. This amount was determined in accordance with the level of achievement of objectives described below:

LEVEL OF ACHIEVEMENT OF 2023 OBJECTIVES FOR VARIABLE REMUNERATION PAID IN 2024

Objectives	Weighting	Achievement rate	Percentage paid in respect of this objective
2023 Group operating cash flow	55%	133.9%	73.6%
Corporate Social Responsibility:			
• Safety (FR2 including employees, temporary workers and subcontractors)	5%	0%	0.0%
• Safety (risk prevention indicator)	5%	125%	6.3%
• Achievement of CSR roadmap objectives	10%	98.1%	9.8%
Qualitative objectives relating in particular to the implementation of major Group projects, the Group's financing strategy and the contribution of a solution for SLN while preserving the Group's interests.	25%	116.7%	29.2%
OVERALL OBJECTIVES ACHIEVEMENT RATE	**100%**		**118.9%**

In terms of corporate social responsibility, the Chair and Chief Executive Officer's objectives are based on:

- safety objectives covering both performance indicators and prevention indicators in order to strengthen the safety culture. Eramet's safety performance targets are extremely ambitious, which explains why they have not been met, despite being among the best in the industry;
- the implementation of the CSR roadmap, whose performance, described in Chapter 5, is based on 15 objectives focusing on commitment to people, Eramet's economic responsibility and commitment to the planet. The level of achievement of each objective is used to measure the Group's CSR performance, the results of which are also presented in Chapter 5.

iii. Long-term remuneration

Performance shares granted

PERFORMANCE SHARES GRANTED TO THE CHAIR AND CHIEF EXECUTIVE OFFICER DURING THE YEAR

(TABLE 6 OF THE CORPORATE GOVERNANCE CODE)

	Plan No. and date	Number of shares granted	Value of shares[1]	Acquisition date	Date available	Performance conditions
C. Bories	Plan from 21/03/2023	10,667	857,307	21 March 2026	21 March 2026	The applicable performance criteria are set out below in the section on "Current performance share plan"
TOTAL		**10,667**				

(1) Calculated according to the fair value of the share on the grant date by the Board of Directors, namely €80.37 on 21 March 2023. Although the remuneration policy provides for the award of LTIs of up to 100% of the fixed remuneration, calculated on the basis of the share price for the three months preceding the award, the fact that Say on Pay is governed by the AFEP MEDEF code means that the fair-value valuation of this award on the award date must be disclosed.

Current performance share plan

The Board of Directors' meeting of 21 March 2023 granted Christel Bories 10,667 performance shares (i.e. 0.04% of the share capital), at an estimated value of €857,307 using the method adopted for the consolidated financial statements (fair value of the share on the day of the share grant by the Board of Directors) where all the plan performance conditions are met. 20% of the vested shares must be held until the end of the corporate officer's term of office.

These very rigorous performance conditions from the 2023 plan are calculated over a three-year period, as follows:

- the relative performance of the Eramet share for 30% of the share grant (this involves comparing the total shareholder return over a three-year period with that of a panel of 24 comparable mining companies on the Euromoney Global Mining Index; this performance condition is only 100% achieved if the Eramet share is ranked among the top 15% in this basket);
- the intrinsic IFRS 5 adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) performance(1) achieved in three instalments over a three-year period at constant economic conditions in relation to the budget, for 50% of the share grant. This performance condition is only met at 100% if these objectives are met;
- Eramet Group's CSR performance over three years for 20% of the share grant. This is the level of achievement of the Group's CSR roadmap, which is based on 13 objectives that can be broken down into 15 indicators that must be achieved, mainly covering the following areas: safety, training and commitment of employees, diversity, energy transition, respect for human rights, reduction of atmospheric emissions and CO_2 emissions, responsible procurement etc. The CSR indicators are published annually and the results presented each year to the CSR and Strategy Committee.

Performance shares that became available during the 2023 financial year

SHARES GRANTED TO THE CHAIR AND CHIEF EXECUTIVE OFFICER AND MADE AVAILABLE DURING THE YEAR *(TABLE 7 OF THE CORPORATE GOVERNANCE CODE)*

	Plan date	Number of shares granted	Number of shares that became available during the financial year (end of the holding period for the plan dated 22/03/2023)
C. Bories	Plan from 22/03/2018	15,000	3,544
TOTAL		**15,000**	**3,544**

Pursuant to Article 24 of the AFEP MEDEF Code, 20% of the shares acquired under the performance share plans must be held until the end of the term of office.

Performance shares vested during the 2023 financial year

	Plan date	Maximum number of shares granted	Number of shares vested in 2023 (end of the holding period for the plan dated 12/03/2025)
C. Bories	Plan from 12/03/2020	15,000	9,253
TOTAL		**15,000**	**9,253**

Unlike the current rules, which provide for a grant corresponding to 100% of objectives achieved, the grant rules for plans prior to 2021 provided for a share grant corresponding to a level of achievement of 150% of the objectives.

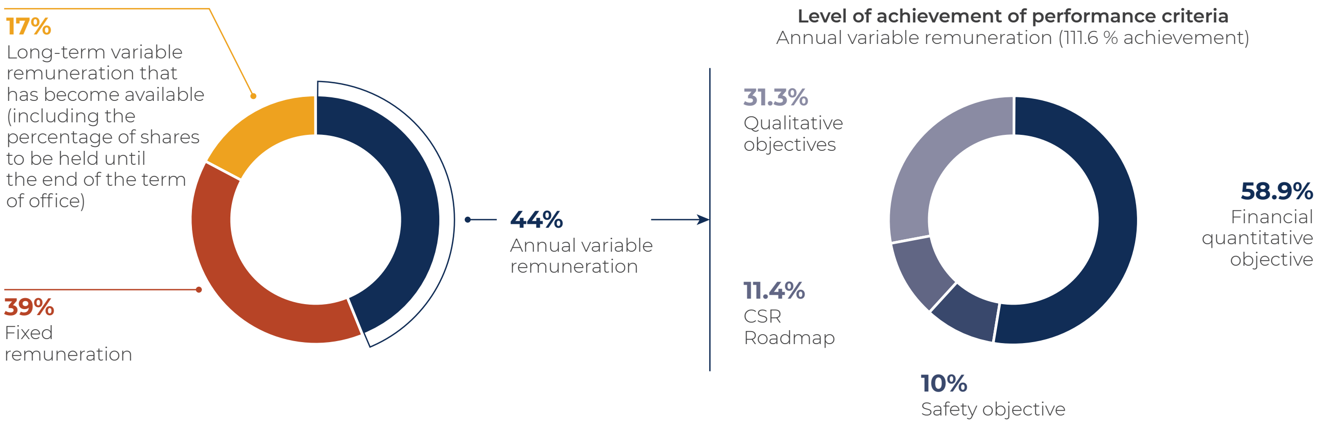
The level of achievement for the 2020 plan, used to determine the number of shares vested in 2023, **was 92.52% of the target shares granted. The 2020 plan provided for the possibility of outperformance, leading to a maximum award of 150% of the shares granted. In this respect, the shares acquired in 2023 correspond to 61.7% of the maximum award.** It was determined over a three-year period in accordance with the average level of achievement of the objectives described below:

Objectives	Weighting	Level of achievement of the 2020 plan
EBITDA	25%	93%
Net debt	25%	139%
CSR roadmap	20%	150%
TSR performance against a panel of comparable companies	30%	15%
Level of achievement against target	**100%**	**92.52%**
LEVEL OF ACHIEVEMENT AGAINST MAXIMUM AWARD	**150%**	**61.7%**

(1) IFRS 5 – Separate recognition of "non-current assets held for sale and discontinued operations", i.e. EBITDA targets do not include Aubert & Duval and Erasteel.

Relative proportion of fixed and variable remuneration

WEIGHTING OF TOTAL REMUNERATION PAID IN 2023



Long-term variable remuneration is based on the value of the number of shares that became available during the financial year, calculated at the share price on the day they were vested.

Performance share grant history

INFORMATION ON PERFORMANCE SHARES

(TABLE 9 OF THE CORPORATE GOVERNANCE CODE)

	2018 plan	2019 plan	2020 plan	2021 plans	2022 plan	2023 plan
Date of Shareholders' Meeting	27 May 2016	24 May 2018	24 May 2018	24/05/2018 and 28/05/2021	28 May 2021	28 May 2021
Date of Board Meeting	22 March 2018	20 February 2019	12 March 2020	11/03/2021 and 28/05/2021	10 March 2022	21 March 2023
Date of vesting of France Plan shares	22 March 2021	20 February 2022	12 March 2023	11/03/2024 and 28/05/2024	10 March 2025	21 March 2026
End date of holding period France	22 March 2023	20 February 2024	12 March 2025	11/03/2024 and 28/05/2024	10/03/2025[3]	21/03/2026[3]
End date of vesting and holding period for International Plan shares	22 March 2022	20 February 2023	12 March 2024			
ALL EMPLOYEES						
Total number of shares granted[1]	206,056[1]	179,596[1]	188,013[1]	217,054[1]	113,450[1]	124,809[1]
Number of shares vested at 31/12/2023 (international plan)	16,177	17,031	24,453	161,227[2]		
Number of shares vested at 31/12/2023 (France Plan)	41,382	54,355	83,563			
Cumulative number of cancelled or lapsed shares	148,497	108,210	79,997	55,827		
Performance shares remaining at financial year end	0	0	0	0	113,450	124,809

	2018 plan	2019 plan	2020 plan	2021 plans	2022 plan	2023 plan
INCLUDING CORPORATE OFFICER, C. BORIES:						
Total number of shares granted(3)	15,000	15,000	15,000	19,480	10,568	10,667
Total number of shares vested	3,544	5,707	9,253	16,477		
Total number of shares available	3,544					
Performance conditions	• Total shareholder return (TSR) of the Eramet share compared to that of companies included in the indices (Euromoney Global Mining Index: *Diversified Metals & Mining, Steel) (1/3)*; • Intrinsic performance of economic indicators (1/3) EBITDA and (1/3) ROCE on a constant economic budget basis; • Gradual vesting over three years.		• Total shareholder return (TSR) of the Eramet share compared to that of companies included in the indices (Euromoney Global Mining Index: *Diversified Metals & Mining, Steel) (30%)*; • Intrinsic performance of economic indicators (25%) EBITDA and (25%) NET DEBT on a constant economic budget basis; • Corporate Social Responsibility (CSR) performance (20%); • Gradual vesting over three years.	• Relative performance (TSR) of the Eramet share compared to a panel of comparable mining companies belonging to the Euromoney Global Mining Index (30%); • Intrinsic performance of economic indicators: 50% EBITDA(4) at constant economic conditions in relation to the budget; • Corporate Social Responsibility (CSR) performance (20%); • Gradual vesting over three years.		
Achievement rate	The plan's achievement rate is 35.44% of the target shares granted, corresponding to 23.6% of the maximum award.	The plan's achievement rate is 57.1% of the target shares granted, corresponding to 38% of the maximum award.	The plan's achievement rate is 92.52% of the target shares granted, corresponding to 61.7% of the maximum award.	**2021:** The plan's achievement rate is 84.58% of the target shares granted.		

(1) Number of shares at maximum performance.
(2) From 2021, there is no longer any distinction between the international plan and the French plan.
(3) Since 2021, the granting of shares to corporate officers has corresponded to 100% of their annual fixed remuneration when all the plan's performance conditions have been met (compared with 150% prior to 2021).
(4) For 2023, IFRS 5 adjusted EBITDA (Separate recognition of "non-current assets held for sale and discontinued operations", i.e. EBITDA targets do not include Aubert & Duval and Erasteel).

Share subscription or purchase options during financial year 2023

TABLES 4 AND 5 – NOT APPLICABLE

No share purchase or subscription options were granted to executive corporate officers during the financial year. No share purchase or subscription options were exercised by executive corporate officers during the financial year.

TABLE 8 –– NOT APPLICABLE

There is no share purchase or subscription option plan currently in operation.

iv. Other remuneration components

Social protection scheme

Christel Bories benefits from the supplementary healthcare plan and the supplementary disability and life insurance scheme operating within the Eramet Group.

In 2023:

- the employer contribution to the healthcare plan amounted to €1,303.92;
- the employer contribution to the supplementary life insurance scheme amounted to €8,729.76.

Life insurance (Article 82)

Christel Bories is covered by a life insurance policy pursuant to Article 82 of the French General Tax Code, designed to supplement the level of the Chair and CEO's replacement income when she retires. This policy guarantees that savings will be set aside which, on the retirement date, will be converted into a life annuity or paid as a lump sum.

The supplementary remuneration prompts the following two payments:

- the financing of a life insurance contract:

  The Company has arranged for Christel Bories to take out a life insurance policy underwritten by the Company with an approved insurance company. This contract, known as "Article 82", is an individual life insurance contract. The financing of this contract is fully covered by the Company and represents 50% of the additional remuneration determined in accordance with the above. It does not constitute a retirement commitment;

- an annual cash payment:

  Each year, the Company pays an amount in cash equal to 50% of the additional remuneration determined in accordance with the above provisions, in order to cover the related social and tax charges.

the annual amount of the additional remuneration paid is 30.39% of the total gross annual remuneration paid to Christel Bories during the reference year. The basis for calculating this additional remuneration includes both fixed and variable remuneration. For the 2023 financial year, the employer contribution paid by the Company amounted to €514,442, which breaks down into €257,221 paid to the insurer and €257,221 paid to Christel Bories to offset the related social and tax charges.

The Company's commitment is limited to the payment of the contribution mentioned above and it remains free to terminate this contract at any time.

Other forms of remuneration

Christel Bories did not receive any of the following remuneration:

- exceptional remuneration;
- benefits in kind;
- deferred variable remuneration;
- multi-year variable remuneration (table 10 not applicable);
- remuneration in respect of the term of office as director;
- remuneration paid by a company in the scope of consolidation.

Severance package

SUMMARY OF THE REMUNERATION AND BENEFITS PAYABLE ON TERMINATION OF THE DUTIES OF THE CHAIR AND CHIEF EXECUTIVE OFFICER

(TABLE 11 OF THE CORPORATE GOVERNANCE CODE)

Corporate officers	Employment contract	Supplementary pension plan	Compensation or benefits falling due or which may fall due, as the result of departure or a change of position	Compensation related to a non-compete clause
Christel Bories Chair and Chief Executive Officer: 23 May 2017 End of term of office for the director at the Shareholders' Meeting called to approve the 2024 financial statements	No	No, but the Company is financing a life insurance contract	Yes	No

c. Consideration of the latest *ex post* vote of the Shareholders' Meeting

In its seventeenth resolution, the Shareholders' Meeting of 23 May 2023 voted by 95.12% to approve the ex post resolution on the disclosures relative to total remuneration of the Chair and Chief Executive Officer in respect of the 2022 financial year included in the 2022 Universal Registration Document (URD), section 3.2.2.1. "Corporate governance report".

d. Compliance of the remuneration paid with the remuneration policy

The components of Christel Bories' remuneration described above are compliant with the provisions defined by the Board of Directors, on the recommendation of the Remuneration and Governance Committee. They are determined in compliance with the corporate interest, as tailored to Company's commercial strategy, and correspond to a policy of performance and competitiveness in the medium and long term to ensure the Company's longevity.

All the criteria contribute to the remuneration policy objectives, insofar as:

- the performance criteria are stringent, assessed on an annual basis and correspond to the key factors of value creation and the Group's profitable and sustainable growth. More generally, they are aligned with the Eramet Group's short- and long-term objectives and priorities;
- the performance criteria include Eramet's performance with respect to the Group's Social Responsibility, whether through performance in workplace safety and environment, by achieving the objectives of the CSR roadmap, or through more qualitative annual objectives;
- the performance criteria are consistent with those of all of the Group's executive employees and managers, thereby aligning all key employees with the interests of shareholders to help achieve sustainable and profitable growth for the Eramet Group.

Share grant performance conditions are calculated over three years and are identical to those required of other Eramet Group executive beneficiaries.

The Company did not deviate from the remuneration policy implementation procedure.

The Company did not waive the remuneration policy.

3.2.2.2 Remuneration ratio: changes in remuneration, performance and fairness ratios

The following presentation was made in accordance with the provisions of Article L. 22-10-9 of the French Commercial Code and the latest AFEP-MEDEF recommendations updated in February 2021. The ratios below were calculated based on **fixed and variable remuneration paid** during the last five financial years, **as well as the performance and bonus shares granted during these same periods and measured at fair value on the grant date.**

A comparison with the “mainland France” consolidated scope was added, to take into account the recommendations of the High Committee on Corporate Governance. This scope accounts for 100% of the companies with continuing operations in mainland France, namely Eramet S.A., Eramet Marketing Services[(1)], Eramet Ideas, Eramet Services and Comilog Dunkerque.

The employees included are those continuously employed during the periods mentioned. For all beneficiaries, including the corporate officer, remuneration includes gross annual remuneration (including variable remuneration), employee savings (profit-sharing, employee shareholding, employer contributions), bonus shares and performance shares granted during the financial years and valued at their fair value on the award date.

THE FAIRNESS RATIO BETWEEN THE REMUNERATION LEVEL OF THE CHAIR AND CHIEF EXECUTIVE OFFICER AND THE AVERAGE AND MEDIAN REMUNERATION OF ERAMET S.A. AND EMPLOYEES IN MAINLAND FRANCE

Chair and Chief Executive Officer (Christel Bories)	2019	2020	2021	2022	2023
Ratio compared to the **average** remuneration of employees of the **listed company**	17	18	16	23	22
Change in ratio *(%)* compared to the previous financial year	-31%	7%	-12%	46%	-5%
Ratio compared to the **median** remuneration of employees of the **listed company**	26	26	36	38	32
Change in ratio *(%)* compared to the previous financial year	-34%	-1%	41%	3%	-14%
Ratio compared to the **average** remuneration of Group employees in **mainland France**	25	25	29	36	28
Change in ratio *(%)* compared to the previous financial year	-27%	-3%	17%	24%	-20%
Ratio compared to the **median** remuneration of Group employees in **mainland France**	35	33	49	54	41
Change in ratio *(%)* compared to the previous financial year	-32%	-5%	50%	9%	-25%
Change in Company performance (EBITDA)	-25%	-18%	159%	49%	-51%
Share price at 31/1 *(in euros)*	45.84	42.92	71.95	83.85	91.50
Change compared to the previous financial year	-19%	-6%	68%	17%	9%

(1) All the assets and liabilities of Eramet Marketing Services were transferred to Eramet S.A. on 1 January 2023.

3.2.2.3 Total remuneration and benefits paid in 2023 or granted during that financial year to the directors

a. Remuneration items

The components of directors' remuneration for 2023 are set out in the following table:

REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

(TABLE 3 OF THE CORPORATE GOVERNANCE CODE)

The amounts shown below for financial year 2023 are the gross amounts.

(gross amounts in euros rounded to the nearest euro)	Eramet	Other companies	Total 2023	Total 2022
Alilat Antsélévé-Oyima	37,075	-	37,075	30,550
Christel Bories[1]	-	-	-	-
Emeric Burin des Roziers	37,500	-	37,500	27,500
Christine Coignard	54,917	-	54,917	56,000
François Corbin	62,000	-	62,000	63,500
Cyrille Duval (Sorame)[9]	29,250	23,523	52,773	101,500
Jérôme Duval (Sorame)	49,000	-	49,000	41,100
Héloïse Duval[2]	18,333	-	18,333	-
Frédéric Gaidou[3]	-	-	-	33,630
Jean Yves Gilet[4]	40,000	-	40,000	32,500
Nathalie de La Fournière (CEIR)	45,417	-	45,417	35,000
Manoelle Lepoutre	49,583	-	49,583	47,500
Ghislain Lescuyer[2]	20,833	-	20,833	-
Jean-Philippe Letellier[10]	-	-	-	17,240
Miriam Maes	56,500	-	56,500	82,000
Nicolas Noël[5]	37,500	-	37,500	12,760
Franck Pecqueux[11]	35,000	-	35,000	3,870
Catherine Ronge	40,417	-	40,417	35,000
Sonia Sikorav	52,000	-	52,000	56,000
Claude Tendil[6]	21,250	-	21,250	55,000
Romain Valenty[8]	62,000	-	62,000	14,250
Bruno Vincent[7]	-	-	-	53,750
Jean-Philippe Vollmer	27,075	-	27,075	20,550
TOTAL	**775,650**	**23,523**	**799,173**	**819,200**

(1) Other remuneration: see other tables related to executive corporate officers' remuneration.
(2) Appointed on 23 May 2023.
(3) Director representing employees whose term of office expired on 22 June 2022.
(4) 15% of the amount due is paid to the Ministry of Finance.
(5) Director representing employees whose term of office began on 23 June 2022.
(6) Term of office expired on 23 May 2023.
(7) Amount paid to the French Ministry of Finance. On 23 May 2019, Bruno Vincent was appointed Government representative and served until 22 September 2022.
(8) Amount paid to the French Ministry of Finance. On 18 October 2022, Romain Valenty was appointed Government representative.
(9) Eramet director until 23 May 2023. Remuneration received in respect of directorships at Comilog and Metal Securities until June 2023.
(10) Director representing employees whose term of office expired on 11 November 2022.
(11) Director representing employees whose term of office began on 12 November 2022.

b. Remuneration paid by a company in the scope of consolidation

With the exception of Cyrille Duval as mentioned in Table 3, directors received no remuneration from a company in the scope of consolidation.

c. Respective weight of remuneration components

Directors did not receive any variable or exceptional compensation in respect of the 2023 financial year.

d. Consideration of the latest *ex post* vote of the Shareholders' Meeting

In its sixteenth resolution, the Shareholders' Meeting of 23 May 2023 voted by 98.84% to approve the ex post resolution on the disclosures relative to total remuneration of the directors in respect of the 2022 financial year included in the 2022 Universal Registration Document (URD), section 3.2.2.3. "Corporate governance report".

e. Compliance of the remuneration paid with the remuneration policy

The remuneration policy for the directors was first approved in 2020.

The Company did not deviate from the remuneration policy implementation procedure.

The Company did not waive the remuneration policy.

f. Suspension of the remuneration paid to directors

As the Board of Directors is organised in accordance with the provisions of Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code, payment of the compensation set out in the first sub-paragraph of Article L. 225-45 of the aforesaid Code has not been suspended.

3.2.3 Remuneration items paid or granted for 2023 subject to the approval of the shareholders

a. Components of remuneration paid or granted for 2023 subject to the approval of the Shareholders' Meeting to be held in 2024 in application of Article L. 22-10-34 of the French Commercial Code

Remuneration items	Amounts granted in respect of 2023 or accounting valuation	Amounts paid in 2023	Presentation
			No suspended employment contract. Christel Bories holds a corporate office.
Fixed remuneration	€800,000	€800,000	Gross fixed remuneration, paid for the 2023 financial year in accordance with the provisions adopted by the Board of Directors of Eramet S.A. on 23 February 2017.

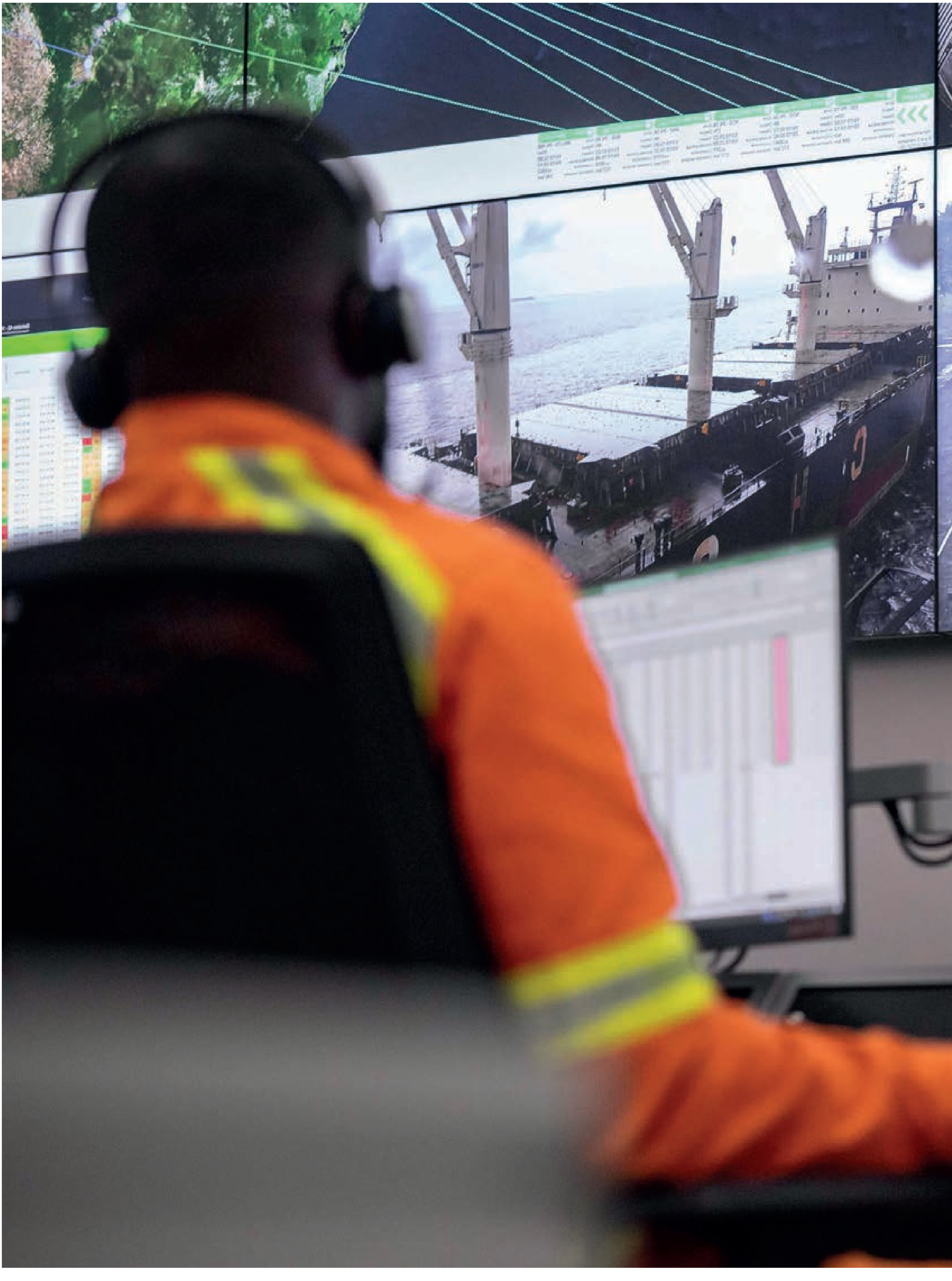
Annual variable remuneration	€951,200 (amount determined for the 2023 financial year)	€892,000 (amount paid in 2023 for the 2022 financial year)	At its meeting on 22 March 2024, the Board of Directors, on a recommendation by the Remuneration and Governance Committee and following the Audit Committee's approval of the financial items, approved the amount of variable remuneration of Christel Bories for the financial year 2023 at €951,200 (i.e., 118.9% of her target variable remuneration).
			The variable portion is based on quantitative and qualitative objectives, whose selection and weighting are proposed by the Remuneration and Governance Committee and approved by the Board of Directors.
			These objectives are based on the following criteria:
			• **20% are objectives related to Corporate Social Responsibility:**
			  • 5% on safety and working conditions (accident frequency rate of employees, temporary workers and subcontractors) which is reduced if a fatal accident occurs,
			  • 5% on risk prevention through initiatives relating to the causes of serious or high-potential incidents,
			  • 10% relate to achieving the Group's CSR roadmap, the criteria of which relate to social and environmental issues;
			• **55%** of the Group's 2023 operational cash flow. The target (100% achieved) corresponds to the budget;
			• **25% are qualitative objectives**, the details of which for 2023 are set out in section 3.2.2.1.b.ii.
			The objective-based annual variable portion is set at 100% of gross annual fixed remuneration based on the achievement rate of various objectives. This remuneration may vary from 0 to 150% of gross annual fixed remuneration, 100% of fixed remuneration corresponding to 100% of objectives achieved. It may not exceed 150% of gross annual fixed remuneration. The variable portion for objectives achieved and the maximum variable portion are reviewed each year by the Remuneration Committee in relation to market practice, as part of remuneration surveys conducted annually.
			Pursuant to the remuneration policy, the Company cannot demand that the annual variable remuneration be returned.

Remuneration items	Amounts granted in respect of 2023 or accounting valuation	Amounts paid in 2023	Presentation
Deferred variable remuneration	N/A		Christel Bories does not receive any deferred variable remuneration.
Multi-year variable remuneration	N/A		Christel Bories does not receive any multi-year variable remuneration.
Exceptional remuneration	N/A		Christel Bories does not receive any exceptional remuneration.
Performance shares or stock options, or any other long-term remuneration item	10,667 performance shares = €857,307 (applying the method used in the consolidated financial statements, fair value of the share on the day of granting by the Board of Directors) Options = N/A Other items = N/A		The Board of Directors meeting of 21 March 2023 confirmed, in accordance with the authorisation granted by the Shareholders' Meeting of 28 May 2021 (eighteenth resolution), that Christel Bories would be granted 10,667 performance shares if all performance conditions were fully achieved, for an estimated value of €857,307 (or 0.04% of the share capital) based on the method used for the consolidated financial statements (fair value of the share on the date of the share grant by the Board of Directors). This number corresponds to the number of shares that may be vested, fully or partially, three years after they are granted provided that the performance conditions are fully or partially met. These performance shares are not subject to an additional holding period. However, 20% of the vested shares are locked up until the end of the corporate officer's term of office. These very rigorous performance conditions are calculated over a three-year period, and are set out in section 3.2.2.1.b.iii of this document. Christel Bories was not granted any other long-term remuneration item during the financial year ended 31 December 2023.
Remuneration for term of office as director	N/A		Christel Bories does not receive remuneration for the offices she holds at Eramet and its subsidiaries.
Benefits of any kind	N/A		Christel Bories does not have a company car.

b. Remuneration items falling due or granted for the financial year ended which have been or are subject to shareholder approval pursuant to the procedures related to regulated agreements and commitments

Remuneration items	Amounts granted in respect of 2023 or accounting valuation	Amounts paid in respect of 2023	Presentation
Compensation related to taking up or leaving a post	No payment		In the event of dismissal (except for gross misconduct) or forced resignation, particularly following a change of company control or substantial imposed changes to the scope of responsibility (including in the event that the roles of Chair and Chief Executive Officer are separated before the end of Christel Bories' term of office, that she is proposed to continue with only one of those two roles and that she declines the proposal), the Chair and Chief Executive Officer will be awarded severance pay equal to two years of gross fixed salary and variable remuneration. This benefit is subject to the condition that the sum of gross variable remuneration received over the last three complete years of her term of office must be 35% or more of the total gross annual fixed remuneration received during the same three-year period. In the event that the number of full financial years is less than three, the performance will be assessed based on the actual duration of the term of office, at the discretion of the Board of Directors as proposed by the Remuneration and Governance Committee. In accordance with the procedures related to regulated agreements and commitments (and with the provisions of Article L. 225-42-1 of the French Commercial Code applicable at the time), this commitment was authorised by the Board of Directors on 23 February 2017 and approved by the Shareholders' Meeting of 24 May 2018.

Remuneration items	Amounts granted in respect of 2023 or accounting valuation	Amounts paid in respect of 2023	Presentation
Contribution Article 82 scheme	€532,190	€514,442	Christel Bories is covered by a life insurance policy under Article 82 of the French General Tax Code. On 26 July 2017, the Board of Directors, acting on a proposal from the Remuneration Committee, authorised the implementation of the system under the following conditions: • the annual amount of the additional remuneration paid is 30.39% of the total gross annual remuneration (fixed + variable) paid to Christel Bories during the reference year. The basis for calculating this additional remuneration includes both fixed and variable remuneration. The additional remuneration determined in accordance with the preceding provisions shall give rise to the following two payments: • the financing of a life insurance contract: The Company has arranged for Christel Bories to take out a life insurance policy underwritten by the Company with an approved insurance company. This contract, known as “Article 82”, is an individual life insurance contract. The financing of this contract is fully covered by the Company and represents 50% of the additional remuneration determined in accordance with the above. It does not constitute a retirement commitment; • an annual cash payment: Each year, the Company pays an amount in cash equal to 50% of the additional remuneration determined in accordance with the above provisions, in order to cover the related social and tax charges. For the financial year 2023, the basis for calculating this remuneration includes the fixed remuneration and the variable remuneration and is accordingly subject to performance conditions. Considering the achievement rate of 2023 variable remuneration objectives, which corresponds to 118.9%, the amount of employer contribution totals €532,190 broken down into the proportions mentioned above. The Company’s commitment is limited to the payment of the contribution mentioned above and it remains free to terminate this contract at any time.
Supplementary insurance scheme and healthcare plan		Employer share of healthcare costs: €1,303.92 Employer share and life insurance: €8,729.76	Christel Bories benefits from the supplementary healthcare plan and the supplementary disability and life insurance scheme operating within the Eramet Group. In accordance with the procedures related to regulated agreements and commitments, this commitment was authorised by the Board of Directors on 23 February 2017 and approved by the Shareholders’ Meeting of 24 May 2018.



4

RISK FACTORS AND CONTROL ENVIRONMENT

This chapter presents the Risk Management System, including insurance, implemented by General Management and all of the Eramet teams to prevent and control the significant Group risks which Eramet believes it may have to address.

This chapter also contains the Group's Vigilance Plan, a legal requirement of the French law on the duty of care, which entails a risk-based approach.

The Group conducts its activities in a constantly changing environment, which creates risks, many of which are beyond its direct control. The risks and uncertainties described in this chapter are not the only risks to which the Group is currently exposed or will be exposed in the future. Other risks or uncertainties of which the Group is currently unaware or regards as immaterial as at the date of this document might have an adverse effect on its activities, results, financial situation and outlook.

In addition, Eramet cannot provide an absolute guarantee that the risk management objectives will be met or that the risks will be completely eliminated.

4.1 Risk management principles

Convinced that risk-taking is vital and inherent to its business development and aware of the potential impacts of mining and metallurgical activities on the natural environment and local populations, the Eramet Group has been committed for several years to a risk management approach that provides a better understanding of its risks in order to increase performance over the long term and enable it to take better advantage of opportunities.

In this respect, risk management is considered by the Group's Executive Committee to be a key component of its governance system. This is why the Group has developed an integrated risk management approach aligned with the organisation's objectives and strategy, creating Risk Management, Internal Control and Internal Audit functions and coordinating the three lines of defence presented below:

4.1.1 First line of defence

Operational managers, who are responsible for implementing internal control processes – as defined by the second line of defence – within their organisations, are a key part of the system. They monitor the implementation of control activities, analyse results, correct deficiencies and seek to improve the efficiency of their systems. **The BUs and the directors of operational entities are responsible for implementing and supervising the internal controls that apply within the scope of their activities.** They play an essential role in ensuring the quality of the control environment: promoting the Group's values, defining the organisation, evaluating results etc.

Functional managers assist operational staff in identifying and assessing the main risks in their area of expertise by developing best practices in *Key Standards* and business line processes.

4.1.2 Second line of defence

The second line of defence is provided by various functions (Management Control, Taxation, Insurance, Ethics and Compliance, Human Rights, Environment, Safety) set up by management to monitor risk control and compliance.

The Internal Control and Risk Management Department is also an integral part of the second line of defence:

- which coordinates the implementation of all internal control processes at Eramet;
- which helps protect Eramet's assets and secure its operational and strategic objectives. This is done by providing a structured approach to identify, categorise, handle and control all kinds of risks and any significant challenges that the Group may face.

This department is organised by geographic region and manages a network of *Internal Control & Risk Management Officers* under the dual responsibility of the Chief Financial Officers of the entities and the four regional managers.

4.1.3 Third line of defence: Internal Audit Department

Internal Audit is an independent and objective activity that helps protect Eramet's assets by assessing the Group's governance, risk management and internal control systems and whether they are being correctly implemented by all Group entities. On the basis of a multi-year audit plan of assignments associated with the risks mapping of the Group and the BU activities, the business processes are reviewed. Internal Audit bases its work on the Group's standards and objectives for operational efficiency described in the standards developed by the different functions of the Group.

The role of Internal Audit is to certify the existence, compliance, operation and quality of all internal control systems and to propose action plans to remedy any shortcomings. Eramet Internal Audit activities comply with the International Professional Practices Framework (IPPF).

In order to ensure the independence of its activities, Internal Audit reports hierarchically to the Risk Management, Audit and Internal Control Directorate (CARE), which in turn reports to the Chief Financial Officer in charge of IT Systems and Group Purchasing and to the Group's Chairman and Chief Executive Officer, and functionally to the Chair of Eramet's Audit, Risk and Ethics Committee.

4.1.4 Coordination of the three lines of defence

The coordination of the three lines of defence that make up the Risk Management System is provided in particular by the Risk Management Committee composed of eleven permanent members: the Group Risk Manager, the Director of Risk, Audit and Control, the Director of Environment and ESG Performance, the Director of Social Impact and Human Rights, the Industrial Risk Manager, the Security Director, the Safety and Prevention Director, the Group Insurance Manager, the Director of Ethics and Compliance, the Information Systems Security Manager and the Director of Public Affairs. This Committee forms an operational body across the different business lines that contribute to risk control processes and it represents a vector for risk management culture within the Group. Its main objectives are:

- to inform its various members of their respective tasks, thus helping to improve risk management;
- to give an overview of the risks and issues at stake, allowing them to assess the risks in their area of expertise in relation to other risks; and
- to ensure that emerging or rapidly evolving risks are taken into account.

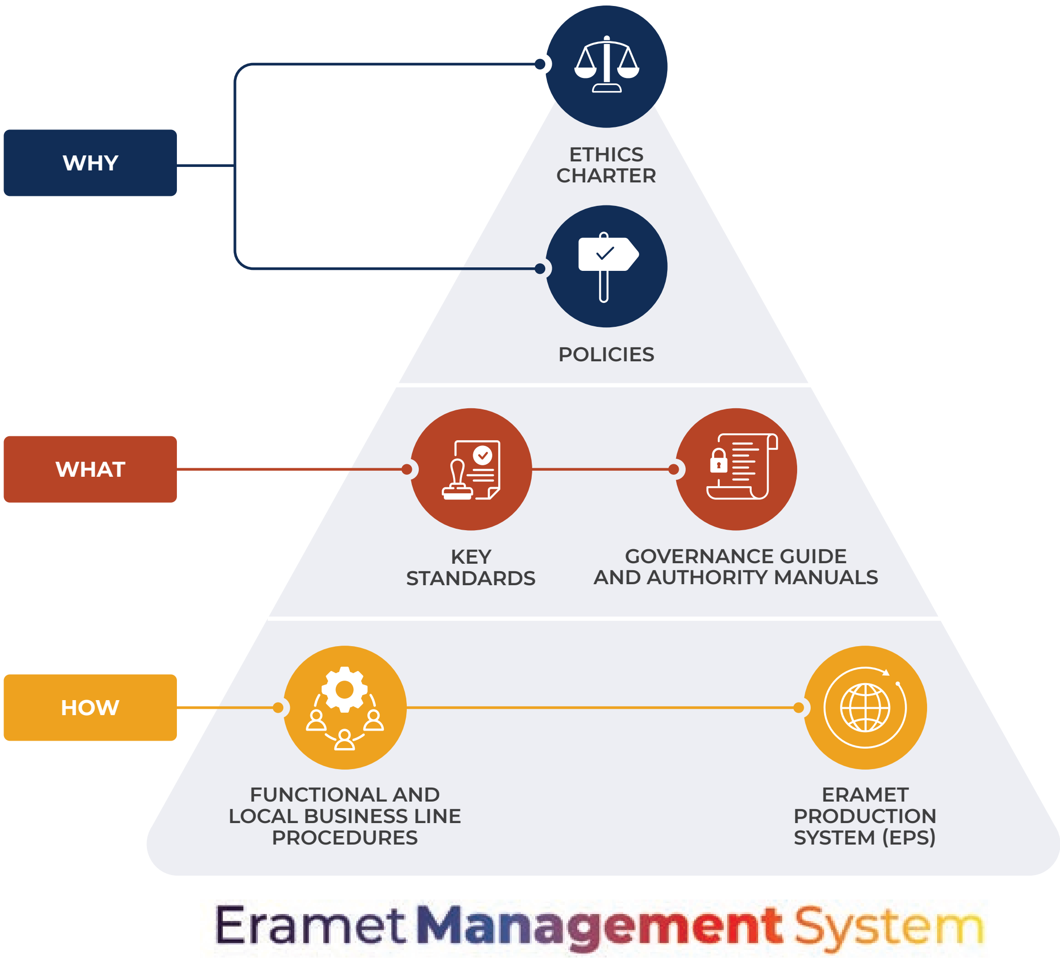
The Group's Risk Management System also includes a Crisis Management mechanism. Since 2021, it has been accompanied by a half-year committee meeting to monitor the progress of risk-reduction plans at the level of the Group's Executive Committee. It also meets on a quarterly basis at the level of the Operations Department.

4.2 Control and risk management environment

As an integrated industrial group, Eramet has standards in place that can be implemented by anyone and by all Group companies. These standards, available to all employees via the intranet, are provided in one place within ***the Eramet Management System*** (EMS). They strengthen the Group's internal control and risk management environment and make it possible to implement the strategy and honour the commitments associated with the Group's purpose. This environment is based on the following elements:

- the Group's purpose, which has been formalised in an Ethics Charter, in the CSR Roadmap and in a set of policies distributed widely to all employees;
- a governance guide to ensure that the Group's governance is shared and made more visible;
- an organisational and hierarchical structure to enable a clear definition of responsibilities and powers, primarily through Delegation of Authorities Handbooks;
- the *Key Standards* applicable to all our employees and our subsidiaries, which constitute the "golden rules" at Eramet;
- functional business procedures that describe the best practices in a specific function and are applicable to all employees within that business line;
- the *Eramet Production System* (EPS), which brings together the standards governing operations, since operational performance and excellence are essential for our activities; and
- training organised around current issues and ongoing training for *Internal Control & Risk Management Officers* to share best practices.

The EMS document pyramid thus consists of:



We have introduced a process-based approach at Eramet, with 12 processes grouped into 3 main categories: *LEADERSHIP*, *DELIVER* and *SECURE*. The EMS standards that require it are organised by process, while reporting systems exist for all processes. This allows pertinent and reliable information to be compiled and disseminated at various levels of the Group. For example, the *Control & deploy our strategy* process formalised a 10-year vision, defined operationally and financially in a five-year operating plan and then in an annual budget process. The major processes are completed by performance reviews of the Business Units, subsidiaries and functions, as well as by several reporting processes (financial, human resources, societal and environmental responsibility, etc.) and by questionnaires on compliance of internal control with Group standards completed by each executive of the Group's entities.

4.3 Risk management approach

4.3.1 Organisation

The Group has combined Risk Management, Internal Control and Internal Audit within a single directorate in order to improve risk management for the Group, relying on the expertise of each of the three functions that work in synergy and ensure the methodological consistency of the approaches.

This directorate operates through the main tools that make up the Eramet Management System (EMS): risk mapping, internal control framework, assessment campaigns, audits and the monitoring of action plans.

The Group Internal Control and Risk Management Department operates through Internal Control and Risk Management Managers for each geographic region (Africa, Europe, America and Asia/Oceania). These managers operate the network of *Internal Control & Risk Management Officers*, whose role in turn is to lead the process in their units. Across the Group as a whole, there were around 30 specialist internal control and risk management employees at the end of 2023.

Responsibility for risk management is assigned at the most appropriate level in accordance with a subsidiarity principle. Each operations manager is therefore directly involved in the implementation of internal controls and is responsible for assessing and reducing the risks related to the processes and activities for which they are responsible. The effectiveness of the system is verified by the Internal Control Department. However, as with any control system, it cannot provide an absolute guarantee that these risks are totally eliminated, hence the importance of the third level of control represented by Internal Audit.

This department monitors changes in the identified risks and the implementation of management systems. With regard to operational risks, risk monitoring is carried out by the activity managers and BU directors in conjunction with the Group's Support Departments and with the Internal Control and Risk Management Department:

- the Group's Sustainability and Corporate Engagement Department for risks related to the environment and human rights;
- the CTO (Technical Department) for industrial risks;
- the Group Human Resources, Health and Security Department for risks related to their respective areas of responsibility;
- the Group Safety and Prevention Department for risks related to occupational health;
- the Information Systems Department for IT and cyber risks;
- the Ethics and Compliance Department for risk of non-compliance and non-respect of the ethical standards of the Group.

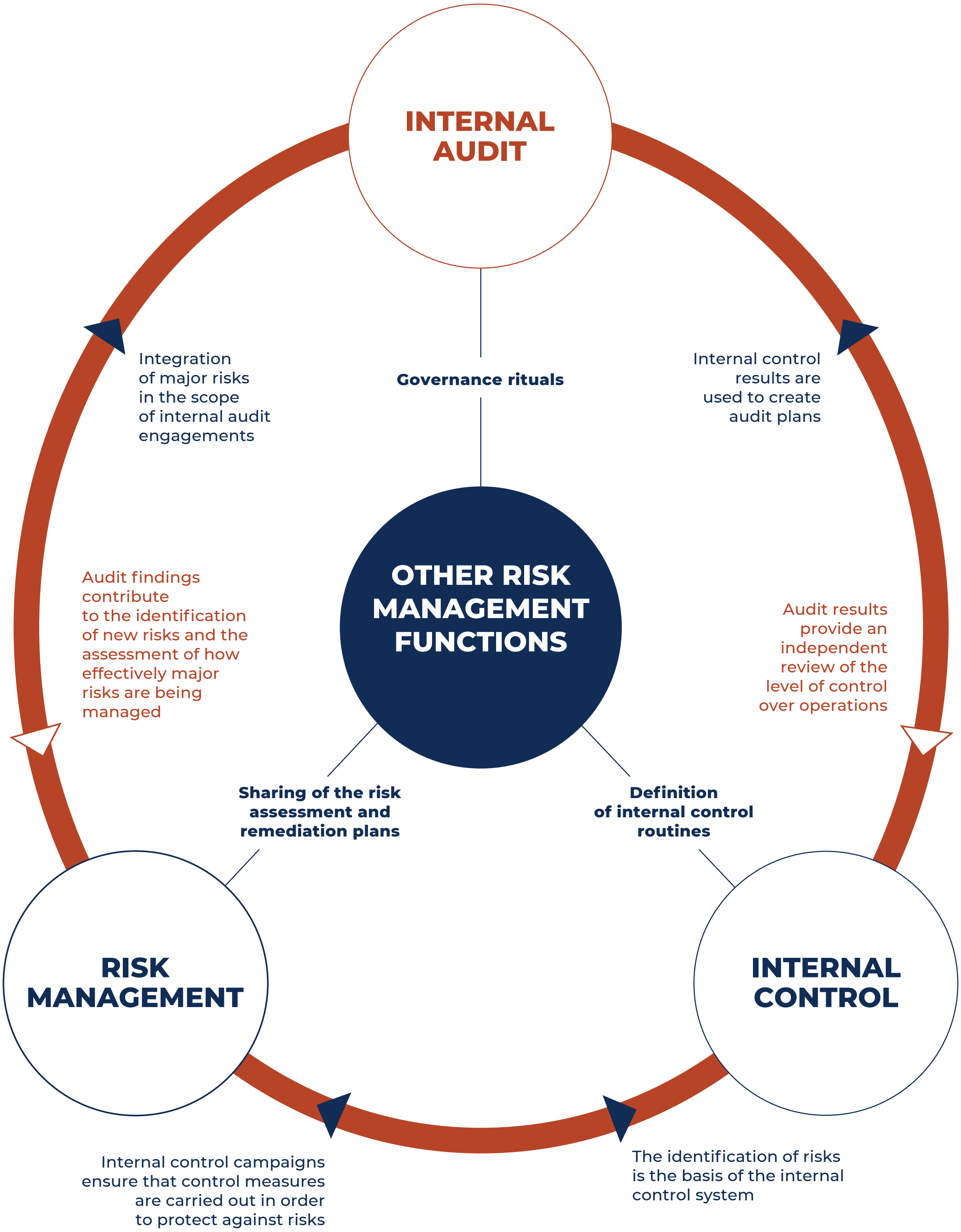
For Group financial risks, the monitoring of changes in the risks identified and the implementation of the related control systems are carried out by the Group Finance and Treasury Department, in conjunction with the managers of the Group's subsidiaries. The Executive Committee is responsible for managing and handling the Group's strategic and/or major and ethical risks, with the assistance of the Risk Management, Internal Control and Audit Directorate. Finally, the Group Insurance Management Department defines and implements the Group's residual risk transfer policy, following approval by the Executive Committee.

The Internal Audit Department consists of six auditors and one *Anti-fraud Officer* and is managed by the Head of Internal Audit. Its role is to:

- provide an assessment of the adequacy and effectiveness of Eramet's organisational processes for controlling its activities and managing its risks in the areas defined by the mission and scope of activity;
- report any major problems associated with the Eramet Group's control processes for its activities, suggest potential improvements that may be made, and provide information to resolve these problems;
- periodically provide information on the progress and results of the annual audit plan and on the adequacy of the resources committed to the internal audit activity; and to
- ensure compliance with international audit norms, standards and benchmarks as defined by the IIA (Institute of Internal Auditors) and the IFACI (French Institute of Internal Audit and Internal Control) through periodic external audits.

4.3.2 Systems

The Risk Management, Internal Control and Internal Audit systems are described in the diagram below:



More specifically, **the Risk Management System** provides a structured approach to identify, categorise, handle and control all kinds of risks faced by the Group. It contributes to Eramet's success by anticipating risks and by minimising the probability of occurrence and/or the impact of these risks. It aims to identify the strategic, operational, financial and regulatory risks that might materialise over a time horizon of three to five years, to address them by defining action plans to mitigate the probability and impact of these risks, to establish or optimise the necessary internal control processes to manage the Group's different activities and operations, and to monitor the Group's exposure to the specific risk universe associated with its business model. It is based on an iterative approach that enables continuous monitoring of risks.

In 2023, the implementation of the process resulted in a thorough review of the mapping of the Group's major risks, established on the basis of interviews and workshops with a representative panel of Group employees, managers and members of governance. The main risks identified and described below help to outline control areas that are then rolled out in operational action plans designed to strengthen existing control mechanisms.

The internal control process set up by the Group consists of a set of resources, behaviours, policies, procedures, tools and actions adapted to the characteristics of Eramet. It is designed to ensure compliance with laws and regulations, the application of the instructions and guidelines set by the Group's General Management, the proper operation of the Group's internal processes and those of its entities, and the reliability of financial reporting. Generally, it contributes to the management of Group activities, the effectiveness of its operations and the efficient use of its resources. The internal control process is permanently driven by the risk management process. In this way, the internal control process regularly adapts and responds to changes in the Group's risk universe.

The primary mission of the Internal Control function is to maintain the Eramet Management System and the standards of the key internal controls, both of which are defined in collaboration with the Group's Business Process Owners. With the assistance of Group Internal Control and Risk Management, they identify areas of risk and define the standards and control activities to respond to such risks.

The function ensures that, in the event of non-implemented or unsatisfactory controls, action plans are present, formalised and monitored.

Finally, it organises the roll-out of internal controls and assessment campaigns through the network of *Internal Control & Risk Management Officers*, and communicates on changes and on the Group's maturity level in terms of internal control.

In 2023, Internal Control continued its initiatives to roll out the internal control guidelines. A "Governance, Risks and Compliance" type software package centralises all key internal control assessments and the related action plans. A timetable is created for internal control and Group companies must assess their level of compliance on the basis of their size or their process. In addition, 2023 was an opportunity to redesign the *Eramet Management System* in order to:

- simplify and clarify our processes at a time of significant change for the Group;
- standardise our practices to boost efficiency and effectiveness and be among the best in the industry;
- incorporate the "responsible mining" standards developed by ***the Initiative for Responsible Mining Assurance*** **(IRMA)*;*** and
- define a more robust internal control environment to reduce the risks we face.

Whenever the Group publishes its annual report, it issues a Group Affirmation Letter in which the Directors of each entity commit to its level of compliance with the laws and regulations in its country of operation, in addition to all the Group's standards.

During assignments, Internal Audit assesses risk-mitigation initiatives proposed by local management and assesses the maturity of internal control by reviewing controls, processes and test methodologies.

Internal Audit methods and organisation are certified by the IFACI (French Institute of Internal Audit and Control) as compliant with the best standards. The team of auditors is composed of a mix of experienced managers and young talented employees. Audit recommendations are tracked and reported every month to the Group Executive Committee. Internal Audit directs and monitors audit assignments and updates the status of recommendations in real time using the "Governance, Risks and Compliance" software package, shared with Internal Control.

In 2023, Internal Audit carried out 23 audits, the same as in 2022.

4.4 Insurance policy

Property and casualty insurance (fire, accident, multi-risk)

As risks are identified and their impact managed, the Group defines the most suitable insurance strategy to transfer the financing of its insurable residual risks as part of global schemes, taken out with internationally recognised, reputable insurers of sound financial standing.

The Group thus implements adapted solutions, offering the optimum balance between the cost and scope of the proposed coverage, and has sufficient insurance in place to cover the main risks relating to its activity, both in scope and in the amounts insured or cover limits.

The Group also provides primary coverage in some insurance schemes, which enables it to define and/or adapt retention levels to have some control over insurance costs.

The three main categories of insurance taken out cover possible claims against the Group's civil liability stemming from its activities, damage to its facilities and the associated operating loss, and the risk of damage or loss during transportation.

Civil liability

The general civil liability scheme covers the financial consequences for the Group of loss, damage or injury caused to third parties in the context of its activities or due to its products.

The scheme includes civil liability components: exploitation/pre-delivery, products/post-delivery, professional or engineering.

The Group is also covered by an insurance scheme for Harm to the Environment and Environmental Liability.

Property damage and operating losses

Its purpose is to cover the damaging consequences of events that may occur at facilities such as fire, explosion, machine breakdown or natural event.

Faculty/goods transported

This scheme covers all of the Group's subsidiaries around the world for all of the goods transported for which they are responsible.

Organisation and instruments for industrial risk prevention

The main industrial risks to which the Group's sites may be exposed are fire, explosion (including, for certain sites, related to the risk of contact between water and molten metal), machine breakdown on critical, geotechnical (tailings stockpiles, tailing dams, landslides) equipment, and natural events (floods, storms/cyclones, etc.).

Eramet focuses specifically on preventing these risks in the preliminary phases of its industrial and mining projects. It identifies major accident scenarios and their causes and impacts, in order to set up prevention and/or protection safeguards (important components of safety) that reduce the probability or severity of an event.

For sites in operation, the industrial risk management system is based on crisis prevention and management procedures, which are rolled out to all Group sites. These procedures focus on three action areas:

- awareness of industrial risks in operational management: risk assessments periodically updated by the sites, compliance with safety regulations during production and maintenance operations, dissemination of best practices, dissemination of Group industrial risk standards defining the best practices and standards to be applied;
- prevention of incidents and accidents: identification of weak signals and operational response thereto, crisis simulation exercises so that each person knows their role and in order to continually improve emergency planning, continuity of business activities/recovery plans; and
- incident and crisis management: the sites define their own emergency plans (contingency plan, ERP or other), the Group crisis management system includes procedures for escalation of alerts, assessment of their severity, organisation into crisis units if required and feedback.

The control system for the level of industrial risk management is based primarily on the programme of insurance engineering visits to industrial sites with a two-year cycle, in close collaboration with insurers, the broker and the Group Insurance Department.

In addition, Eramet carries out regular third-party audits of its tailings stockpiles and tailings dams to manage the associated geotechnical risks.

Any significant risk detected during these audits results in a corrective action plan implemented by the site concerned. Summary reporting on the monitoring of corrective actions takes place twice a year, to ensure compliance with Eramet's industrial risk standards and progress on the recommendations made by the insurer during its prevention inspections.

4.5 Main risk factors

Main risk factors

The main risk factors described below, to which the Group is exposed due to its business model and the activities it performs, were identified in the 2023 risk mapping. The net level of importance, i.e. taking into account the risk management measures in place, derives from the Group's assessment of the probability of occurrence of the identified risks and their potential impact, as shown below:

Category	Risks	Net importance level 2023	Trend observed in 2023
Strategic and financial	Risks of non-recovery of under-performing Group activities	High	Decreasing
	Risks related to non-execution of the development strategy for energy transition metals	High	Stable
	Risk of major structural changes in raw materials markets	High	Increasing
	Risk of geopolitical tensions and supply chain impacts	High	Increasing
Operational	Risks of a serious railway accident	High	Stable
	Risks of failure of information systems, data protection and cyber-attacks	High	Stable
	Risk of physical impact of climate change (extreme weather conditions) or major natural events	Medium	Stable
	Risks of difficulties in decarbonising activities in a competitive manner	Medium	Stable
Compliance	Risk of unethical behaviour	High	Stable
	Risk of non-execution of the Group's environmental and social strategy	Medium	Stable

Below is a full description of each of the risks listed above, its potential impact on the Group and changes in 2023.

4.5.1 Strategic and Financial Category

4.5.1.1 Risks of non-recovery of underperforming Group activities – *High net significance level – Declining*

The Group is exposed to the cycles of the Chinese economy and the volatility of the commodities market (in particular, energy) and the Euro/USD exchange rate. The Group's turnover and profitability are therefore directly dependent on these exogenous and highly volatile factors.

The competitiveness of some of the Group's assets also depends on the valuation of mineral resources and reserves, the evolution of which over time are directly linked to the technical and economic assumptions used for their exploitation and processing (geological data, techniques and operating costs, conversion factors, choice of process, environmental, legal and tax regulations) and on access to electricity at a competitive cost.

Against the backdrop of the current unfavourable nickel market, the financial performance of SLN has been deteriorating for several years, particularly because of insufficiently competitive production costs. This lack of competitiveness was exacerbated in 2022 by the increase in energy costs (oil and coal) and in 2023 by difficulties in accessing the resource, as a result of difficulties in obtaining operating permits (Poum, Népoui) or social deadlocks (Poro).

Comilog's competitiveness depends on the operating performance of the rail network operated by its subsidiary Setrag. It may be affected by the transport performance of the volumes exported by Comilog, and by the high cost of the infrastructure maintenance, upgrading and development programme, most of which is borne by Setrag. Setrag has already invested €300 million in renovating the railway and its track signalling system. Operating income remains stable, however, insofar as around 50% of the route remains to be fixed and new infrastructure damage (the cost of which is borne by the State) appears over time.

If the subsidiary continues to report poor results in upcoming years, the Group will have to mobilise substantial financial resources that will impact the strategy of its other activities.

Risk management

In order to address this risk, several operational productivity and performance improvement plans have been launched. The roll-out of these plans continued in 2023 and their objectives were readjusted, and even accelerated, to optimise results.

In New Caledonia, SLN continues to face difficulties, despite satisfactory operations, due to the price of energy, which remains three to four times higher than for its Indonesian competitors, whose industrial production is rising sharply and access to the resource is limited. Faced with these difficulties, in 2023 the French government led a mission on "the future of the nickel industry in New Caledonia", to which Eramet contributed and which delivered its findings in July 2023. Since then, the French government has led several discussion forums bringing together stakeholders in order to find a solution for the sector. Nevertheless, SLN's financial position continued to deteriorate (with an acceleration at the end of the year given the sharp fall in nickel prices), leading SLN to enter conciliation procedures in November 2023. Following discussions over the past few weeks, the French State and Eramet have reached an agreement on the treatment of SLN's existing debt. This agreement will neutralise the weight of SLN's debt in the Group's consolidated financial statements. The Eramet Group has also reiterated its decision not to grant any further financing to SLN, in order to preserve the Group's balance sheet. Nevertheless, in addition to potential financial support from the French government and New Caledonian local authorities under the nickel agreement to ensure SLN's business activity continued, Eramet will continue to provide SLN with operational support over the long term.

For Setrag, an ambitious plan to strengthen maintenance and renovation resources has been put in place. In 2024, it will therefore be possible to increase track geometry correction operations by 150% and to renovate the rails on a third of the route. Efforts will continue until 2028, by which time all the work will have been completed, allowing traffic to flow more smoothly and nominal speeds to be reached. At the same time, new means of diagnosing and monitoring engineering structures have been developed, along with appropriate safety and renovation measures. This entire programme requires an investment of several hundred million euros, spread out over several years. In addition, the company's organisation has been profoundly reorganised to ensure more efficient decision-making and implementation.

The extensive training programme initiated five years ago is being maintained to ensure an adequate level of expertise in the railway sector. Setrag is also involved in the Group-wide roll-out of the Eramet Production System (EPS), which aims to achieve operating performance at the highest international standards.

4.5.1.2 Risk of geopolitical tensions and supply chain impact – *High net significance level – Increasing*

The Eramet Group is exposed to geopolitical risks mainly due to the location of its mining deposits in Gabon, Indonesia, Argentina, Senegal and New Caledonia, but also due to its international trade flows, in particular to China and India.

Risk of geopolitical tensions can be defined as all adverse political, administrative, national or international events or decisions that could lead to economic, industrial, commercial or financial losses for the Group. This mainly refers to the risk of confiscation, nationalisation and expropriation of the assets of a corporation which would deprive such corporation of its means of production. This also refers to all actions or non-actions that have a long-term, significant adverse impact on the business model of a corporation in a given country. Such actions can take a variety of forms, including questioning previous state-level agreements, applicable taxation, customs regime, import-export rules, labour law, environmental constraints, administrative constraints such as deadlines and obtaining permits.

The challenges for Eramet with regard to the risk of geopolitical tensions are the ability to reduce or avoid the occurrence of the risks presented above, to limit or even eliminate the impact on the supply chain, to avoid impacting the Group's development projects and activities and to avoid damage to its image or reputation, as well as its financial profitability.

The risks of geopolitical tensions in 2023 were linked in particular to tensions between China and the United States and to maintaining a stable framework for our operations in Gabon against a backdrop of political instability. Such instability occurred in the wake of the military coup of 30 August 2023, which challenged the re-election of Ali Bongo as President, and led to the establishment of a transitional government for an indicated period of two years at this stage. In New Caledonia, the French government led a mission in 2023 on "the future of the nickel industry in New Caledonia", to which Eramet contributed and which delivered its findings in July 2023. Since then, the French government has led several discussion forums bringing together stakeholders in order to find a solution for the sector in New Caledonia. Nevertheless, SLN's financial position continued to deteriorate (with an acceleration at the end of the year given the fall in the nickel price), leading SLN to enter conciliation procedures in November 2023. Eramet continues to take part in discussions with the government and New Caledonia in order to find a solution for SLN's future.

In addition, like almost all international industrial groups, Eramet is exposed to the risk of disruption of its supply chain. This risk may result from a multitude of external factors: weather conditions, the emergence of conflict, changes in regulations etc.

Supply disruptions may have a considerable impact on Eramet's activities, particularly its metallurgical sites, which need supplies to operate. Assessing and controlling this risk throughout its value chain is therefore a priority for Eramet.

Risk management

A Country Risk Committee chaired by a member of the Group Executive Committee and mainly made up of the country correspondents of each of the Group's operating sites is tasked with monitoring geopolitical risk trends in the Group's countries of operation and anticipating action plans to mitigate emerging risks.

The Country Risk Committee analyses country risk by analysing the trends of five main topics:

- State policy and functioning;
- Security situation;
- Legal and regulatory situation;
- Economic indicators and business climate;
- CSR and fundamental rights.

On the supply chain side, a risk analysis relating to the purchase of raw materials was carried out in 2022 following the conflict in Ukraine and the increased risk of disruption to the supply of reducers, which are critical to the operation of the Group's metallurgical sites. As a result, a specialist consulting firm supported the Eramet Group in 2023 in the development of its new raw materials purchasing strategy. Lastly, in 2023, in collaboration with a specialist firm, a comprehensive mapping and assessment of the Group's purchasing risks was carried out. This risk mapping makes it possible to define an action plan for securing the purchasing risks and, more specifically, the supply risks that may impact the value chain of Eramet's activities.

4.5.1.3 Risk of major structural changes in raw materials markets – *High net significance level – Increasing*

The Group is exposed to global economic cycles and the likely resulting volatility of metal prices. A sharp drop in metal prices can lead to excess production capacities, leading to high global inventory levels with respect to demand which adapts or to political tensions that may lead to decline in trading.

The impact of a variation in metal prices on the Group's adjusted EBITDA is estimated as follows (on the basis of a EUR/USD exchange rate at 1.11):

- Manganese ore (44% CIF China): €255 million for a variation of 1 USD/dmtu;
- manganese alloys: €65 million for an average variation of 100 USD/t in manganese alloy price;
- SLN ferronickel: €95 million for a variation of 1 USD/lb in nickel price on the LME;
- nickel ore (1.8% CIF China), SLN: €30 million for a variation of 10 USD/wet tonne in average ore price;
- Weda Bay nickel ore (1.8% HPM nickel, 35% moisture content): €160 million for a variation of 10 USD/wet tonne in average ore price;
- in addition, the sensitivity to the dollar is €175 million for a variation of 10 cents and to the price of a barrel of oil is -€15 million for a variation of 10 USD/barrel.

Major structural changes in raw materials markets could lead to a significant fall in metal prices, with a major impact on the profitability of the Group's operations, as could have been the case in 2023. These risks have a high net significance level as they mostly stem from exogenous factors.

Risk management

The Eramet Group has a diversified portfolio on the ore extracted from its mines. As a global provider of manganese ore, the Group is able to make high-level assessments of market needs. In Indonesia, the Weda Bay Nickel mine is the world's largest nickel mine and continues to grow, fuelling the exceptional growth in nickel processing capacity in Indonesia. Among the most promising projects focused on strategic metals for the energy transition, the planned start-up of lithium operations in Argentina in 2024 will strengthen the Group's diversification. The Group's operations are competitive and resilient to potential collapse in prices thanks to its access to world-class deposits. The operational excellence approaches used by sites contribute to maintaining a competitive production cost. Similarly, the ability to detect weak signals or market leads means that the Group is able to anticipate the necessary production adaptations to better respond to demand, limit its variable costs and adapt its inventory levels, as is the case with its manganese alloys activity.

The ability to generate increases in the level of production for the mining activities permits better absorption of fixed costs, high intrinsic savings and provides the best resilience for the Group's adjusted EBITDA.

4.5.1.4 Risks related to non-execution of the development strategy for energy transition metals – *High net significance level – Stable*

Eramet's strategy includes plans to develop the Group's activities in energy transition metals, including the Centenario lithium project in Argentina, the Sonic Bay HPAL plant project in Indonesia and the ReLieVe battery recycling project for electric vehicles in France. In addition, Eramet is developing a portfolio of potential projects on these metals through its exploration and Business Development teams.

However, given the high capital intensity involved, the decision to launch new operations hinges on the results of technical and financing feasibility studies and is also directly impacted by changes in the price of raw materials, exchange rates, costs and financing methods and even local acceptability. At the bottom of an economic cycle, some of these decisions may be delayed or the projects may be abandoned, which may have an adverse impact on the Group's financial outlook.

A delay in the implementation of the new strategy could degrade its competitive positioning, affecting the ability of its business model to create value over the long term.

Risk management

The Group is now engaged in a balanced strategy of profitable growth through a selective allocation of resources combining return on capital and long-term growth. It has set up a Project Management Office to consolidate and continuously reinforce project management expertise, which allows it to improve the effectiveness and efficiency of project management. On some of its projects, the establishment of partnerships provides a pooling of expertise and a sharing of risks.

In addition, Eramet has created a successful modular implementation strategy for projects to expand capacity in order to gain more execution flexibility, monitor market changes better and adapt to the Group's financing capabilities.

CSR is also integrated very early in the development of projects, which ensures correct integration of the requirements of the interested parties.

Lastly, the Group's substantial debt reduction in recent years, while extending the maturity of its sources of financing, has enabled it to secure the financial foundations necessary for the implementation of this strategy.

4.5.2 Operational Category

4.5.2.1 Risks of a serious railway accident – *High net significance level – Stable*

Through its Gabonese subsidiary, Setrag, the Group holds the concession for the Trans-Gabonese railway for a period of 40 years from November 2005. In addition to providing a public service (passenger transport) and transporting miscellaneous goods, the railway carries manganese ore from the Moanda mine to the embarkation port in Owendo (Libreville) for Comilog.

On 24 December 2022, a landslide swept away 500 metres of the railway and caused the derailing of a Comilog train. On 2 April 2023, the derailment of a goods train caused extensive damage to the structure of a bridge, requiring 18 days of work with no train traffic. Passenger transport was suspended until August 2023.

The risk of an accident on the railway tracks thus materialised in 2022 and 2023. In the case of passenger trains, such events could have resulted in serious harm to passengers, which fortunately did not happen. The impact was relatively limited, thanks to the mobilisation of Setrag and Comilog teams and the support from the Gabonese State.

In Senegal, Grande Côte Opérations (GCO) holds a rail concession on a portion of the country's railway line for the transport of its goods. There is a risk that people in the vicinity of the track or vehicles travelling through level crossings could collide with trains. This was the case at the end of 2023, when a collision with a van caused two deaths.

Risk management

Since 2016, Setrag has been implementing a plan to renovate the Trans-Gabonese railway line, with the primary goal of enhancing safety. The plan mainly focuses on the unstable areas of the track, and is intended to replace worn cross ties and rails, as well as renovate the engineering structures of the railway, in partnership with the Gabonese government. Setrag also continues to improve equipment maintenance and is investing in new rolling stock under an investment programme spread over approximately eight years. In 2021, Setrag's capital was opened up to Meridiam and the Gabonese state, strengthening the links with the concession holder. In 2023, capital expenditures related to the remedial plan (PRN) reached about €50 million.

Although 2023 was still marked by a high number of incidents, the implementation of the remedial investment plan and the enhanced maintenance plan reduced the frequency of incidents (rail breaks, derailments) by 50% over comparable periods.

The handling of major incidents (landslide in 2022, derailment in April 2023) demonstrated Setrag's ability to execute its emergency plan and to mobilise in order to restore the necessary level of safety for the railway's continued operation. The inspection of embankments and structures has been stepped up, along with the ongoing monitoring of geotechnical studies. In 2024, preventive maintenance of the track will be ramped up, helping to significantly reduce risk.

At Grande Côte Operations, work is carried out to improve safety around the railway (fencing along the route, level crossings and/or guarded crossings) whenever an agreement is reached with the national railway authority and the town councils of the towns through which the railway crosses. It is also necessary to raise public awareness of the dangers of trains and to deter trespass in unauthorised areas, where the fencing installed by GCO has been subject to acts of vandalism. In addition, an emergency response plan is in place, as is a business activity continuity plan in the event of the track being unavailable for a long period of time, which provides for the use of lorries.

4.5.2.2 Risks of failure of information systems, data protection and cyber attacks – *High net significance level – Stable*

The Eramet Group depends on IT infrastructure and applications, particularly for supply, production, distribution and invoicing, reporting and consolidation activities, as well as for new product design and development. The risks to the Group could be information system malfunction (loss of availability, data theft, destruction or loss of data integrity) related to external threats (denial of service, hacking, malware) or internal threats (tampering, breach of data confidentiality).

Other indirect threats should also be prevented, such as those related to social engineering (Chairman or treasurer fraud, blackmail, ransomware etc.). As a player in the strategic raw materials markets, the Group may attract determined cyber-attackers, who use increasingly complex techniques. The Group has assessed this escalating threat.

All of these risks and threats could impact the Group's operations and profitability.

Risk management

Eramet is assessing this growing threat, which is becoming increasingly effective and aggressive. In order to address it, the safety of information systems or "cybersecurity" has been improved with the recruitment of a team dedicated to the protection of the Information System of all Group entities. Its objectives are to: (i) prevent the risk by raising awareness among all employees, emphasising best practices to be followed; (ii) continue the Information System protection programme and strengthen control of access of people and materials, the protection of systems and networks as well as the detection of potential vulnerabilities through the technical audit of critical components; and (iii) improve the prevention and detection of security incidents and the response model as a function of the various risks and threats.

4.5.2.3 Risk of physical impact of climate change (extreme weather conditions) or major natural events – *Medium net significance level – stable*

Risks related to the physical impacts of climate change include extreme weather events and long-term changes in climate patterns (rising sea levels, water stress, fires etc.), some of which are already happening. They could impact the Group's assets and/or activities, depending on their location and their exposure to these climate changes.

The risks associated with major natural events include extreme weather events (cyclones, floods etc.) as well as natural events unrelated to weather conditions, such as earthquakes, landslides and coastal erosion. They could impact the Group's assets and/or activities, depending on their location and their exposure to these phenomena.

Risk management

A number of significant events have affected Eramet's activities in recent years, including a landslide on the Trans-Gabonese railway tracks in December 2022, coastal erosion at Comilog's port facilities in Owendo and exceptional rainfall in New Caledonia in 2021 and 2022. These events have systematically been the subject of actions to strengthen prevention measures:

- an analysis of geotechnical risks along the Trans-Gabonese railway line is under way;
- a technical study of coastal erosion at Comilog's port facilities in Owendo has been initiated;
- future strategies for renewing mining machinery fleets in New Caledonia will take into account feedback from operations in 2021 and 2022.

In addition to these preventive actions, the Eramet Group has decided to strengthen and unify its risk management systems for natural events. A precise assessment of the level of exposure at each Eramet site is planned, based on feedback from local teams and historical data compiled by insurance companies. This exposure analysis will allow for a precise assessment of the major natural events likely to occur at each site, as well as to determine their probability and intensity. This will then help determine how existing prevention and warning management resources need to be supplemented.

In addition, exposure to natural hazards is now included in the industrial risk analysis grid, so that it can be dynamically updated.

The Eramet Group's property damage and operating losses insurance policies cover the consequences of natural events, and Eramet's facilities take account of their exposure to natural phenomena. For example, all SLN buildings are built in accordance with the Eurocode, which is the reference construction code in New Caledonia, and procedures describe the protective measures to be implemented before the arrival of a cyclone and how to act.

In addition to managing current risks, Eramet is taking into account changes in its risks as a result of climate change. An initial global study was carried out in 2021 using the OCARA (Operational Climate Adaptation & Resilience Assessment) methodology, developed by the consulting firm Carbone 4, to analyse the exposure of all its sites, in operation and planned, to physical risks by 2050 based on a RCP 8.5 scenario (pathway with the highest greenhouse gas emissions). This analysis made it possible to assess the exposure of all Eramet sites to physical risks associated with climate change.

The sites characterised as having the most at stake, in view of the Group's activities, are in Indonesia and the United States. Workshops with the operations managers of the sites in question have allowed for a detailed assessment of the risks associated with the operating processes and infrastructures of these installations, in relation to climate hazards identified as likely to worsen significantly by 2050. This review identified the numerous existing measures to mitigate the harm, and potential additional measures.

An update to this climate risk assessment is planned for 2024.

4.5.2.4 Risks of difficulties in decarbonising activities in a competitive manner – *Medium net significance level – Increasing*

In light of rapid climate change and recognising the anthropogenic cause of this change, Eramet is conscious of its duty to prevent, adapt and communicate transparently with its employees, its partners and all of its stakeholders in general.

Eramet is engaged in a process compatible with the goals of the Paris Agreement aimed at integrating climate challenges into both its strategic decisions and reporting to an increasing degree. To do so, Eramet follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) which is one of the best international practices in the field.

Moreover, the Group's emissions reduction trajectory to 2035, defined in 2020, has been given official "target set" status by the SBTi (Science-Based Target Initiative). For more details, see Chapter 5.2.3 "Climate change". The result of a collaboration between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), SBTi ensures that the commitments made by participating companies are valuable and consistent with the Paris Agreement.

Eramet's greenhouse gas (GHG) emissions (Scopes 1 and 2) are mainly linked to process emissions from its pyrometallurgical activities (particularly the transformation of ore into ferroalloys). The main levers for decarbonising these activities may lead to significant changes in processes and/or industrial facilities.

Risk management

The creation of a decarbonisation department in 2023 is part of Eramet's drive to actively manage these risks and, in particular, to monitor their emergence. Its missions include, but are not limited to, (i) accelerating and actively managing a portfolio of decarbonisation initiatives, in particular to speed up the roll-out of initiatives with the best cost/benefit ratio, (ii) monitoring the competitive environment, (iii) actively promoting Eramet products with a low CO_2 footprint in the value chains concerned in order to stimulate demand for such products.

The options that the Group is considering are therefore likely to result in significant capital expenditure and/or additional operating costs. Eramet is attentive to the potential impact of these costs on the competitiveness of its activities.

4.5.3 Compliance Category

4.5.3.1 Risk of unethical behaviour – *High net significance level – Stable*

The Eramet Group is committed to complying with all regulations that are applicable to all of its sites worldwide. Like any French organisation with international operations, Eramet may therefore be exposed to legal and/or reputational risks, with potentially significant financial impacts if one of its employees fails to comply with the many laws in force. Unethical behaviours include in particular corruption, fraud, sexual harassment and sexist behaviour and other HR-related issues such as discrimination, moral harassment or any breach of the Group's ethical standards, which have been brought to the attention of all employees and external stakeholders.

Risk management

Risk ownership and responsibility for risk management are assigned at the most appropriate level, according to the principle of subsidiarity; therefore each operations manager is directly involved in the management of risks related to the activities for which he or she is responsible.

To ensure compliance with regulations relating to ethics and the fight against corruption, the Ethics and Compliance Department coordinates efforts to reduce and control the risk of breaches of our ethics standards, including the Ethics Charter, as well as any non-compliance with business ethics regulations. Year after year, the Group has strengthened its approach to the fight against corruption specifically. The anti-corruption compliance programme was rolled out within the Group in 2018 and is based on three pillars: organisation, guidelines and tools. This approach is largely modelled on compliance with the provisions of France's Sapin II Act, namely:

- a dedicated structure (Ethics and Compliance Network, ambassadors);
- corruption risk mapping: updated in March 2021, the main categories of risks identified have been addressed by dedicated action plans and are monitored at the highest level of the Group in close collaboration with the Group's Audit, Risks and Ethics Committee. A risk prevention strategy was thus implemented both internally and externally and closely managed by monitoring key performance indicators and sharing them with the Group's Executive Committee on a regular basis;

- standards and procedures: an Ethics Charter, an anti-corruption policy and guide, Key standards to define our golden rules applicable at all our sites;
- tools: the Integrity Line whistleblowing system (available to internal staff and external stakeholders, covering, in addition to corruption, topics including forgery of documents, fraud, violation of Group ethical standards, sexual harassment and sexist behaviour, gender-based violence etc.), a third-party tool-based assessment process managed by dedicated teams; in-person and e-learning training. All these topics are also the subject of accounting controls which are part of the Group's internal control routines aimed at preventing and detecting these risks, and audit engagements including ethics, compliance and anti-corruption criteria.

With regard to more specific subjects such as sexual harassment and sexist behaviour, the same approach has been implemented, with a dedicated organisational structure. As of 2021, the Group decided to widely deploy the network of advisors, starting with all French sites in accordance with the Schiappa law, but also in Gabon (Setrag, Comilog) and Senegal (GCO). In 2022, the Group continued this momentum by deploying the network in Argentina (Eramine) and China (Eramet International, EIML).

Following the identification of financial fraud at the end of 2021 within the Group's central Treasury (press release issued on 21 December 2021), an action plan was defined in order to strengthen the internal control and security measures at the level of the Group's Treasury, with in particular an overhaul of our procedures by implementing dedicated Key Standards to combat fraud. A programme to raise awareness among our employees has also been launched and will continue in 2024. In addition, we strengthened our Internal Control and Internal Audit organisational structures and conducted anti-fraud audits on our major subsidiaries, in order to provide maximum protection against this type of risk in the future (four audits were carried out in 2022 and two in 2023).

The organisation, means and methods for controlling these risks are detailed in section 5.4.1 "Ethics, Compliance and Anti-Corruption" in Chapter 5 herein.

4.5.3.2 Risk of non-execution of the environmental and social strategy – *Medium net significance level – Stable*

Eramet places CSR at the heart of its corporate strategy, with the aim of "becoming a reference for the responsible transformation of the Earth's mineral resources for "living well" together". This purpose was enshrined in the Group's Articles of Association in 2021. In 2023, the Group also adopted a new CSR roadmap entitled "Act for positive mining", comprising ten ambitious objectives from 2024, with deadlines in 2026 and 2035. This strategy is a real challenge, as it requires an in-depth, long-term transformation of environmental and societal risk management. Internal factors (cash control, team skills etc.) and external factors (local social acceptability, capacity of local partners etc.) are likely to hinder the implementation of the CSR roadmap, particularly in terms of deadlines.

Risk management

The net level of importance of this risk is considered to be medium because of the system set up by Eramet.

The environmental and societal strategy is monitored at all levels of the Group's governance:

- **the CSR and Strategy Committee**: made up of directors with recognised expertise, is tasked with assisting the Board of Directors and, in particular, with evaluating the consistency between the CSR action plans and the Group's strategy. It ensures that general management performs an analysis of the internal or external factors related to CSR issues (risks and opportunities) impacting the Group. It also verifies that the Vigilance Plan is implemented in accordance with legislative requirements, taking note of the main findings and observations of independent third parties in the context of CSR regulations, assessing them and examining management's action plans, including the roadmap;
- **the Group Executive committee**: the environmental and societal strategy falls within the remit of one of the members of the Executive Committee, within the Sustainability and Corporate Engagement Department. Risk mappings, assessments and roadmaps in this area are presented to and approved by the Executive Committee;
- **the CSR Steering Committee**: it monitors the progress of CSR commitments on a quarterly basis. This Committee is made up of representatives of the Departments in charge of the CSR Roadmap objectives and business-line experts (HR, Finance, Environment, Strategy, Social Impact and Human Rights, Ethics, Purchasing, Commerce, Information Systems, Operations and Risk Management). It also generates proposals and initiatives for the Group, with the aim of continuously improving the sustainability of its activities. In addition, it monitors within this framework the actions relating to the Group's Vigilance Plan, which forms part of the roadmap;
- **the Group Environment Department**: this department manages and implements the Group's environmental strategy, as defined by the Executive Committee. It defines the Group's environmental standards and procedures, as well as the actions, programmes and resources needed to implement them, in coordination with site representatives, and monitors their implementation. It provides support and expertise to local teams. It organises environmental audits and implements internal standard control mechanisms;
- **the Group Social Impact and Human Rights Department**: within Sustainability and Corporate Engagement Department, it is responsible for implementing the Group's corporate social responsibility programme, in conjunction with the operational teams of the various subsidiaries;
- **Sustainable Development Departments of subsidiaries**: each operating subsidiary has a Sustainable Development Department, which ensures that the environmental and social impacts of its operations are kept to a minimum, and that it takes action to help local communities. Its representative sits on the subsidiary's management committee, which ensures that action plans are implemented.

4.6 2023 Vigilance Plan – Eramet Group

4.6.1 The Eramet Group

Presentation of the Eramet Group

Eramet is a longstanding player in the mining and metallurgical industry. It is one of the world's leading producers of:

- metals (manganese, nickel) and mineral sands (rutile, leucoxene, ilmenite), essential for urban infrastructure; and
- critical metals for the energy transition (nickel and lithium).

With its 16 industrial and mining sites, the Group has an international presence. The Group has 9,167 employees in 16 countries.

A more detailed description of the Eramet Group is provided in the integrated report and Chapter 1 of the Universal Registration Document in which this Vigilance Plan is published.

Purpose

Faced with the challenge of achieving the energy transition and restoring the conditions for lasting harmony between humans and the planet, Eramet is committed to becoming a key player in the mining and metallurgical industry.

Since 2021, Eramet has had a defined purpose: **to become a reference for the responsible transformation of the Earth's mineral resources for "living well" together**. This purpose is explicitly stated in the Group's Articles of Association.

Legislative context

The aim of this Vigilance Plan is to meet the requirements of Law No. 2017-399 of 27 March 2017 on the duty of care of parent companies and contracting companies.

The scope of this plan primarily covers all of the Group's entities, namely the parent company Eramet S.A., as well as the companies it controls directly or indirectly, including Eramine (Argentina), Eramet Marietta (United States), Eramet Ideas (France), Comilog Dunkerque (France), ENO (Norway), Comilog (Gabon), Setrag (Gabon), GCO (Senegal) and SLN (New Caledonia).

The scope of the plan also covers the suppliers and subcontractors of the Group's entities (parent company and controlled subsidiaries). It is worth noting that Eramet S.A. has a 38.7% indirect stake in PT Weda Bay Nickel (Indonesia).

4.6.2 Framework of the Group's commitments

4.6.2.1 Governance

The Group's commitment translates into involvement at the highest level of the Company and at all management levels of the operational entities.

▼ Group governance

Board of Directors

Board Committees, including

CSR and Strategy Committee

Audit, Risks and Ethics Committee

Executive Committee

Human resources,
Health and Security Department

Sustainability and Corporate
Engagement Department

Strategy and Innovation Department

Reporting directly to the CEO

Ethics and Compliance Department

Safety and Prevention Department

Risk Management, Audit and Internal
Control Department (CARE)

Support Departments

Group Medical Advisor

Human Resources Department

Purchasing Department

Security Department

Corporate Affairs
& Partnerships Department

Social Impact and Human
Rights Department

Energy & Climate
Department

Environment and ESG
Performance Department

Operational entities

Business Unit and Site Directors

HSE Correspondents

HR Managers

Security Managers

Safety Coordinators

CSR/Community Relations Correspondents

Protection Coordinators

Energy Correspondents

Buyers

Ethics Compliance Officers and Ambassadors

Diversity and Inclusion Advisors

Sexual Harassment and
Sexist Behaviour Advisors

Human Rights Advisors

The Sustainability and Corporate Engagement Department and the Human Resources, Health, Safety and Security Department, both represented on the Group's Executive Committee, propose, support and monitor the multi-year objectives and associated action plans. They report to the Executive Committee. The Safety and Prevention Department and the Ethics and Compliance Department report to the Group's Chairwoman and Chief Executive Officer.

The effective incorporation of social and environmental issues into the Group's activities is also closely monitored by Eramet's Board of Directors, in particular through two of its Committees, i.e. the Strategy and CSR Committee, and the Audit, Risks and Ethics Committee.

The Sustainability and Corporate Engagement Department has an Environment Department and a Social Impact and Human Rights Department, for which the Group has introduced the role of Human Rights Officer. The Human Resources Department (HR) includes an Employee Relations, Diversity and Inclusion Department, a Safety Department and a Medical Advisor, responsible for coordinating the Group's health policy. The Ethics and Compliance Department and the Group Purchasing Department complete the system.

These corporate functions are organised and structured around practices and processes aimed at continuously strengthening their commitment and efficiency, highlighting a strong culture of risk identification and management. Onsite teams and networks of correspondents ensure standards are correctly applied and information is reported daily.

The objectives and action plans are implemented across all the Group's Divisions and operational entities. Their effective execution and the good coordination between the Corporate functions and the Divisions have been strengthened by the establishment of working groups and cross-functional committees focusing on various themes (CSR, Biodiversity, Mining Environment, Decarbonisation, Responsible Purchasing, Responsible Sales, Human Rights, Ethics).

As part of their role, these various Departments turn to stakeholders to take part in risk assessment exercises and implement appropriate management measures. Given the cross-cutting nature and the impact of the issues, managers, employees and staff representatives are regularly contacted. Dialogue with external stakeholders takes place at the local level. Whether it concerns the roll-out of operations, risk management measures or again local development support programmes, Eramet and its subsidiaries make sure they continuously inform and consult nearby populations.

4.6.2.2 Policies and procedures

The Group framework of commitments, made up of a charter and policies, presents the fundamentals of the Sustainable Development approach of Eramet, a committed corporate citizen.

In 2023, the Group reviewed its guidelines platform formalised in its management system: Eramet Management System (EMS). Eramet draws on a common foundation of standard reference commitments, consisting of the Ethics Charter, policies and procedures (*Key Standards*), which apply to all Group companies and their employees.

Reviewed in 2023, the Group's Ethics Charter (published on www.eramet.com and translated into the nine languages of the countries in which the Group operates) sets out the rules and principles governing action and behaviour that are applicable to and binding on all Group employees. It covers the following topics in particular:

- diversity and inclusion;
- employee health and safety;
- human rights;
- the prevention of all forms of discrimination and harassment;
- community development; and
- environmental protection.

Thus, the Group's policies (also available on www.eramet.com) form a set of principles, standards and behaviours that translate the long-term intentions of the Group concerning the nature of its activity and the company's relations with the main internal (staff and their representatives) and external stakeholders (suppliers, subcontractors, customers, shareholders, competitors etc.). They were adopted on subjects considered to be essential for Eramet, such as:

- Climate Policy;
- Environment Policy;
- Human Rights Policy;
- Health Policy;
- Security Policy; and
- Human Resources Management Policy.

These general principles are then translated operationally into *Key Standards* and business line processes. They thus set the standards for Eramet in a bid to ensure compliance with the Group's commitments and minimise related risks.

4.6.3 Risk mapping

As part of its risk identification and management process, every three years Eramet compiles a map of the Group's major risks, which it updates annually. It identifies risks to human rights, the environment and human health and safety.

Its implementation is managed by the Risk, Audit and Internal Control Department. In addition, it is presented to the Executive Committee and to the Audit, Risks and Ethics Committee of the Group's Board of Directors.

This mapping of the Group's major risks is accompanied by more granular maps:

- the Human Rights risk map was updated in 2023. Each site now has a Human Rights risk map, which, through a bottom-up approach, enabled a Group risk map to be produced. As part of this process, on-site interviews were conducted with internal stakeholders (Group experts and subsidiaries, trade unions) and external stakeholders (local communities and subcontractors);
- in 2023, the Group mapped its Purchasing risks, taking into account environmental, social and governance issues;
- the Safety and Environment risk maps consolidate the risks within their scope and were updated in 2022.

To standardise methodologies on the basis of the risks posed by the Group's activities and those of its supply chain to human rights, the environment and human health and safety *(inside-out approach),* and to consolidate all the salient risks, a risk mapping exercise was carried out in the second half of 2023, focusing on issues relating to the Duty of Care. Action plans were prepared to address priority risks and will be finalised and implemented from 2024.

The new map, managed by the Ethics and Compliance Department and the Risk Management Department, will be revised every three years and updated annually.

The aspects described in this Vigilance Plan are based on the new risk mapping specifically for the Duty of Care.

4.6.3.1 Risk identification methodology

As part of the risk mapping specifically for the Duty of Care, the identification, analysis and prioritisation of risks are based on the approach advocated by the Organisation for Economic Co-operation and Development (OECD) in the Guidelines for Multinational Enterprises on Responsible Business Conduct[(1)] and in the Due Diligence Guidance for Responsible Business Conduct[(2)].

The salient risks were identified on the basis of a documentary analysis of existing sector risk maps and impact assessments, backed up by more than 10 interviews with internal stakeholders.

The risks identified were then analysed and prioritised according to the following criteria:

- the impact of the risk on the potentially affected stakeholder(s), taking into account the scale, scope and remediable character of the risk;
- the probability of occurrence of the risk; and
- the control measures put in place by the Group to establish the margin for improvement necessary to define action plans.

The Human Rights risk mapping carried out in 2023 was instrumental in the Duty of Care risk mapping process, although the methodology was tailored to the objective set. The Human Rights risk mapping carried out in 2023 was actually developed in accordance with the methodology of the independent third party and the United Nations Guiding Principles on Business and Human Rights[(3)], which measures risks according to their scale, scope, probability and irremediable character. The latter is therefore of paramount consideration when prioritising risks.

(1) OECD (2023), OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, OECD Publishing, Paris, https://doi.org/10.1787/81f92357-en.

(2) OECD (2018), OECD Due Diligence Guidance for Responsible Business Conduct, OECD Publishing, Paris, https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf.

(3) United Nations (2012), Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework, https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf.

4.6.3.2 Matrix of salient risks

Issues	Salient risks	Potentially affected stakeholders: Eramet employees	Employees of suppliers and/or subcontractors	Local communities	Ecosystems
Environment (*see section 4.6.4.1*)	Risk related to the disturbance of local biodiversity				•
	Risk related to the use and management of water resources			•	•
	Risk related to air pollution	•	•	•	•
Climate change (*see section 4.6.4.2*)	Risk of insufficient limitation of greenhouse gas emissions	•	•	•	•
Human rights (*see section 4.6.4.3*)	Risk of adverse impacts on local communities			•	
	Risk of adverse impacts on indigenous peoples			•	
	Risk related to the housing conditions of employees and subcontractors	•	•		
	Risk related to harassment and discrimination in the workplace	•	•		
	Risk of human rights violations in the sea transport chain		•		
	Risk of human rights violations in the supply chain		•		
Health & safety (*see section 4.6.4.4*)	Risk of work-related accidents	•	•		
	Risk of accidents involving rail transport operated by Eramet	•	•	•	
	Risk of exposure to chemicals	•			

4.6.4 Risk prevention measures

For each salient environmental, climate, human rights and health and safety risk, this section contains:

- a description of the risk;
- the measures taken within the Group to prevent that risk; and
- the steps taken to evaluate subsidiaries and monitor preventive measures.

4.6.4.1 Environment

4.6.4.1.1 Environmental risks and preventive measures

RISK RELATED TO THE DISTURBANCE OF LOCAL BIODIVERSITY

Because of its mining and industrial operations, Eramet may disturb local biodiversity and contribute to deforestation. This can materialise as a disturbance in the biological balance or even the loss of plant and animal species.

Risk prevention measures

By analysing the global issues inherent in the Group's activities, Eramet was able to draw up an action plan for the Group. In 2020, the action plan was formalised in its Act4nature International commitments[1]. The initiative is led by the French non-profit organisation Entreprises pour l'Environnement (EpE). It is run by EpE and 14 of its partners, including environmental non-governmental organisations (NGOs) and scientific bodies that analyse and validate the SMART objectives presented by companies keen to take part in the initiative. Eramet's 11 commitments have three objectives: avoidance and reduction of impacts and promotion of biodiversity. They therefore fulfil the 10 Act4Nature International shared commitments.

In addition to global actions for the preservation of biodiversity, each new project and each new mining operation is subjected to an environmental and social impact assessment carried out in accordance with the international standards of the International Finance Corporation (IFC)[2] (IFC Performance Standard 1). For existing mining sites, the impact assessments are gradually being updated to ensure that they meet the IFC and IRMA's standards[3].

On the basis of the impact assessments, an environmental management plan is drawn up and implemented at each site.

Lastly, Eramet conducted several studies in 2023 to develop its understanding of the dependencies and issues with regard to biodiversity:

- analysis of the issues and dependencies carried out using the *Biodiversity Risk Filter* tool developed by the World Wide Fund for Nature (WWF); and
- calculation of the *Corporate Biodiversity Footprint* with the support of Icare, a firm that assesses the average loss of species abundance (expressed as mean species abundance, or MSA) related to Eramet's activities by including the upstream value chain.

The analyses help determine the scale of the action plans and objectives according to the priorities identified and, in this case, the direct impacts of the mining activities on ecosystems. The impacts associated with the upstream value chain (purchases, subcontracting etc.) are not material compared with the direct impacts. In addition, other pressures on biodiversity, such as climate change and pollution, are managed as described below.

Objectives 2024-2026

The Group's new roadmap, Act for Positive Mining, calls for all mining sites to have a biodiversity action plan aligned with IFC performance standards by 2026.

For more information, see section 5.2 "Environmental protection".

(1) https://www.act4nature.com/
(2) IFC: International Finance Corporation.
(3) IRMA: The Initiative for Responsible Mining Assurance.

RISK RELATED TO THE USE AND MANAGEMENT OF WATER RESOURCES

The use of water resources in mining processes, including in water-stressed areas, can lead to the risks of soil drying out, disturbance of aquatic fauna or even water scarcity for local communities. Any failure in the treatment of water used in mining and industrial operations can result in pollution of surrounding watercourses.

Risk prevention measures

In its environmental policy, Eramet is committed to minimising the impact of its activities on water resources and aquatic environments. It focuses its efforts on several areas:

- continuous improvement in the monitoring of the water footprint of its activities (abstractions, uses, discharges);
- optimisation of process water consumption and increased recycling;
- continuous improvement of rainwater management and wastewater treatment methods.

Eramet prohibits the discharging of mining waste ("deep-sea tailings placement") into the sea. This method is neither used at the Group's sites nor considered during development projects.

These goals are developed in the Environment *Key Standard*, which is mandatory for all sites. In particular, they target:

- Water consumption:
  - to refine the understanding of water-related issues, in 2023 Eramet overhauled its reporting procedures to align with international standards and industry best practices; and
  - the issues related to water stress were analysed in areas in which Eramet operates. The analysis incorporated the changes expected by 2030 and 2050 under three climate scenarios;
  - various measures are already being taken to ease pressure on the resource:
    - recycling of material washing water (filter presses, recycling of pond water),
    - installation of closed loops for equipment cooling circuits in pyrometallurgical plants,
    - investments in rainwater harvesting and recycling systems at operating sites;
  - appointment of a group of experts responsible for mines and plants, to identify and disseminate best practices in water management throughout the Group.
- Water pollution:
  - the Group has installed upstream double-walled retention and storage systems, as well as effluent treatment plants using physicochemical processes and hydrocarbon separators (separation by decantation);
  - around 100 piezometers have been installed at the Group's sites to monitor any impact on groundwater;
  - every year, the Group invests to further mitigate its impacts on water. In 2023, for example, nearly €20 million was invested. The investments mainly concern the prevention of water pollution at mining sites (through the development of ponds, for example) and rehabilitation work on a river in Gabon.

In order to strengthen its action plan, the Group launched several projects in 2023 aimed at:

- mapping all abstraction and discharge points;
- improving knowledge and monitoring by overhauling its reporting procedures to align with industry best practices.

The action plans will be based on the work currently under way to understand the types of usage (full hydrological assessment) and identify the material topics related to water.

- the sites will benefit from two future Eramet standards dedicated to water and rehabilitation and from the best practice guides already available. Freshwater recycling targets have already been set for the GCO site and the Eramine project (60% and 80%, respectively);
- Eramet completed the CDP Water Security Questionnaire for the second year in 2023. It scored a C, which is average for companies in the sector. The action plan is designed to strengthen the Group's maturity on the topic and the management of its impacts.

Objectives 2024-2026

Eramet is committed to minimising the impact of its activities on water resources and aquatic environments. The Group's new roadmap, Act for Positive Mining, sets ambitious targets for the end of 2026:

- reduction of the water footprint of the sites most at risk: 60% water recycling for GCO (Senegal) and 80% for the lithium project in Argentina;
- 100% of the sites must have:
  - a water management plan incorporating the water balance, the identification of priorities, the setting of improvement targets and the preparation of action plans,
  - comprehensive monitoring of water discharges.

RISK RELATED TO AIR POLLUTION

Because of its mining and industrial operations, Eramet may be a major source of fine particles harmful to the environment and the health of employees, subcontractors and local communities. The latter may therefore be exposed to various forms of pollution and the presence of residual dust. This risk is accentuated by the Group's pyrometallurgical and transport activities.

☑ Risk prevention measures

Since 2013, Eramet has factored emission reduction into its environmental policy commitments. In 2018, the Group's CSR Roadmap included a target to reduce channelled dust emissions by 80%. This target has not been fully achieved (77%) due to the delay in commissioning a gas treatment facility at the CIM site in Gabon. At the end of 2023, Eramet reviewed its Environment policy, available on www.eramet.com, and strengthened its commitment to air quality: "*Reduce the environmental impacts of its activities, in particular by reducing its atmospheric emissions, focusing on the most significant sources of impact with a view to engaging with neighbouring communities*".

Eramet is also installing purification systems for atmospheric releases on sites to control dust and metal emissions. These techniques are suitable for process discharges. They include electrostatic precipitators, baghouse dust collectors, scrubbers and washing towers. Specific treatment systems for certain pollutants and processes can also be used, such as activated carbon filters or demisters. The different items of equipment are installed according to the characteristics of the effluent and the industrial processes, the target purification performances and regulatory requirements.

Efforts to ensure that know-how is retained and Group best practices are shared include a special environmental task force which works to identify internal benchmarks on the topic of airborne emissions.

In 2023, an internal reference framework was established ("Air Standard") which defines the requirements applicable to all Eramet sites. It allows sites to carry out a self-assessment on the basis of the requirements and best practices and to speed up their implementation.

Objectives 2024-2026

The Group's new roadmap, Act for Positive Mining, will combine this challenge of engaging local stakeholders with:

- a plan for managing and monitoring major diffuse emissions at all sites; and
- monitoring the relevant ambient air quality indicators for sites near inhabited areas.

4.6.4.1.2 Monitoring environmental risk prevention measures

Comprehensive and specific action plans are put in place and monitored by implementing a robust, ISO 14001 certified management system at each mining site, with:

- specific human and financial resources;
- a governance system, such as the working group on atmospheric emissions, which requires the sites in question to identify differences between the sites and best practices so that formal standards can be established at the Group level;
- an internal policy and standards;
- monitoring and reporting procedures: each industrial site defines and implements the monitoring of its environmental indicators according to the rules enshrined in the EPS Guide Book on management routines, improvements and proactive behaviour. In addition, at the required intervals, they produce the necessary environmental indicators under the Environmental Reporting procedure. To do this, a dedicated Environment IT system has been rolled out to all industrial and mining sites, allowing for the collection and consolidation of environmental performance indicators. The tool, which has been gradually rolled out since 2020, collects and manages quantitative and qualitative data, records incident, prevention and audit reports, analyses risks, accidents and anomalies, and implements adapted action plans. The data analysis is used to support decision-making and the monitoring of action plans. For example:
  - for biodiversity, the Act4nature commitments are monitored annually and published in the Universal Registration Document and on the Act4nature International website[1]. All the targets were achieved by the end of 2023. The Group is preparing a new commitment for additional actions, which will be submitted for approval by the Act4nature International Steering Committee in 2024,
  - for water, the KPIs are reported and monitored monthly in the Group tool, while the roadmap is reviewed during Quarterly Business Reviews and by the CSR Steering Committee,
  - for air pollution, the emission monitoring system is accompanied by the gradual rollout of systems for continual monitoring of flue emissions and the monitoring of ambient air quality near its sites, particularly in New Caledonia, Norway and at the Dunkirk site in France, where restrictions apply on the use of furnaces during high winds;
- incident notification and follow-up: as soon as significant pollution occurs or in the event of material dispute with the government or a third party, it is reported within 24 hours using the special reporting tool. The sites must carry out an investigation, based on the severity of the event, within two weeks;
- internal and external environmental audits supplement this system. They may cover all environmental issues or focus on specific risks such as air pollution. All industrial and mining sites undergo external audits of their environmental management system as part of the ISO 14001 certification. The implementation of high-priority audit recommendations is monitored by the Environment Department.

(1) https://www.act4nature.com/en/committed-companies-2022/

4.6.4.2 Climate change

RISK OF INSUFFICIENT LIMITATION OF GREENHOUSE GAS EMISSIONS RELATIVE TO THE 1.5°C TARGET SET BY THE PARIS AGREEMENT

Mining operations can emit significant amounts of greenhouse gases (GHGs), including carbon dioxide (CO_2), sulphur dioxide (SO_2), and methane (CH_4), which contribute to global warming and climate change.

Despite introducing various decarbonisation measures, the Group is exposed to the risk of being unable to continue its path of reducing greenhouse gas emissions to limit the rise in temperatures to 1.5°C relative to pre-industrial levels.

☑ Risk prevention measures

Eramet has set targets aligned with the well-below 2°C goal, which were validated by the SBTi (Science Based Targets initiative) in 2021. The Group will launch a study for a 1.5°C alignment in 2024.

A Climate Policy, published in 2023 (available on www.eramet.com) defines Eramet's guidelines both for conducting its operations and developing its strategy. Eramet is engaged in a process compatible with the goals of the Paris Agreement aimed at integrating climate challenges into both its strategic decisions and reporting to an increasing degree.

Decarbonisation is the core impetus for mines and metals; it is an essential part of the "licence to operate". Its strategy includes the optimisation of existing assets, the development of new technologies in partnership with peers, academics and suppliers, as well as supporting customers' paths to decarbonisation. Eramet's answer to climate change is based on the following focus points:

- a 40% reduction in the Group's absolute CO_2 emissions on scopes 1 and 2 by 2035, relative to 2019;
- support for customers and suppliers in reducing their own GHG emissions; and
- promoting the circular economy.

Scopes 1 and 2

Based on the Group's general Roadmap, discussions were held with each site to enhance the local Roadmaps. Each entity now has a programme adapted to its specific situation and aligned with the overall objectives. This is the result of a mixed "*top-down + bottom-up*" approach.

Eramet's decarbonisation trajectory depends on the Group's capacity to develop cross-cutting, multi-year structuring projects on the following leading priorities:

- energy performance of its production assets (energy efficiency and recycling);
- process decarbonisation, initially through the use of bio-reducers;
- decarbonisation of consumed electricity (purchases, investments);
- carbon capture and storage.

For more information, see section 5.2.3 "Climate change" of the Non-Financial Performance Statement.

Scope 3: Encouraging the Group's customers and suppliers to set their own targets

Following the calculation of the Eramet Group's scope 3, the suppliers with the highest emissions (representing 67% of suppliers' estimated emissions) were identified. Each supplier has undergone an audit of its commitment (SBTi, Carbon Disclosure Project, carbon emission reduction target over a given period etc.) to determine whether the stated commitment is aligned with Eramet's standards.

At year-end 2023, 46% of the Group's suppliers and customers had made such a commitment.

Eramet is actively working to convince its partners to help it meet its commitments to hold its value chain accountable for reducing CO_2 emissions. Measures are being taken with its customers – since the emissions generated by the transformation of products is the Group's largest scope 3 item – as well as with its suppliers and charter companies.

In 2023, Eramet included the awareness of decarbonisation issues in its dialogue with all customers. Internal rules have been put in place for the systematic follow-up of communications from partners on their transition commitments.

In 2024, Eramet will pursue these efforts to acculturate all employees to the issues surrounding climate change. It will also speed up exchanges with its key partners with a view to committing to a shared dynamic of reducing greenhouse gas emissions throughout the carbon steel value chain.

Monitoring of preventive measures and assessment of subsidiaries and suppliers

Specific governance consisting of:

- the Board of Directors, which relies on the recommendations of its Strategy Committee and CSR. The latter specifically analyses the Group's progress in carbon emission reduction;
- the Executive Committee, which manages the action plan, while the progress of each project is reviewed on a quarterly basis by a strategic decarbonisation committee formed of the Decarbonisation Department (in charge of Eramet's decarbonisation programme and its portfolio of initiatives, and responsible for the low-carbon transition of its pyrometallurgical activities), the Environment Department (the methodological point of contact for questions on climate accounting and reporting), the Central Technical Office (guarantor of the performance management system of the Group's operational entities, particularly in terms of energy efficiency and carbon footprint) and the Purchasing Department (in charge of energy purchases, among others).

Site assessment:

- Mines: For mines, energy consumption is mainly fuel for mining machinery and electricity for fixed installations (conveyors, ore processing facilities etc.). Consumption trends depend on the structure of the deposit, its topology, the activity (volumes of ore produced) and especially stripping[1] and preparatory work volume ratios (total volume of ore handled).
- Pyrometallurgical plants: Industrial facilities convert, through reduction reactions, the metal oxides contained in the ores into metal alloys. These processes require an energy supply to reach the temperatures of the reduction or smelting reactions (around 1,500°C), in the form of electrical energy. This consumption is directly dependent on the activity. Good process control also requires upstream monitoring of the water content of ores. Energy consumption for drying can vary significantly depending on climatic conditions.
- Internal logistics: It corresponds mainly to the Group internal rail transport between mines and ports, as well as vessel loading operations. For Eramet, it therefore comes under Scope 1 and is completely distinct from the import and export logistics activities traditionally included in Scope 3. Energy consumption is mainly linked to the diesel locomotives operated in our mining territories and is essentially a function of the activity.

Supplier assessment:

Eramet Group activities are situated high upstream of its value chain. The proportion of scope 3 downstream of the Group's activities (15.0 MtCO_2 – 81%) is therefore logically higher than the upstream proportion (3.5 MtCO_2 – 19%). This gap is particularly wide for manganese or nickel ore transformation operations at the Group's customers' sites, which create large amounts of emissions (and account for 76% of scope 3 emissions).

Scope 3 emissions from transport amount to 1.1 MtCO_2 and account for 6% of the Group's total scope 3 carbon emissions.

For supplier assessments, see section 4.6.5 "Suppliers and subcontractors" of the Vigilance Plan.

(1) The stripping ratio corresponds to the quantity of tailings extracted per quantity of ore.

4.6.4.3 Human rights and fundamental freedoms

RISK OF ADVERSE IMPACTS ON LOCAL COMMUNITIES

Mining and industrial operations may have environmental and social impacts on the health and safety of local communities, such as the risk of respiratory diseases due to air pollution, impacts on water quality or quantity, or risks related to increased road traffic in certain areas.

Equally, the Group may have a negative impact on the livelihoods and lifestyles of local communities in the event of resettlement. The physical and economic resettlement of local populations can result in lower incomes, disruption or loss of essential community activities, or gaps in compensation to restore livelihoods.

Risk prevention measures

Prevention of the risk of adverse impacts on the health and safety of local communities:

- Impact assessments are carried out at the majority of sites on the environment, public health, the local economy etc., before any new project or major change;
- all sites have an environmental management plan and must develop and implement a water management plan by 2026, which will include the impact of Eramet's activities on water consumption;
- with regard to the disruption of local traffic and the resulting risk of accidents, entities are adopting various measures such as restricted traffic zones (Eramine, Argentina) and awareness campaigns (Eramine, Setrag). Similarly, at the PT Weda Bay Nickel site (Indonesia), there is no concurrent activity between the roads used by local communities and those used for mining transport operations. In addition, roads used for mining transport are sprayed regularly to reduce dust;
- Eramine (Argentina): Eramine has been involved in the *CARE programme* since 2022. This programme is a global, voluntary initiative of the chemical industry aimed at continually improving health, safety and environmental protection. The entity took part in several sessions during which CSR, Health & Safety and Logistics experts explained how chemicals are transported, the preventive measures taken and the actions to limit incidents in terms of safety and the environment. These are aimed at a variety of stakeholders: the Kolla community, schools, the Salta Chamber of Transport, the Traffic Department, the National Gendarmerie etc. During 2023, progress was made at several meetings of the Logistics and CSR teams with different individuals and groups, and visits were made along the roads concerned with a view to generating improvements in the poor practices observed among vehicle drivers (from several companies in the region). There are plans to continue these meetings in Santa Rosa de los Pastos Grandes and Campo Quijano in early 2024;
- with regard to improper behaviour by site workers, some entities have introduced specific codes of conduct in areas at risk to ensure that workers are respectful of local communities and customs.

Preventing the risk of adverse impacts on the livelihoods of local communities:

- with regard to community resettlement, all entities have established a mechanism for discussion and communication between the company, local inhabitants and the authorities to ensure a transparent dialogue with the communities affected in accordance with the relevant standards;
- subsidiaries that have to relocate communities, such as GCO (Senegal), conduct impact assessments and surveys and put in place the necessary information procedures, resettlement plans and livelihood restoration plans;
- complaint handling mechanisms exist at all sites to allow communities to report issues related to resettlement or the restoration of livelihoods.

Monitoring of preventive measures and assessment of subsidiaries

For the environmental part, see section 4.6.4.1 "Environment" of this Vigilance Plan and section 5.2 "Environmental protection" of the Non-Financial Performance Statement.

Since 2023, subsidiaries have been adhering to Group processes by complying with the internal framework (*Eramet Management System*), which includes IRMA community requirements. Site compliance with this new standard is now monitored at five entities (GCO, Eramine, Weda Bay, SLN Thio and SLN Tiébaghi). For more information, see section 5.3.3 "Commitments to host communities". In addition, subsidiaries are regularly subjected to internal assessments or risk mapping to analyse any existing impacts and the management measures put in place.

Lastly, to ensure compliance with Group standards, the subsidiaries have all set up a complaint-handling mechanism allowing communities to report any social or environmental impacts.

In 2023, the Group published a Human Rights report, available on the Eramet website[1].

(1) https://www.eramet.com/en/group/governance/human-rights/

RISK OF ADVERSE IMPACTS ON INDIGENOUS PEOPLES

Mining and industrial operations can impact indigenous peoples and their natural resources.

Risk prevention measures

- Eramine (Argentina)

  Argentina has established a legal framework to protect the rights of indigenous peoples in accordance with international standards. Prior, free and informed consent (PFIC) is protected by law, and the status of indigenous communities is recognised at State level.

  - section 75, subsection 22 of the Constitution of the Argentine Nation, reformed in 1994, recognises human rights treaties as having constitutional hierarchy. Section 75, subsection 17 reads: "To recognise the ethnic and cultural pre-existence of indigenous peoples of Argentina. To guarantee respect for the identity and the right to bilingual and intercultural education; to recognise the legal capacity of their communities, and the community possession and ownership of the lands they traditionally occupy; and to regulate the granting of other lands adequate and sufficient for human development; none of them shall be sold, transmitted or subject to liens or attachments. To guarantee their participation in issues related to their natural resources and in other interests affecting them,"
  - Argentina has signed International Labour Organization (ILO) Convention No. 169 and has established a framework for the recognition and protection of its indigenous communities,
  - Law No. 23.302 adopted by the Argentine Congress in 1985 recognises these communities as descendants "of the peoples who inhabited the national territory at the time of conquest or colonisation". Its main objective is to guarantee access to land and respect the culture of those communities in education plans and in protecting their health, so that they can participate fully in the social, economic and cultural life of the nation in accordance with their own values and preserve their cultural heritage,
  - the Constitution of Salta (the province where Eramine is based) recognises the ethnic and cultural pre-existence of indigenous peoples residing in the territory. In addition, Article 17 of the Salta Provincial Law on the Development of Indigenous Peoples stipulates that "the final allocation of ownership of land, whether in its present state or in cases of transfer, must be done with the free and express consent of the indigenous population concerned",
  - finally, the Ministry of Social Development and the Ministry of Infrastructure adopted a resolution in 2022 approving the protocol for prior, free and informed consent, with the aim of implementing the PFIC process in the Salta region.

    The State regards members of the Kolla community living in the province of Salta to be indigenous peoples, as defined by international standards. When preparing any mining project, it is important to begin by analysing the context in which the project will be developed. This is why, from the outset, Eramet entered into a process of understanding and taking on board the local context. Eramine organised a community meeting attended by representatives of the Ministry of Mines and Energy, as is usual. This meeting was held in Santa Rosa de los Pastos Grandes on 18 February 2020 to complement the PFIC process, in accordance with ILO Convention No. 169, and marked a new stage in the relationship with the communities in Eramine's area of influence. The company's teams highlighted this aspect, as the partnership with the communities had greatly evolved since the beginning of the project. Later, in May 2022, the indigenous community reaffirmed its support at the quarterly assembly.

- PT Weda Bay Nickel (Indonesia)

  Indonesia also voted in favour of the United Nations Declaration on the Rights of Indigenous Peoples. However, it has not ratified ILO Convention No. 169. The Indonesian Constitution recognises the concept of indigenous peoples as Masyarakat Hukum Adat (customary law community). Several laws apply to them, such as the 1960 Agrarian Law (and more recent laws on land ownership), which states that a community can be recognised as long as it does not interfere with the national interest, and the 1999 Forest Law (since forests cover almost all of Indonesia in administrative terms, this law is essential for land rights). The criteria are: traditional institutions and chiefs, clearly mapped lands, enforcement of customary laws/mechanisms and continued exploitation of forests for timber and non-timber resources. Recognition must be established by a local government regulation (province or district), after deliberation of the local parliament. Lastly, this status gives communities the right to control land use, but does not explicitly require FPIC.

  Since the project began, PT Weda Bay Nickel has been committed to the highest standards of responsible mining, especially with regard to communities. As a minority shareholder of PT Weda Bay Nickel, Eramet is committed to respecting the human rights of people living near all its mining sites. Social studies are carried out regularly to learn more about communities and develop appropriate engagement plans. The Tobelo, also known as the O Hongana Manyawa or the Tobelo Dalam, are nomadic tribes living in the inland forests of Halmahera. The potential impact of mining activities on this community is a constant concern for Eramet. Several studies have been carried out so that it may gain a better understanding of them. Some make regular visits to the Weda Bay camp, located in the forest. PT Weda Bay Nickel has built up trust with the people living in the mining concession. An awareness programme was set up in 2010 for employees and subcontractors, asking them to limit their interactions with the community. The total population on the whole island of Halmahera is estimated at around 3,000 people. The results of the field study carried out in 2023 by Syaiful Madjid, an independent anthropologist from the University of Khairun, Ternate (Indonesia), and by a guide, confirm that a group of nine people live in the concession. In addition, all of the groups covered by the study are in contact with local communities and none of the tribes close to the mine live in total isolation. The results of the study will enable PT Weda Bay Nickel to design and implement the appropriate mitigation measures where necessary and to improve its dialogue with these communities. Under Indonesian law, the permitting process for mining activities for PT Weda Bay Nickel involved extensive consultation with local communities. The company is in the process of formalising the dialogue with this group in accordance with IRMA's international standards. Respect for all communities and their cultural heritage has been central to the preparation work since exploration began. Following a decision by the Board of Directors of PT Weda Bay Nickel in December 2022, PT Weda Bay Nickel pledged to take part in the IRMA process. A specific action plan on respecting the traditions and culture of local communities is in place. The consultation process with the group living in the concession continues, building on the relationships developed over the past year.

- SLN (New Caledonia)

  New Caledonia is a French overseas territory with special status. France voted in favour of the non-binding United Nations Declaration on the Rights of Indigenous Peoples. France has not ratified ILO Convention No. 169. The Nouméa Accords of 5 May 1998 and the Organic Law of 19 March 1999 established the Customary Senate and the Customary Councils as institutions of New Caledonia. The referendum law of 9 November 1988 recognises eight customary areas, each represented by a Council. The Customary Councils can be consulted on all matters relating to Kanak identity. Although the New Caledonian Mining Code does not require FPIC as such, it involves consultation with the competent customary authorities for the granting of mining permits.

  For each mining permit, the customary authorities are involved in the consultation process. In addition, SLN has signed agreements with the tribes or their higher level (district) on a case-by-case basis. However, following a long blockade of the Kouaoua site in 2018 for issues related to the activity and intergenerational conflict of indigenous peoples, SLN decided to strengthen its dialogue and commit to formalising this process with the customary authorities, responsible for protecting Kanak identity. SLN has since set up a voluntary customary consultation mechanism. In 2022, a letter of intent was signed with the Ajië-Aro customary area, and a mapping exercise was carried out to identify the people to consult and inform. The agreement between SLN and the Ajië-Aro customary area covers four communes (Moindou, Bourail, Houailou and Poya). It requires SLN to obtain the prior, free and informed consent of the communities affected by the activities. However, it is important to note that the relationship goes beyond a simple agreement – SLN listens to and involves the host communities in a full-fledged participatory process. This cooperation seeks to inform and consult the customary authorities of the area, as early as possible, on prospecting, drilling, exploitation and mining rehabilitation projects, particularly in the event of site closures. The Ajië-Aro customary area is currently setting up a mechanism with the local customary authorities to facilitate the social acceptance – which must be free, prior and informed – of the affected communities. The company's aim is to make it a model of best practice for all customary areas where SLN operates.

Monitoring of actions and assessment of subsidiaries

Since 2023, subsidiaries' compliance with the Eramet Management System has included IRMA community requirements. Site compliance with this new standard is now monitored at five entities (GCO, Eramine, Weda Bay, SLN Thio and SLN Tiébaghi). For more information, see section 5.3.3 "Commitments to host communities".

Subsidiaries are regularly subjected to internal assessments or risk mapping to analyse any existing impacts and the management measures put in place. Action plans are then implemented and monitored by the *Human Rights Officer*.

Lastly, to ensure compliance with Group standards, the subsidiaries have all set up a complaint-handling mechanism allowing communities to report any social or environmental impacts.

In 2023, the Group published a Human Rights report, available on the Eramet website[1].

(1) https://www.eramet.com/en/group/governance/human-rights/

RISK RELATED TO THE HOUSING CONDITIONS OF EMPLOYEES AND SUBCONTRACTORS

The Group and its subcontractors provide accommodation for their employees at certain sites. As a result, there is a risk of non-compliance with the ILO recommendations.

Risk prevention measures

Eramet entities that provide housing for workers regularly inspect the accommodation for cleanliness, safety etc.

For new projects, the Group's real estate teams and the Social Impact and Human Rights Department are sent proposals for review.

Monitoring of preventive measures and assessment of subsidiaries

Subsidiaries are regularly subjected to internal assessments or risk mapping to analyse any existing impacts and the management measures put in place. Action plans are then implemented and monitored by the *Human Rights Officer*.

A Monitoring Committee has been set up in Setrag (Gabon), where the portfolio is undergoing refurbishment. The committee meets on a monthly basis to assess progress.

RISK RELATED TO ALL FORMS OF HARASSMENT AND DISCRIMINATION IN THE WORKPLACE

Eramet is exposed, in its support functions and at its extraction and processing sites, to risks of sexual and gender-based violence (SGBV), sexual harassment, bullying and discrimination. These human rights abuses, which are mostly gender-based, affect women and sexual and gender minorities in particular.

The mining and metallurgy activity sector is characterised by a high proportion of male employees, operations mainly situated in isolated areas and the constraint of living in a social enclave. Together these represent an additional risk factor for SGBV, sexual harassment, bullying and discrimination.

Definitions of forms of inappropriate behaviour in the workplace:

- **sexual and gender-based violence (SGBV) in the workplace** can take the form of verbal abuse of a sexual or sexist nature, the dissemination of indecent messages, the capture and dissemination of images without the consent of the person concerned, inappropriate touching etc. SGBV in the workplace may lead to disciplinary proceedings, as well as criminal prosecution;
- sexual **harassment in the workplace** is defined as a violation of fundamental rights consisting of gender-based discrimination, regardless of sex, in a context of unequal power relations (workplace or hierarchy)[1]. Sexual harassment is the act of subjecting someone to:
  - repeated comments or behaviour with a sexual connotation (including verbal behaviour with a sexual connotation), which either violate his or her dignity because of their degrading or humiliating nature, or place him or her in an intimidating, hostile or offensive situation (Article 222-33 I of the French Criminal Code),
  - on a one-off basis, any type of severe pressure (physical molestation, rape etc.) with the real or apparent aim of obtaining an act of a sexual nature, whether it is sought for the benefit of the perpetrator or for the benefit of a third party (Article 222-33 of the French Criminal Code).

Sexual harassment in the workplace may lead to disciplinary proceedings and prosecution.

- **bullying** is the act of harassing another person by repeated comments or behaviour intended to cause or having the effect of causing a deterioration in working conditions liable to harm his or her rights and dignity, damage his or her physical or mental health or compromise his or her career prospects (Article 222-33-2 of the French Criminal Code). Repetition is defined as two or more incidents[2]. Bullying in the workplace may lead to disciplinary proceedings and prosecution;
- for behaviour to be classed as **workplace discrimination**, the Victims' Rights Advocate states that the following three criteria must be met:
  - it must be committed against an employee treated less favourably than another employee in a comparable situation,
  - it must be based on at least one protected characteristic (e.g. age, sexual orientation, gender identity, ethnicity, religion, disability etc.), and
  - it must have the purpose or effect of creating an intimidating, hostile, degrading, humiliating or offensive environment.

Risk prevention measures

In its Ethics Charter (available on www.eramet.com), Eramet pledges to combat all forms of discrimination and harassment in the workplace and to ensure that no one is subjected to acts that violate their rights and dignity. The Group encourages its employees to report any situation that is at odds with that pledge through its *Integrity Line*, a whistleblowing system that everyone can access. The Group and its subsidiaries have organised awareness and communication sessions to inform all employees and external stakeholders of the system, should they wish to report cases of discrimination, sexual harassment, bullying and sexual or gender-based violence.

To prevent and mitigate the risk of sexual harassment and sexual or gender-based violence, the Group has appointed Sexual Harassment/Sexist Behaviour Advisors in France, Argentina, Gabon, New Caledonia and Senegal. Their role is to guide, inform and support their peers on these issues through awareness-raising and training, communication and support with handling and reporting sexual harassment or sexist behaviour. The occupational health department at each entity (including counsellors and social assistance), the Human Resources Department and the Ethics and Compliance Department are also on hand for employees to disclose or report any cases of gender-based violence or harassment.

A Diversity and Inclusion perception survey was launched in 2023 to identify the difficulties encountered in the workplace in terms of diversity and inclusion, discrimination, sexual harassment and bullying. The aim is to give Eramet employees – men, women, sexual and gender minorities – a chance to express their views in an online survey, individual interviews and on-site discussion groups. It also serves as a tool for raising awareness of diversity and inclusion, the fight against discrimination and the prevention and management of sexual harassment and/or bullying by taking an educational approach. It is run by an independent third-party expert and monitored by the Executive Committee.

Training and awareness-raising on anti-discrimination are organised online and at the majority of sites for all employees. For example, the subsidiary SLN (New Caledonia) launched a poster campaign highlighting the diversity of its women to combat gender stereotypes and sexism; a webinar led by an expert partner was held on the inclusion of lesbian, gay, bisexual and transgender (LGBT+) people; to mark the World Day for Cultural Diversity, Eramet S.A. (France) organised awareness-raising initiatives on visible and invisible disabilities (sharing of first-hand accounts, poster campaign, workshops).

Monitoring of preventive measures and assessment of subsidiaries

Eramet has set up an indicator to make its sites as inclusive as possible for women. This includes adapting infrastructure and work tools to improve their well-being at work (adapted personal protective equipment etc.), as well as zero tolerance for harassment in the workplace. This indicator is currently monitored for each site and coordinated by the Executive Committee, the CSR Steering Committee and the Group Human Resources Diversity & Inclusion team.

Following the Diversity and Inclusion perception survey launched in 2023, which is still ongoing, and the various risk mapping exercises – including Human Rights and the Duty of Care – specific action plans are being developed and rolled out in 2024 to address all topics related to the fight against all forms of harassment and discrimination in the workplace.

Numerous reports have been filed as a result of the stream of information and various communications directed towards employees and third parties about the whistleblowing system. In 2023, Diversity and Inclusion issues accounted for 35% of reports received, and 51% of these reports were considered to be well-founded. Fully 100% of confirmed reports led to disciplinary (47%) and non-disciplinary proceedings being taken, the latter primarily consisting of support measures such as coaching (41%).

(1) Sexual harassment can involve rude jokes, comments about physical appearance or attire, staring etc.
(2) Bullying can consist of public humiliation, degrading tasks, deprivation of work tools etc.

RISK OF HUMAN RIGHTS ABUSES IN THE SEA TRANSPORT CHAIN

The Eramet Group transports some of its products by sea, either by containers directly with shipping companies, or in bulk through shipowners or shipping brokers.

The ILO has identified the sea transport sector as being particularly at risk of modern slavery due to the long periods of isolation at sea.

Risk prevention measures

All shipping partners (shipping companies, shipowners and brokers) are obliged to comply with the Eramet Ethics Charter, the Suppliers' Code of Conduct and the Group's CSR standards for all shipments.

All suppliers undergo screening and all vessels operated are checked to ensure that they comply with international standards (included in the screening process). The following aspects related to Human Rights are checked during the screening process:

- compliance with the Universal Declaration of Human Rights, ILO recommendations or any local, national or international rules that reference them;
- compliance with the Group Health and Safety Policy so that the working environment meets our health and safety standards and our suppliers manage the impact of their activity on the health of local communities; and
- compliance with statutory working conditions, such as working hours or minimum working age, regardless of where the suppliers operate.

Monitoring of preventive measures and assessment of subsidiaries and suppliers

To ensure that suppliers maintain the Group's standards, shipping companies renew their commitment to uphold the Eramet Ethics Charter each year.

In addition, each supplier screened at the start of the business relationship is continually monitored. Therefore, if new information should emerge, the supplier is checked again to ensure that it still complies with the Group's standards.

For more details, see section 4.6.5 "Suppliers and subcontractors" of the Vigilance Plan.

RISK OF HUMAN RIGHTS ABUSES IN THE GROUP'S SUPPLY CHAIN

Eramet works with various on-site and off-site suppliers and subcontractors. Due to a lack of visibility and control over its indirect suppliers and off-site subcontractors, the Group may experience difficulties in ensuring that its supply chain complies with international human rights and health and safety standards.

Risk prevention measures

Each supplier with whom the Group's estimated annual expenses exceeds €1,000 (around 90% of our supplier panel) must sign the Eramet Suppliers' Code of Conduct. This includes our commitments to human rights and working conditions and requires an undertaking from suppliers that they will share the content with all of their own suppliers and subcontractors in the Eramet Group supply chain.

In addition, the business line processes defining the CSR expectations for suppliers (including human rights) are available to all employees in the EMS (Eramet Management System). Employees are notified when the procedures are updated.

Monitoring of preventive measures and assessment of subsidiaries and suppliers

For more information on the monitoring of these measures and the evaluation of suppliers, see section 4.6.5 "Suppliers and subcontractors" of the Vigilance Plan.

4.6.4.4 Health and safety

RISK OF WORK-RELATED ACCIDENTS

Eramet's mining and industrial operations entail a risk of work-related accidents due to "critical" activities: working at height, mechanical handling, machinery protection, driving heavy and light vehicles etc. The risk covers both fatal accidents and serious accidents, which can be defined as accidents causing permanent disability or temporary incapacity for work with major complications (*i.e.* amputations, serious fractures, third-degree burns etc.).

Risk prevention measures

The prevention of work-related accidents has a specific governance:

- Safety is defined as a value in the Group's Safety Policy. The Eramet Group's Safety Management Standards and Essential Safety Requirements apply to all entities and subcontractors. The Safety Policy is signed by members of the Group Executive Committee and the management committees of each site;
- the Safety and Prevention Director reports directly to the Chair and Chief Executive Officer of Eramet;
- the variable remuneration of eligible staff takes into account two safety criteria. One is related to accidents (serious accident and frequency rate) and the other to the closure of preventive actions.

The Group is committed to achieving the target of zero fatal accidents at its industrial and mining sites. The target has been achieved over the past two years, with no fatal accidents recorded. Apart from fatal accidents, the Group also aims to achieve an accident frequency rate of less than 1 (TF2), corresponding to the benchmark rate in the industrial sector. This commitment was reconfirmed by the Group in the context of its CSR Roadmap 2024-2026.

The risks associated with activities are analysed, and the safety rules and key points for consideration are incorporated into operational procedures within the Eramet Production System (EPS).

A priority safety action plan is defined by the Group and implemented at each Group site. It covers the three pillars of an effective safety culture (Technical, System and Organisational) and bases the priority areas on an analysis of incidents during the past year.

Employees – Eramet staff and on-site subcontractors – are trained in Group and site safety rules. Employees are required to repeat certain training in critical activities at regular intervals and need a medical certificate in order to work. Eramet also supervises teams in the field under the guidance of qualified personnel (contractors, supervisors and security teams).

Subcontractors are contractually required to manage the safety-related risks associated with their activities, such as safety training for their personnel and use of the proper equipment (vehicles, machinery, PPE etc.).

A safety information system has been rolled out across all industrial and mining sites, allowing for the collection and consolidation of safety indicators and covering all personnel on Eramet's sites (employees, temporary workers, subcontractors). Safety alerts are in place to identify and respond to specific risk situations or to spot individual behaviour that could put workers at risk. Staff representatives are informed of preventive actions and escalate the information and problems reported to them.

To foster a safety culture, a "Safety Champions" recognition scheme has been set up on sites and at Group level. Conversely, wilful disregard for safety rules by employees and subcontractors may lead to disciplinary proceedings (warning, layoff, dismissal) in accordance with company regulations.

Monitoring of preventive measures and assessment of subsidiaries

Each month, the Executive Committee reviews the safety statistics with the Group Safety and Prevention Director. Serious accidents and corrective actions are reported to the Executive Committee.

The main corrective and preventive actions at each site are monitored at monthly or quarterly safety reviews with the Site Directors and their safety team.

Employees can use a safety action management and monitoring tool to report any discrepancies and accidents, while managers can monitor the corresponding corrective actions. The percentage of closed actions is monitored at each site and consolidated at Group level. In 2023, more than 900 actions were defined and more than 95% of them were closed.

Safety audits covering critical activities are carried out at all sites by internal or external auditors and are used to validate the level of compliance with Essential Safety Requirements and the safety management framework and to adapt and redirect improvement action plans where necessary.

RISK OF ACCIDENTS INVOLVING RAIL TRANSPORT OPERATED BY ERAMET

The Group operates a railway line through Setrag (Gabon). These rail activities give rise to specific risks of serious accidents (derailments, collisions).

Risk prevention measures

Apart from track maintenance, Setrag (Gabon) has been involved in a major infrastructure modernisation project along the entire Trans-Gabon line since 2016.

The Trans-Gabon Rail Upgrade Project is being carried out to improve track safety through various initiatives:

- replacement of sleepers and rails, renovation of rail infrastructure and station refurbishment;
- equipment maintenance and investment in new rolling stock in partnership with the Gabonese government;
- inspections of embankments and rail infrastructure and geotechnical surveys with permanent monitoring; and
- track inspection, preventive treatment of rail defects (weekly inspection) etc.

To prevent the risk of collision between trains on the single Setrag track, a digital system (TCS: *Train Control System*) is in place.

To prevent the risk of an accident involving people from local communities, our two subsidiaries have several initiatives under way:

- footbridges, fences and monitored level crossings are being built; and
- awareness campaigns for local communities (schools, villages, train stations etc.) are being organised.

Monitoring of preventive measures and assessment of subsidiaries

Setrag has a "zero accident" taskforce and carries out monitoring at monthly rail safety meetings.

RISK RELATED TO EMPLOYEE EXPOSURE TO CHEMICALS

Owing to its mining and industrial operations, which may involve the use of chemicals and toxic substances, the Group's employees are exposed to a health risk.

Risk prevention measures

The risk of exposure to chemicals is taken into account from the design phase of a project.

To prevent this risk, Eramet has also set up a document database comprising:

- a business line process for the prevention of chemical risks and the management of hazardous products, which is being updated;
- a methodological guide for measuring exposure;
- a standard for chemical risk management; and
- standard toxicology data sheets for each substance and product used within the Group (manganese, nickel, oil mist, polycyclic aromatic hydrocarbons, chromium VI, carbon monoxide, crystalline silica, cobalt, refractory ceramic fibres, diesel particulates, lithium salts).

Each exposed employee is issued with PPE, while information is displayed at workstations about the level and maximum duration of exposure.

Monitoring of preventive measures and assessment of subsidiaries

Within each subsidiary, internal control carries out inspections to ensure compliance with procedures and regulations, particularly with regard to exposure thresholds.

To make the monitoring of these measures more efficient, the digitalisation of medical services was launched at the end of 2023.

4.6.5 Suppliers and subcontractors

The Eramet Group's activities involve the significant use of external purchasing and, to a lesser extent, outsourcing. The entire Eramet Group spends about 65% of its turnover on the purchase of goods and services. As a result, the Group pays particular attention to CSR issues related to its upstream value chain.

4.6.5.1 Identification of suppliers and subcontractors at risk

Methodology for identifying the suppliers most exposed to sustainability risks

As part of its responsible purchasing approach, the Group has a CSR risk map by purchasing category provided by an independent third party.

In order to develop this risk map, an approach based on the activity category of the various suppliers was chosen. The ISIC (International Standard Industrial Classification of All Economic Activities) nomenclature developed by the UN was used. It contains several hundred categories. A level of CSR risk is then allocated to each business category, on the basis of ratings provided by an external consultant. This rating is the result of data analysis and sectoral studies on the impacts and practices specific to each business category. These risks are then analysed in four areas: working conditions and respect for human rights, the environment, ethics and fair practices, and issues related to the supply chain of the sector itself. This CSR risk mapping identified the Eramet Group's 18 purchasing categories with the highest level of CSR risk, including the following categories:

- manufacture of non-metallic mineral products;
- manufacture of coke and refined petroleum products;
- manufacture of refractory products;
- manufacture of chemical products;
- metallurgy and processing of basic precious and non-ferrous metals;
- recovery of materials (treatment of waste composed of secondary raw materials; recovery by sorting material from non-toxic waste);
- wholesale trade of solid, liquid and gaseous fuels and related products;
- wholesale trade of metals and ores;
- mining of coal and lignite;
- construction of roads and railways;
- construction of other civil engineering projects.

This mapping exercise follows a methodology which is likely to change as part of a continuous improvement and updating approach.

In addition to the annual supplier CSR risk mapping exercise, the Eramet Group has introduced a Group management procedure (Know Your Supplier – KYS) which defines the methods for ethically assessing and screening its suppliers.

As part of this procedure, CSR assessment and ethical screening methods are defined according to the following criteria:

- the supplier's business sector;
- the supplier's country;
- the amount of annual expenses with the supplier.

4.6.5.2 Evaluation of suppliers and subcontractors at risk

4.6.5.2.1 CSR assessments

The CSR assessments are carried out via a questionnaire that is completed by the supplier and analysed by a specialised external partner, or via an in-house Eramet questionnaire in which the answers are checked internally. In both cases, the CSR questionnaire covers the four areas: working conditions and respect for human rights, the environment, ethics and fair practices, and the supply chain of the sector. The companies questioned are required to provide documents to support their declarations (certifications or policies, for example). Any supplier that does not provide supporting documentation and/or proof to support their answers will be considered and processed as a high-CSR risk supplier and must therefore be treated accordingly (in accordance with the KYS procedure).

During 2023, the Group's purchasing risks were mapped with the help of a consultancy firm. The mapping process identified a panel of suppliers at risk from an ESG point of view (inclusion of additional criteria and use of an external assessment tool), which supplements our substantive methodology described earlier.

4.6.5.2.2 Ethical screening

In addition to the CSR assessments, some suppliers are also subjected to ethical screening, depending on the country in which they operate and the amount of expenses incurred. To carry out this assessment, the Group uses an ethical database. In 2023, more than 1,700 new ethical queries were made about suppliers.

4.6.5.3 Supplier risk management

4.6.5.3.1 Risk management policy and organisation

Eramet has adopted a Suppliers' Code of Conduct (published on www.eramet.com) – which formalises the Group's desire to strengthen the incorporation of sustainable development issues in its procurement processes – and seeks to promote a dynamic of continuous improvement. Eramet's expectations with regard to its suppliers, subcontractors and service providers primarily target three main areas: Human Rights and working conditions, environment and products, and good business practices.

Eramet uses an SRM (Supplier Relationship Management) tool to identify and closely track its entire panel of suppliers. As such, more than 8,000 listed suppliers are continuously assessed with reference to the CSR and ethics risk map, and their assessment or screening can now be automatically launched. This tool also enables the Eramet Group to be more proactive in its assessment and monitoring of suppliers' CSR risks. Risks are now identified and assessments and screenings launched when a potential supplier is still at the prospecting stage and subject to approval. A prospect with high CSR-risks and a weak risk management approach can therefore be disregarded before being included in Eramet's supplier base.

4.6.5.3.2 Risk management actions

Compliance with the principles set out in the Eramet Group's Suppliers' Code of Conduct forms part of the contractual requirements that Eramet expects of all its suppliers. The code specifies that assessments and audits may be carried out by Eramet at suppliers' premises to verify compliance with the principles stated therein. All subcontractors operating on Eramet's sites must also comply with the rules in force at these sites in relation to environmental, health and safety risk management. To do so, HSE clauses are included in the agreements signed with subcontractors. These clauses clearly define the expectations and commitments of each party in terms of Safety in particular.

The results of the CSR assessments and/or ethics screenings, which may be supplemented by due diligence measures, allow the Responsible Purchasing Committee to define the degree to which the suppliers identified as at risk are in compliance, or in breach. These committees then decide upon the risk management actions that need to be implemented for the suppliers that are considered to be non-compliant. Among the risk management actions likely to be put in place, dialogue with suppliers and the development of targeted action plans are given priority. The Group can also decide to terminate the relationship with the supplier when it considers that the situation requires it, specifically if a supplier refuses or is unable to implement corrective measures. Eramet reserves the right to terminate the contractual relationship and this case is provided for in the suppliers' code of conduct.

4.6.5.3.3 System to monitor the measures implemented and assess their effectiveness

For actions related to responsible purchasing, the monitoring of the implementation of measures and the assessment of their effectiveness is carried out both on the supplier side (risk management measures) and internally (implementation of the approach). In the first place, suppliers' compliance with the requirements of the Suppliers' code of conduct, or with the corrective measures requested further to CSR assessments, may be monitored through supplier audits, as described above.

Performance indicators for the updating of the risk map and the rollout of supplier assessments are monitored by the Responsible Purchasing Committee. The Purchasing, Legal, Ethics and Compliance, Safety, Social Impact and Human Rights and Group CSR departments are also involved. Some of these indicators are related to the CSR Roadmap, which monitors, in particular, the compliance rate of Group suppliers identified as at risk. In late 2023, 100% of the suppliers identified as at risk were assessed and 99% of suppliers were deemed compliant with the Group's requirements (the remaining 1% required further investigation).

Decisions are made about suppliers who declined the assessment at a meeting of the Responsible Purchasing Committee. Different options can be considered: on-site audit, use of equivalent assessments or the internal CSR questionnaire, monitoring of the supplier on topics identified as at risk or termination of the relationship until the supplier has been able to provide a CSR assessment result.

The implementation of the CSR Roadmap is the subject of a half-yearly report to the Group's Executive Committee and an annual report to the Board of Directors' Strategic and CSR Committee.

4.6.6 Whistleblowing system

Since 2020, Eramet has had a whistleblowing system, *Integrity Line*, available on the website https://eramet.integrityline.org/. The whistleblowing system is open to all Group employees and, since 2021, to all external stakeholders (suppliers, subcontractors, customers, local communities etc.). It allows the following unethical behaviour to be reported:

- discrimination and unfair treatment;
- sexual harassment and bullying in the workplace;
- sexist actions or violence;
- conduct contrary to the Group's policies and standards in relation to health, hygiene, safety at work and protection of the environment;
- violations (or risk of violation) of the Human Rights of the Group's employees or of third parties affected by the Company's activity;
- any behaviour contrary to the Ethics Charter;
- any criminal offence, misdemeanour, threat or harm to the public interest; and
- any violation or attempt to conceal a violation of the law or regulations.

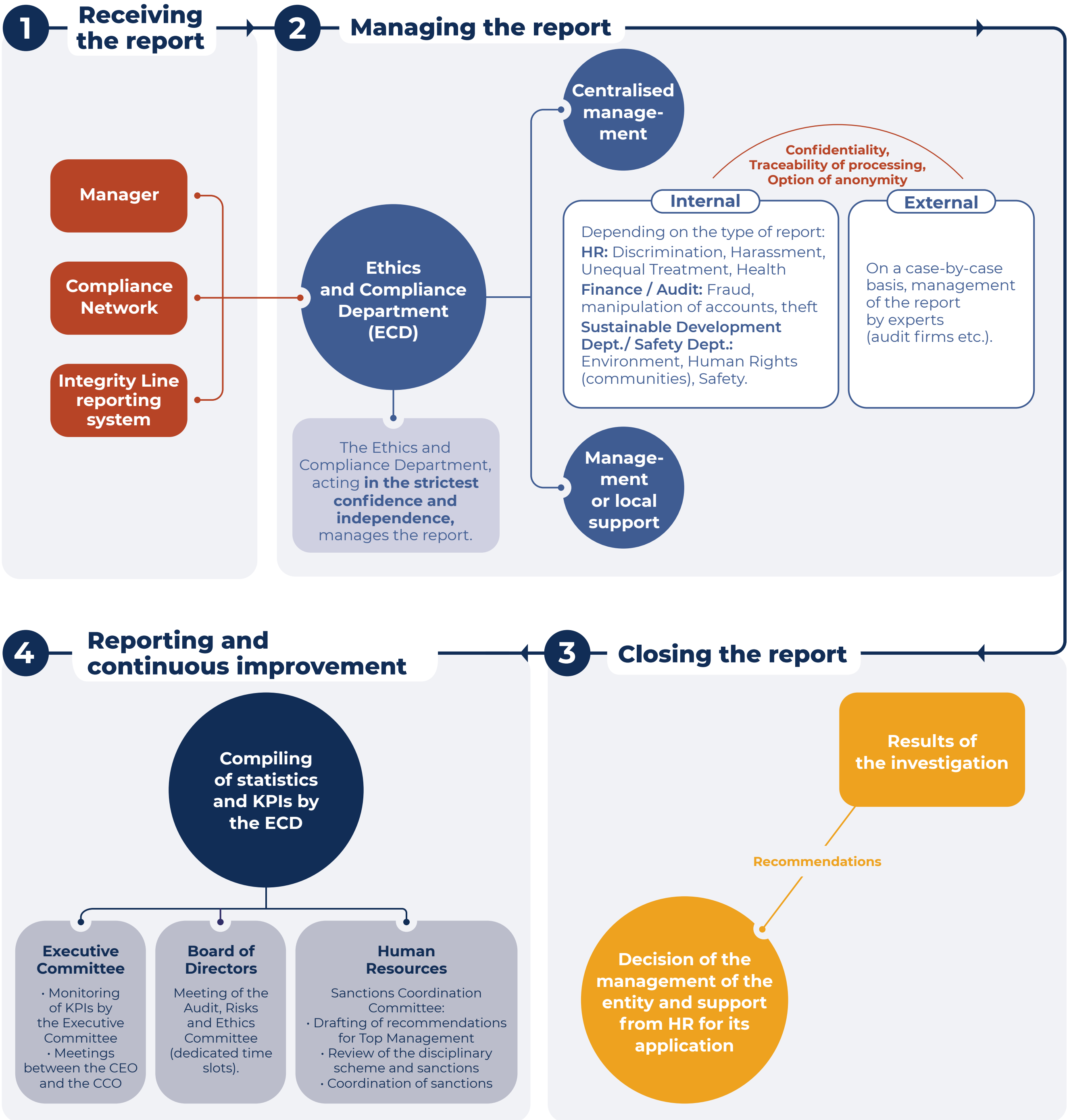
This system ensures total confidentiality for employees and external stakeholders, allows them to remain anonymous, and guarantees that no retaliatory measures will be taken against them as a result of making the report, so long as their actions are not self-serving and are in good faith.

In parallel with the whistleblowing system, Eramet has local complaint mechanisms for local communities. These mechanisms are managed by the community relations teams on the ground, who regularly promote them to communities during dialogue sessions.

4.6.6.1 Compilation and processing of reports

Several channels are available to people who want to file a report: they can use the *Integrity Line* platform, call the free phone number available in the Group's 20 countries of operation, or – for Group employees – inform their manager or Ethics/Compliance Officer. The whistleblowing system is the subject of a major Group-wide communication campaign.

It can be accessed via the Group's websites and intranet, as well as by using the QR code on posters displayed within the Group. External stakeholders are made aware of the whistleblowing platform via special training modules and the Suppliers' Code of Conduct.



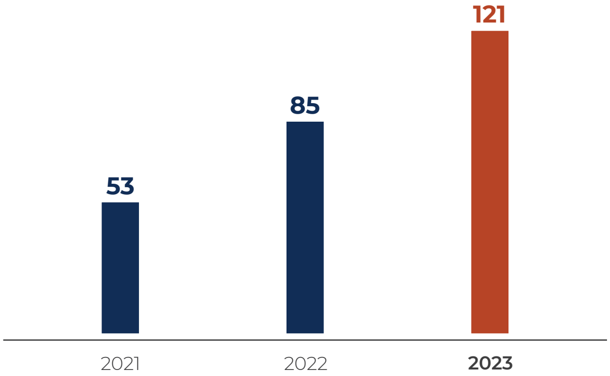
4.6.6.2 Report monitoring system

As the previous diagram shows, whistleblowing cases are specifically reported to the governance bodies on a confidential basis:

- at the meeting between the Chair and Chief Executive Officer and the *Chief Compliance Officer* (CCO);
- when statistics are sent to the Executive Committee; and
- on an ad hoc basis to the Board of Directors during meetings of the Audit, Risks and Ethics Committee.

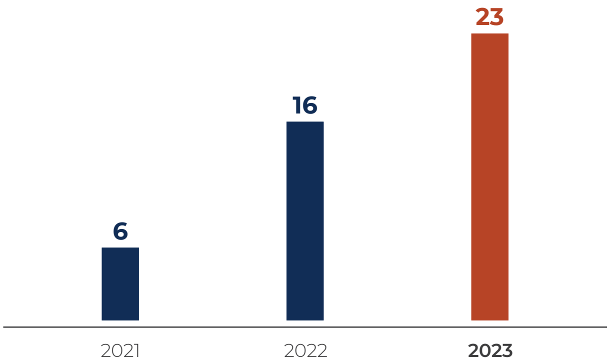
In 2023, 121 reports were received, up 42% on 2022 and 128% on 2021.

▼ Change in the number of reports received (2021-2023)



Of the reports received, 23 are from external stakeholders, who have access to the whistleblowing system. This is almost quadruple compared with 2021 and an increase of 44% on 2022.

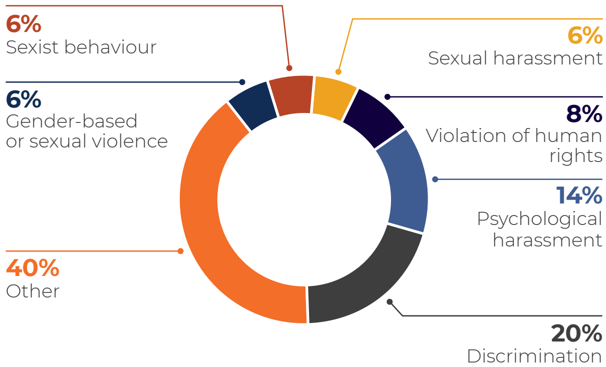
▼ Growth in the number of reports from external stakeholders (2021-2023)



Following analysis or investigation, 26% of the reports received were considered unfounded or out of scope in accordance with the Group's Ethics Charter or policies and procedures.

Of the 79 reports closed during the year, 35 were considered well-founded. The breakdown by topic is shown below. It should be noted that there were no confirmed reports relating to health, safety or environmental matters.

▼ Distribution of confirmed reports by Duty of Care categories



Lastly, 100% of confirmed reports relating to Duty of Care issues resulted in disciplinary measures (47%) and non-disciplinary measures (53%).

5

NON-FINANCIAL PERFORMANCE STATEMENT

5.1 CSR issues and approach of the Eramet Group

5.1.1 Group business model

Eramet is a global mining and metallurgy group and a key player in the production and beneficiation of metals (manganese, nickel, mineral sands). The Group supports the energy transition by developing high growth potential activities such as extraction and refining of lithium and recycling. Eramet is positioned as its customers' preferred partner in the steelmaking, stainless steelmaking, pigments, energy and new-generation batteries industries.

Since 2021, the Group has added its raison d'être to its Articles of Association: **"Become a reference for the responsible transformation of the Earth's mineral resources for "living well" together."**

Relying on operational excellence, high-quality investment and the know-how of its employees, the Group has a virtuous industrial, management and societal model that creates value. As a corporate and fiscal citizen, Eramet works to achieve a sustainable and responsible industry. Present in 16 countries, Eramet had 9,167 employees in 2023 and generated a turnover of €3.251 billion.

The infographic illustrating the business model is available in the integrated report, which can be found at the beginning of this document. This graphical representation shows the Group's strategy, resources, activities and the value created for its various stakeholders. The activities and markets in which the Group operates are detailed in the integrated report.

5.1.2 Double materiality matrix

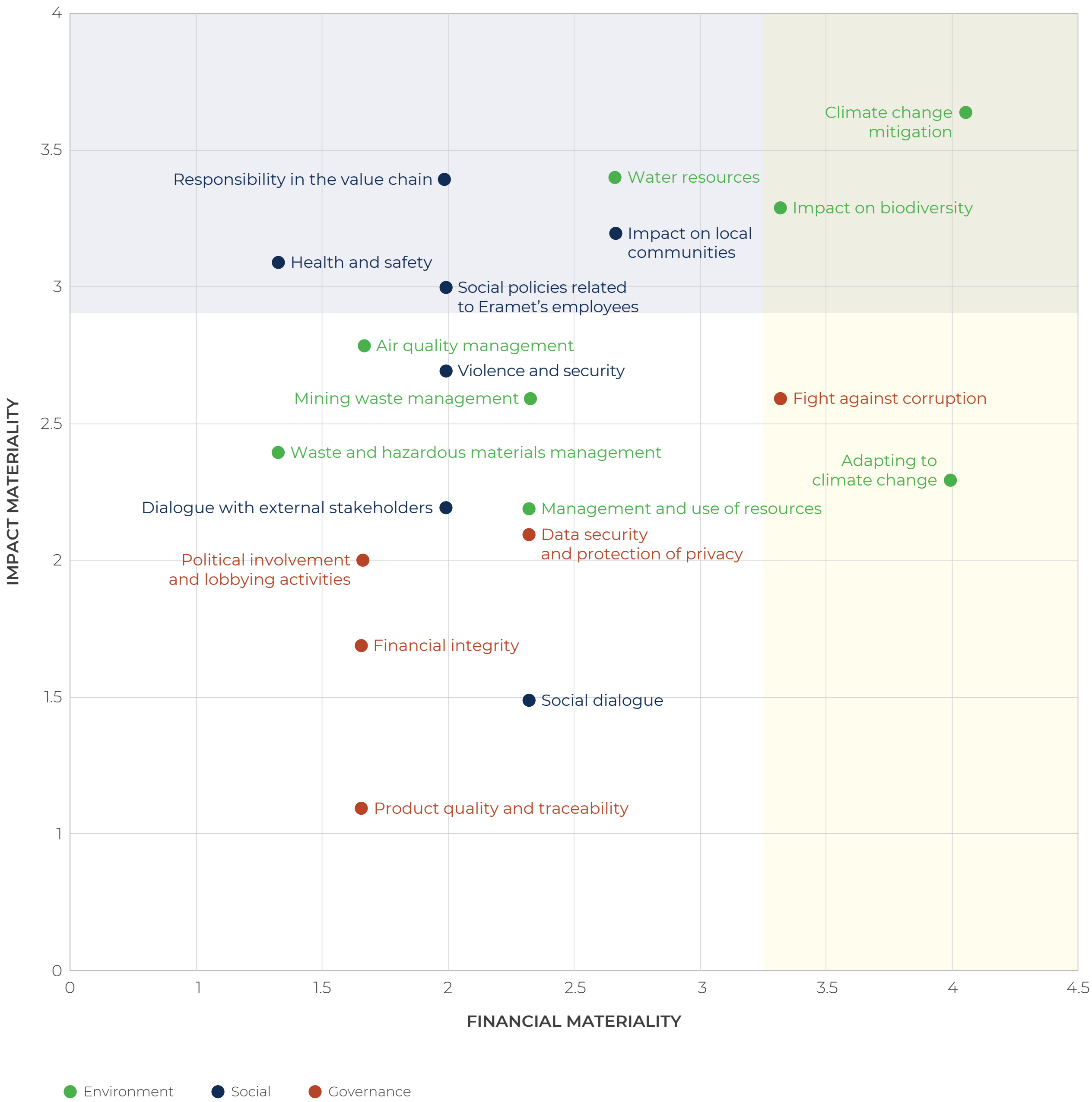
In 2023, Eramet worked on several projects to align with the new CSRD *(Corporate Sustainable Reporting Directive)* that will apply to the 2024 Data Sustainability Report. In this context, the Group conducted its first double materiality analysis, identifying and rating the impacts, risks and opportunities (IROs) of the main ESG issues. The double materiality exercise is an analysis of sustainability issues at a macro level: it is neither a financial analysis nor an environmental or social assessment of the specific impacts of projects or activities, but rather a selection and prioritisation of the most material impacts generated and suffered by the company. The results of the double materiality analysis are used to determine the material sustainability issues for which the publication of qualitative and/or quantitative information will be required.

The methodology applied to carry out this double materiality assessment is based on European standards, such as the European Sustainability Reporting Standards (ESRS) set out in and by the CSRD from November 2023. The list of themes, sub-themes and sub-sub-themes presented in Annex A – AR16 – ESRS1 must be taken into consideration. The double materiality assessment methodology can be divided into three steps in accordance with EFRAG's implementation guidance for materiality assessment and for the value chain. The methodology adopted for Eramet's double materiality assessment is based on the following steps:

- understand the context and define the stakeholder engagement strategy;
  - analyse the value chain,
  - define the time frame,
  - define the stakeholder strategy;
- create the list of sustainability issues and their impacts, risks, opportunities (IROs);
  - leverage existing processes to identify and analyse the IROs,
  - identify potential material sustainable development issues and their related IROs;
- finalise the list of material sustainability issues based on an assessment of the materiality of impacts, risks and opportunities (IROs);
  - conduct an impact materiality assessment,
  - conduct a financial materiality assessment.

Throughout these different steps, discussions were held with all internal stakeholders on the issues assessed: the ESG performance team, the departments of Environment, Energy, Human Rights and Community Relations, Human Resources, Health, Safety, Purchasing, Sales, Ethics and Compliance, Risk, Finance. Several directors of the Group also took part in the work. Discussions were also held with external stakeholders such as suppliers, customers, public authorities, NGOs, civil society associations, professional associations, banks, investors and shareholders, partners, journalists, ratings agencies as well as researchers and universities, both last year during the single materiality analysis and this year during the double materiality assessment.

This double materiality was achieved through joint work between the various departments mentioned above and an external firm. This work was presented to the Executive Committee and the CSR and Strategy Committee for approval.



The results of the double materiality matrix are consistent with Eramet's activities, with the previous assessments and with its new CSR Roadmap (see 5.1.5.3 Act for Positive Mining: our Roadmap 2024-2026) and can be broken down into three groups.

High impact materiality and high financial materiality:

- climate change mitigation;
- impact on biodiversity;

High impact materiality & Low/moderate financial materiality:

- water resources;
- responsibility in the value chain;
- impact on local communities;
- social policies related to Eramet's employees;
- health and safety.

High financial materiality & Low/moderate impact materiality:

- adapting to climate change;
- fight against corruption;

5.1.3 CSR risk assessment

In addition to its risk mapping exercise that takes account of CSR risks (risk management is described in Chapter 4), Eramet, with the support of its stakeholders, has developed four specific risk maps in the following areas:

- the environment;
- human rights; and
- purchases; and
- fight against corruption.

This comprehensive work on risk assessment provides the Group with a precise view of the challenges it faces.

The table summarises the main CSR risks that have emerged from the various risk mapping exercises[(1)]. The order in which the risks are presented has no relation to the impact or occurrence of that risk.

OVERVIEW OF THE ERAMET GROUP'S CSR RISKS

Main CSR risks	Stakeholder expectations	Information in Non-Financial Performance Statement	CSR Roadmap 2018-23 objective
ENVIRONMENTAL RISKS		Section 5.2	
Climate change – energy consumption and GHG emissions	OOO	5.2.3 Climate change	Objective 13
Atmospheric emissions	OO	5.2.4.1 Airborne emissions	Objective 11
Historical soil pollution	O	5.2.4.3 Rehabilitation of closed industrial sites	
Production and storage of waste rock and tailings	OO	5.2.5 Mining tailings and waste-rock management 5.2.9 Use of resources and circular economy	Objective 7
Water consumption	OOO	5.2.6 Water and marine resources 5.2.6.5 2023 Results	Roadmap 2024-2026
Emissions into water	OOO	5.2.6.2.1 Management of impacts on water resources 5.2.6.5 2023 Results	Objective 12
Increase of erosion and impacts associated with rainwater run-off	OOO	5.2.6 Water and marine resources 5.2.7 Rehabilitation of mining sites	Objective 12
Biodiversity	OOO	5.2.8 Biodiversity and ecosystem	Objective 12
Production of waste (hazardous and non-hazardous)	OO	5.2.9.3 Data on output material	Objective 7
SOCIAL RISKS AND HUMAN RIGHTS		Section 5.3	
Security, health and safety of employees	OOO	5.3.2.1 Employee safety 5.3.2.2 Employee health 5.3.2.3 Employee security	Objective 1
Attracting/retaining talent	OO	5.3.2.4 Promotion and development of employees	Objectives 2, 3
Discrimination/harassment	OO	5.3.2.4.4 Equal opportunities, measures to foster non-discrimination and diversity	Objective 4
Impacts on human rights of communities	OO	5.3.3 Commitments to communities	Objective 5
ETHICAL RISKS (IN BUSINESS RELATIONS)		Section 5.4	
Risk of corruption in relations with customers and suppliers	O	5.4.1 Ethics, Compliance and Anti-Corruption	Objective 9
Risk of potential conflicts of interest	O	5.4.1 Ethics, Compliance and Anti-Corruption	Objective 9
Non-compliance with ILO conventions in the supply chain	OO	5.4.2 Responsible value chain	Objective 10

Legend: OOO = regarded as a major issue by stakeholders; OO = regarded as a major issue for internal or external stakeholders and O = regarded as a moderately important issue.

The measurement of stakeholder expectations shown above has been assessed on the basis of the materiality analysis carried out in 2022 and the double materiality analysis carried out in 2023.

In order to facilitate the reading of Eramet's Non-Financial Performance Statement, a themed approach has been adopted: environmental protection (5.2), the Group's social and societal commitments (5.3), in particular respect for human rights and the social consequences of its activities, and business ethics (5.4), focusing in particular on the fight against corruption and tax avoidance.

(1) As matters relating to societal commitments to combat food waste, food insecurity, respect for animal welfare and responsible, sustainable and fairly traded food are not significant for the Group, they are not included in a specific report.

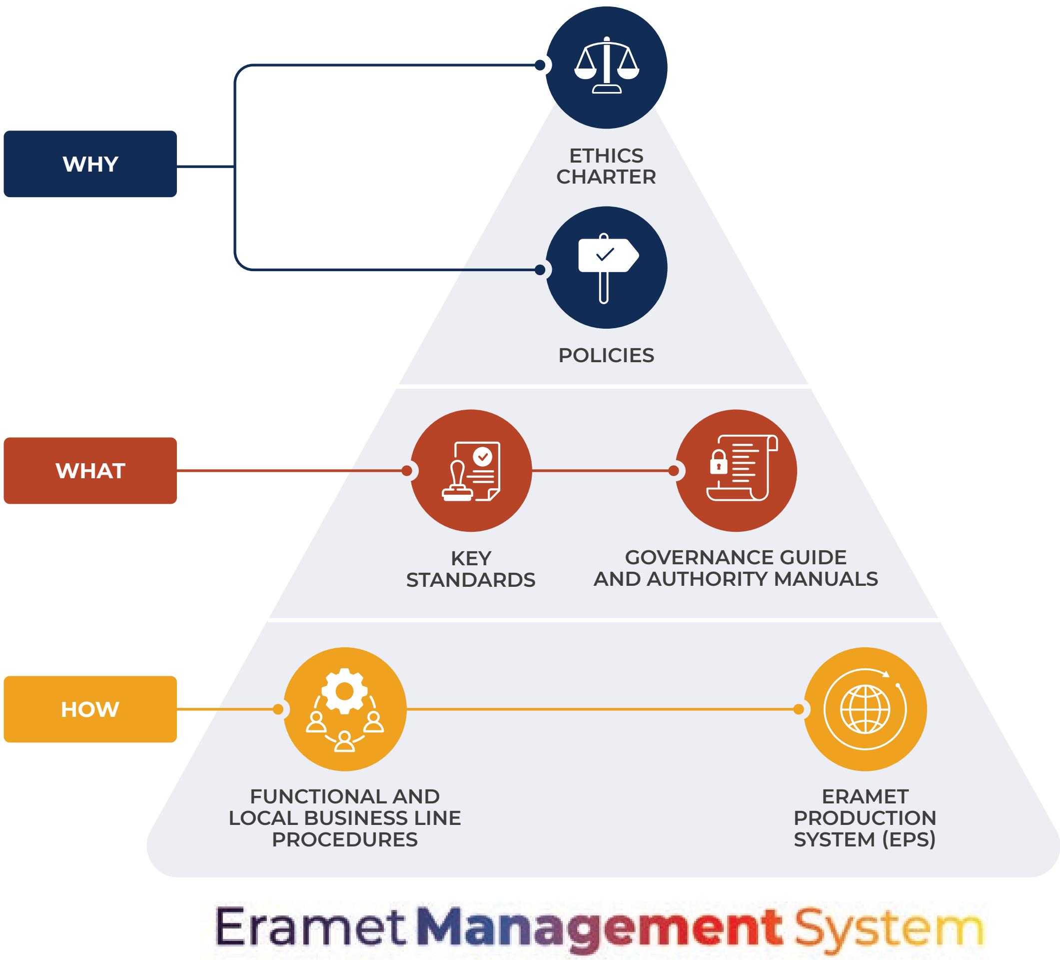
5.1.4 Group CSR approach

Eramet's corporate social responsibility approach is based on the Group's stated purpose, a set of reference texts, a progress plan set out in its CSR Roadmap 2018-2023 and, from 1 January 2024, the "Act for Positive Mining", and an integrated governance structure.

5.1.4.1 Group charter and policies

Due to the nature of its mining and industrial activities, and aware of its strong interaction with the local areas in which it operates, Eramet is focused on all matters related to sustainable development (SD) and corporate social responsibility (CSR). The Group is committed to a responsible approach and continuous improvement.

The Group framework of commitments, made up of its charters and policies, presents the fundamentals of the Sustainable Development approach of Eramet, a committed corporate citizen.



The foundation of the Group's reference frameworks is formalised in a management system: **Eramet Management System (EMS).** These are baseline commitments and common standards, applicable by all Group companies and their employees (see section 4.2 "Control and risk management environment"). **The EMS consists of a Group ethics charter, policies and procedures accessible to all employees.** The policies and the ethics charter are available on our website (Charter and policies – Eramet):

- Anti-corruption policy;
- Climate policy;
- Human rights policies;
- Environmental policy;
- Human resource management policy;
- Risk management policy;
- Responsible lobbying policy;
- Health policy;
- Safety policy;
- Digital usage policy;
- Suppliers' code of conduct.

Thus, the policies form a set of principles, standards, and behaviours that translate the long term intentions of the Group concerning the nature of its activity and the company's relations with the main internal (staff and their representatives) and external stakeholders (suppliers, customers, shareholders, competitors, etc.). They were adopted on subjects considered to be essential in terms of performance and commitment for the Group. These main principles are then translated into *Key Standards* and functional and local business line procedures. Thus, the latter determine the Group's requirements guidelines, with a concern for ensuring compliance with the Group's commitments and minimising related risks. To raise employee awareness of the principles of these policies, theme-specific *e-learning courses* are rolled out each year, for example, on human rights, safety, business ethics, the environment and cybersecurity.

Implemented in 2015 and last reviewed in 2023, the Group's Ethics Charter sets out the rules and principles of action and behaviour that are applicable to and binding on all Group employees. It encompasses the Group's and its employees' commitments in a number of areas, notably development, stakeholder relations, employee safety, protection of the environment, security, customer engagement, social dialogue, combating harassment and discrimination, transparency, anti-corruption, compliance with competition rules and others. As a standard charter, it has been translated into all 9 languages of the countries in which the Group operates, and is supported by an employee e-learning programme covering all topics relating to business ethics.

5.1.4.2 Group commitments

Faced with global challenges, the Group works in line with shared, recognised international approaches to achieve sustainable development.

The Group has also undertaken to contribute to the **UN Sustainable Development Goals** (SDGs), in order to build a more sustainable, inclusive world. These SDGs continue to be incorporated into the global and national political scene and the economic and financial spheres. They thus appear to be a pertinent framework for action, constituting an agenda by 2030 through which all players (public, private, civil) can commit to sustainable development.

These major global goals are an external reference framework used by businesses to structure their CSR strategies. They are what Eramet referred to when it was designing its CSR roadmaps.

5.1.4.2.1 Main contributions to the SDGs

Four SDGs stand out, to which Eramet makes a particular contribution through its economic and production activities:

- **SDG 8 "Decent Work and Economic Growth"**, for the creation and provision of decent work and economic growth, created directly by the Group's entities and with local communities (local content);
- **SDG 12 "Responsible production and consumption"**, particularly through sustainable development targets for natural resources, reducing waste and corporate social responsibility;
- **SDG 9 "Industry, innovation and infrastructure"**, by working to establish a sustainable and modern industry in different countries, and through its products to assist the development of the required infrastructure, particularly in terms of construction and mobility;
- **SDG 13 "Climate action"**, with its actions regarding its energy and climate footprint and its positioning on the metals of the energy transition.

This contribution meets the expectations expressed by Eramet's stakeholders. An analysis based on the Group's materiality matrix shows that the SDGs to which Eramet's strategy specifically contributes are in line with the SDGs regarded as a priority by the stakeholders surveyed by the Group.

5.1.4.2.2 Other positive contributions to the SDGs

Other SDGs are positively impacted by the Group's activity:

- **SDG 3 "Good Health and Well-being"**, through its preventive actions to protect the health of employees and users of the Group's products, as well as occupational health programmes deployed by the Group in the various countries where it operates, and health-focused community investments;
- **SDG 4 "Quality education"**, with many programmes to support local schools and health facilities, often shared with local stakeholders as their development priorities;
- **SDG 5 "Gender equality"**, through efforts to promote diversity, gender diversity and equality;
- **SDG 6 "Clean water and sanitation"**, through the steps taken by Eramet to limit its impacts on biodiversity and with programmes to support the development of basic infrastructure for communities, particularly as regards access to water;
- **SDG 10 "Reduced inequalities"**, through the steps taken to promote the inclusion of older people, young people and people with disabilities;
- **SDG 11 "Sustainable cities and communities"**, with programmes to support the development of basic infrastructure for communities, particularly as regards access to water, as well as energy and mobility;
- **SDG 14 "Life below water"**, the Group is committed to the prevention of marine pollution by banning the discharge of mining tailings at sea and by advocating a statutory ban;
- **SDG 15 "Life on land"**, through the steps taken by Eramet to limit its impacts on biodiversity.

The ***United Nations Global Compact***, a reference international initiative for voluntary commitment to social responsibility, open to all kinds of organisations, promotes four areas of action: human rights, labour law, the environment and the fight against corruption. Eramet supports the fundamental values upheld by the Global Compact through its adhesion to the Compact, which is in keeping with its CSR approach and its day-to-day actions. With the aim of continuously improving its level of societal responsibility, Eramet has pledged to continue incorporating these principles of the *Global Compact* into its strategy, organisational culture and operations.

Each year, the Group publishes its Advanced level Progress Report, integrated in its Non-Financial Performance Statement and its Vigilance Plan. Eramet reports on implemented policies, actions and results. A reconciliation table is provided at the end of the Universal Registration Document.

5.1.4.2.3 Industry-specific and themed initiatives

In 2022, Eramet affirmed its ambition to ensure its mining sites comply with the requirements of the IRMA *(Initiative for Responsible Mining Assurance*) standard, committing to have an audit carried out on all its operational mining sites by 2027.

As part of this initiative, a self-assessment of the lithium production project in Argentina and the Grande Côte Opérations (GCO) activities in Senegal was carried out in 2022. This was the first step before engaging the services of an independent auditor.

With the launch in 2023 of the independent audit at the Grande Côte Operations (GCO) site in Senegal, Eramet was among the first mining groups to publicly engage in the IRMA process.

Published in 2018, the IRMA standard defines best practices for responsible mining on an industrial scale and meets the expectations of all our stakeholders (host countries and communities, customers, end consumers, employees, investors). Its unique and egalitarian governance (NGOs, unions, buyers, impacted communities, financial sector representatives, mining companies) lends strong legitimacy to the initiative: it guarantees the strict requirements of the standard and the transparency of the mine certification process. Eramet's commitment to deploying the IRMA standard at its mining sites is set out in the Group's new CSR Roadmap, detailed in section 5.1.5.3.

Eramet is also involved in other industry-specific or themed initiatives, such as the **Extractive Industries Transparency Initiative** (EITI), which aims to promote transparency and the establishment of international standards in its industry, thus contributing to the improvement of industry best practices as regards the responsible sourcing of metals.

In relation to biodiversity, in 2021, Eramet was approved as a member of the **Act4Nature International** initiative, and its objectives were recognised as SMART by the initiative's Steering Committee. This commitment is presented in detail in section 5.2.8, "Biodiversity and ecosystems". In addition, Eramet actively monitors and participates in the development of guidelines for the mining industry, promoting responsible mining and enabling reporting to stakeholders.

5.1.5 Management of the CSR strategy

5.1.5.1 CSR Governance

Eramet's commitment is reflected in the Company's involvement at the highest levels and the fact that the Group's highest priority CSR issues are addressed at each level of management.

▾ Group organisation

Since 2018, the **CSR and Strategy Committee** and the Board of Directors periodically monitor CSR issues and the progress of the Group's Roadmap.

The Committee, made up of directors with recognised expertise, is tasked with assisting the Board and, in particular, evaluating the consistency between the Group's strategy and the CSR principles to which the Group adheres, ensuring that management performs an analysis of internal or external factors related to CSR issues (risks and opportunities) impacting the Group, ensuring that the Vigilance Plan is implemented in accordance with legislative requirements, taking note of the main findings and observations of the work of the independent third-party body in the context of CSR regulations, assessing them and examining the management action plans, including the Roadmap. In particular, during two dedicated sessions in 2023, it monitored the creation of the new Act for Positive Minioadmap.

The **Executive Committee** also closely monitors the progress of the commitments made and the new roadmaps, during half-yearly reviews and at least one annual meeting dedicated to the subject. These reviews are supported by close internal monitoring, carried out through an ad hoc body that meets quarterly: the CSR Steering Committee. Under the direction of the Director of Sustainable Development and Corporate Engagement, a member of the Executive Committee, this body brings together representatives of the Departments in charge of the CSR Roadmap objectives and business-line experts (HR, Finance, Environment, Strategy, Societal and Human Rights Impact, Ethics, Purchasing, Commerce, Digital Transformation and operational Divisions). It generates proposals and initiatives for the Group, with the aim of continuously improving its CSR approach. Lastly, it is one of the main links in the governance process for the roll-out of the IRMA standard to all the Group's mining sites (see Chapter 5.1.4.2.3: Industry-specific and themed initiatives) and thus completes a system consisting of rituals between the various central operations and the sites concerned, and a bimonthly corporate steering committee. IRMA roll-out is monitored and published annually as part of the CSR Roadmap (see 5.1.5.3 Act for Positive Mining: our Roadmap 2024-2026).

In addition, the **remuneration of the management and administrative bodies and of all Group executives** is based on demanding objectives that are consistent with the corporate strategy. These objectives are based in particular on **CSR performance criteria** in the form of quantitative indicators selected with the aim of being a committed player contributing on social and environmental matters (see Chapter 3, section 3.2.1 *Say On Pay* Ex Ante – Remuneration policy for corporate officers for financial year 2023).

The objectives and action plans of the CSR Roadmap are implemented across all the Group's Divisions and operational entities. The proper implementation of these schemes is supported by the establishment of **working groups and cross-cutting focus groups: CSR, Biodiversity, Water, Mining Environment, Responsible Purchasing, Responsible Sales, Human Rights, Ethics.**

Furthermore, Eramet pays particular attention to the integration of social, environmental, health and safety, cultural and societal criteria in the **design and development of its projects**. By aligning its standards with the most demanding international standards (Equator Principles, World Bank Group standards – IFC), the Group has undertaken to build long-term relationships with its stakeholders wherever it operates, in accordance with specific rules, cultural norms and current science based facts. The Sustainability and Corporate Engagement Department is systematically represented on the Project Steering Committees. Section 5.4.5 of this chapter details the application of these general principles to all the Group's projects.

Eramet has put in place monitoring and control measures and tools to ensure the concrete implementation of its objectives throughout its scope of activity. These tools include **dedicated information systems** that collect and consolidate data and indicators for all Group companies. Details of the guidelines and tools used to produce this information are available in the methodological note in sections 5.5 and 5.6.

The Group also relies on an **internal audit system** for the performance of its entities, especially in the areas of environment, health, safety, energy, human rights and ethics. The data from these audit and control systems is used to feed the Group's continuous improvement approach.

Eramet Group's Vigilance Plan is provided in Chapter 4 of this Universal Registration Document.

5.1.5.2 Assessment of the CSR Roadmap 2018-2023

RSE 2023

The Eramet Group has developed a Roadmap to guide its CSR performance. The Roadmap is a comprehensive tool that addresses its challenges and risks and integrates its contribution into the United Nations SDGs. This Roadmap, which links CSR priorities and the pillars of the Group's five-year strategic vision, covers the 2018-2023 period.

The CSR Roadmap comprises 13 goals, divided into three areas:

- commitment to people;
- commitment to economic responsibility;
- commitment to the planet.

The CSR Roadmap, which was shared with and approved by the Strategy and CSR Committee and the Board of Directors in 2019, has since been reviewed periodically, at least once a year.

A genuine commitment framework for Eramet, the CSR framework and its progress are regularly reported throughout the year to the Group's different stakeholders. These discussions provide an opportunity for dialogue on topics relating to the company and sustainable mining practices, with diversified audiences, both internal (employees, managers, employee representatives) and external (investors, public authorities, customers, suppliers, etc.).

For each of the 13 goals, a specific action plan and monitored annual objectives have been developed. The table below shows the 13 Roadmap objectives, the 2023 indicator, the results achieved in 2023, the overall performance of each objective since 2018.

Focus area	Objective	SDG contribution	KPI 2023	2023 results	Annual performance
COMMITMENT TO PEOPLE	1 – Ensure the health and safety of employees and subcontractors	3 Good health and well-being; 8 Decent work and economic growth	Zero fatalities Workplace accident frequency rate with and without work stoppage FR2 < 4	0 fatalities FR2 = 1.1	100%
	2 – Build skills and promote talent and career development	8 Decent work and economic growth	100% of employees worldwide receive training at least once a year	81% of employees	100%
	3 – Strengthen employee engagement	8 Decent work and economic growth	Group employee engagement rate >75% (barometer)	76%	100%
	4 – Integrate and foster the richness of diversity	5 Gender equality; 8 Decent work and economic growth	30% of managers are women	26.1% of managers are women	100%
	5 – Be a valued and contributing partner to our host communities	3 Good health and well-being; 4 Quality education; 8 Decent work and economic growth	100% of sites have established a mechanism for dialogue with local stakeholders 100% of sites have implemented an investment programme to contribute to local development, with a focus on actions in favour of young people	100% of industrial sites: dialogue and IFC-compliant community investment (CI) 100% of mining sites since 2021	100%
COMMITMENT TO ECONOMIC RESPONSIBILITY	6 – Be an energy transition leader in the metals sector	7 Affordable and clean energy; 12 Responsible consumption and production; 13 Climate action	Committed diversification of Eramet's business portfolio in relation to the supply chain for electric mobility batteries	Inauguration of the demonstration plant and selection of the Dunkirk site in 2023 Signature of a Memorandum of understanding with Electricité de Strasbourg and start-up of pre-feasibility studies (PFS)	100%
	7 – Actively contribute to the development of the circular economy	12 Responsible consumption and production	Quantities (t) of additional materials recovered through the circular economy action plan 2 Mt of low-grade incidental ores and tailings recovered over the 2019-2023 period 10 kt of waste recovered in the period 2019-2023	3.622 Mt recovered 268 kt recovered	100%
	8 – Be a reference company in terms of respect for human rights in our field of activity	8 Decent work and economic growth; 10 Reduced inequalities; 16 Peace, justice and strong institutions	Recognition for our application of the United Nations Guiding Principles, measured by reaching a mature level according to the UNGP Reporting Framework (Shift-Mazars)	• Publication of the first human rights report • Human rights risk mapping • Sites' compliance rate with the human rights policy is 100%	100%
	9 – Be an ethical partner of choice	16 Peace, justice and strong institutions	100% of sales and purchasing teams trained on anti-corruption every year	95% buyers 98% sellers	100%
	10 – Be a responsible company of reference in the mining and metallurgy sector	9 Industry, innovation and infrastructure; 12 Responsible consumption and production	100% of the Group's suppliers and customers identified as high-risk are in line with Eramet's CSR/Ethics commitments[1]	99% of suppliers and 99% of assessed at-risk customers are compliant	100%
COMMITMENT TO THE PLANET	11 – Reduce our atmospheric emissions	12 Responsible consumption and production	Tonnes of ducted dust emitted by industrial facilities: -80% in 2023 compared to 2018	-77%	100%
	12 – Protect water resources and accelerate the rehabilitation of our mining sites by fostering biodiversity	6 Clean water and sanitation; 12 Responsible consumption and production; 15 Life on land	Ratio of rehabilitated areas to cleared areas ≥ 1 over the period 2019-2023[2]	1.31	100%
	13 – Reduce our energy and climate footprint	13 Climate action	KPIs: Reduction of tCO_2/t outgoing product (ref. 2018) -26% in 2023 compared to 2018[3]	-40.1%	100%

(1) Identified as "high-risk" refers to parties evaluated as critical and/or sensitive (in terms of importance to Eramet or CSR risk – depending on the business activity or country concerned), which must be compliant, verified on the basis of a CSR/Ethics evaluation. If they do not comply following the evaluation, the Group encourages dialogue and support, but reserves the right to terminate the business relationship.
(2) Excluding long-term infrastructure.
(3) Of which 16.5% is due to the business mix effect related to the Group's strategic choice to develop its mining activity, which is lower in emissions than its processing activities.

To assess the overall progress of its Roadmap, Eramet measures its CSR performance indicator based on the year's achievements[1]. For 2023, the indicator reached 98.1% (100 indicating validation of all targets). **The results of this CSR Roadmap 2018-2023 are positive**, with most of the objectives set having been met or exceeded. This is true for the objectives relating to safety, community relations, waste and residue beneficiation, land rehabilitation and reduction of the energy and climate footprint.

Four objectives have not been fully met: increasing the number of women in management positions, access to and participation in training, training of purchasing and sales teams in anti-corruption and the reduction of channelled dust emissions. The Group continues its actions in order to meet these objectives, as detailed in this document.

5.1.5.3 Act for Positive Mining: our Roadmap 2024-2026

Eramet's social responsibility got a fresh impetus with its CSR Roadmap 2024-2026, unveiled in November 2023 as part of the first Capital Markets Day.

This initiative is underpinned by a strong ambition: *"Act for Positive Mining"*, which reflects the desire to create, wherever possible, a positive impact for its stakeholders and its ecosystem, and to encourage action and stimulate a positive and responsible mindset among employees, focused on continuous improvement of practices to reach the best standards in the industry.

While incorporating its growing ambition into this new CSR Roadmap, Eramet builds on the solid foundations of the Roadmap 2018-2023, remaining consistent with:

- the issues that are a priority for all its internal and external stakeholders (as listed in the Group's double materiality matrix);
- its long-term commitments (in particular the Group's decarbonisation Roadmap validated by SBTi, and its commitment to diversity and inclusion).

(1) The method used to calculate this indicator is described in the methodological note provided in section 5.5.

"Act for Positive Mining" is structured around three pillars, 10 objectives and 26 KPIs, as detailed below.

CARE FOR PEOPLE

1. **Take care of the health** and safety of everyone on our sites
2. **Provide an inclusive environment** where everyone can grow
3. Beyond Eramet activities, **accelerate the local and sustainable development** for communities and host regions

2035 COMMITMENT

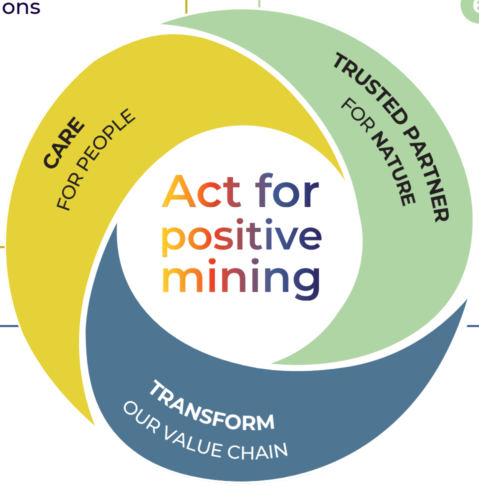
100% of our subsidiaries have a D&I label

TRUSTED PARTNER FOR NATURE

4. **Control and optimise water consumption** to preserve a quality water resource available to all
5. **Integrate biodiversity preservation** within all our activities and develop plans towards an overall net positive contribution to biodiversity
6. **Mitigate the risks of pollution/Reduce our environmental impact**

2035 COMMITMENT

towards **A NET POSITIVE IMPACT**(1) on biodiversity



TRANSFORM OUR VALUE CHAIN

2035 COMMITMENT

-40% of CO_2 emissions

7. **Reduce the CO_2** footprint of our value chain
8. **Optimize mineral resources consumption** and contribute to a **circular economy**
9. **Develop responsible value chain** with suppliers and customers that respect our Human Rights and CSR requirements

10. **Audit every mining site - including our Joint ventures - with IRMA standard**

(1) Methodology currently being defined, contribution defined according to International Finance Corporation performance standard no. 6 applied to all the Group's mining sites.

1. Take care of people

Objectives	2026 key indicators
Take care of the health and safety of everyone on our sites	FR2 < 1.0
	100% of our employees benefit from a common social protection floor
	90% of sites have a Well Being programme
Provide an inclusive environment where everyone can grow	30% of managers are women
	1,000 "early career contract" opportunities
	90% of employees with a formal development discussion
Beyond Eramet activities, accelerate the local and sustainable development for communities and host regions	6,000 jobs voluntarily supported (excluding core business)
	500 young people, 50% of whom come from local communities and 50% girls, supported to benefiting qualifying training

This pillar is intended for our employees and subcontractors as well as local populations and communities. The objective is to ensure harmonious living together through safety, respect, support and development.

This pillar contributes to the long-term goal that each subsidiary should be recognised by a Diversity & Inclusion label by 2035.

Objective 1: Take care of the health and safety of people on our sites

Our social responsibility begins with the health and safety of employees and sub-contractors. This issue is at the top of our double materiality matrix, reflecting its importance for our internal and external stakeholders.

In this new CSR Roadmap, the Group **confirms its absolute commitment to Safety with a more ambitious objective: to achieve an FR2 frequency rate of less than 1.**

This objective is supported by a comprehensive approach to health, *through* the determination of a common social security protection base for employees and the development of programmes dedicated to employee well-being.

Objective 2: Provide an inclusive environment where everyone can grow

Building a diverse workforce is essential to keep up with the Group's evolving industrial footprint and the growing need for innovation.

This objective is in keeping with objectives 2, 3 and 4 relating to employee development, engagement and diversity of the CSR Roadmap 2018-2023. While maintaining a target percentage of female managers already included in the 2018-2023 period, *Act for Positive Mining* introduces:

- an objective of supporting the development of all employees;
- a youth employment target, contributing to training to enhance local skills for the development of each country where we operate.

Objective 3: Beyond Eramet activities, accelerate the local and sustainable development for communities and host regions

Having successfully set up a dialogue mechanism and a community investment programme on each of its sites over the 2018-2023 period, the Group aims, in this new Roadmap, to develop an investment programme focused on **the empowerment of local populations**, by supporting economic diversification and the creation of sustainable jobs **outside its core activities,** in order to lay the foundations for a positive legacy.

By also supporting access to education through scholarships, the Group **contributes to the future of host countries and to their empowerment**, in particular by targeting local communities and women for this scheme:

2. Trusted partner for nature

Objectives	2026 key indicators
Control and optimise water consumption to preserve a quality water resource available to all	Recycle in water-stressed areas for current or future projects: 60% for GCO and 80% for the Lithium project
	100% of sites have a Water management plan including reduction targets for all sites
Integrate biodiversity preservation within all our activities and develop plans towards an overall net positive contribution to biodiversity	Rehabilitation ratio ≥ 1
	100% of our mining sites have a Biodiversity Action Plan in line with IFC Performance Standards
Mitigate the risks of pollution / Reduce our environmental impact	100% of sites have a diffuse dust source map and a reduction action plan for major sources
	100% of sites identified as sensitive have ambient air quality monitoring at neighboring communities and share data
	100% of sites have a full water discharge monitoring and share data

Being a benchmark in the responsible transformation of the Earth's mineral resources first requires the implementation of our industry best practices to limit our environmental impact on all dimensions: water, atmospheric emissions, waste, and biodiversity.

By monitoring, optimising, continuously improving our key environmental parameters and by innovating to meet some of our most ambitious goals, we strive to restore our ecosystems to the same condition as they were before we arrived or to improve them.

This pillar contributes to our 2035 objective: to act for a net positive impact[1] on biodiversity.

Objective 4: Control and optimise water consumption to preserve a quality water resource available to all

The preservation of water resources and their accessibility to all are major challenges for our societies and for our internal and external stakeholders, and are among the most material issues for the company (see double materiality analysis).

In its new Roadmap, **Eramet undertakes to minimise the impact of its activities on water resources and aquatic environments** through the continuous improvement of monitoring, water management and treatment methods on our sites, and by optimising process water consumption and increasing recycling at sites most at risk of water stress.

Objective 5: Integrate biodiversity preservation within all our activities and develop plans towards an overall net positive contribution to biodiversity

In this new Roadmap, the Group complements its target rehabilitation ratios already deployed during the 2018-2023 period, with an objective of ensuring that all its mining sites have a Biodiversity Action Plan in accordance with IFC Performance standards.

Objective 6: Mitigate the risks of pollution / Reduce our environmental impact

On the issue of environmental impact, **creating trust requires rigorous management, as well as transparency.**

To continue the efforts initiated under objective 11 of the previous Roadmap on the reduction of *channelled dust, Act for Positive Mining places* **a strong emphasis on two** aspects which are among our external stakeholders' priorities:

- **monitoring of air quality** communicated to communities near our sites as well as **monitoring and reducing diffuse dust**;
- **monitoring and management of aqueous wastes at all our sites**, in full transparency with neighbouring communities.

(1) *Methodology currently being defined, contribution defined according to International Finance Corporation performance standard no. 6 applied to all the Group's mining sites.*

3. Transform our value chain

Objectives	2026 key indicators
Reduce the CO_2 footprint of our value chain	Reduce emissions per tonne produced on Scopes 1 and 2 to 0.221 tCO_2/t
	Metallurgy (> 80% of Scopes 1 & 2): Develop and validate path to Near Zero Alloys
	Mining: reduce by 10% the carbon footprint of our mining activities
	Bring 67% (in terms of scope 3 emissions) of our suppliers and customers to commit to reduce their CO_2 footprint in line with the Paris agreement
Optimise mineral resources and contribute to a circular economy	Optimal management and recovery of plant material resources
	Monitor and continuously improve mineral resources valorization ratio
	Develop a robust technical and economic model to recycle batteries industrially in Europe
Build a responsible value chain that respects our Human Rights and CSR commitments	90% of our suppliers rated at risk assessed on their CSR practices by Ecovadis
	100% of our customers assessed yearly on their compliance with our CSR or ethical commitments
	100% of newcomers in sales and procurement teams trained on ethics every year
Audit every mining site – including our Joint ventures – with IRMA standard	100% of mining sites have entered into the formal certification audit

The fight against climate change and the promotion of a more sustainable model can only be carried out with our partners in the value chain. Being responsible is not only setting an example, it is also operating in a responsible ecosystem that shares and respects common CSR and ethical practices.

This pillar contributes to the objective of reducing our absolute CO_2 emissions from Scopes 1 and 2 by 40% by 2035 compared to 2019.

Objective 7: Reduce the CO_2 footprint of our value chain

The transition to a low-carbon economy is a systemic issue, and Eramet has chosen to extend its commitment beyond the issue of its direct carbon footprint by assessing the impacts on its entire value chain. Reducing CO_2 emissions requires immediate attention and a long-term approach, which includes the transformation of existing assets, the development of new technologies in partnership with peers, academics and suppliers, as well as supporting our customers' decarbonisation trajectory in the long-term.

Eramet's objective of a **40% reduction in absolute CO_2 emissions from Scopes 1 and 2 by 2035 compared to 2019 has been validated by SBTi *(Science-Based Target initiative)*** with *target set* status. The intermediate objectives for 2026 set out in this Roadmap are fully in line with this trajectory, in keeping with objective 13 of the CSR Roadmap 2018-2023.

Objective 8: Optimise mineral resources and contribute to the circular economy

Eramet has long been committed to a circular economy approach for all the resources used in its activity: mineral resources, water, energy, raw materials. Eramet will continue this commitment at its mines and plants, expanding the scope of objective 7 of the previous Roadmap.

In addition to its historical activities, and in line with objective 6 of Roadmap 2018-2023 on the economic diversification of its portfolio, the Group will also pursue the development of a robust technical and economic model for the industrial recycling of batteries in Europe by 2027.

Objective 9: Develop responsible value chain with suppliers and customers that respect our Human Rights and CSR requirements

Being a responsible company means complying with our **duty of care** to ensure that our upstream and downstream partners share the same CSR and human rights standards as Eramet, while contributing to raising their awareness. In line with objective 10 of the CSR Roadmap 2018-2023, *Act for Positive Mining,* includes commitments to:

- monitor all our suppliers considered at risk *through* a CSR assessment conducted by an independent third party;
- subject our entire customer portfolio to an ongoing screening of their CSR and ethical practices.

This monitoring will be an opportunity for Eramet to interact with its customers and suppliers and assess the appropriateness of the proposed corrective measures, in order to decide whether the business relationship can continue.

To support this approach as effectively as possible at our sites, and in line with objective 9 of Roadmap 2018-2023, all newcomers to the Purchasing and Sales functions will be trained in ethics every year. All teams present in 2023 had received training at the end of the period.

Objective 10: Audit every mining site – including our Joint ventures – with IRMA standard

Ensuring that CSR performance is entrenched over the long-term requires a rigorous framework that meets the strictest international standards. By choosing IRMA *(Initiative for Responsible Mining Assurance)*, Eramet is committed to a process of transparency and continuous improvement across all the mining sites where we operate, based on independent audits to assess **environmental and social responsibility, business integrity and the creation of a positive legacy** at each of our sites.

5.2 Environmental protection

5.2.1 Issues

5.2.1.1 Global issues

The Group's industrial and mining sites face specific environmental issues related to the processes implemented and their geographical location.

Overall, the double materiality analysis highlights key environmental issues broken down according to the level of impact and financial materiality, as follows:

- issues of high impact materiality and high financial materiality:
  - climate change mitigation,
  - impact on biodiversity;
- issues of high impact materiality & low/moderate financial materiality:
  - water resources;
- high financial materiality & low/moderate impact materiality:
  - adapting to climate change.

In addition to the materiality analysis, the table below details the environmental issues and risks at the Group's industrial and mining sites.

The purpose of this summary is to help the reader in their understanding: it is necessarily macroscopic and schematic and cannot completely reflect the diversity of the issues and risks for each site taken individually.

TABLE SUMMARISING THE ENVIRONMENTAL ISSUES AND RISKS AT ERAMET'S METALLURGY AND MINING SITES

Challenges/ Risks	Pyrometallurgical sites[1] (furnaces)	Mines			Comments
		SLN New Caledonia	Comilog Gabon	GCO Senegal	
Energy consumption/ greenhouse gas emissions	****	*	*	***	Sites that have metallurgical furnaces and/or fossil-based electricity generation facilities (GCO, SLN) are those that represent the bulk of energy consumption and greenhouse gas emissions (90% of the Group's Scopes 1 and 2 emissions).
Atmospheric emissions	****	*	*	***	These same sites account for the bulk of the Group's atmospheric emissions (dust, nitrogen oxides or sulphur oxides). All the main sources of emissions are controlled in accordance with the applicable regulations and are mostly equipped with capture and treatment equipment.
Emissions into water	**	****	***	**	All waters are managed in accordance with applicable regulations, with tailored monitoring of the elements emitted. **Mines:** Issues related to water are essentially due to the topography of deposits, the rainfall pattern and the presence of fragile receiver environments. As such, sites in New Caledonia are the most exposed, followed by the Gabonese mines. It is to be noted that, generally, Eramet mining sites are not much concerned by the risk of acid mine drainage (very limited and occasional risks in Gabon and Senegal).
Risks of historical soil pollution	***				The production sites are built in sealed areas and the storage of hazardous products is equipped with retention systems in order to limit the risk of soil contamination. However, as industrial practices have evolved, the oldest sites may present risks of historical soil pollution. These are identified and managed through a dedicated committee.
Pressure on water resources (Abstraction)	***	**	*	****	**Plants:** The vast majority of water abstraction at the industrial sites is linked to equipment cooling loops. The vast majority of sites work in closed loops, which greatly reduces abstraction quantities. For others, the water used does not undergo any transformation and is returned to the natural environment. **Mines:** it is in Senegal, an area under water stress, that the issues are the most significant. Objectives and actions are put in place to limit abstraction from aquifers required for operations.
Impact on biodiversity	*	****	****	**	**Plants**: The Group's industrial sites have limited direct impacts on biodiversity. They are mainly located in urban and industrial areas. **Mines:** The biodiversity in New Caledonia is recognised as remarkable due, in particular, to its very high endemicity. To a lesser extent, the Gabon mine is also located in an environment characterised by high biodiversity. The GCO mine (Senegal) does not have the same level of sensitivity, but it is adjacent to large vegetable production areas. The numerous management actions implemented are detailed in a dedicated section.
Production of hazardous waste	***				Pyrometallurgical activity produces dust, sludge and slag, which, depending on their intrinsic characteristics and locations of operation, can be considered hazardous waste. They are managed in strict compliance with regulations and best practices focusing on reduction at source.
Production and storage of tailings		***	**	*	Tailings from Comilog mines are largely reused in the redevelopment of old mining pits. In Senegal, the sand is returned directly for the rehabilitation of the site, after extracting what can be used for beneficiation. In New Caledonia, the production of tailings is higher. The operating methods prioritises, whenever possible, the filling of mining pits rather than storage in stabilised heaps.
Production and storage of mining tailings	**	**	***	*	Only the Comilog mine (Gabon) and the Tiébaghi and Népoui mining sites (New Caledonia) produce mining tailings in the form of pulp, resulting from concentration steps by mechanical processes. These residues are chemically stable and are not hazardous to the environment. In New Caledonia, some of these residues are in fact commercially processed as mining by-products. Two industrial sites (Marietta and CMM) have waste storage structures built according to GISTM standards[2]. They are monitored and audited periodically by independent experts.

*Legend: * Low. ** Moderate. *** Significant. **** Major.*

(1) Comilog Dunkerque (France), CIM and C2M (Gabon), Eramet Marietta (United States), Eramet Norway (Kvinesdal, Sauda and Porsgrunn in Norway), SLN Centrale Accostée Temporaire and Doniambo (New Caledonia).

(2) GISTM: Global Industry Standard on Tailings Management.

Note that the noise or light pollution does not represent a significant environmental impact. The various sites concerned comply with the noise levels stipulated in their operating permits.

5.2.1.2 Local issues

In addition to the analysis of the global issues inherent in the Group's activity, each new project and mining operation is subject to an environmental and social impact assessment carried out in accordance with IFC's international standards[1] (IFC Performance Standard 1). For existing mining sites, these impact assessments are gradually updated to ensure they are in line with the IFC and IRMA standards[2]. For example:

- all SLN mining sites (New Caledonia) have updated their environmental impact assessments in recent years as part of the reform of the Mining Code of New Caledonia. This considerable work allows each site to have comprehensive studies on the environment and the ecosystems in which they are located, and effective environmental management plans adapted to their specific characteristics. To reflect the changes to the mining plan, these management plans are updated periodically (every five years), and the authorities are duly informed;
- at the same time in Gabon, for the Comilog mine, the numerous environmental studies performed have contributed to the considerable improvement in the awareness level of the site's environmental characteristics. The most recent include:
  - the complete environmental and social impact study for the extension of the Bangombé plateau mining operation to the edges of the deposit. This study was validated by the authorities in 2018,
  - the environmental and social study aligned with the best international standards implemented for the Okouma deposit mining project. This study, approved by the authorities in 2019, was the subject of an addendum approved at the end of 2021;
- in Senegal, the Grande Côte Opérations mining site, following the audit and updating of its Environmental Management and Social Plan (EMSP), received its environmental compliance certificate in 2016 from the supervisory authorities, and then, in 2017, the joint ministerial decision granting definitive authorisation for all its classified establishments. Finally, in 2022, it received the environmental compliance certificate for its expansion project.

5.2.2 Sound environmental management

The setting up of a sound environmental management system is essential to meet the needs of the company for its activities, projects and functions and to work proactively on the various issues. The objectives are obviously to ensure that all Group operations comply with regulations, to identify and reduce its environmental impacts and risks, and lastly to reduce the environmental footprint of activities and products in order to reduce exposure and improve the sustainability of activities.

This section aims to present the ongoing and planned actions to meet the Eramet commitments in terms of responsible mining and meet industry best practices through a dedicated organisation, internal standards based on a continuous improvement programme, control and audit procedures and performance monitoring indicators.

The detailed actions specific to each theme are described in the following sections:

- 5.2.3 Climate change
- 5.2.4 Prevention of pollution
- 5.2.5 Mining tailings and waste-rock management
- 5.2.6 Water and marine resources
- 5.2.7 Rehabilitation of mining sites
- 5.2.8 Biodiversity and ecosystems
- 5.2.9 Use of resources and circular economy

(1) IFC: International Finance Corporation.
(2) IRMA: The Initiative for Responsible Mining Assurance.

5.2.2.1 A dedicated organisation

To implement its objectives, the Group relies on a network of internal experts and on a structured organisation:

- the **Environment Department:**
  - determines the short, medium and long-term strategy and related objectives and deploys it once approved,
  - defines the environmental standards and procedures in accordance with the concerned certifications in particular ISO 14001 and IRMA,
  - defines the actions, programmes and resources necessary for the application of standards and coordinates the overall continuous improvement thrust,
  - leads the Group's environment network,
  - provides support and expertise to environment teams and management teams at the sites to find and implement sustainable solutions to environmental issues (managerial or technical),
  - organises environmental audits and implements internal standards control mechanisms,
  - disseminates environmental results and best practices and feedback.
- **dedicated teams at each site:**

In recent years, Eramet has strengthened the structuring, formalisation and international coordination of the Group's environment network and has deployed dedicated teams on each of its industrial and mining sites, in charge of the management system, compliance with regulations and internal standards, team training and reporting.

- **site or subsidiary Manager:**

They have delegated authority in environmental matters, making them primarily responsible for environmental issues within their remit and for ensuring that their site complies with applicable regulations. They are responsible for the application of the environmental policy and the *Key standards*.

To step up the dissemination of best practices and facilitate continuous improvement initiatives, communities of experts are also created. Some examples are:

- the community of mining environment experts whose role is to formalise guidelines on best practices applicable throughout the Group and to encourage the exchange of expertise between sites. Since 2021, this community has been organised into two skill sets dealing with issues of water management and geotechnics;
- a group dedicated to the environment of industrial operations, operating within the framework of the *International Competence Groups* (ICG), which develops best practices and/or standards that are built into the Group's operating system. These sector-specific ICGs conduct periodic audits to assess the implementation of these best practices and the maturity level of the different sites.

In total, across the Group, there is a network of departments dealing with Environment and Climate, comprising over 150 people.

5.2.2.2 Policy and Guidelines

5.2.2.2.1 Eramet environmental policy

In 2023, Eramet updated its Environmental policy (available on www.eramet.com). This policy rounds out the Energy and Climate Policy. It clarifies Eramet's commitments to biodiversity protection, protection of water resources and aquatic environments, conservation of air quality, safe management of mining tailings and waste-rock, mine rehabilitation, the circular economy and the optimum beneficiation of deposits. Through this policy, the Group pursues five key environmental objectives:

- **strict compliance with the laws and regulations applicable to its activities;**
- implementing **effective environmental management systems across all of its plants and across its transport and supply chains;**
- **taking environmental issues into consideration as early as possible when designing and developing industrial and mining projects,** based on national regulations, Group policies, and the international standards within the industry or of project funders;
- the **supply of necessary metals to ensure the energy** transition and develop **activities that contribute to a more efficient economic model in terms of its primary resources and more circular;**
- **the voluntary and continuous reduction of the Group's environmental footprint.**

IRMA

- In 2022, the Group affirmed its ambition to comply with the CSR requirements of the Initiative for Responsible Mining Assurance (IRMA) standard, committing to have an audit carried out on all its operational mining sites by 2027. The environmental requirements of this standard, based on the most ambitious international benchmarks (IFC, ICMM, OCDE, ILO, EITI etc.), cover aspects relating to water management, biodiversity and management of mine waste. The GCO site in Senegal is the first to be audited. Self-assessments or preliminary audits are under way or planned at other sites. It should be noted that the IRMA standard also deals with social aspects, which are addressed in section 5.3 of this document.

5.2.2.2.2 Internal standards

In 2023, the *Eramet Management System* was overhauled and strengthened in particular on environmental issues. It incorporates the *Key Standard* "Environmental management", which is mandatory for all Group employees in all controlled sites:

In addition to this generic *Key Standard*, theme-based environmental standards have been defined or are being developed. Aligned with the most demanding international standards (IFC[1], IRMA[2]), they integrate future European regulations (notably CSRD[3]), the work carried out by the communities of experts and in particular the ICGs (see section 5.2.2.1 "A dedicated organisation"), and the internal commitments made under the CSR Roadmap.

Applicable at all sites, they define the "must-haves" and "nice-to-haves" for each environmental theme in a detailed and action-oriented way. Used as a reference during self-assessments or environmental audits, they facilitate the identification of gaps and the definition of continuous improvement action plans. It will provide a consolidated view of the deployment of action plans and of progress made.

This work is carried out in close collaboration with the teams of the Technical Department and of the operational sites. In 2023, the first standards were created and tested and work will continue in 2024.

In addition and in coordination, Eramet continues to roll out its production management system, called *Eramet Production System* (EPS), which is based, notably, on ICG best practices and on the Group's professional expertise. The establishment of the EPS is a new means of ensuring the promulgation of a uniform culture of prevention, by integrating environmental "Golden Rules" in the company's day-to-day practices.

In addition, business line procedures exist to manage specific risks:

- integration of HSE/CSR factors into projects;
- chemical risk prevention and management of hazardous products;
- industrial risk management;
- waste storage structures management.

(1) *IFC: International Finance Corporation.*
(2) *IRMA: The Initiative for Responsible Mining Assurance.*
(3) *CSRD: Corporate Sustainability Reporting Directive.*

5.2.2.3 Environmental objectives

5.2.2.3.1 CSR Roadmap 2018-2023: Objectives met

CSR Roadmap

Theme	Objective	KPI 2023	2019 results	2020 results	2021 results	2022 results	2023 results	Performance
CIRCULAR ECONOMY	7 – Actively contribute to the development of the circular economy	Objectives: • **2 Mt of mining waste and low-grade incidental ore recovered** over the 2019-2023 period	34 kt recovered	990 kt recovered	1,227 Mt recovered	2,311 Mt recovered	3,622 Mt recovered	100%
		• **10 kt of waste recovered** in the 2019-2013 period	1.7 kt recovered	50 kt recovered	127 kt recovered	185 kt recovered	268 kt recovered	
AIR	11 – Reduce our atmospheric emissions	**Indicator:** Tonnes of channelled dust emitted by pyrometallurgical industrial facilities **Objective: -80%** in 2023 compared to 2018	-35%	-56%	-64%	-69%	-77%	100%
BIODIVERSITY/ MINE REHABILITATION	12 – Protect water resources and accelerate the rehabilitation of our mining sites by fostering biodiversity	**Indicator:** Ratio of rehabilitated areas to cleared areas **Objective:** Ratio ≥ 1 for the 2019-2023 period(1)	1.2	1.03	1.32	1.21	1.31	100%
GREENHOUSE GASES	13 – Reduce our energy and climate footprint	**Indicator:** tCO_2/t outgoing product **Objective: -26%** in 2023 compared to 2018	-14%	-25.4%	-39%	-40%	-40.1%	100%

(1) Excluding long-term infrastructure.

Objectives not achieved *Objectives achieved* *Over-performance*

Five key objectives for reducing the environmental footprint corresponding to the Group's major challenges have been defined for the 2018-2023 period as part of the CSR Roadmap, and are set out above.

The results at the end of 2023, detailed below in this document, reflect a significant improvement in the Group's environmental performance, in a context marked by a significant growth in volumes produced by the Group. All environmental objectives were met, and many of them exceeded, with the exception of the objective of reducing atmospheric emissions, which included the commissioning of a new treatment unit in Gabon in its target. Although the commissioning of this project is delayed to the end of 2024, the target is almost met, with a 77% reduction (vs a target of 80%), thanks to careful management of the facilities.

5.2.2.3.2 Towards new ambitions

Details of the new targets can be found in the section 5.1.5.3 *Act for Positive Mining: our Roadmap 2024-2026*.

Following the achievement of the objectives set in 2023, the Group worked on a new CSR Roadmap, which was deployed at the end of 2023 and became operational in 2024. The environmental objectives integrated and presented below have been determined based on the progress made in the previous period and to address the Impacts, Risks and Opportunities identified in the double materiality analysis. They incorporate the expectations of our stakeholders and anticipate future European reporting regulations with the CSRD *(Corporate Sustainability Reporting Directive)*. They are aligned with the most demanding international standards (IFC, IRMA, ICMM[1] etc.) and consistent with the voluntary commitments made by Eramet regarding climate change (SBTi – see section 5.2.3 Climate change) and biodiversity (Act4Nature International commitments – see section 5.2.8. Biodiversity). All these objectives are detailed in each of the following sections.

(1) International Council on Mining and Metals.

5.2.2.4 Monitoring, control and audit of environmental performance

Environmental performance monitoring and control systems, for the Group and its operational sites, constitute one of the key strengths of Eramet's environmental management. They hinge on two pillars: reporting of environmental data from the sites and audits.

5.2.2.4.1 Environmental reporting

Reporting is mandatory for all industrial and mining sites and covers the main environmental performance indicators (CO_2, water, atmospheric emissions, biodiversity, waste etc.) and environmental incidents. A dedicated system has been fully deployed in all industrial and mining sites, allowing for the collection and consolidation of environmental and energy performance indicators. Over 200 indicators are monitored monthly, quarterly or annually depending on their criticality. In 2023, significant work was undertaken to update these indicators to further strengthen their robustness and align them with existing best practices. Dashboards have been designed and made available to facilitate the monitoring of the Group's performance.

In addition, any environmental incident must be reported within 24 hours on a dedicated platform. Investigations are conducted, according to the severity of the event, within two weeks and corrective actions and associated action plans are defined and deployed.

5.2.2.4.2 Controls and audits

The verification of compliance with policy and standards is based on the Group's internal control system (see presentation in Chapter 4).

In addition, a demanding system of controls and audits is deployed to ensure robust risk control and good operational control and to measure the environmental performance of the Group's various entities.

- Environmental Management System audits: as part of the ISO 14001 certification, the environmental management system of each industrial and mining site is audited by a certified third party every **three years.**
- IRMA self-assessments and audits: internal self-assessments according to the IRMA standard are gradually performed at the different mining sites. They are usually performed by a mixed team consisting of local managers and Group experts. Five out of nine mines have already launched or finalised the first assessment. In addition, the first IRMA external audit is under way at the GCO site in Senegal. It is the first in a long series, the objective being to launch audits at all mining sites by 2026.
- Internal environmental audits: based on the *Environment Key Standards*, these audits involve mixed teams of internal auditors (*Corporate,* Divisions and sites). Conducted over several days, they assess the environmental performance of the sites in detail. The sites may also receive targeted audits on certain issues. These audits may be carried out by external service providers if necessary.

Corrective action plans are defined at the end of each audit and, for all risks considered significant, a quarterly report on the implementation of corrective actions is consolidated at Corporate level.

5.2.2.5 A certified environmental management system

100% of industrial[1] and mining sites are ISO 14001 certified.

The Group has committed to ISO 14001 certification for all sites "likely to have a significant impact on the environment", i.e. all industrial or mining sites in operation.

As at the end of 2023, sites that had obtained ISO 14001 certification represented 100% of the target objective.

All **mining sites are therefore certified,** with the exception of the new mining site in Okouma (Comilog), which should be certified by 2025, once the project development phase is completed.

- In 2016, SLN became the first mining and metallurgical company to obtain ISO 14001 certification in New Caledonia. The certificate covers the mining activities of the seven main mines, which are operated directly by SLN;
- Comilog (Gabon) has been ISO 14001 certified since 2012. The application field covers manganese ore extraction, preparation, storage and loading operations (Rocky, Fine and Sinter), production of silicomanganese and other derivatives of manganese ore, sold in the metallurgical and chemical industries;
- In Senegal, in 2021, GCO became Senegal's first ISO 14001-certified mining company.

In addition, **at the end of 2022, the Research Centre "Eramet Ideas" began the process of seeking certification for the battery recycling pilot plant**. The aim is to obtain ISO 14001 certification in the first quarter of 2024.

(1) *Excluding the CAT under indirect management.*

5.2.2.6 Environmental compliance indicators

The Eramet Group promotes a policy of strict legislative compliance, transparency and dialogue with the administrative authorities in all circumstances, particularly in the event of temporary difficulties or special operating conditions. The objective is to ensure that each Group entity strives towards optimal compliance in the applicable environmental legislation.

To measure the achievement of this objective, the Group monitors four indicators:

- **Type 1 – weak signals**: Written warning by the authorities as a reminder of a deadline which, if not observed, could lead to formal notice: (known in the US as a "notice of violation"), a third-party claim against a Group entity or in the media;
- **Type 2 – Declaration of regulatory gap and notice by the authorities to make the site compliant by a specific deadline in order to avoid a fine: in mainland France, New Caledonia,** Gabon: formal notice; in the US: a notice of enforcement or consent agreement between the authorities and the operator, or an administrative order;
- **Type 3 – Legal action before an administrative or judicial court:** third-party claim seeking the remedy of a damage on the grounds of environmental law, third-party claim against an environmental administrative permit issued to a Group entity, claim by a Group entity against an administrative decision, legal proceedings following a notice of violation or a third-party claim against a Group entity;
- **Type 4 – Actual sanction:** administrative sanction (fine, consignment, ex officio work, suspension, etc.), civil or criminal conviction pronounced against a Group entity.

The indicator trend in recent years is shown below:

	2020	2021	2022	2023
Type 2 – Declaration of non-compliance and notice by the authorities	2	0	1	6
Type 3 – Legal action taken	0	0	1	1
Type 4 – Actual sanction	2	0	1	0

In 2023, Comilog Dunkerque was served with a formal notice ordering it to carry out certain actions before the restart of the furnace in March 2024 following maintenance operations.

In New Caledonia, SLN was served with five formal notices relating, on the one hand, to the provision of financial guarantees and, on the other hand, regarding the Thio site, to biodiversity offsets and Annual Declarations.

This year, SLN was also served with a summons to appear in emergency proceedings, with an order for an expert assessment, following the aggradation of the Anse Uaré cove at the Doniambo plant.

All corrective and preventive measures have been implemented.

5.2.2.7 Financial resources allocated to environmental protection

Environmental expenses have risen steadily over the past three years. They are estimated at over €40 million for 2023, and close to €72.6 million for the last three years, excluding projects linked to the decarbonisation of activities (see Climate change).

The largest item of expenditure concerns the prevention of air pollution with two major investments, in Norway and Gabon, in more efficient units for the treatment of atmospheric emissions. The improvement of site monitoring also represented a significant expense.

Financial resources related to water accounted for 41% of the amounts. They mainly concern investments for the prevention of water pollution at mining sites (development of ponds, for example) and rehabilitation work at a river in Gabon.

2021-2023 EXPENSES FOR THE ENVIRONMENT

Prevention of air pollution	45%
Prevention of water pollution	41%
Others, including biodiversity protection	8%
Waste management	6%

At mining sites, investments primarily concern the conduct of rehabilitation work such as re-vegetation, by manual and semi-mechanised planting, in Senegal and New Caledonia, and by drone in Gabon. This work is supplemented by actions to protect biodiversity, such as studies of the fauna and flora, R&D for the preservation of endemic plant species in New Caledonia and the relocation of vulnerable species encountered on the mine road in Senegal.

5.2.2.8 Value chain management

5.2.2.8.1 Suppliers

Purchasing is a key area of focus because of the challenges associated with the Group's business lines and the high expectations of stakeholders in this area. Eramet is therefore committed to a responsible purchasing policy, which aims to favour suppliers offering products or services that respect environmental and social criteria while maintaining a competitive advantage. Eramet has launched a global and progressive approach to evaluating the CSR performance of its suppliers. The Group has formalised its responsible purchasing process, structured around a risk-based approach. For more information, see section 5.4.2.2 Responsible purchasing.

5.2.2.8.2 Customers

Eramet aims to provide its customers with clear, precise, relevant and transparent information on the environmental footprint of its products.

The Group ensures the traceability and transparency of the environmental footprint of its products (in accordance with the Green metals & traceability initiative). Data are now already available for all manganese alloys (carbon footprint). This work is gradually being developed and extended to all products and will include more key performance indicators.

Impact of engagement and success metrics

Eramet works closely with its customers to select relevant indicators. Information sharing strengthens trust and helps to consolidates relations between business partners.

5.2.3 Climate change

In light of rapid climate change and recognising the anthropogenic cause of this change, Eramet is conscious of its duty to prevent, adapt and communicate transparently with its employees, its partners and all of its stakeholders in general. In order to ensure transparency on these subjects, Eramet follows the recommendations of the *Task Force on Climate-related Financial Disclosures* (TCFD) and the provisions of the *Corporate Sustainability Reporting Directive* (CSRD, ESRS E1), which are among international best practices in this area. Eramet also completes the *Carbon Disclosure Project* (CDP) climate questionnaire every year. In 2023, it obtained a score of B.

5.2.3.1 Governance to address climate challenges

Eramet's Climate Policy, published in 2023 and available on www.eramet.com, defines its guidelines both in the conduct of its operations and in developing its strategy.

The Eramet Group takes the climate issue to the highest level of its management bodies. Governance is organised as follows:

- the Board of Directors, which relies on the recommendations of its Strategy Committee and CSR. The latter specifically analyses the Group's progress in carbon emission reduction, e.g., the resilience and development of the sustainable business model. These climate change efforts are carried out in accordance with the recommendations issued by the Institut français des administrateurs. Of the 18 board members, two have in-depth expertise of climate-related issues through their work;
- the Executive Committee relies on the Decarbonisation Department to manage the transition of the Group's activities. The Decarbonisation Department, created in 2023, reports to the Strategy, Innovation and Business Development Director, who is a member of the Group's Executive Committee. A decarbonisation strategy committee meets quarterly, with all members of the Group Executive Committee to take stock of progress made and decide on the way forwards. Moreover, the topics of Energy & Climate are reviewed quarterly during the Executive Committee's and Divisions' Business Reviews. In 2023, training on climate issues was provided to members of the Board of Directors and the Executive Committee;
- the Decarbonisation Department drives Eramet's decarbonisation programme and its portfolio of initiatives. In particular, it sees to the low-carbon transition of Eramet's pyrometallurgical activities, by conducting the main decarbonisation projects associated with this transition (see next section). The Decarbonisation Department relies on the Group Chief Technical Officer to manage the continuous improvement of operating activities;
- the Group Environment Department provides methodological support for anything related to climate accounting and reporting. The Environment Department is also tasked with characterising the challenges related to the Group's adaptation. It reports to Eramet's Sustainable Development and Engagement Director, member of the Executive Committee, and who also chairs Eramet's CSR and Strategy Steering Committee;

- The *Chief Technical Officer's team* ensures the proper functioning of the energy and climate performance management system of the Group's operating entities. The CTO reports to Eramet's Chief Operating Officer, a member of the Executive Committee. He provides methodological support in relation to ISO 50001 certification, technical expertise on several of the Group's business lines and performs regulatory and technological monitoring. To this end, he leverages a network of energy and climate specialists onsite, who report to the sites' management. The management of each entity oversees an energy management system based on the ISO 50001 standard and allocates resources in accordance with the challenges within its scope;
- the Energy and Raw Materials Department is responsible for the supply of energy and reducers to the Group's entities. As such, it ensures that there is a higher share of renewable energies in Eramet's electricity mix.

5.2.3.2 A strategy aligned with the overall transition of the industry

Eramet is convinced of the driving and structural role that can be played by industrial operators who provide the global industry with raw materials, in particular for critical energy transition metals.

Through its in-depth strategic and managerial transformation programme launched in 2018, the Group has repositioned itself competitively in the Mining and Metals sector, in a rapidly changing environment, to create long-term value. The Group's strategy is now underpinned by two thrusts: the production of metals for the global economic development and the development of critical metals for the energy transition. The second aspect concerns the portfolio's extension to metals for the energy transition. These markets are witnessing very strong growth, driven by the demand for metals used for electrification (electric vehicles in particular), and contributing to the decarbonisation of world economies. These include:

- lithium, with the restart of the Centenario project announced by Eramet in November 2022, and commercial operation scheduled for March 2024;
- development of nickel and cobalt production for batteries, through the Sonic Bay project, from the Weda Bay deposit and in partnership with BASF;
- lithium-ion battery recycling project.

Eramet swiftly committed to doing its share of the effort to reduce greenhouse gas emissions by adopting a proactive strategy to decarbonise the metals that the Group already produces.

5.2.3.2.1 The three thrusts of Eramet's climate transition

Eramet is engaged in a process compatible with the goals of the Paris Agreement aimed at integrating climate challenges into both its strategic decisions and reporting to an increasing degree.

Decarbonisation is at the heart of the momentum of mines and metals; it is an essential part of the "licence to operate". As this is a short-, medium- and long-term issue, reducing the climate impact includes the optimisation of existing assets, the development of new technologies in partnership with peers, academics and suppliers, as well as supporting customers' paths to decarbonisation.

As such, Eramet's answer to climate change is based on the following focus points:

- reducing the Group's CO_2 emissions on Scopes 1 & 2;
- supporting customers and suppliers in reducing their own GHG emissions;
- promoting the circular economy.

5.2.3.2.2 The Group's objectives regarding climate transition

Eramet has set ambitious transition objectives, both for its own direct and indirect emissions (Scopes 1 and 2), and an objective of ensuring engagement from the value chain for Scope 3.

2023: Reduce the Group's carbon intensity by 26% with respect to 2019

In 2018, the Group included, as target in its CSR Roadmap 2018-2023, a significant reduction of the carbon intensity of its production, on Scopes 1 and 2. The objective is to reduce **the Group's carbon intensity by 26% between 2018 and 2023.**

CSR 2023

Group Goal for 2023 vs. 2018	-26%	
Including the impact of energy efficiency levers and decarbonisation of the energy consumed	-9.5%(1)	
Includes the impact of the business mix effect related to the Group's strategic choice to develop its mining activity, which is lower in emissions than the Group's processing(3) activities	-16.5%	tCO_2/t outgoing product(2)

(1) With the level of mining and processing activity in the year of reference (2018).
(2) Tonne of product leaving the sites: ingots, powder, ores, etc.
(3) Mining activity is about 80 times lower in emissions per tonne of outgoing product than the Group's other activities.

Considering the lead taken by the development of the mining activity, with low emission levels compared to the pyrometallurgy activity[1], the Eramet Group had noted since 2020 that this target would be met well before 2023.

(1) Mining activity is about 80 times lower in emissions per tonne of outgoing product than the Group's other activities.

Building on this momentum, the Group then decided to further accelerate the process through commitment to a *Science-Based Target* objective, this time based on a reduction in its absolute emissions and an action on getting its value chain on board.

2025: Get 67% of its partners engaged

Eramet has committed to 67% of its tier-one value chain partners setting their own emissions reduction targets, compatible with the Paris Agreements, by the end of 2025. This commitment is particularly ambitious given the structure of Eramet's Scope 3: the Group undertakes to convince a very significant proportion of its customers to help meet this target.

2026: Strengthen its commitments with a new CSR Roadmap: "*Act for Positive Mining*"

In November 2023, Eramet unveiled its new and ambitious CSR Roadmap, "*Act for Positive Mining*", which extends the Group's momentum initiated with the previous Roadmap to reduce its carbon footprint. Details on "*Act for Positive Mining*" are provided in section 5.1.5.3.

The following objectives are in addition to Eramet's other commitments:

- reduce emissions per tonne produced from Scopes 1 and 2 to 0.221 tCO_2/t;
- Metallurgy: developing and validating the transition to net-zero manganese alloys;
- Mining: reducing the carbon footprint in our extraction activities by 10%.

2035: Reduce its absolute emissions by 40%, an objective validated by SBTi

Eramet has committed to a 40% reduction of its CO_2 emissions from its **Scopes 1 & 2 by 2035, compared to 2019**. This target requires activating all available levers, including those still at the stage of research and development or first pilot schemes: carbon capture & storage (CCS), bio-reducers, electrical mining machinery and others.

The 2035 targets (Scopes 1 and 2) and 2025 targets (Scope 3) were validated as "target set" by the SBTi (Science-Based Target initiative) in September 2021[1].

2050: The ambition to contribute to global carbon neutrality

The Eramet Group has also set itself the goal of carbon neutrality for its Scopes 1 and 2 emissions by 2050.

This specific goal will partly call for the use, in the medium to long term, of technologies that are yet to be developed. However, Eramet can leverage, for a significant part of this effort, the technological progress made in connection with the decarbonisation actions carried out under its current Roadmap.

Eramet works extensively on the technical and economic aspects of these different levers, ensuring that their deployment is compatible with the imperative of remaining competitive in its markets.

Promoting emissions reduction through the circular economy

The Group's actions to promote the circular economy, detailed in section 5.2.9 "Use of resources and circular economy", enable Eramet to improve its carbon footprint as well as that of its customers.

The beneficiation of certain slag (or scoria) for example, enables metal production at a lower carbon cost than from the initial ore because some of the physical and chemical transformations have already taken place. These sectors are economically viable when the slag also contains chemical elements in demand for use in different admixtures. Such trials were successfully completed in 2022 at Eramet Norway and at Comilog Dunkerque, to reduce the consumption of calcareous materials with recorded drops in CO_2 emissions by approximately 5%.

The beneficiation of the by-products generated through these Group plant activities such as material for backfilling or concrete aggregate allows the Group to help its customers avoid the associated extraction emissions. As such, SLN and Comilog Dunkerque recover a significant portion of their slag production. Furthermore, SLN and Eramet Norway develop a specific quality for these by-products for specific beneficiations: SLAND for SLN and Silica Green Stone for Eramet Norway.

In November 2023, Eramet crossed a major milestone in the launch of its vehicle battery recycling activities, with the inauguration of its pilot site at Trappes. The development of such innovative technologies will have a significant impact on the emissions of Eramet's customers.

5.2.3.2.3 Eramet's four decarbonisation levers

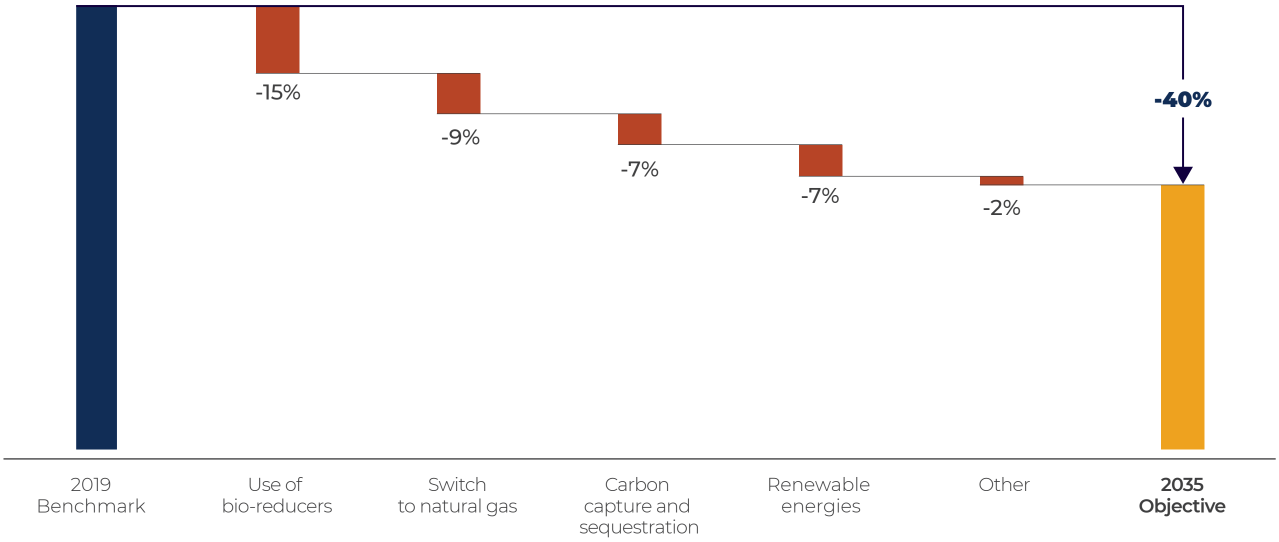
Based on the Group's general Roadmap, discussions were held with each site to enhance the local Roadmaps. Each entity now has a programme adapted to its specific situation and aligned with the overall objectives. This is the result of a mixed "*top-down + bottom-up*" approach.

Eramet's decarbonisation trajectory depends on the Group's capacity to develop cross-cutting, multi-year structuring projects on the following leading priorities:

- energy performance of its production assets (energy efficiency and recycling);
- process decarbonisation, initially through the use of bio-reducers;
- decarbonisation of electricity consumed, either partially by using fossil gas or entirely by using renewable energies;
- carbon capture and storage (in partnership).

(1) *The result of a collaboration between the CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wildlife Fund (WWF), SBTi ensures that the commitments made by participating companies are valuable and consistent with the Paris Agreement.*

▾ Levers to reduce CO_2 emissions (2019-2035)



The initial assessment is that achievement of this target will require investing in emission reduction projects translating into a direct CAPEX of around €500 million between 2023 and 2035. This figure assumes that there would also be substantial additional indirect investment by Eramet service partners in infrastructure to facilitate this outcome. The final costs and split of direct Eramet and indirect third-party investments remain subject to ongoing technical and economic study aimed at developing emission reduction projects.

The technological challenges of decarbonising metallurgical processes

The use of carbon has been at the heart of metallurgical processes for thousands of years. It removes oxygen from the metal oxides that are present in the ore in order to get the desired metal. As regards Eramet's activities, manganese oxides or nickel oxides are transformed through a chemical reaction called "reduction". And carbon is transformed into CO_2.

Eramet's CO_2 emissions are, for the most part, emissions directly linked to the reduction process.

The same applies to the production of steel from iron ore. Thus, the industrial and technical challenges faced by the manganese or nickel industry are similar to those faced by the steel industry.

In fact, several decarbonisation levers used by steel producers are also included in Eramet's Roadmap. This is the case with the use of bio-carbon, or recourse to carbon capture and storage processes (with or without reuse of CO_2 in other industries).

However, not all of these processes can be transposed, and the reduction of manganese and nickel ores presents its own challenges. Reduction with hydrogen[(1)] is not therefore directly applicable to manganese. On the one hand, for reasons related to physics, it does not allow the complete reduction of the ore, and, on the other hand, for manganese, the technology is far from the maturity reached in the steel industry.

5.2.3.2.4 The issues and risks of decarbonisation levers

The Group's decarbonisation Roadmap was fine-tuned in 2023, in particular to take account of the disposal of Eramet Tyssedal[(2)]. The priority actions are:

- **using bio-reducers** in ore reduction to replace coke. The main challenge of this decarbonisation lever is that it requires sufficient sources of bio-reducers, managed sustainably and compatible with the constraints of our processes. The bio-reducers market is not mature, and there is not yet sufficient production capacity with regard to the industry's potential demand (metallurgy, cement in particular). Eramet is attentive to initiatives to prioritise biomass uses, so that bio-reducers are given specific consideration, compared to uses for which alternatives are more widely available, such as electricity production;
- **substituting natural gas for heavy fuel oil in electricity production** in order to reduce the carbon content of the electricity consumed by the Doniambo plant in New Caledonia and the Grande Côte Opération site in Senegal. This effort, however, requires developing a natural gas supply chain under technical and economic conditions that meet Eramet's requirements. Discussions were held in 2023 with oil operators present in Senegal to analyse the technical and economic feasibility of different gas transport options from Dakar to the Diogo site, where the power plant is located. In New Caledonia, the gas crisis has for the moment put on hold the discussions that started in 2022 on these issues;
- **developing carbon capture and sequestration (or use),** in order to sustainably manage the emissions that could not have been avoided. There are many technical challenges (developments necessary both for the capture, transport and storage of gas), and the size of the necessary infrastructure would require collaboration between industrialists. Eramet is actively working, in partnership with other stakeholders, to define efficient and competitive transport and final storage solutions, and to show light on the difficulties encountered at regional and national levels;

Environmental protection

(1) Reduction with hydrogen consists in using hydrogen instead of carbon to remove oxygen from oxides, producing pure metal on one side and water (H_2O) on the other, instead of CO_2.
(2) The Eramet Tyssedal process was suitable for reduction with hydrogen.

- **establishing renewable electricity purchases and production** coupled with the electrification of mines. The Group's industrial sites are now all connected to a very low-carbon electricity grid, with the exception of the Doniambo plant in New Caledonia and the Marietta plant in the United States. The challenge therefore concerns access, in these two areas, to low-carbon electricity generation resources, available 24 hours a day and in significant quantities. As for Eramet's mining operations, the sites are generally remote and require both investing in a low-carbon electricity generation infrastructure and changing the equipment fleet to move away from the current all-diesel system;
- **continuous improvement and energy efficiency**: Eramet must instil a culture of energy and climate performance on a daily basis and among all its employees to ensure that operational decisions are systematically geared towards energy and climate savings. To structure all these progress approaches, Eramet has deployed a management system for its energy and climate performances within its entities up to and including the ISO 50001 certification for the main CO_2 emitter sites. Since 2022, all of the Group's mining and metallurgy sites have been ISO 50001 certified.

5.2.3.3 Risk and opportunity management

The transition to a low-carbon economy is a systemic issue and Eramet has chosen to broaden the perspectives of climate change impacts beyond the matter of its direct carbon footprint by assessing the impacts on the entire value chain in which it operates. Global momentum to reduce emissions among Eramet's customers (due to regulations or as a consequence of carbon recovery, for example) is a source of risks, and at the same time provides opportunities for the Group's activity.

In addition to the Group's essential contribution to the energy transition and combating climate change, Eramet is increasingly including in its strategy, the physical and non-physical impacts of climate change on the Group's assets, productivity and the markets on which its products are sold.

Thus, Eramet actively participates in dialogue and decisions on these climate challenges within national and international professional organisations, such as chairing the Strategic Committee of the Mining and Metallurgy sector, its role as Vice-Chair of the Ore and Metals Alliance, its membership of the Cobalt Institute, and serving as Board Director of the Nickel Institute, and a Director of Euro Alliages. Eramet takes an active part in the working groups on the decarbonisation of industry and on assessing the transition to low carbon in iron & steel.

5.2.3.3.1 Analysis of climate risks

The Group's comprehensive risk map formally includes a section about climate-related risks that is updated yearly. It reviews all transition risks for each business and each product category.

In 2021, Eramet began assessing its exposure to physical risks related to climate change. Two approaches were tested: an internal assessment based on the Carbone 4 OCARA method, and a Climate Change Risk Assessment, applying the requirements of the Equator principles. The expertise of consulting firms specialising in these areas and the tools available have improved considerably since. In 2024, Eramet will initiate a new detailed study of the physical risks that may affect these operations and assess its resilience to these risks.

Eramet's risks and opportunities in the light of climate developments are classified based on their time horizon, which, considering the Group's activities (ore beneficiation and metallurgical transformation), are as follows:

- short term (ST): less than two years;
- medium term (MT): between two and eight years;
- long term (LT): more than eight years.

Risks	Title	ST	MT	LT
PHYSICAL	Risks related to the physical impacts of climate change include extreme weather events and long-term changes in climate patterns (rising sea levels, water stress, fires, etc.).		x	
Mitigation	Eramet is conscious that the initial consequences of these phenomena are expected in the not-too-distant future, and some of them are already visible. In New Caledonia, following a particularly rainy year in 2022, the second half of 2023 was abnormally dry with occurrences of water stress not seen since the beginning of Météo France recordings on the territory, interspersed with intense and unexpected rains. In Gabon, rainfall was even more intense in 2023 than in 2022, which was itself an exceptional year. The Group therefore regularly adapts its risk analysis to explicitly include the direct impacts of climate changes on its activity. This action is also extended by active collaboration with insurance companies and third-party engineering firms. Specific questions are addressed to the sites through the SAFEE environmental reporting tool on their risk assessment and the planned adaptation measures. In 2020, slightly in excess of one in two sites reported that they could be affected by the consequences of climate change in the very long term. Most of them have already begun considering how to limit the impact on their business. In 2021, a bit more than one site in ten reported being affected by an extreme weather event that could have arisen from climate change. In 2021, Eramet also carried out a study using the OCARA (Operational Climate Adaptation & Resilience Assessment) methodology, developed by the consulting firm Carbone 4, to analyse the exposure of all its sites, in operation and planned, to physical risks by 2050 based on a RCP8.5 scenario (pathway with the highest greenhouse gas emissions). This analysis made it possible to assess the exposure of all Eramet sites to physical risks associated with climate change. The sites characterised as having the most at stake, in view of the Group's activities, are in Indonesia and the United States. Workshops with the operations managers of the sites in question have allowed for a detailed assessment of the risks associated with the operating processes and infrastructures of these installations, in relation to climate hazards identified as likely to worsen significantly by 2050. This review identified the numerous existing measures to mitigate the harm, and potential additional measures. It is planned to update this risk assessment in 2024.			
ECONOMICS	As a result of the processes implemented, energy bills represent a significant portion of the Group's production costs in the operation of its mines and industrial sites. The Group's competitiveness is therefore sensitive to energy prices and the control of its energy use. In addition, the decarbonisation levers identified are partly based on highly capital intensive solutions, beyond the Group's equity financing capacities.			x
Mitigation	Eramet is implementing an energy efficiency improvement policy at all its sites, with quantified improvement targets in particular for its mining sites. All these improvements will reduce the Group's exposure to an increase in energy prices. Moreover, Eramet is attentive to the financing opportunities offered in particular under the different national stimulus plans. The Group promotes the development of solutions through financing structures whereby projects are initially financed by third parties (e.g. *Power Purchase Agreement*). The Group's organisation has been strengthened and geared to enable more systematic requests for such aid.			

Risks	Title	ST	MT	LT
REGULATORY	Around a quarter of the Group's Scopes 1 and 2 emissions for 2023 are subject to the European Union Emissions Trading System (EU ETS). There are uncertainties about the trend of the long-term quotas market, or the legal mechanisms of carbon taxation in the Europe zone. Furthermore, for the remaining three quarters of the Group's emissions, there is currently no applicable global carbon market, but only fragmented and uncoordinated regional systems (source I4CE).	x		
Mitigation	The Group's action plan to reduce its direct emissions must be such as to reduce Eramet's exposure to the increase and general application of carbon taxes or costs. The Group is also preparing for the potential emergence of a global carbon market by experimenting with an internal standard price for its investment projects, assessing its strategic options, on the basis of €100/tonne of CO_2 (the EU ETS price was very close to €80/tonne in winter in early 2022). This internal carbon price was raised to €100/tonne in 2021 to better account for the potential financial impacts of emerging regulations and to redirect our current investments to low-carbon projects and initiatives. This value reflects the belief that global financial markets are moving to a higher long-term carbon price than the European regional spot price at the end of 2023. As a result of this choice, throughout the Group and independently of the regions with an established carbon market and price, there is a shift towards technological solutions that emit less carbon. Moreover, the implementation of the Group's internal carbon pricing policy raises awareness of the climate issue among all Eramet employees.			
TECHNOLOGICAL	Growing need to find low-emission technologies		x	
Mitigation	The Group continues to deploy energy efficiency improvement programmes and Eramet uses Group know-how and R&I to leverage the development of new carbon-free technologies and/or low-carbon products. The Group also develops partnerships with universities or peer manufacturers as part of its research and innovation efforts. Eramet is attentive to the opportunities offered in particular under the different national stimulus plans. In 2022, several applications were filed, with a view to accelerating the Group's investments aimed at reducing its emissions or its energy consumption. The Group's organisation has been strengthened and geared to enable more systematic requests for such aid.			
REPUTATION	Association of Eramet's energy-intensive activities with high carbon emissions: metallurgical processes are in fact high consumers of carbon-containing reducing materials.	x		
Mitigation	Eramet is conducting numerous research projects aimed at very significantly reducing CO_2 production in pyrometallurgical processes by replacing coke with preprocessed bioreducers for manganese alloy production. Eramet is also the world leader among producers of manganese alloys in terms of low carbon footprint. In 2023, specific communication actions were undertaken with customers, and a traceability platform was deployed to provide them with precise information on the carbon content of the products they buy from Eramet.			
UPSTREAM DOWNSTREAM FLOW	Lack of control of CO_2 emissions associated with these flows.		x	
Mitigation	Every year, Eramet conducts a full Scope-3 assessment of its CO_2 emissions following the GHG Protocol guidelines. In line with the SBTi's new recommendations to move towards Net Zero, Eramet has undertaken to ask two thirds of its suppliers and customers to commit to a decarbonisation compatible with the Paris agreements. The Group signed the French Business Climate Pledge in 2019 and has pledged to encourage a panel of its suppliers to join this initiative.			

5.2.3.3.2 Study of climate change-related opportunities

Opportunities	Title	ST	MT	LT
MARKETS	Strong growth on energy transition and digital transformation markets necessitating metal products by Eramet. Availability of energy transition critical raw materials.		x	
Action	In addition to its historic position on manganese and nickel ore, Eramet's strategy is clearly positioned on metals critical to the energy and digital transition: lithium, nickel salts and cobalt salts. These markets are changing rapidly due to the demand for metals for batteries, particularly for electric mobility, solar panels and electronics. Eramet is the only European player to have secured significant resources of critical metals in this fast-growing market. The Group's current mining assets offer key advantages: very rich geological resources allowing long-term mining. Eramet is positioning itself as the supplier of critical metals for energy transition, produced in accordance with the highest social and environmental responsibility standards, and continues its research and innovation efforts as well as the development of strategic projects to address these requirements. Battery development will lead to a sharp increase in demand for certain critical metals: demand for lithium is expected to increase eightfold by the end of 2030, for nickel more than threefold, and for cobalt threefold. It is clear that securing access to critical metal resources is a structural competitive advantage in the supply chain. In 2022, Eramet began construction on its lithium production project in Argentina as part of a partnership. Since 2020, Eramet and BASF have been partners in the development of a sector to supply critical metals for the energy transition (nickel and cobalt) with a high CSR standard, in particular for the electric vehicle battery industry. In France, strategic projects are under consideration: • short loop battery recycling, aimed at a circular economy optimised for critical metals in the energy transition. • geothermal lithium exploitation. Strategic developments are conducted in accordance with the highest CSR standards: high metal recovery yields, minimal environmental footprint, harmonious and respectful relationships with stakeholders and local communities. It is essential to ensure full product traceability to ensure strict compliance with Western corporate social responsibility standards and customer requirements. In its traditional markets, there is demand from the end customers of metallurgical products, in the automotive and construction sectors in particular, for steel supply with a very low carbon footprint. In addition to process transformations by steel producers, the development of a "green" steel will require decarbonising the entire value chain, including the supply of ferro-alloys, a market in which Eramet is positioned. This is an opportunity for a player like Eramet which develops manganese alloys with a very low carbon footprint. The Group incorporates life cycle analyses in its projects review process. This approach seeks to specifically factor carbon impact into the choice of investment orientations. A study on the resilience of Eramet's strategic model has been conducted. It is presented in the next section.			
TECHNOLOGICAL	Productivity gains associated with the roll-out of lower-emission (more efficient) technologies Assigning professionals to the measuring and management of energy consumption. Eramet's activities in its Mining as well as its Transformation businesses will be boosted by strong technical and technological developments which are ongoing and to which the Group contributes: • electrification of industrial processes (electrical process replacements for fuel energy-based techniques); • energy storage technology; • new mobility solutions and alternative means of locomotion (electric/autonomous vehicles, drones, hydrogen vehicles, etc.); • renewable energy sources and bio-based carbon materials; • carbon capture technologies: • reduction of hydrogen ore for transformation into metal.	x		
Action	The Group actively monitors new developments in the technologies concerned and encourages its suppliers to offer such technologies.			

Opportunities	Title	ST	MT	LT
REPUTATION	Positive image associated with assisting the energy transition, such as the marketing of critical metals for the low-carbon world. Access to finance.	x		
Action	An ambitious Group emissions reduction policy: Eramet has developed a "science-based target" scenario, approved by the Group's Board of Directors and the SBTi, for reducing its CO_2 emissions "well below 2°C", in accordance with the Paris agreements. Regular communications on Eramet product applications in the energy transition sectors. Communication on the key contribution of the metals concerned. Eramet's manganese activity through Norwegian, French and Gabonese plants has one of the lowest emission factors in the entire manganese industry, approximately four times lower than the sector average (according to a study by Alloyconsult for Norsk Industri). This performance is achieved in particular thanks to the energy mix of the metallurgy installations concerned (nuclear in France and hydroelectricity in Norway and in Gabon).	x		

5.2.3.3.3 Resilience of the strategic plan

As an emissive industry on one hand but also a contributor to the development of low-carbon technologies on the other, Eramet's alignment with the transition to a decarbonated economy carries as many risks as opportunities for its business.

Eramet has conducted, with the help of a specialised consulting firm, a scenario-based analysis, which is a powerful tool to conduct this aspect of the strategic thinking. Scenario-based analysis consists in a forward-looking review, projecting the Group's current activity onto various possible worlds, in order to assess the consequences on business. This approach is efficient for building a comprehensive model of the complex changes and the interactions between them, which is helpful for defining the transformations caused by climate change.

The adopted approach "by physical flows" is founded, for each scenario, on the physical reality of the activity, which the Group ensures is compatible with the maximum limit of a 2°C increase in temperature.

In four steps, this approach identifies the risks and opportunities for the Company's business more precisely than a purely economic and financial approach, which would simply "distort" the economic figures (price, production cost, etc.), by for instance introducing a carbon price, to quantify the impact on demand without either evaluating or accurately translating the Company-wide micro-economic consequences of the adopted transition scenario.

To quantify the impacts of a decarbonisation pathway for our economies on metal demand, the first step is to identify the global carbon budget authorised to avoid exceeding 2°C of warming, i.e. 800 GT of cumulative CO_2 emissions. This carbon budget is then broken down by sector of economic activity. These emission reduction trajectories are then translated into production flows, taking into account the improvement in energy efficiency and fleet turnover, but excluding technological breakthroughs unknown today. Lastly, the change in demand for the final products sold by the company is linked to that of physical production flows *via* customised proxies.

The scenario adopted to perform this analysis is the International Energy Agency's (IEA) 2 Degrees Scenario (2DS)[1] with carbon capture and storage (CCS). This is based on the forward-looking Energy Technology Perspectives documents accessible to the general public. It is known here as "2°C with CCS".

The main outcome for this scenario is that Eramet metals, in particular nickel, lithium, manganese and alloys, are metals that are critical to the development of energy transition technologies and essential for decarbonising the economy. This translates into a favourable outlook for changes in demand between now and 2030.

Demand for nickel is expected to grow steadily by 2030 in the IEA's 2°C scenario.

This growth is driven in particular by lithium-ion batteries (which use nickel) to store electricity. Indeed, the quantity of nickel required in 2030 should increase by a factor of more than 3 compared to 2020, illustrating the significant role played by batteries as a demand growth driver.

Lithium is an essential metal in the production of lithium-ion batteries used, in particular, in electric mobility, and demand is expected to increase eightfold by 2030 (from what it was in 2020).

These results underscore the resilience of demand for these metals in the IEA's "2°C with CCS" transition scenario and the relevance of the Group's current and future metals to address the requirements of the energy and low carbon transition.

Outlook

In conclusion, Eramet's activity is necessary for the development of low carbon technologies and essential for developing and creating responsible metal sectors involving all critical energy transition stakeholders.

The outlook till 2030 for the demand for metals produced by Eramet is favourable.

It is planned to update this study in 2024.

(1) *In other words, a world where the future combined greenhouse gas emissions do not exceed the maximum carbon budget required to maintain a global average temperature increase below 2°C compared to the pre-industrial era, i.e. ~800 GtCO_2 (vs ~ 2,000 GtCO_2 emitted by human beings since the industrial revolution).*

5.2.3.4 Performance

5.2.3.4.1 Taking account of asset disposals

The performance indicators and analyses relating to energy consumption and CO_2 emissions presented in this chapter include the successive disposals of assets at Sandouville, Aubert & Duval, Erasteel and Eramet Tyssedal. This means that the 2023 values exclude the impacts of these entities, and this is also the case for all years against which this performance is compared (notably the 2018 and 2019 reference years for the main indicators of the CSR and decarbonisation roadmaps).

5.2.3.4.2 Slight decline in energy consumption

Eramet needs energy for these different processes, whether at the plant or on industrial sites. The resources that Eramet supplies to generate this energy are:

ENERGY SOURCES

FUELS FOR SELF-PRODUCTION OF ELECTRICITY	Means the sources whose energy is transformed into electrical energy by the two thermal power plants operated by Eramet (heavy fuel oil for Doniambo plant in New Caledonia and the GCO plant in Senegal).
FUELS FOR MOBILITY	Means the sources whose energy is transformed into mechanical energy, primarily to operate mining equipment or ore transport trains.
FUELS FOR THE PRODUCTION OF HEAT	Means the sources whose energy is transformed into heat for drying and heating purposes (eradication of water from materials before entering furnaces or protection of equipment against thermal shock).
LOW CARBON ELECTRICITY	Means all electrical energy used and generated by solar, wind, hydroelectric or nuclear power plants.
HIGH CARBON ELECTRICITY	Means all electrical energy used and generated by fossil fuel thermal power plants (fuel oil, natural gas or coal).

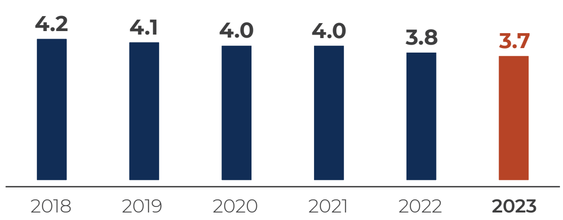
It should be noted that not all the energy content of a source can be used: each step of the energy transformation process involves losses. The energy consumption declared by Eramet corresponds to the source's initial total energy potential.

Eramet also consumes reducers in its pyrometallurgical furnaces. These carbon sources reduce the metal oxides contained in the ores[1]. These reducing materials contain energy that contributes partially to the input required for the processes of the Group's plants, even if this raw material is not consumed for this purpose.

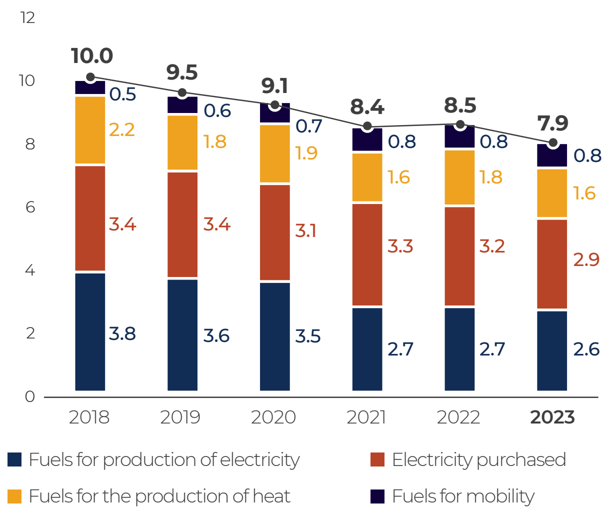
REDUCER	All the raw materials that, through chemical reaction, can extract metal oxides from ores (reducing coal, coke, anthracite, bio-reducing agents).

The amount of reducer needed is independent of energy efficiency efforts. Today, it is very close to the optimum in the Group's plants, i.e. very close to the amount of carbon theoretically required for the chemical reaction. It is therefore interesting to look separately at the change in the consumption of other energy sources.

▼ Amount of energy contained in reducers *(TWh)*



▼ Consumption of energy sources *(TWh) – excluding the energy content of reducers*



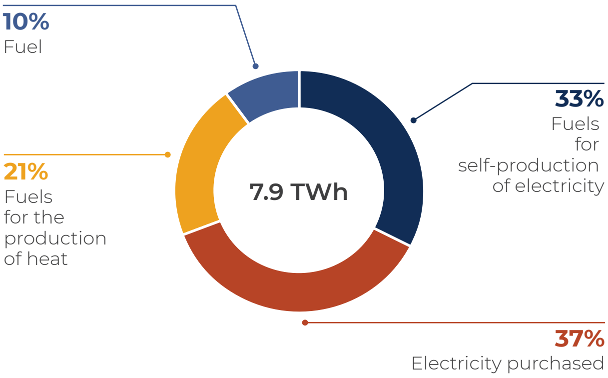
The Group's energy consumption in 2023 was 7.9 TWh, excluding energy contained in the reducers. The total energy content of the reducers consumed was 3.7 TWh.

(1) See box in section 5.2.3.2.3

Useful energy consumption decreased slightly compared to 2022 (down -7%), mainly driven by lower electricity consumption on electricity grids in the United States due to the shutdown for furnace maintenance, and especially in New Caledonia, which saw the return to full electric autonomy of the Doniambo plant thanks to the commissioning of the Temporary Offshore Power Plant ("Centrale Accostée Temporaire"). This substitution took place without increasing the fuel requirements for self-production of electricity: the Temporary Offshore Power Plant is much more efficient than the previous heavy fuel oil plant (different technology). This project is detailed in section 5.2.3.4.8.

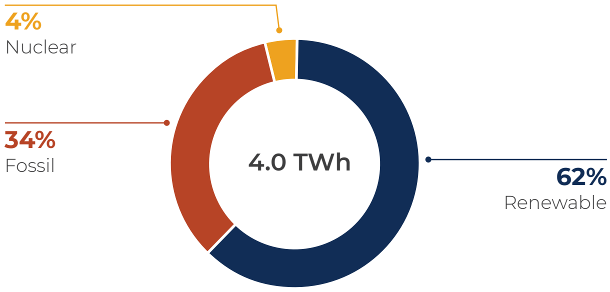
Eramet's useful energy consumption is essentially linked to the need for electricity.

▾ Details of the breakdown of energy consumption in 2023 – excluding reducers



Between electricity purchased on national grids and electricity produced by its own power plants, Eramet consumed nearly 4 TWh of electricity in 2023, of which 62% was from renewable sources and 66% was decarbonised.

▾ Details of the breakdown of electricity consumption in 2023



All energy sources combined[1], the Group's energy mix consists of 31% renewable energies.

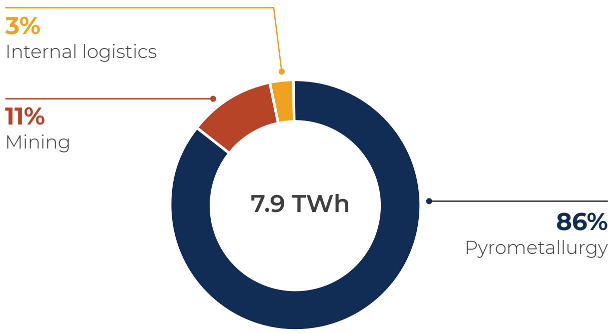
Energy consumptions such as CO_2 emissions linked to the Group's activities are broken down by activity category.

CATEGORIES OF GROUP'S ACTIVITIES

MINING	The energy used by the mining sector is mainly fuel for mining machinery and electricity for fixed installations. Consumption trends depend on the structure of the deposit, its topology, the activity (volumes of ore produced) and especially stripping and preparatory work volume ratios (total volume of ore handled).
PYROMETALLURGY	Industrial facilities convert, through reduction reactions, the metal oxides contained in the ores into metal alloys. These processes require an energy input to reach the temperatures of the reduction or smelting reactions (around 1,500°C), in the form of electrical energy. This consumption is directly dependent on the activity. Good process control also requires upstream monitoring of the water content of ores. Energy consumption for drying can vary significantly depending on climatic conditions.
INTERNAL LOGISTICS	It corresponds mainly to the Group internal rail transport between mines and ports, as well as vessel loading operations. For Eramet, it therefore comes under Scope 1 and is completely distinct from the import and export logistics activities traditionally included in Scope 3. Energy consumption is mainly linked to the diesel locomotives operated in our mining territories, and essentially depends on the activity.

(1) *Excluding energy contained in the reducers.*

▾ Breakdown of energy consumption by activity in 2023



Pyrometallurgy (including the related electricity generation) is the Group's activity with highest energy consumption, accounting for 86% of total energy consumption[(1)] in 2023.

5.2.3.4.3 Improving climate performance according to the CDP

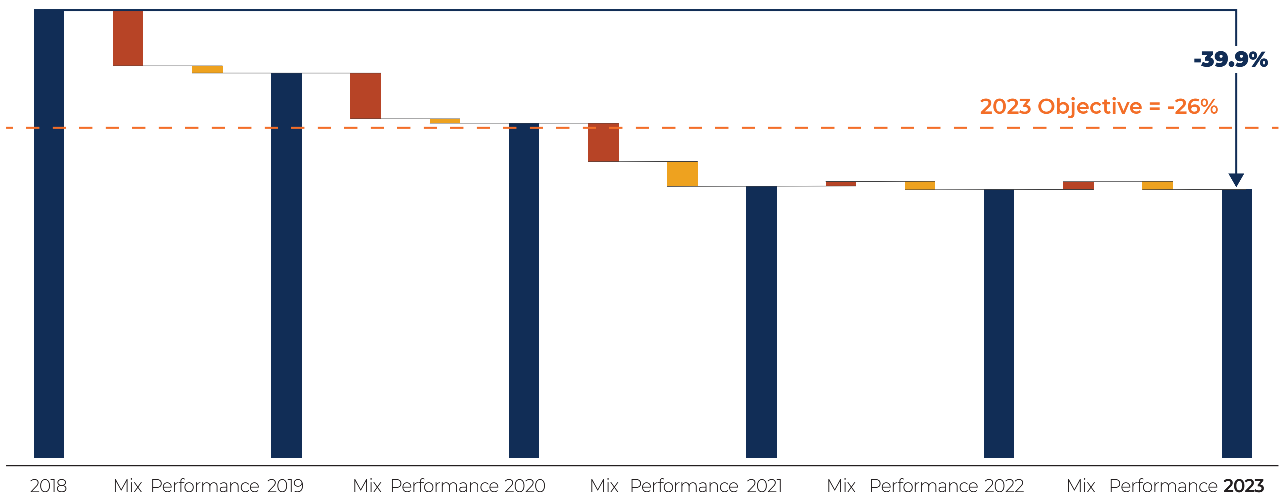
Each year, Eramet fills in the Climate Change questionnaire distributed by the Carbon Disclosure Project (CDP) which assesses the progress made by businesses in terms of transparency and environmental leadership. In 2023, Eramet obtained a B score, which keeps the Group well above the average for companies in the "smelting, refining and metal forming" sector in this ranking, which assesses the performance of over 20,000 companies from A to D-, using an integral, independent and transparent methodology.

The 2023 "Climate Change" questionnaire as filled out by Eramet is available on the Group's website.

5.2.3.4.4 Scopes 1 and 2 carbon intensity: performance far beyond the target

The Group's carbon intensity has dropped by 39.9% with respect to 2018. After steadily shrinking for three years, this indicator has stabilised since 2022, as the technological breakthroughs required in pyrometallurgy took longer to deliver visible results. Thus, the goal of reducing the Group's carbon intensity (down -26% by 2023 compared with the 2018 level) was by far exceeded at the time of the assessment. This improvement was achieved primarily through the development of mining activities, which inherently emit less CO_2 than pyrometallurgical activities, but also through the implementation of actions to keep emissions under control (accounting for about 8% overall).

▾ Variance analysis – Trend of specific emissions

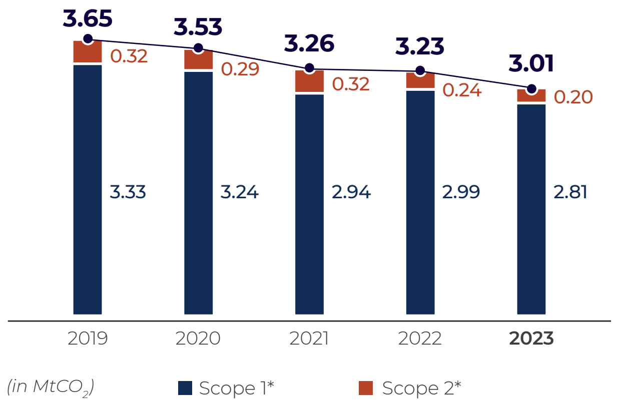


5.2.3.4.5 Scope 1 and 2 emissions: continued reduction in absolute CO_2 emissions

The Group's CO_2 emissions amounted to 3.01 $MtCO_2$ in 2023, compared to a 2019 figure recalculated at 3.65 $MtCO_2$ (excluding companies disposed of since 2019 as clarified in section 5.2.3.4.1 – Taking account of asset disposals). The activity of extraction metallurgy accounts for almost 90% of greenhouse gas emissions. Eramet calculates its greenhouse gas emissions in accordance with the rules set out in the *GHG protocol standards*. In particular, the Group's emissions are consolidated in accordance with the operational control approach defined in these standards. Accordingly, Eramet's Scopes 1 and 2 emissions consolidate 100% of the direct and indirect emissions of entities which Eramet controls. Scopes 1 and 2 emissions of Weda Bay Nickel (in which Eramet has a minority interest) are consolidated in the Group's Scope 3, in proportion to its equity share of Weda Bay Nickel.

(1) *Excluding energy contained in the reducers.*

▼ Group CO_2 emissions trend since 2019

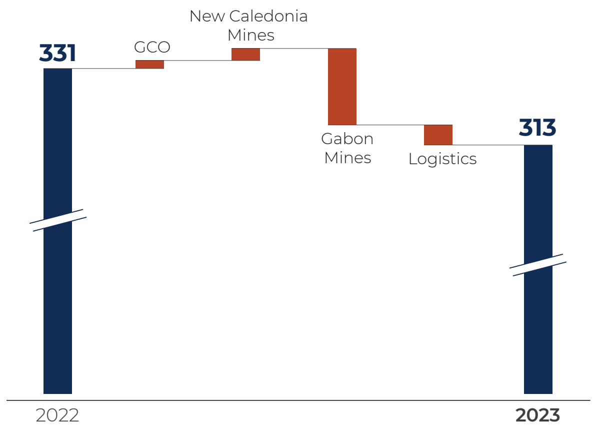


The Group's CO_2 emissions in 2023 decreased by 7% on 2023 (and by almost 18% on 2019), against the backdrop of a similar fall in overall production(down -13% in mining production and down -6% in pyrometallurgical production) compared to the previous year.

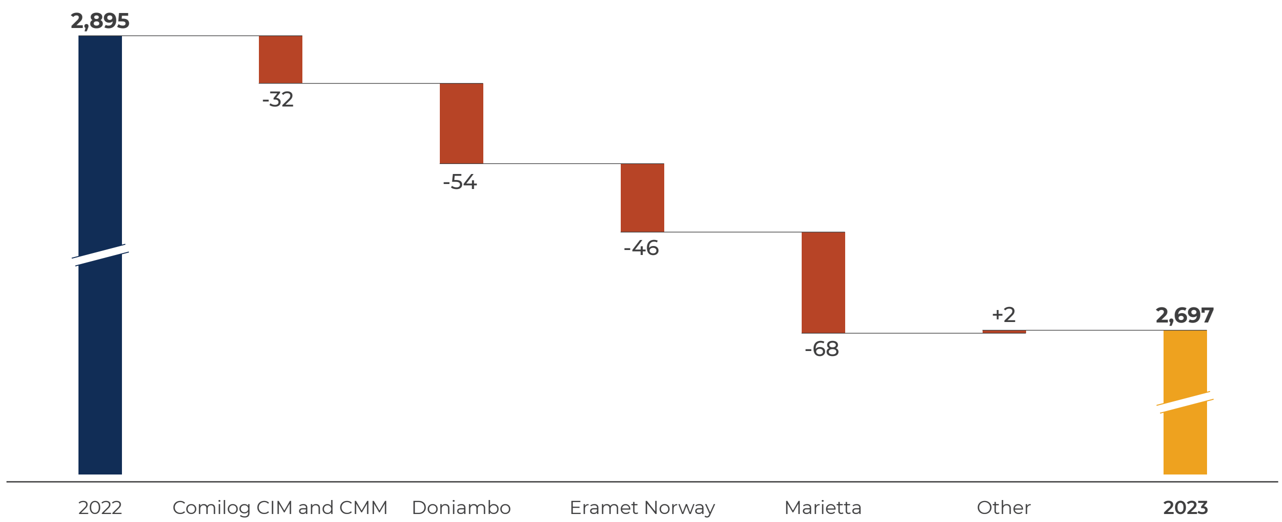
The performance improvement comes mainly from:

- the shutdown of furnaces for heavy maintenance in Marietta, USA and Dunkirk, France;
- the improvement in the energy performance of facilities in Norway in the last three quarters;
- the ramp-up of the Temporary Offshore Power Plant at the Doniambo site in New Caledonia, which led to an increase in electricity generation efficiency from 30% to 43% overall in 2023;
- the forced downsizing of activities at the Moanda industrial complex in Gabon, due to the temporary loss of the railway link following the landslide of December 2022;
- lower fuel consumption at Gabon's mining sites, also due to the adaptations required at the beginning of the year to manage the railway incident.

▼ Breakdown of emissions from the mining and logistics activity ($ktCO_2$)



▼ Breakdown of emissions from the pyrometallurgical activity ($ktCO_2$)



5.2.3.4.6 Scope 3 emissions: a value chain incited to engage

Scope

The Group has conducted an exhaustive estimate of its Scope 3 emissions, according to the 15 categories of the breakdown proposed by the Greenhouse Gas Protocol (GHG Protocol).

Methodology

The methodology implemented for emissions calculation is based on the use of data on raw materials and energy consumption, production and sales, derived from the Group's detailed quantitative monitoring. The use of physical flows is always preferred over the use of monetary flows to quantify the upstream and downstream footprints of Eramet's activity.

These data are associated with emission factors to convert these flows into greenhouse gas emissions: Scope 3. Emission factors are obtained from official databases such as those of the International Energy Agency, the American Environmental Protection Agency, ADEME, ECOINVENT and from reference studies (*Life Cycle Inventories of Metals,* for example).

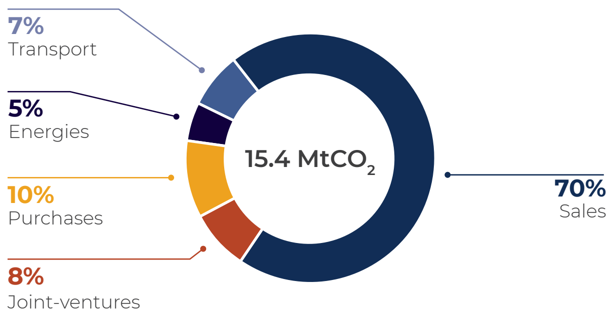
In 2022, Eramet inaugurated a Scope 3 calculation tool, developed in-house, which automatically retrieves incoming and outgoing flow values in the Group's various management tools. The calculation methods, emission factors and results were audited and validated by a third party in 2022. Eramet is actively working on the continuous improvement of the robustness of this tool, which offers the opportunity to better manage the control actions within this scope of the Group's emissions, through more reliable information that is available both more frequently and, above all, at a much more detailed level.

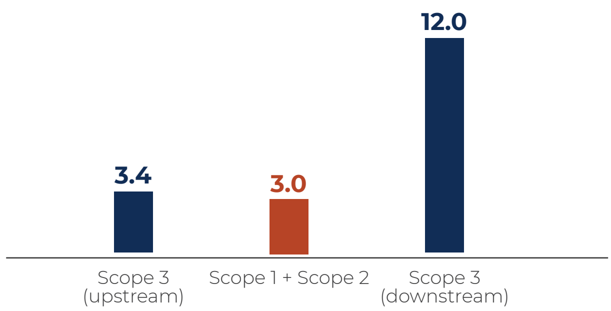
KEY FIGURES ON WEDA BAY NICKEL'S ACTIVITY AND ITS CO_2 FOOTPRINT

Fuel consumption	100,000 m^3
CO_2 emissions related to mining activity	266,000 tonnes
Electricity consumption (coal-fired plant)	1,250 GWh
Consumption of reducers	650,000 tonnes
The site's total CO_2 emissions, Scopes 1 and 2	3.0 $MtCO_2$

Direct emissions from joint ventures in which Eramet does not hold a controlling interest are recorded in Scope 3 (category 15) in proportion to the Group's percentage of shareholding. This is the case for Weda Bay Nickel's activity in Indonesia.

▾ Breakdown of scope 3 emissions and comparison with scopes 1 and 2 emissions ($MtCO_2$)





The Eramet Group's activities are located far upstream of its value chain: the Group's Scope 3 is logically much larger downstream than upstream of Eramet's activities. The Group's downstream Scope 3 (12.0 Mt of CO_2 in 2023) is mainly impacted by direct emissions from customers, specifically during the processing of manganese and nickel ore. Emissions from the upstream Scope 3 (3.4 Mt of CO_2 in 2023) are divided almost equally between purchases of goods and services, energy supply and transportation (1.1 Mt of CO_2 for transportation in 2023).

Encouraging the Group's customers and suppliers to set their own targets

At year-end 2023, 46% of the Group's suppliers and customers had made such a commitment.

Eramet is actively working to convince its partners to help it meet its commitments to hold its value chain accountable for reducing CO_2 emissions. The actions are targeted at its customers, since emissions generated from the processing of products are the largest item in the Group's Scope 3, and also at its suppliers and charter companies.

In 2023, Eramet included raising awareness of decarbonisation issues in its knowledge-sharing process with all its customers. Internal rules have been put in place for the systematic follow-up of communications from partners on their transition commitments.

In 2024, Eramet will continue its initiatives to educate all employees about issues surrounding climate change and step up discussions with its key partners with a view to developing a shared dynamic of reducing greenhouse gas emissions across the steel value chain.

5.2.3.4.7 Continuous improvement on a daily basis: ISO 50001 certification

Following the creation of the international standard ISO 50001 in 2011, Eramet Norway's three sites were the first to receive certification in 2012, followed by Comilog Dunkerque in 2016. In 2019, three other Group sites received certification: the Doniambo plant operated by SLN in New Caledonia, and two Comilog sites in Gabon: the Moanda Industrial Complex (CIM) and the Direction Ferroviaire et des Installations Portuaires (DFIP – Directorate for Railway and Port Facilities). In 2020, SLN's five mining sites obtained their certification, followed in 2021 by Eramet Marietta in the United States and GCO in Senegal. Finally, in 2022, the Moanda mine and the Moanda Metallurgy Complex (CMM) received their certification.

Thus, since 2022, all the Group's mining and metallurgy sites have been ISO 50001 certified.

Furthermore, Eramet participated in the ISO 50001 standard upgrade efforts with AFNOR experts and the Group is a member of the ENERGEST standardisation committee tasked with promoting and defining standards for energy efficiency practices.

5.2.3.4.8 Numerous projects on climate performance improvement

Eramet constantly strives to improve its energy and climate performance across all its operational sites as well as through the projects that are developed. Thus, in 2023, Eramet's actions that have most significantly contributed to the improvement of its current or future climate and energy performance were as follows:

- **development of carbon capture and sequestration (or use):** In September 2023, pre-feasibility studies for the site's CO_2 emissions capture and storage project were launched in Sauda, Norway, and works for the setting up of a pilot project started in October. At the Porsgrunn site in Norway, the Group initiated discussions with various partners to promote the reuse of CO_2 through third-party industrial applications;
- **use of bio-reducers:** In 2023, Eramet has established a Project Department specifically responsible for the development of bioreduction, reporting to the Group's Decarbonisation Department. Eramet is pursuing its collaborations with several suppliers in order to develop, on the necessary scale, bioreducer production capacities appropriate for the processes at its various production sites. In 2023, a forest waste beneficiation programme was initiated in Gabon for the manufacture of charcoal for metallurgical use;
- **commissioning of the Temporary Offshore Power Plant in Doniambo, New Caledonia:** A Temporary Offshore Power Plant solution, aimed at ensuring the continuity of electricity supply to the Doniambo site in the short term, connected at the end of 2022, is operating at full power since March 2023. This plant produces electricity by consuming heavy fuel oil, like the previous plant, but with combustion engines instead of steam turbines. This technology leads to significant gains in efficiency, with savings, in 2023, of almost 30% already for each kilowatt hour produced;
- **commissioning of the conveyor at the Okouma mine in Gabon:** At the Okouma mining site (Gabon), the ore is 200 metres above the shipping point, and is therefore transported by an electric conveyor that recovers the potential energy of the load as it descends. What's more, the conveyor is powered by the Poubara hydroelectric dam. This operation was previously carried out by conventional thermal lorries. The conveyor has been in operation since August 2023;
- **rehabilitation of the Dunkirk furnace in France:** The replacement of the furnace at the Dunkirk plant started at the end of 2023. The construction of the new furnace includes the *EPOX* technological innovation developed by Eramet to improve the operating conditions of electrodes. It is expected to be brought back into operation in phases starting spring 2024. Specific monitoring will be put in place to assess the impact of this new technology on energy performance;
- **rehabilitation of the Marietta furnace in the United States:** The replacement of a furnace at the Marietta plant was completed in 2023. Following the phased restart, full capacity was reached at the end of the year and confirmed the expectations about energy performance improvement. The assessment of the few months of activity at normal load will be done in early 2024;
- **conclusion of the purchase of electric lorries at Weda Bay in Indonesia:** the mining site was selected to conduct the first tests on electric lorries. The first 50 trucks were purchased in 2023;
- **plan to purchase renewable energy for the Marietta plant (United States):** in 2023, Eramet actively continued its investigations and discussions to identify opportunities for sourcing decarbonised electricity;
- **installation of a photovoltaic solar power plant on the Centenario (Argentina) site:** Eramet entered into negotiations for the signing of a purchase agreement for renewable energy from a solar park built and financed by the partner (*Power Purchase Agreement*). This facility of 15 MWp will also have a battery storage of 10 MW;
- **the installation of a photovoltaic solar power plant on the Grande Côte Opérations (Senegal) site:** Eramet is actively working on a project to build a 21 MWp solar power plant (coupled with an 11-MW electrochemical storage facility), which will reduce fuel oil consumption to serve the energy needs of the Grande Côte Opérations site;
- **the recovery of process gases for energy production:** The pilot unit of the *New Era ERU (Energy Recovery Unit) project* is in operation at the Sauda site (Norway). Following the successful results achieved, the construction phase has been planned to begin in 2024, with a gradual start-up, leading up to 2025. This project added a carbon monoxide combustion unit to enable the generation of both heat and electricity from gases produced by furnace activity. The heat generated is used to improve the efficiency of the process and therefore reduce the electrical power requirements in furnaces. The energy saving is twofold: less energy required for furnaces and more electrical power available.

5.2.4 Prevention of pollution

One of Eramet's primary responsibilities as a company is to ensure the preservation of a healthy environment for the communities living around its sites. The objective of this section is to target the main concerns, i.e. air quality, chemicals management and rehabilitation of closed sites. **Water quality is included in section 5.2.6 below Water and marine resources.**

5.2.4.1 Airborne emissions

5.2.4.1.1 Context and issues

Environmental protection and, in particular, the protection of air quality, is a major concern for Eramet. It has therefore made significant efforts to reduce the atmospheric emissions from its activities.

Taking the environment into account right from the design stage and in all structuring projects involving changes to facilities, coupled with the continuous improvement initiatives implemented, have reduced emissions over the years. Such emissions have not, however, been completed eliminated.

The processes used by Eramet, in particular pyrometallurgical activities and power plants, cause airborne emissions:

- in pyrometallurgy, channelled dust and metal emissions can be generated at several stages of the process: materials handling, pre-drying, pre-reduction and melting, grinding operations and handling of by-products and finished products;
- energy production, which is necessary when the site does not have access to energy from the grid, causes gas emissions, including sulphur oxides (SO_x) and nitrogen oxides (NO_x) and, to a lesser extent, dust emissions.

The vast majority of these activities are located near communities that often have developed around the sites over time.

Eramet continues to reduce its airborne emissions in line with its commitment to integrating the concerns of neighbouring communities.

5.2.4.1.2 Policy and action plan

Eramet includes reducing emissions in its environmental policy commitments and, in its CSR roadmap, specifies a quantified target for reducing channelled dust emissions.

At the end of 2023, Eramet reviewed its environmental policy and now sets out its commitment as regards the air sector as follows:

"Reduce the environmental impact of its activities, in particular through the:

- *reduction of its atmospheric emissions, by focusing on the sources that have the highest impact, with the objective of integrating the concerns of neighbouring communities".*

In 2023, an internal reference framework (called "AIR Standard") was established to allow self-assessment of sites against identified best practices and promote their deployment.

Objectives 2024-2026 The new Group Roadmap will associate targets with this new challenge of integrating local stakeholders by monitoring major diffuse emissions and monitoring relevant indicators of ambient air quality.

5.2.4.1.3 Results and KPIs

The largest contributors to the Group's airborne emissions are the pyrometallurgical activities and the energy production plants operated by Eramet. CO_2 emissions are discussed in section 5.2.6.

Atmospheric emissions may vary depending on the nature of raw materials and ore used, the transfer and loading technologies in place, pollution clean-up equipment available and especially the sites' activity level.

To control dust and metal emissions, atmospheric effluent treatment systems are generally implemented at the sites. These techniques are suitable for process discharges. They include electrostatic precipitators, baghouse dust collectors, scrubbers and washing towers. Specific treatment systems for certain pollutants and processes can also be used, such as activated carbon filters or demisters. The different items of equipment are installed according to the characteristics of the effluent and the industrial processes, the target purification performances and regulatory requirements.

The control of emissions of gases, sulphur oxides (SO_x) and nitrogen oxides (NO_x), especially related to energy production, depends on the choice of combustion process and the possibility of integrating pollution clean-up equipment.

Airborne emissions figures are presented in the table below:

Airborne emissions *(in tonnes)*	2021	2022	2023
Sulphur oxides (SOx)	9,702.6	10,216.5	11,417.7
Nitrogen oxide (NOx)	6,552.9	6,740	6,124.9
Total dust channelled	914.4	790.1	583.6
Nickel	6.1	7.1	11.4
Manganese	90.8	73.6	53.3

The year 2023 saw a reduction in manganese alloy production with the rehabilitation of two furnaces (in Marietta, Ohio, USA and in Dunkirk, France). In New Caledonia, 2023 marked the first year of full operation of the Temporary Offshore Power Plant (CAT), which led to a 30% increase in SLN's energy production compared to 2022. In Gabon, the severing of rail links in January brought the metallurgical processing sites of Moanda to a halt for one month. The decline in production had a direct impact on atmospheric emissions. The dynamics of progress at the sites and the investment in new pollution clean-up technologies also impact the results, which, overall, declined in 2023.

A very sharp fall in dust emissions (down -26% compared to 2022) and in manganese emissions (down -27.5%)

The significant reduction in dust emissions is linked to the changes in production mentioned above and to the new technology of the offshore power plant. These results offset the slight deterioration registered at the Doniambo plant. For Manganese alloys, this reduction goes hand in hand with a reduction in Manganese emissions.

NOx emissions are declining despite a sharp increase in energy production in New Caledonia

Nitrogen oxide (NOx) emissions are largely due to energy production by SLN and GCO. In 2023, they decreased by 10% despite the sharp increase of +30% in the CAT's energy production. The higher efficiency of the CAT's technology, coupled with denitrification units, have led to this good result.

Deterioration in emissions of sulphur (SOx) and nickel oxides

Sulphur oxide (SOx) emissions also improve due to the higher efficiency of the CAT's technology, but deteriorate due to the sharp increase in fuel at the plant.

As a matter of fact, the shut-down of the pulverised coal-fired unit forced the plant to shift the burners back to fuel consumption, which impacts emissions. The increased use of this fuel also worsen nickel emissions, which is also due to the deterioration of dust emissions at the Doniambo plant.

RSE 2023

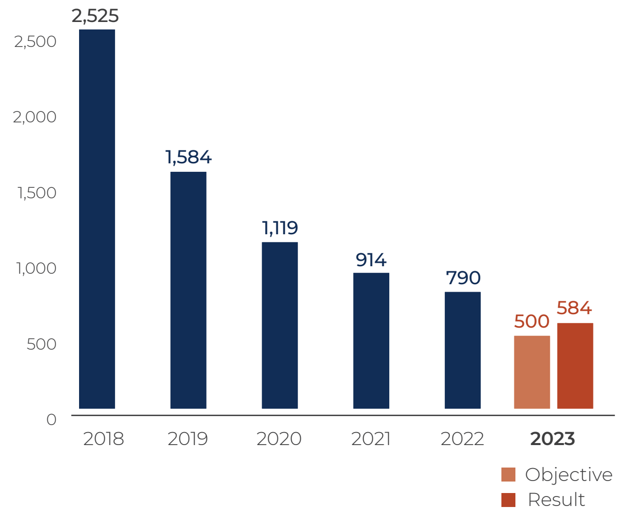
In the context of the CSR roadmap 2018-2023, Eramet committed to a performance indicator that monitors channelled dust discharges from the sites.

At the end of 2023, the result shows a 77% reduction for a target of 80%. Despite the delay in commissioning filtration equipment in Gabon (commissioning is expected in 2025), the initial target has almost been achieved.

This significant improvement is due to production levels and to the new power generation technology at SLN (with the offshore power plant).

It is also the result of various continuous improvement works carried out by the sites.

▼ Channelled dust emissions *(in tonnes/year)*



5.2.4.2 Chemical products

Challenges and risks

Eramet is one of the world's leading ore and metal producers, and most notably for alloys and the chemical industry. These metallic products fall under the regulations on chemicals for health and environmental protection, modelled on the REACH regulation in Europe.

Eramet uses chemicals as "commodities" (acids, bases, salts etc.) in the various processes employed in its mining and metals activities. It is also necessary to manage the numerous products used at the laboratory level, as well as in maintenance of installations and for other specific purposes such as water treatment or the capture of vapours and aerial particles.

The Group thus pays particular attention to the management of the chemical substances and mixtures it uses or produces in order to substitute as far as possible the most dangerous substances and to ensure a high level of risk management, protection of human health and the environment.

The principles that guide the Group's action in this regard are as follows:

- characterise and be familiar with the products used;
- translate regulatory or normative constraints on the monitoring of occupational exposures and chemical risk assessment into a global approach for continuous improvement;
- know the impacts of the transformation of our products during the course of their life cycle.

Developing an in-house life cycle assessment (LCA) approach

In advance of the regulation, product stewardship expertise ensures there is a head start to the Group's work in relation to regulations currently being drawn up, such as the Taxonomy applicable to mining and metal refinement. Once regulations are enacted, the Group answers the questions of its customers and other stakeholders, who may ask them about hazardousness, the risk management linked to the use of the products, or their life cycle assessment – in particular, their carbon emissions or the water consumption linked to their production.

In 2023, with the acceleration of the development of the Group's projects, notably in energy transition metals, product risk and LCA have been integrated from the very design phase. Energy transition metals, such as lithium, nickel or cobalt salts, are the subject of discussions and regulatory processes on the classification of hazardous substances or Taxonomy. The Group follows and contributes to discussions through the professional organisations of which it is a member, such as Eurométaux, the Nickel Institute and A3M (Alliance des Minerais, Minéraux et Métaux). This proactivity in the European regulatory process allows it to anticipate future regulations and to adapt future processes to future requirements.

Product liability means performing life cycle analysis (LCA) and knowing the impacts of products on greenhouse gas emissions, water, acidification and waste production. In this rapidly evolving field of LCA expertise, Eramet has chosen to collaborate with partners recognised for their expertise, whether in the industrial sector (Nickel Institute, International Manganese Institute), in the academic sector (University of Bordeaux) or in the field of consultancy firms (CRU, SPHERA, DNV).

The year 2023 was marked by an increase in LCA-related questions from customers. In response to this, we have taken steps to bring the LCAs for our products in house. A POC (Proof of Concept) was established in collaboration with the start-up Holis to demonstrate that LCAs could be carried out in-house, by improving the sharing of data and information within the Group. The ease of access to the calculation model means that data can be shared, as well as information on how processes work, by directly involving the teams in charge of industrial processes. The LCA of the lithium produced at Centenario (Phase 1) has been brought in house, which will allow the LCA to be updated as soon as the project enters the production phase in 2024.

This dynamic LCA process is accompanied by an increase in the scope of application. Upstream scope 3, which includes CO_2 emissions due to reagent production, transport and waste management, has been added in our new LCAs to the traditional scopes 1 and 2, which concern direct emissions and emissions due to energy production. Eramet's LCAs are now applied on a cradle-to-gate basis.

In tandem with this process of bringing LCAs in house, which should be finalised in 2024, LCAs for existing processes have continued to be updated in collaboration with the expert consultant SPHERA.

For the manganese activity, the work completed in December 2023 allowed an LCA to be produced for each of the Group's products and sites. The results of these studies will be communicated after verification by a third-party expert in early 2024. For the first time, the results will be expressed on a cradle-to-gate basis.

An identical approach has been taken to update the LCA of ferro-nickel produced by SLN in New Caledonia. The initial results were submitted by SPHERA at the end of 2023 and will be finalised in 2024.

Maintaining a uniform chemical risk management approach

Eramet Group production sites follow and respect various regulations concerning hygiene and controls of chemical exposures in the workplace. In this area of regulation, there may be significant differences from country to country for the same substance. The centralisation of chemical risk expertise functions makes it possible to communicate uniform information to the sites. The Group's document repository includes:

- a Group procedure for chemical risk prevention;
- a methodological guide for measuring exposure;
- 11[(1)] standard toxicological data sheets for the main substances or chemicals used in the Group;
- a common chemical risk assessment method that allows each site to develop an improvement action plan, which can then be consolidated at Group level, to define common priorities.

This Group chemical risk prevention standard includes an audit repository for measuring the application of best practices according to seven pillars: Identification of risks, performance monitoring, organisation and training, operating control, replacement and management of modifications, special control of the most hazardous substances, leadership and looping.

Chemical risk management and the reduction of CO_2 emissions were complementary activities in 2023. The Group has registered a new product (Biochar) under REACH to reduce its CO_2 emissions in the coming years.

Transfer and maintain best chemical risk management practices in discontinued operations.

2023 was another year of transition and handing over, so that the records and documents managed at Group level could be transferred to Aubert & Duval and Erasteel. Two new REACH files had to be registered for Aubert & Duval and all Safety Data Sheets were updated before the transfer.

This Group chemical risk prevention standard includes an audit repository for measuring the application of best practices according to seven pillars: Identification of risks, performance monitoring, organisation and training, operating control, replacement and management of modifications, special control of the most hazardous substances, leadership and looping.

Since 2021, the key points of this Group procedure have been monitored by the internal control team.

Transfer and maintain good chemical risk management practices in discontinued operations.

2022 was a year of transition and passing of the baton, so the product expertise available at Group level could be transferred to the High-Performance Alloys Division and the teams of sites where operations are in the process of being discontinued, or have been discontinued. The aim of this skills transfer phase was to maintain an equivalent level of employee health protection by a consolidated organisation in the High-Performance Alloys Division. Several days of information exchange were conducted with the teams operating on the Aubert & Duval sites and the new Product Manager of the Division. These days saw the transfer of skills in monitoring exposure levels, and updating of REACH files. A similar process of providing guidance was conducted in the first quarter of 2022 with Sibanye-Stillwater and the teams on the Sandouville site, where six REACH files and the management of the MSDS were transferred.

5.2.4.3 Rehabilitation of closed industrial sites

The Group exercises the utmost vigilance against potential impacts on soils and subsoils resulting from its past, current or future activities, both in the area of its industrial and mining activities.

For several years now, Eramet has developed a "soil" expertise division to manage the environmental aspect of discontinued activities and legacy issues. This expertise concerns the investigation, monitoring and management of potentially impacted soils. It operates through various projects, such as the rehabilitation of industrial land, the end of life of landfills, or former mines. This expertise is also consulted to improve the prevention of soil pollution on active sites, as well as upstream of acquisitions and disposals. Lastly, this cluster is taking action to strengthen knowledge of the state of the soils and subsoils of the various sites at which the Group operates.

None of the mines currently operated by Group companies use any hazardous substances for extraction activities or for ore concentration. Similarly, the deposits mined do not contain polluting or hazardous substances (except sometimes in trace amounts). The risks of soil pollution are therefore limited at the Group's mining sites.

(1) There were 12 standard toxicological data sheets in 2023. The sale of Aubert & Duval involved the transfer of three of these sheets and the creation of two new sheets for our mining projects.

5.2.5 Mining tailings and waste-rock management

The responsible management of mining tailings and waste-rock is a major challenge for the mining industry. Fully aware of its responsibility, Eramet has long implemented storage processes with the ultimate objective of not causing any harm to people and the environment.

In the sections below, the following definitions are used:

- **mining waste** is mineral waste mixed with water resulting from ore processing;
- **waste-rock** is solid mineral waste resulting mainly from the removal of tailings (stripping, unsuitable for dry sorting).

5.2.5.1 Mining waste

Firstly, through its Environmental policy, Eramet has undertaken not to discharge mining waste into the sea ("deep-sea tailings placement"). This method is neither used at the Group's sites nor considered during development projects.

Comilog (Gabon) is the only one of Eramet's three mining subsidiaries to use dams to store its mining tailings. SLN's mining operations in New Caledonia and GCO's in Senegal do not involve these types of structures.

In Gabon, mining waste consists of clay fractions of the ore, obtained by a physical separation process using water washing, without the addition of chemical products. Leaching tests showed that these are inert waste.

These tailings are stored in ponds consisting of closed dams with an average height of 16 metres and a unit volume between 1 and 1.5 million m^3. These structures are not raised and a new structure is built every year.

In Gabon, the CIM enrichment plant also has a dam used to stock two types of non-hazardous waste associated with the plant: sand (particle size matter between 1 and 20 mm) and finer ore fractions (< 1 mm) in the form of sludge. The coarse fractions are used to continuously consolidate its external walls (downstream method). The dam and the consolidation, measuring a combined total of 100 metres in width and 30 metres in height, contains 3.6 million m^3 of sludge.

In the United States, the Marietta plant (EMI) has been operating a dam of a current height of 30 metres since the 1970s. Due to the improvement in the area's industrial activity, the dam is now only used for the storage of sludge (residues from the wet treatment of gases from EMI's furnace 12) and of industrial water from Energizer. In addition to several external third-party audits in recent years, Eramet has launched a study on the feasibility of closing the dam, the findings of which are expected in the first half of 2024. This is currently being carried out under the close supervision of the local authorities, who have acknowledged that Eramet has managed the facility very well.

All these structures are continuously monitored and operated in accordance with specific procedures. In 2020, the Group instituted a new formal procedure dedicated to the "Management of tailings storage facilities". This procedure is based on the fundamentals of the requirements of the "Global Industry Standard on Tailings Management" published in collaboration by the United Nations Environment Programme (UNEP) and by the International Council on Mining and Metals (ICMM) in 2020. Beyond the governance requirements of this standard, the procedure also defines a certain number of design criteria derived from the ICOLD/ANCOLD guidelines. The purpose of the procedure is to create, for all operations, uniform risks analysis and associated baseline design criteria. More restrictive regional regulatory specifications are of course prioritised over this procedure.

It is important to remember that mining waste is inert, that the size of these storage facilities is limited compared to facilities in other parts of the world, and also that Eramet does not use the controversial upstream method to raise the structures. None of these facilities falls under the "extreme" or "very high" risk categories defined by the Global Industry Standard on Tailings Management. In spite of these favourable intrinsic characteristics, Eramet is committed to operating these facilities in accordance with best practices to guarantee the safety of its employees and neighbouring communities.

Eramet actions are fully in line with global initiatives aimed at strengthening the mining industry's management of the safety of tailings facilities. Eramet supports the Global Industry Standard on Tailings Management (GISTM) and participates in the initiative launched by The Church of England Pension Board aimed at improving reporting transparency on this sensitive subject. Eramet's statement on the issue is available on its website: https://www.eramet.com/en/commitments/environment/.

Lastly, **Eramet has undertaken to develop the dry-stacking method for its mining waste.** This breakthrough innovation for the environment presents multiple benefits: dry-stacking presents much less risk of instability, and in addition, it enables better water recycling in the process. This method will be used for 50% of flows for washing facilities associated with the extension of the Comilog mine in Gabon. This is also the preferred option in studies relating to development projects for battery-grade nickel in Indonesia.

5.2.5.2 Waste-rock

Given the high volume of waste-rock handled at SLN sites (New Caledonia), their storage in appropriate structures and their revegetation represents a key environmental priority in order to limit erosion and impacts on the ecosystem and landscape as much as possible.

Thanks to its experience, SLN (in New Caledonia) has developed effective techniques that have been validated by the authorities, one of which is to create **tailings stockpiles.** The works are carried out according to professional standards and their stability is guaranteed in the long term, even during exceptionally heavy rains. These tailings stockpiles are subject to continuous geotechnical monitoring and regular audits by an external third party. As with water management techniques, SLN has published a technical guide, which explains the construction methods and design rules applying to tailings stockpiles. This guide applies to all SLN mining sites operated directly or by outsourcing. Moreover, in order to minimise land clearing and promote site rehabilitation, SLN prioritises the creation of flat-top piles in old mining pits, when the geotechnical conditions are favourable.

Although the "Management of tailings storage facilities" procedure primarily concerns Comilog's ponds in Gabon, SLN has undertaken to implement it in 2021 in order to further secure its emplacement sites and to match international best practices.

In Gabon, the problem is less sensitive since, on the one hand, the volumes of tailings being handled are much less, and on the other hand because the technique of exploiting by the successive opening/closing of "compartments" allows the majority of tailings to be placed directly into the "compartments" after extraction.

The Senegal mine is not at all affected by this problem, since the sand dune is reconstituted continuously as operations proceed, after passing the dredge and extracting the recoverable portion.

5.2.6 Water and marine resources

5.2.6.1 Background

The preservation of water resources and their accessibility to all are major challenges for our societies in a context made worse by climate change, which affects all regions of the world. This concern is also reflected in stricter regulations. This is an important issue for our internal and external stakeholders.

For Eramet, water represents both a requirement for its operations and a constraint to be managed for the purposes of its mining operations.

Eramet uses water to carry out its activities, in its ore beneficiation processes and for the safety of facilities. The main uses relate to:

- cooling: seawater meets a significant part of the requirements (e.g. thermal power plant in New Caledonia; melting furnaces in Norway);
- ore transportation, in some cases in the form of pulp;
- wet ore processing, primarily for ore washing;
- gas scrubbing;
- slag granulation;
- dust abatement primarily on traffic lanes.

Whenever technically feasible, the sites encourage the internal recycling of water.

The Group implements projects aiming to reduce dependence on good quality freshwater and increase the use of recycled and brackish water.

Water dependence will remain the same in the future

Lastly, good quality fresh water is essential to ensure adequate hygiene conditions for the Group's employees (especially in remote mining areas).

The Eramet Group is aware of the strong global pressure on available water resources in a context of climate change.

5.2.6.2 Impacts, risks and opportunities

5.2.6.2.1 Management of impacts on water resources

The potential impacts of the Group's activities on water resources are of three types:

- hydraulic and hydrological disruptions mainly due to its mining operations;
- quantity of water abstracted for the needs of the processes;
- quality of water due to the quality of the discharges (SS[1], metals, pH, conductivity, temperature) or due to accidental leaks.

These direct impacts are likely to generate indirect impacts on erosion, biodiversity and communities.

In Senegal, water consumption is a sensitive issue as the operation of the mine uses two aquifers, one of which is shallow and very important to local inhabitants (domestic consumption and irrigation) and the other (deep) is the largest underground water reserve for drinking water supply in the region. Given this situation, every precaution is taken by the teams to ensure that the impact of the mine is controlled and minimised. The site has a dedicated team of expert hydrogeologists. In this respect, a doctoral thesis entitled "Update of the knowledge of the Northern Coast aquifer and evaluation of the potential impacts of the mineral sand mining by Grande Côte Operations: Hydrochemical, isotopic and hydrodynamic approach by modelling – Senegal" (Actualisation des connaissances sur la nappe du Littoral Nord et évaluation des impacts potentiels de l'exploitation des sables minéralisés par

(1) SS: Suspended solids.

Grande Côte Operations: approche hydrochimique, isotopique et hydrodynamique par modèle – Senegal) was successfully defended at the Dakar Cheikh Anta Diop University (Senegal). In the context of the State/GCO partnership, the water ministry departments, in addition to their sovereign missions of monthly controls, contribute to the continuous improvement of underground water resources management process. As such GCO also pays the drainage tax levied on pumping water from the deep water table. GCO also took part in the ninth World Water Forum in Dakar in March 2022.

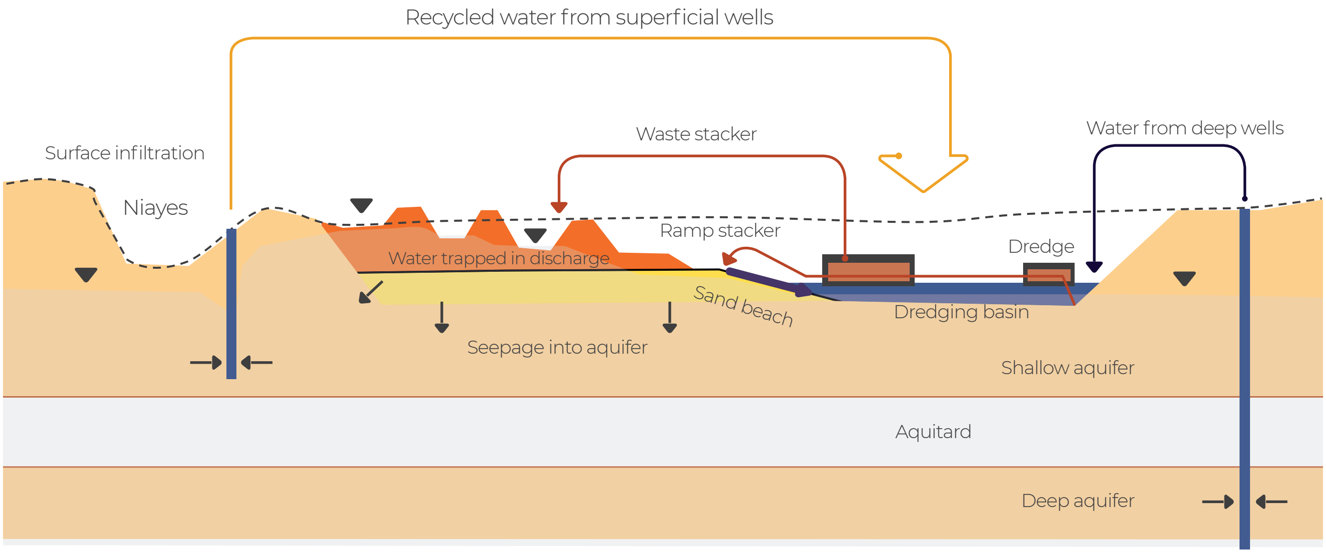
The water management system was designed by Eramet's subsidiary and authorised by the competent department of the Senegalese Government to avoid additional pressure on the superficial water table used to supply water to local residents' agricultural crops. All mining installations are controlled to ensure minimal variations in the level of this water table. This aquifer is subject to twice-daily monitoring. More than 80% of the mine's net water consumption is used to ensure a constant water level in the basin in which the dredge and the facilities float. For this, the mine uses a deeper aquifer, for which limits on pumping rates have been set by the authorities and respected by the site since the start of production. The water from this water table is recycled as much as possible (recycle rate of around 45%) through a recycling well system. In addition, this aquifer is also subject to continuous monitoring. To this end, three 500 m deep piezometers are used to control the deep (Maastrichtian) aquifer.

At mining sites in New Caledonia, and to a lesser extent in Gabon, the major issue of water management is to prevent the entry of suspended solids into the receiving environment through run-off caused by erosion due to surface stripping.

To avoid this, SLN (New Caledonia) has long since equipped its sites with sedimentation ponds that trap suspended solids in order to prevent their transport into the natural environment. Upstream of these works, many precautions are taken to minimise erosion, including roofing of sites to prevent water entry, minimisation of unsheltered areas, conservation of natural embankments at the edges of stripping sites, the organisation of run-offs to reduce speed and the implementation of hydraulic locks etc. These measures are documented for each mining site in a water management plan conforming to the requirements of New Caledonian law. The implementation of these plans as mining progressively evolves represents an ongoing commitment and considerable investment. Ever looking for ways to improve, SLN now uses drones to monitor the proper functioning of water management equipment, particularly after heavy rainfall.

The special expertise of SLN on the topic of erosion prevention is compiled in a revised technical guide (the «Blue Guide»), which serves as an industry reference in New Caledonia and beyond for the Group.

In Gabon, the subject of erosion is less significant given the topography of the plateau deposit and the draining characteristics of the upper geological layers of the plateau. Whilst this holds true on the Okouma plateau, where the mine has only recently been opened, the situation has evolved on the Bangombé plateau, where 90% of ore has now been extracted from the hillside, leaving a significant incline. To address these new constraints, the water management plan has been adapted to integrate specific constructive measures (channelling of water along the embankments, guiding of water into sedimentation tanks, adjustment of the slope of the embankments to suit the geology of the terrain), which are implemented in parallel to ore extraction activities. Now available to view using a GIS(1) interface, the results of the specific environmental monitoring of surface water confirm the effectiveness of the measures taken and makes it possible to verify that the very limited and localised phenomenon of acid mine drainage does not have a significant impact on the natural environment.



(1) *GIS: Geographic information system.*

The mine's operating system and the estimation of reserves are based on good management of water level forecasts in the dredging basin. Hydro-geological modelling thus plays an important role in planning, calling for a robust and reliable hydraulic database. In 2021 the Mining Technical Services Department, through its hydraulic service and with the support of the Group's Digital Transformation Department, started designing a hydraulic database management system to meet the important and complex data needs of hydro-geological, hydraulic and mine planning modelling tools.

Shallow and deep aquifers are monitored internally and continuously by the Environment Department and the Water Management Department of GCO (Senegal), respectively. In addition to this, "water police" monitoring missions are carried out by the DGPRE (Ministry of Water and Sanitation). Monthly reports on this matter are sent to the relevant authorities. Since the start of the operations, monitoring continues to demonstrate the effectiveness of the measures taken and the absence of damaging consequences on water resources.

5.2.6.2.2 Risks and opportunities

Issue	Risks	Opportunities
Operational	Restriction on uses Operations halted in case of poor water management	Better operational efficiency with efficient water management Less dependency on the resource
Regulatory	Water abstraction restrictions Stricter discharge standards	Structuring of monitoring and reporting Increased transparency
Reputational and competitive	Controversy and image	Competitive advantage for products with a reduced water footprint
Societal	Community concerns and complaints	Support for access to water for local populations Developments integrated into the local ecosystem: hot water supply for heating networks, roads, fish ponds

5.2.6.2.3 Analysis of the risk of water stress

In 2023, Eramet updated its water stress risk analysis for all of its sites using the Aqueduct 4.0 Water Risk Atlas. This tool, provided by the *World Resources Institute (WRI)*, **maps and analyses** current and future **water-related** risks, **taking into account** the location of activities. The Water Risk Atlas, which was updated in 2023, uses a global hydrological model called PCR-GLOBWB 2[(1)] to manage new data sets on the supply and use of sub-basin water. Water Stress is defined as the **ratio between total water abstracted and available renewable surface water and underground water resources.**

The analysis factors in the current situation and projected trends to 2030 and **2050 under the three CMIP6**[(2)] socio-economic and climate scenarios (business-as-usual SSP 3 RCP 7.0, optimistic SSP 1 RCP 2.6 and worst case SSP 5 RCP 8.5):

- results: all of the Group's sites have a low risk, except for: The **Eramet Ideas** research and innovation site and the **Comilog Dunkerque** plant in France, which currently present a **low to medium risk** of water stress. The situation shifts towards a **medium to high** risk for the optimistic and worst case scenarios by 2050;
- since 2023, the GCO site in Senegal presents a **high risk of water stress**, which corresponds to the use of **40 to 80%** of the water available in the entire catchment area. This risk increases from 2030, with an **extremely high level of risk** (use of **> 80%** of the water available in the entire catchment area) for the optimistic scenario from 2030 and from 2050 for the other scenarios. Water footprint reduction measures are actively implemented at this site, with a recycling target of 60% by the end of 2026.

5.2.6.3 Policy and Action plan

Eramet's environmental policy embodies its commitment to reducing the impact of its activities on water resources and aquatic environments by working on several aspects:

- continuous improvement in the monitoring of the water footprint of its activities (abstractions, uses, discharges);
- optimisation of process water consumption and increased recycling;
- continuous improvement of rainwater management and wastewater treatment methods.

These objectives are developed in the *Key Standard* environment whose application is mandatory for all sites.

(1) PCR-GLOBWB 2 is a global hydrology and water resources model developed at the University of Utrecht. It covers all continents except Greenland and Antarctica.
(2) CMIP6: Coupled Model Intercomparison Project Phase 6.

In concrete terms, the Group implements projects aiming to reduce dependence on good quality freshwater and increase the use of recycled and brackish water.

In 2023, Eramet also launched an international innovation competition on water resources in collaboration with EIT[1] RawMaterials, Europe's leading authority on raw materials. This innovation competition aims to accelerate change within the mining and metallurgical industry in order to reduce its water abstraction, limit its impact on aquatic environments and develop its resilience to extreme weather events, while ensuring access to valuable resources.

In order to reinforce its action plan, the Group launched several projects in 2023 aimed at:

- mapping all abstraction and discharge points;
- complementing knowledge and monitoring by completely revamping the reporting system to align with industry best practices;
- setting ambitious targets as part of Eramet's new CSR Roadmap.

Action plan 2023-2026

The new Roadmap calls for the roll-out of this action plan across all sites.

By the end of 2026, 100% of sites must have:

- a **water management plan** including reduction targets;
- a system **monitoring volumes discharged and the quality of discharges.**

The action plans will depend on the work underway to map abstraction and discharge points, understand uses (complete water assessment) and identify relevant issues related to water.

The sites will benefit from two future Eramet standards dedicated to water and rehabilitation and from the best practice guides already available.

Recycling targets have already been set for the GCO site and the Lithium production site in Argentina (production start-up in 2024): 60% and 80% respectively.

5.2.6.4 Metrics & Indicators

Indicators	Explanations
Water abstractions – volumes by source	Active sites report their abstractions by source *via* the WeSustain internal portal, which allows consolidation at company level. The reporting was done on a half-yearly basis in 2023 and will be done monthly as from 2024. Water abstractions are monitored primarily by flow meters when there is a direct water intake, and by third party flow meters (with related invoice) when the water intake is managed by a third party (e.g. municipal supplier). In other cases, they are calculated or estimated. The Group's water consumption is concentrated in five countries.
Quality of abstracted water	Since 2023, water abstracted are classified into two distinct categories based on their quality defined in accordance with the ICMM's standards.
Water discharges – volumes by destination	Discharge points are identified for all the Group's sites. Since 2023, all active sites have reported the discharge volumes on a half-yearly basis. From 2024, reporting will be done on a monthly basis.
Quality of discharged water	Since 2023, water discharged are classified into two distinct categories based on their defined quality in accordance with the ICMM's standards.
Quality of discharged water – emissions into water	The quality of discharged water depends on the sites' environmental permits. The Eramet Group ensures compliance with the permit and with the regulatory framework. The frequency and parameters depend on each site. Currently, reporting from the sites are consolidated at Group level: nickel and compounds, total hydrocarbons, suspended solids (SS) and chemical oxygen demand (COD). In 2024, Eramet plans to improve the list of parameters on the basis of priority substances of concern identified with regard to its activities and in accordance with Annex II of Regulation (EC) No. 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register, the "E-PRTR Regulation"). Nitrates, phosphates or pesticides are not and will not be collected, as they are not linked to Eramet's activities.
Water consumption – total volume	Quantity of water abstracted and not discharged into the aquatic environment or transferred to a third party.
Recycled/reused water	Recycling or reuse is the recirculation of previously used water, with or without prior treatment and storage. Recirculation has a two-fold objective: it saves resources upstream and also reduces the volume of discharges. Whenever technically possible, the sites give priority to the internal recirculation of water. This is the case, for example, for mining facilities in Senegal (recycling rate of more than 41% in 2023) or for the treatment of gases from melting furnaces in New Caledonia (recycling rate of 96% of fresh water in 2023). The recycling rate is the ratio of the volume of water recirculated to the volume of water required for operations.
Volume of water required for operations	This volume is the sum of water abstracted, plus water withdrawn from storage to be used before discharge, plus water recycled/reused in operations. This is the total water necessary for site operations.
Other managed waters	These other waters are actively managed (for example, physically pumped or actively treated or abstracted for supply to local communities) but are not part of the sites' operations.

(1) *EIT: European Institute of Innovation.*

5.2.6.5 2023 results

5.2.6.5.1 Quantitative aspects

As detailed above, the reporting was significantly refined in 2023. The main changes concern the monitoring of discharged volumes and the calculation of consumption.

In line with international standards and best practices in the mining and metals sector, Eramet now calculates its consumption by subtracting discharged water from abstracted water. It amounts to 10.6 Mm^3 for all Eramet operations. Previously, they were estimated on the basis of a sample of water abstractions, excluding brackish water and cooling water from melting furnaces that are not in contact with products that could alter its quality. Over an equivalent scope, consumption was estimated in 2022 at 31.7 Mm^3.

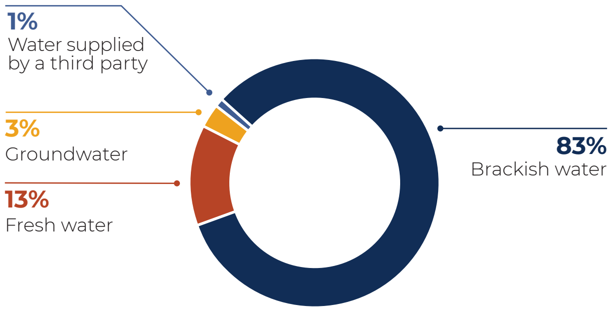
The Senegal site was identified as presenting a high risk of water stress. The site's consumption amounts to 0.4 Mm^3, which is less than 3% of the Group's consumption.

WATER INDICATORS – QUANTITY

		Volume of water according to its quality *(Mm^3)*		
Indicator	**Source / Destination / Type**	**High quality**	**Poor quality**	**Total *(Mm^3)***
ALL SITES				
Water abstraction for operations	Fresh water	38.9	1.0	40.0
	Groundwater	11.0	0.0	11.0
	Brackish water	0.0	253.6	253.6
	Water supplied by a third party	1.5	0.0	1.5
	Total	**51.4**	**254.6**	**306.0**
Other waters managed and not used for operations				1.5
Total discharges	Surface water	24.7	1.8	26.5
	Underground water	8.6	0.0	8.6
	Seawater	0.0	260.2	260.2
	Water supplied by a third party			0.0
	Total			**295.4**
TOTAL CONSUMPTION				**10.6**
Stored water				3.5
Recycled water at GCO				41%
Recycled water at Eramine (not applicable as in construction phase)				N/A
SITES LOCATED IN WATER STRESS AREAS				
Water abstraction for operations	Fresh water	0.0	-	0.0
	Groundwater	8.9	-	8.9
	Brackish water	-	-	0.0
	Water supplied by a third party	0.0	-	0.0
	Total	**8.9**	**-**	**8.9**
Total discharges	Surface water	-	-	0.0
	Underground water	8.6	-	8.6
	Seawater	-	-	0.0
	Water supplied by a third party			-
	Total			**8.6**
TOTAL CONSUMPTION				**0.4**
Exposure to water stress		Site		% Consumption
Proportion of sites located in water stress areas		No. Site 1	% sites 5%	3%

Withdrawals from sites concern overwhelmingly seawater (these withdrawals are reported for the first time this year), which account for nearly 83% of the Group's total withdrawals, with surface waters (rivers and lakes) accounting for only 13% and groundwater for less than 4%. They also source unprocessed water from private or public agencies, and to a lesser extent, from the local supply network.

The amount of freshwater abstraction was stable in 2023. They were 50.6 Mm^3 in 2022, and 52.4 Mm^3 in 2023.



Discharged volumes are published for the first time this year, and work is underway to make this data more reliable. The discharged volume is estimated at 295.4 Mm^3.

Water recirculation is a major driver of the reduction of the Group's water footprint. Eramet has set recycling targets at the two sites most exposed to water scarcity. The target values for 2026 are 60% for the Senegal site and 80% for the project in Argentina:

In 2023, recycling ratio in Senegal was measured at 41%. The project in Argentina is in construction phase. Production is expected to start in 2024.

5.2.6.5.2 Qualitative aspects

Beyond compliance with regulatory requirements, Eramet undertakes actions to minimise its negative impacts on the environment:

- assessment of critical infrastructure and storage conditions (leaks, spills, pipe erosion etc.) and their resilience;
- prevention, preparedness and response to industrial and chemical accidents;
- reduction or gradual elimination of priority substances of concern;
- improvement of treatment processes to ensure better quality of discharged water;
- planning of the management of run-off water at mining sites.

The Group's sites are improving their measuring equipment at discharge points and in the receptor environment.

They also closely monitor the quality of groundwater and the impact of their activities on the soil and subsoil. Hundreds of piezometers are distributed throughout the Group's various sites, both within and outside the premises, to support the initial phases of any new project (assessment of the initial state) and to monitor the potential impacts on groundwater.

As with its atmospheric emissions, Eramet is committed to reducing its aqueous waste. Industrial sites are working to improve treatment processes to ensure better quality of discharged water and of measurement.

Waterborne emissions *(in tonnes)*	2021	2022	2023
Chemical oxygen demand (COD)	33.4	31.9	10.6
Manganese	19.2	7.5	5.8
Nickel	4	1.7	9.5
Suspended solids (SS)	5,227	5,585	6,316

In 2023, the New Caledonian industrial site acquired a new tool for analysing metals in discharges. The results obtained show a large majority of values below the detection limit (Nickel – 100% of values below the detection limit; Manganese – 77% of values below the detection limit).

The increase in the 2023 values for Nickel are due to this change of method which questions the robustness of the previous years' values. The 2023 result based on the detection limit value therefore leads to an increase in values.

For Manganese, the new method used by SLN also impacts the 2023 values, but the main contributor to the Group's manganese emissions is the Marietta site, in the United States, which continued its efforts to upgrade its plant with the objective of reducing emissions.

5.2.6.5.3 CDP – Water Security

In 2023, the Group responded for the second time to the CDP *Water Security* questionnaire with the aim of improving its transparency. The Group obtained a C rating, attesting to its knowledge of water-related impacts and challenges.

5.2.7 Rehabilitation of mining sites

The aim of rehabilitating a mining site is to reach a state of natural equilibrium close in structure, composition and function to that which has been affected. It is based on stabilising the land by installing a permanent vegetation cover that initiates the ecosystem's self-repair process, regulating water flows and integrating the landscape dimension.

RSE 2023

All mining sites are now continuously rehabilitated. In the Group's CSR roadmap, Eramet is committed to protecting water resources and speeding up the rehabilitation of its mining sites by promoting biodiversity, with the aim of achieving a ratio of rehabilitated areas to cleared areas greater than or equal to 1 over the period 2019-2023[1]. **Following this period of five years, the results are excellent since the ratio stands at 1.23, with each of the three mining sites contributing over 1.**

This result reflects the continued progress made on this indicator which was:

- 0.5 from 2011 to 2013;
- 0.85 from 2014 to 2018.

This indicator is maintained in the Group CSR Roadmap 2024-2026, the aim being to better monitor the quality of works carried out (reshaping and revegetation).

In New Caledonia

Created more than 140 years ago, SLN has seen its operating methods improve in step with technological progress. Carried out at the surface, ore extraction has changed considerably since the 1950s with equipment mechanisation (drilling rig, cable shovel, bulldozer) enabling the identification of and access to deposits under layers of tailings several metres thick.

In the early 70s, the surge in demand (nickel boom) led to an unprecedented expansion of mining fields and the discharge into watersheds of large quantities of tailings causing the over-aggradation of downstream waterways.

SLN changed its mining techniques in the mid-70s, building the first stabilised tailings stockpiles and carrying out the first revegetation works.

While mining methods are today at par with the best industry standards (management of run-off water, storage of tailings, rehabilitation and gradual revegetation), special attention is also paid to the impacts of past activities (prior to 1975). These measures include:

- rehabilitating former mines, together with or independently of the mining of mineralised residues;
- securing watersheds in which tailings have been discharged, by roofing plus reshaping and revegetation work, as far as possible;
- managing the over-aggradation of downstream waterways at these former mines through site-specific operations (dredging, reshaping, on-site storage).

Depending on the context, this work may be carried out with the assistance of the Fonds Nickel[2], a New Caledonian public administrative institution whose mission includes the gradual rehabilitation of areas damaged by mining activity prior to 1975.

In areas where operations are in progress, rehabilitation works are carried out gradually and include land reshaping and revegetation. The methods used and the results are described in section 5.2.8 "Preservation of biodiversity".

All active mines have a rehabilitation master plan which defines the work to be implemented as and when mining operations are carried out. The master plan is based on numerous technical investigations specific to each site and feedback acquired by SLN in the past 30 years, now compiled in two practical guides, one dedicated to optimal topsoil management (2015) and the other on the principles and techniques of mining redevelopment (2016).

Over the last year, the major redevelopment projects at mining sites concerned:

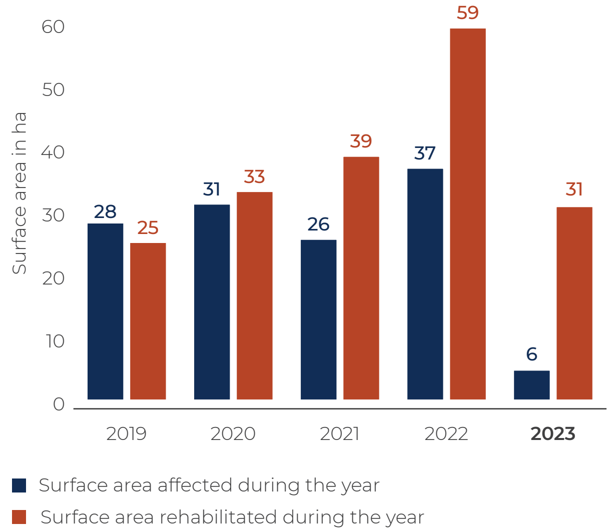
- at Moneo (municipality of Ponérihouen), the end of two years of reshaping works to restore better controlled water circulation and reduce the risk of soil run-off into the downstream creeks of this old mine;
- at the operational site of Plateau de Thio (municipality of Thio), the continuation of the major project concerning the redevelopment of the former mining landfill called "Sillon Nord". This project is carried out by a local company working with the traditional authorities in the region of Thio/Dothio.

Work also continued at waterways located downstream of current or past mining activities. Some examples include:

- reshaping and dredging operations along the Kua river (municipality of Houaïlou) continued in 2023;
- at Thio, completion of the dam rehabilitation works on the right bank at the mouth of river Thio. This is phase one of the four phases of a project which concerns the reconstruction of one dam per year from 2023 onwards. This programme was made possible through the pooling of resources mobilised by the Government of New-Caledonia, the South Province, traditional authorities, the Thio town council and SLN;
- still in Thio, the maintenance programme was conducted at several over-aggraded waterways (Nedoro, Sapin and Ouagna creeks) for a total of about 28,000 m^3 of materials excavated.

(1) For further details on the calculation of the ratio, please refer to section 5.4.4 Specific points and methodological limitations.
(2) https://dimenc.gouv.nc/la-dimenc/nos-partenaires/le-fonds-nickel

In 2023, the total rehabilitated area was 31 hectares including areas revegetated by manual or semi-hydraulic planting and areas covered by topsoil.



In Gabon

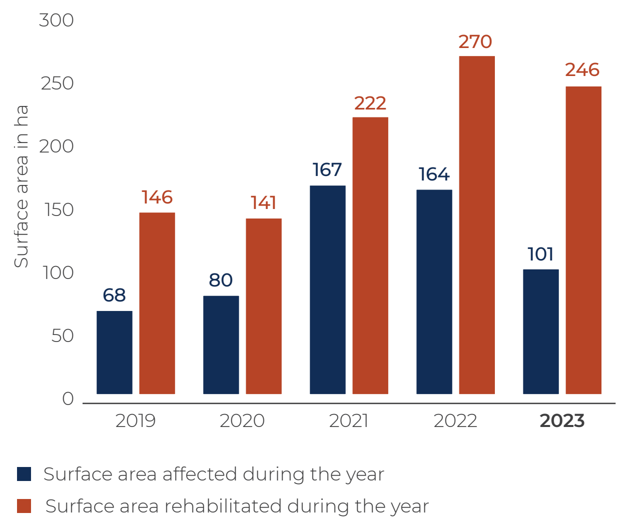
Due to the localisation of operating quarries mainly on plateau areas, the main challenge of redeveloping the sites is landscaping, with the need to reshape the tailings stockpiles of a few metres in height created by mining. This is coupled with the challenge of controlling run-off water when the mining site is located on the sloping borders of the plateaux, giving rise to the risk of soil erosion.

To tackle this last issue, the mining procedure has been revised to incorporate land reshaping as the quarry develops.

Even where environmental conditions (climate, soils, vegetation) are right for natural recolonisation, land revegetation remains an important challenge for rapidly and sustainably stabilising slopes, facilitating the site's landscape integration, while also responding to biodiversity issues. It is with this objective in mind that the following actions were carried out in 2023:

- continued development of the Bangombé nursery (see Chapter 5.2.8 "Preservation of biodiversity" for more information), with plans to double its plant production capacity in 2024;
- as part of the planned opening of the Okouma Plateau, works to revegetate the slope of the embankment have started, with recourse to ecological engineering techniques (laying of coconut fabric, creation of cylinders in coconut fabric);
- as a follow-up to the first planting campaign using drones undertaken in 2022 by MORFO, a second campaign was conducted in 2023 as part of the monitoring of land. It is to be recalled that MORFO is a start-up which was identified through the *Open Innovation Challenge* – an event organised by Eramet with the support of EIT RawMaterials to support the owners of innovative solutions. MORFO offers an integrated solution, whereby drones are used to collect data on the zone to be planted, to collect grains, and to disperse seeds in capsules containing all necessary biological material and nutrition, and finally, to monitor the progress of the planted areas. The results are expected in 2024.

In addition, operations to rehabilitate the River Moulili by extracting the ultra-fine deposits downstream from the mine's ore washing plant have continued since 2010. At year-end 2023, approximately 19 million tonnes of manganiferous sediments were excavated from the segment upstream of the river. These operations are carried out in compliance with the Environmental Management and Social Plan prepared after the impact assessment of this work. In a spirit of transparency and dialogue, Comilog organised, in June 2014, a seminar dedicated to the rehabilitation of the downstream segment of the river. This collaborative effort with all relevant stakeholders (government, civil society, NGOs, scientists, etc.) enabled the definition of a consensus and recommendations for the downstream segment, which were then proposed to the supervisory authorities. Following this operation, a first in Gabon, the riverbed was recreated as agreed at the seminar over 1,500 linear metres with the help of specialised equipment (amphibious hydraulic excavator). On the same principle, restoration works on a second river section (MT4), 2,460 metres long, started in 2021 and were completed in 2023.



In Senegal

The specific mining method used at this mine, with a floating enrichment plant which moves about ten kilometres per year, allows for the gradual rehabilitation of the land mined. The implementation process by GCO consists of four main steps:

- after the dredging, the dunes are reshaped so as to be as close as possible to the initial topography;
- thereafter the dunes are stabilised with the installation of temporary wind breakers;
- the third step consists in revegetating the land by manually planting 250 plants per hectare (compared with 80 in the initial state) and adding natural fertilisers (manure);
- lastly, after a period of maintenance and monitoring of five to seven years, and a comparative biophysical (flora, fauna and soil) assessment of the area, the lands are handed back to the Senegalese Water and Forestry Department.

The revegetation of the reconstituted dunes at the rear of the mobile mining facilities is a strong expectation of the resident populations, and also a challenge in the context of rainfall limited to a short rainy season.

After consulting the relevant authorities, local populations and their representatives, a participatory rehabilitation strategy with strong involvement of communities and local authorities was formalised in late 2013. 17 priority plant species have thus been identified to meet the expectations of each party. The implementation of rehabilitation is accompanied by the creation of income-generating activities for the host populations participating in the emergence of a local entrepreneurial culture. Rehabilitation work is regularly monitored as part of a dedicated formal consultation framework set up in 2015 by the sous-préfet of Méouane, and consultations with local residents on their expectations regarding rehabilitation were renewed in 2016.

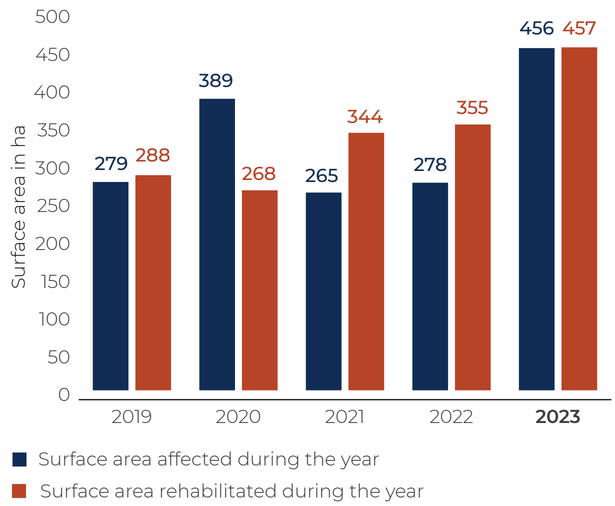
The success of the rehabilitation operations and the rigorous application of the rehabilitation strategy have been confirmed by regular audits by the Water and Forest Inspectorate as well as in the inspection by the Department of Water, Forests, Hunting and Soil Conservation. Rehabilitation techniques are constantly being improved. With the implementation of a supplementary irrigation system in 2017, rehabilitation is now carried out continuously throughout the year, thus making it possible to cover increasingly large areas. Maintenance of the new plantations with the supplementary irrigation system has resulted in very high survival rates (over 90%) and faster plant growth. The dynamics of natural resources (soil, flora, fauna etc.) in the rehabilitated sites are found to be good based on independent comparative analyses of the state of the plots of land before they were cleared and before they were handed back.

Over the last three years, 1,086 hectares in the area affected by the mine have thus been revegetated, allowing the land to be gradually restored. In September 2022, eight years after mining began there, 85 hectares were officially handed back to the Senegalese Water and Forestry Department – a first in the country. By 2025, 950 hectares will gradually be returned, of which 150 hectares in 2024.

In 2023, GCO acquired a tree digger which is used to uproot and replant mature trees present within the boundaries of the mine. This method saves, depending on species, three to seven years in the rehabilitation programme and contributes to mitigating the impacts on the landscape and on soil erosion.

At the same time, GCO has improved its revegetation programme by reducing the use of eucalyptus and by replacing line planting by grove planting, closer to their natural state.

More detailed results on rehabilitation are provided below in section 5.2.8 "Biodiversity and ecosystem".



5.2.8 Biodiversity and ecosystem

5.2.8.1 Context and issues

Biodiversity is a priority issue at the global level. The consequences of the crisis of species extinction are at least comparable to those of climate change. Scientists have not come to an agreement on a unique indicator, like tonnes of CO_2 for climate, for an objective measure of biodiversity footprint. It is a complex subject intrinsically linked to the local situation. However, this state of affairs cannot stand in the way of action.

Biodiversity is an important subject for Eramet, whose activities have impacts on biodiversity. The costs involved in preserving biodiversity are substantial particularly at mining sites for the rehabilitation and restoration of soils and habitats.

The Group's most significant biodiversity issues currently relate to New Caledonia and Gabon. Despite a moderate sensitivity to biodiversity at the operations site, Senegal is also the subject of specific focus given the high expectations of neighbouring populations regarding the rehabilitation and revegetation of land cleared by the mine.

The Group does not have any mining or metallurgical site in operation in a protected area. However, the railway track operated in Gabon crosses three Ramsar sites (126 km) and the Lope National Park national (62 km), a UNESCO World Heritage Site.

Since the first rehabilitation initiatives in the 70s, the first commitments in 2005, to today, Eramet has continuously aimed to reach higher levels in the preservation of biodiversity, ecosystems and their functions.

In 2021, Eramet joined the "Act4Nature International" initiative, launched by the French Association of Business for the Environment with a view to highlighting its achievements in favour of biodiversity at international meetings. It is led by the association and fourteen partners including environmental NGOs and scientific bodies.

In 2021, Eramet, alongside its subsidiary Comilog, also set up the Lékédi Biodiversity Foundation in Gabon. This is a new way of supporting biodiversity *via* environmental education, rehabilitation or the reintroduction of endangered species and research. (see section 5.2.7.3.3 for the foundation's activities).

In late 2023, the Group unveiled a new CSR Roadmap, "*Act for Positive Mining*", with objectives defined over three years, consisting of both **a quantitative and a qualitative approach to the management of mine biodiversity**. The ratio of rehabilitated to cleared surfaces is maintained. Furthermore, all mining sites must update their **biodiversity action plan to comply with the IRMA standard, i.e. more specifically for biodiversity aspects, and with the methodology set out in International Finance Corporation Performance Standard 6.**

The Group also undertakes not to conduct mining and extraction activities in natural sites included on the UNESCO World Heritage List, as well as in UNESCO Biosphere reserves and IUCN protected areas, categories[1] Ia, Ib, II and III.

5.2.8.2 Impacts, risks and opportunities

5.2.8.2.1 Impact on biodiversity and ecosystems

The impacts of Eramet's operations are primarily linked to mining activities and the loss of habitats. This type of impacts is even more significant since the right of way is extensive and the habitats are sensitive (natural and critical habitats).

In addition to the impacts related to the right of way, there are ensuing indirect or induced impacts:

- disturbances to habitats from noise, light, land or sea traffic;
- emissions and effluents that disturb the physical and chemical conditions of the biotope;
- changes in hydrology and hydrogeology affecting terrestrial and aquatic habitats;
- habitat fragmentation including edge effects and forest gaps;
- introduction and accidental spread of invasive species;
- climate change;
- additional pressures on biological resources (fishing, hunting, poaching) following the opening up of access to sites or flows of people, loss of ecosystem provisioning services or loss of access to these services, degradation of the regulatory, support and cultural ecosystem provisioning services etc.

Assessment of impacts on sites and projects

All of the Group's mining and industrial sites have incorporated a biodiversity and ecosystem provisioning services component into characterisation studies and impact assessment studies.

To this end, they made it a priority to bring together **specialist and experienced teams**. These teams can be mixed, including both **national experts and specialists** who have an excellent knowledge of the local biodiversity, and **international experts** who are well-versed in international standards and best practices in biodiversity analysis and assessment.

(1) *IUCN: International Union for the Conservation of Nature.*

These assessments begin with the **characterisation study** consisting of a review of the bibliography and previous studies conducted on site, followed by several field missions to understand the features specific to each season, and finally the analysis.

The analysis serves to update the current state of the sites, map habitats and assess natural and critical habitats.

Then follows the **assessment** of the potential impacts on biodiversity and ecosystem provisioning services. **Direct**, **indirect,** as well as **cumulative impacts** are assessed taking into account the level of impact, receptor sensitivity and the probability of occurrence, over the entire life of the site, from construction until closure.

These studies are generally included in applications for permits or funding. As required, they were subject to **public consultation**.

For Gabonese sites, the consultation went beyond the borders of national stakeholders (employees, communities, institutions, universities, NGOs etc.) to include the Section on Great Apes (SGA [1]) of the IUCN[2]/SSC[3] Primate Specialist Group.

Assessment of the Group-wide footprint

The Group had a good knowledge of the issues at its mining sites, but in 2023 it wanted to further improve its understanding of the biodiversity footprint of all its activities by integrating its value chain (Scopes 1, 2 and 3 analysis).

Scope 1 represents the direct and indirect impacts of Eramet's activities, **Scope 2** corresponds to the impacts of energy consumption, when not directly produced by Eramet, and **Scope 3** relates to the upstream and downstream impacts of its activities. In the case of Eramet, Scope 3 was covered for the upstream impacts.

The assessment of the biodiversity footprint remains an experimental approach given the current state of knowledge. It was carried out following the methodology developed by Icare with *Corporate Biodiversity Footprint* (CBF) based on the **GLOBIO** model of ecology research algorithms and the **LC-IMPACT** methodology for global life cycle impact assessments.

It assessed the Group's impacts on three of the five key pressures on biodiversity identified by IPBES [4], namely:

- land and sea use change, taking into account land cover and land use change dynamics/rehabilitation/compensation, noise and light pollution, fragmentation for the rail transport subsidiary, water consumption, dust and suspended matter emissions;
- climate change with greenhouse gas emissions;
- pollution, and particularly eutrophication, acidification, ecotoxicity.

The impacts on the other two key pressures were assessed qualitatively:

- overexploitation of resources through the management of species at the sites;
- invasive alien species through the presence and management of invasive alien species at the sites.

Significant efforts have been made to collect and incorporate as much data as possible from the sites:

- rights of way, biodiversity studies and management plans with the environment and production teams;
- integration of monetary or physical flows when data was available for all purchases. The mapping of data on purchases is sometimes quite cursory, thereby causing major uncertainties for Scope 3 assessment. The approach has been to overestimate.

These data were supplemented with data from international databases.

In particular, the IBAT[5] platform was used to correct the footprint results in order to take into account the vulnerability of the local biodiversity. IUCN's STAR-t metric was accordingly used. It is the metric developed based on the IUCN's Red List of Threatened Species. It calculates the potential reduction of the threat of extinction risk by reducing threats to species present in the area of interest. The STAR-t score is generated by calculating the proportion of each species' extent of current Area of Habitat (AOH) that is within the Area of Interest, weighting that value by the species' extinction risk (Near-Threatened, Vulnerable, Endangered or Critically Endangered), and then adding up the total of those values.

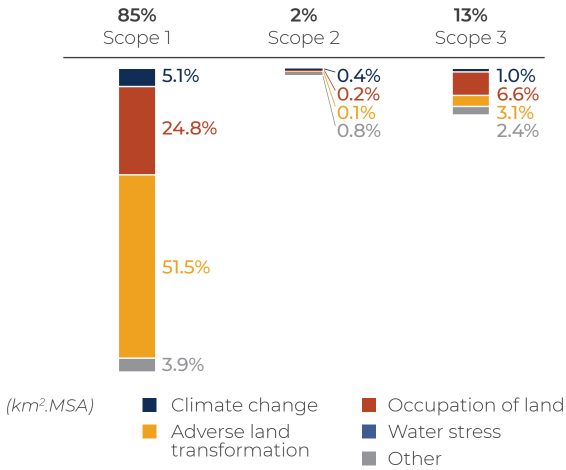
(1) The role of the SGA is to promote conservation action for great apes based on the best available scientific information.
(2) SSC: Species Survival Commission.
(3) IUCN: International Union for the Conservation of Nature.
(4) IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services
(5) IBAT: Integrated Biodiversity Assessment Tool. It is a platform that facilitates access to various layers of global and national data, such as the boundaries of protected areas, biological information on habitat and species diversity indices, and key biodiversity areas. IBAT was developed and is maintained by the IBAT Alliance, which includes Birdlife International, Conservation International, IUCN and the UN Environment Programme World Conservation Monitoring Centre.

Footprint results are expressed in **km2 MSA**. They confirm the **predominant share of Scope 1** in the overall footprint, which is represented by land cover and the clearing/restoration dynamics at mining sites. Greenhouse gas emissions also have a significant impact.

Scope 3 is the **second largest contributor** to this global analysis, with three times less impacts on land use and climate change, as well as on water stress.

The **impacts of Scope 2** are **secondary**.

▼ Group biodiversity footprint – Scopes 1, 2 and 3 per pressure



5.2.8.2.2 Risks and opportunities

Risks

In 2023, Eramet completed its analysis by using the ***Biodiversity Risk Filter*** (BRF) tool made available the same year by the WWF[1] for corporates and financial institutions to assess their biodiversity risks, both in terms of impacts and dependencies.

The tool is based on a broad spectrum of data: information on species and ecosystems, protected areas and the main biodiversity stressors (deforestation, destruction of natural habitats, environmental pollution etc.). The data were provided by many organisations (including WWF, IBAT, IUCN, UNEP-WCMC, ENCORE, RepRisk, FAO, World Bank and NASA).

The risk of impacts and dependencies have been identified and pre-assessed by sector of activity, including mining and metals. Eramet fine-tuned the assessment by entering its sites.

The tool gives **low and average risk levels for impacts and dependencies.**

The level of risk associated with **pressures on natural resources** has been **corrected**; it was deemed more appropriate to increase it to a very high level based on the results of the biodiversity studies conducted at the sites and the results of the assessment of the Group's footprint.

Furthermore, Eramet has taken the full measure of its dependence on reputational factors and **media attention** to this issue with regard to companies operating in the mining and metals sector. This component ranked high, reflecting legitimate high expectations in terms of performance and transparency.

Impacts		(BRF) Level	Corrected Level
Biodiversity pressures	Change in land, freshwater and seawater use		
	Loss of forest cover		
	Invasive alien species		
	Pollution		
Environmental factors	Protected areas		
	Key Biodiversity Areas (KBA)		
	Other major demarcated areas		
	Ecosystem conditions		
	Scarcity range		
Socio-economic factors	Indigenous populations, lands and territories of local communities		
	Resource scarcity: Food – Water – Air		
	Labour rights and human rights		
	Financial inequality		

(1) *WWF: World Wide Fund for Nature.*

Physical dependence		(BRF) Level
Provisioning services	Scarcity of water	
	Forest productivity and market remoteness	
Regulatory and support services	Water quality	
	Air quality	
Support Services – Mitigation	Landslides	
	Fires	
	Extreme heat	
	Tropical cyclones	

Reputational dependence		(BRF) Level
Reputational factors	Media attention	
	Political situation	
	Sites of international interest	
	Risk preparedness	

Legend	
Very high	
High	
Medium	
Low	
Very low	

Opportunities

The preservation of biodiversity and ecosystem provisioning services is a priority for the Group.

It is vital in attracting and pooling talent, to enable the Group to position itself on the energy transition metals market, access financing, maintain territorial ties, and more generally, meet stakeholders' expectations from an industry with potentially high impacts.

Eramet continues to improve knowledge of its sites and its issues, strengthen its working methods and monitoring tools.

The objective is to contribute positively to biodiversity at its mining sites and *through* its Lékédi Biodiversity Foundation.

5.2.8.3 Policy and action plans

5.2.8.3.1 Policy

Eramet's environmental policy embodies its commitment to taking action to preserve biodiversity: integrate biodiversity into all its activities and develop plans for an overall net positive contribution to biodiversity.

To achieve this, Eramet undertakes to:

- apply the **mitigation sequence** "Avoid, Rehabilitate, Reduce, Offset" to all its mining projects:
  - in particular, Eramet undertakes not to carry out any mining and exploration activity in: (1) World Heritage sites and areas included in the official indicative list of a State Party for inscription on the World Heritage list, (2) International Union for Conservation of Nature (IUCN) protected areas of management categories I-III, (3) UNESCO Biosphere reserve core areas,
  - reduce impacts that cannot be avoided in order to reduce the duration, intensity and/or extent of such impacts,
  - rehabilitate the areas impacted by its activities as soon as possible, with a focus on the reintroduction of local species,
  - offset any significant residual impacts that cannot be avoided or reduced;
- contribute to **improving scientific knowledge of the territories** where the group operates and to sharing naturalistic data with the scientific community;
- finance **research, study and conservation programmes**, particularly through its Lékédi Biodiversity Foundation (Gabon).

5.2.8.3.2 Roadmap 2024-2026

The new Roadmap sets targets for 2026 for all mining sites.

At the end of the three years, 100% of mining sites should have updated their **biodiversity action plan** to comply with the methodology of the **International Finance Corporation's Performance Standard 6** and with the expectations of no net loss regarding natural habitats and net gain for activities impacting critical habitats.

This includes: the assessment of ecosystems and issues, the integration of an approach to avoid, reduce, rehabilitate and offset impacts, and a monitoring plan.

In parallel, the rehabilitation target, i.e. **ratio of rehabilitated land to cleared land,** is maintained at ≥ 1.

5.2.8.3.3 Action plan

Biodiversity management requires an understanding of the issues beyond mining per se. It requires a coherent long-term vision and working hand in hand with local experts and partners.

The various measures are formalised in **biodiversity management plans and action plans** based on the results of characterisation studies and impact assessments.

Eramet's goal is to upgrade all mining sites to the best international standards. This requires the deployment of scientifically robust approaches, methodologies and measurement tools that do not always exist at the international level.

Its biodiversity strategy:

- aim for **ecological exemplarity** before, during and after the mining of minerals through a regional approach;
- develop **R&D projects** to build knowledge, design innovative tools and methods and improve practices;
- **raise awareness, train, disseminate** knowledge to our internal and external stakeholders;
- **develop the Lékédi Biodiversity Foundation** through programmes designed around the three priorities defined above.

The concrete actions carried out at the various sites are set out below.

SLN in New Caledonia

Société Le Nickel (SLN) operates nickel deposits on various sites in the heart of a region renowned for its rich biodiversity and a high rate of endemism among its flora and fauna species.

Since the 1980s, SLN has developed reliable and environmentally friendly rehabilitation methods. The naturally low fertility of the soils, rich in metals and poor in organic elements, as well as the extreme rainfall conditions, make it difficult to see the results of this work in the short term because of the very slow growth.

In the field, revegetation can take different forms. It is carried out by spreading topsoil alone, manual planting or hydraulic sowing, having most of the time enriched the soil beforehand. The species used for revegetation are all local, pioneering species, and mostly endemic.

More broadly, beyond mining site restoration activities, in 2021, SLN reinforced its biodiversity strategy by focusing on application of the mitigation sequence. In 2022, this strategy was implemented at several sites (Poum, Tiébaghi and Thio), following which avoidance zones were determined for maintaining biodiversity. These areas have been taken into account in the mining sequences, notably at Poum with avoidance of the area known as the "Paevala Forest" and at Tiébaghi with the expansion of four conservatories (Cascade, Verse Principale, Fridoline and Vieux Village). Furthermore, SLN monitors the fauna (birds, reptiles, bats) and flora on all its operational sites in addition to monitoring the freshwater and marine environments.

In 2023, ecological threats to fauna and flora were reassessed at the sites of Kopéto, Thio Plateau and Opoué, which led to the implementation of priority avoidance measures and the creation of five additional biodiversity conservatories of an area of 1,135 ha. These avoidance measures are detailed in the applications for an operating permit, along with reduction and offsetting measures. The impact offsetting and reduction measures focus on the management of rare and endangered plant species (RES). SLN is drafting RES conservation action plans to streamline practices for the assessment of the impacts of mining and to improve practices for reducing and offsetting these impacts through the development of adapted technical routes (phenological monitoring, seed harvesting, production of RES plants in nurseries, planting/reintroduction in natural environment within biodiversity conservatories). In 2023, this desire resulted in massive efforts to collect RES seeds and seedlings, with over 200,804 seeds and seedlings collected and sown in nurseries. In 2023, efforts focused mainly on the Thio site where 5,000*Araucaria rulei* plants and 878 *Agathis ovata* plants were planted in natural environments (conservatory areas). In 2023, across all SLN sites, a total of 2,459 plants of 9 species classified as CR[1], 6,454 plants of 22 species classified as EN[2] and 3,626 plants of 26 species classified as VU[3] have been planted. In addition, layering and germination trials on the micro-endemic species, *Pleioluma butinii*, which started at the end of 2021 in partnership with UNC[4] and IAC[5], continued in 2023.

(1) CR: Critically Endangered species according to assessments published by the International Union for Conservation of Nature (IUCN) which monitors biodiversity worldwide.
(2) EN: Endangered species.
(3) VU: Vulnerable species.
(4) UNC: University of New Caledonia.
(5) IAC: Institute of Agronomy of New Caledonia.

In 2023, SLN also contributed to improving ecological and environmental knowledge, in particular through:

- the continued partnership with Endemia[1], which conducts assessments of the Red List of New Caledonian flora on behalf of the International Union for Conservation of Nature (IUCN);
- the continued partnership with the CNRT[2], notably through its participation in several workshops on protecting rare and endangered species and the improvement of knowledge on the development of revegetation techniques (seed capsules and ecological engineering technique).

Comilog in Gabon

The Compagnie Minière de l'Ogooué (Comilog) mines manganese ore on the Bangombé and Okouma plateaux in Moanda in Gabon.

The activity is part of a landscape consisting of savannahs, gallery forests and azonal environments (dune slacks, water bodies etc.). The issues relate mainly to the presence of iconic and protected species on an international scale, namely the Central African chimpanzee, the western gorilla and the forest elephant.

For its mining operations at the new Oukouma extraction zone, which started in 2021, Comilog committed to the avoidance of gallery forests and to no net loss as described in the International Finance Corporation (IFC) Performance Standard and Guidelines 6.

This commitment allows for greater strides in biodiversity management, an important component of our mining model. Comilog has set up a biodiversity department. The entity is in charge of reinforcing the restoration activities and, more broadly, of implementing and monitoring the site's biodiversity programmes:

- the biodiversity action plan (PAB), developed in accordance with the International Finance Corporation's Guidance Note 6, and in line with the commitments to achieve net-zero biodiversity loss from the extension of mining activity to the Okouma-Bafoula plateau; and
- the wildlife protection plan is being developed, which puts together actions to raise awareness of biodiversity and to preserve animal species and their habitats.

The PAB includes offset actions which have been implemented in the Lékédi Biodiversity Foundation:

- restoration of savannahs with inventories of savannah fauna and an initial comparative analysis of the different qualities of savannahs present (natural, modified etc.) since 2021;
- securing the sanitary arrangements for better responsiveness to the arrival of new animals. In 2021 the Park will be equipped with a quarantine building, which will complement the capacities of CIRMF[3] in Franceville. A new biochemical analysis laboratory has also been commissioned for the Park's research teams and veterinary service. Since 2022, new analysis equipment has been installed to improve the capacity and speed of analysis, particularly for the most serious pathologies;
- improvement of measures to combat poaching in the Park, with redevelopment of the boundary paths and stepping up of patrol forces.

The implementation of the BAP is monitored on a monthly basis with all stakeholders. The effectiveness of metrics is also assessed. Examples include:

- monitoring of the maintenance of chimpanzee populations (considered an umbrella species) in forests near mining sites with the use of photographic traps;
- assessment of the quality and health of gallery forests carried out in 2023 by USTM experts[4] to confirm the limits of environmental protection.

Comilog continues to develop its restoration strategy, taking account of the results of the latest environmental studies developed on both plateaux, as well as the recommendations and good practices of other Eramet mining sites. In late 2021, a nursery was established on the Bangombé plateau. In 2022, nine shrub species were selected for their dominance in savannah zones and were added to the nursery. Unlike forest and ornamental species, no data was available on the reproduction of these savannah species: fruit picking season, reproduction methods (seeds, cutting), seed dormancy, growth dynamics etc. Comilog partnered with the University of Franceville (USTM) which finalised the definition of phenological details for these nine species in 2023. They were all successfully reproduced in the nursery, and yielded excellent results from test planting in open ground. The plan to double the size of the nursery has been deferred to 2024. The biodiversity team and its partners have planned to optimise plant production, improve planting patterns based on phenological pathways created in the natural savannah in 2023, and establish seed fields for grasses and legumes.

Setrag in Gabon

Setrag is the company that operates the railway (single track) in Gabon. It plays a vital role in the transportation of passengers, fuel, timber, manganese ore and other cargo.

It is a subsidiary of Comilog which uses the track to transport its ore to the port of Libreville.

The railway track crosses the Ramsar site of Bas-Ogooué (for 56 km), the Ramsar site of the Waterfalls and rapids of the Ivindo river (for 40 km), the Ramsar site of the Mboungou Badouma and Doume rapids (for 30 km) as well as the Lopé National Park (for 62 km), a UNESCO World Heritage Site.

(1) Endemia: non-profit association. It organises the Great Southern Bioblitz for New Caledonia: the largest participatory inventory of biodiversity in the Southern Hemisphere.
(2) CNRT: Centre National de Recherche Technologique sur le Nickel et son environnement (National Centre for technological Research on Nickel and its environment).
(3) CIMRF: Centre International de Recherches Médicales de Franceville.
(4) USTM: Université des Sciences et Techniques de Masuku.

Setrag is the first Group entity that developed a Biodiversity Action Plan based on the IFC standard[1] and validated it with IFC institutions, Proparco[2] and AFD[3], which contribute to the financing of its transport reliability and capacity increase projects. In 2023, Setrag initiated the update of the 2015 BAP to take into account the new works planned on the tracks and the latest methodological contributions of the standard's guidance note.

The plan provides for:

- awareness campaigns for staff and subcontractors, local communities and travellers on respect for biodiversity and the fight against poaching;
- tests to combat wildlife collisions, particularly with forest elephants;
- actions to re-establish aquatic connectivity;
- studies to improve knowledge of the distribution of protected species and the enrichment of collections.

Setrag plans to launch consultation with relevant stakeholders in the first quarter of 2024 and finalise the update of its BAP in the second quarter.

GCO in Senegal

In Senegal, Grande Côte Opérations develops mineral sands. The operation involves the clearing of vegetation as a floating dredge moves along the deposit.

Biodiversity is of medium sensitivity in the areas currently being exploited. However, the mine is in an area where there is still significant plant and animal diversity despite the strong human impact. The three herbaceous species endemic in Senegal and identified in the mining pass of the four coming years have been studied thoroughly by researchers from the plant Biology department of UCAD[4] on behalf of GCO.

As such, the issues are mainly related to the rehabilitation and revegetation of large areas, as and when the exploited sites are made available, as well as to the participative and inclusive management of biodiversity through an approach based on the mitigation sequence. Note that the Senegal mine is also adjacent to very large vegetable production areas – specifically, the Niayes, which produce between 60 and 80% of the country's vegetable crops.

The revegetation and soil improvement methods using manure implemented in the field since 2014 are convincing.

Woody species produced at the GCO nursery are planted on rehabilitated plots of land. The vegetation pattern is complemented by planting herbaceous and ligneous seedlings from seeds harvested on site, and by spreading manure.

Initially the soil was improved with additional topsoil, but this practice proved to be less effective than spreading manure. The manure is sourced in the immediate vicinity; it is collected from sheep and goat farmers. It is rich in carbon and nitrogen, and in seeds, in addition to those of seedlings.

Rehabilitated and revegetated land is returned to the State of Senegal, in accordance with GCO's rehabilitation and closure plan. These lands are first subject to a pre/post assessment of species abundance and richness.

In 2023, CNRA[5] was commissioned to carry out an assessment of the physical, chemical and microbiological condition of the 150 hectares that will be returned to the Senegalese Water and Forestry Department in 2024.

The results will reinforce the revegetation pattern.

In parallel, GCO has launched an independent assessment of its biodiversity activity and management based on the standard developed by *the Initiative for Responsible Mining Assurance* (IRMA). The standard is aligned, in terms of methodology and requirements, with IFC's Performance Standard 6.

GCO plans to update its biodiversity action plan in 2024.

Lékédi Biodiversity Foundation

The Fondation Lékédi Biodiversité works to preserve and find out more about biodiversity. It was set up by Eramet and Comilog, which are the founding members. It is firmly rooted in the Lékédi Park – a 14,000-ha park in the south-east of Gabon, to protect primate life – and hopes to expand its area of action beyond the park.

The Board of Directors is made up of managers and specialists in biodiversity and CSR. The Board met twice in 2023.

The Executive Director of the Foundation is the former Director of Lékédi Park. He reports to the Board of Directors.

The Foundation relies upon a committed team of some 40 people, including a vet, eight keepers, two guides, three ecologists, an anti-poaching team and a park maintenance team.

It works in partnership with government bodies (the Ministry of the Environment and the National Parks Agency of Gabon), research institutes, NGOs, other foundations, sanctuaries and zoos.

(1) IFC: Subsidiary of the World Bank Group for the private sector.
(2) Proparco: Subsidiary of the AFD Group for the private sector.
(3) AFD: Agence française du développement.
(4) UCAP: University of Cheikh-Anta-Diop of Dakar.
(5) CNRA: Centre National de Recherches Agronomiques du Sénégal.

It works towards the following four goals:

First priority of the Foundation: To raise public awareness surrounding biodiversity

In 2023, for the second time, the Foundation organised the Eramet Biodiversity Conference – an event of sharing and exchanges around biodiversity. Authorities (national and local elected representatives), scientists (CIRMF[1], CENAREST[2]), NGOs (Panthera, WWF[3] Gabon, Conservation Justice), the Ambassador of France in Gabon and the AfDB's Director of Environmental & Social Safeguards and Compliance[4] met with Eramet and Comilog to discuss ecosystem balances and environmental education. Gabon. The event was reported on by the television channels (Gabon Première and Gabon 24) and national press.

Throughout the year, other awareness-raising and training actions were also carried out, aimed at:

- children: awareness among pupils of three schools in Bakoumba in collaboration with the NGO Save Gabon's Primates;
- Comilog employees: the biodiversity and environment teams received training in forest safety and biomonitoring;
- the general public through many social media posts.

In 2023, the Foundation also defined a new environmental educational project with content for classroom teaching and workshops. The programme aims to make young people aware of biodiversity issues, sensitise them about the challenges of climate change and familiarise them with careers in sustainable development. The launch is scheduled for the start of the 2024 school year, in partnership with secondary schools in Bakoumba and Moanda.

Second priority of the Foundation: To provide shelter and support to poaching victims – usually primates

The foundation works through its park, which is the largest enclosed park in Gabon; it covers 14,000 hectares of savannah, gallery forests and bodies of water. First and foremost, its actions focus on sheltering young animals who have been orphaned by poaching (primarily primates).

Its expertise in the rehabilitation of primates is internationally recognised. The Park is accredited by the Pan-African Sanctuary Alliance (PASA – https://www.pasaprimates.org), and the foundation carries on regular exchanges with the alliance. Accreditation was renewed in 2023 for a further period of four years. Gabon's orphaned chimpanzees and gorillas are collected and raised in their natural environment. In 2023, the park welcomed an additional chimpanzee while three others are quarantined at the Centre International de Recherche Médicale de Franceville (CIRMF). In total, there are 29 orphans (26 chimpanzees and 3 gorillas) now living within the Foundation's facilities.

The final stage of rehabilitation is the reintroduction of the animals into a natural environment and in total autonomy. In 2021, three Cercopithecus cephus and six white-bellied pangolins were reintroduced. A programme to reintroduce chimpanzees, gorillas and mandrills into the Plateaux Batékés National Park is still under way. In 2018, three gorillas were released in partnership with the Aspinall Foundation. Additional studies are under way to validate the usefulness of reintroducing chimpanzees into the National Park. A group of seven chimpanzees was trained and transferred in 2023 to an island in the Lékédi Park for an initial re-introduction phase in a natural space.

Third priority of the Foundation: Reintroduce threatened species

The Park is also working on the rehabilitation and reintroduction of other threatened species as part of a project to restore the megafauna of the Batéké Plateau. Since 2019, the Park has been home to a group of wild dogs. The operation was carried out in partnership with the Aspinall Foundation and Port Lympne Safari Park in England, and the European Association of Zoos and Aquaria (EAZA). This species, which is particularly threatened, had died out in Gabon over 50 years ago. The first studies carried out on their ability to readapt to life in the wild show positive results.

Fourth priority of the Foundation: support and develop biodiversity research.

The Foundation supports research on biodiversity in partnership with Gabonese and international scientists and organisations.

Since 2012, La Lekedi Park has hosted the Mandrillus project, the aim of which is to answer fundamental questions about evolutionary ecology, anthropology, food ecology, animal communication (etc.), as well as more applied conservation and epidemiological questions. This project is made possible by circumstances unique in the world. Among the various groups of mandrills (300) that roam freely in the Park, some are used to humans and therefore allow researchers to approach them and observe them in their daily lives. In 2022, the project published an article in eLife on behavioural discrimination of kin in mandrills.

In the context of the inventories of the flora and fauna in the Park, the Foundation also enriches the iNaturalist database, whose purpose is to identify species based on photos and sounds.

In 2023, a life-size test was carried out during the dry season for the eradication of invasive plants in wetlands. The results were mixed as the activity is not very effective.

In 2024, the Lékédi Biodiversity Foundation will be working on new partnerships, such as environmental education.

(1) CIRMF: Centre International de Recherches Médicales de Franceville.
(2) CENAREST: Gabon Centre national de la recherche scientifique et technologique.
(3) WWF: World Wildlife Fund.
(4) AfDB: African Development Bank.

5.2.8.4 2023 results

In 2021, Eramet fulfilled its voluntary commitments for the preservation of biodiversity and joined Act4nature International, an initiative led by corporate networks with scientific partners, environmental NGOs and public entities. Its objective is to **step up corporate mobilisation in favour of biodiversity through pragmatic commitments supported by their senior managers.** Eramet's commitments, recognised as **SMART** by the Act4nature International's multi-stakeholder steering committee, have three objectives: avoidance, impact reduction and biodiversity promotion. They therefore fulfilled the 10 Act4Nature International shared commitments. The implementation results following these three years are provided in the last column of the table below. **The objectives have all been met.**

These commitments have consolidated a corporate culture respectful of living beings and have led to new commitments included in the Group's new CSR Roadmap "*Act for Positive Mining*". Commitments made under the framework of Act4Nature International will be renewed in 2024.

CSR 2023

The commitment made in the 2023 Roadmap aimed to strengthen its mining sites rehabilitation effort. The objective is to achieve a ratio of rehabilitated areas to cleared areas of 1.23 over the period 2019-2023 (for a target of 1). For 2023, the ratio is 1.23. The contributions of each subsidiary to this overall result are detailed in section *5.2.7 Rehabilitation of mining sites*.

Individual commitments made in 2021

Title of individual commitment	Scope	Indicator/Associated objective	Deadline or period of implementation	Link with shared commitments									
				1	2	3	4	5	6	7	8	9	10
Do not conduct exploration and mining activities in natural sites listed on UNESCO's World Heritage List	Exploration and mining operations	100% of mining sites and projects	Permanent	✓				✓					
Prohibit the use of mining tailings disposal at sea. Promote a regulatory ban on this method, particularly in the regulations for electric vehicle batteries	Exploration and mining operations	100% of mining sites and projects Raise awareness among interested parties.	Permanent	✓				✓		✓			
Integrate a biodiversity component into project feasibility studies and then into action plans: • characterisation of the initial state; • environmental and social impact assessment, with formalisation of the sequence, Avoid – Reduce – Rehabilitate – Compensate	Mining and industrial projects	100% of greenfield *mining projects.* 100% of extensions of existing mining locations.	Permanent	✓	✓	✓		✓					
Preserve water resources	Mining operations Group	Water management plan on 100% of the mining sites. Implementation of the Eramet Water strategy including a measurable objective in the 2023-2028 CSR Roadmap.	Year-end 2023	✓	✓			✓					✓
Accelerate the rehabilitation gradually and without waiting for the end of operations on all our mining sites	Mining operations	Ratio of rehabilitated areas to cleared areas ≥ 1 over 2018-2023, as compared to 0.5 in 2011-2013 and 0.85 in 2014-2018 (excluding long-term infrastructure).	Year-end 2023	✓				✓				✓	
Carry out ecological restoration actions in addition to rehabilitation work	Mining operations	Biodiversity action plan for the three mining sites.	Year-end 2023	✓	✓			✓					

Balance sheet			Reporting/Communication	
Status of the action	Partial/final results of the action	Comments	Communication	Documentation
Completed	**Completed: Results achieved** As at 31 December 2023, none of our sites for exploration or mining operations is in a UNESCO World Heritage site.	The boundaries of the UNESCO sites are shown in the geographic information system used by the exploration team. The sites operating in New Caledonia, Gabon, Senegal and soon to be Argentina, are not in UNESCO sites.	Published	2021, 2022 and 2023 Universal Registration Documents
Completed	**Completed: Results achieved** As at 31 December 2023, none of our sites or projects discharge or are planning to discharge mining tailings at sea.	Mining tailings are stored in dump sites or in basins. A regulatory ban on tailings disposal at sea is currently being promoted with the European Commission.	Published	2021, 2022 and 2023 Universal Registration Documents
Completed	**Completed: Results achieved** Characterisation studies are routinely conducted in the earliest stages of project feasibility studies. Biodiversity issues and the ARRO sequence are also integrated into and followed by the projects, with a particular focus on the Avoid and Reduce aspects.	The project to extend Comilog's mining activities in Gabon to a new plateau has been the subject of a study of the surrounding biodiversity, a detailed examination of the initial state, an impact assessment and a commitment to net-zero losses. The resulting biodiversity strategy and actions have been brought together to form a Biodiversity Action Plan (PAB). The site is now operational, the plan is being followed, and offset activities are being coordinated at meetings held monthly since 2021. In 2023, the characterisation studies of the initial state were completed on the aquatic environment and on mammals for a project in Cameroon.	Published	2021, 2022 and 2023 Universal Registration Documents
Completed	**Completed: partial results.** A working group dedicated to on-site water management was set up at the end of 2021. The mining sites have not all finalised their water management plans. A water strategy was developed. The new CSR Roadmap 2023-2026 includes water-related commitments.	In 2023, for the second time, Eramet responded to the CDP Water Security questionnaire, and earned a score of C, which attests to its commitments both regarding its industrial sites and its mining sites. The new Roadmap calls for water management plans, consumption reduction targets and enhanced monitoring of the quality of discharges at 100% of sites.	Published	2022 and 2023 Universal Registration Documents CDP Questionnaire – Water Security
Completed	**Completed: Results achieved** In the period from 2018 to 2023, the ratio is 1.23.	Cleared and rehabilitated surface areas are integrated into the performance indicators for mining activity; they are monitored by personnel on site. They are reviewed internally every three months.	Published	2022 and 2023 Universal Registration Documents
Completed	**Completed: Results achieved** Biodiversity action plans have been defined for the three sites. In Gabon, the plan complies with IFC's performance standard 6 and the IRMA standard for one of the two plateaux in operation. In Senegal and New Caledonia, the sites have a biodiversity policy and some even a biodiversity strategy and implement dedicated action plans.	In addition to the revegetation that is carried out systematically after rehabilitation works in Senegal and New Caledonia, additional and voluntary actions are being performed: safeguarding species, mangrove rehabilitation etc. In Gabon, the action plan is being rolled out: exclusion zone, monitoring of fauna (camera traps), savannah restoration, and offset actions. At the end of 2021, a nursery was set up to supplement the rehabilitation of the mined sites. At the end of 2023, test planting in open ground was promising.	Published	2022 and 2023 Universal Registration Documents

Individual commitments made in 2021

Title of individual commitment	Scope	Indicator/Associated objective	Deadline or period of implementation	Link with shared commitments									
				1	2	3	4	5	6	7	8	9	10
Combating invasive alien species (IAS): • develop and implement a management plan focusing on priority IAS; • use local species as a priority for revegetation projects.	Mining operations	IAS management plan at the three mining sites. >50% local species on replanted areas. Active support for the development of local tree nurseries.	2023 Since 2021 2022	✓				✓				✓	
Prioritise metal recycling in steel mills. Innovating to recover low-grade ores and mining tailings	Group	>90% 2 Mt of tailings and low-grade ores over the 2019-2023.	Permanent Year-end 2023	✓				✓					
Reduce air emissions from our industrial sites	Industrial sites	-80% of channelled dust emissions – typical of our sites – in 2023 vs 2018 (2018: 2537 t).	Year-end 2023	✓				✓					
Raise awareness of biodiversity on Eramet sites among all employees	Group	Regular and recurrent communication (photo competitions, internal communications, mine site activities, etc.).	Permanent	✓							✓		
Strengthen and perpetuate Eramet's actions in favour of biodiversity *via* the Lékédi Biodiversity Foundation: • creation in 2021 (done – June 2021); • Study, raise awareness and protect Gabon's biodiversity, and support research projects, currently: • Great Ape Rehabilitation with the Aspinall Foundation and the Pan-African Alliance, • Mandrillus project with CNRS covering evolutionary ecology, anthropology, food ecology, animal communication and epidemics (SIH); • foster new partnerships in Gabon and internationally; • Financial support of the REPRiSE project run in New Caledonia (2019-2021).	Lékédi Biodiversity Foundation	Annual publication of the actions carried out by the Lékédi Biodiversity Foundation, particularly in the Lékédi Park in Gabon.	Permanent	✓	✓			✓	✓	✓	✓	✓	✓

Balance sheet			Reporting/Communication	
Status of the action	Partial/final results of the action	Comments	Communication	Documentation
Completed	**Completed: results partially achieved** Programmes to combat IAS have been implemented at all three mining sites, but are not systematically deployed. In the revegetation work, we have unfailingly used local plant species in New Caledonia and Senegal. For a drone rehabilitation test on the Gabon site, seeds from a site in Equatorial Africa were used, due to the lack of availability of seeds in Gabon itself. Nurseries have been developed in all three countries.	There are proprietary and shared nurseries, respectively, in Senegal and New Caledonia. A proprietary nursery was set up in Gabon in late 2021. It is entirely dedicated to growing local savannah plant species (a pilot initiative): shrubs, grasses and legumes.	Published	2022 and 2023 Universal Registration Documents
Completed	**Completed: Results achieved** Objective achieved >90% of inputs to steel mills from recycled materials in 2021 and 2022. >2 Mt of tailings and low-grade ores were beneficiated from 2022 onwards. (2.311 Mt between 2019 and 2022).	In 2023, the Group divested itself of its steelmaking activity (steel mills). The associated sub-target has been abandoned.	Published	2022 and 2023 Universal Registration Documents
Completed	**Completed: partial results.** 77% reduction in dust emitted in 2023 compared to 2018.	The 80% reduction target was not achieved at the end of 2023. This target was associated in particular with the implementation of a major investment in filtration equipment in Gabon. Despite the delay in commissioning the equipment (commissioning is expected in 2025), the initial target has almost been achieved.	Published	2022 and 2023 Universal Registration Documents
Completed	**Completed: Results achieved** Numerous communications on the Intranet and LinkedIn. Biodiversity quiz in 2022, open to the entire Group on the International Day for Biodiversity. Communication on the two Eramet Biodiversity Conferences organised by the Lékédi Biodiversity Foundation. Overhaul of the Lékédi Biodiversity Foundation website. Video capsule on the Park's 30th anniversary in 2023.	The communications covered subjects relating to biodiversity in general, and ones specific to Eramet, notably including articles on progressive rehabilitation, the Lékédi-Biodiversity Foundation, the restitution of rehabilitated land, and the REPRiSE project (led by Solutions Fondées sur la Nature – Nature-based Solutions), developed in New Caledonia.	Published	https://www.linkedin.com/feed/update/urn:li:activity:6932989753696894977/ https://www.linkedin.com/feed/update/urn:li:activity:6939129462651297792/ https://www.linkedin.com/feed/update/urn:li:activity:7009610967672045568/ https://www.linkedin.com/posts/eramet_eramet-comilog-eramet-activity-7138907985619120128-DLY6?utm_source=share&utm_medium=member_desktop https://lekedi-biodiversite.org/
Completed	**Completed: Results achieved** Foundation created in 2021. Five Board of Directors meetings between 2022 and 2023. Monthly meeting in the context of the Pan-African Alliance for veterinary monitoring of the Great Apes. Publication of the Mandrillus Project in eLife, on the topic of behavioural discrimination of kin in mandrills. Contribution to the iNaturalist database: identification of species based on photographs and sound recordings on file-sharing website. Hosting of around 100 children at the Lékédi Park in 2022 and awareness-raising in three primary schools in 2023. Hosting of the Eramet Biodiversity Conference – a one-day event on preserving biodiversity and awareness of climate-related issues – on 15 December 2022 and 8 December 2023, in Gabon. Finalisation of the REPRiSE project.	The REPRiSE project has helped restore ecosystems for the Prevention of Risks and Ecosystemic Services at Houaïlou in New Caledonia. It was supported by the Agence de l'Environnement et de la Maîtrise de l'Energie (ADEME – Environmental and Energy Management Agency), the Eramet Group and its subsidiary, the SLN. The project lasted three years and eight months and was completed in late 2021.	Published	https://elifesciences.org/articles/79417 https://www.inaturalist.org/projects/lekedi-park-biodiversity https://www.eramet.com/fr/eramet-et-comilog-lancent-les-rencontres-de-la-biodiversite-au-gabon https://radiococotier.nc/2021/04/24/les-12-travaux-de-wa-wi-luu/

5.2.9 Use of resources and circular economy

5.2.9.1 Context and issue

The world's need for metals continues to increase. Eramet is positioning itself as a major player in this new era of metals by promoting responsible mining and metallurgical production that provides products essential to sustainable development and the energy transition, while taking care to minimise its environmental impacts.

The following figures give an overview of the material flows involved at Group level:

- 60 Mwmt of waste-rock[(1)] including 2 Mwmt of tailings[(2)];
- 9 Mwmt of raw materials[(3)] consumed by the plants (of which 75% ore and 7% reducers);
- 2.6 Mt of metallurgical process waste[(4)].

5.2.9.2 Policy and action plan

In its environmental policy, Eramet promotes a circular economy model that uses fewer primary resources by committing itself to the following four focus areas:

Focus area	Issue and action framework	KPIs
1. OPTIMAL MANAGEMENT OF MINING RESOURCES	The mining industry plays a crucial role in increasing the efficient use of natural resources. First, by mining ore at the lower grades, in this way the mines produce proportionally less tailings. The environmental impacts associated with the storage of the latter (on the landscape, and on erosion) are therefore reduced. Secondly, by recovering as much mining tailings from ore concentration processes as possible. This makes it possible to recover more resources with an almost constant environmental footprint.	Tonnage of additional ores and mining tailings beneficiated (KPI7)
2. MAXIMISATION OF RECYCLED FLOWS	Eramet seeks to incorporate as many secondary raw materials as possible into inputs, to avoid using primary raw materials and to maximise the (internal or external) recovery of the waste generated by its activities.	Tonnage of additional waste beneficiated (KPI7)
3. PARTICIPATING IN INDUSTRIAL AND TERRITORIAL ECOLOGICAL INITIATIVES	Wherever possible, Eramet industrial sites take part in territorial industrial ecological initiatives that provide local residents with the heat, energy or fluids produced by their activities, or conversely, use the fluids produced by nearby plants.	
4. DEVELOPING NEW ACTIVITIES DEDICATED TO RECYCLING	In a context of very strong dependence and competition for access to raw materials, securing supplies of critical metals is a crucial issue from the standpoint of European sovereignty, to which recycling can provide an answer. To meet these challenges, Eramet is focusing in particular on the recycling of used batteries.	

KPI: "additional waste" means the beneficiation of waste for which new markets (outside traditional markets) have been developed since 2018 (e.g. use of smelting slag from SLN (New Caledonia) in paint sandblasting processes on an industrial scale).

Two of these four focus areas form the subject of an objective of the Eramet Group's CSR Roadmap 2019-2023:

- monitoring of additional tonnes of beneficiated ores and mining tailings;
- monitoring of additional tonnes of beneficiated process waste.

For these two indicators, the cumulative performance levels over the period exceeded their target. The main actions implemented and the associated results for each of the four focus areas are detailed below.

In addition, in its new CSR Roadmap for the 2024-2026 period, Eramet reaffirms its commitment to optimise mineral resources and contribute to the circular economy. The new objectives include better beneficiation of process waste and the construction of a battery recycling plant in Europe.

(1) Waste-rock: *waste materials from stripping and ore sorting operations (screening, washing).*
(2) Tailings: *waste-rock in slurry form.*
(3) Raw materials: *consist mainly of ore (75%) and reducers (7%).*
(4) Process waste: *waste from the metallurgical processing of ore (slag, sludge, schlamms and filtration dust).*

Responsible mining resource management

The recovery of mining resources is one of the Group's core businesses and a key component of the Group's contribution to the development of the circular economy. Indeed, maximum beneficiation of the mineral profile, i.e. the mining of ores at the lowest possible grade, or the recovery of materials previously considered to be tailings or waste, makes it possible to improve the environmental efficiency of mining operations by increasing the quantity of metal resources produced for the same environmental footprint.

The beneficiation of mining tailings or low-grade ore can be obtained thanks to technical innovations, or by seeking new commercial outlets compatible with the characteristics of these products.

As such, in New Caledonia, SLN has built washing plants (ore processing plants or OPPs) which allow the ore to be concentrated without adding any chemicals. These enable the beneficiation of ore initially considered as marginal, thus significantly extending the life of deposits while reducing the final environmental impact. The concentrated ore produced by these washing plants is recovered either at the Doniambo plant (New Caledonia) or exported to other customer plants, depending on the grade.

Beneficiation is impossible for some low-grade ore on the territory. That is the reason why, in collaboration with the authorities, SLN has developed strong partnerships in recent years that allow beneficiation of this ore for export. By mining ore at the lower grades, the mines produce less tailings. This helps to reduce the environmental impacts associated with the storage of ore (on the landscape, and on erosion).

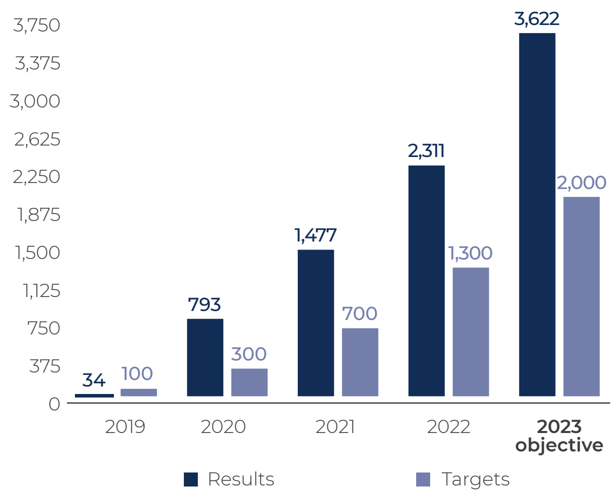
Other examples in Senegal: since 2016, more than 142,000 tonnes of sand containing zircon (medium-grade zircon sand), initially considered as a waste, has been recovered by the GCO teams (Senegal).

In 2018, in the context of its CSR Roadmap, the Group decided to strengthen this momentum to improve the beneficiation of mining resources by formalising a new circular economy action plan. The objective is, over the 2019-2023 period, through a series of innovative actions, to recover more than 2 million tonnes of materials previously considered as waste or tailings. Four projects have been launched to contribute to this goal. Three of them have already produced results in terms of recovered tonnes:

- a flow of ilmenites, initially considered at GCO (Senegal) as waste, underwent beneficiation, creating a new commercial product known as Ilmenite 56, thanks to work for standardising this waste product in partnership with an industry capable of beneficiating it. Since 2019, 134,000 tonnes of this product underwent beneficiation;
- a facility with a new tri-optic technology was established on SLN's Népoui (New Caledonia) mining site. This allows the finer sorting of the wash waste previously considered as tailings. Installed in 2020, this innovation has helped to recover 95,000 tonnes of waste. However, due to the unfavourable economic situation, the activity of this facility had to be suspended in 2022;
- in the context of the development of low-grade ore exports, SLN (New Caledonia) has been able to recover since 2019 almost 3,400,000 tonnes of ore that had been sorted and stockpiled while waiting to find a beneficiation solution. Thus, these tonnes of ore can be beneficiated with no additional environmental impact linked to their extraction;
- for the fourth project, located in Comilog (Gabon), the establishment of a mineralurgy pilot to validate the process of beneficiation of a portion of the mining tailings has been delayed. Its commissioning is scheduled for 2024.

The results of these actions are monitored using KPI7 of the Eramet Group's CSR Roadmap for the 2019-2023 period.

▾ Kt of recovered additional ore/mine waste *(total)*



Maximisation of recycled flows

Eramet is prepared to optimise its different input consumptions as much as possible.

Approximately 9 million tonnes of raw materials are consumed by the Group's plants each year, of which approximately 75% is ore (produced overwhelmingly by the Group's mines) and 7% is reducers (coal and coke). The rest of the consumption consists mainly of metals used in alloy factories, and various additives.

Wherever possible, the Group prioritises the use of secondary raw materials over primary raw materials.

To support this optimisation of flows, in 2018 the Eramet Group identified a series of actions that help to enhance waste flows in the waste management hierarchy: re-use > internal or external material beneficiation (recycling) > energy recovery. The ideal recovery is primarily material recovery, through re-use, internal recycling or external material recovery. At the end of 2023, the results of these actions, which therefore concern waste that was not beneficiated in 2018, are as follows:

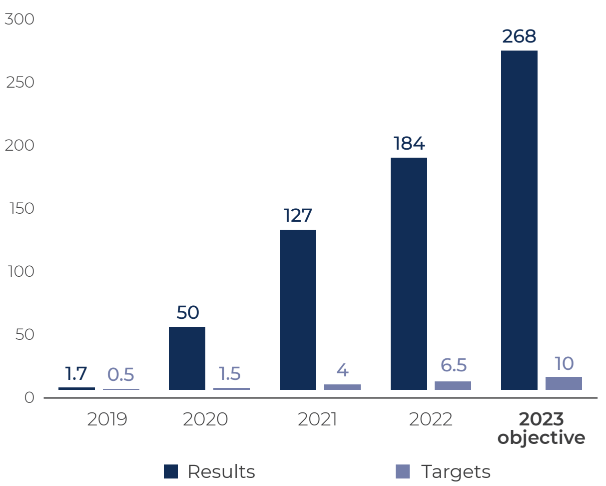
- in New Caledonia, the slag left by SLN's smelting operations, made into a commercial product known as SLAND, has continued to be redirected into applications involving sand in the United States. Exchanges with the Pacific Isles have continued, with a view to developing the use of waste as fill material and in construction and public works;

- in France, the beneficiation of ground granulated blast-furnace slag from Comilog Dunkerque's operations, for applications in the construction industry, continued and actually exceeded the set target. In particular, the identification in 2023 of new beneficiation channels enabled the quantities of slag beneficiated to double;
- in Norway, work continues to recover value from the silicomanganese slag, made into a commercial product called SiGs (Silica Green Stone). A pilot facility to granulate the slag has come on stream on the Kvinesdal site.

The results of these actions are monitored using KPI7 of the Eramet Group's CSR Roadmap for the 2019-2023 period.

A cumulative total of 268,000 tonnes of waste were beneficiated, far exceeding the initial target of 10,000 tonnes.

▼ Kt of recovered additional waste *(total)*



Participating in industrial and territorial ecological initiatives

Wherever possible, Eramet industrial sites take part in territorial industrial ecological initiatives that provide local residents with the heat, energy or fluids produced by their activities, or conversely, use the fluids produced by nearby plants.

For example: the excess steam produced by the Eramet site in Kvinesdal (Norway) is used to heat numerous local infrastructures, and the hot wastewater is reused by several external customers including a fish farm.

Developing new activities dedicated to recycling

Eramet's ambition is to develop a recycling industry in Europe, from the collection of used batteries and gigafactory waste, to the production of materials suitable for the manufacture of new batteries. The project thus responds to the challenges of the energy transition and securing supplies of the metals necessary for the manufacture of electric batteries in Europe, and contributes to the circular economy.

To this end, Eramet has been engaged since 2019 in the ReLieVe project in partnership with SUEZ and with the support of the European Union. After several years of research and development, Eramet's Research & Innovation Centre has developed a process that can indefinitely recycle more than 90% of the strategic metals (nickel, cobalt, lithium) contained in the blackmass of end-of-life batteries and in scrap from gigafactory production.

In November 2023, Eramet inaugurated a pilot plant at its Research & Innovation Centre in Trappes (78) to test and optimise the production of battery-grade metal salts (see the "Inauguration of pilot plant" press release on the website www.eramet.com). This facility is a 1:1,000 scale replica of the plant due to be built in Dunkirk (59), with start-up scheduled for 2027, subject to a final investment decision expected by the end of 2024.

5.2.9.3 Data on outgoing materials

(thousands of tonnes)	2021	2022	2023
Quantity of hazardous waste *(expressed in dry volume)*[(1)]	27.8	28.3	38.2
Quantity of non-hazardous waste *(expressed in dry volume)*	4,169	4,925	4,408

(1) *The collection of data expressed in dry extract is not guaranteed for all sites, particularly for quantities of sludge or oil, which could lead to an insignificant overestimate.*

The concepts of hazardous and non-hazardous waste are defined in accordance with the regulations of the countries of operation. Indeed, to date the measures regarding waste are very disparate from one country to another. The following chapters specify the nature of the waste concerned, which may or may not include mining tailings and process residues, depending on the country of operation.

Non-hazardous waste

The mining activities and their related industrial operations are the main source of non-hazardous waste. A significant tonnage of such waste is stored in industrial basins in Gabon. These are the fine fractions of manganese ore collected after the washing step which serves to isolate the grained fraction intended for the market. In terms of the Nickel Activity, the SNL plant generates another important tonnage of non-hazardous waste through pyrometallurgical activity corresponding to the smelting of slag. The three major contributors – the New Caledonia plant, the Moanda mines and the Moanda Industrial Complex (CIM) (Gabon) – account for 99% of the total quantity of non-hazardous waste.

At much lower tonnages, industrial activities of the steelworks and of the smelting-reduction or of the ferro-alloy production sectors also generate non-hazardous by-products or waste. They are in the form of slags or inert slag stored in an internal landfill or are put through some external beneficiation process.

Finally, although quantities are still much lower, local initiatives are also being implemented at many sites to reduce food waste: accurate forecasts of the people present on site each day (absences, holidays, visitors etc.) to inform the catering service, the composting of plant-based food waste or redistribution to neighbouring farms as animal feed.

In 2023, the 10% decrease in non-hazardous waste volumes is mainly related to the Moanda enrichment plant (CIM), which saw its production level decrease following the landslide that interrupted rail traffic between Libreville and Moanda in January 2023 and disrupted the industrial operation of the site.

Hazardous waste

The hazardous waste produced by the Group mostly comes from the Group's pyrometallurgical plants.

These activities produce dust recovered by dry filtration systems, sludge from wet gas processing and sodium-calcium slag which, depending on their intrinsic properties and the location of the operation, can be considered hazardous waste.

The hazardous waste is treated through specific, authorised channels. Controls are put in place to ensure the proper management of this waste throughout the process (transport of waste, delivery to approved centre and final treatment).

The quantity of hazardous waste generated in 2023 increased significantly (+35%) due to:

- a change in the accounting approach for sodium-calcium slag produced at SLN (New Caledonia). Previously, the eliminated volumes were taken into account, while in 2023 the tonnage produced by the process was reported;
- the commissioning in 2023 of the new power plant at SLN (New Caledonia), entailed the production of new waste generated by the fuel filtration that was not required with the old plant;
- the increase in the processed volume of manganese sulphate solutions formerly produced by the Moanda Metallurgical Complex (CMM) at Comilog (Gabon);
- finally, the more clayey composition of the manganese ore delivered to the ENO plants (Norway) results in a higher volume of sludge from wet gas processing.

5.2.10 PT Weda Bay Nickel mine and plant in Indonesia

5.2.10.1 Governance

In Indonesia, Weda Bay Nickel entered production in 2020, as part of a partnership between Eramet (minority shareholder) and the Chinese steel group Tsingshan (the world's leading stainless steel producer).

PT Weda Bay Nickel produces, firstly nickel ore, and secondly, nickel ferroalloy, using a pyrometallurgical process, for a volume of around 30,000 tonnes of nickel content a year.

The implementation for PT Weda Bay Nickel of strong environmental and societal commitments is an integral part of the objectives set out in the agreements signed between Eramet and Tsingshan. In this optic, Eramet provides the partnership with its know-how to help fulfil its commitments, particularly with respect to controlling the mine's environmental impacts.

In addition, Eramet has fully rolled out its vigilance tools under the partnership. Since 2019, four audit and support projects have been carried out contributing to the continuous improvement momentum of the site's environmental and social performance. These audits lead to action plans, drawn up by operational staff and monitored by the company's Board of Directors. The audit conducted in the first quarter of 2022 enabled a self-assessment of WBN's mining activities with regard to the IRMA (Initiative for Responsible Mining Assurance) standard, recognised as the most demanding initiative for responsible mining, and on this basis, to define an action plan with the partner.

In September 2022, to support Indonesia's drive to strengthen environmental, social and governance (ESG) principles in domestic mining operations, Eramet actively participated alongside representatives from the mining industry, civil society organisations and the Initiative for Responsible Mining Assurance (IRMA) in a forum focusing on responsible mining in Jakarta. Led by the Indonesian Ministry for the Coordination of Maritime Affairs and Investment, the theme of the forum was "Introducing IRMA to Indonesian Mining Companies". In 2023, the self-assessment was updated and the action plan strengthened, with the aim of meeting the Group's commitment to be audited by an independent third party for its mining activities by 2026.

5.2.10.2 Key environmental data

Weda Bay environmental data is not included in the Group's consolidated indicators presented in the Non-Financial Performance Statement, as the activities for which the Group holds less than 50% of control in the financial sense are not included in the reporting scope (information in 5.5 "Methodological note"). Driven by a concern for transparency, Eramet has made the key environmental indicators for this operation available in a special appendix.

Environmental data	2023	Comments
Hazardous solid waste	840 tonnes	Hazardous waste as defined by local regulations.
Cleared surface area over the year	710ha	Total surface area, including fixed installations and mining routes.
Rehabilitated surface area over the year	11ha	Little surface area available for rehabilitation in mining areas and dumps. Normal situation for a mine in start-up.
Additional rehabilitated surface area over the year	869ha	Planting activities outside the mining right of way, in the same geographical area.

5.2.10.3 Main environmental measures

The main environmental actions put in place include:

With respect to biodiversity, the application of the hunting ban on the concession for all employees and subcontractors, the delimitation of land to be cleared, water abstraction on sites, the reproduction of local species in nurseries and the first revegetation works on roadsides.

To supplement mining rehabilitation actions, PT Weda Bay Nickel offsets its impacts on the forest. In fact, under its permits to borrow and use forest areas (IPPKH[1]), WBN fulfils its obligations by carrying out planting activities in deteriorated areas identified in the vicinity of the concession. Local specialists and experts are in charge of identifying the areas and managing the restoration. Phase 1 covered an area of 1,075 hectares, located in the Central Halmahera Regency in the North Moluku Province. The surface area corresponds to that of the disturbed area increased by 10%. Planting took place in 2020, with upkeep activities continuing in 2021 and 2022. Based on the results of an evaluation conducted by the Ministry of the Environment and Forests (MoEF) in 2023, the phase 1 planting activities were declared successful. The plot was handed over to the MoEF via the Director General of Watershed Management and Forest Rehabilitation (PDASRH). The transfer was signed with the Ministry of the Environment and Forests on Monday, 27 November 2023. 2023 also saw the launch of phase 2 with new plantings on an 869-hectare plot in the East Halmahera Regency.

At the end of 2022, a strategic framework and a biodiversity roadmap were developed with the aim of meeting the best international standards. In 2023, the characterisation studies were completed, the habitat maps were updated and an analysis of natural and critical habitats was carried out.

With regard to water, the installation of mine hydraulic facilities to limit the transportation of solids from cleared areas to the rivers is continuing as the mine develops, as well as water recycling on the most water-intensive plants (furnace cooling and slag granulation). In 2023, monitoring of wastewater quality at the level of settling tanks was stepped up at the mine with the installation of continuous measurement equipment at strategic points.

With regard to rehabilitation, the new nursery, delivered in 2022, is continuing to ramp up and plant production capacity will soon be increased with the development of two new structures located as close as possible to the rehabilitation zones. In addition, in 2023, the site acquired a hydroseeder lorry for the hydraulic seeding of slopes that are inaccessible for manual planting.

With regard to air, emissions channelling and electrostatic precipitator treatment at the ferronickel production plant in the IWIP, and the regular watering of mining roads.

With regard to the management of mine tailings, several stockpiles will be made: a specialised firm will design them and their implementation has been integrated in the mining schedule. External audits will be made throughout operations as indicated in the operating and monitoring manual. In 2023, the mine operated two main pits, one of which was composed of materials that would be recovered at a later date. Geotechnical monitoring is in place to ensure the stability of the structures. It should be noted that since almost the entire geological profile has been beneficiated, the quantity of tailings requiring disposal is very small.

With regard to waste, obtaining official recognition of the non-toxicity of the slag that has been used since 2021 as construction material in a storage area, as well as implementing strict management and monitoring of hazardous and non-hazardous waste that may be disposed of on other Indonesian islands. In 2022, the site commissioned a new facility to consolidate hazardous waste before it is sent to the approved channels.

(1) Izin Pinjam Pakai Kawasan Hutan or Leasehold of forest area licence

5.3 Social and societal commitments of the Group

5.3.1 Respect for human rights

5.3.1.1 Human rights commitments

The key documents of the Group

The Human Rights Policy

Eramet believes that companies have an essential role to play in respecting and promoting human rights. The Group is committed to promoting and respecting internationally recognised fundamental principles of human rights, as defined in the International Bill of Human Rights, the Fundamental Conventions of the International Labour Organization and the Guiding Principles on Business and Human Rights. The Human Rights Policy formalises this commitment, following the guidelines set out in the Group's Ethics Charter and supplementing other existing policies. This commitment is fully in line with the Group's strategic vision. Adopted in 2019, the Human Rights Policy (available on www.eramet.com) was developed in consultation with internal and external stakeholders (including NGOs and trade unions). It allows Eramet to reaffirm the essential character both of its managerial and operational approach and of its relations with internal and external stakeholders. The Policy is signed, at the highest level of governance, by all members of the Executive Committee. In 2023, to comply with the Initiative for Responsible Mining Assurance (IRMA), it was updated to incorporate the IRMA requirements.

THE POLICY APPLIES TO STAKEHOLDERS IMPACTED BY ERAMET ACTIVITIES

EMPLOYEES AND REPRESENTATIVES

TOPICS OF INTEREST
Health and safety of employees and subcontractors, working conditions, non-discrimination, harassment, trade unions etc.

COMMUNITIES

TOPICS OF INTEREST
Community health and safety, natural resources, relocation, cultural heritage, cultures and traditions of indigenous communities etc.

SUPPLIERS AND SUBCONTRACTORS

TOPICS OF INTEREST
Duty of care in the value chain (health and safety, working conditions etc.)

***Key Standards* and Golden Rules**

Human rights are integrated into Eramet's managerial management system through a *specific Key Standard*. From 2023 onwards, compliance with this document is verified by the Group Internal Control Department and through regular audits.

In addition, golden rules specific to human rights (forced labour, working conditions etc.) have been created and apply to all Group entities and their subcontractors. The rules have been integrated into the *Eramet Production System* to be implemented by operational staff. They provide descriptions of human rights along with examples for greater clarity.

The Ethics Charter

The Ethics Charter is the Group's second most important document with regard to human rights. It covers key topics such as discrimination, health, safety and harassment. This document is shared and signed by the subcontractors and suppliers with whom the Group works. The Charter was developed in consultation with, and approved by, trade unions and leading experts. The Ethics Charter can be updated when the context so requires (new laws or particular events). It is supervised by the Ethics and Compliance Department and drawn up jointly by the Social Impact and Human Rights Department, the Human Resources Department for topics related to diversity and inclusion, social dialogue, discrimination, coercion and harassment, the Internal Control, Audit and Risk Management Department, and the Data Protection Officer, and is approved and signed by the Executive Committee.

The Suppliers' Code of Conduct

The Suppliers' Code of Conduct is a document that sets out the Group's commitments in relation to human rights (citing the Policy and Ethics Charter) and is signed by suppliers who work or wish to work with Eramet.

The CSR Roadmap

Eramet manages its CSR performance through a Roadmap, a comprehensive tool that addresses its challenges and risks and includes its contribution to the United Nations Sustainable Development Goals. The Roadmap links the CSR priorities to the pillars of Eramet's strategic vision. It is shared and approved by the Strategy and CSR Committee and the Board of Directors, and it is reviewed regularly. The Executive Committee also closely monitors the progress of the commitments made by organising evaluations at least every six months, supported by more detailed internal management tools thanks to a quarterly *ad hoc* organisation, the CSR Steering Committee. The level of success of the CSR Roadmap is taken into account in calculating bonuses for the company's executives.

CSR 2023

In 2023, Eramet achieved its Objective 8 of the Roadmap 2018-2023, which related specifically to Human Rights. The various actions taken to this end were as follows:

- implementation of the action plan related to assessment of the compliance of the Group's human rights reporting with the UN Guiding principles. In 2022, Eramet had achieved the "intermediate" level following the audit by the Shift-Mazars association. In 2023, notably on the basis of the publication of its Human Rights Report, drawn up following the recommendations and action plan validated with Shift during their audit, the Group deemed itself to have reached the "mature" level expected in the Roadmap;
- compliance by all Group sites (excluding SLN) with the Human Rights Policy, i.e. implementation of the necessary safeguards to prevent and mitigate possible risks related to human rights.

Commitments to global organisations

The Global Compact

The Global Compact is a United Nations initiative to encourage businesses to integrate and promote principles related to human rights, international labour standards, the environment and the fight against corruption, and to report regularly on this issue. In 2023, Eramet participated in the "Human Rights Accelerator" with other French companies. The Group also participates in two working groups: the working group on community relations and the working group on human rights. Through these working groups, Eramet learns from and exchanges with other major French companies about practices relating to human rights in the private sector.

EITI (Extractive Industries Transparency Initiative)

Eramet also strives to promote transparency within the extractive industry. This initiative, which the Group joined in 2011, is based on a set of transparency principles and rules. It brings together governments, companies, civil society groups, investors and international organisations to promote revenue transparency at a local level. By adhering to these principles, Eramet demonstrates its willingness to ensure the responsible development of natural resources and transparency in financial flows between companies and host countries, and also to regularly report to its stakeholders.

IRMA *(Initiative for Responsible Mining Assurance)*

IRMA is a standard that ensures a strong human rights protection framework and certifies mines as responsible according to very high standards. This initiative is aimed specifically at the mining sector. It is led by a Board of Directors composed of representatives from each of the multiple sectors involved, namely: mining companies, companies that buy extracted materials to make other products, NGOs, affected communities, trade unions, and investment and finance companies. It is a strong human rights standard, whose content builds on existing standards such as the IFC Performance Standards, the Conventions of the International Labour Organization and the Voluntary Principles on Security and Human Rights. The Group's decision to join the IRMA initiative and to have its mines audited by 2027 represents a major turning point in Eramet's consideration of human rights.

Businesses for Human Rights (EDH)

Eramet is an active member of EDH, a French association of companies that specialises in human rights. The association brings together more than 20 international companies from different sectors and represents nearly 2.5 million employees. Participating in this voluntary and multisectoral initiative helps to support the Group in developing its human rights due diligence, mainly through the sharing of best practices and tools, such as online training programmes, the roll-out of policies in the various different countries and the development of the Vigilance Plan.

5.3.1.2 Organisation of the Human Rights approach

Governance

Human rights are integrated **into all levels** of the Group's governance.

The CSR and Strategy Committee of the Board of Directors

The CSR and Strategy Committee, made up of directors with recognised expertise, is tasked with assisting the Board of Directors and, in particular, for evaluating **the consistency between the CSR action plans and the Group's strategy.** It ensures that management performs an analysis of internal or external factors related to CSR issues (risks and opportunities) impacting the Group, and that the Vigilance Plan is implemented in accordance with legislative requirements, taking note of the main findings and observations of independent third parties in the context of CSR regulations, assessing them and examining management's action plans, including the Roadmap.

The Executive Committee

Human rights fall within the remit of one of the members of the Executive Committee, within the Sustainability and Corporate Engagement Department. **Human rights risk mappings, assessments and roadmaps in this area are presented to and approved by the Executive Committee.**

The CSR Steering Committee

The CSR Steering Committee monitors the progress of CSR commitments on a quarterly basis. **This Committee is made up of representatives of the Departments in charge of the CSR Roadmap objectives and business-line experts** (HR, Finance, Environment, Strategy, Social Impact and Human Rights, Ethics, Purchasing, Commerce, Digital Transformation, and operational Divisions). It also generates proposals and initiatives for the Group, with the aim of **continuously improving the sustainability of its activities.** In addition, it monitors within this framework the actions relating to the Group's Vigilance Plan, which forms part of the Roadmap.

The Human Rights Committee

The Human Rights Committee is a committee made up of the Group's various experts in areas directly related to human rights (security, HR, health, audits, ethics etc.). The **Committee ensures the execution of the action plans resulting from the Group's human rights risk mapping.** This committee plays an essential role in managing the process. The committee is an effective internal body for reporting and communicating on the human rights approach. It meets every quarter and more frequently if necessary.

The Social Impact and Human Rights Department

The Social Impact and Human Rights Department, within Sustainability and Corporate Engagement Department, **is responsible for implementing the Group's human rights programme.** Its main missions in relation to human rights are as follows:

- **rolling out the Group's approach** in accordance with the highest standards;
- **helping the sites to implement standards related to human rights,** including the IRMA standard;
- ensuring that **the human rights objectives of the Group's CSR Roadmap are implemented;**
- **managing the Group's human rights** risk mapping and **action plans**;
- **assessing the sites' compliance with the Human Rights Policy** and implementing a progress approach;
- **reporting on the process to external stakeholders:** the human rights component of the annual report (Universal Registration Document) and the Group's Vigilance Plan; engaging in dialogue with NGOs and civil society organisations;
- **managing controversies**: gathering evidence regarding allegations against Eramet.

The *Human Rights Officer*

The Human Rights Officer is the expert of the team and the direct contact person for the entities. He or she is responsible for rolling out the Group's approach in accordance with the highest standards, supporting the sites in the implementation of standards relating to human rights, including IRMA, ensuring that the human rights objectives set out in the Group's CSR roadmap are implemented, managing the Group's risk mapping and human rights action plans, and reporting externally on this process.

The network of Human Rights Advisors

The Human Rights Officer can rely on the network of Human Rights Advisors, created in 2022 following the first assessment of the compliance of the Group's sites with the Human Rights Policy. Action plans have been developed, and the Advisors have been selected by the sites' management to guide the plans and ensure their implementation. These representatives are **the main point of contact between the Human Rights Officer and the site. Each Eramet site has a Human Rights Advisor.** Finally, issues relating to human rights are regularly examined by the Executive Committee of each subsidiary.

The Eramet Human Rights approach

A set of procedures, tools and measures to:

Assess	Implement	Communicate	Report
A dedicated **risk mapping system** **Internal audits**	**Operational measures** for prevention, remediation and/or correction **Reasonable due diligence processes***	**Awareness actions** **Training** **KPIs and reporting**	**An** international **whistleblowing mechanism** available to all, both internal and external to Eramet

* *"Due diligence process": screenings of commercial partners, Responsible Purchasing Committee, Responsible Sales Committee etc.*

Assessing

Human rights risk mapping

Since the adoption of the law relating to the duty of care in France in 2017, Eramet has carried out three successive human rights risk mapping exercises with the support of independent experts (in 2017, 2020, 2023). In 2023, in order to better integrate international human rights standards (e.g. the United Nations Guiding Principles – UNGP) and the French law relating to the duty of care, **Eramet performed a more detailed human rights risk mapping than in previous years. This allowed all sites to carry out a human rights risk mapping exercise and put in place an associated action plan.**

Process

The human rights risk mapping for 2023 was a six-month undertaking that included **site-level mapping in addition to Group-wide mapping. It covered all of the Group's sites; France, United States, Norway, Gabon, Senegal, Argentina, Indonesia and New Caledonia. A bottom-up approach was adopted, with site-level risks identified first and then taken into account in the identification of the Group's risks.** To this end, interviews were conducted at site level **with internal and external stakeholders**, mostly in the local language. This resulted in a site-by-site human rights risk mapping, where all **sites received their own lists of risks and definitions, as well as their own criticality and prioritisation matrices.** A Group-wide matrix was also drawn up, with its own criticality and prioritisation matrices.

Assessment

In accordance with the United Nations Guiding Principles, **risks were measured according to their scale, scope, likelihood and irremediable character.** These criteria and their level of granularity were aligned with the Group's risk assessment methodology, through an interview with the Eramet Control, Audit and Risk Management Department, to ensure the consistency of the risk management exercises and their integration into Eramet's business-wide risk management framework. In addition, some subsidiaries conducted their own Human Rights Impact Assessments (HRIA). This is the case for GCO, which carried out a HRIA in July 2023. **The focus on people and the degree of irremediability is an essential aspect of human rights risk assessment.** Indeed, the UNGP framework stresses that companies must first avoid, then limit and finally remedy violations of human rights through appropriate measures. Consequently, in the event of **a violation of human rights, the victim's ability to return to his or her previous situation is paramount for assessing the impact of the violation.**

Stakeholders

The assessment was based on the **relevant documentation provided by Eramet's stakeholders** (e.g. previous risk mappings, assessment results, policies, risk management procedures etc.), as well as on **information gathered from various experts during interviews**. In addition, at the site level, **key functions** (e.g. Human Resources, Legal and Purchasing departments) and **external stakeholders** (e.g. suppliers, subcontractors, members of the local community, local authorities and trade union representatives) **participated in the risk mapping exercise.** In total, more than 95 interviews were conducted with internal stakeholders and approximately 30 with external stakeholders. The Group's Human Rights Committee was an effective forum for peer debate and discussion on the potential risks identified. **The stakeholders were identified through an internal census of people liable to be affected by the Group's activities.** In addition, international standards such as those of the IFC, IRMA or the EU Corporate Sustainability Reporting Directive (CSRD) provide a clear framework for identifying the company's stakeholders. **This new mapping not only highlighted risks of which Eramet was already aware, but also new risks and challenges for the Group, which enabled the Group to continue to improve its practices and better understand its challenges.**

Continuous assessment

Outside the risk mapping process, **the monitoring of human rights issues raised via the Integrity Line allows the Social Impact and Human Rights Department and the Ethics and Compliance Department to identify new trends and risks.**

Internal audits

In addition, the internal audit team communicates the results of its audits on human rights issues to the relevant departments in order to inform their experts of the results and any new challenges. The Audit Department collaborates with the Social Impact and Human Rights Department at two levels:

- prior to an audit in order to **identify risks or problems** that the experts may already have in mind and to examine them in more depth;
- by calling on **expert auditors** who support them in the field and provide them with their expertise on audit topics.

Implementation

Since the 2023 mapping, **a specific action plan has been drawn up for all human rights issues** in collaboration with the persons responsible for the actions (either at site level or at Group level when certain actions require corrective measures at Group level). These plans have been developed in accordance with future IRMA requirements. **A specific working group was formed to design the action plan for supply chain risks and is working on an action plan.**

Eramet continued work on action plans resulting from the audit of complaint-handling mechanisms for its five mining entities, which was carried out in 2022.

With regard to remediation or redress, in the context of impacts on employees, there are several ways to file complaints or raise concerns:

- people can contact **their manager** so that the matter can be dealt with quickly;
- people can contact **the management team** that has expertise in the field;
- people can also **turn to the networks set up within the Group, such as the sexual harassment and sexist behaviour network**;
- finally, people can turn to the **Group's Integrity Line whistleblowing system, open to all stakeholders and accessible 24 hours a 24 day and 7 days a week via the Group's website and Intranet.**

This system is also accessible via **telephone numbers available for 22 countries.** The Integrity Line is also mentioned in the Ethics Charter. To ensure the effectiveness of the whistleblowing system, a study on confidence in the system was conducted in 2021, 2022 and 2023.

With regard to possible impacts on local communities, **remediation involves managing land acquisitions and relocations and providing redress in the event of an unavoidable or unexpected impact.**

For land acquisitions and relocations necessary for the mining activity

To avoid engendering human rights violations (property rights or the right to an adequate standard of living), the Group refers to the principles set out in the Performance Standards of the International Finance Corporation (World Bank Group) applicable to relocation activities. **For each of these activities, relocation action plans are automatically developed with the parties concerned prior to the move. These plans provide for working together with the communities to define the compensation matrix for compensated assets, the resettlement location and schedule, and measures to restore livelihoods.** In accordance with the "mitigation hierarchy" of impacts, **populations are displaced only as a last resort, when all avoidance measures have been taken.** The sites concerned have therefore established specialised teams to engage with affected communities and local authorities, conduct censuses and inventories, and negotiate fees and compensation. For more information, refer to section 5.3.3.2.2.

Redress is the last resort in the hierarchy of mitigation measures. **This consists of compensation for unavoidable residual impacts that may occur** despite existing impact management measures (e.g. road accidents, pollution etc.). The most important aspect in this case is to ensure the **transparency of the process and open communication with the communities, as well as a robust complaint-handling mechanism that complies with the UNGPs in terms of key requirements such as fairness, availability etc.** Depending on the type of impact on the communities, **the redress may be done in kind or financially. In the event of accidental property damage, the sites make every effort to remedy the situation and restore the premises to their previous condition.** For example, at Eramet Norway, the washing of manganese-based finished products can sometimes raise dust that settles on nearby houses and cars when the wind blows in a certain direction. The plants then organise the cleaning of cars in order to help the neighbours concerned. When this type of remediation is not possible, financial compensation will be put in place.

Communicating

For internal stakeholders

Employees

For all new recruits, **an induction programme is organised.** The Charter, policies and other key documents are communicated to employees through three main tools: **the company's website, the Eramet Management System (EMS),** which is the internal framework of the Group's procedures, and **the Eramet Production System (EPS)**, which is the set of rules and operational processes of the Group. These key documents are also presented on induction days, during which the Director of Social Impact and Human Rights outlines the Group's human rights framework to new recruits.

The most effective communication takes place throughout the year through policy postings, videos on all Group screens on major topics and regular communication campaigns.

An online training programme: "Understanding and integrating human rights in business" has existed since 2020 to ensure that Group employees have a better grasp of the notion of Human Rights, understand its challenges for businesses and identify risks as well as vigilance best practices. This training was first assigned to priority employees selected according to their positions and responsibilities: at the end of 2023, 51.94% of registered employees from Management and from the Human Resources, HSE, CSR and Communities, Purchasing, Safety and Ethics Departments had taken this course.

This e-learning was updated in 2023 to reach a wider audience (more than 6,000 people), representing all connected employees, and is now available in four languages (English, French, Spanish and Norwegian).

Regular awareness-raising sessions on specific topics are organised. For example, in 2023, the Social Impact and Human Rights Department and the Ethics and Compliance Department organised a training session at the Trappes site. In addition to this, special training sessions are also regularly organised to combat discrimination (for example, on non-discriminatory recruitment), promote diversity and inclusion within the Group (for example, "All Together" for the Top 120 and "Diversity & Inclusion, what's it all about?" to raise employee awareness), or combat gender-based violence in Gabon, New Caledonia and Argentina.

Employee representatives

After being involved in the development of the Human Rights Policy, employee representatives are regularly informed about the deployment of the human rights approach at their working sessions. **In 2023, the Human Rights Officer presented the human rights approach to employee representatives from European sites.**

For external stakeholders

Commercial partners (subcontractors, suppliers, customers)

Due to issues related to the Group's activities, stakeholders have high expectations regarding human rights and societal performance. **Eramet is committed to fostering a responsible value chain** that aims to promote commercial partners who offer products or services that respect environmental and social criteria while maintaining a high level of competitiveness. For more information on this point, refer to section 5.4.2 "Responsible value chain".

Communities

The Group's commitments with regard to rights and possible impacts on communities are discussed in regular consultations and meetings. Because communities are diverse, the means of communication can be adapted to their local realities and contexts. For more information on this point, refer to section 5.3.3.3 "Dialogue with local communities".

Experts

Eramet regularly participates in meetings where best practices from the private sector are shared with human rights experts, for example in the context of the Global Compact in France and Argentina, and also takes part in round tables with experts, such as the round table on human rights risk mapping at the 9th Anti-Corruption and CSR Conference held in Paris in October 2023. In 2023, the Office of the United Nations High Commissioner for Human Rights (OHCHR), as part of the Responsible Business Conduct for Latin America and the Caribbean Project (RBC LAC Project), contacted Eramet's experts to participate in a human rights due diligence project specifically designed for companies, professional associations and trade unions in the extractive sector in Latin America. Since 2022, Eramet has also participated in Alliance 8.7, a global partnership for the eradication of child labour and forced labour.

Civil society

In addition to Eramet's **individual relationships** with NGOs regarding its approach to human rights, **the Group shares its commitments and responds to any allegations regarding its activities and impacts through the Business & Human Rights Resource Centre platform**.

Whistleblowing

The Integrity Line system, presented earlier, is the Group's whistleblowing mechanism. **This whistleblowing system is available in the 22 countries where the Group operates, in 13 languages. It ensures the protection of the whistleblower, as defined by the applicable law.** It guarantees the confidentiality of the reports submitted by all whistleblowers, as well as their anonymity if they have so requested.

Communities can share difficulties **through the Integrity Line whistleblowing system**, but they can also make use of the local **complaint-handling mechanism available at all sites**. This mechanism is managed by the local community relations teams, which regularly raise awareness regarding this process and the complaint-handling mechanism with communities during dialogue sessions. In 2022, an audit was conducted at all mining sites to ensure compliance with the United Nations Guiding Principles, and action plans were developed to ensure an improvement process. Action plan monitoring has been in place since 2023. For more information, refer to section 5.3.3.2.4.

5.3.1.3 Risk management and implementation measures

Identified human rights risks

Human rights risk mapping focuses on the remediability of the impact and is led by the Social Impact and Human Rights Department. Eramet refers to the approach of the United Nations Guiding Principles, which establishes that if prioritisation is necessary, companies should begin with those human rights impacts that would be most severe, recognising that a delayed response may affect remediability. Thus, the question that arises is not what mitigation measures are in place to prevent the risk, but whether an affected person can be returned to their previous situation?

This methodological approach, which places the emphasis on remediability, differs from the risk mapping exercise carried out by the Risk Department as well as that carried out by the Ethics and Compliance Department as part of its duty of care.

The risks identified in the context of human rights risk mapping are:

- safety of employees and external stakeholders: Risks related to activities that could cause serious injury to the workers concerned, such as working at height, mechanical equipment or vehicles (cars or trains). Some of these activities may also pose a risk to communities living in the vicinity of the sites;
- impacts on indigenous peoples: Risks related to activities that could impact indigenous peoples when activities are carried out in proximity to indigenous communities;
- psychosocial risks: Risks related to stress and burnout, harassment, conflict or external factors such as threats, assaults etc.
- gender-based violence: Risks of differential treatment, discrimination or sexual harassment based on gender;
- cumulative impacts on local communities: Risks related to areas densely populated with industrial facilities and other industrial equipment that could have cumulative environmental impacts on water (quality, quantity), biodiversity (loss) or erosion, as well as societal impacts such as loss of land and livelihoods, traffic problems, degradation of air quality or disturbance of public order;
- human rights violations in the supply chain: Risks of human rights violations (such as safety or modern slavery) throughout the supply chain due to its size and purchasing segments that may, at times, be linked to such risks (for example, specific materials or specific countries).

Human rights risk management

Since the 2023 risk mapping, a specific action plan has been drawn up for all human rights issues in collaboration with the persons responsible for the actions (either at site level or at Group level when certain actions require corrective measures at Group level). These plans have been developed taking the IRMA requirements into account. A specific working group has been formed to design the action plan for supply chain risks and will work on an action plan as of 2023.

The risk management measures and opportunities developed for each of these categories are extensively explained and presented separately in the Non-Financial Performance Statement:

- the approach to managing risks related to employees' Human Rights (including in particular safety, health, security and non-discrimination) is explained in detail in the section entitled "Commitments to employees", which also contains the Group's main social data;
- the approach to managing harassment risks is detailed in the "Business Ethics" section;
- the "Commitments to communities" section details the measures implemented to manage the impact of the Group's activities on local communities, as well as the development of opportunities for them, in accordance with Eramet Group's approach to positively contribute to local areas;
- the paragraph "Responsible value chain" presents in particular the risk management approach relating to the supply chain, and the due diligence measures developed by the Group;
- the Group's Vigilance Plan also details many of the management measures for all the identified risks, in particular for impacts on communities and indigenous populations.

5.3.2 Social commitments to employees

RSE 2023

The first four objectives of the CSR Roadmap relate to employees, and focus on health and safety, professional development, employee engagement, and diversity within the Group. The Group's progress on these priority themes is the subject of this section, which will focus on Social Commitments to Employees.

CSR Roadmap

Focus area	Objective	KPI 2023	2019 results	2020 results	2021 results	2022 results	2023 results	Performance
	1 – Ensure the health and safety of employees and subcontractors	Zero fatalities Workplace accident frequency rate with and without work stoppage FR2 < 4	TF2 = 5.5 4 fatal accidents	TF2 = 4.1 1 fatal accident	TF2 = 2.2 1 fatal accident	TF2 = 1.6 0 fatal accidents	TF2 = 1.1 0 fatal accidents	100%
	2 – Build skills and promote talent and career development	100% of employees participate in at least one training course per year	84%	67%	76%	85%	85%	100%
COMMIT-MENT TO PEOPLE	3 – Strengthen employee engagement	Group employee engagement rate>75% (barometer)	No survey	Survey postponed	70%	Survey done in 2021	76%	100%
	4 – Integrate and foster the richness of diversity	30% of managers are women	23.8%	24.7%	25.4%	25.7%	26.1%	100%
	5 – Be a valued and contributing partner to our host communities						100% of industrial sites: dialogue and IFC-compliant community investment (CI) 100% of mining sites since 2021	100%

Objectives not achieved *Objectives achieved* *Over-performance*

The interim results for these targets at the end of 2021 are detailed in the rest of the document.

8 DECENT WORK AND ECONOMIC GROWTH
3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
10 REDUCED INEQUALITIES

5.3.2.1 Employee safety

5.3.2.1.1 Main safety issues and risks

Methodology

Workplace accident prevention concerns both Eramet employees and subcontractors who work on the sites. Prevention efforts are built largely on a task risk assessment (TRA), which is conducted in the workshops themselves. This highly operational analysis makes it possible to secure a specific operation by identifying all the risks to which the operators are exposed and the means implemented to manage them.

These local analyses are compiled in the risk register of each site (known as the "single risk assessment document" or "Professional Risk Assessment"). These risks are assessed according to a scale based on the Frequency x Severity pair (FxS), taking into account the protection measures in place. This methodology makes it possible to identify the most critical risks and thus feed the site's Safety Improvement Plan. Risk registers make it possible to group the risks by standard activities specific to each site. For example, they include mechanical handling, machine driving, walking etc.

At Group level, the risk assessment is based on segmentation by "risk category".

Risk segmentation

The Group's risk analysis of workplace accidents allowed the risks identified to be grouped into three distinct categories:

- **technological risks** associated with processes and facilities present the greatest potential severity: an explosion, a toxic gas leak, or equipment failure can impact several people in a single incident. The frequency of occurrence of this type of event is the lowest in our history;
- **critical activities** are dangerous tasks that are carried out on a daily basis as part of the operation of our facilities. They include working on machines, working at height, vehicle traffic, working in confined spaces, working with molten metal etc. Failure to manage these risks could result in serious accidents;
- finally, the Group's operations involve many "non-routine" activities, such as walking, lifting and moving objects and using hand tools. The severity of associated accidents is less acute than for critical activities.

5.3.2.1.2 Safety governance

The issues around Group employee safety are elevated to the highest level by the Group's Executive Committee. The Safety policy (available at www.eramet.com), reasserts that safety is the primary responsibility of every manager in the company and that each one is responsible for their own safety and that of their employees and those around them.

Since October 2019, the Safety and Prevention Director reports to the Group's Chairperson and Chief Executive Officer. The Director establishes and proposes the Group's Safety policy and guidelines to the Executive Committee (COMEX). Once approved, these guidelines are implemented at site level by the Site Managers, who are themselves assisted by a site Safety Manager/Coordinator.

The effectiveness of accident prevention is monitored on a monthly basis by measuring accident frequency rates (FR) according to the number of hours worked. The Group has established a reporting system that is used to monitor frequency rates on a monthly basis (FR1: frequency rate of accidents with lost time, FR2: frequency rate of accidents, with and without lost time, FR3: frequency rate of accidents with first aid), and to react in the event of deviation or non-achievement of objectives. Results and serious accidents are reviewed monthly by the Executive Committee.

In the event of serious accident, the Director of the site where the accident occurred presents to the Executive Committee, within weeks following the accident, the circumstances and the corrective and preventive actions. The Executive Committee validates them and requests that actions be deployed throughout the Group through Feedback.

5.3.2.1.3 Risk prevention strategy

The Eramet Group recognises that accident prevention tools must be adjusted to the types of risks: tripping is not prevented with the same tools used to prevent the rupture of a furnace in an industrial unit:

- **technological risk prevention** is based on the implementation of measures resulting from industrial risk analysis and hazard studies. The effectiveness of prevention depends greatly on the technical expertise of the teams that has been acquired over years of operations and their ability to identify and respond to weak signals;
- the risks associated with **critical activities** are too important to leave the choice of method of operation to the stakeholders; these activities are also strongly governed by rules. Eramet has compiled a set of minimum essential rules – "Essential Safety Requirements" and "Mining Standards" – that are required to be implemented by all sites. These rules constitute barriers (technical, organisational, human) that can prevent accidents if they are complied with;
- finally, **non-standardised activities** cannot reasonably be governed by simple rules. It is not practical to write rules on how to use a hammer or adjust one's pace depending on the condition of the ground. For these work situations, Eramet develops the situational intelligence of its teams so that the stakeholders learn to make safety-related decisions.

These prevention tools must be part of a broader **safety management system** (SMS), largely inspired by ISO 45001 international standards, including requirements that cover the following aspects:

- regulatory compliance;
- risk analysis;
- action plans and progress loops;
- reception at the workstation and training of staff;
- monitoring, audits and inspections of field activities;
- the handling of safety events; and
- finally, leadership, objectives and safety management.

Roadmap – Safety objectives

CSR 2023

In 2023, the Group continued its Roadmap to improve safety risk management with the objective of eradicating fatal accidents and reducing the frequency rate of accidents with and without work stoppage (FR2) to less than 4.0. The following areas have been defined:

- make the barriers robust following the review of technological risks at all sites. The Group is implementing a programme to support the sites in reviewing the "hazard studies", which will allow them to formalise the barriers and identify their criticality. Each site will then be able to set up barrier monitoring actions;
- observe in the field and identify behaviours and conditions that deviate from safety rules, without waiting for an accident to occur before taking action. These events are then categorised and prioritised according to their potential severity (High-Potential Incident or Observation). A survey is carried out and an action plan is implemented for each high-potential event and monitored until their closure. A closure target rate of 90% is set for all Group sites and projects;
- comply with the Essential Requirements and Mining Standards for critical activities: the Group requires each site to implement a plan to comply with the Essential Requirements for the critical activities it has selected, with the objective of achieving compliance by the end of the plan. The Group aims to achieve at least 85% overall compliance with the applicable Essential Requirements by 2023;
- work towards safe behaviour through coherent and repeated feedback, especially by using "safety interactions": this activity consists of observing a worker in a work situation, giving the worker feedback on their conscious or unconscious choices that impact their safety (positively or negatively) and finally, after listening to understand the reason for a dangerous choice, engaging in discussion with the worker to find another way to make it less dangerous;
- address risks at their sources by updating risk analyses so that they match real-life situations on the production shops and by training employees to "Take 5" (think before action), a simple technique simple to implement before any intervention;
- implement "consequence management" in relation to safety. In addition to feedback from the field during interactions, the control and the willingness to apply the Group's prevention strategies must be an assessment and development factor both for operators and managers. The Group affirms that involvement in safety matters will have an impact on career development at Eramet and takes disciplinary measures in the event of any breach of safety rules;
- strengthen the management of sub-contractors upstream (definition of Safety clauses specified in contracts) but also in the field with supervision/inspection of worksite safety by the contractor in addition to the supervision carried out by the sub-contractor. Consequence management is applied to subcontractors in the event of any unjustified deviation from safety rules.

Review of 2023 actions

Deployment of Essential Requirements

Each Group site self-assessed its compliance with all the Essential Requirements using Group-wide grids. This global overview makes it possible to improve the understanding and deployment of the requirements with cross-functional actions that are common to all these requirements.

This year, 27 audits were carried out at 11 of the Group's sites to support the sites as they familiarised themselves with the requirements. Conducted by one or two Senior Auditors, internal and external, these audits allow interaction between sites and best practices are shared. The average audited compliance rate is 84%, an improvement on 2022 (72%).

Among the Essential Requirements, those linked to molten metal work, gas risk areas, train rollovers and liquid metal work present the best assessments, with an average compliance rate equal to or more than 95%. *However,* requirements linked to the consignment and protection of machinery and work at height require more attention, with compliance scores of less than 80%. Following the audits, specific action plans for each site and each Essential Requirement are set up, with a commitment to results and monthly progress monitoring.

Fatigue management

OSPAT (Occupational Safety Performance Assessment Technology) systems and onboard camera systems on heavy vehicles have been implemented at Comilog in Gabon to prevent risk situations linked to operator fatigue.

Protection of vehicle drivers

A truck rollover protection system (ROPS) has been installed on heavy vehicles at some Group sites. This structure protects the driver's cab and can save lives in the event of an accident. Collision avoidance systems have also been deployed on heavy vehicles at our industrial sites.

Implementation of interactions

Managers must spend time in the field and interact with operators about safety in a constructive and positive way. These interactions are subject to an annual target, reviewed monthly. In 2023, there were more than 50,000 interactions on the Group's sites.

Formalisation and deployment of consequence management

The Group has formalised the classification of risk behaviours and clarified the violations that need to be penalised and the errors that need to be treated in a non-punitive manner. The behaviour of stakeholders cannot be analysed without simultaneously observing the behaviour of management. Disciplinary measures are then taken in a fair and equitable manner according to a Group procedure involving the parties concerned. Conversely, employees who demonstrate exemplary safety behaviour, either individually or as part of a team, must be given due recognition. In this vein, "Safety Champions" (who may or may not be employees of the Safety department) are rewarded at some Group sites for their safety best practices.

World Safety Day at Work

Since 2018, Eramet takes part in the World Safety Day at Work. This year, the Day was held on 28 April 2023 (the usual ILO date) and entailed specific safety workshops at each site.

The theme chosen by the Group in 2023 was based on one of the Group's most accident-prone activities, namely the risks associated with heavy and light vehicles. All Group sites participated via road risk prevention workshops, and a communication campaign was conducted internally and externally.

5.3.2.1.4 Safety performance

Safety performance is measured through frequency rate and the number of serious accidents defined as follows:

- FR2 (also known as TRIR): workplace accident frequency rate of Eramet employees, temporary staff and sub-contractors. The accidents taken into account correspond to accidents where at least the victim receives treatment from a health professional that is more than first aid (e.g. closing a wound with stitches, prescribing regulated drugs, applying splints etc.). FR2 is expressed as the number of accidents per million hours worked;
- number of serious accidents: a serious accident (SA) at Eramet is generally defined as an event that led to death, permanent disability, or temporary inability to work with major complications (e.g.: any form of amputation, serious fractures, second- or third-degree burns requiring a skin graft, etc.).

The following tables show the Group's safety performance:

FR2 (TRIR)[1]	2020	2021	2022	2023
ERAMET GROUP	**4.1**	**2.2**	**1.6**	**1.1**
Operations Department	3.6	1.4	1.1	1.1
Eramet S.A.	0.0	0.0	1.3	0.6

(1) Data on the Eramet scope + Temp staff + External contractors.

Serious accidents[1]	2020	2021	2022	2023
ERAMET GROUP	**4**	**1**	**0**	**4**
Operations Department	3	1	0	4
Eramet S.A.	0	0	0	0

(1) Data on the Eramet scope + Temp staff + External contractors.

The Group reported 4 serious accidents in 2023. In its CSR Roadmap 2024-2026, Eramet committed to achieving the goal of zero fatal accidents at its mining and industrial sites. The target has been achieved over the past two years, with no fatal accidents recorded.

The Eramet Group's FR2 remains stable, reaching 1.1 in 2023.

The Group's goal is to achieve an FR2 (less than 1) corresponding to the best level in the mining industry (ICMM), the industry average being 2.6. This commitment was reconfirmed by the Group in the context of its CSR Roadmap 2024-2026.

5.3.2.2 Employee health

5.3.2.2.1 Main health issues and risks

Methodology

The prevention of health risks is based on the analysis of workplace-related risks, as well as the work environment. This analysis is generally conducted by the health and safety teams and requires close collaboration between medical teams and security.

A set of documents (workstation data sheets, audit reports, toxicological analysis, biometrological data etc.) is used to identify and analyse the risk to allow health professionals to develop an action plan aimed at assessing the risk level, its potential impact on employee health through individual medical monitoring and working condition improvements to be implemented to eliminate the risk or reduce its consequences.

The Group's Medical Advisor, who reports to the Human Resources Department, coordinates these actions and organises the network of health professionals in both mainland France and abroad.

Risk segmentation

Based on the analysis of workstations and safety risks, occupational health professionals identify risks that may have a impact, immediate or deferred, on employee health.

These risks are:

- physical (noise, vibrations, awkward postures, repetitive movements, electromagnetic fields, extreme temperatures, exposure to chemical agents, exposure to intense solar radiation in tropical areas or at high altitudes);
- psychological (workload, organisation of work, social support in the workplace, autonomy, night or shift work);
- biological (malaria) or environmental (environmental asbestos in New Caledonia, high altitude work in Argentina, under extreme weather conditions).

Deferred risks potentially expose employees to risks of occupational diseases, which are reported separately based on reports sent to the employer or which result in investigations by internal or regulatory prevention services.

In France, a Table of Occupational Diseases is regularly updated (Social Security Code). In the other countries where Eramet operates, the Group relies on the local occupational medicine rules specific to each state.

The assessment of risks for neighbouring populations may give rise to specific health risk surveys published to the various stakeholders: for example, the Moanda health survey sent to the Gabonese Ministry of Public Health and the local cooperation group. Generally, the health impact of activities is always assessed in detail during project phases.

5.3.2.2.2 Health governance

Eramet Group considers the health security of employees, regardless of their status, the personnel of external companies, visitors and people living near the industrial sites as a top priority.

While acknowledging that it would be impossible to totally eliminate all health risks, the Group's Health Policy seeks to contain these risks, in order to minimise the frequency and seriousness of their consequences. The Group's commitments and the procedures for implementing this policy are detailed in the Health Policy (available on www.eramet.com). The Eramet Group is determined to obtain a detailed, in-depth view of all the risks linked to its activities. It aims to contribute to acquisition of further knowledge about these topics, disseminate them and promote dialogue.

The Group Medical Advisor reports directly to the Human Resources Director. The Advisor establishes and proposes the Group's health policy and guidelines to the Executive Committee. Once validated, these guidelines are broken down in the entities by the Deputy General Managers, for implementation on sites by site Directors under the responsibility of Occupational Health professionals and with the support of Health and Safety coordinators.

The monitoring of employees' health is carried out by occupational health professionals, and frequent international travellers benefit from additional monitoring by a specialised travel medicine service.

Comilog Dunkerque's main French sites and all employees based in Paris, Trappes and Clermont-Ferrand are now grouped together under the autonomous Occupational Health service, whose certification by DRIEETS IDF was renewed for five years on 3 July 2019. This service consists of three centres:

- North Centre: one part-time Occupational Doctor and one Occupational Health Nurse;
- Auvergne Centre: three Occupational Doctors and six Occupational Health Nurses;
- South Centre: one Occupational Doctor and two Occupational Health Nurses.

The Doniambo sites for SLN (New Caledonia), GCO (Senegal), Moanda (Gabon) for Comilog and Owendo (Gabon) for Setrag have an Occupational Health Service with a doctor and nurse(s).

Eramet's Gabonese subsidiary (Comilog) manages a level 2 hospital facility (according to the classification of the Gabonese Ministry of Public Health): Marcel-Abéké Hospital (HMA).

This 62-bed facility provides first-level care (general medicine, emergencies/intensive care, general surgery, paediatrics, maternity) for all employees and their dependants and performs a public service mission by treating external persons by agreement with Gabon's national health insurance office, the "Caisse nationale d'assurance maladie et de garantie sociale" (CNAMGS). Comilog employees and their dependants have free healthcare; while the Hospital charges rates approved by the CNAMGS for the local populations

Various specialists provide care at the HMA: ophthalmology, cardiology, gynaecology, paediatrics, dental surgery. Concerned about improving the healthcare pathway within its establishment, Comilog has drafted an action plan with the following components:

- refurbishing of the medical analyses laboratory (level P2 laboratory) and creation of a blood transfusion centre with recruitment of a biologist;
- improvement of the medical imaging service with computed tomography equipment (scanner);
- installation of a remote booth for specialised consultations (ORL, pneumology, gastroenterology, neurology, dermatology, cardiology) relying on a network of doctors based in Libreville (Diagnostic Centre) or for remote Occupational Health consultations between Libreville and Moanda (Setrag employees);
- implementation of the computerised management of the hospital and healthcare pathway for outpatients or hospitalised patients;
- improvement of technical services in waste management, sterilisation and supply of medication for hospital use;
- creation of a medical oxygen production unit.

In addition, Comilog continues to actively support the action of the Gabonese Samu social organisation, a partnership between the Gabonese State and Samu Social International, by financing free healthcare centres in the cities of Moanda, Bakoumba and Mounana.

5.3.2.2.3 Risk prevention strategy

The health prevention strategy is based on the Group's Health Policy, described above. It encompasses the following actions:

- controlling the impact of the Group's activities on the health of employees and local communities by setting up standards based on metrological and biometrological data and backed by international standards, if any;
  - the creation of 11 standard sheets for at-risk products handled by Group employees (manganese, nickel, oil mist, polycyclic aromatic hydrocarbons, chromium VI, carbon monoxide, crystalline silica, cobalt, refractory ceramic fibres, diesel particulates, lithium salts). The application of these standards, audited since 2018 on the sites concerned, is part of the EMS requirements,
  - continued employment for all employees during their professional career, including when affected by poor health. Occupational doctors are in charge of the periodic monitoring of these employees within a regulatory framework, but also through the scheduling of additional check-ups that may be carried out at the request of the employee, employer or doctor and in consultation with the sites' HR Departments and services;
- specific measures aimed at combating addictive habits (smoking, drinking, etc.):
  - the possibility for the occupational doctor to conduct additional tests aimed at preventing alcohol and drug addictions (pre-hiring medical check-up, periodic check-up and back-to-work check-up),
  - urine toxicity tests for hiring and periodic check-ups, noted in the RI and information and awareness raising of employees at these check-ups,
  - support for distressed employees,
  - payment by the employer of the cost of nicotine substitutes;
- special measures regarding the prevention of stress and psycho-social risks (PSR):
  - PSR watch units,
  - establishment of individual consultations by an occupational psychologist (counselling and support areas),
  - recruitment, training and supervision of Prevention officers within the teams,
  - free telephone helpline for counselling and psychological support,
  - health and workplace quality of life (PSR) committee meeting systematically before each Social and Economic Council and workplace health and safety committee meeting,
  - intervention of the mediation firm in certain teams on site,
  - awareness raising of the managerial line; (training in the detection of psycho-social risks and how to best manage an employee in a situation of psychological distress);
- prevention measures against biological and environmental risks/diseases:
  - malaria:
    - information programme on malaria in endemic regions based on e-learning training for Group project workers and frequent travellers, as well as expatriate employees and their families,
    - providing sites (Cameroon, Gabon, Senegal) with the appropriate diagnostic and therapeutic resources,
    - implementation in 2022 of a malaria kit (diagnostic and therapeutic resources) given to each employee travelling to an endemic zone,
  - HIV – AIDS: continuation of the Gamma programme in Gabon, backed by information (educational messages on STD prevention and promotion of screening), HIV AIDS prevention and screening actions at Comilog and Setrag – Gabon,
  - environmental asbestos In New Caledonia: specific operating procedures exist to control veins of asbestos-containing minerals in the event that the mining activity uncovers them. The operators are trained in the precautions to be taken, and special medical monitoring has been set up, in consultation with the authorities, social partners, and other mining operators.

The monitoring indicators for the actions are conveyed and analysed at the level of the Department responsible for Health. These indicators specifically include declared and recognised occupational diseases (OD). In France, ODs are classified in the form of tables. There are currently 99 of them. Each table has three criteria, namely:

- designation of pathology;
- care time limit (maximum time between the cessation of risk exposure and the first medical diagnosis of the disease);
- indicative or restrictive list (according to the table) of work likely to cause the disease.

Excluding exceptions, occupational disease is recognised by the CPAM (local public health insurance office) when the three criteria are met.

5.3.2.3 Employee security

5.3.2.3.1 Main issues and risks

The Eramet Group's mining, industrial and commercial activities take place in many countries on all five continents. Some of these countries may at times experience unstable political, security or climatic situations, even if only temporary in nature. The Group's Security approach is centred around the protection of people, installations, information and business intelligence to support the Group's development and economic efficiency.

5.3.2.3.2 Security governance

As a follow-up to the commitments expressed by the Group in its Ethics Charter, the roll-out of the Security approach is set out in an *ad hoc* procedure. The Group's security procedure seeks to achieve three main objectives:

- a strategic objective that assesses the nature of the threats and measures the risks to the Group's people and assets;

- an operational objective that puts in place the resources and means necessary to prevent and protect;
- an educational objective that informs and raises awareness among Eramet Group employees about the reality of the risks, the means implemented to address them, and the behaviours to adopt.

This procedure is supported by the Group's Security function which assists the Executive Committee and operational managers in the execution of their mission to protect physical property, intellectual property and sensitive information, as well as relating to business intelligence; facilities held under the responsibility of the Group and the Group's employees, whether on business travel, foreign residents or local residents.

The Group Security Director, who reports to the Group Human Resources Director, is responsible for:

- proposing the Group's security policies to the Executive Committee;
- leading and coordinating the network responsible for their implementation, in conjunction with the Group's Divisions;
- reporting to the Executive Committee on the application and effectiveness of this implementation;
- ensuring the application of the Group's regulatory and contractual security obligations;
- sharing feedback and best practices within the Group;
- acting as an interface with the competent authorities to define the policies in this area in France, in the countries where the Group operates and with international institutions.

The Security function is an integral part of the development of the risk management approach presented in Chapter 5 in the countries where the Group operates mining activities, as well as in the countries in which it develops, processes and/or markets its products and services.

5.3.2.3.3 Risk prevention strategy

The protection measures put in place by the Security Department are the result of analysis and monitoring of the security situation and assessment of the threat. They also depend on the nature of the activities carried out by the Group's units in the region and the effectiveness of the public institutions in the countries concerned.

A security organisation is put in place in all countries or regions where the security situation and Eramet's activities justify this (Gabon, New Caledonia, Senegal, Argentina, Indonesia and South Africa). This organisation, in accordance with the challenges and activities of the Group, oversees the implementation of Eramet's security procedure in coordination with the Group Security Department.

Various media are used to communicate and help memorise the safety instructions set up by Eramet, as detailed below:

- safety and health information for project workers, in the form of security guides and/or country sheets written in English and French and regularly updated, provide general information, advice on behaviour, and even instructions and directives to better prepare for a trip. This information is made available via email notifications (or travel memos) automatically communicated to employees following their travel booking;
- security alerts: Generated automatically for project workers' destinations after the booking of flights, these alerts provide rapid information in case of emergency or when a situation suddenly deteriorates in a country (demonstrations, attacks, specific threats etc.), as well as instructions and recommendations;
- awareness sessions: individual or group sessions, organised in particular before departure abroad, supplemented by the security manager (where available) in the destination country;
- an interactive e-learning divided into several chapters: accessible from the travel memo or the training platform, these communicate best practices and cover specific topics to prevent and manage risks, and to handle emergency situations irrespective of the geographical context.

Before each trip abroad, employees must prepare optimally for their mission by following the recommendations contained in their travel memo.

A smartphone application was also rolled out in the Group to all employees on assignment to geolocate their position in case of an emergency.

5.3.2.4 Promotion and development of employees

5.3.2.4.1 Main social risks and general governance

5.3.2.4.1.1 Main risks

The main social risks identified during Group and Human Rights risk mapping are respectively, risks of attracting and retaining talent, and risks regarding discrimination/harassment, specifically gender equality.

5.3.2.4.1.2 The Group's Human Resources Policy

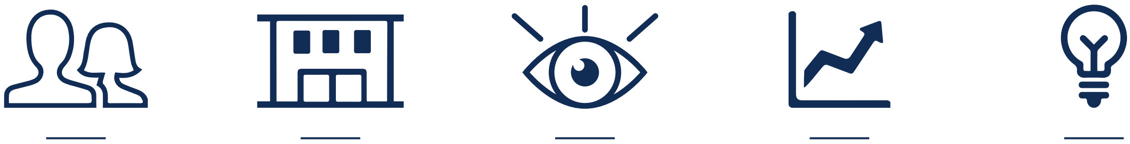
The Eramet Group invests in the talents of all employees and capitalises on their diversity to get them on board the Eramet adventure. In this way, the Group would like them to become players in a performance-orientated managerial culture that is demanding and caring, proud and happy to be in the right place at the right time in a growing Group that continues to evolve.

Eramet strives to make its international positioning a genuine opportunity for mutual development by exchanging experiences and cultures: in 2023, 92% of the Group's employees worked outside mainland France.

Eramet strives to uphold social dialogue as a critical lever for the Group's successful transformation and one which will make a lasting contribution to its performance.

Close to the ground, attentive, bold and determined, the members of the HR network aspire to become a Human Resources (HR) community, flagbearers of the Group's cultural and organisational changes.

In order to promote this vision, the Eramet HR Department has built its Human Resources Management Roadmap 2020-2025 (available on www.eramet.com) on several key issues:

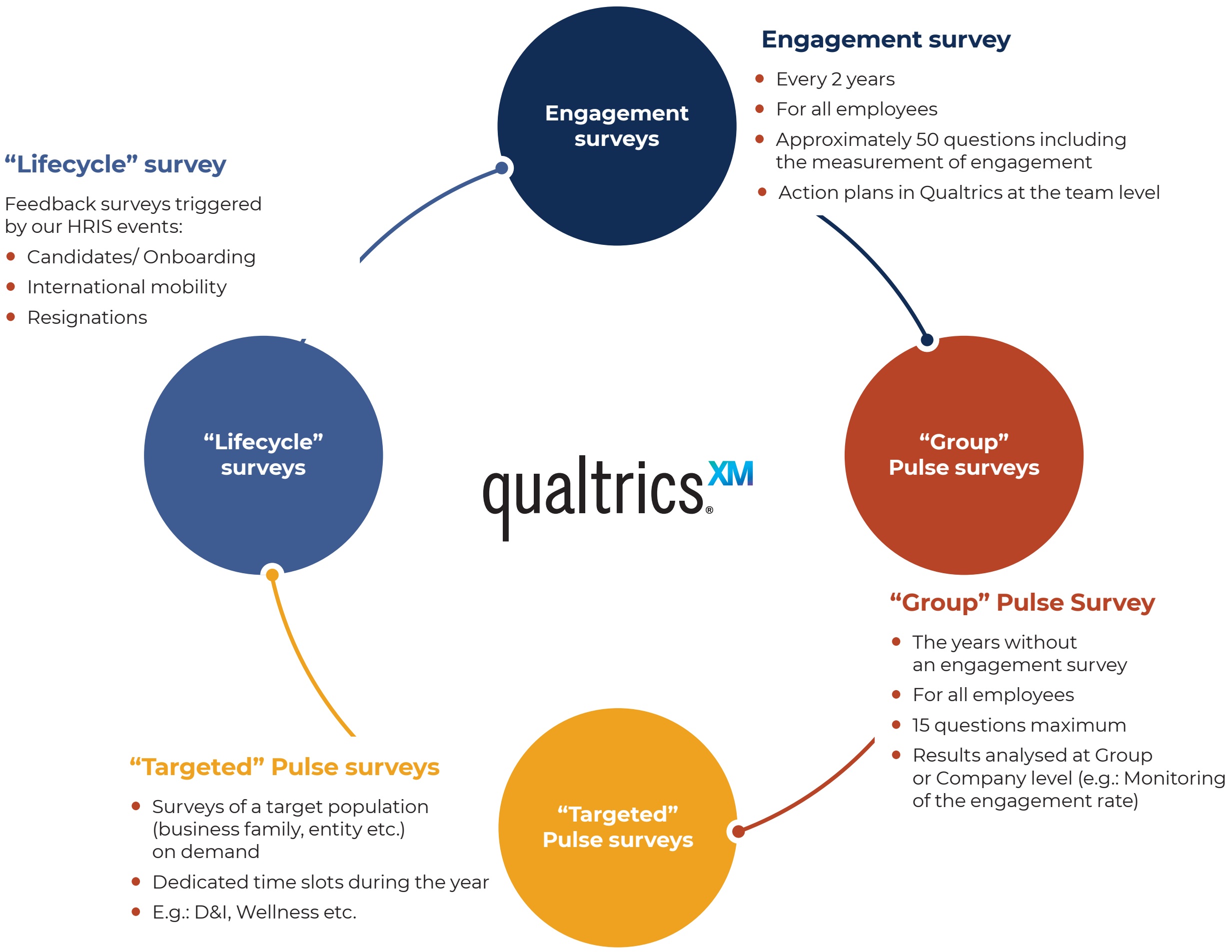


We attract employees from various backgrounds, who are the wealth of our organisation, and help them grow so they can take part in the Eramet adventure while making the most of their talent	We develop our employees' skills to enhance their employability and secure Eramet's success for today and tomorrow	Ensuring the health and safety of our employees and assets is not simply a priority, it is a must	Together with the HR community, we support our BUs to help them create agile, effective and value-creating organisation structures, and develop processes and tools that are essential for the effective management of our employees	We work together closely to create a stimulating environment that fosters a culture of performance and cultivates attentiveness and dialogue

5.3.2.4.2 Attracting and retaining talent

5.3.2.4.2.1 Employees involved in the Group's transformation

In 2023, the Group implemented its new employee listening strategy. This is based on a continuous request for feedback from employees, from the moment of their recruitment and every year, either through a classic engagement survey of around 50 questions, or through a "Pulse" survey of around 15 questions.



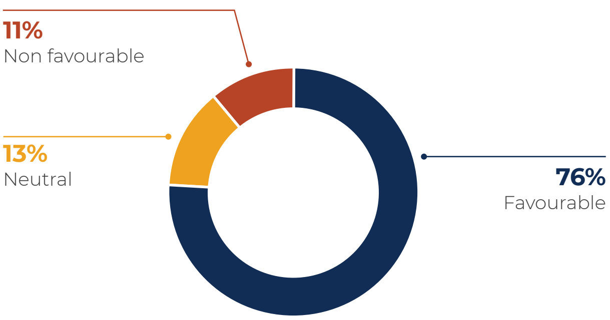
The first Pulse survey was conducted in June 2023. More than 6,000 employees out of 8,000 responded, representing a participation rate of 71%, a significant improvement compared with the previous engagement survey conducted in 2021 (62% participation). Despite the logistical constraints of a 100% digital survey, participation was particularly high at Setrag (94%), GCO (89%) and Eramine (77%). This excellent participation rate demonstrates the willingness of employees to share their opinions and provides a solid basis for pursuing the Group's transformation.

The Pulse survey consisted of 15 questions, as well as an open-ended question allowing employees to freely express their expectations.

Of these 15 questions, five related to employee engagement, which stood at 74% in 2021, one point below our industry benchmark:

- I would recommend my company as a place to work;
- I would choose to stay in my company even if I was offered the same salary and benefits elsewhere;
- I am proud to work for my company;
- I am motivated to go beyond what is normally expected to help my company succeed;
- considering all aspects, how do you rate your overall satisfaction with your company right now?

The participants' responses to these five questions show **an engagement rate of 76% in 2023**, up two points compared with 2021, which places Eramet one point above its benchmark, but also one point above the target set for the CSR Roadmap 2018-2023. Satisfaction on engagement issues is particularly high in the entities in Africa (Comilog, GCO, Setrag), Argentina and Indonesia. At Comilog, for example, 90% of employees recommend the company as a place to work.



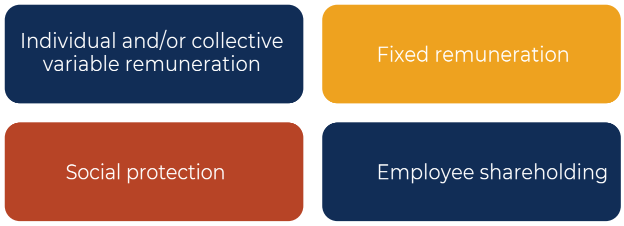
The other questions in the survey focused on understanding of the Group's strategy, performance management, feelings about the Group's CSR commitments, decision-making power, safety and well-being. Each company has access to its own results, which are analysed by management and then translated into local action plans.

5.3.2.4.2.2 Digital transformation at the service of our HR processes

As part of the transformation and digitisation of Eramet, the Group HRIS ("*Success Factors*" solution) was extended to all employees in December 2021. The purpose of the first phase of this project (Atlas), started in September 2020, was to facilitate the creation of a common HR database and develop a comprehensive administrative management with the associated local and Group reporting. The HRIS was thus extended to all employees, with a complete organisation chart of positions and KPIs.

The second phase of the Atlas project was launched in 2022. It consisted of adding new functionalities as part of a review of processes for talent management (annual appraisal interviews, recruitment, succession), compensation and the management of FTEs. This phase went live in 2023.

5.3.2.4.2.3 A fair and competitive remuneration policy



The three strategic areas of the remuneration policy

Attract and hire talent by offering competitive remuneration packages in all countries where we operate

Encourage and **recognise individual** and collective performance

Propose a clear and transparent **global remuneration structure adapted to local contexts**

The remuneration package proposed by the Eramet Group seeks to offer competitive compensation in each country where Eramet operates in order to attract and retain the best international talents.

To do so, the company seeks to position itself at the level of the best practices observed in comparable sectors. This policy takes account of local legislation, local business practices, applicable taxation and the economic realities of the different Group companies. In each country in which the Group operates, the remuneration policy implemented aims to reward individual and collective performance, while adapting to the local context.

Group companies participate on a very regular basis in remuneration surveys conducted with the help of renowned consulting firms. The surveys are used to compare Eramet remuneration practices with those of businesses from comparable sectors and size on all items of the remuneration package. In 2023, more than ten surveys were conducted in France, Gabon, Senegal, Indonesia and Argentina to assess the competitiveness of the Eramet Group's remuneration policy and adjust it if necessary.

This comprehensive remuneration scheme includes monetary and non-monetary items organised around themes common to all Eramet Group employees.

The skills and level of responsibility of the employees are remunerated by a fixed salary in line with the experience gained and the practices observed for each trade on the market.

All managerial staff or equivalent benefit from individual variable remuneration schemes based on quantitative and qualitative annual objectives. Since 1 January 2018, the Group has deployed a new variable remuneration system common to all eligible managers worldwide: it is based on collective objectives (safety including FR2 and prevention, CSR and financial indicators) for 40% to 75% of variable remuneration according to the level of responsibility and on individual objectives for 25% to 60%. The Group makes available a common framework for setting and assessing annual objectives. The new Corporate Social Responsibility (CSR) indicator measures the progress of the CSR Roadmap that the Group has defined. The integration of this CSR objective enables managers to be more closely involved in achieving the Group's non-financial performance.

Collective performance remuneration schemes may exist in certain countries, be they mandatory legal schemes (profit-sharing in France, etc.) or schemes voluntarily implemented in accordance with local practices (profit-sharing calculated in the light of the Company's results, collective savings plans). The profit-sharing plans are often based on negotiated criteria related to safety, environment and the activity of the Company. Depending on the arrangements in force, these bonuses may be invested in savings schemes on advantageous terms.

At GCO in Senegal, for example, a quarterly performance bonus was introduced in 2022 for workers, employees, technicians and supervisors. It is based on quantitative indicators linked to safety, financial and production performance and on the success of cross-functional projects in the areas of the environment and energy management.

Concerning remuneration and social benefits, the Eramet Group applies a non-discriminatory policy by basing its policy on objective criteria: responsibility level of the position held, evaluated with the Hay methodology, and country of business. Gender equality is verified in each of the processes: salary adjustments, assessment of individual performance, allocation of bonus shares etc.

Personnel costs – social security contributions

Salaries represent the largest component of staff remuneration.

In 2023, personnel costs for the Eramet Group amounted to €587 million (excluding temporary employment), compared with €589 million in 2022 (excluding temporary employment and operations to be divested).

Social benefits

As part of its human resources policy, the Human Resources Department seeks the most appropriate solutions for the Group's international activities on the personal insurance market, and subscribes to insurance schemes able to guarantee the best social protection against the major risks (health, welfare, professional assignments) to which employees are exposed when carrying out their duties.

In 2021 Eramet thus carried out an audit of the social benefits offered in each of its international subsidiaries. This audit was supplemented in 2022 by a benchmark of best practices in the area of comparable groups, the objective being to enter into negotiations in the first half of 2024 with the social partners in order to offer a social protection floor to all Group employees, centred around health, welfare and parenthood, beyond the local legislation that often offers weaker protection. Negotiation of this floor should begin in early 2024 within the framework of the *Eramet Global Forum*, and its implementation forms an integral part of the CSR Roadmap 2024-2026.

This audit has already made it possible to identify that all our employees benefit from medical coverage in addition to the legal coverage, with the exception of Japan (12 employees), where the situation should be dealt with in 2024. In each of the countries where the Group operates, it provides medical coverage that is in line with market practices. In the same scope, 65% of the Group's companies have also set up pension schemes to supplement the mandatory legal schemes, with contributions and benefits in line with local market practices.

In 2023, several Group companies improved and developed their social benefits policy.

Employee shareholding

In order to build Group membership in all areas of the world where it operates, and share the created value, the Eramet Group has opted, since 2009, for the deployment of global bonus share plans. This programme, called Erashare, originally consisted of allocating five bonus shares to each of the Group's employees, regardless of the country of activity, Division, occupation or level of responsibility. As from July 2011 in France and Italy, and since 2013 in other countries, employees benefit from all the rights attached to the Eramet shares: voting and dividend rights. An information leaflet on Erashare was also prepared in the nine languages used within the Group to support the worldwide implementation of the plan. Ten new bonus share plans were implemented from 2010 to 2019 with the same scope and allowed the allocation of two additional shares each year to more than 12,000 employees. The scheme was suspended in 2020 in order to study the possible changes to shareholding policy, to make it more attractive.

Thus, in 2023, the Eramet Group relaunched the Erashare programme and awarded 10 bonus shares to each of its 8,500 employees. The shares are subject to a three-year presence condition, at the end of which period they are fully vested and are then eligible for any dividends.

Furthermore, each year the Group implements a long-term incentive plan designed to retain the employees with the best performance and potential. This plan is mainly based on bonus shares subject to performance conditions. It concerns not only the CEO and the Executive Committee but also some 270 Group employees, 50% of whom are outside mainland France, selected through a process involving HR and the hierarchy and based, in particular, on annual staff reviews. The beneficiaries are senior executives of the Group and its subsidiaries, but also young talents whom the Group wishes to recognise and encourage. The allocation, as a percentage of the basic salary, depends on the level of responsibility and is determined in order to ensure competitive levels against the benchmarks observed in comparable companies.

Employee incentive plans

In mainland France and New Caledonia, profit-sharing agreements are regularly negotiated and signed with the social partners. They complement, where they exist, the regulations governing participation. The incentive is paid to members of staff with more than three months of service as at 31 December in an amount that is partly uniform and partly dependent on gross annual remuneration.

In 2023, the Group's Human Resources Department specified, in a framework memorandum, the components that the Eramet Group wishes to find in the new agreements renewed:

- financial result of the entity, the goal is to measure employee performance as close as possible to their scope of action;
- operational progress criteria specific to the entity, as well as to security.

In 2023, Group companies in mainland France paid profit-sharing and incentive bonuses for 2022. More than €7.4 million was thus paid to the beneficiaries concerned (gross value).

Employee savings plans

In mainland France and New Caledonia, Eramet Group employees can sign up to a Company Savings Plan to build up their savings. The Savings Plan may receive the incentive bonus, profit sharing, as well as voluntary payments made monthly or on a one-off basis by the employees. Group companies participate in the savings plan through a system of matching the sums paid by employees (the methods for paying the matching contribution vary from company to company).

A range of diversified corporate mutual funds (fonds communs de placement d'entreprise or FCPE) is offered to Group employees. A collective retirement scheme also exists in the form of a PERCO (Collective Retirement Savings Plan), into which the payments are paid.

As at 31 December 2023, 1,276 employees and former employees of Eramet in mainland France were signed up for an Employee Savings Plan, with total assets representing more than €55 million, or a little over €43,000 per saver. Total assets are divided between the FCPE of the PEE/PEG (86% of the assets) and the PERCO (14%). In 2023, the Group's French companies paid approximately €1.4 million in contributions (gross value) to the Group Savings Plan (PEG) and the PERCO, or almost €1,500 per employee on average.

5.3.2.4.3 Employee development and career management

5.3.2.4.3.1 Career management process

One of the Group's major ambitions and a structural theme of its HR Strategy is to ensure the personal growth of its employees. In this regard, Eramet has established a managerial repository accessible to the entire Group, known as *Manager@Eramet*.

Manager@Eramet defines the managerial skills that the Group expects of its executives. The Group's ambition is to encourage a culture where its employees benefit from regular feedback, have the possibility to grow throughout their career and take control of their own professional development.

In order to implement employee development as effectively as possible, the **Mid-Year Interview** has been put in place to set aside a specific time for managers and their teams to focus on professional development through the mobility wishes, development plans and growth of the employees. The information resulting from the Mid-Year Interview is used by managers and HR to stimulate mobility and to guide employees' professional development more precisely.

The People Reviews campaign is deployed every year with the organisation of manager-HR meetings at site, entity, business unit, and Group level. These reviews allow us to work on our organisations, identify the employees to develop, identify the experts and work on succession plans.

The information obtained from these Annual Reviews and People Reviews are consolidated at the level of each entity during talent reviews, thus enabling work skills management and internal mobility.

A review of senior executives and holders of key Group positions is performed every year with the Executive Committee. A review of succession plans for key positions in the organisation is carried out during Executive Committee *People Reviews* and at meetings of Eramet's Appointment Committees and Boards of Directors.

The Group's **Jobs and Skills Repository** allows the entire employee population to be mapped by job family and job type. This is an essential step for implementing the *Strategic Workforce Planning* (SWP) process by job family in order to manage present and future skills needs.

5.3.2.4.3.2 Assessment of performance

Successful mobility or career development involves the combination of four elements:

- performance;
- technological skills and managerial/cross-functional skills;
- existence of an opportunity;
- willingness to demonstrate functional and/or geographical mobility.

As the cornerstone of operational improvement plans, performance is assessed individually in the context of Annual Appraisal Interviews.

In 2023, 96% of managerial employees within the scope of continuing operations benefited from an Annual Appraisal Interview. Around 90% of the sites also extended the scheme to non-managerial staff.

The performance assessment form is now based on the skills listed in the Manager@Eramet repository.

The Talent@Work HRIS of the Objectives module in which the Annual Appraisal Interview is recorded allows the manager to create goals throughout the year for new entrants (recruited from outside or inside the company) and to adjust the goals during the year if necessary. Goals may be adjusted to reflect a change in employee priorities. The now widespread use of the Annual Appraisal Interview form in *Talent@Work* means a significant improvement in access to information on expressed mobility wishes, and thus better consideration of them in career management processes and *People Reviews*.

5.3.2.4.3.3 Employer Brand

In recent years, there has been a real war for talent in the field of talent recruitment, and even more so in the mining and metals sector. This led Eramet to launch a review of its Employer Brand in 2023.

Eramet's new Employer Brand should reflect the Group's corporate purpose, while particularly highlighting its societal and environmental commitments. These aspects are increasingly central to candidates' concerns. The aim is to refocus communication on talents, while embodying and reflecting the profound changes that Eramet has gone through. This new strategy aims to strengthen the Group's attractiveness in the eyes of future employees and to retain current employees through a coherent, distinctive and simple Employer Brand.

This new Employer Brand was validated in the fourth quarter of 2023 and will be launched in 2024.

5.3.2.4.3.4 Recruitment and onboarding

The Recruitment module, developed in the HRIS, enables HR and managers responsible for recruitment, through internal or external mobility, to track the progress of the process, from the job description to finalising the position.

To support managers in their role as career managers, a training module on recruitment and mobility is available as part of the training courses offered by the Group.

This module enables managers and HR staff to be trained in the same selection and interview tools, to make choices in an objective and transparent manner, to ensure high-quality feedback to internal and external candidates, and to educate their participants on the subject of non-discrimination.

5.3.2.4.3.5 Professional development

Employee development is a priority for the Group, and vocational training is an important part of the development approach. The Group designs training courses for Group employees to:

- facilitate their integration by giving them the keys to understanding the organisation and management processes of the Group;
- develop their management skills;
- promote exchanges of best practices among participants;
- build development paths.

With regard to vocational training for its employees, the Eramet Group gives particular priority to safety-oriented training, the development of soft skills and the development of business skills. The aim is to improve the management of processes and their environment, in particular by addressing aspects such as project management, communication and change management.

The leadership and management training courses offered by the Group include the following:

- the "Executive Committee Mentoring" programme for senior executives with key roles within the Group. Selected by the Executive Committee, the participants are supported by a member of the committee while improving their knowledge of the Group. The Mentorship programme allows each party, Mentor and Mentee, to learn through the other. The programme continues at an annual frequency;
- the Executive Development Programme (EDP) leadership programme, which is rolled out over eight to nine months, is intended to strengthen the leadership of senior executives in line with the *Manager@Eramet* repository, prepare them for their development within the Group and strengthen their network within the Group;
- Imagine, a programme for the Group's young talents. This programme is run via distance learning over 18 months. It allows young talents to develop through a 100% digital programme combining a range of learning methods (diagnostic tool, coaching, workshops, co-development and mentoring);
- the "Propulse" scheme, which aims to support the taking up of positions in the Eramet Leadership Team (ELT). This system gives programme recipients access to coaching sessions and enables them to benefit from support within the framework of the team building actions they carry out with their teams;

- the "Raise & Engage" programme for the Group's middle and senior managers, a recent programme that was deployed in France, Gabon, Senegal, Norway and Argentina in 2023. The aim of this programme is to roll out a single programme, contextualised for the Group's various sites, to support the development of our managers (team, project or cross-functional) and accelerate the implementation of the new management culture. The programme was offered in four languages in 2023;
- the "Management Fundamentals" programme for local managers, rolled out in Africa and France in 2023.

The Group also significantly stepped up its actions to develop the intercultural skills of its teams (75 nationalities represented within the Group). Actions have already been carried out in Africa, Asia, France and New Caledonia in 2023. They will be continued in 2024.

In 2023, Eramet Group employees received more than 279,042 hours of training, representing approximately 37.6 **hours per employee** for the year.

Accordingly, 7,419 employees, i.e., 81% **of the total number of employees**, took part in a training initiative in 2023. Also in 2023, close to 16,000 work-study hours were performed in France within the Eramet Group, compared with 15,670 hours in 2022. The table below summarises the main training indicators.

The figures have been recalculated for previous years (2021 and 2022) on the continuing operations scope (excluding Aubert & Duval and Erasteel, discontinued in 2023).

VOCATIONAL TRAINING

Registered number of employees (Continuing operations scope for 2021 and 2022)	2021	2022	2023
Number of employees who received at least one training programme during the year	6,101	7,987	7,419
Hours of training provided (excluding work-study)	181,528 hours	238,767 hours	279,042 hours
Average hours of training per employee	29.8 hours	30 hours	37.6 hours
% of workforce that received at least on training programme	72%	88%	81%
Training effort (% MS)	2%	2%	2%

Distance learning and digital training capsules are an integral part of any training offering today. As such, the leadership and management development programmes are now supplemented with digital content to complement and support in-class or distance learning classes.

The e-learning offer has been regularly extended and now covers the following five areas:

- Integration of new employees;
- Health, Safety and Environment;
- Ethics & Compliance;
- Diversity & Inclusion;
- Business and Digital Technology.

In addition, since 2022, Eramet has been offering all newly designed e-learning courses in four languages (compared with two previously) in order to increase the accessibility and impact of the systems on offer.

The boost given to digital learning also takes place through the **WeLearn** portal, to which every Group manager has access. This innovative tool allows users, throughout all countries of operation, to enjoy self-service access to a wide range of digital resources (articles, videos, MOOCs, online courses) to improve their knowledge and skills according to their needs. The portal was regularly enhanced to respond more closely to the needs of its users. In addition, the portal, initially accessible only to team managers, is now open to all Group executives.

The development of new digital and distance training courses or the upgrading of old ones will continue in 2024, with the launch of content related in particular to the following themes: CSR, risk management, human rights, production management.

In order to meet operational constraints, the Group also deployed several training packages for managers **(Feedback & Manager Coach)** in 2023, with the aim of providing managers with practical and pragmatic advice and tips.

In 2023, two academies were inaugurated with the aim of providing specialised training to Group employees in their areas of expertise. The Sales Academy trained 36 employees in the Commercial & Marketing division, while the Procurement Academy trained 89 employees in the Purchasing function. From February 2024, the Supply Chain Academy will also be implemented.

5.3.2.4.4 The development of social dialogue that better reflects the geographical and cultural diversity of the new Eramet

For Eramet, social dialogue and bargaining are essential pillars of social cohesion, crucial for implementing the conditions for its transformation and its long-term performance. The Eramet Group's social policy, while continuing to be based on complementarity between central and local bodies, is evolving to take better account of the Group's new challenges and its geographical and cultural diversity.

For example, in most companies of the Eramet Group, there are predominantly elected employee representatives. To strengthen social dialogue at the transnational level, the Group has begun work on the construction of a space for exchanges and negotiation at international level: the Eramet Global Forum.

This places Eramet at the forefront of social innovation in its business sector, as the first mining player to set up this type of body.

5.3.2.4.4.1 Social implications of Eramet's global strategy

In a context where, in 2023, more than 80% of Eramet's employee base is now located outside Europe, the Group's management and the social partners wanted to set up, by agreement, a new body for social dialogue and employee representation that better reflects the breadth and diversity of the Group's locations – an international social dialogue previously provided by the European Works Council.

Thus, the Eramet Global Forum brings together for the first time the representatives of employees in the Group's main countries of operation: France including New Caledonia, Gabon, Norway, Senegal and Argentina.

This body, which does not replace local and national authorities, aims precisely to go beyond the legal requirements. It deals exclusively with transnational issues and has as its main missions:

- to develop and sustain an open social dialogue that respects local cultures. The representatives discuss Eramet's strategy, CSR commitments and development projects among themselves and with the Group's management. The body will thus enable the employee representatives to make employees' voices heard on key topics for the future of Eramet;
- to negotiate agreements that will apply to all employees on topics such as social protection, quality of working life, parenting and diversity and inclusion. This ability to negotiate agreements at transnational level is particularly innovative. Few groups with similar bodies have given them the ability to negotiate.

5.3.2.4.4.2 The results of social dialogue in our main subsidiaries

At the beginning of 2023, the social dialogue at Setrag was reorganised around a programme of meetings with employee representatives from the various professional categories. These meetings led in particular to the appointment of representatives to the Eramet Global Forum. The General Management and the social partners, under the arbitration of the Special Inspector of Labour in charge of the Trans-Gabon railway (ISTRA), revisited for the third time the 2017 company agreement. Thanks to a constructive, effective and peaceful dialogue, this new company agreement integrated into its various articles the new Labour Code of the Gabonese Republic, the new personnel classification according to Eramet standards, an increase in the general minimum wage over three years incorporating minimum wages by category, and many other remuneration benefits and retirement conditions.

At Comilog, 2023 was marked by the signing, in September, of a second amendment to the three-year agreement of 21 January 2021 on bonuses and allowances. In December 2023, a delegation of executives and social partners met to discuss labour relations for five days at the École des Mines. A conference was also organised by Comilog on the theme of social dialogue, in which speakers from the Gabonese labour administration and trade union federations participated. This conference brought together nearly 300 participants in person and was broadcast on national television.

In 2023, the social dialogue at GCO focused on three themes. First, a reflection was initiated on the merits of a supplementary pension scheme. This reflection led to a study and several working meetings with the social partners. Discussions will continue in 2024. Next, the employee representatives and the Management started work on the creation of a solidarity fund to support social projects. Finally, 2023 was marked by exchanges around the working conditions of women and the signing of an agreement on the adjustment of these conditions, especially those of young mothers.

Finally, at Eramine, the social dialogue was strengthened with a commitment to negotiate on the company's collective agreement. Its signature will be followed by the organisation of professional elections.

5.3.2.4.4.3 Dynamic social dialogue in a context of inflation

Management at the sites have worked hard to maintain dialogue, and numerous initiatives have been taken locally to stimulate social dialogue. Employee representatives have always been involved in finding appropriate solutions to issues that affect the life of the company and its employees.

Thus, in 2023, 84.3% of the Group's employees were represented locally by employee representative bodies. 93.2% of them are covered by at least one collective agreement.

In addition, taking into account the Group's new mapping, the trade union landscape in mainland France evolved significantly, with two representative trade union organisations: the CFE-CGC and the CFDT.

More than 70 agreements were signed in 2023, mainly on pay, profit-sharing and working conditions.

Despite a tense economic context, the number of hours of strike declared in 2023 fell compared with 2022, reaching 50,071 hours, mainly due to demands related to pay and working conditions.

5.3.2.4.5 Diversity & inclusion: performance and transformation levers for the company

For Eramet, diversity and inclusion are performance and transformation drivers and a source of personal growth for all of its employees. In this way, the Group wishes to offer a work environment based on respect for and promotion of difference and better community living.

The promotion of inclusion is based on a deep conviction: the deconstruction of stereotypes and the fight against the resulting discrimination enable the establishment of a caring and inclusive work environment, in which each and every person feels listened to and taken into account. The Group believes in fighting this discrimination to enable everyone, regardless of their gender, age, disability, sexual orientation or religious beliefs, social or ethnic background, to thrive in the Group's different businesses.

The Group continued the roll-out of its **D&I Roadmap** in 2023, with a strengthening of actions around awareness-raising and team training. In 2023, a programme of **D&I Masterclasses** was offered to all employees on three themes *(Inclusion of LGBT+ people in business; Working better in a multicultural environment; Why to take action for disability)*, thus allowing our employees to gain a better understanding of D&I issues, exchange views in a caring space and change their perspective on subjects on which they sometimes had prejudices. The Group's senior executives also benefited from an **"All Together"** programme aimed at improving their knowledge of the various aspects of Diversity & Inclusion in order to become more inclusive managers.

The Group's employees represent 75 nationalities spread over five continents. Understanding others and their cultures is a key issue for successful integration and inclusion of each and every person. For this reason, the Group accelerated the roll-out of **multiculturalism training** with sessions deployed in France, Gabon and Senegal in 2023.

In addition to the "Group" actions, local actions were taken on the theme of Diversity & Inclusion throughout 2023 across the various Group entities.

In Gabon and Senegal, the Group joined forces with Women in Africa to launch the "Femmes d'Avenir" programme, a support and mentoring programme dedicated to female entrepreneurship in Gabon.

In New Caledonia, SLN deployed the "S ELLE N" campaign on all its sites to combat gender stereotypes and shine a spotlight on the women who make up SLN. Self-defence courses were also organised to improve women's self-confidence.

In Argentina, Eramine launched a video campaign to promote diversity and inclusion of LGBT+ people, featuring employees as part of the International Pride Day *(Dia Internacional del Orgullo)*.

D&I milestones such as the **International Women's Rights Day (8 March), the World Day for Cultural Diversity and Pink October** were also celebrated on site and gave rise to workshops, conferences and awareness-raising sessions.

Aware that the Group operates in territories that do not share the same culture or the same legislation, in particular with regard to the rights of people with disabilities or LGBT+ people, it wishes to adopt a tailor-made, multimodal and educational approach that respects everyone's sensitivities. For this reason, the Group launched a **Diversity and Inclusion Study** in five countries: France, Senegal, Gabon, Argentina and Indonesia. This study was broken down into four components and conducted in collaboration with an external service provider:

- analysis of existing documents and policies;
- online survey aimed at all employees;
- individual interviews;
- discussion groups (some of which were women-only).

The roll-out of this study was accompanied in the countries by strengthened communications regarding the application of a "zero tolerance" policy for acts of sexual harassment, bullying and all types of discrimination. Several D&I awareness-raising and training workshops were also conducted in person, led by the Group's D&I team. The results of the D&I Study will enable the Group to adjust its D&I action plan and to work with its subsidiaries to draw up D&I roadmaps at a local level.

5.3.2.4.5.1 Encouraging more women in management and respecting gender equity

In 2023, women represented 18.6% of the Group's total number of employees, and more specifically: 11.9% of operators, 23.8% of supervisors, technicians and employees, and 26.1% of management.

In terms of increasing female representation, Eramet is rolling out several programmes:

- training/coaching dedicated to women to support them in their development (*PowHer*);
- regular People Reviews of women, by always looking for female profiles for each new position or replacement;
- a ***"Women Friendly Indicator"***, a new feature in 2023, to ensure that the Group's female employees have access to a common set of basic amenities at all our sites (sanitary facilities, changing rooms, personal protective equipment adapted to different morphologies).

Thus, efforts were made locally to promote the diversity of teams, more specifically among female middle and high school students and students in technical professions. In March 2023, GCO organised a four-day immersion experience on the industrial site for 20 students from the Mariama Bâ boarding school. In 2024, it is planned to extend this type of initiative to other schools. Internally, Eramet promotes the provisions set out in the collective agreements on gender equality signed at many sites in mainland France.

The Group's goal is to move to 30% of female managers[(1)] by 2026.

Female representation on the Executive Committee is 43%.

Indicators on employment of women (Continuing operations scope for 2021 and 2022)	2021	2022	2023
% of women in the total workforce	17.3%	18.5%	18.6%
% of female managers	25.4%	25.7%	26.1%
% of women on the Executive Committee	38%	38%	43%
% of women on industrial Management Committees	21.2%	20.5%	31.9%
% of women in the Eramet Leadership Team (ELT)	21.8%	21.8%	23.5%

(1) Corresponding to "female executives".

GENDER EQUALITY: PROPORTION OF WOMEN IN EACH QUARTILE OF FIXED REMUNERATION, AS A % OF EMPLOYEES IN EACH QUARTILE

Proportion of women in each quartile of fixed remuneration, as a % of employees in each quartile[1]	2023
Proportion of women in the upper remuneration quartile	22.49%
Proportion of women in the upper middle remuneration quartile	18.07%
Proportion of women in the lower middle remuneration quartile	14.60%
Proportion of women in the lower remuneration quartile	18.07%

(1) Sites with fewer than seven people are excluded.

DIFFERENCES BETWEEN THE FIXED ANNUAL REMUNERATION OF MEN AND WOMEN, BY COUNTRY:

France	Senegal	Setrag (Gabon)	Comilog (Gabon)	Argentina	Norway	New Caledonia
-4%	-3%	+4%	-1%	-6%	-1%	-2%

Attracting women to the mining sector is proving difficult. For this reason, in May 2023, we signed a partnership with ***International Women in Mining*** **(IWiM)** to promote Eramet as a company that fosters the employment and integration of women. This partnership also allows us to address the issues of inclusion of women in the mining and metallurgical industry by sharing best practices with competitors in a spirit of continuous improvement.

In 2023, pursuant to the Law of 5 September 2018 on the elimination of pay differences between men and women, Eramet published the **Group's workplace gender equality index** for 2022 for the relevant companies within the mainland France scope of consolidation. This index measures differences in pay between men and women, broken down by age group and socio-professional category, the likelihood of getting a pay rise and/or a promotion depending on gender, and the proportion of women and men in the top 10 salary earners. All of our subsidiaries' indexes **fall between 85 and 94**. The methodology used to calculate the index is becoming increasingly widespread at the Group's international sites.

WoMen@Eramet

Since October 2018, the WoMen@Eramet network has been working to promote gender balance in the Company, and in particular to recruit more women in teams. Today, it has 362 members, nearly half of whom are in our foreign subsidiaries. The network is organised around an Office and four commissions: deployment of local networks, cultural change, benchmark and personal development.

In 2023, the mentoring programme for Women@Eramet members was strengthened with the formation of 19 pairings, up from 16 in the previous year (2022). Various actions were taken, including the organisation of a live conference to mark International Women's Rights Day on 8 March, attracting the interest of 150 participants. The day featured a campaign of video testimonials from members of the Women@Eramet network on social networks, focusing on three major themes: self-confidence, ambition and authenticity. In addition, in 2023, three "brain & body" workshops were held. In September of the same year, a survey was launched among members to identify their future expectations regarding the network. The results of this survey made it possible to identify new directions that were incorporated into the roadmap for 2024.

5.3.2.4.5.2 Work/life balance

The Group promotes a number of local initiatives of different kinds, all designed to promote this necessary balance. These range from teleworking systems and agreements deployed across several entities, to measures favouring parenthood: reorganisation of working time, allocation of universal service employment vouchers (Chèque emploi service universel – CESU) for the employment of domestic help (childminding, tutoring, housework etc.) and inter-company daycare. Sabbatical leave was granted to employees wishing to pursue a personal project.

Attention is paid during the Annual Appraisal Interview to the prevention of psychosocial risks. Indeed, at this special annual interview, particular attention is paid to the organisation of work, workload and work-life balance. In addition, as part of a trade union agreements related to the prevention of psychosocial risks, monitoring units have been set up at the various sites in mainland France and New Caledonia to anticipate risk situations and be in a position to give warning if an employee with psychological difficulty is identified. These topics can also be discussed by occupational health services on sites.

5.3.2.4.5.3 Employment and integration of people with disabilities

The Eramet Group wishes to promote the employment and integration of people with disabilities.

The Group has 150 employees with disabilities. This count is probably underestimated, as the regulations of certain countries do not permit the accounting of employees with disabilities. Furthermore, the definition of disability and the cultural approach to this subject is specific to each country and therefore difficult to standardise.

Number of employees with disabilities (Continuing operations scope for 2021 and 2022)	2021	2022	2023
Number of employees with disabilities	64	180	150

However, at most Group sites, various actions are undertaken to promote the employment of people with disabilities: adapting premises, access ways and workstations, awareness campaigns, financing of hearing aid, contributions to organisations or associations dedicated to helping people with disabilities, participation in forums etc.

5.3.2.4.5.4 Youth, seniors and intergenerational

For the third time, Eramet was distinguished with the ***Happy Trainees*** label for Gabon, Senegal, France and Worldwide. The Group took **fifth place in the 2023 World ranking.** This label is a reward for the Group's commitment and that of its managers to giving young people motivating assignments to enable them to contribute to the Group's challenges as they develop. Eramet wants to give young people every opportunity to build their professional careers under the best possible conditions.

In addition, one of Eramet's priorities, highlighted in our Human Resources Policy, is to participate in preparing young people for working life through the school/company programmes: internships, apprenticeship contracts, work-study agreements, International Volunteering in Business programme (VIE), PhD theses etc. In this context, the Group welcomed 1,167 young people in 2023, equivalent to 12.7% of the employee base.

Eramet takes part in many school fairs in mainland France and in the countries where it operates. This is an opportunity to introduce the Group and its businesses, to exchange ideas with young people and to advise them on their career directions. Many of the Group's employees also volunteer, for the most part in teaching courses, to present the Company or to deliver specialised technical courses. Some of these experts are also present on the career guidance boards or on the board of directors of the schools concerned. It also carries out scientific exchanges on certain projects with the laboratories of France's top engineering and business schools (grandes écoles) or universities, and lecturers.

The Group is also very involved in partnering with major schools through the payment of grants (graduation trips etc.) and the apprenticeship tax to 21 institutions, including the École Nationale Supérieure de Chimie in Paris (Chimie ParisTech), the École Nationale Supérieure de Géologie (ENSG) and the École Nationale Supérieure des Mines in Alès.

For the payment of the 2023 apprenticeship tax, we also focused on **institutions working for/with young people with disabilities.**

On the African continent, Senegal renewed its partnership with the École Polytechnique de Thiès (EPT) and the École Supérieure Polytechnique in Dakar (ESP), and signed eight new agreements during the year, notably with the Institut Supérieur de l'Enseignement Professionnel in Thiès (ISEP), the Institut Supérieur de l'Enseignement Professionnel in Diamniadio (ISEP), the École Supérieure des Mines et de la Géologie (ESMG) – UAM, the École Nationale Supérieure des Mines et de la Géologie (ENSMG), former IST at UCAD, the Centre National de Qualification Professionnelle (CNQP), the Office National de la Formation Professionnelle (ONFP), the Université Iba Der Thiam de Thiès (university in Thiès) and the Institut des Sciences de l'Environnement in Dakar (ISE).

Comilog is very committed to training young people in Gabon and is one of the key partners of the Moanda School of Mines and Metallurgy. Like Setrag, it takes in many apprentices every year, enabling young Gabonese to gain two years of professional experience, thus creating a major pool for local recruitment. In New Caledonia, SLN has a partnership, for example, with the post-secondary preparatory classes for entry to the grandes écoles at the Jules Garnier secondary school in Nouméa. The SLN competitive exam proves valuable for the young New Caledonians who end up continuing their scientific studies in mainland France.

5.3.2.4.5.5 Compliance with ILO fundamental conventions

Eramet complies with the applicable regulations in the countries where the Group operates.

As the Group points out in its Ethics Charter and its Human Rights policy, Eramet respects the international standards of the International Labour Organization (ILO) and, more generally, complies with the principles of international law relating to human rights. In particular, the Group refrains from using any form of forced labour or child labour, either directly or through its suppliers or partners, and respects the right of association.

The Group also ensures fair treatment of all its employees in terms of professional equality by fighting against discrimination at work, ensures the integrity of those present at each site, and respects the moral integrity of each employee. The Group ensures the quality of human relations within work teams. In particular, it engages in the fight against all forms of violence and helps promote respect for others and fellowship in working relations.

During the annual collection of feedback from the Group's sites on non-financial matters, the Group's various sites are checked for compliance with the provisions relating to the ILO's Fundamental Conventions (freedom of association and the effective recognition of the right to collective bargaining, the effective abolition of child labour, the elimination of all forms of forced and compulsory labour, the elimination of discrimination in respect of employment and occupation) and it is important to note the excellent feedback (100% positive replies out of 20 sites surveyed) demonstrating the attention paid to this subject.

5.3.2.5 Social indicators

5.3.2.5.1 Breakdown of total number of employees by Division and BU

As at 31 December 2023, the Group had 9,167 employees in 16 countries, compared with 9,090 at 31 December of the previous year (+0.85%), on the continuing operations scope. The Group's HR reporting in force concerns the consolidated workforce and the managed workforce.

It should be noted that the workforce of the Weda Bay project (1,503 employees as at 31 December 2023), in which Eramet is a minority shareholder, is not included in the workforce figures below.

Registered number of employees (Continuing operations scope for 2021 and 2022)	2021	2022	2023	2023 breakdown
Corporate[1]	*537*	*615*	*764*	*8.3%*
Operations	7,986	8,475	8,403	91.7%
EMAS[2]	156	167	-	-
Nickel	2,253	2,340	2,381	26%
Manganese	4,513	4,625	4,705	51.3%
Mineral sands[3]	983	1,076	843	9.2%
Lithium	81	267	474	5.2%
GROUP TOTAL (CONTINUING OPERATIONS SCOPE FOR 2021 AND 2022)	**8,523**	**9,090**	**9,167**	**100%**

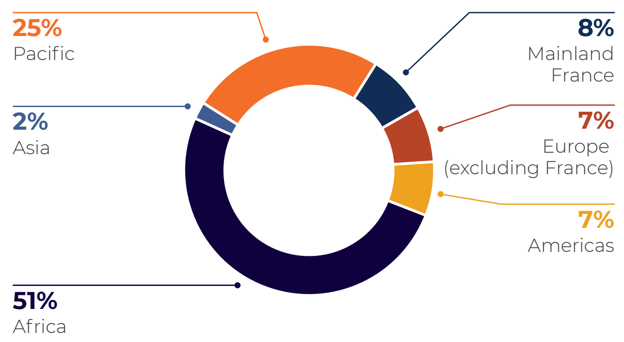
(1) Corporate: Eramet S.A., Eramet Services, Eramet Ideas, Eramet International.
(2) As EMAS merged with Eramet S.A. on 01/01/2023, the employees are integrated into "Corporate".
(3) Decrease due to the disposal of ETI on 21/09/2023.

5.3.2.5.2 Total number of employees and breakdown by geographical area

At 31 December 2023, the number of employees stood at 9,167, with the following breakdown by geographical area:

Registered number of employees (Continuing operations scope for 2021 and 2022)	2021	2022	2023	2023 breakdown
Mainland France	689	755	771	8%
Europe (excluding France)	857	874	625	7%
Americas	254	460	667	7%
Africa	4,410	4,576	4,665	51%
Asia	60	85	160	2%
Pacific	2,253	2,340	2,279	25%
TOTAL	**8,523**	**9,090**	**9,167**	**100%**

▼ Workforce registered in 2023 by geographical area



5.3.2.5.3 Breakdown of total number of employees by contract type

As at 31 December 2023, 93% of Group employees had permanent employment contracts.

The technical nature of the mining and metallurgy professions requires a long professional training period, and the use of short-term employment contracts remains very minor.

Employees on fixed-term contracts within the Group have the same rights and benefits (pension systems, healthcare costs, profit share, etc.) as employees on permanent contracts.

WORKFORCE BY CONTRACT TYPE

Registered number of employees (Continuing operations scope for 2021 and 2022)	2021	2022	2023	2023 breakdown
Permanent	7,733	8,480	8,566	93%
Fixed-term	790	610	601	7%
TOTAL	**8,523**	**9,090**	**9,167**	**100%**

5.3.2.5.4 Breakdown of total number of employees by socio-professional category

BREAKDOWN OF WORKFORCE BY SOCIO-PROFESSIONAL CATEGORY

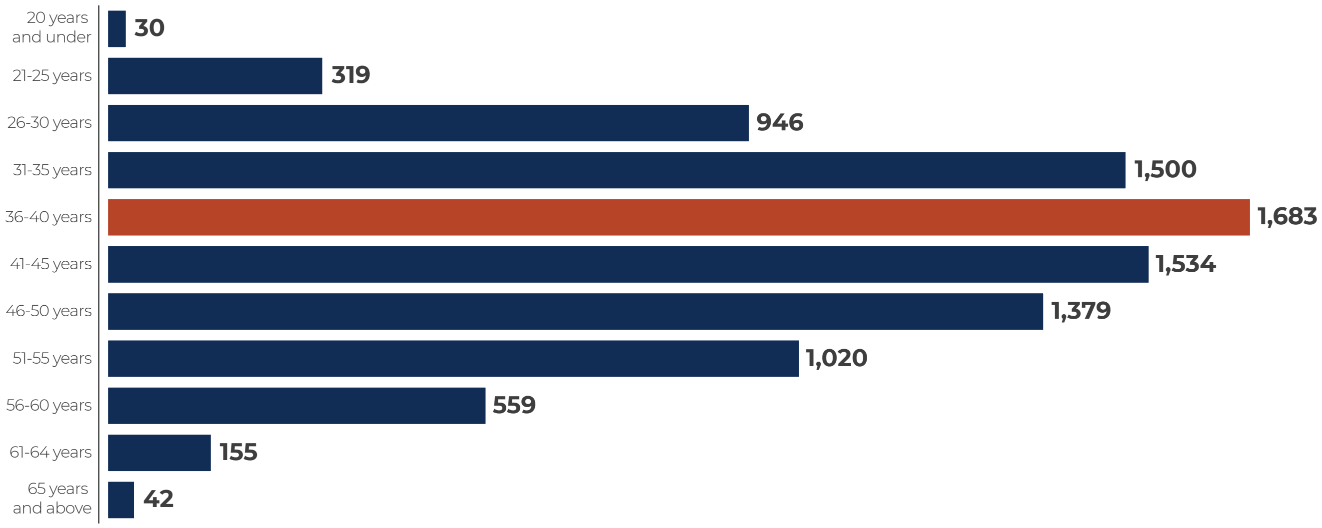
Registered number of employees (Continuing operations scope for 2021 and 2022)	2021	2022	2023	2023 breakdown
Workers	4,261	4,470	4,226	46.1%
Administrative, Technical and Supervisory staff	2,753	2,825	2,924	31.9%
Management	1,509	1,795	2,017	22.0%
TOTAL	**8,523**	**9,090**	**9,167**	**100%**

5.3.2.5.5 Average age and age distribution

As at 31 December 2023, the average age of the Group's employees was 41.4 years. Employees aged 50 and over represent 22% of the total workforce; those aged 30 and under represent 14% of the total workforce.

Eramet carefully monitors the evolution of the age distribution of its managerial staff, particularly in order to anticipate the retirement of its key employees. Since the implementation of the People Review process at the local, Business Unit and Group level, Eramet has succession plans updated every year for all its key positions.

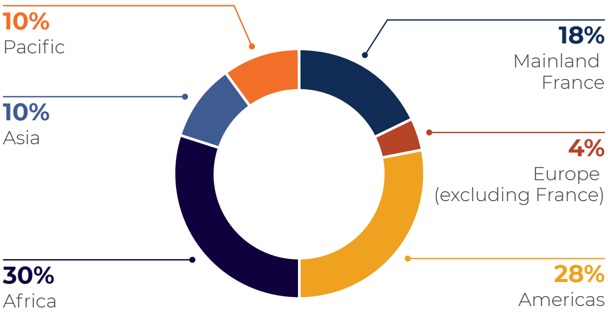
▾ Age pyramid at 31 December 2023



5.3.2.5.6 Recruitment

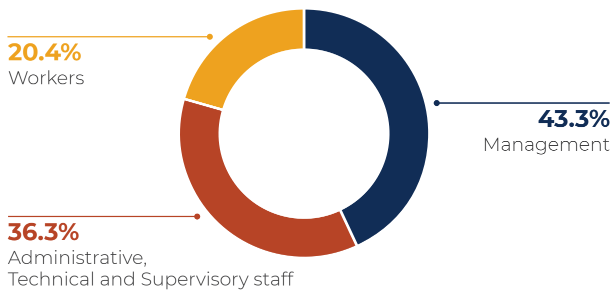
Group companies recruited, excluding inter-group transfers, 1,052 employees:

▼ New recruits 2023 excluding transfers



External recruitment of permanent employees amounted to 686 new hires, broken down into the following socio-professional categories:

▼ Permanent contract recruitments 2023 excluding transfers



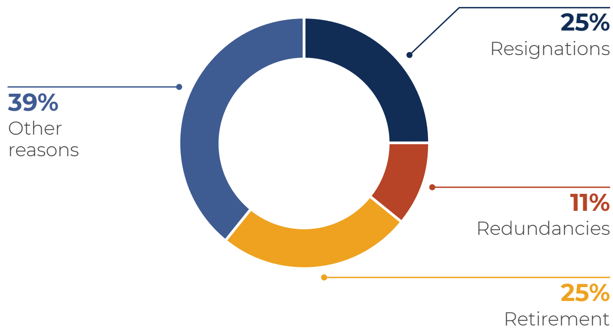
For several years now, Eramet has prioritised the recruitment of permanent employees under the age of 30 and over 55.

	Permanent contract recruitments 2023	
	< 30 years	> 55 years
TOTAL	**165**	**27**
% of total permanent contract recruitments	*24%*	*4%*

5.3.2.5.7 Departures (excluding internal transfers)

The total number of departures (which includes resignations, dismissals, retirements and contractual terminations, but excludes Group transfers) in 2023 was 701, including 178 resignations (25% of departures), 75 redundancies (11% of departures) and 175 retirements (25% of departures). The other reasons for leaving (39% of departures) were mainly due to the end of fixed-term contracts and transfers of employees to companies sold.

▼ Changes in departures (excluding transfers) broken down by reason in 2023



5.3.2.5.8 Employee turnover

In 2023, The turnover rate of permanent employees was 6.1%.

Registered number of employees (Continuing operations scope for 2021 and 2022)	2021	2022	2023
External permanent recruitments	417	771	686
Permanent employee departures excluding internal transfers	367	390	428
Resignations	129	135	178
Redundancies	84	34	75
Retirements and pre-retirements	154	221	175
Workforce in previous year (Y-1)	8,065	8,523	9,090
Permanent employee turnover rate [(1)]	4.9%	6.8%	6.1%
Permanent employee voluntary departure rate[(2)]	1.6%	1.6%	2.1%

(1) Permanent employee turnover rate = 100 [(Permanent employee departures N + Permanent employee arrivals N)/2] / Registered workforce at 31/12/Y-1.*
(2) Permanent employee voluntary departure rate: (departures and resignations in Year N)/Permanent workforce at 31/12/Y-1 x 100.

5.3.2.5.9 Organisation of work

The organisation of working time depends on the companies, the nature of their activities and their location and is defined in order to best meet the requirements of the activity and the wishes of the employees. Wherever it operates, the Eramet Group complies with legislation on working time regulations. As an indication, the working hours are:

- in mainland France: 35 hours per week;
- in Norway: 40 hours per week;
- in New Caledonia: 39 hours per week;
- in China, Gabon and the United States: 40 hours per week over five days;
- in Senegal: 40 hours per week.

As at 31 December 2023, 61 people worked part-time, a little under two thirds (59%) of which were women. 38% of part-time employees, or 23 people, work in France and they account for 3% of the total workforce in mainland France.

In 2023, 61% of employees worked fixed days, while 39% worked shifts.

Organisation of work (Continuing operations scope for 2021 and 2022)	2021	2022	2023
Full-time employment rate	98.5%	99.3%	99.3%
Part-time employment rate	1.5%	0.7%	0.7%
Percentage of employees working fixed daily working hours	61%	64%	61%
Percentage of employees working shifts	39%	36%	39%

Absenteeism

The reasons for absence taken into account here are medical absences such as sickness, maternity, workplace accidents and travel accidents.

The average absenteeism rate for the Group was down 2.92% in 2023. The average absenteeism rate in mainland France is 3.13%. For the rest of Europe, the average rate is 6.02%. The Americas has a rate of 2.79%. Africa has an average rate of 1.75%, Asia 0.64%. Lastly, the average rate in the Pacific area was 3.71%,

Absenteeism (Continuing operations scope for 2021 and 2022)	2021	2022[1]	2023[1]
Group absenteeism rate	2.9%	3.3%	2.92%
Absenteeism rate in mainland France	5.3%	2.1%	3.13%

(1) The methodology used for calculating the absenteeism rate was changed in 2022. Until 2021 we published an average rate weighted to the number of employees in the subsidiaries. Since 2022, the absenteeism rate is calculated with the days of absence and the days worked.

5.3.3 Commitments to host communities

5.3.3.1 Objectives, organisation and instruments

Eramet strives to become a company that contributes to public interest issues and creates value in the territories where it operates. Especially in its relations with communities near its plants, the Group seeks to move from an approach based on limiting and offsetting the impacts of its activities to an approach that provides clear benefits for local populations, related to their priorities and aspirations.

This challenge is addressed by objective 5 of the Group's CSR Roadmap, "Be a valued and contributing partner of our host communities". The achievement of the objective will be measured against two targets by 2023:

- 100% of sites have established a mechanism for engaging with local stakeholders;
- 100% of sites have implemented an investment programme to contribute to local development, with a focus on actions in favour of young people.

Instruments

To this end, the Group formalised in 2019 the three pillars and six fundamentals of Eramet's community relations, modelled on the standards and good practices of the IFC (International Finance Corporation, World Bank Group) and the IRMA (Initiative for Responsible Mining Insurance) benchmark. These requirements are translated operationally into a "Community Relations" internal procedure applicable to all of the Group's production sites and partly to its exploration activities.

For Eramet, a contributive relationship and partnership with communities has to be built on three pillars:

- **management of risks and impacts on communities:** Risk prevention and management of the impacts inherent in mining and metallurgy activities is a fundamental aspect of the relations maintained with local populations. These risks and impacts are identified and covered by containment measures in accordance with the "mitigation hierarchy" which entails avoiding, reducing and compensating these impacts. Complaints handling mechanisms available to local populations ensure that any incident or concern can immediately be brought to the attention of the entity. These incidents are then handled through corrective actions and used as feedback for the continuous improvement of the management system;
- **dialogue with local stakeholders:** Whether it concerns the roll-out of operations, risk management measures or again local development support programmes, Eramet and its subsidiaries make sure they continuously inform and consult nearby populations. This work takes various forms: organisation of public information meetings or open days, creation of joint committees, public consultations, written publications etc. For sites developing new activities, it is essential to present the characteristics of the projects through dialogue and to involve the communities in defining containment measures for the impacts affecting them. In all cases, the subsidiaries focus on ensuring that the dialogue is culturally appropriate and also inclusive; they also make sure that the vulnerable people are identified and included in the discussions;
- **contribution to local development priorities:** Eramet aims to make the Group's activities a source of clear benefits for local populations. By placing a particular focus on employment, local sourcing and subcontracting, the Group's subsidiaries constantly strive to increase their contribution to the economy of the territories where they are based. Above all, the Group's sites develop community investment or sponsorship programmes aimed at supporting local development priorities. In a partnership approach, these priorities are identified and monitored collectively: support to economic activities, actions to promote education, health, sport, culture and the environment or construction of infrastructures.

▾ Relations with host communities: Eramet fundamentals

3 pillars and 6 fundamentals of Eramet Group's community relations policy

1 MANAGE societal risks and impacts

Initial state / evaluations / management of societal impacts
Grievance resolution mechanism

2 DIALOGUE with communities

Map of local stakeholders
Dialogue bodies

3 CONTRIBUTE to local development priorities

Local employment, local purchasing and subcontracting
Community investment

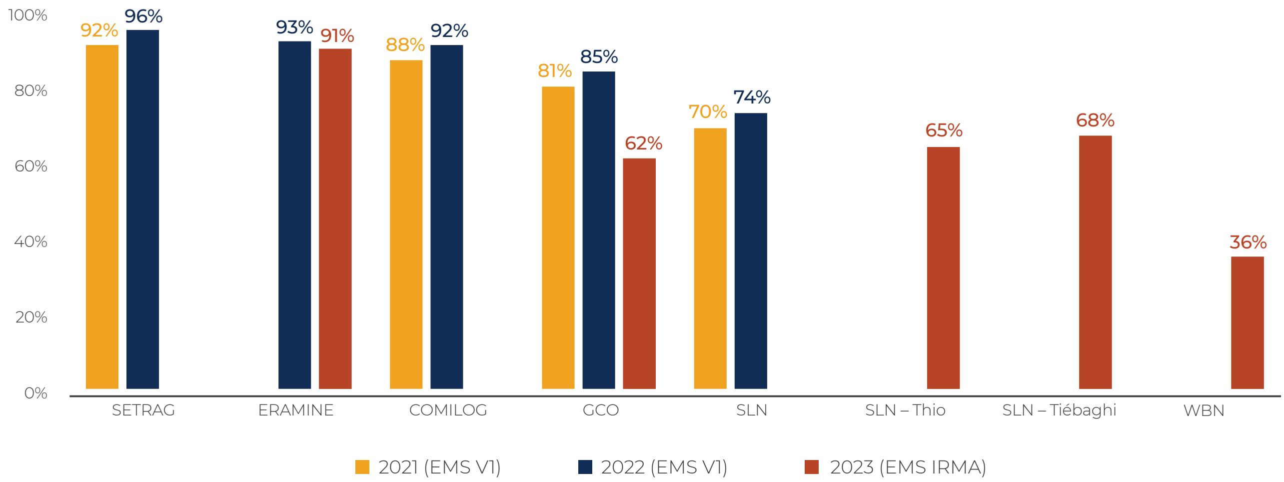
Review of actions taken over the 2018-2023 period:

The CSR Roadmap for the 2018-2023 period made it possible to lay the **foundations for an organisation and culture of relations with communities across the entire Group** (common rules, tools and objectives), and **to define and launch the new "Eramet Beyond for contributive impacts" programme**.

The main actions taken were as follows:

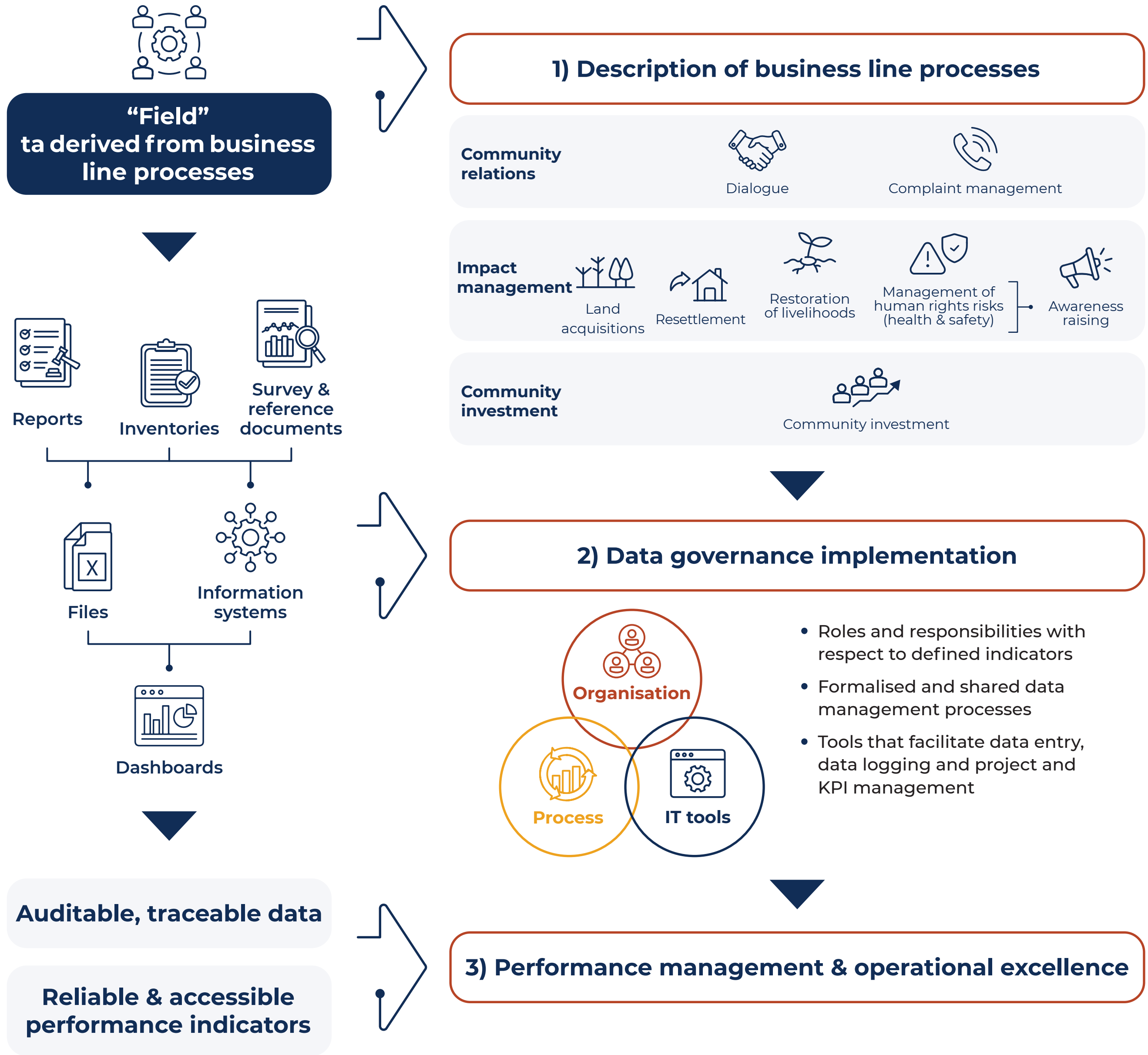
- **development and deployment of standards and tools dedicated to community relations**, with the formalisation of the Eramet "Fundamentals" in a procedure in the Eramet Management System and the Golden Rules of the Eramet Production System dedicated to community relations. Modules dedicated to community relations in the SAFEE IT tool were created with the site teams and have been operational since 2021 (register of stakeholders, resolution of grievances, registers of interactions and engagements). Between 2020 and 2022, all Community Relations teams and Management Committees were trained in the Group's "Fundamentals", and compliance with the Group's procedure increased from 36% to 88%.

  The procedure was updated in 2023 to incorporate the requirements of the Initiative for Responsible Mining Assurance (IRMA) standard. Monitoring of the level of sites' compliance with the Group's fundamentals is now integrated into assessments of compliance with the IRMA standard. Between 2021 and 2023, five of the Group's mining sites (Thio and Tiébaghi in New Caledonia, Weda Bay Nickel in Indonesia, Eramine in Argentina and GCO in Senegal) underwent a self-assessment, comprising three chapters (out of four in total) and 177 requirements (out of 389 in total) related to community relations;
- in 2023, the assessment of sites was re-linked to the revised procedures incorporating the IRMA standard. The five sites mentioned above were re-assessed, resulting in compliance scores ranging from 36% to 91%. The score was reduced for some sites due to the more exacting requirements of the standard.



- **development of a dedicated organisation within the Group for community relations**. The company's "Social Impact and Human Rights" Department, within the Sustainability and Corporate Engagement Department, supports the development of teams dedicated to community relations in each mining subsidiary, with representation on the site Management Committee. In addition, "Eramet Local Partner Committees" have met twice a year since 2020 in Gabon, Senegal, New Caledonia, Argentina and Indonesia. These committees include one to two members of the Group's Executive Committee and the CEOs and CSR Directors of the subsidiaries in the country and ensure alignment with long-term strategies, annual action plans and the resources to implement them;
- **definition of key performance indicators** (KPIs) for **community relations** to monitor and report on the social performance of the sites. A series of 30 KPIs has been monitored since 2021;
- in 2023, this measure of performance was expanded. A comprehensive structuring operation was carried out with the subsidiaries with regard to the community relations activity, the data generated and the coordination of performance. This work consisted of describing the business processes of the activity and mapping the data processes (analysis, results and performance indicators). This results in alignment with the Eramet standard for the activity, which integrates IRMA; governance of community data to ensure its reliability and auditability; and, lastly, the definition of procedures to stimulate operating performance using the operational excellence methods.

This work makes it possible to enter the era of the new CSR Roadmap for 2024 and beyond with a readjusted operating plan.



- these indicators feed into the annual publication of **the** “Country contribution” document, which provides detailed information on the positive social and economic impacts of Eramet’s activities in each country;
- creation of the **Eramet BEYOND for Contributive Impacts programme.** This is a Group-wide community investment programme, which aims to strengthen the autonomy of the populations of the regions and countries of operation (see section 5.3.3.4.2 “Community investment and sponsorship”).

Achievement of the targets of objective 5 of the CSR Roadmap

The two targets were achieved in 2023:

- **100% of sites have established a mechanism for dialogue** with local stakeholders: community engagement processes have been formalised at each site, setting out in a transparent way the format of the dialogue, the participants and the issues addressed. These frameworks are implemented through routine meetings with community representatives, covering topics of interest to stakeholders. In addition, all sites have put in place formal complaint management mechanisms to identify and swiftly resolve the grievances of communities impacted by operations;
- **100% of sites have implemented a community investment programme** to contribute to local development, with a focus on actions in favour of young people. These programmes are structured around contribution pillars defined in consultation with the communities and include a transparent process for selecting supported projects. All these programmes include a component in favour of young people, in the area of economic diversification.

Organisation

On industrial sites, the management of community relations is most often addressed by Health, Safety or Environment managers, as the impacts on local residents are mainly related to environmental issues.

On mining sites, this management covers much broader themes and requires the mobilisation of teams dedicated to social responsibility topics. These professionals are part of a network managed by the Group's Sustainability and Corporate Engagement Department.

In 2023, additional changes were defined to support the management of change associated with the IRMA community requirements and the sustainable impact methodology labelled Eramet BEYOND for Contributive Impacts.

As a result, resources dedicated to the governance of auditable data and the management of projects, including community investment projects under the BEYOND label, are now provided in the sites' community relations organisations. In 2023, Comilog began implementing these changes by recruiting a data manager and an economic diversification project manager to structure and monitor the impact of community investment.

In addition, two committees were set up to consider BEYOND projects: the Group Beyond Committee and the Sites Beyond Committee.

The Group Beyond Committee brings together four members of the Group's Executive Committee, including the Chairman and Chief Executive Officer, the Directors of the Asia, Africa and Argentina regions, and the Social Impact and Human Rights Department. It decides on the broad orientations of the Beyond Programme and ensures its proper implementation.

Finally, it decides on the budget of the dedicated Beyond Fund and the projects supported by it.

The Sites Beyond Committee brings together the CEOs and CSR Directors of the subsidiaries in the country and the Social Impact and Human Rights Department. This is the operational committee that directs the implementation of the Programme to achieve the Group's objectives. An additional separate fund may be supported directly by the site.

(see section 5.3.3.4.2 "Community investment and sponsorship").

5.3.3.2 Impact management and risk prevention for local communities

5.3.3.2.1 Risks for the safety and security of local populations

Safety

During the update of the Group's human rights risk mapping, the risk related to the safety of communities was analysed across all Group entities. This allowed the existing mitigating measures to be identified, and measures to improve risk management were put in place.

The presence of industrial or mining facilities may constitute a source of risks for nearby populations. To prevent these risks as early as possible in industrial or mining projects, the Group continuously rolls out an industrial risk prevention approach, detailed in 4.4.5. The entities concerned control access to sites, set up safety barriers and information signs, speed limits for transport in built-up areas, while some sites also use security guards. Information on risks for the safety of nearby residents is also presented through dialogue with populations.

In 2023, Setrag continued its series of awareness-raising campaigns on the dangers associated with the railway tracks, with two major initiatives: an emergency campaign and the regular annual campaign.

The emergency campaign produced the following results: 11,254 pupils reached in 40 schools, 7,260 local residents reached in their homes, and 47,937 local residents reached along the railway line, level crossings and footbridges.

For the annual campaign, the figures were as follows: 11,388 pupils and 3,693 local residents reached.

In all, in 2023, nearly 59,000 local residents and pedestrians using the footbridges and level crossings were made aware of the dangers, as well as over 22,600 pupils in 40 schools in the local communities.

To secure the areas close to the track, Setrag also continued to install pedestrian bridges. It installed three additional bridges during the year, bringing the total number in operation to seven.

- GCO: A fatal accident occurred in 2023 involving ore transport by rail and members of the communities. To increase awareness among the communities, posters about the haulage areas were put up in the villages around the site, and the community relations teams regularly organise awareness-raising sessions on the dangers related to passing vehicles and the railway;
- Setrag: A collision on the Setrag railway line resulted in the death of one person in January 2023. In line with the safety actions implemented in recent years, 2,021 metres of walls were built, as well as two new footbridges. Furthermore, awareness campaigns for local residents continued in 2023. The local sustainable development team also designed a series of awareness-raising equipment. During campaigns, this equipment is given out in the form of kits after each session. The kits comprise several everyday items (kitchen aprons, bread bags, notebooks, pens, T-shirts and polo shirts) reminding people not to compete with the train and not to cross the rails outside authorised areas. In addition, in case of accident, emergency instruction sheets were put in place to ensure rapid first-aid treatment for internal and external stakeholders;
- Eramine: The site has been involved in the CARE programme since 2022. This is a global voluntary initiative of the chemical industry aimed at continuously improving safety, health and environmental protection. The entity took part in several sessions during which CSR, Health & Safety and Logistics experts explained how chemicals are transported, the preventive measures taken and the actions to limit incidents in terms of safety and the environment. These sessions were aimed at various stakeholders: the Kolla community, schools, the Salta Chamber of Transport, the Traffic Department, the National Gendarmerie etc. During 2023, progress was

made at several meetings of the Logistics and CSR teams with different individuals and groups, and visits were made along the roads concerned with a view to generating improvements in the poor practices observed among vehicle drivers (from several companies in the region). In early 2024, it is planned to continue these meetings in Santa Rosa de los Pastos Grandes and Campo Quijano.

Security

During the update of the Group's human rights risk mapping, the risk related to the security of communities was analysed across all Group entities, allowing an assessment of the effectiveness of the system in place.

Security measures taken to protect the physical integrity of employees and infrastructure, such as security guards, are governed by the Security Procedure adopted by Eramet. This is in accordance with international law, French law and the law of the countries in which Eramet operates. Under this policy, the prevention of security risks first requires dialogue and mutual respect with local residents. Training and rules governing the use of force and the equipment of the security personnel are decided, designed and controlled by a Site Security Officer, who acts within the framework defined by the Group Security Director. The use of force is strictly limited to cases of extreme necessity and must be proportional to the threat.

In 2022, an initial assessment of the mining sites' compliance with the Voluntary Principles for Business and Human Rights (VPSHR) was undertaken by an external contractor. An action plan was put in place to ensure stronger management of community impact risk.

In 2023, additional procedures concerning security and human rights were added to the internal management system to be annexed to contracts signed with public or private security contractors. These procedures highlight the commitments of the Community Protection Group and compliance with security standards. A specific procedure on the use of force governs the use of force by public and private security contractors and ensures compliance with international standards.

5.3.3.2.2 Land purchases and population displacements

The activities of certain Group mining sites require the acquisition of land from communities that reside or carry out economic activities (agricultural or commercial) in the area. In accordance with the "mitigation hierarchy" of impacts, populations are only displaced as a last resort, when all avoidance measures have been taken. When such displacements take place, the operations may present risks of human rights violations (property rights or the right to an adequate standard of living for these communities). The sites concerned have set up dedicated teams to assess, talk to the locals and keep potential impacts under control. Displacement activities are carried out in accordance with the principles set out in the Performance Standard of the IFC (International Finance Corporation, World Bank Group), with in particular the arrangement of resettlement action plans and attention paid to restoring the livelihoods of the displaced populations.

GCO

Grande Côte Opérations, in Senegal, performs mobile mining activities with a dredger on the mining concession granted by the State. The Environment and Communities department of this site has a specialised team, in charge of defining, in collaboration with communities, methods of displacement where necessary (compensation, replacement land, relocation sites, configuration of welcome infrastructures etc.).

In 2023, GCO continued to support the restoration of the livelihoods of the 1,181 people, from 166 households, displaced in 2016 and 2019 from the villages of Foth and Diogo. This support covers the 11 economic interest groups (EIGs) created between 2015 and 2019, bringing together over 1,000 people, and the implementation of the scheme targeting vulnerable people. An EIG made up of 62 women from two hamlets displaced at the end of 2021 was also created and supported.

In a similar vein, GCO followed up on the economic displacements carried out in 2022. In particular, this concerned the compensation of more than 660 farmers for their crops. This in-kind and financial compensation is overseen by the dedicated departmental commissions, involving in particular representatives from government technical services and representatives of the people affected.

In addition, 52 commissions and three village committees were set up to monitor these livelihood restoration plans, under the supervision of the sub-prefecture of the Méouane region.

Having also relocated 641 people in 2022, from 134 households, from the village of Diourmel, GCO continued to follow up on these actions.

As with previous displacements, these new homes provide access to water and solar power and thus help to improve the living conditions of these people.

The resettlement site in the village of Diourmel has a mosque, a health centre, a community centre, a bus station, a primary school and a Koranic school, as well as a market. It is served by an access road that links it to the secondary road leading to Lompoul.

In 2023, the new displacement programmes concerned 88 additional households in the hamlets of Diourmel, representing a population of 415 people, as well as 172 households in the hamlets of Thiakhemat, representing a population of 747 people.

Consultations and censuses were begun for the planned displacements in 2024 in the Lompoul-sur-Mer area. These will affect 17 households, representing a population of 117 people.

The construction of the infrastructure is defined and managed by the Kebèmer Departmental Commission for Resettlement.

The households displaced in 2023 received replacement agricultural land with mini-drilling equipment and a solar pumping system, currently being installed.

Finally, in 2023, GCO launched a closure audit of all relocations through an external firm. An action plan is being finalised, particularly for optimal integration of the concerns of the affected populations and to ensure the good performance of monitoring over time.

Setrag

In Gabon, as part of Setrag's project to restore the Trans-Gabon railway line, work is planned on the different points of the railway tracks from Libreville to guarantee the safety of the track and local residents. Some of this work resulted in the displacement of shops, homes or farms occupying the area surrounding the railway line, which is non-transferable State property.

A team at the CSR Department is in charge of supervising the implementation of resettlement action plans and livelihood restoration plans in accordance with international standards. These activities are carried out in close collaboration with the funders of the track renovation project (AFD, IFC).

In 2023, Setrag carried out new economic displacements targeting agricultural crops, 52 at Andem station and 19 at Oyan. In Booue, 11 economic displacements were carried out for a fixed period of one month, the duration of the sand extraction activity in the area. Although temporary, these economic displacements are likely to occur once a year.

In addition, Setrag followed up on the physical displacements carried out in previous years in Owendo (311), Ntoum (63) and Andem (16), with a total of 390 people affected, including some 30 vulnerable people.

Finally, of the 196 traders displaced in 2019, 120 who could not be resettled in the municipal market received training on income-generating activities. A total of 146 traders were supported under these arrangements.

Setrag also began consultations and inventories in Owendo, Libreville, Ntoum, Abanga, Moanda, Lastourville and Andem in preparation for displacements due to take place as from 2024.

Comilog

In Moanda, Comilog (Gabon) undertook three displacements:

As a result of mining operations on the edge of the Bangombé plateau, around 2,000 people in three districts of Moanda (Lekolo 2, Leyima and Bangombé) are currently being resettled.

Inventories and socio-economic surveys were carried out and the relocation plan finalised with stakeholders and validated during a public hearing held in July 2022, which was attended by nearly 400 people.

The construction of the relocation site, which includes 417 houses and commercial areas, has been fully completed. The people affected, who were involved throughout the project begun in 2020, were regularly informed of the progress of the site through the three Local Monitoring Committees. A house distribution committee was set up in December 2023 to organise a handover of house keys, which will begin in early 2024.

For the mine extension project, which affects crops on the edges of the new neighbouring Okouma plateau, nearly 230 people were compensated in 2022. These communities are now being monitored to restore their livelihoods after this economic displacement.

Preparations for the displacement of the people living near the Moanda station also progressed. These are the villages of Moundzeye and Mikouagna, located close to the Moanda Industrial Complex operated by Comilog. The resettlement site was completed in 2022, and infrastructure works were finished in 2023 so that the 40 households concerned can move in. These communities are currently in the contract signing phase prior to the official handover of keys scheduled for early 2024.

5.3.3.2.3 Risks and impacts on the environment of communities

During the update of the Group's human rights risk mapping, the risk related to the possible impacts on the environment and resources of communities were analysed, and action plans were put in place where necessary. For more information, refer to section 4.6.3.2 of the Vigilance Plan.

The Group is deploying all necessary means to reduce its environmental footprint, both at its operating sites and in the context of its development projects. The measures implemented to mitigate environmental and industrial risks (section 5.2. "Environmental protection") also aim to limit disturbances to local communities and avoid pollution risks and those related to a reduction in their access to natural resources.

5.3.3.2.4 Local complaint management mechanisms

CSR 2023

Pursuant to the Group procedure, all mining sites have a procedure for handling complaints from local communities in accordance with the standards of the IFC and the IRMA initiative. These procedures allow the populations to draw the company's attention to any incident, concern or query concerning the social and environmental performance of the site, with the guarantee that these complaints will be handled through a transparent process.

On industrial sites, local managers in charge of health, safety and the environment receive and handle complaints in accordance with ISO 14001.

Since 2020, the Group's Integrity Line (see 5.4.1) whistleblowing system supplements these local mechanisms. The Integrity Line is open to all external stakeholders affected by the Group's activities and offers the possibility of making an anonymous report.

In 2023, the Group recorded a total of 255 complaints at its plants, two of which were serious in New Caledonia (operating conditions on the eastern coast of the territory) and Senegal (land acquisition), both fully resolved.

Overall, the complaint resolution rate was 85% for complaints of low and moderate severity.

They mainly concerned the management of impacts on communities, with almost 80% being related to resettlement and the restoration of livelihoods (correction of inventories, monitoring of actions throughout the process).

An external audit was conducted in 2022 on the complaints mechanism of all sites, with a view to optimising the integration of human rights risks, and a follow-up action plan was drawn up for each site. (refer to Chapter 5.3.1 on Human Rights).

The integration of community concerns into the process of continuous improvement of subsidiaries' activities is one of the fundamentals of the standard. This complaint mechanism is one of the transmission tools.

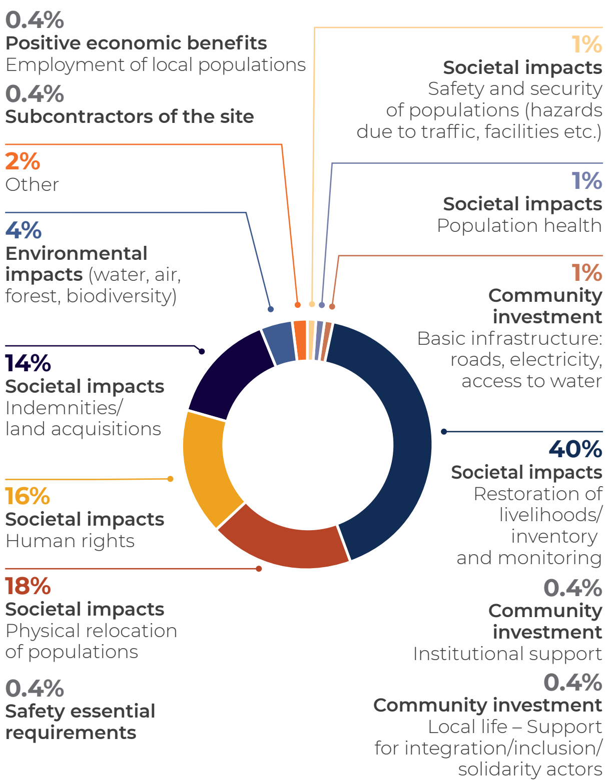
At GCO in Senegal, after a mass communication campaign to inform the local population about the complaints mechanism, the process was extended and given concrete form by means of both a comic strip and the installation of letterboxes, especially in hamlets, villages and at the GCO site itself.

To respond more appropriately to the major issue of resettlement, the GCO site also launched, in 2023, an external audit of all the resettlements carried out previously (see Chapter 5.3.3.2.2 above).

To also take into account priority complaints about mining activity in New Caledonia, in 2021, SLN formalised, together with the Ajie Aro customary authorities, an operating procedure for consulting local communities in the Houaïlou area in particular (see Chapter 5.3.3.3 below).

Finally, PT Weda Bay Nickel in Indonesia also has a complaint management mechanism managed by IWIP (Indonesia Weda Bay Industrial Park) on behalf of all activities in the industrial park.

13 complaints concerning PT Weda Bay Nickel exclusively were recorded in 2023, in connection with land acquisitions in forest areas, social impacts (traffic, road safety, local employment) and environmental impacts (water and dust). 80% of these complaints were resolved.



5.3.3.3 Dialogue with local communities

Sites that may have an impact on the environment and local residents carry out information and consultation actions with them, whether due to regulatory obligations or voluntary initiatives. Dialogue with local populations paves the way for anticipating and preventing the potential impact of activities. This universal approach is adapted by each entity according to its specific challenges.

Dialogue and consultation with indigenous communities

Argentina has established a legal framework to protect the rights of indigenous peoples in accordance with international standards. Prior, free and informed consent (PFIC) is protected by law, and the status of indigenous communities is recognised at State level.

- The Constitution of the Argentine Nation, reformed in 1994, incorporates treaties on human rights. Paragraph 17 of section 75 recognises the ethnic and cultural pre-existence of indigenous peoples of Argentina, guarantees respect for their identity and the right to bilingual and intercultural education, recognises the legal status of their communities and the community possession and ownership of the lands they traditionally occupy, regulates the granting of other lands adequate and sufficient for human development, and guarantees their participation in the management of their natural resources and in other interests affecting them;
- Argentina is a signatory to ILO Convention No. 169 and has established a framework for the recognition and protection of its indigenous communities;
- Law No. 23.302 adopted by the Argentine Congress in 1985 recognises these communities as descendants "of the peoples who inhabited the national territory at the time of its conquest or colonisation", with the main objective of guaranteeing access to land, respecting the culture of the communities in educational plans and in the protection of their health, so that they can participate fully in the social, economic and cultural life of the nation, while upholding their own values and preserving their cultural heritage;
- the Constitution of the province of Salta, where Eramine is located, recognises the ethnic and cultural pre-existence of the indigenous peoples residing in the territory of Salta;
- in addition, Article 17 of the Salta Provincial Law on the Development of Indigenous Peoples stipulates that "the final allocation of ownership of land, whether in its present state or in cases of transfer, must be done with the free and express consent of the indigenous population concerned";

- finally, the Ministry of Social Development and the Ministry of Infrastructure adopted a resolution in 2022 approving the protocol for prior, free and informed consent, with the aim of implementing the PFIC process in the Salta region.

  Members of the Kolla community living in the Salta province are considered by the authorities to be indigenous peoples, in accordance with the criteria of international standards. When preparing any mining project, it is important to begin by analysing the context in which the project will be developed. This is why, from the outset, Eramet entered into a process of understanding and taking on board the local context. Eramine organised a community meeting attended by representatives of the Ministry of Mines and Energy, as is usual. This meeting was held in Santa Rosa de los Pastos Grandes on 18 February 2020 to complement the PFIC process, in accordance with ILO Convention No. 169, and marked a new stage in the relationship with the communities in Eramine's area of influence. The company's teams highlighted this aspect, as the partnership with the communities had greatly evolved since the beginning of the project. Later, in May 2022, the indigenous community reaffirmed its support at the quarterly assembly.

Informing neighbourhood residents about industrial and mining activities

Information meetings are the preferred way for sites to communicate with local populations. The information shared covers the site's activities as well as the environmental and societal risks or impacts that they might generate.

In New Caledonia, the campaigns begun in 2022, aimed at the communal, customary, provincial and New Caledonian authorities, were stepped up in 2023 in order to communicate both on SLN's risky cash flow situation and on the emergency plan put in place to tackle it.

Indeed, with activities at the Poum site having been shut down and a plan to safeguard jobs put in place, and the Népoui site approaching the end of its operating licence period subject to administrative supervision, the contact plan was revised, and 335 meetings were held in groups and individually (all the town halls concerned, provinces, members of the government, customary authorities, local populations etc.).

The community relations offices in Houailou, Thio and Koné continued to provide information about the situation with regard to activities and the management of impacts on the inhabitants, with the possibility of talking to an officer from the CSR team. More than 1,770 visits to these offices were recorded, the objective being to increase the quality and frequency of exchanges, as close as possible to the inhabitants. The system of rituals with traditional bodies, municipal teams and local communities made it possible to meet more than 3,000 people in 2023.

In Indonesia, at PT Weda Bay Nickel, 155 community meetings were held in 2023 on the themes of impact management, participatory environmental monitoring, complaint-handling and visits by local authorities. These meetings focused on the implementation of community investment projects or initiatives.

In Norway, two of the three Eramet Norway sites, close to city centres, also organised "annual neighbours' get-togethers", as they do every year, which were attended by around 20 people. This provides the opportunity to talk about the company's environmental performance, in particular regarding noise and dust, how it handles the complaints it receives and areas for improvement in the future.

Consultation/collaboration with local residents

Consultation is a more engaging form of dialogue with communities that is practical for gathering the opinions, expectations or concerns of local residents in order to factor them into the company's decisions. In certain cases, stakeholders are directly associated with decision-making, this is then referred to as collaboration.

In 2023, the main consultation and collaboration activities were the following:

- **in Gabon**, Comilog continued to roll out its dialogue process, which has been strengthened since 2021.

  The 26 local monitoring committees set up in the presence of the prefect and the mayors of the municipalities of Moanda and Mounana and surrounding areas were active. These dialogue cells are key contact points in each district of Moanda, Mounana, Bakoumba and surrounding villages. Each committee has six members, including the village/district chief, at least two women and two young people.

  As part of the preparation of the State and Comilog CSR Fund actions, the three municipalities also submitted their priorities for the local development plans.

  In all, more than 52 dialogue meetings were held in 2023. The main themes were entrepreneurship, youth employability, basic infrastructure, health and impact management;
- **at Setrag,** a team of social representatives in charge of relations with local residents on the four segments of the railway line met with more than 4,500 local stakeholders during 331 dialogue meetings in 2023. Most of these meetings focused on consultations related to inventories and preparation of farm relocations, and on raising awareness of the complaints management mechanism;
- **in Senegal**, as part of its progress towards the Louga region in the north of the current operating area, the subsidiary actively engaged discussions with stakeholders in this area. The mobile mining activities of the facilities, which have existed since 2014 in the Thiès area, entered the Louga region in 2023. Dialogue with stakeholders in this new business area began in 2020. Seven public consultations have been held in this context. Five of these specifically focused on the entry of the dredge into the Louga region. These consultations provided an opportunity to discuss the rights of way and the timetable for the mine, to gather questions and comments from the affected populations, and to adjust the route of the dredge based on this. During these discussions, more than 50 people from the Louga region were able to visit the Thiès region to see the current GCO site, its practices and results in terms of resettling people and environmental rehabilitation after the dredge. Extensive consultation efforts were also carried out to better support ad hoc drilling activities carried out prior to mining activities. In all, the site teams met with more than 2,600 stakeholders in 2023;

- **in New Caledonia**, SLN's proactive dialogue programme with local stakeholders, which was launched in 2019, continued with a focus on the consultation on mining and metallurgical activities.

  In 2023, this consultation process focused on the contact plan for the Poum activity (in particular, the meeting of the Local Information Committee held at the municipality's town hall and with the local, regional and New Caledonian authorities, as well as the affected communities in the first half of the year), and on the mining licence for the Népoui and Poro activities in Houaïlou.

  In addition, based on the two structural agreements signed in 2022 in the Houaïlou region (the Memorandum of Understanding between the Kunéka association of landowning clans and SLN and the Letter of Commitment between the Ajie-Aro customary area and SLN signed in June 2022), SLN continued its consultations with the relevant stakeholders. The main topics covered were management of the activity's impacts and mitigation of the mining activity;
- lastly, in the context of the resettlement programmes on the sites of GCO **in Senegal**, Comilog and Setrag **in Gabon**, dedicated consultation and cooperation activities continued in order to define the terms of implementation of the displacements (see section 5.3.3.2.2);
- to facilitate the construction phases, Eramine stepped up its dialogue in **Argentina** in 2022 and 2023. On this occasion, the populations of the Centenario Ratones salt flat and Santa Rosa de los Pastos Grandes were able to renew their support for the restart of the Project during a quarterly assembly organised in May 2022. After reviewing the information shared about the project, the achievements and community investment programmes, and the constant increase in local employment opportunities through the project, the representative of the indigenous community and a large number of its members reiterated the expression of their Free, Prior and Informed Consent to the development of the Eramine project. In addition to the quarterly meetings, which continued in 2023, the Community Relations teams set up an online channel to ensure continuous information on the deployment of activities (particularly regarding road traffic), and to receive and correct any incidents as quickly as possible.

5.3.3.4 Contribution to the development priorities of communities

5.3.3.4.1 Local job creation and sub-contracting

The major subsidiaries of the Group contribute significantly to job creation in the areas in which they operate, recruiting the vast majority of their teams locally:

- *via* its subsidiaries Comilog and Setrag, the Eramet Group employed more than 3,700 people in Gabon. More than 98% of these employees are Gabonese. Including the subcontractors working directly for our subsidiaries, the Group's activities in Gabon represent more than 10,400 jobs. Moreover, over 500 people were able to work on Comilog's various CSR infrastructure sites, for periods ranging from one month to more than a year. The vast majority of these jobs were filled by people from local communities;
- SLN, New Caledonia's biggest private employer, employs more than 2,200 people. 95% of these employees are Caledonians. Including the subcontractors working on the various sites, SLN's activities represent more than 3,200 jobs;
- in Senegal, Grande Côte Opérations (GCO) employed 839 people as at 31 December 2023. 97% of these employees are Senegalese. Including the subcontractors working on the various sites, GCO's activities represent more than 2,200 jobs;
- in Argentina, the Group's subsidiary running the Lithium project employs 474 people, 98% of whom were Argentines. Including the subcontractors working on the construction site, as at the end of the year, the project represents more than 2,500 jobs;
- in Indonesia, Weda Bay Nickel employs 69 people, 43% of whom are Indonesian. Including the subcontractors working on the mining site, the activities represent more than 100 jobs.

In addition, many sites are working to develop local skills over the long term in order to develop employability in the regions.

With the New Caledonia Mining Industry Union, SLN created and supports the Mining and Quarries Technologies Training Centre (Centre de formation aux techniques de la mine et des carrières – CFTMC) in Poro since 1990. SLN serves as president. Located in the Northern Province, it addresses the economic rebalancing priority desired by authorities. This training centre for mine quarry drivers and mechanics and mine careers is for young people with no or low qualifications. It offers training on an SLN mining deposit under real mining conditions. The aim of this centre is to create a mining school that would be a global reference, teaching the best operational practices (health/safety, mining operations, progress management, sustainable development). All the leading mining and metallurgical operators in New Caledonia are members, and SLN exclusively hires drivers trained at this centre.

Since its founding, SLN has been the main contributor and supports an average of 150-200 young people per year. Students obtain a diploma or vocational certificate issued by this centre, which is accredited by the Ministry of National Education and the Ministry of Continuing Vocational Training of New Caledonia.

In Gabon, Comilog continued its contribution to the Moanda School of Mines and Metallurgy (E3MG, which opened in 2016), the result of a public-private partnership between the Gabonese State and the Eramet Group. This school, which aims to train young Gabonese people in geoscience, process engineering, mining research and exploitation related jobs, awarded certificates to 48 students in 2022 and welcomed 30 new students in September in the two courses that it offers: a specialised engineer qualification and a professional first degree in mining and metallurgy.

In 2023, it welcomed 35 new students for the 2023-2024 academic year and issued 65 diplomas.

From 2016 to 2021, the school welcomed 104 students in four classes of engineers and technicians. Of the 102 students who graduated, 91 were working in 2022 (including nearly 50 at Comilog), bringing the employment rate of graduates to 90%.

Setrag has developed a partnership with a Gabonese public institution, the National Employment Office, with the aim of creating apprenticeship contracts for young people. In 2022, 250 young apprentices were trained in this way. Setrag also contributes to the back-to-work policy for young people through its Franceville railways proficiency and training centre (Centre de formation et de perfectionnement ferroviaire de Franceville – CFPF). In 2021, 316 railway personnel were trained in 15 or more rail transport professions.

The Eramet Group also contributes to the development of economic activities in the countries territories where it operates through its purchasing and subcontracting practices. The Group's mining or mining project subsidiaries make more than half of their purchases in the country where they are located. This is especially the case for Comilog and Setrag (61% of the amount spent on purchases were spent in Gabon in 2022 – excluding maritime transport – i.e. more than €400 million), GCO (70% of the amount spent on purchases were spent Senegal in 2022, i.e. nearly €54.5 million), Eramine (60% of the amount spent on purchases were spent in Argentina), and SLN (47% of the amount spent on purchases were spent in New Caledonia, i.e. more than €390 million).

On a local scale, the activities of the Group's sites may favour the emergence or development of local suppliers or subcontractors. This is particularly the case with SLN in New Caledonia, whose mining sites, plant and support services subcontract some activities and draw from the base of local businesses. In addition to the SLN mining centres, there are seven "task-based" sites, run by local subcontractors. On the Poum site, the increase in production capacity is accompanied by a partnership with local authorities and the population: part of the mining activity is carried out by an operator owned by local shareholders. On the Thio site, production capacity is also sustained by a partnership with all 13 tribes and the two customary districts of Thio. Somikat, created from this community shareholding, handles entire mining operations chain from the Dothio site to the evacuation of merchant ore by haulage truck.

5.3.3.4.2 Community investment and sponsorship

To achieve its vision of promoting a positive impact for its stakeholders and supporting the ecosystem, Eramet has made an ongoing commitment to contributive actions with a co-construction approach in an effort to meet both national challenges and the expectations of the sites' local communities.

The main spokes of the programme are:

- infrastructure, the foundation of economic and social development;
- support for education and health, the essential building blocks of human development;
- economic diversification projects that offer more levers and models for the systematic development of the sites. "Beyond for Contributive Impacts" is part of this portfolio of projects. This is an Eramet-branded programme to create sustainable jobs outside the core business and help young people and women obtain qualifications by providing scholarships.

In total, the Eramet Group invested €8.7 million, including €1.1 million in projects under the Eramet Beyond programme.

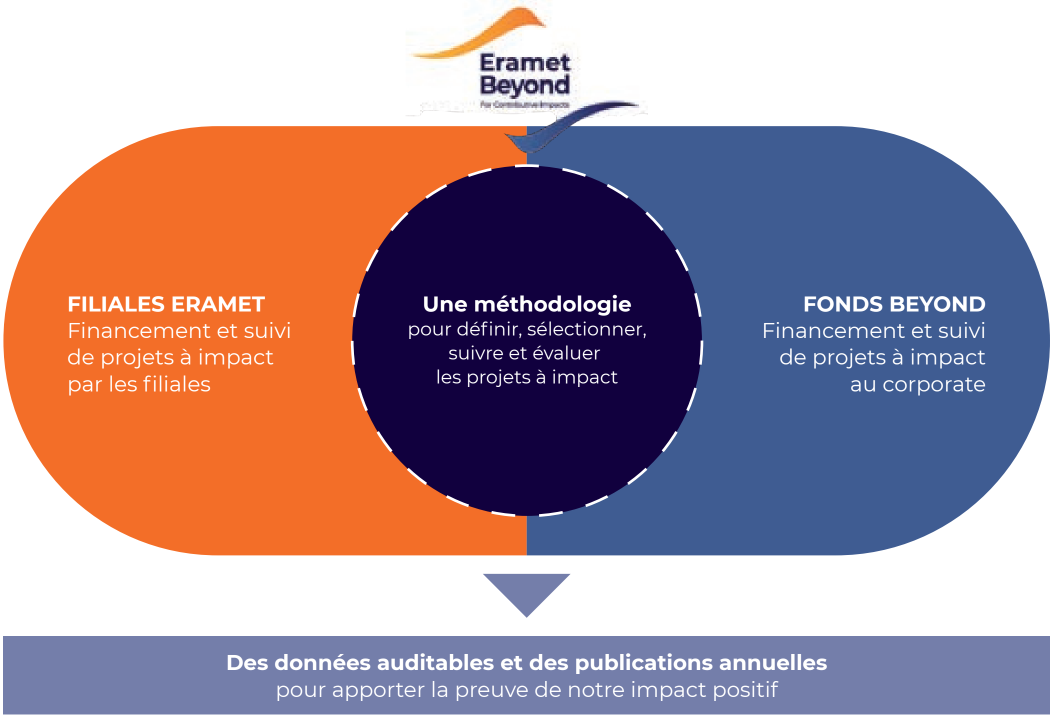
The Eramet Beyond for Contributive Impacts programme

The Eramet Beyond programme

The goal of the Eramet Beyond for Contributive Impacts programme is to go beyond our activities to give new impetus to our contributions to economic, social and human development and thus create more jobs in the regions and countries where Eramet operates. It is directly in line with the implementation of Objective 3 of its CSR Roadmap, "Act for Positive Mining", which aims to create 6,000 jobs outside our core business by 2026.

The Beyond programme was in its pilot phase in 2023. It used this time to build a portfolio of impact projects supported by the subsidiaries, on the one hand, and by corporate through a dedicated fund, on the other.

What all these projects have in common is the Beyond methodological framework, which should allow each of these projects to have sustainable and measurable positive impacts.



The Beyond programme has three main areas of focus:

- **economic diversification**: to give populations autonomy and the ability to develop a diversified economy (non-mining activities);
- **reduction in educational and gender inequalities**: so that social determinants such as social background and gender are no longer factors in inequality;
- **environmental resilience**: to develop resilient farming practices that foster independent communities despite the consequences of climate change.

Within these three areas of focus, the Beyond programme activates three levers to achieve a more sustainable impact by giving its beneficiaries the means to take control of their future:

- capacity building (training, coaching etc.);
- access to financing (microfinancing, introduction to business angels etc.);
- access to the markets (introduction to clients, supply chain support, self-promotion etc.).

The Eramet Beyond Fund projects

Femmes d'Avenir in Gabon – in partnership with Women In Africa

The Femmes d'Avenir programme reflects the shared commitment of Women In Africa (WIA) and the Eramet Group to contribute to economic and social development, by encouraging women entrepreneurship and promoting the empowerment of African women, with the aim of having an impact on local employment.

Through this programme, Eramet and WIA contribute to the development of a community of local women innovators, who bring solutions to the many challenges facing Africa, in particular with regard to innovation and new technologies, Fintech and the agricultural transformation.

Launched in 2022 for a three-year period, the programme is expected to provide coaching to more than 350 Gabonese women entrepreneurs on how to manage their business.

The programme has two types of beneficiaries and two dedicated mechanisms:

- 130 women supported during a one-year programme consisting of training, mentoring, networking and access to finance. The programme, the first of its kind in Libreville, is held in a dedicated location, the Femmes d'Avenir Hub. This Hub hosts training activities, as well as events, to highlight and promote Gabonese female entrepreneurship all year round.

  The support provided to the entrepreneurs is three-pronged:

- **training**: 30 training sessions (155 hours), including one online refresher course and in-person workshops at the Libreville Hub. The training sessions and workshops cover technical subjects (finance, financial control, HR, management, marketing and communications) and soft skills (public speaking, self-confidence);
- **mentoring:** any participant who so wishes is paired with a specialised mentor who will help her grow her business;
- **access to financing:** group workshops help each entrepreneur develop her pitch to investors . Beneficiaries are then selected to present their project to a jury made up of business angels and CEOs;
- more than 300 women supported at practical, targeted, two-day bootcamps held at the Femmes d'Avenir Hub, to help them effectively address specific problems. Topics covered included how to prepare an effective loan application, the foundations of corporate management, business development and how to present a company.

In 2023, 26 of the 30 members of the first class completed their year of personalised support (October 2022 to June 2023).

The second class of 38 entrepreneurs started their year in October 2023.

Impact indicators:

For the first class that completed the programme in 2023:

- **109 jobs supported** in 2023, including:
  - 26 direct beneficiaries (86% success rate for the 30 participants),
  - 83 jobs supported (70 employees hired by the entrepreneurs before the programme, and 13 employees hired by the entrepreneurs during or after the programme);
- 26% increase in the number of clients the entrepreneurs have;
- 7 entrepreneurs obtained bank loans.

Femmes d'Avenir in Senegal – in partnership with Women In Africa

In Senegal, Femmes d'Avenir aims to support women entrepreneurship by offering two training programmes to women entrepreneurs depending on the stage of their company's development:

- the "first-timer" programme offers soft skills training to 200 young entrepreneurs, divided into 4 groups of 50 participants each. Each group benefits from two-day bootcamps;
- the "seasoned entrepreneur" programme offers tailored support from WIA network experts throughout the year. This programme benefits five seasoned entrepreneurs with significant growth potential each year.

The goal is for 615 Senegalese women to benefit from this programme over three years.

In 2023, the bootcamps were held for the first two groups of first-timers, bringing together 85 participants. The five seasoned entrepreneurs also started their coaching programme.

Women In Africa is an endowment fund whose mission is to support African women entrepreneurs and leaders in their journey to impact the continent's economy.

Lire pour l'Avenir in Gabon – in partnership with Bibliothèques Sans Frontières

The idea behind the Lire pour l'Avenir project is to help high school students from communities that are isolated but served by the Trans-Gabon train access more educational content.

The programme was developed in 2023 with rollout expected in 2024 and 2025 in the communities of Ntoum, Ndjolé, Booué, Lastoursville and Moanda. It will have two components:

- building physical and digital micro-libraries in high schools to compile educational content appropriate to the Gabonese curriculum;
- creating and distributing 4,000 SD cards offering easy access to content to help students prepare for the Gabonese baccalaureate on mobile devices even with no internet connection.

Since 2007, the Bibliothèques Sans Frontières NGO has worked to strengthen the capacity of people in vulnerable situations by facilitating access to education, culture, and information.

Central purchasing unit project for plantains in Cameroon

After four years of exploratory work in Cameroon at the Akonolinga rutiliferous block, Eramet decided in October 2023 that it would not move forwards with its mining project for economic and environmental reasons. To leave a positive footprint in this region, Eramet decided to support a local contributive project.

In 2023, it worked to identify economic activity projects that would create jobs for the local populations. Eramet selected the project that would create a central purchasing unit for plantains, viewing it as most likely to have a positive economic and social impact for the populations.

The project will be rolled out in 2024 and 2025 with its partner, ClassM.

Community investment by the sites

The global community investment programme put in place on a site-by-site basis is carried out with the support of a strategy defined for each subsidiary since 2021 and a dedicated governance structure.

In Gabon

2023 is the third year of the CSR Funds and Local Community Development Funds (Fonds de Développement des communautés locales or FDCL) created in October 2020 in partnership with the Gabonese State. In October 2020, Comilog signed an Addendum to the mining agreement with Gabon, concerning corporate social responsibility. The Addendum sets out the creation of two CSR funds intended to finance new development programmes for the benefit of local communities of the region where the company's mining sites are located:

- a "Local communities development fund" financed by the State from part of the taxes paid by Comilog, as provided for in the Mining Code. The amount allocated in 2023 was €10.5 million (i.e. 6.8 billion CFA francs);
- a CSR Fund financed and implemented by Comilog is entirely aimed at structural projects for the benefit of local populations. Comilog's contribution rate to the CSR Fund is set annually at 2% of Comilog's operating income as shown in its audited financial statements approved by its Board of Directors. In 2023, the amount allocated to the fund was €2.7 million (i.e. approximately 1.7 billion CFA francs).

These funds are governed by a partnership management committee comprising representatives of Comilog, Eramet and the Gabonese state. It is supported by an operational management committee chaired by the Governor of Haut-Ogooué Province and comprising local elected officials from Moanda, Bakoumba and Mounana and Comilog representatives.

Employability and economic diversification

Comilog aims to become a catalyst for local economic development, investing in human capital through training and providing initial support for economic activities. The aims is to create structures and sustainable jobs that do not depend on mining activity.

In 2023, this ambition was carried forward with the following actions:

- the **Moanda Fablab**: open since May 2022, the Moanda Fablab is the result of a public-private partnership between Comilog and the Moanda town council. It aims to provide an opportunity to young people in Haut-Ogooué to participate in the development of the digital economy. After training 22 young people (12 women and 10 men) for three months in each of the three key digital skills (design/graphics, web/mobile development, and electronics/robotics);
- the seed fund for entrepreneurs in Haut-Ogooué: in order to address the difficulty in accessing financing for small and micro-businesses in the area, Comilog and the Gabonese State entered into a partnership with three microfinance institutions (SFE, EDG and Finam), to provide access to financing at reduced rates (5-6%) in the area.

  In 2023, it received more than 800 applications and funded 144 of these projects, with 208 jobs created/supported. In the same period, financing was expanded to all the provinces served by the ore freight train (Haut-Ogooué, Ogooué-Lolo, Ogooué-Ivindo, Moyen-Ogooué and Estuaire), with the addition of two more microfinance institutions (Cofina and Sodec).

  This seed fund programme is part of the BEYOND projects, managed by the site directly and comes under the governance of the Beyond Sites Committee;
- support for the association Jeunes Femmes Digitales (JFD) which promotes the empowerment of Gabonese women and supports digital transformation in the country. Through the JFD Gabon movement, 320 women were trained and four start-ups were created by women. One of them was the Gabonese winner of the Margaret Entrepreneur Africa Award, which rewards African women for their creativity, boldness and innovation through three award categories: entrepreneur, intrapreneur and junior;
- **a paving stone manufacturing plant** built in 2020 in the village of Konda (near the town of Moanda), which has been operational since March 2021, continued production in 2023. The company "3L des Pavés" employs 39 people. Its production notably made it possible to meet the needs of the city of Moanda for the paving of secondary roads.

Contribution to basic infrastructure

- **rehabilitation of roads in the city of Moanda:** in order to open up certain areas of Moanda that are not easily accessible due to poor road conditions, the two funds continued to finance the rehabilitation of the city's roads, which began in 2020. After rehabilitating 4 kilometres of Moanda's main road in 2020, the fund has financed the rehabilitation of 11 secondary roads in total, including three secondary roads in 2023. These renovated infrastructures help to improve the daily travel conditions of the inhabitants of Moanda. This work also helped to create local employment, and the roads were paved using the production of the Konda paving stone factory, employing 28 local people;
- **access to water:** for some inhabitants of the cities of Moanda, Bakoumba and Mounana who do not have a water point in their homes or nearby, the development of access to drinking water was a priority identified with local partners. After financing the construction or rehabilitation of 73 standpipes across all districts in the towns of Moanda, Bakoumba and Mounana, the funds were used to finance the construction of six boreholes in the villages. The last borehole funded in 2023 was in the Lekoko region. These facilities now benefit more than 19,000 people with significantly improved access to water;
- **public lighting:** to meet a pressing demand from local communities, the funds financed a programme to improve the lighting of public roads in the area. Over the past few years, nearly 1,500 solar-powered streetlights were installed (including 300 in 2023) and more than 800 streetlights were rehabilitated in the three towns of Moanda, Mounana and Bakoumba, as well as in three villages in the same areas.

Support for the health offering

- In 2023, the CSR fund continued to finance the local office for the Gabonese Samu Social, covering the cities of Moanda, Bakoumba and Mounana. With eight health officers, eight ambulance drivers, five ambulances and six paramedics, the Samu Social offers free consultations and medication to the most underprivileged populations. More than 40,000 patients in total received free care between 2022 and 2023;
- for many years now, Comilog has also financed the operation of the Marcel-Abéké hospital (HMA), open to the public at modest prices. Since 2022, the hospital has been offering teleconsultations in six medical specialities for the benefit of residents of the Haut-Ogooué, Ogooué-Lolo and Ogooué Ivindo provinces. These people can now benefit from consultations and medical expertise from doctors based in Libreville, from Moanda. This innovative project was carried out in partnership with a company specialising in telehealth in Europe and around the world with the commissioning of a next-generation scanner in 2023.

Local life and social cohesion

The CSR Funds and Local Community Development Funds financed the refurbishment of the Bakoumba sports complex, which will be completed in 2022.

In addition, Comilog is the primary contributor to Mangasport associations (football, basketball, volleyball, judo, taekwondo, etc.), made up of more than 800 members, most of whom are young people.

At Setrag, the rollout of the community investment strategy continued in 2023 on the basis of a broad consultation of local communities carried out in 2021. The strategy, which is based on three axes: health, education and support for income-generating activities, resulted in several actions in 2023:

- **Health:** Setrag conducted two operations in the health sector in 2023. They involved the refurbishment of the Inzanza dispensary, including the donation of medical equipment for 200 people, and a cancer screening and awareness campaign targeting 300 people in the communities of Owendo, Ndjolé, Booué, Lastoursville and Franceville;
- **Education**: two rehabilitation programmes focused on the Otoumbi public school, with more than 100 students, and a multimedia room at the Booué high school, benefiting 1,200 students and 40 teachers;

- **Support for income-generating activities**: in 2022, Setrag carried out an inventory of associations and organisations in five localities along the route in order to prepare a capacity-building and micro-financing programme for their economic activities. In 2023, 100 beneficiaries were trained, over 50% of them women, and 20 associations were created and structured.

  This programme is in the process of obtaining the Beyond label, is managed by the site directly and comes under the governance of the Beyond Sites Committee.

Impact indicators in Gabon

More than **60,000 beneficiaries of positive** contributions, including:

- 43,000 consultations at Samu Social and other health posts supported;
- 330 women supported by JFD or Women in Africa organisations;
- 22 young people trained at the Fablab in Moanda, with 256 hours of training;
- 20,000 beneficiaries of 73 rehabilitated standpipes and six boreholes built;
- 3 microfinance institutions in the Moanda area;
- 7 kilometres of roads rehabilitated in Moanda, and more than 20 kilometres since 2020;
- 2,000 street lights rehabilitated or installed in Moanda and its surroundings, including more than 800 solar street lights.

In Senegal

Under its mining agreement, GCO has established a social mining programme with the Senegalese Government, which commits the Company to making annual investments in local communities. The initiatives to be implemented in this context are defined in collaboration with all local stakeholders within a tripartite commission. This committee, which includes mayors and representatives of GCO, local residents and civil society, is responsible for allocating the funds for the actions to be taken. A system of rotating allocations between different villages of the area has been established, allowing a concentration of funds per municipality each year, and therefore more substantial investments.

In 2023,

- **Education**: GCO continues to provide annual funding for student associations in seven municipalities in the area, allowing students to continue their studies while living outside their home towns.

  In addition, 80 teachers in the Diogo area were able to take a training programme to improve their skills completely free of charge;
- **Health**: GCO has continued its support actions, in particular donations of drugs, to five health posts in Diogo and Lompoul-sur-Mer;

  GCO also fully refurbished the Kabe Gaye health post, which is now able to treat more than 1,700 patients;
- **Infrastructure**: the municipality of Meckhé benefited from the extension of the water network over 8 kilometres, in order to provide access to water for seven neighbourhoods, and from the development of a garden at the railway station. The cost of operating the borehole in the villages of Darou Beye-Ndieye and Darou Salam was covered for an estimated 2,000 users;

  GCO also built a new store for a processing unit to benefit the women of Lompoul-sur-Mer. In Diogo, the construction of a bus station at the entrance to the city was completed, with a platform equipped with two sheds. This station includes parking for vehicles used for the inter-communal and inter-regional transport activities;
- **Agriculture**: an additional subsidy paid to the community service mutual society was allocated to farmers, which has made it possible to supply approximately 100 tonnes of fertiliser to boost vegetable production;
- **Economic development:** GCO has supported the creation of three new women's economic interest groups (EIGs) in Diogo and the surrounding area in 2023, bringing the number of EIGs supported from the villages of Diogo and Lompoul-sur-Mer to eight. These groupings, which involve more than 2,000 women, are active in the marketing of inputs or agricultural and fisheries products, and have received initial funding based on the revolving fund model.

Furthermore, GCO has created a total of 13 economic interest groups (EIGs), most of which have signed service contracts with GCO (dune rehabilitation, compost production, cleaning and maintenance of the GCO base etc.). These EIGs are in addition to the 11 groups created and supported as part of the restoration of livelihoods for resettled people.

Lastly, in 2023, GCO launched an external social and economic opportunity study of the economic diversification alternatives in the new Louga area. **This impact project, focused on agriculture, vegetable production and fishing, is being structured so as to obtain the Beyond Sites label.**

Impact indicators in Senegal

- More than 13,000 consultations in health posts supported by GCO;
- 2,000 beneficiaries of water from the Darou Beye-Ndieye and Darou Salam borehole, which received support from GCO;
- 2,000 women active in eight EIGs, three of which were created and financed in 2023;
- seven districts of the city of Meckhé supplied with drinking water.

In New Caledonia

SLN has implemented a CSR strategy based on two pillars: responsible and sustainable operations, including in particular the control of impacts on the environment and the populations living near the sites, and the diversified development of territories. This ambition requires continued support for local authority development projects, and support for economic activities outside the nickel value chain.

In 2023, the historical commitments that had been made in the past with communities were fulfilled:

- in Kouaoua, it financed the construction of the Méa temple and provided financial support for the slab and further work on the Néoua chapel for two tribes in the area;
- in Thio, SLN also provided the town council with blocks for the construction of a dam at the mouth of the Thio River;
- in Houaïlou, by implementing the memorandum of understanding signed with the Kunéka association, SLN has co-constructed and launched with the association the multi-year environmental maintenance plan for areas close to communities.

For several years now, SLN has provided financial support to local authorities for their development projects and, since 2019, has structured a local development co-construction approach with the town councils of all its mining sites. Some twenty multi-year agreements have been signed (for a period that may extend to 2025 for certain municipalities).

In 2023, actions were confined to the following communities:

- in Houaïlou, projects were implemented to educate young people in this municipality of more than 5,000 inhabitants;
- in Thio, SLN continued the programme dedicated to social and professional integration for young people conducted under a tripartite agreement with the town council and the Southern Province. It also provided technical support for the reforestation programme in the Saint Michel tribe, which has been badly affected by forest fires since 2021. In partnership with the Marajati association, a surface area of one hectare is being reforested, with the inclusion of the tribal communities, including ten young people. Finally, a major road infrastructure renovation programme has been under way since 2019, including the VU20 seafront section in 2023, to improve access to the village, which has a population of over 2,500;
- in Poum, work on the municipality's drinking water supply infrastructure was completed in 2023. The last instalment of the allocation provided for in the agreement with the town council has been paid.

Impact indicators in New Caledonia

- More than 1,100 inhabitants benefited from the drinking water supply in the three municipalities of Thio, in the hamlet of Wénin (Kouaoua municipality), and in Poum;
- more than 2,500 residents benefiting from the roadworks programme.

In Argentina

In Argentina, where Eramet relaunched its lithium mining project in 2022, Eramine's teams ramped up the community investment programme, which had been maintained since the first phases of exploration. Eramine's contribution strategy is structured around the four pillars of community infrastructure, education, entrepreneurship and quality of life. The following were the main achievements in 2023:

- Community infrastructure: Eramine continued its individual solar water heater installation programme for 25 families (more than 70 people), living in Salar Centenario and in the village of Santa Rosa de los Pastos Grandes. Thanks to these solar water heaters, these households now have access to hot water all year long;
- Education: Eramine pursued several initiatives in 2023 in partnership with various institutions, including the National University of Salta, the Catholic University of Salta, the Anpuy Foundation, the Junior Achievement Foundation, secondary schools in the Salta province and the Ministry of Education. As such, 682 people, including 430 young people, received vocational training and professional coaching, and 14 received scholarships, including nine women.

  In addition, seven young students at the National University of Salta (including five women) took part in internships at the Eramine site and 13 of them were hired by Eramine at the end of the internship;
- Entrepreneurship: The 2023 Triple Impact entrepreneurship programmes, in partnership with the Fundación por Nuestros Niños (and with the collaboration of Mayma and Ashoka), had an impact on 389 people:
  - 66 adults (including 53 women) participated in the Entrepreneurship Club to strengthen their entrepreneurial spirit and their networks,
  - 323 young people (including 198 women) participated in the "Semilleros de Emprendedores" workshops.

Eramine also continued to provide technical support to 12 livestock farmers in the Centenario salt flat, who have approximately 1,000 animals, including goats, sheep and llamas.

In 2023, this programme was structured so as to obtain the Eramet Beyond label and is currently awaiting approval.

It is focused on promoting the creation of decent jobs and on formalising and growing triple-impact micro-businesses with collaborative models (environmental, social and governance/financial) by fostering entrepreneurship, creativity and innovation. The project targets different sites starting in the capital city of Salta, along the road to San Antonio de los Cobres, and on the road to Salar Centenario Ratones, where the Eramine project is located.

- Quality of life: To improve access to quality water for the 16 people living in Salar Centenario, Eramine provided them with drinking water during the year and began an analysis of sustainable solutions for making the local water sources to be used potable.

Impact indicators in Argentina

- More than 70 villagers in La Puna benefited from the installation of solar water heaters to have access to hot water in winter;
- 66 small entrepreneurs in La Puna and other communities were trained and connected to the professional network, and 323 young people were trained as part of the "business incubator" programme;
- 12 high-altitude livestock farmers were provided with support;
- 682 people from the Salta region benefited from vocational training.

Industrial sites (Europe, United States, Asia)

The Group's other industrial sites develop smaller scale sponsorship initiatives. For instance, Comilog Dunkerque, Eramet Norway and Eramet Titanium & Iron support local sports, cultural and environmental associations in their area.

In Indonesia - PT Weda Bay

In 2023, **PT Weda Bay** carried out a programme that contributed significantly to the Education, Health and Infrastructure strategic pillars.

- **Infrastructure:** to improve the local residents' living conditions, PT Weda Bay Nickel built village roads in Lelilef Sawai and did pipework for a water drainage system in Kulo Jaya. It also built infrastructure for sports (sports field in Gemaf) and for socio-cultural activities (renovation of 20 mosques and 14 churches);
- **Education:** a programme to strengthen teacher training was implemented in the secondary schools of the nearby villages, and university scholarships were awarded to 16 high school students studying for technical careers, 52% of which went to young women;
- **Health:** a grant was given to purchase three ambulances, and a programme was established to provide material and technical support to health centres (including donations of medicines).

Impact indicators in Indonesia

More than 25,000 **beneficiaries of positive contributions,** including:

- 3 ambulance units to improve the responsiveness of the healthcare services in an emergency, benefiting villages with an estimated population of about 20,000 people;
- nearly 2 kilometres of village roads constructed in Lelilef Sawai for an estimated 3,000 users;
- 5 kilometres of a water network constructed in the village of Kulo Jaya for an estimated 3,000 beneficiaries;
- 16 scholarships awarded to students, half of which went to young women for a skills development programme.

Amounts invested

Overall, the Group's subsidiaries devoted more than **€8.7 million to community investment in 2023**, mainly in Gabon, Indonesia and New Caledonia.

Of this amount, 75% was split between infrastructure and economic diversification projects, at 44% and 31%, respectively.

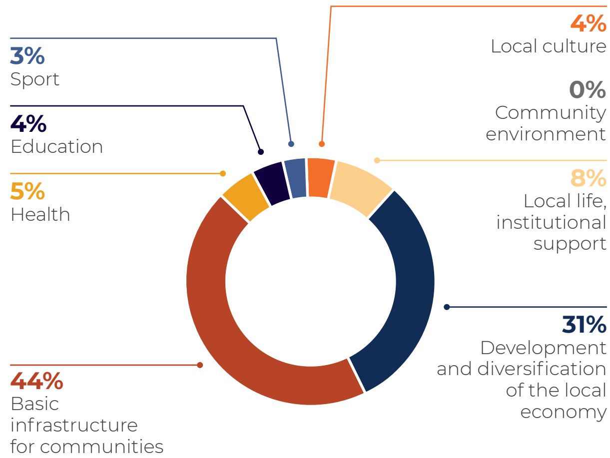
The programme to support basic infrastructure remains significant in the Group's locations, and even predominates in Gabon, Senegal and New Caledonia. It has nonetheless declined considerably, falling from 57% in 2021 to 47% in 2022 and now to 44%.

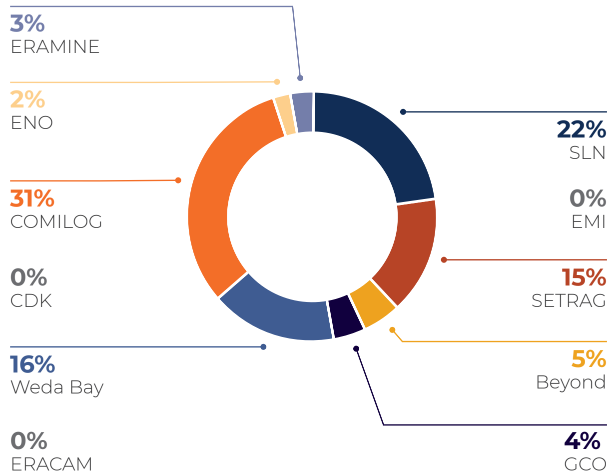
On the other hand, a new trend emerged in 2023, with economic diversification projects tripling from 20% to 30% in 2023.

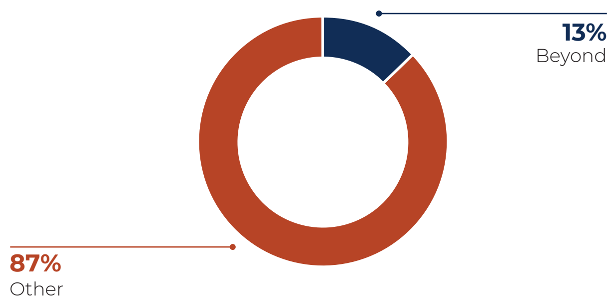
This development is supported by the Beyond for Contributive Impacts projects focused mainly on economic diversification. They represent 13% of the community investment budget at €1.1 million (€433 thousand from the Beyond Fund and €680,000 from the sites' own resources).

This acceleration in the implementation of economic diversification projects demonstrates the Group's commitment to having a lasting positive impact on the host communities, in keeping with Eramet's purpose and the objectives in the new CSR Roadmap 2024-2026.

▼ Community investment expenditure in 2023







5.4 Business ethics

5.4.1 Ethics, Compliance and Anti-Corruption

The Group undertakes to conduct its activities, in the countries in which it operates, in compliance with the laws and regulations applicable to it. Rigour, transparency and sincerity are the values that form the basis of Eramet's ethical conduct.

In order to safeguard the integrity of its business and carry out its activities according to the highest of ethical standards, the Group has rolled out a base of founding texts dedicated to the fight against corruption:

- the **Ethics Charter**, the founding text of the compliance programme which was updated in 2023;
- the **Anti-Corruption Policy,** updated in 2023, which establishes the Group's commitments in this area;
- the **Anti-Corruption Guide**, a reference document of the Sapin II law.

Accessible on the Group's website and Intranet, these documents have been translated into the Group's nine main languages (French, English, Italian, Spanish, Portuguese, Korean, Chinese, Norwegian and Indonesian), except for the Anti-Corruption Policy, which is translated into French and English.

The Ethics Charter states that the fight against corruption is an absolute priority for the Group, recalling the principle of compliance with the OECD Convention and local laws.

The members of the Executive Committee, together with the Group's employees, commit to and uphold these values through repeated messages. The Chairperson and Chief Executive Officer regularly highlights the importance of ethics, the need to act in full compliance with the laws in force and the values promoted by Eramet such as the fight against corruption.

As such, the members of the Executive Committee, through the Anti-Corruption Policy (available at www.eramet.com) reiterate the application of a zero-tolerance policy and full involvement on the part of the Group's top managers.

CSR 2023

The fight against corruption is also included in two objectives of the Group's CSR Roadmap 2018-2023: the ninth objective "To be an ethical partner of choice" and the tenth objective of the CSR Roadmap "To be a responsible company of reference in the mining and metallurgy sector". In this regard, the progress of the Roadmap is regularly monitored at the highest level of the Group by various committees, including the CSR Steering Committee.

5.4.1.1 Main risks

Since 2017, the Group – in addition to the existing Group risk mapping, and in accordance with the Sapin II Act – has been mapping its Corruption and Influence Peddling risks, relying on a qualified external contractor to ensure transparency and independence of the exercise.

In 2021, in accordance with the requirements for the three-year update of Group mapping, the mapping was completely overhauled based on the latest recommendations from the French Anti-Corruption Agency (January 2021).

The exercise was again entrusted to an external specialist and carried out in accordance with a proven methodology for analysing the criticality of the risk of corruption and influence peddling, depending on its impact and probability of occurrence by business sector and/or geographical area. An "Eramet risk universe" was assessed through interviews, workshops (45 workshops involving 115 people in total) and a self-assessment questionnaire for all of the Group's key functions (165 people).

The 2021 mapping exercise covered 100% of the Group's geographic footprint and these entities represent 99.8% of turnover. From September to November 2022, additional interviews were conducted to cover changes in the Group's scope until the mapping exercise is repeated, which happens every three years.

In 2023, the risk mapping was monitored locally in accordance with the entity-specific operational action plans. Each of the scenarios identified is regularly monitored according to local and geopolitical developments and the impact on the Group's activities. This work was systematically carried out in close collaboration between the Ethics and Compliance Department, the Risk Department and the Internal Control Department, by the entities themselves, enabling better local ownership of this issue.

These action plans are monitored in accordance with the processes defined by the Risk Department: Risk Department monitoring tables, deliverables, established deadlines. These are submitted as part of the internal audit engagements of the Risk Management, Control and Internal Audit Department.

5.4.1.2 Ethical governance

5.4.1.2.1 Ethical governance

All the Group bodies participate in ethical governance, as shown below.

▾ Ethical governance

ETHICS AND COMPLIANCE DEPARTMENT

The **Ethics and Compliance Department reports to the Chair and Chief Executive Officer,** and comprises **three Compliance Officers** who have had specialised university training. The **Ethics and Compliance Department** was also supported by an Anti-Fraud Officer and a Head of social dialogue and ethics for the centralised processing of alerts.

FUNCTIONAL COMMITTEES

GOVERNANCE COMMITTEES

Third-party assessment process

- **Responsible Purchasing Committee:** meets three times a year and also holds *ad hoc* sessions if needed. Its mission is to ensure that the Group's supply chain is compliant, particularly with the French duty of care law.
- **Responsible Sales Committee:** meets twice a year and also holds *ad hoc* sessions if needed. Its mission is to ensure that third parties and customers are compliant, particularly with the Sapin II law and the Group's ethical standards.
- **International Sanctions *ad hoc* Committee:** holds *ad hoc* sessions to ensure that the Group complies with the rules governing international sanctions.

Report Monitoring Unit

Is responsible for the operational processing and management of alerts.

Comprises the Ethics and Compliance Officer, the Risk Management, Internal Control and Audit Officer and the Group General Counsel.

Sanctions Coordination Committee

Meets to ensure that the Group's disciplinary system is properly implemented and that whistle-blowers are protected.

Annual Ethics and Compliance Committee

Reviews the Ethics and Compliance roadmap and action plans, within the Executive Committee, during a meeting in the first quarter in addition to a supplementary meeting in the third quarter.

Audit, Risks and Ethics Committee

Reviews the Ethics and Compliance roadmap and action plans once a year within the Board of Directors, which is supplemented by quarterly meetings depending on the Committee's agenda.

▾ Scopes of intervention of the Ethics and Compliance Department

In 2017, the Ethics and Compliance Department established an anti-corruption compliance programme and has moved forwards with its rollout from a continuous improvement perspective. As such, it is responsible for:

- assessing corruption risks;
- regularly updating its policies and procedures;
- assessing third parties to support the Purchasing and Sales Departments;
- managing the whistleblowing system and conducting internal investigations;
- training and educating all Group employees.

Alongside anti-corruption, the Ethics and Compliance Department ensures the Group's compliance with international sanctions and with the duty of care.

In 2023, the Ethics and Compliance Department, with the assistance of an external service provider, oversaw the first mapping of the Group's specific duty of care risks. This project brought 15 internal stakeholders together for four months. Six individual interviews were conducted with the relevant functions and five workshops, which were attended by all stakeholders, were held to identify, assess and prioritise the Group's risks. This mapping allows Eramet not only to ramp up its actions by defining several action plans, which will continue to be finalised in 2024, but also to revise its Vigilance Plan, presented in section 4.6 "Vigilance plan" of this Universal Registration Document.

5.4.1.2.2 The Ethics Compliance network

The Group's Ethics and Compliance organisation includes an Ethics Compliance network consisting of:

▾ Ethics Compliance network

Ethics and Compliance Officers (15)

The 15 "Ethics and Compliance Officers" (ECOs), appointed by the Executive Committee, covering the entire scope of the Group, are a key element of the system.

They are the local and operational relays of the Ethics and Compliance Department.

The role of the ECOs is to ensure the local deployment of and compliance with Group procedures, communicate with employees and implement the necessary training.

Their individual duties include an annual objective relating to their active contribution to the compliance programme.

As part of the Group's whistleblowing procedure, employees can contact the ECOs directly.

Ethics and Compliance Ambassadors (31)

The 31 "Ethics and Compliance Ambassadors" (ECA) are appointed by the Zone/Division Ethics and Compliance Officer.

The role of the ECA is to support the local Ethics and Compliance Officer in his/her promotion, communication, awareness and training duties for Group employees.

To do this, the Group Chief Compliance Officer provides a compliance kit to ambassadors who take ownership of the subject and deploy it on site.

The Ethics and Compliance Department regularly interacts with the Ethics Compliance Network and promotes close collaboration, strengthened through regular travel to the Group's subsidiaries. The Network is involved in all the initiatives of the Ethics Department throughout the year.

At the end of 2023, the Group began its transition to a new network with the hiring of a full-time Compliance Officer for the Eramine site (Argentina), who will be tasked with rolling out the compliance network to that scope.

5.4.1.2.3 "Sexual Harassment / Sexist Behaviour" advisors

In parallel to the compliance network, the Group has set up a special organisation to handle Sexual Harassment and Sexist Behaviour.

As of 2021, the Group decided to widely deploy the network of advisors, starting with all French sites in accordance with the Schiappa law, and then also in Gabon (Setrag, Comilog) and Senegal (GCO). In 2022, eight sexual harassment and sexist behaviour advisors joined this network in Argentina (Eramine) and China (Eramet International, EIML). All the advisors were specifically trained with the support of specialised local consultants.

The purpose of this network is to provide local support to victims and witnesses of sexist behaviour or sexual harassment.

▾ Sexual harassment and sexist behaviour advisor

1
The Sexual Harassment/Sexist Behaviour Advisor receives a report

- **If the alert was raised by the victim:** the advisor supports the victim and employs active listening to understand what happened
- **If the alert was raised by a witness:** the advisor supports the witness and establishes whether they can speak to the victim or get more information from the witness in order to understand what happened

2
The Sexual Harassment and Sexist Behaviour advisor reports the incident via *Integrity Line* or requests assistance from the Ethics and Compliance Department

- The advisor helps the victim to report the incident via *Integrity Line*
- **or** the advisor helps the witness to report the incident via *Integrity Line*
- **or** the advisor reports the incident themselves via *Integrity Line*
- The advisor may also call or write directly to the Ethics and Compliance Department if they do not want to handle the process alone

3
The Sexual Harassment and Sexist Behaviour advisor awaits the decision of the Report Monitoring Unit

- Once the alert has been reported via *Integrity Line*, the case will be managed by the Group Ethics and Compliance Department
- The adviser invites the victim or witness to reconnect to the case reported in *Integrity Line* to communicate with the Ethics and Compliance Department
- The adviser continues to support the victim until the case is closed

5.4.1.2.4 Routines with allied Departments

Regular sessions have been set up with allied departments (internal audit, internal control, finance, legal, human resources, safety and human rights) in order to encourage constant interaction and a better understanding of compliance issues:

- Human Resources (HR) Department: interactions with the Human Resources Business Partners (HRBP) who may be called upon to manage certain investigations (in the event of conflict with local teams);
- Social Impact and Human Rights Department: rituals are implemented in order to interact on shared topics, define attention and remediation plans related to Human Rights, launch joint events or participate in the Group's first Human Rights report published in December 2023;
- Group Legal Department – more specifically Labour Law – linked to the disciplinary system or alerts relating to HR issues: regular exchanges with the Labour Law Department as part of the update of the ethics standards, in particular the Ethics Charter and the Professional Whistleblowing Management Procedure;
- Group Security Department through participation in the Crisis Management Committees;
- Lastly, there is constant interaction with the Risk, Audit and Internal Control Department: for example, with the Risk Department: joint initiatives to map corruption risks, operational action plans, participation in Risk Management Committees; with the Internal Audit Department upstream, downstream and during audits.

To strengthen interaction, meetings take place between the Chair and Chief Executive Officer and the Ethics and Compliance Director, and a quarterly report on whistleblower reporting statistics is sent to Executive Committee members with a question-and-answer session on the reports within their respective scopes.

5.4.1.3 Risk prevention strategy

An action plan has been adopted by the Executive Committee to ensure that all the risks identified by the risk mapping exercise relating to Corruption and Influence Peddling are covered by procedures and controls. A real risk prevention strategy, both internally and externally, has thus been defined. The main categories of risks identified have been addressed by dedicated action plans and are monitored at the highest level of the Group in close collaboration with the Audit, Risks and Ethics Committee of the Board of Directors, which every year will assess the need to update the risk map to reflect changes in Eramet's business activities.

5.4.1.3.1 Reference frameworks and procedures

Several reference frameworks, contained in the Ethics Charter and the Anti-Corruption Policy, support all the Group's employees in the fight against corruption:

- an **Anti-Corruption Guide** that sends users to "Ethics kits", which are educational presentations exploring problems aligned with the risk universe resulting from the corruption risk mapping exercise. It is intended to guide employees in a very educational way how to apply the Group's Anti-Corruption reference frameworks: it includes numerous DO's & DON'Ts and concrete situations;
- specific "**Gifts and invitations**" and "**Managing conflicts of interest**" procedures, accompanied by dedicated online declaration tools. In accordance with the procedures, each year on 15 March, there is a Group campaign to declare gifts and invitations and conflicts of interest. In 2023, a communication campaign was conducted within the Group with all connected employees to remind them of the process for declaring gifts and invitations and conflicts of interests. Declarations of gifts and invitations and conflicts of interest are made in a simplified way for employees, who complete an automated form that can be accessed via the Group Intranet and centralised within the Ethics and Compliance Department. These procedures, which apply to all Group employees, include specific rules for the most exposed staff (e.g. rules on gifts and invitations for the Group's buyers and sales staff or the process for declaring specific conflicts of interest for members of the management bodies);
- a procedure dedicated to the **professional whistleblowing system,** describing its operation and the process for handling alerts.

In 2023, all the standards, with the exception of the Anti-Corruption Guide, were revised at the Group level.

Standards developed together with allied Departments supplement the Group's system for fighting corruption:

- a **third-party assessment system** (customers, suppliers etc.) whose structure is detailed in section 5.4.2 "Responsible value chain";
- **accounting checks** built into the Group's internal oversight protocols to prevent and detect corruption and fraud (see Chapter 4 "Risk management");
- an Audit Compliance reference framework drawn up in close collaboration with the Internal Audit Department in order to incorporate Ethics, Compliance and Anti-Corruption check points into audit engagements.

5.4.1.3.2 Training

5.4.1.3.2.1 Specific training by the Ethics and Compliance Department

Training and awareness-raising programmes are regularly carried out, both across the Group as a whole and at local level. Eramet is very committed to regular training of all its employees on these important issues, emphasising face-to-face and video conferencing training sessions led by the Ethics Department and the Ethics Compliance Network.

In 2023, there were regular awareness-raising and training campaigns on anti-corruption and business ethics:

- training on anti-corruption topics, international sanctions and anticompetitive practices for all employees who attended the Sales Seminar;
- training for the Group's buyers and salespeople as part of Objective 9 of the CSR Roadmap;
- ethics and human rights training for all employees at the Trappes site;
- training on gender-based violence and sexist behaviour for employees and subcontractors at the Ratones site;
- training for all Eramet employees on anti-corruption and human rights in Indonesia during an on-site visit;
- ethics training during the Suppliers Day organised by Setrag in May 2023.

5.4.1.3.2.2 Awareness raising in 2023

In 2022, we decided to strengthen our online Ethics and Compliance training. The "Ethics Charter Awareness" e-learning programme, which was rolled out in 2017, was therefore completely overhauled. A new e-learning course entirely dedicated to business ethics was designed by the Ethics and Compliance Department, based on the risk universe of the 2021 anti-corruption risk map, which is included in the catalogue of compulsory training courses on recruitment and is renewable every 18 months. This e-learning course lasts 30 minutes and must be passed with a 100% success rate. It is closely monitored and performance indicators are reported to the Executive Committee. By the end of 2023, 3,003 connected employees had validated the training in less than 18 months.

An e-learning module on third-party CSR and ethics assessment procedures is also part of the training package. It should be noted that the Group's buyers and sales staff are required to complete this module every year in addition to the in-person training provided for in the 2018-2023 CSR Roadmap.

For employees who do not have Internet access, self-service computers are made available at certain mining sites so they can take the training locally.

In addition to these training courses, the Ethics and Compliance Department provides employees with regularly updated "Ethics kits" in French and English in the training catalogue, covering the topics in the risk universe of the corruption risk map.

5.4.1.3.2.3 Monitoring by the Ethics and Compliance Department

The Group continues to actively participate in the meetings of professional associations dedicated to business ethics (*Transparency International, European Business Ethics Forum*), and maintains its commitment to the Cercle Éthique des Affaires.

5.4.1.3.3 Whistleblowing system

The Group's whistleblowing system, established in June 2020, enables employees and stakeholders to report the following unethical behaviour:

- corruption, bribery and facilitation payments;
- money laundering;
- favouritism, influence peddling and the illegal acquisition of interests;
- fraud and/or falsification of all documents;
- theft and embezzlement;
- conflicts of interest;
- anticompetitive practices;
- discrimination, unfair treatment, bullying or sexual harassment at work;
- sexist actions or violence;
- conduct contrary to the Group's policies and standards in relation to health, hygiene, safety at work and protection of the environment;
- violations (or risk of violation) of the Human Rights of the Group's employees or of third parties affected by the Company's activity; and
- generally, any crime or misdemeanour, gross and manifest breach of the law or regulations, and any threat or serious harm to the general interest.

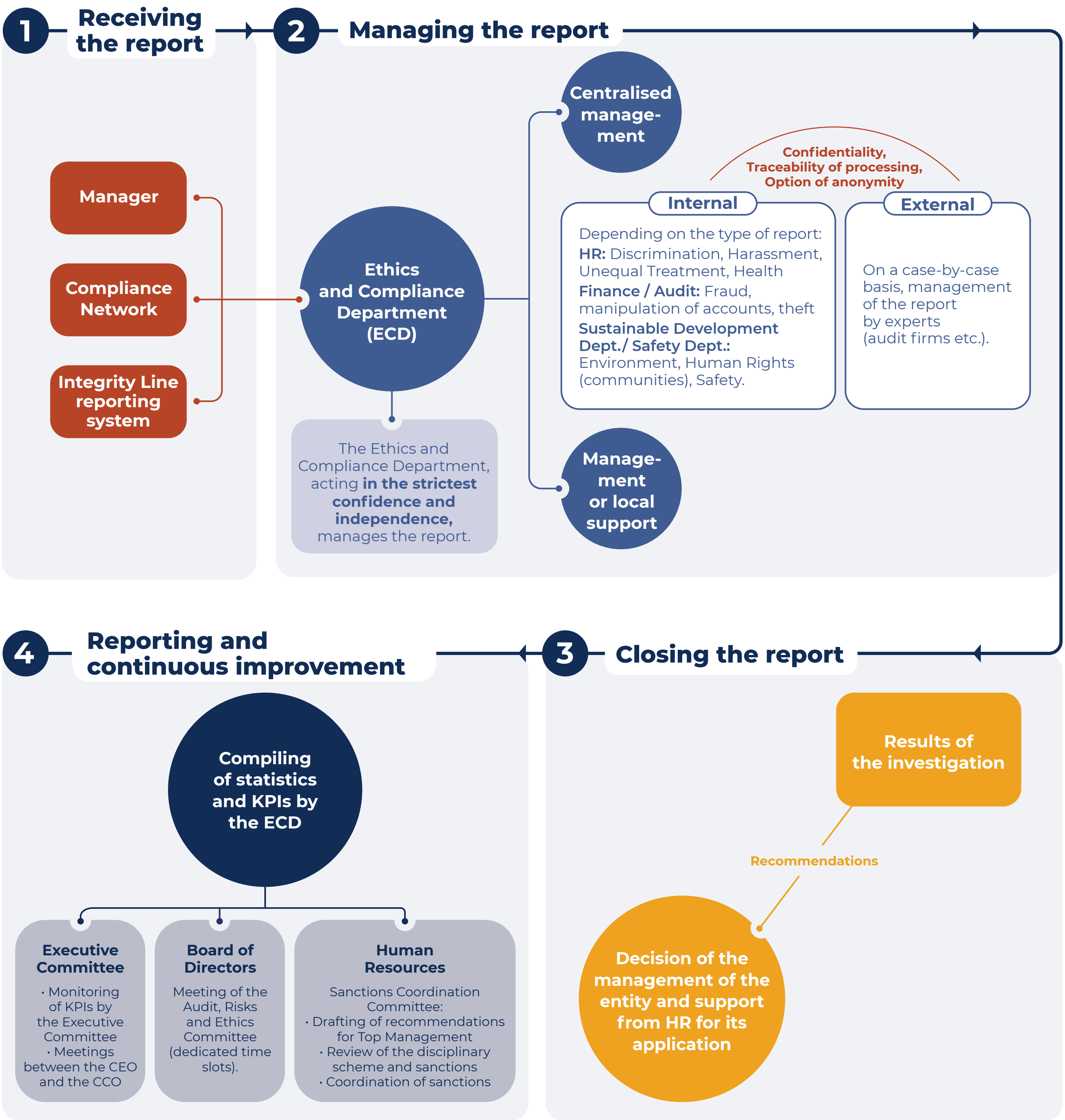
Employees have several whistleblowing channels at their disposal: they can, in particular, notify their managers or the Ethics and Compliance Managers.

If no action is taken and/or if there is a conflict of interest, they directly notify the Ethics and Compliance Department of inappropriate conduct by using the outsourced digital whistleblowing platform, in line with the General Data Protection Regulation (GDPR) provisions, rolled out in the Group's 20 countries, most recently in Cameroon. It can be accessed via all the Group's internet and intranet sites, as well as a QR code on posters displayed within the Group and 20 dedicated free telephone numbers.

This system ensures total confidentiality for employees and external stakeholders, and protection against any potential retaliatory measures taken with regard to the use of the tool, so long as they are acting in good faith and with no direct financial compensation. The whistleblower can remain anonymous if allowed by local law.

Management of whistleblower reports and dedicated governance

▼ Stages of the whistleblowing system



Dedicated governance has been put in place to manage whistleblower reports completely confidentially and securely.

Communication

This whistleblowing system has been the subject of a major communication campaign within the Group since it was rolled out, and has also been communicated to external stakeholders; et the address of the system is mentioned in all Ethics and Compliance reference frameworks and in the procedures of the Group Purchasing Department.

Complete information on how to use the system and on whistleblowing processing can be found on the special Ethics & Compliance page of the Group's website and intranet, as well as on all the Group's various local websites. Posters, leaflets and events are circulated on the premises of all the Group's different entities, worldwide. The existence and operation of the whistleblowing system is mentioned at each training session provided by the Ethics and Compliance Department.

A specific internal control is performed for the rollout of and access to the whistleblowing system at all Group companies.

Reporting

Whistleblower reports are the subject of specific reporting, confidentially, at the highest level:

- at the periodic meetings between the CEO and the Ethics and Compliance Director;
- when anonymised monthly statistics are sent to the Executive Committee;
- on an ad hoc basis during meetings of the Audit, Risks and Ethics Committee.

5.4.1.3.4 Transparency

In parallel with these internal actions, Eramet also works to promote transparency among the extractive industries and is associated with numerous approaches such as the Global Compact and the Extractive Industries Transparency Initiative (EITI), which Eramet joined in 2011. This initiative is based on a set of principles and rules, bringing together governments, companies, civil society groups, investors and international organisations to promote revenue transparency at a local level. By adhering to these principles, Eramet demonstrates its willingness to ensure the responsible development of natural resources and to ensure transparency in financial flows between companies and host countries, and also to ensure regular accountability to its stakeholders.

Concerning the publication of mining contracts supported by the EITI, the Eramet Group is waiting to know the position of the states in which it controls companies involved in extractive activities. The Eramet Group believes that the decision to publish must be initiated and put in place by the States that are party to the contracts. Thus if a State would like to make its contracts publicly available and if the legal, commercial and confidentiality obstacles are removed, the Eramet Group has no objection to the principle of publishing these contracts.

Eramet has operational sites in four member or candidate EITI countries: Senegal, Indonesia, Argentina and Norway.

5.4.1.4 Control system

The Ethics and Compliance standards undergo periodic internal controls and audits, conducted by the Risk, Audit and Internal Control Department. For more information on the Group's control system, see section 4.1 "Principles of risk management" of this Universal Registration Document.

5.4.1.5 Performance

Several key performance indicators have been defined and allow strict monitoring of actions in the area of Ethics and Compliance, which are regularly monitored by the Group.

CSR 2023

5.4.1.5.1 CSR Roadmaps

Ninth objective of the CSR Roadmap 2018-2023

The Group focused its actions on training buyers and sales representatives, with a target of 100% in 2023. In 2023, the objective achieved was: 95% of buyers and 98% of salespeople trained in anti-corruption and business ethics.

Tenth objective of the CSR Roadmap 2018-2023

The Ethics and Compliance Department contributes to the achievement of this objective through its systematic participation in the Responsible Purchasing and Sales Committees and through the third-party assessment process, which was strengthened at the end of 2022 (new tool deployed, resources dedicated to due diligence in the Purchasing and Group Sales Departments).

CSR Roadmap 2024-2026

Under the new CSR Roadmap 2024-2026, the Ethics and Compliance Department contributes to the achievement of the ninth objective, "Develop a responsible value chain that respects our human rights and CSR requirements"; all new hires on the purchasing and sales teams will be trained each year.

5.4.1.5.2 Internal control performance indicators

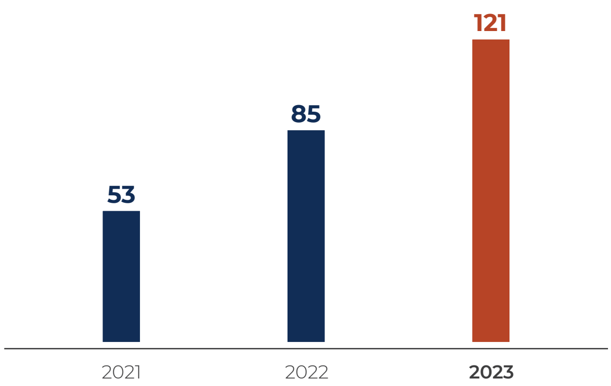
Specific key performance indicators have been taken into consideration and included in the Group's internal control framework with Compliance-specific control points. They have been regularly monitored under the Internal Control self-assessment campaigns since 2019.

5.4.1.5.3 Ethics and compliance performance indicators

Since 2021, 34 Ethics and Compliance performance indicators have been decided on. They are monitored monthly, half-yearly or annually with the Executive Committee. 12 of them relate specifically to the whistleblowing system and the assessment of its effectiveness.

In 2023, 121 reports were received, up 42% on 2022 and 128% on 2021.

▾ Change in the number of reports received (2021-2023)

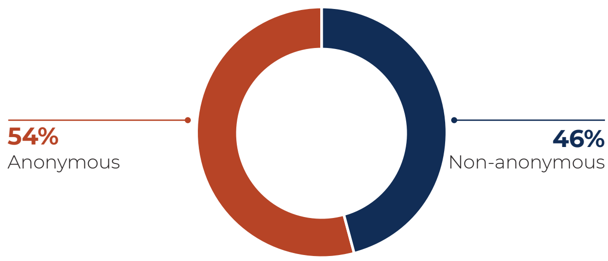


Of the reports received:

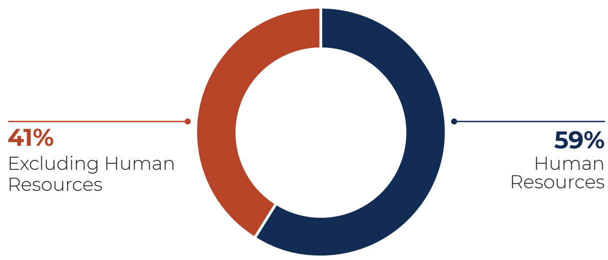
- 23 were made by external stakeholders which have access to the whistleblowing system;
- 64% are or were under investigation;
- 26% were found to be not proven or out of scope;
- 64% were closed during the year.

Of the reports closed in 2023, 42% were subject to remediation plans and/or disciplinary sanctions. In 2023, the median processing time was three months.

▾ Share of anonymous reports in 2023



▾ Reports in 2023 broken down by type



For more information on reports, please refer to section 4.6.6.2 Whistleblower monitoring system and to the December 2023 Human Rights Report published on www.eramet.com.

5.4.2 Responsible value chain

5.4.2.1 Governance

As a responsible economic player, Eramet has established a structure to address new challenges in the value chain. Two dedicated committees and a specific unit thus meet every two months to guide the responsible value chain approach, both upstream and downstream.

The responsible value chain approach implemented by Eramet covers all CSR issues and in particular the following themes:

- the assessment of third parties with which the Group has business relationships;
- corruption and influence peddling;
- violation of human rights and fundamental freedoms;
- violation of health and safety of individuals;
- damage to the environment;
- the CSR and ethical situation of suppliers and subcontractors.

Approach	Governance body	Composition and role	Dedicated procedure
Value chain (upstream)	Responsible Purchasing Committee	The Responsible Purchasing Committee comprises: • the Purchasing Department, which gave rise to the committee, including a CSR Purchasing Manager with specific responsibility for CSR matters; • the Ethics and Compliance Department; • the Social Impact and Human Rights Department; • the CSR Department; • the Safety Department; • the Legal Department; • experts on request. The Responsible Purchasing Committee meets quarterly under normal circumstances and holds *ad hoc* sessions if necessary. The Committee oversees the management and implementation of the Know Your Supplier procedure, the tracking of the results and the introduction of corrective measures if necessary. It also oversees the review of the results of the supplier CSR performance evaluations. Lastly, this committee decides whether to change suppliers that have been identified as at-risk from a CSR perspective.	The Know Your Supplier procedure which governs the CSR and ethics assessment of suppliers.
Value chain (downstream)	Responsible Sales Committee	The Responsible Sales Committee comprises: • the Sales Departments of the two divisions; • the Ethics and Compliance Department; • the Legal Department; • the Environment and ESG Performance Department. The committee oversees the CSR and ethics assessment of third parties (customers and intermediaries) and the implementation of preventative and detective controls related to the responsible sales approach.	The Know Your Customer procedure which governs the CSR and ethics assessment of customers and intermediaries.
Value chain (upstream and downstream)	Export Control Unit	The Export Control Unit brings together: • the Sales Departments of the two divisions; • the Purchasing Department (which coordinates the performance of suppliers); • the Legal Department; • the Ethics and Compliance Department. Particular vigilance is exercised in relation to exports potentially involving countries subject to international sanctions.	The Export Control procedure which covers Group imports and exports, particularly in relation to international sanctions.

In order to further strengthen the assessment process, a "Third-party assessment questionnaire" across all of these committees has been in place since 2021. This questionnaire makes it possible to directly question customers and suppliers on the issues of ethics compliance, CSR and Export Control.

CSR 2023

The progress of the "Responsible Value Chain" approach is monitored through two of the objectives of the "Commitment to Economic Responsibility" focus area of the Group's CSR Roadmap (see 5.4.1.2).

Objective	Description
NO. 9 Be an ethical partner of choice	The Responsible Purchasing and Sales approach aims first and foremost to ensure that the Group's CSR/ethical commitments are prioritised by the Sales and Purchasing teams. Thus, from 2023, 100% of the Group's Sales and Purchasing teams will be trained each year in business ethics during interactive ethical training including concrete scenarios adapted to the issues. These sessions began to be rolled out in 2021 by the ethics network, and have already made it possible to train 100% of buyers and sales representatives.
NO. 10 Be a responsible company in the mining and metallurgy sector	As regards the assessment of third parties: by the end of 2023, 100% of the Group's suppliers and customers identified as at-risk are expected to be compliant with Eramet's CSR/Ethics commitments. Suppliers and customers identified as at-risk are third parties identified by the Group as such, after a risk analysis based on their activity and countries of operation. Eramet therefore monitors the compliance of this at-risk group, based on the results of CSR/Ethics evaluations, with the Group's commitments on these issues. If the practices of these suppliers and customers show a discrepancy between the Group's expectations and results, the Group prioritises dialogue and the implementation of action plans, but retains the possibility of interrupting the business relationship when required by the situation or when it sees no satisfactory improvement in the partner's practices.

5.4.2.2 Responsible purchasing

Due to the issues associated with the Group's businesses, purchases are the subject of particular attention and also strong expectations from stakeholders in this issue. Eramet is committed to a responsible purchasing approach, which aims to favour suppliers offering products or services that respect environmental, ethical and social criteria while maintaining a high level of competitiveness.

Supplier and subcontractor performance evaluation

Eramet has launched a global and progressive approach to evaluating the CSR performance of its suppliers and subcontractors.

With reference to the obligations imposed by the Law of 27 March 2017 relating to the duty of care of parent companies and contractors, the Group formalised its responsible purchasing approach by structuring it around a risk-based approach. Thus, in 2023, the Group produced a CSR risk map relating to the activities of its suppliers and subcontractors (defined in the Know Your Supplier procedure). This mapping exercise uses a methodology that is likely to change as part of a continuous improvement and update process.

In order to develop this risk map, an approach based on CSR risk type was chosen. By cross-referencing three criteria – the CSR risk of the supplier's business sector, the CSR risk of the supplier's country, and the estimated annual expenditure – it is possible to rank suppliers into four risk zones and to identify the purchasing categories with the highest CSR risks. Eramet focuses on these categories, as a matter of priority, in its due diligence actions. Indeed, the Group has defined a procedure for assessing these suppliers' situations in relation to these risk categories.

Suppliers in purchasing categories considered at risk are required to fill out an initial evaluation questionnaire. The questionnaire focuses on all the CSR criteria covered by the Eramet suppliers' code of conduct, such as respect for the environment, the management of the value chain, respect for Human Rights and labour relations, and business ethics. Depending on the risk level of the third party in question, this questionnaire is administered and analysed by an external specialist or by the internal CSR Purchasing Manager.

The results of these assessments, which may be supplemented by due diligence measures, allow the Responsible Purchasing Committee to define the degree to which the suppliers identified as at risk are in compliance, or in breach. Then, Responsible Purchasing Committees propose the risk management actions that need to be implemented for the suppliers currently judged to be non-compliant. Among the potential actions to control risks, dialogue with suppliers and the implementation of targeted action plans are given priority, although Eramet may also decide to terminate the relationship with the supplier when it considers that the situation warrants this.

Additional elements relating to this approach are described in the Eramet Group's Vigilance Plan.

CSR 2023

Performance indicators relating to the updating of risk maps and the rollout of assessments are monitored by the Responsible Purchasing Committee. Some of these indicators are related to the CSR Roadmap, which monitors, in particular, the compliance rate of Group suppliers identified as at-risk. At the end of 2023, 100% of suppliers identified as at-risk and 99% of suppliers were considered compliant with the Group's requirements (the remaining 1% required additional investigation).

Decisions are made about suppliers who declined the assessment at a meeting of the Responsible Purchasing Committee. Three options may be considered: conduct an on-site audit, take into account equivalent assessments/the internal CSR questionnaire, or end the relationship with the supplier if the latter could not provide a CSR assessment result.

The establishment of a Group SRM platform has enabled an improvement in the triggering and monitoring of the CSR/Ethics evaluations of prospects and, thus, the management of at-risk suppliers overall. Indeed, the evaluation tools, based on the risk criteria defined above, have become crucial to supplier qualification. An additional ethics request process, via a specialised platform, is another prerequisite for all suppliers from at-risk regions or presenting a certain amount of expenses. In 2023, more than 1,700 new ethics requests were made about suppliers.

In addition, to systematically take CSR and carbon criteria into account in the supplier selection processes of the Eramet Group's various entities, any call for tenders with an estimated total value of over €500,000 must now include a CSR criterion (third-party or internal assessment) as well as a carbon criterion, with a minimum weighting of 5% for each of these two criteria, i.e. a total of 10%.

Lastly, buyers are thus regularly urged to train and are made aware through internal training, which can be supplemented by webinars or external events.

5.4.2.3 Responsible sales

As part of its commitments in terms of ethics, governance and responsible performance, the Group attaches particular importance to CSR and Ethics issues and risks related to its value chain.

The internal procedure mentioned in 5.4.2.1 formalises the CSR and Ethics risk analysis measures adopted by the Group to evaluate its customers' situation in relation to these issues. Eramet is committed to ensuring that the practices and behaviour of third parties with whom it interacts do not generate risks of the same nature as those assessed by the Group in the context of its own activities. Particular objectives are protection of the environment, the respect of Human Rights and ethics in business relations. An e-learning course based on this Group-wide procedure has been rolled out to the sales teams.

Assessment of risks related to customers and intermediaries

In application of the Know Your Customer procedure, since 2018 the Group has been using a specialised database provided by an external service provider. The sales teams are in charge of this initial screening.

It's important to mention that all customers are continuously monitored via the screening tool. In this way, the sales teams are instantly informed of any change in a third party's situation and can revise the rating accordingly.

As soon as a risk arises from this screening, the Ethics and Compliance Department is contacted by the Sales Department. Depending on the nature of the risk identified, the case is arbitrated within the framework of the Responsible Sales Committee.

Responsible Sales Committee

All cases in which an ethical risk is identified are analysed by the Responsible Sales Committee (detailed composition in 5.4.2.1) which meets at least every quarter. This committee is responsible for monitoring the assessments of third parties involved in the Group's downstream value chain.

Ethical and CSR assessments are carried out according to a four-level typology (see table below). At year-end 2023, 1,426 customers of the Mining and Metals Division had been assessed using this procedure since the launch of the programme. As in 2022, around 98% of the assessment results were in line with the Group's commitments: a green or yellow rating.

For example, here are the arbitrations for the Mining and Metals Division:

Type of opinion	Description	2023
Positive opinion	The business relationship is authorised.	94%
Positive opinion with monitoring	The business relationship is possible with enhanced vigilance measures.	4%
Opinion pending	The case requires additional in-depth investigations and/or strict supervision of the business relationship.	0%
Negative opinion	The business relationship is not authorised.	2%

During 2023, the Responsible Sales Committee met several times in order to decide on cases in which risks had potentially been identified. In parallel with these committees, the Ethics Department also received cases from the Sales Department for an opinion and the arbitration of negative information reported.

For customers whose evaluations yielded a non-compliant result, risk management actions have been defined in consultation with the sales teams:

- strengthened ethical statements or clauses are incorporated into offers and other contractual material;
- the case is subject to prior approval by the committee for each new offer in order to closely monitor any changes in the negative information identified;
- third-party assessment questionnaire sent to customer to obtain additional information.

5.4.2.4 *Export Control*

A Group International Sanctions unit was set up in 2021 to specifically address the risks in terms of export control and international sanctions.

These units are organised on an ad hoc basis throughout the year and allow the following actions to be implemented:

- formalisation of monitoring of countries under embargo/ under international sanctions;
- development of an audit reference framework for export control and compliance with international sanctions;
- implementation of specific awareness-raising support for the most exposed employees.

5.4.3 Responsible interest representation

As a global leader in the extraction and beneficiation of high value-added metals (manganese, nickel, cobalt, lithium, mineralised sands), Eramet meets with the French and European public authorities and those of several countries outside Europe in order to inform them of its challenges and those of the French mining and metallurgy sector (through the Industry Strategic Committee) and in the countries where its subsidiaries are based.

The Group has made Corporate Social Responsibility the core tenet of its development strategy. In this context, Eramet has pledged to implement a responsible interest representation. A responsible lobbying policy (available at www.eramet.com) was adopted in 2020 and applies to all individuals, be they employees or mandated third parties, who represent the interest of Eramet when dealing with public decision-makers. As a follow-up to this policy, the Ethics and Compliance Department, in collaboration with the Corporate Affairs Department, ensures that proper procedures are in place to manage the risks of corruption and influence peddling in lobbying activities for the entire Group.

In addition, every year, Eramet reports its representation activities on two platforms: the directory of the Haute Autorité pour la transparence et la vie publique (HAVTP) in France (https://www.hatvp.fr/fiche-organisation/?organisation=632045381##) and the European Union transparency register (https://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=645370511725-71).

Up-to-date and verifiable information on actions carried out are published in the register in the same way as allocated budgets, which are primarily linked to contributions in different professional structures.

Interest representation activities are managed by the Corporate Affairs Department, which reports to the Sustainability and Corporate Engagement Department. It serves as the link with the different Group entities depending on the topics at hand. The Chairperson and Chief Executive Officer, the Communications Department, the Environment Department, the Energy Department and Site Directors are regularly called upon for various actions: presentation and explanation of the challenges of our activities, participation in government-led projects or working groups for the sectors or geographic regions, visits to plants, or responses to information requests, particularly through public consultations.

The Group has also chosen to be an active member of these professional structures, acting on different levels: national, European and international. The Corporate Affairs Department ensures that this external representation is adapted as closely as possible to reflect the Group's challenges.

Several members of the Executive Committee and/or directors represent the Group on the governance and management bodies of our professional federations. This is the case, for example, in France, with the **Conseil national de l'industrie** (CNI – National Industry Council), the Alliance des Minerais, Minéraux et Métaux (A3M – Ores, Minerals and Metals Alliance), and the **Comité Stratégique de Filière Mines et Métallurgie** (CSF – Strategic Committee for the Mining and Metallurgy Industry), in Europe, with **EuroAlliages** and **Eurométaux**, or on the international stage. In addition, many of the Group's experts participate in the work of the various commissions or topic-specific working groups set up by these professional associations – this year relating, for example, to the security of raw materials supply, non-financial performance, the duty of care, energy and climate, and the circular economy.

Christel Bories, as Chair of the Comité Stratégique de la Filière Mines et Métallurgie (CSF – Strategic Committee for the Mining and Metallurgy Industry), is regularly called upon to represent the interests of the sector in dealing with the administrative authorities in France. The CSF highlights the priorities and ambitions of the industry to government authorities and oversees a multi-year roadmap in partnership with the State.

In parallel to this participation in the activities of professional federations, the Group interacts directly with the governments of the countries in which it operates, with the aim of supporting its growth. The Group took numerous initiatives in 2023:

- in Gabon, consultations were held between Comilog and government authorities on the implementation of the CSR funds, the Lekedi Biodiversity Foundation and the development of Setrag's activities;
- in New Caledonia, conciliation proceedings have been held on several occasions with the government and local elected representatives as part of a Nickel working group to try to save the industry in New Caledonia. These discussions also took place within the framework of SLN's safeguard plan, due to its difficult financial position;
- in Indonesia, the development plan for our mining activities on PT Weda Bay Nickel, as well as new projects such as Sonic Bay, were the subject of a significant number of interactions with the Indonesian government;
- in Argentina, Eramet has remained in regular contact with the local authorities, former and current Argentinian government officials, and the French and European authorities in the country to discuss the roll-out of the first industrial phase and the development of the second phase of the Centenario mining project;
- in Senegal, the progress of our operations in the north of our concession, in a new region, and the growth of our production volumes required the granting of new authorisations by the various ministries concerned;
- in France, under the "France 2030" plan, the Green Industry bills and the 2024 budget bill, Eramet and its subsidiaries continued to solicit and obtain support in order to contribute to national sovereignty challenges by developing extraction and recycling projects in Alsace and the Dunkirk region. Lastly, at the European level, the Group continued to be active in discussions relating to the revision of Directive 2006/66/EC on batteries, the CBAM regulation, and the inclusion of our mining activities as an eligible activity in the Taxonomy. As a responsible mining player active all along the battery value chain, from mining to recycling, Eramet was also deeply involved in promoting CSR selection criteria as part of negotiations on the Critical Raw Materials Act and the Waste Shipment Regulation, which concluded at the end of 2023.

5.4.4 Combating tax avoidance

The Eramet Group is a socially responsible corporate citizen. It has adopted an Ethics Charter and is notably committed to developing sustainable relationships with local populations, local authorities and communities in the regions where it operates.

All Eramet employees demand exemplary behaviour from themselves, ethical conduct that does not violate the laws of the countries in which they operate or the values to which they adhere. Accordingly, an e-learning training campaign was rolled out with the main goals of maintaining and strengthening employee awareness and knowledge on the prevention of corruption (details in 5.4.1).

With regard to tax issues, the Group endeavours to comply with the regulations of the countries in which it operates and with international tax standards, especially those developed by the OECD. Eramet's tax situation is consistent with its operating activities and translates into the payment of taxes commensurate with the duties carried out and the wealth created in the different States or territories.

In accordance with its legal obligations, Eramet has carried out its country by country reporting by declaring to the French tax authorities the distribution of its profits, taxes and activities by tax jurisdiction (Article 223 quinquies of the French General Tax Code), as well as its mining reporting on its extractive activities, which includes payments made to governments (Article L. 225-102-3 of the French Commercial Code). **This mining reporting obligation is directly inspired by the Extractive Industries Transparency Initiative (EITI), of which Eramet has voluntarily been a member since 2011.** The EITI aims to contribute to the fight against corruption by promoting transparency in money transfers between oil, gas and mining companies and the countries that host their activities. The Group's financial transparency reporting is available on Eramet's website (www.eramet.com).

Some of the Group's activities are subject to taxation that is specific to them, according to their geographical location. The Group's companies and establishments located in mainland France are subject to French taxation under common law, the income tax rate being 25% as of 2022, excluding a social contribution of 3.3%.

La Société Le Nickel-SLN is subject to tax on mining and metallurgical companies in New Caledonia, at a rate of 35%. Since a decision of the Council of State of 5 May 2021, distributions by SLN for the benefit of Eramet are subject to a withholding tax in New Caledonia of 5%, compared with 10% before this decision. An additional contribution to corporation tax of 3% applies for any distribution exceeding 30 million CFP francs (i.e. €251,400). The deductibility of general expenses is capped at 5% of the amount of external services. SLN is eligible for the general consumption tax tax-free purchase regime, which came into force on 1 October 2018 (this tax is a variation of value added tax).

Comilog is subject to corporation tax at 35%, exit duties and a mining royalty representing approximately 6% of the value ex-mine of the extracted products (value close to the FOB value) as well as a tax on dividends of 10% under the tax regime for groups of companies. This taxation has been stabilised until 2032 under a mining agreement signed in October 2004. This agreement was ratified by the Gabonese Parliament in 2005.

Under the agreement signed with the State of Senegal in 2004 and its Amendment No. 1 signed in 2007, Grande Côte Opérations (GCO) benefits from a mining concession regime for a period of 25 years in accordance with Ministerial Decree No. 2007-1326 of 2 November 2007. In accordance with the provisions of the Mining Code, it enjoys a full exemption regime for 15 years (exemption from VAT, customs duties, corporation tax, land taxes and contributions, etc.), not including the period of carrying out the investments (construction). As of fiscal 2023, GCO no longer benefits from the exemption from corporate tax. Regarding mining royalties, in derogation from the Mining Code, which sets these royalties at 3% of the ex-mine value, GCO agreed in 2007 to increase this royalty to 5% and to practice production sharing of 10% based on the net margin of a certain number of costs.

PT Weda Bay has benefited since 2020 from a corporation tax exemption on the share of its income from the nickel ferroalloy production activity. This favourable regime, granted for a period of nine years, gives the company an exemption of 100% of its share of the result of this activity over the first seven years, followed by 50% over the last two.

Eramine, which is developing the Centenario lithium mining project in Argentina, has benefited since 2019 from tax stabilisation granted under the Mining Investment Law No. 24,196. It applies to all taxes at the federal, provincial and municipal levels for a period of 30 years.

Dividends paid by subsidiaries in Norway, the United States and Singapore to the parent company are not subject to withholding tax.

The tax function and the management of its related risks is handled by the Tax Department and supervised by the Group Chief Financial Officer, who regularly presents the implementation of the Group's tax policy to the Audit Committee. Internal procedures, including key control mechanisms, have also been put in place in collaboration with the Internal Audit department to ensure, among other things, compliance with tax obligations.

Furthermore, Eramet cooperates with integrity and transparency with tax authorities in their audits and ensures that any corrective measures required after tax audits are implemented.

Lastly, the Group also ensures timely tax returns filings in all countries where it is located, and compliance with its reporting obligations.

5.4.5 Governance of the Sustainable Development of industrial and mining projects

All projects carried out by the Group are developed in accordance with the internal procedure "Integration of HSE/CSR factors into projects", which was updated in 2021. This procedure requires compliance with both national and local regulations of the country where the project is located, Eramet policies and standards, and the requirements of the project funders. In addition, international financing standards (Equator Principles, World Bank Group standards), the IRMA responsible mining standard and best practices of the Group's businesses are referenced and applied as far as reasonably possible to the economic performance of the project. The compliance of the Group's projects with this standard is verified at regular intervals.

Environmental, social, societal and health aspects are taken into account from the most upstream phases of projects. Sustainable development experts and specialists are integrated into the industrial, technical, legal and financial teams, and participate in the various steering committees, from scoping phases to feasibility studies and pre-construction. Likewise, they participate in acquisition audits in the case of planned mergers or acquisitions, as well as in due diligence related to the transfer of assets.

The aim is to build a long-term trusting relationship with the communities present in the settlement sites and to prevent any risk of infringement on the fundamental rights of these communities, particularly, where applicable, indigenous communities. This requires the implementation of mechanisms for dialogue with the representatives of relevant stakeholders.

The following sections detail the consideration of sustainable development factors in the main projects undertaken by the Group in 2023.

5.4.5.1 Project to improve the safety and reliability of the railway in Gabon

The Trans-Gabonese railway, which crosses Gabon from Libreville to Franceville, has a total of 710 km of tracks, 52 bridges, and 22 stations. In addition to transporting the ore from Comilog to the port of Owendo, it plays a strategic role in the economic development of the country.

Setrag (the Trans-Gabonese operating company) operates the railway under a Concession Agreement established in 2005 and updated in 2015. Setrag is the manager of the railway infrastructure, traffic and operations (passengers, timber, ore and other goods).

Setrag has stepped up the pace of maintenance and rehabilitation work on the Trans-Gabonese railway. However, the overall condition of the track continued to hinder the operation of the network so Setrag decided to intensify the infrastructure overhaul programme. The Company applied to the International Finance Corporation (IFC) and PROPARCO (French Development Agency Group) to finance the programme, and it successfully obtained funding in 2016. A new financing arrangement was requested and obtained in 2020 to help speed the programme along as well as to consolidate the platforms in unstable regions, secure the track (level crossings, pedestrian bridges etc.) and deployment of new traffic optimisation tools.

The concession contract stipulates a contribution from the concession grantor, the State, to certain works, in particular those associated with the reinforcement of infrastructures, the rehabilitation of civil engineering structures, the securing of level crossings and the renovation of employee housing developments. In this context, the State has contracted financing from the French Development Agency (Agence française du développement – AFD), whose terms were finalised in December 2016.

The works, which started in September 2017, are expected to continue over approximately ten years. At year-end 2023, 288 kilometres of tracks had been replaced.

In accordance with Eramet's standards, the project was designed to minimise the potential associated environmental or societal impacts, based on comprehensive and relevant studies. These include: an environmental and social study for the work to upgrade the track, an impact assessment on a unit producing steel-concrete sleepers, and an impact assessment for the operation of the sand quarry to feed the sleeper factory. On this basis, dedicated management and actions plans have been developed and implemented.

Setrag reports its results in terms of Environment, Health, Safety and Stakeholder Dialogue to the three financial institutions once a year. It hosts on-site representatives twice a year for follow-up visits to verify the project's compliance with the environmental and social requirements of IFC, PROPARCO and the AFD, the French development agency. Remote meetings are also held on a regular basis.

Since September 2021, the Meridiam investment fund, specialising in the development and management of infrastructure, has had a stake of 40% in Setrag's capital. This partnership has reinforced Setrag's modernisation and security project, from both a technical and a financial point of view, always with the same CSR ambition.

5.4.5.2 The Lithium project in Argentina

The Lithium project is a flagship project of Eramet, which is positioning itself as a key player in the energy transition and renewable energies. The project aims to produce lithium carbonate for the market for lithium-ion batteries used in electric vehicles.

The project is intended to be exemplary; it is developed according to Eramet's CSR policies and procedures and the best environmental and societal standards. It is one of Argentina's pioneering entities in the roll-out of the "Towards Sustainable Mining" standard *(Hacia una Mineria Sustentable)*. This stringent standard is an adaptation of the one used by Mining Association Canada.

A special effort has been made to integrate sustainable development criteria into the design of the project and the plant. The project is located in the province of Salta, in northern Argentina, on the Centenario-Ratones salt lake. It is therefore located in the lithium triangle, in the arid region of the Andes between Bolivia, Chile and Argentina. An alternative manufacturing process using brine has been specifically developed to limit the pressure on water; it is fundamentally different from the conventional process of natural evaporation. For example, this ongoing effort has reduced projected water consumption per tonne of lithium carbonate by about 30%, which is crucially important in this arid region of the world. This progress has been accomplished either by modifications that reduce water requirements, or by adding elements that enable water recycling in the process. The recycling rate of water within the process is now over 60%. Finally, thanks to the improved extraction efficiency of the innovative process implemented by Eramet (~90%), the impact of evaporation losses on the water balance of the catchment area is significantly reduced compared to the conventional evaporation process.

At the same time, the project has engaged specialists to study of the baseline of environmental and societal components covering several seasons between 2014 and 2017. After the project's details were clarified, an impact study was developed for the brine extraction and lithium carbonate production project, as well as related activities: gas pipeline, gas power plant, quarries, airport, living camps etc. It was submitted to the Salta Mining Secretariat in 2016, was discussed with the project's stakeholders and was validated in early 2019. To ensure compliance with the performance standards of the Société Financière Internationale (PS1 to 8), the studies were also reviewed by an international firm in 2019. The mining permit was renewed and approved in 2022.

A pilot plant and training centre have since been installed in early 2020 and their operation has confirmed in real conditions the expected extraction yield (>90%) and the performance of the process in terms of water consumption. Based on these results, Eramet's teams continued their work and identified additional process optimisations that could further reduce freshwater consumption.

In November 2021, Eramet launched the construction of its production plant by signing a partnership with Chinese steel group Tsingshan, the world's leading stainless steel producer. Tsingshan and Eramet are already partners in Weda Bay Nickel, a project developed in Indonesia. Construction work is proceeding according to schedule, with production start-up slated for mid-2024, and in line with Eramet's CSR standards. It is in this context that the project has embarked on a process of auditing its CSR performance through the IRMA (Initiative for Responsible Mining Assurance) standard, with a self-assessment exercise to be conducted in 2022. The external audit is scheduled for the second half of 2024, once the industrial facility commissioning phase has been completed.

Furthermore, still with Tsingshan, Eramet has begun a pre-feasibility study for a phase 2 expansion of the project, which is currently in the construction phase. This study is looking at the possibility of doubling the annual production capacity of phase 1. This increase in capacity benefits from the technological expertise of both partners, including a further reduction in water consumption in addition to the improvements already identified for phase 1 of the project.

To facilitate the start-up of construction, Eramine stepped up its community dialogue and development support activities. The community dialogue and investment actions carried out by Eramine during the year are described in section 5.3.3 "Commitment to host communities".

5.4.5.3 Moanda mine extension project

As part of the development of its activities, Comilog is increasing production capacity at its Moanda site in Gabon.

The project includes the launch of the exploitation of a new Okouma plateau and the construction of associated mining and industrial infrastructure, including two wet ore concentration lines (washing plants). Mining operations started in December 2020, while the commissioning of ore washing and conveyor discharge capacity began this year, with a gradual start of production between April and June 2023.

The project is being developed in accordance with the performance criteria and guidelines of the International Finance Corporation, one of the most stringent sustainable development standards.

These commitments were applied from the early stages of design, by carrying out studies to characterise the human, physical and biological environments. In 2018, these studies were completed, and consultations were conducted with local communities and public authorities. The environmental and societal impact study, carried out with the participation of internationally recognised specialists in their field, was finalised in 2019. Public consultations and hearings aimed at the general population and the local authorities were held in June 2018 and February 2019. A detailed presentation of the project was made, which included discussion of its potential impacts, the risks it poses and the opportunities it presents. The impact assessment was filed and then submitted to the governmental authorities and financial institutions as part of operating licence and financing applications. Comilog received the environmental operating licence for the new mine in May 2019.

In 2020, the project was significantly changed to take environmental concerns into account. This change concerns the method used to manage the tailings produced by washing plants. 50% of flows from washing plants will be filtered with press filters, thus enabling the waste to be stored using the dry-stacking method. This is a breakthrough innovation for Comilog which has been storing wet waste in ponds since 2010. This dry storage solution prevents the risks associated with pond stability and also enables water recovery. By adopting this technique, Comilog has joined the ranks of companies with the most environmentally advanced waste management policies. This press-filter unit is scheduled to come on stream in 2025.

An addendum to the impact study was developed and approved in 2021, to incorporate these latest changes into the project.

Biodiversity issues are important for the project. For the remaining significant impacts, offset actions have been rolled out in Moanda and Lékédi Park (see section 5.2.7 “In Gabon” and section 5.2.8.2.3 “Lékédi Biodiversity Foundation”).

5.4.5.4 The Sonic Bay nickel and cobalt refining project in Indonesia

Eramet, in partnership with the German chemical company BASF, is developing a project (“Sonic Bay”) to produce a nickel and cobalt-based intermediate material for the electric vehicle battery value chain.

The Sonic Bay project plant would be built at the Weda Bay Industrial Park on Halmahera Island, Indonesia. It would use a high pressure acid leaching (HPAL) process to produce a nickel (Ni) and cobalt (Co) concentrate called mixed hydroxide precipitate (MHP). The plant would use low-grade lateritic nickel ores from the PT Weda Bay Nickel (WBN) world-class deposit, which would also allow the mine to maximise the value of its production and reduce its mining tailings.

The project is driven by strong global demand for Class 1 nickel and cobalt for the battery market. The MHP concentrate is suited to the production of battery grade products (purified solutions and crystallised products). The Sonic Bay project is targeting a capacity of approximately 60 kilotonnes of contained nickel per year (ktpy). Production is scheduled to start in 2027.

Sonic Bay is leveraging WBN competitive advantages (high ore quality and low cost location) and the existing infrastructure of the industrial park to become a competitive and reliable MHP producer. It aims to become a benchmark for responsible nickel and cobalt production in Indonesia.

The project is still in the feasibility study phase. Characterisation studies began in 2022 and continued in 2023, including the launch of a biodiversity action plan that meets the best international standards. 2024 will be the year in which the final investment decision must be taken. The project is aligned with international ESG and industrial design performance standards.

5.4.5.5 The Akonolinga project in Cameroon

In December 2019, Eramet commenced exploratory work at the Akonolinga rutiliferous block, located 135 kilometres from Yaoundé in Cameroon.

Drilling was complemented in 2022 and 2023 by technical feasibility studies, characterisation studies of the environments, and an environmental and social impact study, as well as test mining and further ore beneficiation pilot campaigns.

The results showed that it is not possible to confirm the **economic viability** of the Akonolinga project (mining of a rutiliferous block in the country’s Centre region) while also guaranteeing that **CSR standards** would be met.

The average thickness of the deposit is low. It is 1.7 m versus 10 m in Senegal where Eramet mines mineral sands. Up to 40% of the sands are ultrafine particles, that is, particles of less than 45 µm. These ultrafine particles correspond to silts and clays, which are very difficult to separate out. Reagents are needed, but they are expensive and not fully effective since the water can remain cloudy in some cases. These reagents also change the salinity of the water.

Two other major CSR challenges related to the rich biodiversity (presence of endangered species on an international scale) and the rehabilitation of waterways and their runoffs.

The Group has therefore decided to not pursue the project and to undertake a gradual ramp-down, which includes rehabilitating the exploration sites and returning the mineral sands permits to the Cameroonian government, as well as handing over the studies conducted on the deposit and returning all the samples taken at Akonolinga.

The Group is nevertheless committed to leaving a **positive local impact** in Akonolinga, by financing a programme that promotes a **local development project**, in keeping with its global commitments. Conducted in collaboration with the project’s stakeholders based on societal studies carried out in the main villages where the exploration campaigns took place, this project is expected to be launched in the first half of 2024 as part of a partnership with local players.

5.4.5.6 The ReLieVe electric vehicle battery recycling project in Dunkirk (France – the Nord department)

The Eramet Group has partnered with Suez on a project that aims to offer a closed-loop industrial recycling solution for end-of-life electric vehicle batteries and scrap from the production of new batteries.

The product of a collaborative research and innovation project initiated in 2020, the ReLieVe ("Recycling of Li-ion batteries for Electric Vehicles") project entered the pre-industrialisation phase in 2022. It will eventually require the construction of two plants in Dunkirk:

- an "upstream" plant managed by Suez that breaks down, crushes and separates the various components of the batteries to produce black mass, a black powder containing strategic metals such as nickel, cobalt and lithium. This plant will eventually have a capacity of 50,000 tonnes of battery modules per year, i.e. the equivalent of 200,000 electric vehicle batteries;
- a "downstream" hydrometallurgy plant managed by Eramet, which will extract and refine the strategic metals contained in the black mass to produce 5,000 tonnes of nickel, 1,000 tonnes of cobalt and 5,000 tonnes of lithium per year in the form of battery-grade metal salts using a process tested at the Trappes pilot plant.

Industrialisation studies for the black-mass refinery plant run by Eramet are underway and will continue through the end of 2024. At the same time, the environmental authorisation application is expected to be filed in May 2024. A final investment decision will be reached based on these studies, potentially enabling site construction to begin in 2025, with the plant slated to start up in 2027.

A comprehensive environmental assessment is being conducted for the facility's sensitive area, based on the works and undertakings to be carried out and their potential impact on the environment and human health. This assessment involves understanding the project in its entirety, across all dimensions that could be affected or are likely to be altered by the project: population and human health, biodiversity (ecological expert assessment of the site's land underway), soil, water (technological choices to reduce water consumption and the impacts on the environment), air and climate, material goods, cultural heritage and landscape, as well as how these factors interact.

On 14 November 2023, the Eramet Group inaugurated a demonstration plant at its Research & Innovation Centre located in Trappes (in the Yvelines department). This is a 1:1000 scale replica of the ReLieVe project planned for Dunkirk. Taking up 800 m^2, the pilot plant will be used to test and optimise the extraction and refining process for these metals on a pre-industrial scale, and to qualify the end products for future customers and partners.

At the end of 2023, Eramet submitted the project to the French national public debate commission (Commission nationale du débat public, or CNDP) which, at its meeting of 8 November, considered that a preliminary consultation should be held. This public information and dialogue process for the plan to build a refinery plant managed by Eramet will run from 4 March to 20 April 2024.

5.4.5.7 The AGeLi project for the sustainable beneficiation of Alsatian geothermal lithium

Eramet and Électricité de Strasbourg, the Alsatian energy company that operates the only high-temperature geothermal power plant in France, have worked in partnership since January 2023 on the "Alsace Géothermie Lithium" (AGeLi) project.

Eramet and Électricité de Strasbourg plan to produce at least 10,000 tonnes of battery-grade LCE (Lithium Carbonate Equivalent) per year, with production set to start before the end of the decade.

This project, which draws mainly on existing facilities and expertise, will have a smaller environmental footprint due to its low CO_2 impact (reuse of geothermal energy in a closed loop), its small physical footprint and its low water consumption.

The pre-industrial engineering studies were launched this year. At the same time, work is underway with the authorities, on how to structure the environmental authorisation request, and with the stakeholders, on the acceptability of the project.

The project entered a new phase in October 2023 with the establishment of a pilot facility at the Rittershoffen geothermal plant for a minimum period of six months, in order to demonstrate the effectiveness of the process, ensure the stability of the active lithium extraction material over time, and adjust the operating parameters. This phase will help identify the project's major risks and opportunities, so that a recommendation can be made for the next stage in the project's development by the end of 2024.

5.5 Methodological note

5.5.1 Indicator framework

The purpose of Chapter 5 is to inform stakeholders about actions undertaken by Eramet in relation to Sustainable Development and CSR. The indicator framework used for this purpose has been designed to provide the most accurate picture of the significant issues facing the Group given its activities. Specifically, the framework is made up of those indicators which Eramet deems relevant to reflect the breakdown of its policies and its performance in terms of CSR. It includes some of the information given by Article R. 225-101-1 of the French Commercial Code and indicators drawn from those given by the Global Reporting Initiative framework, and its specific section on Mining & Metallurgy.

5.5.2 Reporting scope

The non-financial reporting scope changed in 2023 after the Group divested Erasteel and ETI. The details of the sites included in our new scope are explained in the table below.

The Eramet Group's non-financial reporting covers:

- for the Social aspect (information provided in section 5.3): all companies consolidated from an accounting point of view (fully consolidated) and managed;
- for the Safety aspect: all companies consolidated for accounting purposes (full consolidation) and also those accounted for by the equity method, as well as PT Weda Bay Nickel;
- for the Environment, Energy and Societal aspect: all of the Group's sites which meet the following criteria:
  - Eramet holds a controlling interest in the financial sense of at least 50%,
  - the sites are subject to environmental regulations (permit, code, national regulations).

Within this scope, it does not apply to:

- sites whose activity is solely administrative (e.g. sales offices);
- in project or closure phase, as long as no commercial production is carried out;
- since 2016, sites whose activity is limited to distribution, it being understood that their cumulative impact is less than 0.1% of the Group total in relation to the main indicators concerned (six sites whose characteristic of non-significant impact is monitored).

The societal aspect also includes the information relating to Eramine (Argentina).

PT Weda Bay's data is integrated section by section into the Non-Financial Performance Statement, but is not included in the consolidated data.

The following table summarises the entities included in the published consolidated data.

Country	Legal entity	Site	Social data scope	Safety scope	Environment & Energy scope	Societal
Argentina	Eramine Sudamerica	Salta & Centenario & Buenos Aires	x	x		x
Brazil	Eramet Latin America	São Paulo	x	x		
China	Eramet Shanghai Trading	Shanghai	x	x		
	Eramet Beijing Trading	Beijing	x	x		
Korea	Eramet Korea	Seoul	x	x		
United States	Eramet Marietta	Marietta	x	x	x	x
France	Eramet S.A.	Paris and Trappes	x	x		
	Eramet Ideas	Trappes	x	x	x	x
	Comilog Dunkerque	Dunkirk	x	x	x	x
	Eramet Services	Clermont-Ferrand	x			
Gabon	Comilog S.A.	Moanda Complexe C2M	x	x	x	x
		Moanda Complexe CIM	x	x	x	x
		Owendo Mineral Port	x	x	x	x
		Moanda Mine	x	x	x	x
	Lékédi Foundation	Lékédi Park	x	x		
	Setrag	Owendo	x	x	x	x
India	Eramet India Private Limited	Mumbai	x			
Indonesia	PT EIM		x	x		
	PT EHN		x	x		
Japan	Eramet International	Tokyo	x	x		
Norway	Eramet Norway	Kvinesdal	x	x	x	x
		Sauda	x	x	x	x
		Porsgrunn	x	x	x	x
New Caledonia	SLN	Nouméa (Doniambo)	x	x	x	x
		Kouaoua	x	x	x	x
		Népoui	x	x	x	x
		Poum	x	x	x	x
		Tiébaghi	x	x	x	x
		Thio	x	x	x	x
Senegal	Grande Côte Operations – TiZir	Diogo and Dakar	x	x	x	x
Taiwan	Eramet International	Taipei	x	x		

* *Sites being closed down.*

5.5.3 Collection, consolidation and control of data

Social reporting is based on the Altas dedicated acquisition and consolidation tool and on a qualitative questionnaire, sent in parallel to the entities concerned. Comparing the figures from these two tools for some common indicators allows for data verification.

The process of environmental and energy reporting is subject to a procedure that was updated in 2020, which clearly defines the responsibilities and operating procedures.

Environmental reporting is based on a dedicated information and management system, called WeSustain, rolled out on all relevant sites in 2022. All the quantitative information provided in this report (environmental indicators) is extracted from this tool and comes exclusively from the data entered by each of the Group's sites and validated by each site manager.

Safety and energy reporting is done using the SAFEE tool deployed on all sites in 2020.

SAFEE and WeSustain contain systems for checking data automatically by comparison with previous years. In addition, the annual site reports issued through these tools are systematically checked for consistency by experts from Division or Group departments.

The "Safety and Information Reporting in case of personal accident" procedure is the reference in terms of Safety reporting. The applicable version was revised in 2021. Data relating to workplace accidents are cross-checked with the monthly declarations made by the sites to the Safety and Prevention Department *via* SAFEE.

Since 2021, the SAFEE tool also integrates societal data and data relating to relations with stakeholders, particularly local communities.

5.5.4 Specific points and methodological limitations

The CSR performance indicator is a calculated value, by means of which the Group can, each year, assess the degree to which their CSR Roadmap has been successfully implemented. For each of the targets[(1)], the year's achievement is compared to the initial benchmark set for the year, defining the corresponding level of attainment. Every attainment level is assigned a score, as a percentage. The average of the percentages for each target is then consolidated to obtain an overall indicator.

From 2019 onwards, fatal accidents are also taken into account in calculating the frequency rates[(2)] of occupational accidents, and include External Contractors in the workforce. The methodology used to calculate the severity rates[(3)] has not changed.

Due to planning constraints, some monthly environmental data may not be available for the last month of the year. In this case, the missing data is estimated as accurately as possible, based on the historical site data, and, where appropriate, is correlated to production, in accordance with the Group's standards.

When an environmental measurement is deemed to be faulty or is unavailable, an estimate based on historical ratios is used, adjusted according to the site's production level. This situation may arise in particular for nitrogen oxides (NOx) and channelled dust parameters, for which the quantities reported are based on a limited number of measurements during the year for certain sites.

Waste: waste is reported in the environmental reporting by the sites in accordance with the national regulations applicable to them. The reported quantities correspond to the quantities of waste discharged into the treatment systems during the year. It is important to distinguish between process waste, for which the quantity reported corresponds, for the most part, to the quantity produced, and non-process waste (household waste, non-hazardous industrial waste, chemical waste, hydrocarbons etc.), for which the quantity reported corresponds, for the most part, to the quantity discharged into the treatment systems. The criteria used to identify hazardous or non-hazardous waste vary depending on the regulations of the different countries, so the reporting cannot be completely uniform in this respect.

The measurement of non-hazardous waste does not include tonnages of deliberately rich slag that is generated as part of the ferromanganese pyrometallurgical process to feed the silicomanganese production furnaces as a secondary raw material, thus contributing to the circular economy.

Water consumption: water consumption corresponds to the quantity of water withdrawn and not released into the aquatic environment or sent to a third party. All withdrawals and releases are recorded.

Greenhouse gas emissions: reporting is prepared in accordance with the standards of the GHG Protocol (WRI) and using the "operational control" consolidation approach. The unit used is the tonne of CO_2 equivalent. The Group mainly emits carbon dioxide through its processes. It does not emit methane, nitrous oxide, PFC or SF6. The refrigeration systems for the Group's tertiary premises can be a source of fluorinated gas emissions, but these are considered negligible at Group level. The emission factors used are those most recently published by ADEME (as part of its Carbon Footprint), and by the International Energy Agency, the US EPA, or New Caledonia's DIMENC (Department of Industry, Mining and Energy), for electricity. Scope 2 is calculated using the market-based approach. The Scope 3 calculation excludes only the "use of sold products" category.

Biodiversity: the figures given for cleared and revegetated area indicators have been made more comprehensive in scope by including SLN contracted sites (New Caledonia). Cleared areas do not include areas corresponding to long-term fixed infrastructure that can only be rehabilitated at the end of the site's life.

Registered workforce: employees with a contract of employment with the Company (fixed-term contract "CDD"[(4)], permanent contract "CDI") and entered in the personnel records on the last day of the period concerned. This information corresponds to the number of people regardless of their working time (full or part time). Each employee is counted as one.

Hours worked by subcontractors: there is an "inherent limit" to the reporting exercise concerning this figure, which can only be estimated (and not reliably calculated) given the difficulty of collecting the information.

(1) It should be noted that, for the 13 objectives, 15 targets are assigned, owing to the distinction between the targets for the following two objectives:
- *circular economy (waste and tailing);*
- *sustainable value chain (suppliers and customers).*

(2) The frequency rate of workplace accidents is the number of accidents (including fatal ones) that occur at work in a given period, expressed in relation to one million hours worked. FR = (number of workplace accidents × 1,000,000)/number of hours worked.

(3) The severity rate of workplace accidents is the number of calendar days not worked after a workplace accident, occurring during a given period, based on one thousand hours worked. SR = (number of days not worked due to occupational accident x 1,000)/number of hours worked.

(4) Certain very short-term contracts in Norwegian entities, with terms specific to local regulation and similar to temporary employment contracts, are not included.

5.6 Report by one of the statutory auditors, appointed as an independent third party, on the consolidated non-financial statement included in the group management report

This is a free English translation of the report by the independent third-party organisation issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31, 2023

To the shareholders,

In our capacity as Eramet Communications' Statutory Auditors, appointed as an independent third-party body, accredited by COFRAC (Cofrac Inspection accreditation no. 3-2122, scope available on the website www.cofrac.fr), we conducted our work in order to provide a limited assurance on the historical information (observed or extrapolated) of the extra-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023 (hereinafter the "Information" and the "Statement" respectively), presented in the management report in accordance with the provisions of Articles L. 225-102-1, R. 225-105 et R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and on information we obtained, nothing has come to our attention that causes us to believe that the non-financial performance statement is not in compliance with the applicable regulatory requirements and that the information, taken as a whole, is presented fairly in accordance with the Guidelines.

Preparation of the non-financial statement

The absence of a generally accepted and commonly used framework or established practice on which to base the evaluation and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability across entities and over time.

Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement (or available on the website or upon request from the entity).

Limitations inherent in the preparation of Information

As indicated in the Declaration, the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

More specifically, the hours worked by sub-contractors taken on account in the frequency rate of accidents are complex by nature to collect and to ensure as reliable, because this data hinges on the transmission of information by subcontractors themselves, which led to an estimate of these hours. The number of trained employees was also estimated for entities, representing 18% of employees.

The entity's responsibility

The Board of Directors is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy)
- preparing the Statement in accordance with the entity's reporting framework referred to above
- implementing the internal control that it deems necessary for the preparation of information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the Company's procedures (hereinafter the "Guidelines"), the significant elements of which are set out in the Statement.

Responsibility of the Statutory Auditor, appointed as an independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions, relating to the main risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not authorized to be involved in the preparation of this Information, as this could compromise our independence.

It is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the Vigilance plan and the fight against corruption and tax evasion);
- the truthfulness of the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional doctrine

Our work described below was performed in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code and the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this type of engagement, in particular the technical notice issued by the CNCC, *Intervention du Commissaires aux Comptes - Intervention de l'OTI - Déclaration de performance extra-financière* which serves as an audit program, and with the International Standard on the Evaluation of Financial Information (ISAE 3000 (Revised)[1]).

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the Code of Ethics of the Statutory Auditors. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with applicable laws and regulations, ethical rules and professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement.

Means and resources

Our work was carried out by a team of six people between mid-October 2023 and mid-March 2023, for a duration of approximately 22 weeks.

We called upon our specialists in sustainable development and social responsibility to assist us in our work. We conducted interviews with the people responsible for the preparation of the Declaration, representing notably the Human Resources department, the Safety department, the Energy-Climate department, the Environment department, the Ethics and Compliance department, the Human Rights department, and the non-financial reporting coordinator.

(1) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.

Nature and scope of work

We planned and performed our work considering the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a moderate level of assurance. In this respect:

- we analyzed the activities of all the companies included in the scope of consolidation and the main social and environmental risks associated with these activities;
- we assessed the appropriateness of the Guidelines in terms of its relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices in the sector;
- we verified that the Statement presents the information required by II of Article R. 225-105 when relevant to the principal risks and that the Statement includes, where applicable, an explanation of the reasons for the absence of the information required by the second paragraph of III of Article L. 225-102-1;
- we verified that the Statement presents the business model and principal risks of all entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services, as well as policies, actions and results, including key performance indicators;
- we consulted documentary sources and conducted interviews to :
  - assess the process for selecting and validating the main risks and the consistency of the results, including the key performance indicators selected, with the main risks and policies presented;
  - corroborate[(1)] the qualitative information (actions and results) that we considered most important as presented in Appendix 1;
- we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16, with the limits specified in the Statement;
- we analyzed the internal control and risk management procedures implemented by the entity and have assessed the collection process aimed at ensuring the completeness and fairness of the information;
- for the key performance indicators and other quantitative results that we considered most important as presented in Appendix 1, we performed:
  - Analytical procedures to verify the correct consolidation of the data collected and the consistency of changes in the data;
  - detailed tests on a test basis, consisting of verifying the correct application of definitions and procedures and reconciling the data with supporting documents. This work was carried out on a selection of contributing entities[(2)] and covered between 26% and 100% of the consolidated data selected for these tests.
- we assessed the overall consistency of the Statement with our knowledge of all the entities included in the scope of consolidation.

We believe that the work we performed in the exercise of our professional judgment enables us to provide a limited level of assurance; a higher level of assurance would have required more extensive audit work.

Neuilly-sur-Seine, 22rd March 2023

One of the Statutory Auditors

Grant Thornton

French member of Grant Thornton International

Alexandre Mikhail	Bertille Crichton	Jean-François Baloteaud
Associé	*Associée*	*Associé*

(1) **Qualitative information relating to the chapters:** *"Ethics, Compliance and Anti-Corruption"; "Commitments to Host Communities"; "ISO 14001 Certifications and Environmental Compliance Indicators"; "Emissions Reduction"; "Preservation of Biodiversity"; "Employee Safety".*

(2) **Environmental information:** *Comilog Dunkerque (France), CIM et C2M (Gabon), Sauda (Noway), SLN usine et centrale électrique (France, New Caledonia).*
Social information: *Comilog Dunkerque (France), Comilog SA et C2M (Gabon), Eramet Norway (Norvège).*

Appendix 1: List of verified Information

Qualitative information related to the chapters :

- Ethics, compliance and fight against corruption
- Engagement towards host communities
- Respect of Human Rights
- Safety of collaborators
- ISO 14001 certifications
- Biodiversity and ecosystems.

Environmental indicators:

- Total energy consumptions ;
- GHG emissions (scope 1, 2 & 3) ;
- Water withdrawal and distribution by source type ;
- Quantity of additional materials recovered thanks to the circular economy action plan ;
- Amount of dangerous and non dangerous waste ;
- Tons of channeled dust emitted by industrial installations ;
- Ratio of rehabilitated areas / cleared areas over the period 2018-2022.

Labor indicators:

- Total workforce and distribution by type of contract and by category;
- Total number of hires (excluding transfers between Group companies);
- Total number of departures (excluding transfers between Group companies);
- Percentage of women managers (executives);
- Frequency rate of work accidents with lost time and without lost time;
- Absenteeism rate;
- Number of trained employees.

5.7 Appendix: Green taxonomy

5.7.1 Context

5.7.1.1 Regulatory environment

The European Union published European Regulation 2020/852 of 18 June 2020 (commonly known as the "European Taxonomy") establishing a framework to promote sustainable investment within the European Union (EU). The European Taxonomy for Sustainable Activities, also known as the "Taxonomy", establishes a list of economic activities considered to be environmentally sustainable on the basis of demanding technical criteria. This regulation requires companies to publish, on a yearly basis, the share of their turnover, capital expenditure (CapEx) and operating expenditure (OpEx) that contributes to the following six environmental objectives:

- climate change mitigation;
- adapting to climate change;
- sustainable use and protection of water and marine resources;
- transition to a circular economy, waste prevention and recycling;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

Two concepts are included in the Taxonomy: eligibility means that the activity is considered to be sustainable (first level of analysis) as it is included in the list of activities put forward by the EU, while alignment means that the activity carried out by the company meets the technical screening criteria defined by the Taxonomy regulation (second level of analysis), which makes it a sustainable activity.

For the 2023 financial year, companies must publish their share of turnover, CapEx and OpEx eligible for all six objectives and the share of their turnover, CapEx and OpEx aligned with the first two climate objectives.

5.7.1.2 Application to Eramet's activities

According to an analysis of the regulatory texts published to date, only the turnover linked to Setrag's Gabonese rail transport activity, for which technical screening criteria have been published, has been identified as eligible under climate change. Subject to further analysis, the lithium extraction and beneficiation activity located in Argentina, which is expected to start in 2024, could also be considered as a Taxonomy-eligible activity, under the climate change mitigation objective. The mining and primary ore processing activities are not considered as Taxonomy-eligible activities. However, the Group reports eligible and aligned CapEx relating to purchases from the Taxonomy's listed economic activities.

It should be noted that a significant proportion of Eramet's current and planned activities contribute to the energy transition (lithium, nickel, cobalt and manganese), so it could be argued that these contribute to the fight against climate change. They include, in particular, production of nickel, cobalt and lithium for making batteries and mobile devices and for storing energy.

5.7.2 Methodology

The financial data reported for the 2023 financial year were extracted from the consolidation system used to draft the Group's consolidated financial statements when the data was directly identifiable. For CaPex and OpEx, an in-depth analysis was conducted with all Eramet subsidiaries in order to identify the items generated by expenses related to the purchase of products from eligible or aligned activities, or individual measures taken in connection with the eligible activities listed in Annexes I and II of the Climate Delegated Acts. This analysis, which was conducted jointly by Eramet's head office teams and subsidiaries on the CaPex and OpEx identified as eligible, based on data reported in non-accounting terms, made it possible to determine the share of CapEx and OpEx alignment.

The criteria used by the Green Taxonomy to judge whether an activity is aligned are very demanding and difficult to apply in countries outside Europe. Only €2.3 million in CapEx was deemed aligned in 2023 (i.e. 0.26% of total consolidated CapEx).

All data set out in the Taxonomy is aligned with the Group's financial statements (see Chapter 2 "Consolidated financial statements and individual financial statements", section 2.1 "Consolidated financial statements for the 2023 financial year").

5.7.2.1 Substantial technical contribution criteria

For all the Taxonomy's key performance indicators, Eramet verified compliance with the substantial contribution criteria.

Activity 4.1: Investment expenses aiming to generate electricity using solar photovoltaic technology.

Activity 5.4: Investment expenses aiming to improve the energy efficiency of waste water treatment.

Activity 7.2: Investment expenses aiming to reduce the energy consumption of buildings.

Activity 7.6: Investment expenses aiming to increase the amount of electricity generated from renewable sources that is produced by facilities.

Activity 8.2: Investment expenses in information and communication technology (ICT) solutions with the main aim of obtaining energy consumption data where no alternative offers better performance.

5.7.2.2 Do not significantly harm the other five Taxonomy objectives ("DNSH")

For all the Taxonomy's key performance indicators, Eramet verified compliance with the DNSH (Do No Significant Harm) criteria.

Activities 4.1, 5.4, 7.2, 7.6 and 8.2: the CapEx deemed to be aligned with the taxonomy do not significantly harm the five other taxonomy objectives. Eramet has not identified any physical climate-change risks or material environmental impacts.

Activity 8.2: The site that made the investments has a waste management plan.

5.7.2.3 Verification of compliance with Minimum Safeguards ("MS")

The Group meets the requirements of the minimum safeguards recommended by the report of the European Platform on Sustainable Finance (PSF) in terms of human rights, corruption/bribery, fair competition and taxation. To meet these requirements, a number of procedures have been put in place throughout the Group and its value chain:

- the Human Rights Policy, which formalises the Group's commitment to promoting and respecting the internationally recognised fundamental principles of human rights, as defined in the International Bill of Human Rights, the Fundamental Conventions of the International Labour Organisation, the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises;
- the Anti-Corruption Policy and Guide – a reference document relating to the Sapin II law – which formalise the Group's commitments in this area;
- the Ethics Charter, which covers human rights issues such as discrimination, health, safety and harassment, as well as issues relating to reliable and honest markets;
- the Suppliers' Code of Conduct, which sets out the Group's commitments in relation to human rights (citing the Policy and Ethics Charter) and is signed by suppliers who work or wish to work with Eramet;
- the Tax Policy, which provides a framework for the tax function and the management of associated risks. Internal procedures, including key control mechanisms, have also been put in place in collaboration with the Internal Audit department to ensure, among other things, compliance with tax obligations.

In order to better integrate international human rights standards (e.g. the United Nations Guiding Principles – UNGP) and the French law relating to the duty of care, Eramet performed a more detailed human rights risk mapping than in previous years. This allowed all sites to carry out a human rights risk mapping exercise and put in place an associated action plan. For more information, please refer to section "5.3.1 Respect for human rights".

In addition, no convictions or violations were recorded during the year that would call into question compliance with the minimum safeguards.

5.7.3 Turnover

Despite the contribution of the Group's main activities (mining) to the energy transition (lithium, nickel, cobalt and manganese), they are not described in the existing Delegated Acts.

According to the analysis of the published texts of the Green Taxonomy, only the Gabonese rail transport activity of Setrag, for which technical screening criteria have been published, is identified as eligible under the climate change mitigation objective. Subject to further analysis, the lithium extraction and beneficiation activity located in Argentina, which is expected to start in 2024, could also be considered as a Taxonomy-eligible activity, as it contributes to the manufacture of low carbon technologies for transport. The mining and primary ore processing activities are not considered as Taxonomy-eligible activities. In point of fact:

- ferroalloy production activities are classified under NACE code C24.10, which is mentioned explicitly in the two annexes on climate targets. However, the production of manganese and nickel alloys and titanium dioxide is not considered an eligible activity. That said, there is no reason it may not one day join iron, steel and aluminium production activities, which are already eligible and potentially aligned activities. The primary ore processing activity accounted for around 54% of the Group's total turnover in 2023;

- mining extraction activities, including energy transition metals, are not considered to be Taxonomy-eligible under climate objectives, as their contribution has been deemed insignificant for these indicators. They accounted for around 44% of total turnover in 2023.

In 2023, Eramet reported €55 million in turnover related to activity 6.2, namely Freight rail transport, which represents 1.7% of the Group's consolidated sales. Given the low rate of eligibility of the Group's activities in terms of turnover, an alignment analysis has not been carried out. This percentage remains stable compared with last year, since in 2022, activity 6.2 Freight rail transport represented €63 million in turnover, or 1% of the Group's turnover.

As described in Annex I of the Article 8 Delegated Act of the Taxonomy Regulation, the Taxonomy-eligible turnover used as the denominator is consolidated net revenue recognised in accordance with IAS 1.82(a) after eliminating intra-group transactions.

5.7.4 CapEx

In 2023, Eramet reported a rate of eligible CapEx of 17.75% and a rate of aligned CapEx of 0.26% (details of eligible activities are presented in section VIII "Summary of results"). This low alignment rate is due to the difficulty of meeting all the technical screening criteria defined by the Taxonomy in countries outside Europe. In addition, the Group is making a number of investments related to its freight rail transport activities, which is an eligible activity, but the alignment criteria cannot be fully met for this activity.

In 2022, the rate of eligible CapEx was 41.60% and the alignment rate was 0.19%. The alignment rates were similar between 2022 and 2023.

The CapEx indicator was calculated by applying the following ratio: Eligible/aligned CapEx divided by total consolidated CapEx, with:

- numerator:
  - CapEx related to eligible or aligned activities,
  - expenses related to the purchase of products from eligible or aligned activities,
  - individual measures to improve energy efficiency;
- denominator:
  - acquisitions of non-current assets before impairment, depreciation and amortisation and fair value revaluation,
  - acquisitions resulting from business combinations,
  - IFRS 16 rights of use.

5.7.5 OpEx

The share of Eramet's Taxonomy-eligible OpEx stood at 8% (the amount of eligible OpEx was €241 million out of a total of €2,976 million in OpEx for the Group). As this ratio is less than 10% and the Group has no eligible activities to date, Eramet has decided to take advantage of the materiality exemption and publish an OpEx indicator of zero.

As a reminder, the types of OpEx considered by the Taxonomy correspond to direct costs that are not capitalised, including R&D, building renovation, short-term leases presented in the income statement, maintenance and repair costs, and other costs related to the ongoing maintenance of property, plant and equipment required for their proper operation.

5.7.6 Outlook

Eramet continues to improve its understanding and knowledge of the Taxonomy Regulation. The Group plans to roll out awareness-raising initiatives on its sites for the finance and ESG teams. In addition, work is under way to better identify eligible CapEx and for more automatic data feedback to facilitate the consolidation and analysis of aligned investments.

5.7.7 Eramet's position on the eligibility of extraction activities

The Group's activities are not currently Taxonomy-eligible. However, Eramet has entered into proactive discussions with the French government to promote the inclusion of energy transition metals in future revisions of the Taxonomy. The use of these metals is an integral part of Europe's decarbonisation strategy and limiting CO_2 emissions in their production is essential.

5.7.8 Summary of results

	Activity corresponding to the Eramet Group	Substantial contribution to objectives			Values reported		
Title	Description	Climate change mitigation	Adapting to climate change	Circular economy	Turnover	CAPEX	OPEX
CCM 1.2 Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event	Rehabilitation of cleared areas	x				x	
CE 2.2 Production of alternative water resources for purposes other than human consumption	Construction of basins			x		x	
CCM 7.1 and CE 3.1 Construction of new buildings	Construction of industrial and residential buildings	x		x		x	
CE 3.4 Maintenance of roads and motorways	Road maintenance and signage for the mine			x		x	
CCM 4.1. Electricity generation using solar photovoltaic technology	Feasibility study and equipment for solar-powered lighting	x				x	
CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems	Water supply and treatment	x				x	
CCM 5.3. Construction, extension and operation of waste water collection and treatment	Construction and development of water treatment	x				x	
CCM 5.4 Renewal of waste water collection and treatment	Renewal of centralised waste water collection systems	x				x	
CCM 5.12 Underground permanent geological storage of CO_2	Permanent storage of CO_2	x				x	
CCM 6.2 Freight rail transport	Freight transport	x			x		
CCM 6.13 Infrastructure for personal mobility, cycle logistics	Development of outdoor areas and construction of roads	x				x	
CCM 6.14 and CCA 6.14 Infrastructure for rail transport	Track and train maintenance	x				x	
CCM 7.2 and CE 3.2 Renovation of existing buildings	Building renovation	x		x		x	
CCM 7.5 and CCA 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Maintenance and repair of instruments and devices	x	x			x	
CCM 7.6 and CCA 7.6 Installation, maintenance and repair of renewable energy technologies	Installation of cables for photovoltaic energy	x	x			x	
CCM 8.1 Data processing, hosting and related activities	Data processing	x				x	
CCM 8.2 and CCA 8.2 Data-driven solutions for GHG emissions reductions	Solutions for obtaining and analysing data	x	x			x	

PROPORTION OF TURNOVER FROM ECONOMIC ACTIVITIES ELIGIBLE FOR AND/OR ALIGNED WITH THE TAXONOMY PER ENVIRONMENTAL OBJECTIVE

		Year		Substantial contribution criteria						Do No Significant Harm (DNSH) criteria								Activity category	
		Turnover *(in millions of euros)*	Proportion of turnover, year N	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of turnover from Taxonomy-aligned activities (A.1) or Taxonomy-eligible activities (A.2), year N-1	Category enabling activity	Category transitional activity
Economic activities	Code(s)		*(%)*	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	*(%)*	(E)	(T)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**														**0%**		
Of which enabling (%)		0	0%														0%	M	
Of which transitional (%)		0	0%														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
6.2 Freight rail transport	CCM 6.2	55	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**55**	**1.7%**	**1.7%**	**0%**	**0%**	**0%**	**0%**	**0%**								**1%**		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		55	1.7%	1.7%	0%	0%	0%	0%	0%								1%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities		**3,196**	**98.3%**																
TOTAL (A. + B.)		**3,251**	**100%**																

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	1.7%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

PROPORTION OF CAPEX FROM ECONOMIC ACTIVITIES ELIGIBLE FOR AND/OR ALIGNED WITH THE TAXONOMY PER ENVIRONMENTAL OBJECTIVE

		2023		Substantial contribution criteria						Do No Significant Harm (DNSH) criteria								Activity category	
		CapEx *(in euros)*	Proportion of CapEx, year N	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of CapEx from Taxonomy-aligned activities (A.1) or Taxonomy-eligible activities (A.2), year N-1	Category enabling activity	Category transitional activity
Economic activities	Code(s)		*(%)*	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	*(%)*	(E)	(T)
A. TAXONOMY ELIGIBLE ACTIVITIES (%)																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	753,989	0.08%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	0.18%		
Renewal of wastewater collection and treatment	CCM 5.4	832,283	0.09%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	0%		
Renovation of existing buildings	CCM 7.2	281,400	0.03%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	0%		T
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	502,000	0.05%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	0%	M	
Data-driven solutions for GHG emissions reductions	CCM 8.2	18,000	0%	YES	NO	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	0%	M	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**2,387,672**	**0.26%**	**0.26%**	**0%**	**0%**	**0%**	**0%**	**0%**	**YES**	**YES**	**YES**	**YES**	**YES**	**YES**	**YES**	**0.19%**		
Of which enabling (%)		1,352,283	0.15%	0.15%	0%	0%	0%	0%	0%	YES	YES	YES	YES	YES	YES	YES	0%	M	
Of which transitional (%)		0	0	0%					YES	YES	YES	YES	YES	YES	YES	0%			T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event	CCM 1.2	13,827	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Production of alternative water resources for purposes other than human consumption	CE 2.2	5,719,574	0.63%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		

		2023		Substantial contribution criteria						Do No Significant Harm (DNSH) criteria								Activity category	
		CapEx *(in euros)*	Proportion of CapEx, year N	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of CapEx from Taxonomy-aligned activities (A.1) or Taxonomy-eligible activities (A.2), year N-1	Category enabling activity	Category transitional activity
Economic activities	**Code(s)**		*(%)*	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	*(%)*	(E)	(T)
Construction of new buildings	CCM 7.1 and CE 3.1	2,434,937	0.27%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Maintenance of roads and motorways	CE 3.4	13,972	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	131,788	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction, extension and operation of wastewater collection and treatment	CCM 5.3	478,053	0.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.22%		
Renewal of wastewater collection and treatment	CCM 5.4	2,394,974	0.26%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.30%		
Underground permanent geological storage of CO_2	CCM 5.12	855,669	0.09%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Freight rail transport	CCM 6.2	138,547,847	15.15%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.49%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13 and CCA 6.13	489,020	0.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Rail transport infrastructure	CCM 6.14 and CCA 6.14	3,985,801	0.44%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.04%		
Renovation of existing buildings	CCM 7.2 and CE 3.2	2,060,042	0.23%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling building energy efficiency	CCM 7.5 and CCA 7.5	432,200	0.05%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.09%		
Data processing, hosting and related activities	CCM 8.1	2,215,699	0.24%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Data-driven solutions for GHG emissions reductions	CCM 8.2 and CCA 8.2	533,719	0.06%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		

Economic activities	Code(s)	2023 CapEx *(in euros)*	Proportion of CapEx, year N	Substantial contribution criteria: Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Do No Significant Harm (DNSH) criteria: Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of CapEx from Taxonomy-aligned activities (A.1) or Taxonomy-eligible activities (A.2), year N-1	Activity category: Category enabling activity	Category transitional activity
			(%)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	(Yes/ No; N/EL)	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	*(%)*	(E)	(T)
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**160,307,121**	**17.53%**	**16.91%**	**0.54%**	**0%**	**0%**	**1.12%**	**0%**								**0%**		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		162,694,793	17.79%	17.17%	0.54%	0%	0%	1.12%	0%								41.60%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES (%)																			
CapEx of Taxonomy non-eligible activities		**751,636,124**	**82.21%**																
TOTAL (A+B)		**914,330,917**	**100%**																

	Proportion of CapEx/Total CapEx: Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.26%	17.17%
CCA	0.0%	0.54%
WTR	0.0%	0.00%
CE	0.0%	1.12%
PPC	0.0%	0.00%
BIO	0.0%	0.00%

PROPORTION OF OPEX FROM ECONOMIC ACTIVITIES ELIGIBLE FOR AND/OR ALIGNED WITH THE TAXONOMY PER ENVIRONMENTAL OBJECTIVE.

		Year		Substantial contribution criteria						Do No Significant Harm (DNSH) criteria								Activity category	
		OpEx *(in thousands of euros)*	Proportion of OpEx, year N	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Adapting to climate change	Water	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of OpEx from Taxonomy-aligned activities (A.1) or Taxonomy-eligible activities (A.2), year N-1	Category enabling activity	Category transitional activity
Economic activities	Code(s)		*(%)*	(Yes/No; N/EL)	(Yes/No; N/EL)	(Yes/No; N/EL)	(Yes/No; N/EL)	(Yes/No; N/EL)	(Yes/No; N/EL)	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	*(%)*	(E)	(T)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0														0%		
Of which enabling (%)		0	0														0%	M	
Of which transitional (%)		0	0														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		0	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities		**2,976**	**100%**																
TOTAL (A. + B.)		**2,976**	**100%**																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

RECONCILIATION WITH THE FINANCIAL STATEMENTS

	In millions of euros	References to the financial statements
TOTAL GROUP TURNOVER	**3,251**	**2.1 INCOME STATEMENT TABLE**
TOTAL GROUP CAPEX	**(914)**	**2.1 STATEMENT OF CASH FLOWS**
Acquisition of non-current assets	(920)	2.1 Statement of cash flows
Disposal of non-current assets	6	2.1 Statement of cash flows
TOTAL GROUP OPEX	**(2,976)**	
External expenses (maintenance services, furniture and property rent, and leases)	(1,255)	2.1 Income statement table
Raw materials and purchases consumed	(1,101)	
Personnel cost	(602)	
Taxes	(18)	

Please refer to section 2.1 "Consolidated financial statements for the 2023 financial year".

Appendix: Green taxonomy

6

ERAMET AND ITS SHAREHOLDERS

6.1 Company's share market

6.1.1 Listing market

The Company's shares are traded at Euronext on the Euronext Paris market (ISIN code: FR0000131757; LEI code: 549300LUH78PG2MP6N64).

No shares of another Group company are admitted for trading on another stock exchange.

6.1.2 Price trends

Changes to the Eramet share price are correlated to changes in raw material and metal prices, in particular manganese and nickel, and to shifts in the macroeconomic environment.

Eramet closed 2023 at €71.50 per share, representing a decrease of 11% over the year, dividends reinvested, compared to a 15% increase for the SBF 120 index, equating to a market capitalisation of €2.1 billion.

The Eramet share remained highly volatile in 2023. For example, the difference between its lowest and highest price was 98% (compared to 174% in 2022), whereas it was only 16% for the SBF 120 index.

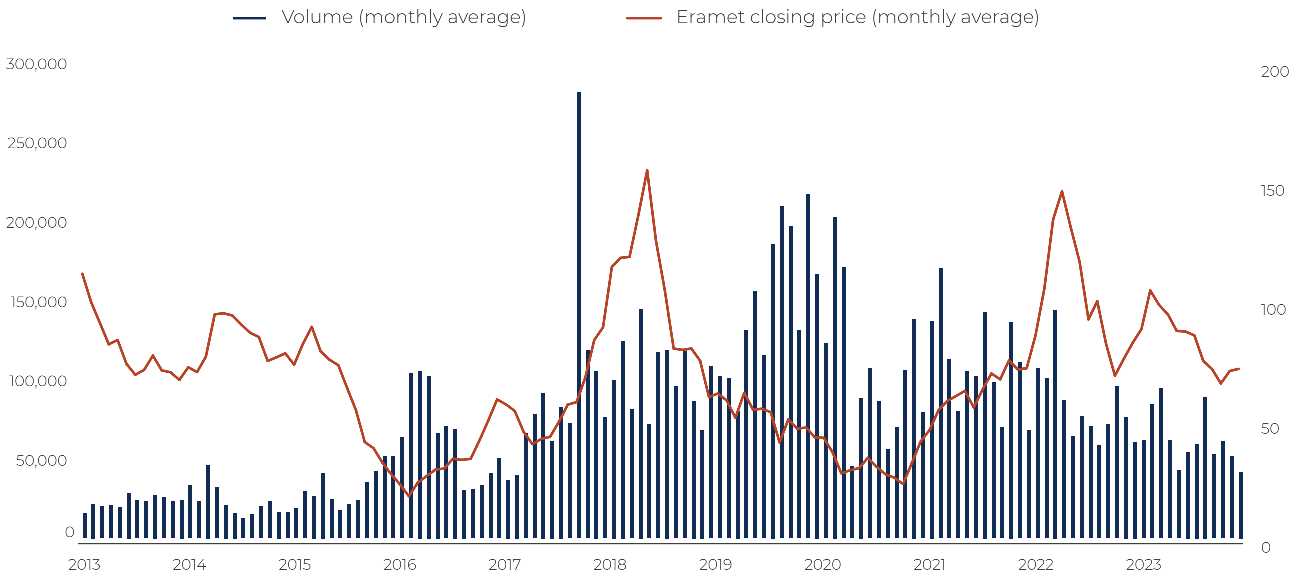
The share price performed very well at the beginning of the 2023 financial year, driven by high prices and the publication of record results for the 2022 financial year on 22 February 2022. The share price peaked on 6 March 2023 at €114.50 per share, up 37% since the beginning of the financial year.

The share price then followed a downwards trend, reaching a low of €57.9 per share on 26 October, down 31% compared to the beginning of the year and down 49% from the highest price. The share price was negatively impacted by the announcement at the end of July of interim results that were lower than those for 2022, against a backdrop of significantly lower sales prices in all the Group's markets and operational difficulties in Gabon due to non-recurring logistical incidents. The announcement of the military coup in Gabon also led to a decline at the end of August.

At the end of the financial year, the share price was on a better trend, rising 24% from its low. In particular, the market reacted very favourably to the presentation of Eramet's first Capital Market Day on 13 November, with the share price rising 8.4% the following day. This event gave the Group the opportunity to present its growth strategy in detail and to unveil the objectives of its new CSR roadmap 2024-2026.

In 2023, traded volumes were down 25% compared to 2022, attaining a total of 16,191,362 shares, with an average of 63,496 shares traded per session (as opposed to 84,564 shares per session in 2022). The first quarter of the financial year was the most dynamic, as in 2022, with an average of 80,485 shares traded per session, whereas the following three quarters saw between 50,000 and 70,000 shares traded on average per session.

▾ Trends in volumes and the Eramet share price
(Volume in thousands of shares / price in euros)



STOCK MARKET DATA

	Share price *(in euros)* extremes during the period			Market capitalisation as at 31/12	Volume
	Highest	Lowest	Close as at 31/12	*(in millions of euros)*	*(daily ave.)*
2014	102.00	65.85	76.50	2,031	22,980
2015	94.39	23.05	29.50	783	32,166
2016	66.72	15.36	56.74	1,506	63,607
2017	99.81	36.43	99.03	2,640	92,549
2018	167.20	46.00	60.35	1,607	102,123
2019	72.90	36.42	45.84	1,220	149,901
2020	47.18	18.67	42.92	1,143	106,034
2021	86.60	41.06	71.95	2,068	110,538
2022	166.00	60.60	83.85	2,411	84,564
2023	**114.50**	**57.85**	**71.50**	**2,056**	**63.496**

	Share prices *(in euros)*			Volume (× 1,000)
2023	Lowest	Highest	Mean (close)	*(daily ave.)*
January	79.15	93.85	87.89	62.0
February	93.70	111.40	104.17	84.7
March	87.70	114.50	98.10	94.5
April	85.05	103.20	94.11	61.6
May	80.35	92.50	87.19	43.0
June	80.70	93.85	86.89	54.6
July	76.50	90.65	85.30	59.6
August	59.75	79.05	74.62	88.9
September	69.00	73.35	71.15	53.2
October	57.85	73.85	65.08	61.3
November	64.65	75.20	70.30	52.0
December	67.90	74.85	71.23	42.0

Source: Euronext statistics – Portal & specific account manager request.

6.1.3 Share service

The Company's share register is maintained by:

Uptevia – 90-110, esplanade du Général de Gaulle – 92931 Paris La Défense Cedex, France.

6.2 Share capital

6.2.1 Subscribed capital

6.2.1.1 Representative amount and shares

The share capital, as of 31 December 2023, amounted to €87,702,893.35, representing 28,755,047 shares with a nominal value of €3.05, all of the same class and fully paid up. There is no subscribed capital that has not yet been paid up. There are no non-equity securities (founders' shares, voting certificates).

6.2.1.2 Rights attached to the shares

Each share entitles the holder, in the ownership of the Company's assets and in the sharing of profits, to a share equal to the portion of the share capital it represents, taking into account, where appropriate, the amortised and unamortised capital, paid and unpaid, the nominal amount and the rights of the shares of different classes.

Each share shall give the right, during the Company's life and in the event of liquidation, to payment of the same net amount in any allocation or redemption, such that all shares shall be considered together, where applicable, regardless of any tax exemptions or any taxation likely to be assumed by the Company.

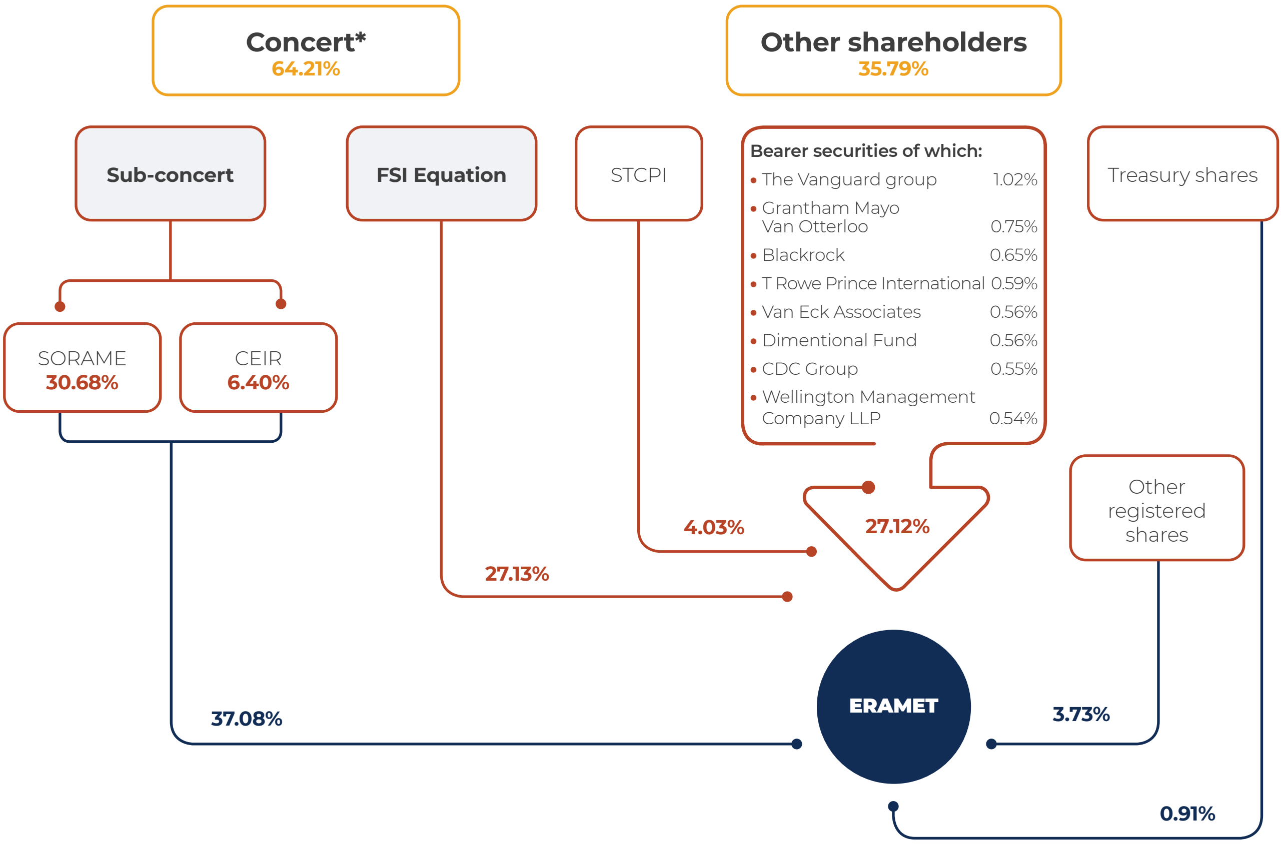
Fully paid-up shares for which a nominal registration in the name of the same shareholder has been valid for at least two years carry double voting rights.

6.2.2 Distribution of share capital

Since the close of the financial year, the Company has not been informed of any significant change in shareholding.

6.2.2.1 Control organisation chart

▾ Shareholders of the Company as at 31 December 2023 *(as % of shares)*



* *Pursuant to a Shareholders' Agreement, which was the subject of an AMF decision and information published on 12 April 2012 under No. 212C0486 at the time of its conclusion, an AMF decision and information published on 28 July 2016 under No. 216C1753 relating to changes within the concert party at the time of the acquisition by the Agence des participations de l'État (APE) of the entire share capital of FSI Equation, and an AMF decision and information under Nos. 220C5283 and 221C0886 relating to amendments to the agreement.*

6.2.2.2 As at 31 December 2023 (including shareholders holding – or those likely to hold – at least 1% of capital or voting rights, and known to the Company)

Major shareholders	Shares	% capital	Theoretical voting rights	Percentage of theoretical voting rights	Voting rights exercisable at Shareholders' Meeting	Percentage of voting rights exercisable at Shareholders' Meeting
Sorame(1)	8,821,806	30.68%	17,643,612	35.75%	17,643,612	35.94%
CEIR(1)	1,839,756	6.40%	3,679,512	7.46%	3,679,512	7.50%
Total for the Sorame/ CEIR subgroup(1)	**10,661,562**	**37.08%**	**21,323,124**	**43.21%**	**21,323,124**	**43.44%**
FSI Equation (held by the French State)(1)	7,800,993	27.13%	15,601,986	31.62%	15,601,986	31.79%
State (direct ownership)	100	not significant	200	not significant	200	not significant
Group total (Sorame/CEIR/FSI)(1)	**18,462,655**	**64.21%**	**36,925,310**	**74.83%**	**36,925,310**	**75.23%**
STCPI	1,159,994	4.03%	2,319,988	4.70%	2,319,988	4.73%
The Vanguard Group(2)	292,188	1.02%	292,188	0.59%	292,188	0.60%
Grantham Mayo Van Otterloo(2)	216,038	0.75%	216,038	0.44%	216,038	0.44%
Blackrock(2)	187,436	0.65%	187,436	0.38%	187,436	0.38%
T Rowe Prince International(2)	170,936	0.59%	170,936	0.35%	170,936	0.35%
Van Eck Associates(2)	161,481	0.56%	161,481	0.33%	161,481	0.33%
Dimensional Fund(2)	161,201	0.56%	161,201	0.33%	161,201	0.33%
Groupe CDC(2)	156,976	0.55%	156,976	0.32%	156,976	0.32%
Wellington Management Company LLP(2)	156,445	0.54%	156,445	0.32%	156,445	0.32%
Capital held by employees (including Eramet Share Fund)(3)	629,234	2.19%	741,892	1.50%	741,892	1.51%
Corporate officers	30,584	not significant	44,285	not significant	44,285	not significant
Eramet treasury shares	262,200	0.91%	262,200	0.53%	0	0.00%
Other	6,707,679	23.43%	7,550,917	15.39%	7,550,917	15.47%
TOTAL SHARES	**28,755,047**	**100.00%**	**49,347,293**	**100.00%**	**49,085,093**	**100.00%**
Total Registered Shares	**20,956,206**	**72.88%**	**41,548,452**	**84.20%**	**41,374,742**	**84.29%**
Total Bearer Shares	**7,798,841**	**27.12%**	**7,798,841**	**15.80%**	**7,713,725**	**15.71%**

(1) *The companies Sorame, CEIR and FSI Equation are signatories to a Shareholders' Agreement constituting a joint action and have been the subject of a decision and information of the Financial Markets Regulator under the No. 212C0486.*
(2) *Estimate based on last Nasdaq survey.*
(3) *According to the new drafting of Article L. 225-102 of the French Commercial Code, derived from Article 135 of Law 215-990 of 6 August 2015, the share of capital held by employees on the last day of the year includes, in addition to the shares allocated under an employee savings plan or an FCPE, bonus registered shares under bonus share allocation plans authorised by a Shareholders' Meeting subsequent to the entry into force of the law, i.e. from 8 August 2015. At 31 December 2023, 636,731 shares fit this definition, i.e., 194,113 shares under the Eramet Employees mutual fund scheme; 8,051 shares under the 2016 Erashare France Plan (delivered in May 2018); 7,552 shares under the 2017 Erashare France Plan (delivered in February 2019); 8,059 shares under the 2018 Erashare France Plan (delivered in March 2020); 8,687 shares under the 2019 Erashare France Plan (delivered in February 2021); 8,669 shares under the 2016 Erashare International Plan (delivered in May 2020); 7,609 shares under the 2017 Erashare International Plan (delivered in February 2021); 8,661 shares under the 2018 Erashare International Plan (delivered in March 2022); 12,192 shares under the 2019 Erashare International plan (delivery in February 2023); 68,531 shares under the 2016 France Selective Plan (delivered in May 2019); 53,819 shares under the 2017 France Selective Plan (delivered in February 2020); 6,955 shares under the May 2017 France Selective Plan (delivered in May 2020); 39,497 shares under the 2018 France Selective Plan (delivered in March 2021); 52,241 shares under the 2019 France Selective Plan (delivered in February 2022); 83,350 shares under the 2020 France Selective Plan (delivered in March 2023); 19,080 shares under the 2016 International Selective Plan (delivered in May 2020); and 20,515 shares under the 2017 International Selective Plan (delivered in February 2021); 12,948 shares under the 22 March 2018 International Selective Plan (delivered in March 2022); 16,102 shares under the 2019 International Selective Plan (delivered in February 2023). As such, at 31 December 2023, employees held 636,731 shares amounting to 2.21% of the share capital.*

To the best of the Company's knowledge, there are no other shareholders directly or indirectly holding more than 1% of the Company's capital or voting rights and there are no pledged securities. Except for the treasury-held shares mentioned in the table above, there are no other treasury shares. The holding of shares by corporate officers is detailed in the Governance Chapter.

6.2.2.3 Foreseeable changes to voting rights

At 31 December 2023, 190,250 shares registered for less than two years in registered form do not benefit from the double voting right. Should these shares qualify for double voting rights, the total number of voting rights attached to registered shares would increase to a total of approximately 41,564,992, to which the simple voting rights of the bearer shares would have to be added i.e. 7,798,841 additional rights as of 31 December 2023.

6.2.3 Other marketable securities giving access to the share capital

At the date of filing of this registration document, there are no other dilutive instruments (convertible or exchangeable negotiable securities or any negotiable securities with warrants) issued by the Company.

The bonus shares allocated, including details of the granted plans that were still open on 31 December 2023, are presented in the notes to Eramet's consolidated financial statements herein, and are existing shares. There are no stock-option plans in force.

6.2.4 Summary of financial authorisations

Allocation of bonus shares (Articles L. 225-197-1 and L. 225-197-2 of the French Commercial Code)	
By the EGM	28 May 2021 (eighteenth resolution)
Maximum total number	700,000 shares
Duration of authorisation	38 months until 28/07/2024
Used in 2021, 2022 and 2023	347,618
Available balance	352,382

No other authorisations of a financial nature were granted by the Shareholders' Meeting.

6.2.5 Buyback of shares by the Company

6.2.5.1 Details of treasury-share purchase and sale operations during the year (Article L. 225-211 of the French Commercial Code)

The table below summarises the treasury share transactions that were made by the Company between 1 January and 31 December 2023.

	Total number grants	Market making(1)	Share to employees	Total
Position at 1 January 2022	**28,755,047**	**50,159**	**133,254**	**183,413**
As a percentage of capital		*0.17%*	*0.46%*	*0.64%*
Buyback mandate		-	90,000	90,000
Final allocation of bonus shares		-	(82,448)	(82,448)
Purchases/sales		21,836	-	21,836
Position at 31 December 2022	**28,755,047**	**71,995**	**140,806**	**212,801**
As a percentage of capital		*0.25%*	*0.49%*	*0.74%*
Buyback mandate		-	150,000	150,000
Final allocation of bonus shares		-	(113,722)	(113,722)
Purchases/sales		13,121	-	13,121
POSITION AT 31 DECEMBER 2023	**28,755,047**	**85,116**	**177,084**	**262,200**
As a percentage of capital		*0.30%*	*0.62%*	*0.91%*

(1) Liquidity agreement signed with Exane BNP Paribas.

The Company did not use derivatives during the year.

No Group company holds shares in the parent company Eramet.

6.2.5.2 Liquidity agreement

To ensure minimum liquidity at any time of its share, the Company entered into a liquidity agreement with BNP Paribas on 18 July 2003. This liquidity agreement is in accordance with market practice accepted by the AMF. The summary of the market making operations is given in the details of the purchase and sale transactions carried out above.

6.2.6 Description of the 2024 share buyback programme

6.2.6.1 Legal framework

In accordance with the provisions of Article 241-2 of the general regulations of the Autorité des marchés financiers and of EU Delegated Regulation 2016/1052 of 8 March 2016, the aim of this description is to state the purposes, terms and conditions of the Company's share buyback programme. This programme, which falls within the scope of Article L. 22-10-62 of the Commercial Code, will be subject to authorisation by the Shareholders' Meeting of 30 May 2024, meeting the quorum and majority requirements in ordinary matters. Eramet shares are admitted to trading on the Euronext Paris regulated market.

6.2.6.2 Breakdown by equity securities objectives held by the Company

As at 31 December 2023, the 262,200 treasury shares held by the Company were distributed as follows by objective:

- market maker (liquidity agreements): 85,116 shares;
- allocation to employees: 177,084 shares.

6.2.6.3 Objectives of the new share buyback programme

The objectives of this programme are:

- supporting the share price via a liquidity agreement with a market maker, in accordance with the market practice accepted by the AMF;
- the delivery of shares upon the exercise of rights attached to marketable securities giving access to the share capital by redemption, conversion, exchange or otherwise;
- the implementation of any stock option plan of the Company pursuant to the provisions of Articles L. 225-177 et seq. and L. 22-10-56 et seq. of the French Commercial Code;
- granting bonus shares under the provisions of Articles des L. 225-197-1 et seq. and L. 22-10-59 and L. 22-10-60 of the French Commercial Code;
- the allocation or the transfer of shares to the employees with respect to their share in the benefits of the expansion of the company, or the implementation of any employee savings plan under the conditions stipulated by the law, in particular, the Articles L. 3332-1 et seq. of the French Labour Code;
- their cancellation, in accordance with a resolution authorising the reduction of the share capital of the company.

6.2.6.4 Maximum number of shares to be purchased and maximum cash amount allocated to the programme

10% of the share capital as at 31 December 2023, or 2,875,504 shares, before deducting the treasury shares held by the Company.

The maximum purchase price would be €200 per share (or the equivalent value of this same amount on the same date in any currency or currency unit established by reference to several currencies).

The maximum amount allocated to these acquisitions would be €575,100,800 for 2,875,504 shares representing 10% of the Company's share capital.

6.2.6.5 Terms of repurchase

Shares, disposals, and transfers may be made by any means on the market or over the counter, including by transactions in blocks of securities or via derivatives, provided that the resolution proposed to the vote of the shareholders does not limit the part of the programme which can be realised by purchase of blocks of securities.

The Company specifies that in the event of the implementation of derivatives, the objective of the Company would be to cover optional positions taken by the issuer (purchase options or subscription of shares granted to Group employees, debt securities giving access to the capital of the issuer). The use of derivatives will more specifically consist of buying call options and the Company will not be required to use sales of put options.

6.2.6.6 Duration of the buyback programme

The validity of the programme is limited to a period ending with the Shareholders' Meeting convened to approve the financial statements for 2024.

6.3 Information about the Company

6.3.1 Corporate name (Article 2 of the Articles of Association)

Eramet. In this document, the Company is called "the Company" or "the issuer": the Group comprising Eramet and its subsidiaries is referred to as "the Group".

6.3.2 Registration number of the Company – LEI

The Company is registered in the Paris Trade and Companies Register under the No. 632 045 381 (SIRET No. for the head office: 632 045 381 000 27).

Its Legal Entity Identifier (LEI) is No. 549300LUH78PG2MP6N64.

6.3.3 Date of incorporation and duration of the Company (Article 5 of the Articles of Association)

The Company has been incorporated for a period of 99 years commencing on 23 September 1963 and expiring on 23 September 2062, except in the case of early dissolution or extension.

6.3.4 Headquarters (Article 4 of the Articles of Association)

The Company's head office is located at 10, boulevard de Grenelle, 75015 Paris, France.

The phone number of the Company's head office is +33 (0)1 45 38 42 42.

The Company's website address is https://www.eramet.com/en.

Please note that the information on this website does not constitute an integral part of this Universal Registration Document.

6.3.5 Legal form and applicable law

Eramet is a limited company under French law, run by a Board of Directors, governed by Articles L. 224-1 et seq. of the Code of Commerce (the legislative and regulatory part), insofar as it is not exempted by more specific provisions such as, notably, ordinance No. 2014-948 of 20 August 2014 with respect to governance and share capital transactions of publicly owned companies, and the provisions of its own Articles of Association.

6.3.6 Legal audit of the Company (Article 19 of the Articles of Association)

As required by law, the Company is audited by two standing Statutory Auditors.

6.3.7 Corporate purpose (Article 3 of the Articles of Association)

"The objective of the Company in all countries is the research and exploitation of mineral deposits of all kinds, the metallurgy of all metals and alloys, and their trading.

To this end, it operates directly, or indirectly by way of shareholding, in the following activities:

- research, acquisition, leasehold, alienation, concession and operation of all mines and quarries of any nature whatsoever;
- treatment, processing and sale of all ores, mineral substances and metals, as well as their by-products, alloys and all derivatives;
- the manufacture and marketing of all products in the composition of which the aforesaid materials or substances are incorporated;

- more generally, all operations directly or indirectly related to the above items, or to promote the development of corporate interests.

To achieve this objective, the Company may:

- create, acquire, sell, exchange, take or lease, with or without a promise to sell, manage and exploit directly or indirectly all industrial and commercial establishments, factories, sites, and premises, movable and immovable objects;
- obtain or acquire any patents, licences, processes and trademarks, use, assign or provide them, grant licences in any country;
- generally carry out all commercial, industrial, financial, movable or immovable transactions, which may relate, directly or indirectly, to the Company's objective or which may facilitate its implementation. It may act, directly or indirectly, on its own behalf or on behalf of third parties and either alone or in association, partnership, or company, with any other companies or persons and carry out, directly or indirectly, in France or abroad, under whatever form it may take, the operations falling within its purpose. It may take, in any form, all interests and shareholdings, in all companies or enterprises, French or foreign, such as to favour the development of its own affairs."

The company's purpose is to: Become a reference for the responsible transformation of the Earth's mineral resources for "living well" together

6.3.8 Fiscal year (Article 23 of the Articles of Association)

The financial year, of twelve months, begins on 1 January and ends on 31 December of each year.

6.3.9 Shareholders' Meeting

6.3.9.1 Convocation and conditions for admission (Articles 20 to 22 of the Articles of Association)

Composition

The Shareholders' Meeting is composed of all the shareholders of the Company, regardless of their number of shares.

Convocation

The Shareholders' Meeting is convened and deliberates in accordance with the provisions of the French Commercial Code and Articles 20 to 22 of the Articles of Association.

Meetings are held at the head office or any other place within the same department specified in the meeting notice.

Conditions of admission

All shareholders are entitled to participate in the Meetings, upon presentation of proof of their identity. They may attend either in person, or be represented by another shareholder, their spouse, their civil union partner, or any other natural or legal person of their choice under the conditions provided for by the regulations in force.

Holders of registered shares and holders of bearer shares must complete the formalities prescribed by the regulations in force. These formalities must have been completed no later than the second business day preceding the Meeting at midnight Paris time prior to the Meeting. Shareholders are also entitled to vote by correspondence in accordance with Articles L. 225-107 and R. 225-75 et seq. of the French Commercial Code, by means of a form to be sent to the Company at least three days before the meeting.

If the Board of Directors so decides at the time of convening the Meeting, participation in the Meeting by video conference or by any means of telecommunication and remote transmission, including the Internet, is authorised in accordance with the regulations. If applicable, this decision is communicated in the meeting notice published in the Bulletin of Mandatory Legal Notices.

Undivided, split, pledged or sequestered shares

In the absence of specific statutory provisions, and pursuant to the provisions of Article L. 225-110 of the Commercial Code, any holder of an undivided share, a split share (bare owner and beneficiary), a pledged share or a sequestered share, is called to the Meeting and may attend, subject to compliance with the legal or statutory provisions below with respect to the exercise of voting rights.

6.3.9.2 Conditions for exercise of voting rights (Articles 8 and 20 of the Articles of Association)

Each shareholder has as many votes as the shares he owns or represents, subject to the double voting rights attached to certain shares. The Extraordinary Shareholders' Meeting convened on 21 July 1999 conferred a double voting right to each fully paid-up share for which a nominal registration in the name of the same shareholder has been valid for at least two years, with effect from 1 January 2002.

Shares granted free of charge, with respect to an incorporation of reserves, profits, or issue premiums, on the basis of old shares with double voting rights, also confer double voting rights at the end of a period of two years.

Double voting rights cease for any share which has been converted into bearer form or transferred, except, by law, any transfer by succession, liquidation of community property between spouses or family donation or a merger or division of the shareholding company.

In accordance with the law, double voting rights may only be abolished by a decision of the Extraordinary Shareholders' Meeting and after ratification by the Special Shareholders' Meeting.

Electronic voting

Any shareholder may also, if the Board of Directors so decides at the time of the convening of the Meeting, transmit a vote by correspondence or proxy, by any means of remote transmission, including the Internet, in accordance with the regulations applicable at the time of use.

In the case of the use of an electronic form, the signature of the shareholder may take the form either of a secure signature or of a reliable identification process guaranteeing its connection with the act to which it relates, specifically consisting of an identifier and a password. If applicable, this decision is communicated in the meeting notice published in the *Bulletin of Mandatory Legal Notices*.

Proxies or votes expressed electronically in this way before the meeting, and the confirmation of receipt given in reply, shall be regarded as irrevocable written instructions enforceable on all parties, it being stipulated that if the shares are sold before midnight, Paris time, on the second business day preceding the meeting, the Company shall invalidate or amend, as the case may be, proxies or votes expressed before such date and time.

Undivided, split, pledged or sequestered shares

In the absence of specific statutory provisions and pursuant to the provisions of Article L. 225-110 of the Commercial Code, the voting right is exercised by the usufructuary at the Ordinary Shareholders' Meeting, by the bare owner at the Extraordinary Shareholders' Meeting, by one of the undivided co-owners or by a single representative in the case of co-owners of undivided shares and by the owner of securities pledged or under escrow.

6.3.10 Transfer of shares

Since the elimination of the approval clause adopted by the Meeting of 15 June 1994, shares are exchanged freely subject to compliance with the rules applicable to companies whose shares are admitted to trading on a regulated market.

6.3.11 Identification of shareholders

6.3.11.1 Threshold crossing/Declaration of Intent

Legal declarations

Under Articles L. 233-7 to L. 233-11 of the Commercial Code, any natural or legal person, acting alone or in concert, holding a number of shares representing more than one twentieth, one tenth, three twentieths, one fifth, one quarter, three-tenths, one third, one half, two thirds, eighteen twentieths or nineteen twentieths of the Company's capital and/or voting rights must inform the Autorité des marchés financiers and the Company – within the agreed time limits by registered letter with acknowledgement of receipt – of the total number of shares and/or voting rights in their possession. The same people are also required to inform the Company when their shareholding falls below any of the above mentioned thresholds.

Finally, this reporting obligation is supplemented by the legal obligation to report, on time, the objectives over the next six months for any person crossing, upwards or downwards, the above mentioned thresholds of one tenth, three-twentieths, one fifth, or one quarter.

In the event of non-compliance with these reporting obligations, the provisions of Article L. 233-14 of the said code shall be applied.

Additional statutory declarations

Since the amendment of Article 9 of the Articles of Association by the Shareholders' Meeting on 15 June 1994, any natural or legal person, acting alone or in concert, who comes to hold or ceases to hold a fraction equal to 1% of the capital and/or voting rights, or any multiple thereof, is required to inform the Company within ten days by registered letter with acknowledgement of receipt addressed to the Company's head office, including the number of shares and voting rights held.

Failure to do so results in the deprivation of voting rights for the shares or voting rights exceeding the fraction that should have been declared for a period of two years commencing from the regularisation and on request, at a Meeting, of one or more shareholders owning 5% of capital or voting rights of a Meeting.

6.3.11.2 Identification of shareholders

Pursuant to Article L. 228-2 of the French Commercial Code, the Company may, at any time, avail itself of the arrangements permitting the identification of the owners of bearer shares, as provided for in the regulations.

6.3.12 Publicly made declarations of threshold crossing

Date	AMF Decision No.	Subject
12 April 2012	212C0486	Publication of the clauses of the Sorame-CEIR-FSI Shareholders' Agreement.
21 May 2012	212C0634	Declaration of threshold crossing downwards by AREVA – End of Sorame-CEIR-AREVA Shareholders' Agreement.
23 May 2012	212C0647	Declaration of threshold crossing upwards by FSI.
22 July 2013	213C1027	Declaration of threshold crossing upwards by BPI Group through Bpifrance Participations (ex FSI).
22 July 2013	213C1028	Declaration of holdings in the Caisse des Dépôts et Consignations through the BPI Group.
21 July 2014	214C1461	Declaration of threshold crossing upwards by Caisse des Dépôts et Consignations and BPI Group, through BPI France Participations, as a result of the allocation of double voting rights.
28 July 2016	216C1753	Consideration of the consequences of the change within the group (change in the control of FSI Equation with no impact on the equilibrium of the controlling group Eramet, the Sorame-CEIR-FSI Equation Shareholder Agreement remaining unchanged).
2 September 2016	216C1953	Declaration of threshold crossing upwards by the Agence des participations de l'État (APE), together with FSI Equation, which it controls, and the companies Sorame and CEIR.
2 September 2016	216C1957	Declaration of threshold crossing downwards by Bpifrance, through Bpifrance Participations, and the end of concerted action with FSI Equation, Sorame and CEIR.
5 September 2016	216C1971	Declaration of threshold crossing downwards by Caisse des Dépôts et Consignations, through Bpifrance Participations.
20 December 2016	216C2860	Declaration of threshold crossing upwards by Intesa SanPaolo S.p.A.
21 December 2016	216C2884	Declaration of threshold crossing downwards by Carlo Tassara France S.A.S.
19 September 2017	217C2159	Declaration of threshold crossing downwards by Intesa SanPaolo S.p.A.
4 December 2020	220C5283	Amendment to the Sorame-CEIR-FSI Shareholders' Agreement.
27 April 2021	221C0886	Amendment to the Sorame-CEIR-FSI Shareholders' Agreement.

6.3.13 Elements likely to have an impact in the event of a public offer

In addition to the information on threshold crossings, double voting rights, shareholder agreements and commitments detailed in this section, the following items are to be noted.

6.3.13.1 Loans

The Multicurrency Revolving Credit Facility Agreement (RCF) and the Term Loan described in the Notes to the consolidated financial statements provide for the possibility for each bank, in the event of a change in control of the Company, to notify the cancellation of its commitment and the early repayment of its holding in advances outstanding.

The bond loans described in the notes to the consolidated financial statements include a change of control clause that could lead to the mandatory early redemption of bond loans at the request of each bondholder in the event of a change of control of the Company.

6.4 Shareholders' Agreements

Pursuant to a Shareholders' Agreement concluded on 16 March 2012, which entered into force on 16 May 2012 and was last amended on 27 April 2021 and is tacitly renewable from 1 January 2021 for periods of six months, unless one of the parties notifies the other of its termination at least one month before the expiry of the current period – which was the subject of a decision and information of the Autorité des marchés financiers (AMF) under No. 212C0486 at the time of its conclusion, an amendment dated 21 March 2013, a decision and information of the AMF under No. 216C1753 relating to the change within the group acting in concert during the acquisition by the Agence des participations de l'État (APE) of the entire share capital of FSI Equation, and the two decisions and information of the AMF under Nos. 220C5283 and 221C0886 relating to amendments to the Agreement, the Company is majority controlled by a group of shareholders having declared to be acting in concert, including:

- a subgroup between Sorame and CEIR, companies controlled by the Duval Family, under a concurrent Shareholders' Agreement dated 19 July 1999, which came into force on 21 July 1999 and was the subject of an amendment on 13 July 2009;
- the Agence des Participations de l'État (APE), through its subsidiary FSI Equation.

The Shareholders' Agreement, as modified by the amendment dated 21 March 2013, provides that the Board of Directors include: five directors proposed by Sorame/CEIR; three directors nominated by APE; five directors who must be natural persons, including three individuals proposed by the subgroup Sorame/CEIR and two proposed by APE, "selected on the basis of their competence and independence with respect to the nominating party and the Company itself, in line with the AFEP-MEDEF Corporate Governance Code for listed companies"; two directors nominated by the Société Territoriale Calédonienne de Participation Industrielle (hereinafter "STCPI"); a director proposed by agreement between Sorame/CEIR and APE; and a director called upon to chair the Eramet Board of Directors.

The provisions of the Shareholders' Agreement referred to above, as well as those of the subgroup, are contained in the main extracts of the AMF's "decision and information" texts reproduced below (the full versions of these texts are available on the AMF website).

To the knowledge of Eramet, there is no other agreement or pact.

6.4.1 Decision and Information No. 221C0886 of 27 April 2021

In a letter received on 26 April 2021, the Autorité des marchés financiers was informed that on 23 April 2021, an amendment to the Shareholders' Agreement entered into on 16 March 2012 – as amended by its amendments of 21 March 2013, 1 April 2019 and 30 November 2020 – was signed between Sorame-CEIR (both controlled by the Duval family) and FSI Equation.

Under the above-mentioned amendment, the Shareholders' Agreement now provides that as long as the positions of Chair and CEO of Eramet are held by the same person, the parties undertake to jointly propose and/or support the appointment, by the Board of Directors, of a lead director chosen by mutual agreement from among the independent directors put forward by Sorame and CEIR. The parties also agree to do their utmost to ensure that the candidate that they wish to nominate as lead director is named by Eramet Board of Directors, and that these commitments will be valid for as long as the Shareholders' Agreement is in force and at the latest until the Shareholders' Meeting to be held in 2025 is called to approve the financial statements for the financial year 2024.

6.4.2 Decision and Information No. 220C5283 of 4 December 2020

In a letter dated 1 December 2020, the Autorité des marchés financiers (AMF) was notified on 30 November 2020 of the signing of an amendment to the Shareholders' Agreement of 16 March 2012 (see D&I 212C0486 dated 12 April 2012 and 212C0647 dated 23 May 2012), as amended on 21 March 2013 and 1 April 2019, between Sorame and CEIR (both controlled by the Duval family) and FSI Equation (100% owned by Bpifrance Participations, itself 100% owned by Bpifrance S.A., which is jointly controlled 50% by the public institution Bpifrance and 50% by the Caisse des Dépôts et Consignations). As provided for in the above-mentioned amendment which will come into force on 1 January 2021, the Shareholders' Agreement will now be extended by tacit agreement for periods of six months (instead of one year) unless one of the parties notifies the other of its termination at least one month before the expiry of the current period.

6.4.3 Decision and Information No. 216C1753 of 28 July 2016

On 29 August 2016, the Agence des participations de l'État, acting on behalf of the State, acquired the entire capital of FSI Equation, which holds 6,810,317 Eramet shares, i.e., 25.66% of Eramet's capital.

In this context, the Agence des participations de l'État filed a request for dismissal of a proposed public offer for the Eramet shares with the AMF, which issued a decision No. 216C1753 on 28 July 2016, the terms of which are reproduced below.

"At its meeting of 13 July 2016, the Autorité des marchés financiers considered a request to dismiss a proposed public offer for the Eramet shares, which is part of the amendment to the shareholding of this company[1]. The group consisting of Sorame[2] and CEIR[3] (both controlled by the Duval family) and FSI Equation[4] holds 16,646,151 Eramet shares, representing 33,292,302 voting rights, or 62.71% of the capital and 74.34% of voting rights of this company[5], broken down as follows:

	Shares	% capital	Voting rights	Percentage of voting rights
Sorame	8,051,838	30.33	16,103,676	35.96
CEIR	1,783,996	6.72	3,567,992	7.97
Total for the Sorame/CEIR subgroup	**9,835,834**	**37.06**	**19,671,668**	**43.93**
FSI Equation	6,810,317	25.66	13,620,634	30.41
GROUP TOTAL	**16,646,151**	**62.71**	**33,292,302**	**74.34**

The Agence des participations de l'État (APE), acting on behalf of the State, intends to acquire, in the second half of 2016, the entire capital of FSI Equation, which holds 6,810,317 Eramet shares, i.e. 25.66% of Eramet's share capital. As a result of the APE's acquisition of the entire share capital of FSI Equation, the direct shareholding of Eramet will not be changed, so the above-mentioned shareholding table will remain unchanged. Nevertheless, as the APE will replace Bpifrance Participations in the control of FSI Equation and in the group formed with the Sorame-CEIR subgroup, it will indirectly exceed the threshold of 30% of Eramet's voting rights and, together with the Sorame-CEIR subgroup, the threshold of 30% of Eramet's capital and 30% of its voting rights.

In this context, the APE has asked the Autorité des marchés financiers to note that there is no reason to file a public offer for the shares of Eramet, particularly on the basis of Article 234-7 of the general regulations.

In particular, the applicant contends that:

- *Eramet is controlled by a group composed of Sorame, CEIR and FSI Equation, which holds 74.34% of Eramet's voting rights (30.41% of which are held by FSI Equation), i.e. the majority of voting rights in the Company;*
- *the subgroup Sorame-CEIR is predominant within the group it forms with FSI Equation[6] and the outcome of the proposed substitution transaction with respect to the capital of FSI Equation will not affect this predominance of the subgroup Sorame-CEIR insofar as the balance of the interests between said shareholders in the capital of Eramet will remain unchanged;*
- *the transaction will not entail any change in the terms of the exercise of power within Eramet due to the absence of any modification of the provisions of the Shareholders' Agreement concluded on 16 March 2012 between the currentcollaborators, which provides, in particular, for the composition of the corporate bodies and the rules for cooperation[6].*

On this basis, the AMF noted (i) that the change of control of FSI Equation in favour of the APE will have no implication for the balance of the group controlling Eramet, within which Sorame and CEIR remain predominant over FSI Equation, (ii) the Shareholders' Agreement between the subgroup Sorame-CEIR and FSI Equation will remain unchanged, particularly with regard to the terms of exercising governance within Eramet and, therefore, on the basis of Article 234-7 of the general regulations there was no need for the compulsory filing of a draft public offer.

In the event of a modification of the agreements concluded or the respective interests of the collaborators, the AMF would need to be informed so that it can assess the consequences of these changes with regard to the obligation to file a public offer."

(1) See, in particular, the communication issued by the State (APE) on 27 July 2016.
(2) Société de Recherche et d'Applications Métallurgiques, controlled by the Duval family.
(3) Compagnie d'Études Industrielles de Rouvray, controlled by the Duval family.
(4) 100% owned by Bpifrance Participations, itself 100% owned by Bpifrance S.A., which is jointly controlled 50% by the public institution Bpifrance and 50% by the Caisse des Dépôts et Consignations.
(5) Based on share capital of 26,543,218 shares representing 44,783,479 voting rights, pursuant to paragraph 2 of Article 223-11 of the general regulations.
(6) See in particular D&I 212C0486 of 12 April 2012 and 212C0647 of 23 May 2012.

6.4.4 Decision and Information No. 212C0486 of 12 April 2012

The main clauses of the said agreement are as follows:

Composition of the Eramet Board of Directors

The Board of Directors will be made up of five directors proposed by Sorame-CEIR, three directors proposed by FSI, four directors who must be natural persons, of which two will be proposed by the Sorame/CEIR subgroup and two by FSI, selected on the basis of their competence and independence, two directors nominated by the Caledonian Territorial Corporation of Industrial Participation (hereinafter "STCPI")and a director called upon to chair the Eramet Board of Directors.

This composition must be maintained, unless there is (i) a greater than 10% change in the interests in Eramet's capital held by Sorame-CEIR or FSI at the signing of the Agreement, or (ii) a significant change in STCPI's interest in Eramet's capital, resulting in a reduction to fewer than 635,372 Eramet shares.

Chair and committees of the Board of Directors

The parties (i.e. Sorame, CEIR and FSI) plan to consult before any appointment of a Chairman of the Board, a Managing Director, or a Deputy CEO, or appointment of leaders of each of the three areas of activity of the Eramet Group. The composition and duties of the committees of the Board of Directors, namely the Selection Committee, the Remuneration Committee, and the Audit Committee, are also defined. In the event of failure of the collaboration, the rules of general law apply.

Stability of the group

Commitment of collaboration

The parties agree to consult before any meeting of the Eramet Board of Directors and any Shareholders' Meeting with a view to exercising their voting rights in concert and implementing a common approach to doing so, and acknowledge that, should they disagree on a matter before the Board of Directors, they will ensure that its decision is postponed to its next meeting[1].

Commitment to retain

The companies Sorame and CEIR undertake to hold the first 70%, at least, and the second 30% of their total interest in Eramet and, as long as FSI does not increase its overall interest in Eramet, to retain 2% more of the Eramet capital than FSI, which ensures the overall group the retention of 51% of the Eramet voting rights as long as the interest of FSI in Eramet will remain equal to 25.68% of the capital. However, the Sorame/CEIR subgroup remains free to sell at least 80% of its interest in Eramet, and its commitment to retention ceases if FSI exercises its option to purchase the Eramet shares from Sorame.

Obligations in case of public offer

Each party undertakes to make or execute in due time the declarations and obligations to which it is bound, to bear only the penalties for their possible non-performance, and to deposit and assume alone the public tender offer which became mandatory because of its possible acquisitions of Eramet shares, or any of its acts, or a breach of any of its obligations.

Options to buy and sell the Eramet shares of Sorame and CEIR

Sorame grants to FSI an indivisible purchase option for its Eramet shares, exercisable in the event of a transfer of shares or one or more shares of general partners or of any transaction on Sorame that results in the Duval Family losing control of Sorame. CEIR grants to FSI an indivisible option to purchase all of its Eramet shares, and FSI grants CEIR an indivisible option to sell all of its Eramet shares. These two options will be exercisable should FSI exercise its option to purchase the Eramet shares held by Sorame.

(1) It is specified that in such a case, the parties are not required to agree and shall remain free to exercise their voting rights as they wish; in particular, they made no provision for veto rights.

Reciprocal rights of first refusal (pre-emption)

The parties agree to a reciprocal right of first refusal, (i) in case of a firm intention to sell, on the market to unidentified third parties on an ad hoc basis or by accelerated bookbuilding (ABB) or by a fully marketed offer (FMO), a specified number of Eramet shares; (ii) in the event of a proposed assignment to one or more identified third parties of one or more Eramet share blocks, by application or off the market; and in the case of plans to contribute all or part of its interest in Eramet, paid for by the shares of the Company benefiting from the contribution.

The right of first refusal is excluded in the following cases:

- transfers in the market: for Sorame and CEIR, as long as the commitment to retain is respected, and for FSI, as long as it retains 20% of Eramet's share capital;
- transfers to a third party or several third parties identified or proposed contribution: for Sorame and CEIR, as long as the commitment to retain is respected and that a block of more than 5% of the capital is not sold to the same group of investors and for FSI, as long as it keeps 20% of the Eramet capital and that more than 5% of the capital is not sold to the same group of investors.

Generally, the obligation of notification and the rights of first refusal do not apply in the event of (i) free transmissions, upon death or inter vivos,to individuals, (ii) assignments within the Sorame-CEIR subgroup, provided that the first of these retains at least 70%, and the second at most 30% of their overall shareholding in Eramet, (iii) a merger of Sorame and CEIR, if Sorame is the absorbing company and remains controlled by the Duval family, and (iv) a transfer or contribution of FSI's Eramet shares to one of its subsidiaries, provided that the recipient adheres to the Shareholders' Agreement and replaces FSI in the resulting rights and duties.

Duration

The pact will enter into force on the actual transfer by AREVA to FSI of the interest it holds in Eramet. It is concluded for a fixed term ending on 31 December 2016, and extends beyond that date by tacit agreement for periods of one year, unless one of the parties notifies the other of its termination at least one month before the expiry of the current period. The agreement will cease immediately and automatically in the event of (i) a change of predominance within the global group due to acquisitions or share subscriptions by FSI, (ii) sale or contribution or transfer by one of the parties of more than 80% of its stake in Eramet, or (iii) reduction to less than 15% of FSI's direct or indirect stake in Eramet capital.

Consequently, Sorame and CEIR decided by addendum No. 2, concluded on 16 March 2012, to amend the duration clause of the Shareholders' Agreement which they concluded on 17 June 1999, already amended by addendum No. 1 of 13 July 2009.

Finally, it is specified that Sorame and CEIR have committed to FSI to convert the required number of Eramet shares to bearer shares so that the current interest of the Sorame/CEIR subgroup is not increased by more than 2% as a result of the loss of the double voting rights attached to the Eramet shares sold to FSI. After the sale of Eramet shares, Sorame and CEIR and FSI will ask Eramet to re-register all of their Eramet shares in order to recover the double voting rights two years later.

6.4.5 Decision and Information No. 209C1013 of 21 July 2009

By letter dated 16 July 2009, the AMF was the recipient of a shareholder agreement entitled "Amendment No. 1 to the Eramet Shareholders' Agreement of 19 July 1999 between Sorame and CEIR" concluded on 13 July 2009 between the company Sorame, partnership limited by share capital, and the company CEIR, by simplified joint-stock.

A/ It is recalled that, on 19 July 1999, Sorame and CEIR (companies controlled by the Duval family) entered into a Shareholders' Agreement binding them to act in concert for 10 years, as of 21 July 1999.

This agreement provided, in particular:

- the inalienability of their Eramet shares for five years, except, for each of them, up to a maximum of 1.5% of the Eramet share capital;
- complete freedom to sell between themselves their Eramet shares, provided that Sorame continues to hold at least 70% of the Eramet shares held by their collaboration and CEIR, a maximum of 30%, with the commitment to maintain this distribution between them in case of an increase in their holdings;
- reciprocal pre-emption rights over their Eramet shares;
- a commitment to collaborate prior to any Eramet Shareholders' Meeting, with a view to the concordant exercise of their voting rights for the implementation of a common policy regarding that company.

B/ It is further recalled that Sorame and CEIR, certain members of the Duval family and AREVA are bound by a Shareholders' Agreement to act in concert with respect to Eramet, which derives from a private agreement dated 17 June 1999, and from an amendment thereto dated 27 July 2001 confirming Areva as the substitute for Cogema, which itself was confirmed as a substitute for ERAP on 1 December 1999, pursuant to the provisions of said agreement.

Amendment No. 2 to the aforementioned private deed of 17 June 1999 was signed on 29 May 2008, by which the parties extended their agreement of collaboration until 31 December 2008, and made various modifications to it, and for that reason substituted, as of 29 May 2008, a new wording to the previous drafting of their Shareholders' Agreement as of 17 June 1999.

Since none of the parties terminated the Agreement before 15 December 2008 and then 15 June 2009, the new Agreement was tacitly extended twice, the last time being from 1 July 2009 for a period of six months ending on 31 December 2009.

As of 16 July 2009, the parties to the agreement together hold 61.57% of the capital and 73.57% of the voting rights of Eramet, broken down as follows:

	Shares	% capital	Voting rights	Percentage of voting rights
Sorame	7,818,919	29.37	15,637,838	35.16
CEIR	1,783,996	6.70	3,567,992	8.02
Sorame/CEIR subtotal	**9,602,915**	**36.07**	**19,205,830**	**43.18**
AREVA	6,787,277	25.39	13,514,554	30.63
GROUP TOTAL	**16,390,192**	**61.57**	**32,720,384**	**73.57**

C/ On 13 July 2009, Sorame and CEIR signed an amendment to the Agreement of 19 July 1999 described in point A above, which extended their collaboration agreement until 21 July 2014 while introducing a number of changes, resulting in a change in the wording of the Shareholders' Agreement of 13 July 1999.

The main clauses of the amendment between Sorame and CEIR are as follows:

- stability of the Sorame-CEIR group: except in the event of a sale representing at least 80% of the group's interest in Eramet, and as long as Areva does not increase its stake in Eramet by more than 2%, the parties undertake to retain the number of shares and voting rights required for their sub-group to remain predominant in the overall collaboration;
- transfer of Eramet shares between Sorame and CEIR: Eramet shares may be sold freely between the parties, provided that Sorame continues to hold at least 70% of the Eramet shares held by the sub-group, and CEIR no more than 30%;
- increase in holdings by Sorame and CEIR in Eramet: the parties are free to increase their holding in Eramet, provided that they do not increase their shareholding by more than 2% of the capital or voting rights in less than twelve months;
- commitment to collaborate between the parties prior to any Eramet Shareholders' Meeting, with a view to the concordant exercise of their voting rights for the implementation of a common policy regarding Eramet.

This agreement replaces the agreement of 19 July 1999. It is concluded for a period expiring on 21 July 2014 and shall thereafter be tacitly renewed for periods of two years, in the absence of its termination notified by either party with one month's notice before the expiry of the period in progress.

It shall cease, as will the concerted action between the parties, in the event of the sale by one of the parties of more than 80% of its interest in Eramet.

7

SHAREHOLDERS' MEETING

7.1 Text of draft resolutions and explanatory statement

Within the Authority of the Ordinary Shareholders' Meeting

The **first and second resolutions** concern the approval of the individual financial statements financial statements and the consolidated financial statements for the past financial year. The detailed financial statements can be found in the documents distributed to shareholders and are commented upon in the management report.

First resolution

(2023 annual financial statements)

The Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, after hearing read aloud the Board of Directors' report and the Statutory Auditors' report on the annual financial statements for the financial year ended 31 December 2023, approves the said annual financial statements as presented to it, and the transactions translated in these financial statements or summarised in these reports.

Second resolution

(2023 consolidated financial statements)

The Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, after hearing read aloud the Board of Directors' report and the Statutory Auditors' report on the consolidated financial statements for the financial year ended 31 December 2023, approves the said consolidated financial statements as presented to it, and the transactions translated in these financial statements or summarised in these reports.

In the **third resolution** you are asked to approve the special report of the Statutory Auditors of your Company pertaining to the agreements specified in Articles L. 225-38 et seq. of the French Commercial Code and authorised during the past financial year. You are asked to note that the report also presents the agreements previously authorised by your Meeting, which continued in the prior year and that, as these previously authorised agreements have already been approved by your Meeting, they are not being put to a vote by this Meeting.

Third resolution

(Related-party agreements)

The Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, after hearing read aloud the special report drawn up by the Statutory Auditors on the agreements specified in Articles L. 225-38 et seq. of the French Commercial Code, approves this report and the transactions set out therein.

The purpose of the **fourth and fifth resolutions** is to propose, to the Shareholders' Meeting, the appropriation of net income for the 2023 financial year. This appropriation concerns the distribution of a dividend of €1.50 per share.

Fourth resolution

(Appropriation of income)

The Shareholders' Meeting, acting with the quorum required for Ordinary Shareholders' Meetings:

- recognises that the result for the financial year ended is: -€6,688,859.16;
- added to which in losses brought forward at 31 December 2023 are: -€140,602,141.30.

The Shareholders' Meeting resolves to allocate the net income for the prior financial year to retained earnings which will then total -€147,291,000.46.

Fifth resolution

(Distribution of dividends)

The Shareholders' Meeting, acting with the quorum required for Ordinary Shareholders' Meetings:

- notes that the "Other reserves" total €80,662,561.63 and resolves:
  - to distribute a dividend of €1.50 per share, which, for the 28,755,047 shares that make up the share capital as at 31 December 2023, equals €43,132,570.50.

The "Other reserves" are therefore decreased to €37,529,991.13.

The ex-dividend date will be 4 June 2024. The reporting date will be set at 5 June 2024. The dividend will be paid beginning on 6 June 2024.

The Shareholders' Meeting, in its ordinary session, duly notes that the dividends per share to be paid for the past year and the three previous years are, or were, as follows:

	2020	2021	2022	2023
Number of shares compensated	26,636,005	28,755,047	28,755,047	28,755,047
Dividend *(in euros)*	0	2.50	3.50	1.50

The **sixth resolution** concerns the renewal for a period of four years of the term of office as director expiring at this Meeting:

- renewal of the term of office of Miriam Maes (independent director – Chair of the Audit, Risks and Ethics Committee). Following the work of the Appointments Committee, the Board of Directors decided to submit to the vote of the 2024 Shareholders' Meeting the appointment, for a period of four years, of Miriam Maes, director since May 2016, whose experience as Chair and member of Audit Committees is particularly useful for the Board.

Sixth resolution

(Renewal of Miriam Maes's term of office as director)

The Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, renews Miriam Maes's term of office as director, which expired at this meeting, for a period of four years, i.e. until the Shareholders' Meeting called to approve the financial statements for the 2027 financial year and to be held in 2028.

The **seventh resolution** concerns the ratification of the appointment by the Board, at its meeting of 22 March 2024, of Solenne Lepage (independent director) as director to replace Catherine Ronge, who had resigned, for the remainder of her term of office, i.e. until the close of the Shareholders' Meeting to be called in 2025 to approve the financial statements for financial year 2024. Following the work of the Appointments Committee, and after having reviewed Ms Lepage's experience and expertise, the Board of Directors examined the personal circumstances of Ms Lepage and noted that Ms Lepage could be considered as independent.

Since 15 January 2024, Solenne Lepage is General Delegate of the Association française des Sociétés Financières (ASF – French Association of Financial Companies). From April 2019 to that date, Solenne Lepage was Deputy CEO at the French Banking Federation (FBF); she was in charge of the retail and remote banking, digital, payments and operational resilience departments and of the legal and compliance department. Appointed Head of the "EDF and other shareholdings" office of the Agence des participations de l'État (APE – French Government shareholding agency) in 2009, she was, from 2012 to 2019, Director of Transportation Shareholdings at the French Government shareholding agency and was a member, as representative of the Government, of the Boards of Directors of Air France-KLM, Aéroports de Paris, SNCF Mobilités and RATP. A graduate of the École nationale des chartes, holder of a degree in philosophy and an MPhil in history, a graduate of the Institut d'études politiques de Paris and the École nationale d'administration, Solenne Lepage began her career in 2002 as Deputy Head of the State Shareholdings Department at the Ministry of Economy, Finance and Industry, then Deputy Head of the European Coordination and Strategy Office at the Treasury and Economic Policy Directorate General. In 2006, she joined HSBC France as Customer Relations Manager for Large Companies in the banking and insurance sector.

Seventh resolution

(Ratification of the appointment of Solenne Lepage as director)

The Shareholders' Meeting, having satisfied the quorum and majority requirements for Ordinary Shareholders' Meetings, ratifies the appointment by the Board of Directors, at its meeting of 22 March 2024, of Solenne Lepage as director to replace Catherine Ronge, who had resigned, for the remainder of her term of office, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the 2024 financial year.

The **eighth resolution** concerns the appointment of Arnaud Soirat (independent director) as director, replacing Sonia Sikorav, whose term of office is expiring at this meeting and who has not requested that her term of office be renewed. It is proposed that the Shareholders' Meeting in 2024 votes to appoint him for a period of four years. Following the work of the Appointments Committee, and after having reviewed Mr Soirat's industrial and mining experience and expertise, the Board of Directors examined the personal circumstances of Mr Soirat and noted that Mr Soirat could be considered as independent.

Arnaud Soirat left Rio Tinto, where he successively held various roles as Deputy Chief Executive Officer for Europe, Middle East and Africa, then as Chief Executive Officer Northern Hemisphere Aluminium, then as Chief Executive Officer Copper and Diamonds and member of its Executive Committee, and finally as Chief Operating Officer Global Operations of the Rio Tinto Group from 2021. Previously, at the Alcoa Group, he held various managerial positions in production, then as Plant Manager and Regional Manager in Australia from 2001 to 2010. A graduate of the École Nationale Supérieure de Chimie de Paris (Chimie ParisTech) and holder of a PhD in theoretical physics and chemistry from City University *of New York*, Arnaud Soirat began his career as a research engineer in the United States, then as a computer engineer at Dassault Systèmes, before holding various engineering positions at Pechiney in France and Queensland Alumina in Australia.

Eighth resolution

(Appointment of Arnaud Soirat as director)

The Shareholders' Meeting, having satisfied the quorum and majority requirements for Ordinary Shareholders' Meetings, appoints Arnaud Soirat as director, replacing Sonia Sikorav, whose term of office is expiring at this meeting, for a period of four years, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the 2027 financial year.

The **ninth, tenth, eleventh and twelfth resolutions** concern the remuneration of corporate officers.

"Say on Pay Ex Ante"

Pursuant to the provisions of Article L. 22-10-8 paragraph II and Article R. 22-10-14 of the French Commercial Code, the Shareholders' Meeting is called to approve, in the **ninth resolution**, the remuneration policy applicable to the members of the Board of Directors, and in the **tenth resolution**, the remuneration policy applicable to Christel Bories, Chair and Chief Executive Officer. These items appear in the 2023 Universal Registration Document "Corporate governance report".

In accordance with the wording of Article L. 22-10-8, the approval of the Shareholders' Meeting is required every year and upon each material change to the remuneration policy. If the Shareholders' Meeting does not approve the resolution and if it has previously approved a remuneration policy, the latter shall continue to apply and the Board of Directors shall submit a draft resolution presenting a revised remuneration policy to the next Shareholders' Meeting for approval. In the absence of a previously approved remuneration policy, if the Shareholders' Meeting does not approve the draft resolution, remuneration shall be determined in accordance with the remuneration assigned in the previous year, or, in the absence of remuneration assigned in the previous year, in accordance with existing practices within the Company.

"Say on Pay Ex Post"

Pursuant to the provisions of Article L. 22-10-9 paragraph I of the French Commercial Code, the Shareholders' Meeting is called to approve in the **eleventh resolution** the information mentioned in Article L. 22-10-9 paragraph I of the French Commercial Code. These items appear in the 2023 Universal Registration Document "Corporate governance report". Pursuant to the provisions of Article L. 22-10-34 of the French Commercial Code, the Shareholders' Meeting is called to approve in the **twelfth resolution**, the fixed, variable and exceptional components of the remuneration and benefits of any kind, paid in the past financial year or assigned in the same financial year to Christel Bories, Chair and Chief Executive Officer in respect of the 2023 financial year. These items appear in the 2023 Universal Registration Document "Corporate governance report".

Ninth resolution

(Approval of the remuneration policy applicable to the members of the Board of Directors – "Say on Pay Ex Ante")

Pursuant to the provisions of Article L. 22-10-8 and Article R. 22-10-14 of the French Commercial Code, the Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, approves the remuneration policy applicable to the members of the Board of Directors, as presented in the Company's corporate governance report described in Article L. 225-37 of the French Commercial Code and in the 2023 Universal Registration Document, section "Corporate governance report", paragraph 3.2.1.3.

Tenth resolution

(Approval of the remuneration policy applicable to Christel Bories, Chair and Chief Executive Officer – "Say on Pay Ex Ante")

Pursuant to the provisions of Article L. 22-10-8 and Article R. 22-10-14 of the French Commercial Code, the Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, approves the remuneration policy applicable to Christel Bories, Chair and Chief Executive Officer, as presented in the Company's corporate governance report described in Article L. 225-37 of the French Commercial Code and in the 2023 Universal Registration Document, section "Corporate governance report", paragraph 3.2.1.2.

Eleventh resolution

(Approval of the information mentioned in Article L. 22-10-9 paragraph I of the French Commercial Code – "Say on Pay Ex Post")

Pursuant to the provisions of Article L. 22-10-9 paragraph I and Article L. 22-10-34 of the French Commercial Code, the Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, approves the information mentioned in paragraph I of Article L. 22-10-9 of the French Commercial Code as presented in the Company's corporate governance report described in the last sub-paragraph of Article L. 225-37 of the French Commercial Code appearing in the 2023 Universal Registration Document, section "Corporate governance report", paragraphs 3.2.2.1, 3.2.2.2 and 3.2.2.3.

Twelfth resolution

(Approval of the fixed, variable and exceptional components of the total remuneration and the benefits of any kind paid or assigned in respect of the 2023 financial year to Christel Bories, Chair and Chief Executive Officer – "Say on Pay Ex Post")

Pursuant to the provisions of Article L. 22-10-34 of the French Commercial Code, the Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, approves the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or assigned in respect of the 2023 financial year to Christel Bories, Chair and Chief Executive Officer, as presented in the Company's corporate governance report described in Article L. 225-37 of the French Commercial Code appearing in the 2023 Universal Registration Document, section "Corporate governance report", paragraph 3.2.3.

The purpose of the **thirteenth resolution**, in the context of the provisions of Article L. 22-10-62 of the French Commercial Code, is to request authorisation from the Shareholders' Meeting to renew, in accordance with applicable laws and regulations, the Company's share buyback programme, using any and all means, including during a public offering. The maximum buyback amount is 10% of the capital and the maximum purchase price per share is €200. This resolution concerns the annual renewal of this authorisation. The main purpose of this authorisation is to allow the existing liquidity agreement to continue, and the employee bonus share plans to be implemented through the award of existing shares.

Thirteenth resolution

(Authorisation to act on the Company's shares)

The Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, after acknowledging the Board of Directors' report and the description of the Company's share buyback programme, using the option provided by Article L. 22-10-62 of the French Commercial Code, authorises the Board of Directors to purchase or arrange for the purchase of the Company's shares within the limit of 10% of the share capital, with a view to:

- supporting the share price via a liquidity agreement with a market maker, in accordance with the market practice accepted by the AMF;
- delivering shares upon the exercise of rights attached to marketable securities giving access to the share capital by redemption, conversion, exchange or otherwise;
- implementing any stock option plan of the Company pursuant to the provisions of Articles L. 225-177 et seq. and L. 22-10-56 et seq. of the French Commercial Code;
- granting bonus shares under the provisions of Articles L. 225-197-1 et seq. and L. 22-10-59 and L. 22-10-60 of the French Commercial Code;
- granting or transferring shares to employees with respect to their share in the benefits of the expansion of the Company, or the implementation of any employee savings plan under the conditions stipulated by the law, in particular, Articles L. 3332-1 et seq. of the French Labour Code;
- cancelling them, pursuant to a resolution authorising the reduction of the Company's share capital.

These shares may be purchased, disposed, transferred or exchanged by any and all means, on the market or over the counter, including as applicable, through derivatives and the maximum share may be acquired or transferred in the form of share blocks, which may comprise the entirety of the authorised share buyback.

They may also be made during a period of public offering if the purchase offer for the Company's securities is fully settled in cash.

The payment may be made as follows.

The maximum purchase price shall not exceed **€200** per share (or the equivalent value of the same amount on the same date in any other currency or monetary unit established by reference to several currencies).

This authorisation is given for a period ending with the Shareholders' Meeting called to approve the financial statements for 2024.

On the basis of the number of shares comprising the share capital at **31 December 2023**, the maximum theoretical investment, assuming a share price of **€200**, will be **€575,100,800**.

In order to ensure this resolution is executed, all powers are granted to the Board of Directors, which may delegate them for the purpose of:

- executing all stock exchange orders, entering into all agreements concerning in particular, keeping share purchase and sale registers;
- making all declarations to the French financial markets authority;
- assigning or reassigning the shares acquired to the different objectives pursued in accordance with the applicable laws and regulations;
- fulfilling all other formalities and, generally, doing whatever is needed.

The **fourteenth and fifteenth resolutions** concern the appointment of each of the Company's two statutory auditors, for the assurance engagement relating to sustainability information from the financial year beginning on 1 January 2024, in accordance with the new drafting of Articles L. 821-40 et seq. of the French Commercial Code, derived from Ordinance No. 2023-1142 of 6 December 2023.

The purpose of the **fourteenth and fifteenth resolutions** is to propose for the remainder of the term of engagement relating to the certification of the financial statements (i.e. three financial years) respectively:

- the appointment of KPMG, appointed as the Company's statutory auditor for the first time in 2015;
- the appointment of Grant Thornton, appointed as the Company's statutory auditor for the first time in 2021.

These appointments are proposed for the remainder of the term of engagement relating to the certification of the financial statements in order to ensure that the term of the latter coincides with the new assurance engagement relating to sustainability information, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the 2026 financial year and to be held in 2027.

Both firms have indicated that they accept these appointments and that they are not subject to any incompatibility of offices or prohibition that would prevent their appointment.

Fourteenth resolution

(Appointment of KPMG S.A. as statutory auditor responsible for the assurance engagement relating to sustainability information (consolidated information where applicable))

The Shareholders' Meeting, having satisfied the quorum and majority requirements for Ordinary Shareholders' Meetings, in accordance with Article L. 22-10-36 of the French Commercial Code, decides to appoint, as statutory auditor responsible for the assurance engagement relating to sustainability information (consolidated information where applicable), for three financial years, i.e. the remainder of the engagement relating to the certification of the financial statements, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the 2026 financial year and to be held in 2027:

- KPMG S.A. (775 726 417 RCS Nanterre),

it being specified that KPMG S.A. will be represented by a natural person meeting the conditions necessary to conduct the assurance engagement relating to sustainability information in accordance with the conditions set out in Article L. 821-18 of the French Commercial Code.

Fifteenth resolution

(Appointment of Grant Thornton as statutory auditor responsible for the assurance engagement relating to sustainability information (consolidated information where applicable))

The Shareholders' Meeting, having satisfied the quorum and majority requirements for Ordinary Shareholders' Meetings, in accordance with Article L. 22-10-36 of the French Commercial Code, decides to appoint, as statutory auditor responsible for the assurance engagement relating to sustainability information (consolidated information where applicable), for three financial years, i.e. the remainder of the engagement relating to the certification of the financial statements, i.e. until the Shareholders' Meeting called to approve the financial statements for the 2026 financial year and to be held in 2027:

- Grant Thornton (632 013 843 RCS Nanterre),

it being specified that Grant Thornton will be represented by a natural person meeting the conditions necessary to conduct the assurance engagement relating to sustainability information in accordance with the conditions set out in Article L. 821-18 of the French Commercial Code.

The **sixteenth resolution** relates to the advisory opinion on the climate strategy based on the new CSR Roadmap 2024-2026, in accordance with paragraph 5.4 of the AFEP-MEDEF Code.

Sixteenth resolution

(Advisory opinion on the Company's climate strategy)

The Shareholders' Meeting, having satisfied the quorum and majority requirements for Ordinary Shareholders' Meetings, after acknowledging the progress made in implementing the Company's sustainable development and energy transition goals as well as the new CSR roadmap, issues a favourable opinion on the climate strategy of the Company and its Group, as presented in the 2023 Universal Registration Document, Section "CSR Roadmap 2024-2026", paragraph 5.2.3.

Within the Authority of the Extraordinary Shareholders' Meeting

The purpose of the **seventeenth resolution** is to allow the Eramet Board of Directors to grant a number of shares not exceeding 790,000 existing bonus shares over a period of three years (from May 2024 to May 2027) under the following terms:

- to all employees of the Group (subject to local legal, accounting and tax provisions), grant of bonus shares not subject to performance conditions through the three-year Erashare programme;
- to members of the Group's management (approximately 315 people) (subject to local legal, accounting and tax provisions), grant of bonus shares, with the majority (or the entirety with respect to the Executive Committee, including the executive corporate officer) subject to performance conditions to be assessed over a period of three years.

The 790,000 bonus shares over a period of three years represent an annual allocation of 0.9% of the share capital as of 31 December 2023. The bonus shares granted will consist of existing shares.

The share of the maximum total amount that can be granted to executive corporate officers is 15%.

The performance conditions set out for the first year of use (in 2025) of this authorisation for the selective performance share plan will be as follows:

- the relative performance of the Eramet share for 25% of the share grant. This involves comparing the total shareholder return over a three-year period with that of a panel of comparable mining companies on the *Euromoney Global Mining Index*; the performance condition is only 100% achieved if the Eramet share is ranked between the first and twenty-fifth percentile of this panel;
- intrinsic EBITDA performance for 50% of the grant, at constant economic conditions with respect to the budget, with 100% achieved if the budget is met;
- intrinsic performance of achieving the CSR criteria of the CSR Roadmap over three years for 25% of the grant, with 100% of the performance conditions achieved if the criteria are 100% met. The results of the roadmap are published annually.

Seventeenth resolution

(Grant of bonus shares)

The Shareholders' Meeting, having satisfied the quorum and majority requirements for Extraordinary Shareholders' Meetings, after acknowledging the Board of Directors' report and the special report of the statutory auditors , authorises the Board of Directors to grant existing bonus shares, on one or more occasions, to eligible employees and executive corporate officers of the Company and companies related to it within the meaning of Article L. 225-197-2 of the French Commercial Code, in accordance with Articles L. 225-197-1 et seq. and L. 22-10-59 of the French Commercial Code.

The Shareholders' Meeting decides that the total number of shares that may be granted free of charge under this authorisation may not exceed 790,000 shares.

In accordance with regulations, this ceiling does not take into account additional shares to be issued or granted in order to protect the rights of the beneficiaries in the event of share capital transactions.

Shares granted pursuant to this authorisation may benefit, under the conditions stipulated by the law, the eligible executive corporate officers of the Company, provided that the full vesting of the shares is conditional on the achievement of one or more performance conditions determined by the Board of Directors at the time the grant is decided and that the number of shares does not exceed 15% of the ceiling indicated above.

For the executive corporate officers and beneficiaries of the "selective" plans, the shares will fully vest at the end of a minimum three-year vesting period. No minimum retention period will be imposed for the shares in question, such that the shares will be freely transferable upon their final vesting.

For the beneficiaries, other than executive corporate officers, of the "democratic" plans for all Group employees, the grant of shares will fully vest at the end of a minimum two-year vesting period. In addition, the beneficiaries may not transfer the shares granted to them under this authorisation for a minimum one-year period from the final vesting of the shares. However, the Shareholders' Meeting authorises the Board of Directors, insofar as the vesting period for all or part of one or more grants is at least three years, not to impose any retention period for the shares in question, such that the shares will be freely transferable upon their final vesting.

Notwithstanding the above, the grant of said shares to their beneficiaries will fully vest before the expiry of the above-mentioned vesting periods in the event of disability of their beneficiary corresponding to the second or third category set out in Articles L. 341-1 et seq. of the French Social Security Code and said shares will be freely transferable in the event of disability of the beneficiary corresponding to the above-mentioned categories of the French Social Security Code.

The bonus shares granted will consist of existing shares.

As the grant of bonus shares is within the remit of the Board of Directors, the Board will determine the identity of the beneficiaries of the share grants as well as the applicable conditions and, where appropriate, the criteria for granting the shares.

The Board of Directors may make use of this authorisation, on one or more occasions, for a period of thirty-eight months from this Meeting.

Within the Authority of the Ordinary Shareholders' Meeting

The **eighteenth resolution** allows the formalities involved in implementing the other resolutions voted by the Shareholders' Meeting to be fulfilled.

Eighteenth resolution
(Powers)

The Shareholders' Meeting, acting with the quorum and majority required for Ordinary Shareholders' Meetings, endows the bearer of any original, excerpt or copy of the minutes of this Shareholders' Meeting with full powers to carry out all the necessary filings or formalities.

8

ADDITIONAL INFORMATION

8.1 Persons responsible for the Universal Registration Document

8.1.1 Name and status of officials

Christel Bories

Chair and Chief Executive Officer of Eramet.

Nicolas Carré

Chief Financial Officer in charge of Group procurement and IT

8.1.2 Declaration by the persons responsible for the Universal Registration Document

We declare that, to the best of our knowledge, having taken all reasonable measures in this regard, the information in this Universal Registration Document is accurate and does not contain any omission that could affect its scope.

We certify that, to the best of our knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the financial position and results of the Company and of all the companies included in the consolidation, and that the management report (presented in the Integrated Report, and in Chapters 1 "Activities", 2 "Financial Statements", 3 "Corporate governance", 4 "Risk management", 5 "Non-financial performance statement", and 6 "Eramet and its shareholders") faithfully reflects the changes in the business, earnings and the financial position of the Company and all of the companies included in the basis for consolidation, while presenting the main risks and uncertainties faced by them.

Signed in Paris, on 10 April 2024

Nicolas Carré	Christel Bories
Chief Financial Officer in charge of Group procurement and IT	Chair and Chief Executive Officer

8.2 Statutory Auditors

The Company's corporate and consolidated financial statements are audited by the Auditors listed below:

8.2.1 Standing Statutory Auditors

Grant Thornton

Address: 29, rue du Pont – 92200 Neuilly-sur-Seine, France, 632 013 843 RCS Nanterre.

Partner in charge of audit: Jean-François Baloteaud.

Date of appointment: Shareholders' Meeting of 28 May 2021.

Term expiry date: Shareholders' Meeting called in 2027 to approve the 2026 financial statements.

KPMG S.A.

Address: Immeuble Tour EQHO – 2, avenue Gambetta – CS 60055 92066 – Paris La Défense Cedex, 775 726 417 RCS Nanterre.

Partner in charge of audit: Michel Piette.

Date of appointment: Shareholders' Meeting of 29 May 2015.

Renewal date: Shareholders' Meeting of 28 May 2021

Term expiry date: Shareholders' Meeting called in 2027 to approve the 2026 financial statements.

8.3 Financial information – Available documents

8.3.1 Name of Information Officer

Head:	Sandrine Nourry-Dabi
Position:	Director of Investor Relations
Address:	Eramet 10, boulevard de Grenelle – CS 63205 75015 Paris Telephone: +33 (0) 1 45 38 37 02

8.3.2 Communication methods

Frequency: in accordance with regulations, Eramet publishes its annual and interim results and releases its quarterly turnover.

Information release: in addition to legal publication in financial publications, press releases and all regulated financial information are made available to the public on the Company's website (http://www.eramet.com – in the Investors section) and released in accordance with AMF regulations.

The Articles of Association, minutes of AGMs, Company and consolidated financial statements, reports by the auditors and all documents made available to shareholders can be consulted at the Company's headquarters.

All data indicated in this document for which no source is specifically indicated is from the Company's internal reporting and data.

Copies of all documents included in this Universal Registration Document may be viewed on the Eramet website (http://www.eramet.com) or consulted by making a request to the Company's Director of Legal Affairs at its headquarters.

During an embargo period (quiet period) of 15 calendar days before the quarterly turnover publications or annual or interim results, the Company refrains from contact with analysts, investors or brokers who operate both in securities and credit.

9

APPENDICES

9.1 Concordance table with the annual financial report

This Registration Document contains all the information required in annual financial reports pursuant to Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulations of the AMF.

In order to facilitate the reading of this annual financial report, the concordance table below identifies the sections contained herein.

No.	Information in the annual financial report	Reference(s)	Page(s)
1	Statement by management on the accuracy of the information		504
2	Consolidated financial statements	2.1	116
3	Statutory Auditors' report on the consolidated financial statements	2.1	192
4	Financial statements of the parent company	2.2	197
5	Statutory Auditors' report on the annual financial statements	2.2	222
6	Management report	See management report reconciliation table	
7	Fees of the Statutory Auditors	2.1 (Note 17)	186
8	Report by the Board of Directors on Corporate Governance attached to the management report	Chapter 3	233

9.2 Management report reconciliation table

The reconciliation table below identifies the main sections required by the French Commercial Code (CC), the French Monetary and Financial Code (CMF), the French General Tax Code (CGI) and the AMF's General Regulations (RGAMF).

	Reference text	Reference(s)	Pages
ACTIVITY			
Major events after the reporting date	L. 232-1-II CC	Note 18 – Consolidated financial statements	187
Foreseeable outlook	L. 232-1-II CC	Integrated Report	51
Results of subsidiaries and companies controlled, by areas of activity	L. 233-6 CC	1.2.1.1; 1.2.2.1; 1.2.3.1; 1.2.4.1	55, 67, 79, 86
Research and development	L. 232-1-II CC	1.5	101
Description of the main risks and uncertainties	L. 225-100-1-I-(3) CC	Chapter 4	287
Group policy on the management of financial risks, exposure to price, credit, liquidity and cash risk	L. 225-100-1-I CC	2.1 – Note 9	146
Analysis of business developments, results and the financial position of the Company in the course of the year	L. 225-100-1-I-(1) CC	Integrated Report	26
Stakes or controlling interests in companies based in France	L. 233-6 CC	2.1 – Note 19	187
Information on supplier payment terms	D. 441-4 CC	2.2	229
Table of the financial results of the Company over the past five years	R. 225-102 CC	2.2	228
Reincorporation of general costs and sumptuary expenses	CGI, Art. 223 (c) and (d)	N/A	

	Reference text	Reference(s)	Pages
LEGAL INFORMATION AND INFORMATION CONCERNING SHAREHOLDER STRUCTURE			
Sum of dividends paid out over the last three financial years	CGI, Art. 243 (a)	Chapter 7 (fifth resolution)	494
Identity of shareholders with more than 5% of equity	L. 233-7 CC	6.2.2.2	479
Employee shares held on the last day of the year	L. 225-102 CC	6.2.2.2	479
Information on share buybacks during the year – treasury shares	L. 225-211 CC	6.2.5	480
Table summarising valid authorisations granted to the Board by the Shareholders' Meeting concerning share capital increases, and the use made of these authorisations during the year	L. 225-37-4-3° CC	6.2.4	480
Elements likely to have an impact in the event of a public offer	L. 22-10-11 CC	6.3.13	485
INFORMATION PROVIDED FOR IN ARTICLES L. 225-102-1 AND L. 22-10-36 OF THE FRENCH COMMERCIAL CODE – NON-FINANCIAL PERFORMANCE DECLARATION			
1/ The Group's CSR issues and approaches	**R. 225-105 CC**	**5.1**	**326**
2/ Environmental protection	**R. 225-105 CC**	**5.2**	**340**
Issues,	R. 225-105 CC	5.2.1	340
Sound environmental management	R. 225-105 CC	5.2.2	342
Climate change	R. 225-105 CC	5.2.3	348
Prevention of pollution	R. 225-105 CC	5.2.4	363
Mining tailings and waste-rock management	R. 225-105 CC	5.2.5	367
Water and marine resources	R. 225-105 CC	5.2.6	368
Rehabilitation of mining sites	R. 225-105 CC	5.2.7	374
Biodiversity and ecosystems	R. 225-105 CC	5.2.8	377
Use of resources and circular economy	R. 225-105 CC	5.2.9	390
3/ Social and societal commitments	**R. 225-105 CC**	**5.3**	**395**
Commitments to human rights	R. 225-105 CC	5.3.1	395
Social commitments to employees	R. 225-105 CC	5.3.2	402
Employee safety	R. 225-105 CC	5.3.2.1	403
Employee health	R. 225-105 CC	5.3.2.2	405
Employee security	R. 225-105 CC	5.3.2.3	407
Promotion and development of employees	R. 225-105 CC	5.3.2.4	408
Social indicators	R. 225-105 CC	5.3.2.5	420
Commitments to communities	R. 225-105 CC	5.3.3	424
Impact management and risk prevention for local communities	R. 225-105 CC	5.3.3.2	427
Dialogue with local communities	R. 225-105 CC	5.3.3.3	430
Contribution to the development priorities of communities	R. 225-105 CC	5.3.3.4	432
4/ Business ethics	**R. 225-105 CC**	**5.4**	**440**
Ethics, Compliance and Anti-Corruption	R. 225-105 CC	5.4.1	440
Responsible value chain (purchasing, sales)	R. 225-105 CC	5.4.2	448
Responsible interest representation	R. 225-105 CC	5.4.3	452
Combating tax avoidance	R. 225-105 CC	5.4.4	453
Governance of the Sustainable Development of industrial and mining projects	R. 225-105 CC	5.4.5	454

9.3 Corporate governance report reconciliation table

French Commercial Code (CC), AFEP-MEDEF code (CAM)	Reference text	Reference(s)	Pages
ITEMS RELATING TO GOVERNANCE			
Terms of office and functions of members of the Board of Directors and General Management – start and expiry dates of directors' terms of office	L. 225-37-4-(1) CC – Art. 15.3 CAM	3.1.1.2	237
Agreements between a corporate officer or shareholder holding more than 10% of the voting rights and a subsidiary (excluding current agreements)	L. 225-37-4-2° CC	2.2 (Statutory auditors' special report)	226
Summary of financial authorisations	L. 225-37-4-3° CC	6.2.4	480
Terms of exercise of General Management	L. 22-10-10-3° CC	3.1.2	264
Composition of the Board and its Committees and conditions for preparing and organising their work	L. 22-10-10-(1) CC	3.1.1	235
Number of meetings of the Board and its Committees and directors' attendance	Art. 12-1 CAM	3.1.1.6	257
Assessment of the Board of Directors	Art. 11-3 CAM	3.1.1.7	259
Independence of directors	Art. 10-5 CAM	3.1.1.9	260
Diversity policy applicable to members of the Board of Directors	L. 22-10-10-2 CC	3.1.1.9	260
Limitations to the powers of the Chief Executive Officer	L. 22-10-10-3° CC	3.1.2.3	265
Standard corporate governance code	L. 22-10-10-(4) CC	3.1.1.9 (1st paragraph)	260
Special provisions concerning the shareholders' attendance at the Shareholders' Meeting	L. 22-10-10-(5) CC	3.1.3.3	265
Procedures for assessing current agreements concluded under normal conditions	L. 22-10-10-(6) CC	3.1.3.1	265
ITEMS RELATING TO REMUNERATION			
Remuneration policy for corporate officers (*ex ante* vote)	L. 22-10-8-I CC	3.2.1	266
Remuneration and benefits paid in the past financial year (*ex post* vote)	L. 22-10-9-I CC	3.2.2.1	274
Relative proportion of fixed and variable remuneration	L. 22-10-9-I CC	3.2.2.1	274
Return of variable remuneration	L. 22-10-9-I CC	3.2.1.2	269
Commitments of any kind made by the Company during the financial year for the benefit of its corporate officers, corresponding to remuneration items, remuneration or benefits due or likely to be due as a result of the assumption of their duties, the termination of their duties, or subsequent to them	L. 22-10-9-I CC	3.2.1.2	269
Obligation for corporate officers to keep stock options or bonus shares	L. 225-197-1 and L. 22-10-59 CC	3.2.1.2.b (iii)	270
Remuneration differences (ratios) between corporate officers and employees	L. 22-10-9-I CC	3.2.2.2	280
Annual changes in remuneration over the last five financial years	L. 22-10-9-I CC	3.2.2.2	280
Compliance with the applicable remuneration policy	L. 22-10-9-I CC	3.2.2.1; 3.2.2.3	274, 281
Consideration of the vote of the last Ordinary Shareholders' Meeting on the remuneration policy (*ex ante* vote)	L. 22-10-9-I CC	3.2.2.1; 3.2.2.3	274, 281
Deviation and exemption from the remuneration policy implementation procedure	L. 22-10-9-I CC	3.2.2.1; 3.2.2.3	274, 281
Suspension/restoration of directors' remuneration for lack of gender diversity	L. 225-45 para. 2 CC	3.2.2.3	281

French Commercial Code (CC), AFEP-MEDEF code (CAM)	Reference text	Reference(s)	Pages
ITEMS LIKELY TO INFLUENCE A PUBLIC OFFERING			
Composition of shareholding structure and changes during the year	L. 233-13 CC	6.2.2	478
Table summarising valid authorisations concerning share capital increases and the use made of these authorisations during the year	L. 225-37-4, (3) CC	6.2.4	480
Statutory restrictions on the exercise of voting rights and share transfers, or clauses in known agreements	L. 22-10-11 CC	6.3.11	484
Shareholdings in the Company's capital	L. 22-10-11 CC	6.2.2	478
Holders of securities with special control rights	L. 22-10-11 CC	N/A	
Control mechanisms provided for in an employee shareholding system	L. 22-10-11 CC	N/A	
Agreements between shareholders	L. 22-10-11 CC	6.4	486
Rules governing the appointment/replacement of Board members – amendments to the articles of association	L. 22-10-11 CC	6.4	486
Powers of the Board	L. 22-10-11 CC	3.1.2.3	265
Agreements amended/terminated in the event of a change in control	L. 22-10-11 CC	6.3.13	485
Information that is likely to have an impact in the event of a public offer	L. 22-10-11 CC	6.3.13	485

9.4 Reconciliation table with Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129

The following reconciliation table identifies the main sections required under Annexes 1 and 2 of Delegated Regulation (EU) 2019/980 of 14 March 2019, implementing Regulation (EU) 2017/1129 of 14 June 2017.

	Information	References	Pages
1	**Persons responsible**		
1.1	Identification of persons responsible	8.1	504
1.2	Statement of responsible persons	8.1	504
1.3	Expert declaration or report	N/A	
1.4	Third-party testimonial	N/A	
1.5	Declaration without prior approval	AMF insert	1
2	**Statutory Auditors**		
2.1	Information on Statutory Auditors	8.2	504
2.2	Changes	8.2	504
3	**Risk factors**	**Chapter 4**	**287**
4	**Information concerning the issuer**		
4.1	Company name	6.3.1	482
4.2	Place of registration, registration number, LEI	6.3.2	482
4.3	Date of incorporation and duration of the Company	6.3.3	482
4.4	Registered office, legal form, legislation governing the Company's activities, country of incorporation, address of statutory head office, website	6.3.4; 6.3.5	482
5	**Overview of activities**		
5.1	Main activities	Integrated Report	36
5.1.1	Main products sold or services provided	Integrated Report	36
5.1.2	Any major new product or service under development or recently launched	Integrated Report	17
5.2	Main markets (with total revenues broken down by activity type and geographic market for each financial year)	2.1 (Note 5)	128
5.3	Important events in the development of the issuer's activities	2.1 (Note 2)	123

Reconciliation table with Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129

	Information	References	Pages
5.4	Strategy and objectives (both financial and otherwise), taking account of the outlook and future challenges	Integrated Report	17
5.5	Dependence on patents or licences, or industrial, commercial or financial agreements, if this impacts the issuer's activities or profitability	1.3.1 (legal titles)	93
5.6	Information upon which any declaration by the issuer concerning their competitive position is based	1.2.1.2.3; 1.2.2.2.3; 1.2.3.2.1; 1.2.4.2.2	58, 71, 80, 87
5.7	Investments		
5.7.1	Description and amount of important investments	1.2.1.3.3; 1.2.2.3.3; 1.2.3.4	66, 78, 85
5.7.2	Description of current investments and how they have been financed (internal or external sources of funding)	1.2.1.3.3; 1.2.2.3.3; 1.2.3.4	66, 78, 85
5.7.3	Information regarding joint ventures in which the issuer holds a portion of the capital likely to have a significant impact on the value of its assets and liabilities, its financial position or its outcomes	1.7	111
5.7.4	Environmental issues which may have a bearing on the use of Company property, plant and equipment	5.2	340
6	**Organisational structure**		
6.1	Brief overview of the Group to which the issuer belongs (organisation chart)	1.7	111
6.2	List of important subsidiaries	1.7	111
7	**Review of financial position and results**		
7.1	Financial position	Integrated Report	26
7.1.1	Review of shifts in activities and key indicators	Integrated Report	8
7.1.2	Probable future shifts in R&D activities	Integrated Report	17
7.2	Operating revenue		
7.2.1	Important factors influencing the operating revenue	Integrated Report	26
7.2.2	Explanations for major changes in turnover or net revenue	Integrated Report	26
8	**Cash and equity**		
8.1	Short- and long-term capital	2.1 (Note 8)	138
8.2	Cash Flow	2.1 (table 3)	118
8.3	Funding requirements and structure	2.1 (Note 8)	138
8.4	Potential restrictions on capital use	2.1 (Note 8)	138
8.5	Sources of financing	2.1 (Note 8)	138
9	**Regulatory framework**		
	Description of the regulatory framework which may have a significant impact on activities, making mention of any factor – be it administrative, economic, budget-related, monetary or political – that has influenced or may significantly influence the issuer's activities, either directly or indirectly	1.3.1 (legal titles)	93
10	**Information on trends**		
10.1	Trends affecting production, sales and costs between year's end and the document date	Integrated Report	51
10.2	Any likely influencing factor	Integrated Report	51
11	**Projected or estimated profit**		
11.1	Assumptions	N/A	
11.2	Declaration as to assumptions	N/A	
11.3	Declaration as to comparability of projections or estimations	N/A	
12	**Administrative, management and supervisory bodies and General Management**		
12.1	Information on members	3.1.1.2	237
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13	**Remuneration and benefits**		
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	Information	References	Pages
14	**Functioning of the administrative and management bodies**		
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14.3	Committees (composition and duties)	31.1.3; 3.1.1.6	255, 257
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17	**Related-party transactions**	**2.1 (Note 15)**	**183**
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18.4	Pro-forma financial information	N/A	
18.5	Dividend distribution policy	2.4	230
18.6	Judicial and arbitration proceedings	2.1 (Note 14)	180
18.7	Significant alteration of financial position	N/A	
19	**Additional information**		
19.1	Share capital		
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19.1.3	Treasury shares	6.2.5	480
19.1.4	Convertible or exchangeable securities, or securities with subscription warrants	6.2.3	480
19.1.5	Acquisition conditions for authorised capital not issued	N/A	
19.1.6	Options or agreements regarding the capital of a Group company	6.4	486
19.1.7	Share capital history for the financial year	6.2	477
19.2	Memorandum and Articles of Association		
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20	**Important contracts (other than those struck in the normal course of activities)**	**N/A**	
21	**Available documents**	**8.3**	**505**

9.5 Concordance table with the Global Compact principles – Eramet COP

In the context of the commitments made by Eramet as a signatory to the UN's Global Compact, each year, the Group publishes its Progress Report. Accordingly, Eramet publishes information on its contribution to the Global Compact principles, through its Non-Financial Performance Statement and its Vigilance Plan. These two annual publications allow Eramet to reflect the policies, actions and results which the Group implements as part of its approach to CSR.

UN GLOBAL COMPACT
NOUS SOUTENONS LE PACTE MONDIAL

Ceci est notre Communication sur le Progrès sur la mise en œuvre des principes **du Pacte mondial des Nations Unies.**

Nous apprécions vos commentaires sur son contenu.

Global Compact Principles	Eramet DPEF	Eramet Vigilance Plan
HUMAN RIGHTS	5.3.1 Commitment to human rights 5.3.2 Social commitments to employees 5.3.3 Commitments to communities	4.6.3 Mapping of risks of human rights violations 4.6.4 Actions to manage human rights risks 4.6.5 Identification, assessment and management of risks related to suppliers and subcontractors
INTERNATIONAL LABOUR STANDARDS	5.3.2 Social commitments to employees	4.6.3 Mapping of risks of harm to human health and safety 4.6.4.4 Actions to manage risks of harm to human health and safety 4.6.5 Identification, assessment and management of risks related to suppliers and subcontractors
ENVIRONMENT	5.2 Environmental protection	4.6.3 Environmental risk mapping 4.6.4.1 Actions to manage environmental risks 4.6.5 Identification, assessment and management of risks related to suppliers and subcontractors
FIGHT AGAINST CORRUPTION	5.4.1 Ethics, Compliance and Anti-Corruption	/

9.6 Glossary

Financial Glossary

Consolidated performance indicators

The consolidated performance indicators used for the financial reporting of the Group's results and economic performance and presented in this document are restated data from the Group's reporting and are monitored by the Executive Committee.

Turnover at constant scope and exchange rates

Turnover at constant scope and exchange rates corresponds to turnover adjusted for the impact of the changes in scope and the fluctuations in the exchange rate from one financial year to the next. The scope effect is calculated as follows: for the companies acquired during the financial year, by eliminating the turnover for the current period and for the companies acquired during the previous period by integrating, in the previous period, the full-year turnover; for the companies sold, by eliminating the turnover during the period considered and during the previous comparable period. The exchange rate effect is calculated by applying the exchange rates of the previous financial year to the turnover for the financial year under review.

Adjusted turnover

Adjusted turnover is presented to provide a better understanding of the underlying operating performance of the Group's activities. Adjusted turnover corresponds to turnover, including Eramet's share in the revenues of material joint ventures accounted for by the equity method in the Group's financial statements, restated for the offtake of all or part of the activity if applicable;

On 31 December 2023, turnover was adjusted to include the contribution of PT Weda Bay Nickel, a company in which Eramet holds an indirect shareholding of 38.7%. The Group holds a 43% stake in Strand Minerals Pte Ltd, the holding company that holds 90% of PT Weda Bay Nickel, which is recognised in the consolidated financial statements using the equity method. An off-take agreement for nickel ferroalloy (NPI) production is in place with Tsingshan, with Eramet holding 43% and Tsingshan 57%.

A reconciliation with the Group's turnover is provided in Note 3 of the Group's Consolidated Financial Statements.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)

Earnings before financial income and expenses and other operating income and expenses, income tax, provisions for liabilities and charges, and depreciation, amortisation and impairment of property, plant and equipment and tangible and intangible assets.

Adjusted EBITDA

Adjusted EBITDA is presented to provide a better understanding of the underlying operating performance of the Group's activities. Adjusted EBITDA is EBITDA including Eramet's share in the EBITDA of significant joint ventures accounted for by the equity method in the Group's financial statements.

On 31 December 2023, EBITDA was adjusted to include the proportional EBITDA of PT Weda Bay Nickel, a company in which Eramet holds an indirect shareholding of 38.7%. The Group holds a 43% stake in Strand Minerals Pte Ltd, the holding company that holds 90% of PT Weda Bay Nickel, which is recognised in the consolidated financial statements using the equity method.

A reconciliation with the Group's EBITDA is provided in Note 3 of the Group's Consolidated Financial Statements.

Adjusted leverage

Adjusted leverage is defined as the ratio of net debt (on a consolidated basis) to adjusted EBITDA (as defined above), given that PT Weda Bay had no external debt in 2022 or 2023.

However, in the future, if other significant joint ventures restated in the adjusted EBITDA were to carry external debt, the net debt would be adjusted to include Eramet's share of the external debt of these joint ventures ("adjusted net debt"). Adjusted leverage would then be defined as adjusted net debt over adjusted EBITDA, in line with adopting a fair and economic approach to Eramet's debt.

Manganese ore activity

Manganese ore activity corresponds to Comilog's mining activities (excluding the activity of the Moanda Metallurgical Complex, "CMM", which produces manganese alloys) and Setrag's transportation activities.

Manganese alloys activity

The manganese alloys activity corresponds to the plants that process manganese ore into manganese alloys, and includes the three Norwegian plants comprising Eramet Norway ("ENO", i.e. Porsgrunn, Sauda and Kvinesdal), Eramet Marietta ("EMI") in the United States, Comilog Dunkerque ("CDK") in France and the Moanda Metallurgical Complex ("CMM") in Gabon.

Manganese ore FOB cash cost

The FOB ("Free On Board") cash cost of manganese ore is defined as all production and overhead costs (R&D including exploration geology, administrative expenses, sales expenses, overland transport expenses), which cover all stages of ore extraction through to shipping to the port of shipment and loading, and which impact the EBITDA in the company's financial statements, over tonnage sold for a given period. This cash cost does not include sea transport or marketing costs. However, it does include the mining taxes and royalties paid to the Gabonese government.

SLN's cash cost

SLN's cash cost is defined as all production and overhead costs (R&D including exploration geology, administrative expenses, logistical and commercial expenses), net of by-products credits (including exports and nickel ore) and local services, which cover all the stages of industrial development of the finished product until delivery to the end customer and which impact the EBITDA in the company's financial statements, over tonnage sold

Ex-works cash cost of lithium carbonate

The Ex-Works cash cost of lithium carbonate produced by Eramine is defined as all the production and overhead costs covering all the extraction and refining stages required to obtain the final product on leaving the plant, and which have an impact on EBITDA in the company's individual financial statements, in relation to the tonnage sold for a given period. This cash cost does not include land and sea transport costs, mining taxes and royalties paid to the Argentine government, or marketing costs.

Financial glossary consolidated financial statements

(See Chapter 2.)

Technical glossary

Dmtu *(dry metric tonne unit)*

One dmtu corresponds to 10 kg of manganese content.

Pound (lb)

The pound is a unit of mass equal to exactly 0.45359237 kilogrammes. The mass value in pounds should be multiplied by 2,204.6 to calculate the equivalent in metric tonnes.

Processes

Acid leaching

Exploitation of nickel oxide ores (laterites) by dissolving them in acid.

Electroplating

The process of forming a metal coating using electrochemistry on a metallic or non-metallic surface.

HPAL (High Pressure Acid Leach) process

This process is generally used to extract nickel and cobalt from laterite ore. It consists of using pressure, high temperatures and sulphuric acid to dissolve or leach the metals.

Hydrometallurgy

Reduction of metal oxides and separation of metal from oxide by chemical means (dissolution, solvent-based extraction, electrolysis).

Ore enrichment

Used by Société Le Nickel (SLN), this innovative technology is capable of increasing ore content – by sorting matter by particle size distribution and density – so that a greater proportion of the deposit can be exploited, thereby increasing the life span of the resource reserves.

Pyrometallurgy

Reduction of metal oxides and separation of metals from their oxides by melting (blast furnace or electric furnace).

Value in use

Value in use corresponds to the difference in economic value between two products, obtained in specific conditions of use.

Products

Leucoxene

A heavy mineral whose composition is between those of ilmenite and rutile.

Manganese

Used in alloys (such as ferromanganese and silicomanganese), this metal is used in the composition of steel in a proportion of between 6% and 7%. It improves the product's hardness, abrasion resistance, elasticity and surface state during rolling. It is also used in production processes for deoxidation/desulphurisation. Other applications: chemistry, cells and batteries, electronic circuits, fertiliser, hardening agent for aluminium.

Nickel

An essential element in alloys, this metal provides steel with numerous properties, which vary depending on nuances: resistance to atmospheric corrosion in combination with chromium (stainless steel), resistance to high temperatures, ductility, mechanical strength, electrical resistivity, magnetic properties. Nickel can be recycled indefinitely.

Primary nickel

Differs from secondary nickel which comes from the recycling of stainless steel.

Rutile

Natural titanium dioxide (TiO_2).

Risk management glossary

Criticality (of a risk)

The criticality of a risk is the assessment of the degree of seriousness of that risk, weighted by the estimated probability of that risk occurring. Criticality may be high, medium or low.

Risk

"A risk is the threat that an event, action or lack of action could significantly impact on:

- our ability to achieve our objectives and discharge our duties;
- our ability to detect development opportunities, in any and all areas, connected to our activity;
- the principal assets which are the fundamentals for our activity (be they tangible or intangible, financial, human resources, image, etc.);
- a critical process for our activity;
- the Eramet Group's ability to comply with its values, ethics and the laws and regulations in force."

Design and production

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