

ESSENTIALS

CSR





Editorial

Faced with a climate emergency and an unprecedented health crisis, our world is at a turning point.

What is at stake? If not the future of the planet, at least the quality of life of the next generations. States, companies, citizens, we all have a responsibility to get involved in this historic shift. As a major player in the mining and metallurgical industry, Eramet is inevitably and consciously on the front line.

Tomorrow's industry will be exemplary in terms of corporate social responsibility... or it won't be. This conviction is at the root of the profound transformation carried out by the Group in recent years. Corporate social responsibility is now at the heart of every decision we make and every project we undertake. Strategy, management, digital: only a complete change of model will enable us to become a reference in the responsible transformation of the Earth's mineral resources for living well together, our Purpose.

This brochure shows how far the Group has come in terms of CSR. It does not propose a catalog of declarations, but concrete achievements. A progress report in relation to the targets we have set ourselves. It is not the time for grand speeches but for action.

Christel Bories

CEO and Chair of the Eramet group



About us

With operations in 20 countries around the world, Eramet is a major player in the beneficiation of ores and metals, as well as in the production and transformation of high-performance alloys. Fully committed to the energy transition, the Group aims to become a reference in the responsible transformation of the Earth's mineral resources for living well together.

With exceptional mines and metallurgical plants with historic know-how, the Group is the world's 1st producer for both high-grade ferronickel and manganese alloys, the world's 2nd largest producer of high-grade manganese ore and the 4th largest producer of zircon. Eramet also has recognized expertise in the development and processing of high added-value alloys such as high-speed steels, high-performance steels, superalloys, and aluminum or titanium alloys. The Group's clients include leaders in the steel, stainless steel, aerospace, pigment manufacturing

and energy production industries, along with developers of new generations of batteries.

Driven by an in-depth transformation, Eramet has clearly defined ambitions: to become a strategic player in the energy transition. This involves strong commitments in social, societal and environmental matters, but also innovation, particularly digital innovation, to transform its know-how and the way it approaches its businesses. From the mine to the products, from impact studies to recycling, each step of the value chain is optimized.

13,129
employees

36
mining and
industrial sites

3.553
million in revenue*

*2020 figures

Our commitments

Ethics, compliance, responsible resource management: in the face of social and environmental emergencies, Eramet is committed to meeting the most demanding international CSR standards.

More than ever, our world and our societies appear vulnerable. In this particular context, marked by a global crisis and the weakening of resources, the major industrial groups - especially those in the mining and metallurgical sectors - must assume their share of the responsibility.

Active on five continents, Eramet wishes to promote transparency and the implementation of the best international standards in its areas of activity. This is why the Group has chosen to join the Extractive Industries Transparency Initiative (EITI) and to become a partner member of the Responsible Minerals Initiative (RMI) to contribute to the improvement of best practices in the responsible sourcing of metals.

More broadly, Eramet's actions are in line with recognized approaches. With its subsidiaries, the Group is particularly committed to providing concrete responses to the Sustainable Development Goals (SDGs), the priorities defined by the United Nations for a better and more sustainable future for all. Similarly, Eramet has joined the Global Compact, one of the main mechanisms initiated by the UN to support companies' voluntary commitments.

On the most material subjects, the Group affirms its commitments through a number of policies and dedicated charters. For example: Ethics Charter, Environmental Responsibility Policy, Safety Policy, Human Rights Policy, etc. (to be found on our website).

THE KEY ROLE OF STAKEHOLDERS

Eramet believes that the effectiveness and sustainability of its projects depend on the quality of the links forged with all its stakeholders. The Group is therefore committed to systematically implementing a partnership approach with governments, elected officials, international donors, contractors, local communities and civil society (see pages 16-17). This is one of the essential conditions for our right to operate.



Main industrial sites



Eramet Marietta (USA)



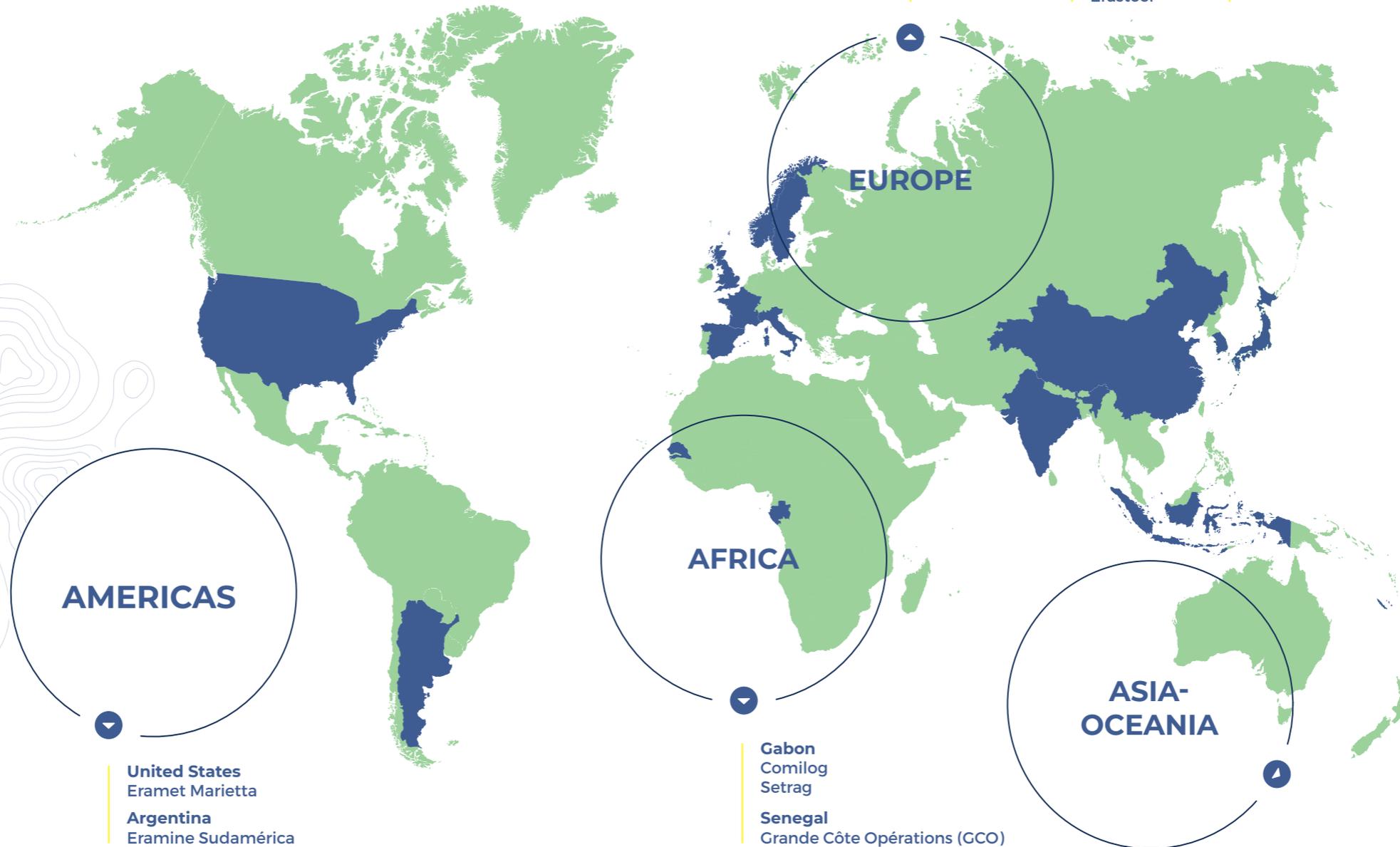
Eramine Sudamérica (Argentina)



GCO (Senegal)



Comilog (Gabon)



Aubert & Duval (France)



Eramet Norway (Norway)



SLN (New Caledonia)

China
Erasteel

India
Aubert & Duval

New Caledonia
Société Le Nickel (SLN)

Indonesia
Weda Bay Nickel

Interview with Virginie de Chassey, Director of Sustainable Development and Corporate Responsibility at Eramet



“
CSR is a key factor
of our performance ”

A quick word about the health crisis that marked the beginning of this new decade. How did Eramet manage this period?

The Group first took urgent action to protect the health of its employees by implementing a very strict health protocol on all its sites. We then quickly adopted a solidarity plan: an exceptional allocation of €1.5 million was released and €8.5 million from the Community investment budget were reallocated to actions to fight the pandemic. In addition, all over the world, our employees have carried out solidarity initiatives, whether by donating materials and equipment or by providing food to vulnerable people. In this difficult period, the teams demonstrated their agility, their fighting spirit and great solidarity.

Is it really credible for an industrial group to adopt a sustainable development approach?

We have no choice! It would be a recipe for disaster otherwise: there are plenty of examples of companies that have been challenged for not having got the measure of the subject. Having a solid CSR approach is a key performance factor. And it is also makes a company more attractive. Our young people no longer want to work in groups that are not committed to preserving our planet. And in our case, it is simply our right to operate that is at stake. We have therefore made concrete commitments, formalized in our CSR roadmap. With measurable short-term objectives, precise indicators and an annual publication. All of this provides concrete evidence of our commitments.

Where did you start?

With the men and women of the Group! We can't do anything without them. We must improve their daily work lives in order to implement all the conditions allowing them to become actors of change. Health, development, dialog, quality of life... we are working on all these aspects. But our number one priority is their safety. In 2020, we were able to reduce the number of accidents by 24%. However, this

progress, for which we owe a great deal to the site teams, is still not enough. In addition to our employees, the populations around our sites must be able to benefit from the positive impact of our activity. This is why in 2020, beyond jobs, purchasing, duties and local taxes, we invested €21.4 million in actions that contribute to health, education or training.

How do you reconcile environment and industry?

We continue to evolve our ecosystem. Our efforts have resulted in several significant advances in 2020, such as a 25% reduction in our CO₂ emissions per ton produced, a 56% reduction in our air emissions, and an equal share of rehabilitated mining areas and cleared areas. These advances earned us a 3rd place ranking out of 43 companies on the Mines & Metals panel by the Vigeo-Eiris agency in 2019. Similarly, ISS ESG awarded us the "Prime" status in 2020, underlining that our ESG (environment, social and governance) performance is higher than average for companies in the sector. The Wall Street Journal also ranked Eramet in its top 100 best-managed companies in terms of sustainability!

In concrete terms, how do you measure the progress of your objectives?

We started by mapping all our risks with the help of customers, suppliers, NGOs, associations, etc. All the subjects that enable us to make a positive, real change are translated into actions with KPIs. Each year, we measure our CSR performance index. In 2020, it is 102: most of the year's objectives have been achieved, and half have even been exceeded.

“
Our goals are
ambitious, but
it is absolutely
essential that
we achieve
them.”

What are your priorities for 2021?

Hand in hand with the populations around us, we want to maximize our positive impact: developing education and supporting entrepreneurship and the local economy. And always pay the utmost attention to the environment and biodiversity. Our sector is still very male-dominated, and we have a goal to increase the number of women: more gender diversity means more creativity and therefore better performance. With Eramet's purpose, our CSR roadmap sets a course for the entire company. Our goals are ambitious, but it is absolutely essential that we achieve them.



Our CSR roadmap

Eramet implemented a CSR roadmap in 2018, focusing on 3 areas and 13 objectives to be achieved by 2023. Aligned with the Sustainable Development Goals (SDGs) defined by the United Nations, this roadmap constitutes a precise program that guides the Group in the realization of its societal and environmental ambitions.

Performance legend : ● Performance without progress and less than the annual milestone set.
 ● Performance with progress compared with the previous year but less than the annual.
 ● Performance in line with the annual milestone set.
 ● Performance exceeding the annual milestone set.

Objective	KPI 2023	2020 results	Annual performance
1 Ensure the Health and Safety of employees and subcontractors	Zero fatalities Workplace accident frequency rate with and without work stoppage FR2 < 4	FR2 = 4.1 4 serious accidents	●
2 Build skills and promote talent and career development	100% of Worldwide employees participate in at least one training courses per year	67% of employees	●
3 Strengthen employee engagement	Group employee engagement rate > 75% (barometer)	2020 survey postponed	●
4 Integrate and foster the richness of diversity	30% of managers are women	24.7%	●
5 Be a valued and contributing partner to our host communities	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 mining sites have a complaints management mechanism compliant with IFC expectations	●



Commitment to people

2020: A CSR INDEX OF 102

To ensure that its objectives are met, Eramet has opted for a very practical approach. This is why we have set up a CSR performance index which, each year, measures the overall average progress of the roadmap with regard to the various actions. Several objectives exceeded their annual milestone in 2020, such as material recovery targets, through the circular economy action plan and reduction of the energy and climate footprint. The achievement of certain objectives was disrupted by the health crisis, which led to a delay in the timing of training activities, for example.

Objective	KPI 2023	2020 results	Annual performance
6 Be an energy transition leader in the metals sector	Committed diversification of Eramet's business portfolio in relation to the supply chain for electric mobility batteries	Partnership with BASF for the assessment of nickel production (EV). Lithium project in Argentina mothballed. Validated performance of the pilot plant in Argentina	●
7 Actively contribute to the development of the circular economy	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	990,000 t recovered 50,000 t recovered	●
8 Be a reference company in terms of respect for human rights in our field of activity	Recognition for our application of the United Nations Guiding Principles, measured by reaching a mature level according to the UNGP Reporting framework (Shift-Mazars)	Updating of the Human Rights risk map and launch of priority training courses	●
9 Be an ethical partner of choice	100% of sales and purchasing teams trained on anti-corruption every year	100% of site directors and legal officers trained	●
10 Be a responsible company of reference in the mining and metallurgy sector	100% of the Group's suppliers and customers identified as high-risk are in line with Eramet's CSR/Ethics commitments ⁽¹⁾	63% of suppliers and 99.1% of assessed at-risk customers are compliant	●



Commitment to economic responsibility

Objective	KPI 2023	2020 results	Annual performance
11 Reduce our atmospheric emissions	Tonnes of ducted dust emitted by industrial facilities: -80% in 2023 compared to 2018	-56%	●
12 Protect water resources and accelerate the rehabilitation of our mining sites by fostering biodiversity	Ratio of rehabilitated areas to cleared areas ≥ 1 over the period 2019-2023 ⁽²⁾	1.03	●
13 Reduce our energy and climate footprint	KPIs: Reduction of t CO ₂ /t outgoing product (réf. 2018), -26% in 2023 compared to 2018 ⁽³⁾	-25.4%	●



Commitment to the planet

(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, which is lower in emissions than its processing activities.



COMMITTED TO WOMEN AND MEN

As a socially responsible and contributing company, Eramet is committed to the well-being and development of its employees, as well as the populations living near its sites. Safety, health, dialog, quality of life: these are all essential issues that are the subject of concrete initiatives, both large and small, wherever the Group operates.



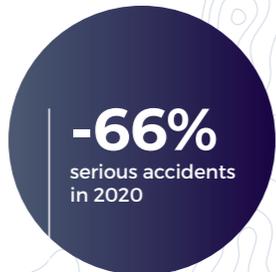
The essential safety of employees and subcontractors

The safety of Eramet employees is an absolute prerequisite for sustainable performance. The Group is multiplying initiatives in the field, determined to achieve the objective set for 2023: to reduce the number of deaths to zero and halve the number of accidents.

Safety at Eramet is characterized by a dual trend: a steady decline in the number of accidents coupled with a still too high number of serious accidents. 2020 was overshadowed by a fatal accident, at Setrag in Gabon, on the railway line. The number of accidents per million hours worked (FR2) decreased by 24% year on year. It has been divided by three in four years, which now places Eramet in the industry average, where the Group was still at the bottom two years ago.

Meeting this challenge requires first of all total involvement of the chain of command. Each manager is responsible for communicating the rules to his or her teams and for moni-

toring their application in the field. More than 200 of them have been trained on the subject. Eramet has also defined strict rules – the Essential Requirements – to govern high-risk assignments, which are covered by dedicated tools and training. Other levers include systematically collecting and sharing feedback after any accident, and strengthening HSE resources at the highest risk sites. This approach was supplemented in 2020 by a number of measures: a risk review to strengthen barriers, compliance with the Essential Requirements for critical activities, "Take 5" training for staff (analysis of the context before any intervention), implementation of consequence management in terms of safety, etc.



“ Obviously we are not content with the continued reduction in accidents over the past few years. We will not be satisfied until we have achieved our goal of zero accidents. This is why we are going to redouble our safety culture efforts. ”

Frédéric Camuset
Eramet Group Safety and Prevention Director

“ Safety is not a choice, it is a discipline at all times. Our role: to maintain a high level of standards in terms of prevention and to give operational staff the keys to becoming the primary guarantors of their own safety. ”

Absa Mbow
Head of the Safety Department at GCO (Senegal)

Diversity and inclusion, an asset to be developed

Eramet sees diversity and inclusion as a real lever for performance and transformation. Regardless of age, gender, disability, or social or ethnic origin, all employees must be able to flourish in the Group's various businesses.

In particular, Eramet encourages the feminization of its traditionally male business sectors. The aim is to increase the number of female managers from 22% in 2018 to 30% by 2023. Thanks to the commitment of management and the many actions deployed on all sites, the 24% target was exceeded in 2020. Similarly, the employment and integra-

tion of people with disabilities is a priority, as is the training and employment of young people. Eramet participates in the professionalization of young people through all the school/company schemes. In 2020, 1,104 young people joined the Group's sites.



WOMEN@ERAMET: ERAMET'S WOMEN AND MEN COMMIT TO GREATER GENDER DIVERSITY WITHIN THE GROUP

The WoMen@Eramet mixed network is present on all our sites and has nearly 200 members. It supports the Group's transformation. Its objective is to promote gender diversity within the Group, with the conviction that this asset creates value. It relies on a central office, 4 commissions (Deployment, Benchmark, Cultural Change and Personal Development) and local officers in charge of developing local offshoots. The network, together with the Diversity Department, is multiplying its initiatives: raising awareness of gender issues, carrying out communication campaigns, and offering mentoring and training, in particular for the development of female leadership.



A strong commitment to communities

Eramet aims to become a company that contributes to public interest issues and generates value in the areas where it operates.



Particularly in its relations with the communities near its sites, the Group wishes to move from an approach of limiting and compensating for the impacts of its activities to a search for net benefits for the populations, in line with their priorities and aspirations.

This is reflected in objective 5 of the CSR roadmap, "To be a valued and contributing partner to our host communities". Achievement of the objective is measured with two targets by 2023: 100% of the sites have set up a mechanism for dialog with local stakeholders; and 100% of the sites are implementing an investment program that contributes to local development, with a focus on youth.

The commitment to host communities is threefold: to ensure control of the impacts of the activity, to establish close dialog with them and to contribute to their development priorities.

Ensuring the control of impacts

The quality of relations with local populations depends above all on the Group's ability to prevent risks and to manage the impacts inherent to mining and metallurgical activities. By following international benchmark standards, Eramet has developed tools to identify, assess and control the societal impacts of its operations. Among the main risks assessed: community health, safety and security, cultural heritage and the standard of living of the population. In terms of community safety, Setrag organized a communication campaign in 2020 in Gabon to raise awareness among the population, especially young people, of the risks of collisions with trains. GCO also educated more than 1,000 people living in the vicinity of the mine about road safety and the risks associated with the roads that the company and the populations share.

Local communities are closely involved in the definition and implementation of each measure. This is particularly



GCO has contributed to the creation of ten local economic interest groups. More than 1,000 people benefit from their activities: market gardening, marketing of foodstuffs, cattle, sheep and goat fattening. Contracts are also signed with local companies to supply the base camp with fruit and vegetables produced by the communities.

Daour Dieng
Director of CSR and Environment and Chairman of the Board of Directors of GCO (Senegal)



SUPPORTING YOUNG PEOPLE'S DEVELOPMENT

The Group's subsidiaries make a significant contribution to the development of education and vocational training in the areas where they operate. Together with the New Caledonian Mining Industry Union, SLN has created and supported since 1990 the Mining and Quarrying Techniques Training Center (CFTMC) in Poro, in the Northern Province. In 2020, more than 150 young people graduated with a diploma from National Education. In Gabon, Comilog has been contributing since 2016 to the operation of the Moanda School of Mining and Metallurgy, the result of a partnership between the Gabonese government and the Eramet Group. In 2019, Comilog also rehabilitated 5 elementary school and 2 high schools in Moanda, as well as 5 additional schools in the neighboring towns of Bakoumba and Mounana in 2020. In Senegal, in 2020, GCO rehabilitated or built 20 classrooms and an information room in the schools of Mékhé, Mbettète and Diogo.

the case when it is necessary to relocate populations settled on the mine's path. In collaboration with the residents concerned, a resettlement plan defines the appropriate measures to support them over the long term, with the obligation to guarantee the maintenance or improvement of the quality of life. Because it is an itinerant structure, GCO (Senegal) is particularly concerned by these movements. Nearly 630 people from the village of Foth were relocated in 2019 to a village with infrastructure chosen with the people: houses with access to water and solar lighting, a place of worship, a water tower and a garbage management system.

Creating and maintaining close dialog with the population

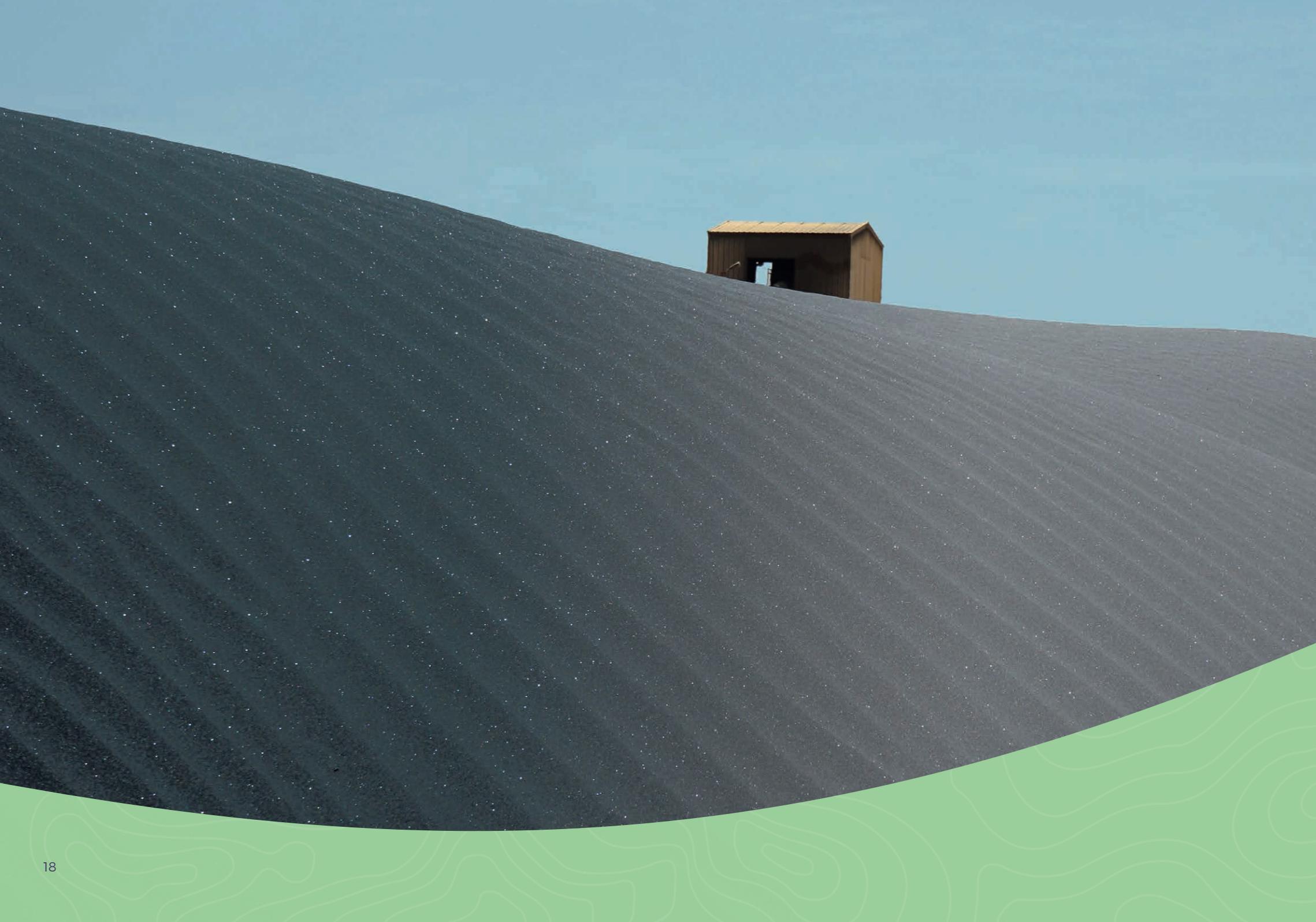
More than half of the Group's sites have now established dialog with the communities in an informative or consultative manner, and 100% of the mining sites have a complaints management mechanism that complies with IFC (International Finance Corporation, World Bank Group) expectations. Public meetings, open houses, written publications, joint committees... this work takes various forms, in compliance with local regulations and international standards. The local populations are informed and consulted on each of the issues that affect them directly. In New Caledonia, three community relations offices were opened by SLN in Houailou, Kouaoua and Thio in March 2020,

modeled on the first office inaugurated in 2019 in Koné. All four locations offer information about the company, its activities and programs, with the opportunity to speak with an agent from the CSR team. They aim to increase the quality and frequency of exchanges, as close as possible to the population throughout the country.

Promoting local development

Eramet is committed at various levels to community development through a partnership approach. For example, SLN is placing increasing emphasis on supporting the economic diversification of the areas in which it operates, in particular through financial support for ADIE (*Association pour le Développement de l'Initiative Économique*), which offers microcredit and support services to micro-entrepreneurs. During 2020, more than 100 project leaders have been supported in New Caledonia in the sectors of organic agriculture, livestock, tourism, crafts, fishing, or local commerce.

In total, the Group's entities devoted €21.4 million in 2020 to community investment and sponsorship. At the same time, pursuant to the 2018-2023 CSR roadmap, each of the Group's entities is working to create a community investment plan deployed around strategic areas and formalized decision-making processes.



A RESPONSIBLE ECONOMIC PLAYER

Being involved in the responsible economy means taking a global perspective. Going beyond the economic dimension to evaluate each strategic decision. Thinking upstream about the effects of your choices on the planet and its inhabitants. Ensuring that ethical principles and human rights are respected in all circumstances. For it is only by becoming a fully responsible economic player that the Group will continue its development and achieve its strategic ambitions. With a conviction in the form of a commitment: our choices today make the world of tomorrow.



Making the most of mining resources and recycling metals for a more circular economy

Eramet is present throughout the metals value chain, from extraction to recycling. At each of these stages, the Group is working to increase the efficiency of its operations and contribute to a more circular economy. The objective: to recover, through innovative actions, 2 million tons of tailings and low-grade incidental ores and 10,000 tons of waste by 2023.

990,000t

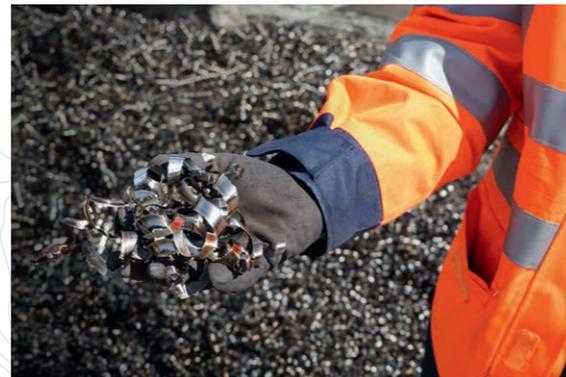
of tailings and low-grade incidental ores recovered in 2020

50,000t

of waste recovered in 2020

Metal recycling

Recycling is an integral part of the production process of Eramet's High Performance Alloys activity. Thus, steelworks today incorporate more than 85% of secondary raw materials (metal scraps, shavings, grindings) as an alternative to the use of virgin raw materials. At the Erasteel Commeny steelworks, a pyrometallurgical recycling process recovers strategic metals (cobalt, molybdenum, nickel) from industrial and battery waste. As for the EcoTitanium plant, it produces alloys from solid titanium scrap and swarf collected from the major aerospace manufacturers. EcoTitanium is the first European recycling network for aerospace grade titanium alloys, and ensures an innovative and independent supply in Europe.



ERAMET COMMITS TO RECYCLING ELECTRIC VEHICLE BATTERIES IN EUROPE

Eramet has joined forces with Suez and BASF to create the ReLieVe ("Recycling of Li-ion batteries for electric Vehicle") European collaborative project. Suez is collecting and dismantling used batteries from electric vehicles, and Eramet is developing the recycling process for recovering the "black mass", the black powder containing metals such as lithium but also nickel, manganese and cobalt, and refining this black mass to produce precursor materials for electrodes, which can be used by BASF. The first campaigns conducted in 2020 have confirmed the project's ability to achieve recovery rates of over 90%, as expected by future European regulations.

Optimal management of mining resources

On each of its mining sites, Eramet seeks to develop resources in a responsible manner. In New Caledonia, SLN's teams have developed techniques for upgrading low-grade ores that were long considered unusable. In addition to

the creation of new commercial outlets, this technical advance has two consequences: a significant increase in the lifespan of the deposits as well as in environmental efficiency. In Senegal, for example, more than 70,000 tons of sand containing ilmenite, initially considered as waste, have been recovered by GCO since 2016.

A COMMITTEE DEDICATED TO THE CIRCULAR ECONOMY

In 2019, Eramet set up a dedicated internal committee whose role is to identify and validate innovative actions and projects that are part of a circular economy approach. By the end of 2020, 12 projects have been accredited, eight of which are already productive, including the implementation of optical sorting to make the most of mine tailings at the SLN site of Népoui, New Caledonia.



SLN is now marketing one of the co-products of its ferronickel: slag, renamed 'SLAND', composed of silica and magnesium. In particular, it replaces 70% of the natural sand used in the manufacture of concrete, usually taken from the natural environment. SLAND can also be found in asphalt, or used for sandblasting operations.

Yves Véran

Head of the slag recovery project at SLN (New Caledonia)

Responsible management of mine tailings

The responsible and safe management of mine tailings is a key environmental issue for the sector. Among Eramet's mines, only Comilog is affected: to ensure the storage of tailings consisting of clay fractions of the ore, the company operates tailings dams of limited size. Every 18 to 24 months, a new structure is built. To date, 11 storage facilities have been created, 10 of which are in the process of closure and permanent stabilization. The controversial "upstream" method of raising dikes has never been used by Eramet.

Eramet is committed to ensuring that its facilities comply with the "Global Industry Standard on Tailings Management" published in 2020 by the United Nations Environment Programme (UNEP) and the International Council of Mines and Metals (ICMM). For its future development projects, Eramet favors dry stacking, which is much safer and more water-efficient, and is firmly opposed to practices such as deep sea tailings placement.

Ethics and compliance, a prerequisite for any activity

By 2023, we will be a benchmark in ethics, a prerequisite for our mining and metallurgical activities in all the countries where we operate. As an ethical partner of choice, we aim to have 100% of our sales and purchasing teams trained in anti-corruption every year.

100%

of site directors and legal experts trained in 2020

63%

of at-risk suppliers assessed as compliant in 2020

99.1%

of at-risk clients assessed as compliant in 2020

The Group has set itself the ambition of “becoming an ethical partner of choice”. At the heart of this approach is our Ethics Charter, signed by all members of the Executive Committee, whose principles comply with the most stringent regulations and standards.

To provide employees with the best possible support, a Compliance Program has been developed around three pillars: ethical governance with a dedicated organization, regularly updated guidelines and tools, including a whistleblowing system, *IntegrityLine*. Accessible to employees and all stakeholders, this service allows the Group to be informed of any ethical issues: discrimination, harassment, fraud, corruption, human rights violations, etc. Available worldwide in 13 languages, the service is outsourced to ensure transparency, confidentiality and whistleblower protection.

Eramet has also further strengthened its ethical governance since 2019, with an Ethics and Compliance Department, 17 ethics and compliance managers, 55 ethics and compliance ambassadors and 65 sexual harassment and sexist conduct officers.

In 2020, a training plan supported by the Human Resources Department was launched. Employees are obliged to take this course: every year for buyers/salespeople and every 18 months for other employees. For the employees of our Mining and Metals activities, specific steps have been taken: 99% of connected employees were trained via the “Ethics Charter Awareness” e-learning. Non-connected employees get a dedicated training plan for 2020/2021. In addition, 96% of Tier 1 subcontractors in the High Performance Alloys business have been trained. By 2021, 100% of our Purchasing and Sales teams will be trained in business ethics (anti-corruption, competition law, export control).



At Comilog, the network of ethics and compliance officers has been strengthened by sexual harassment and gender-based violence officers, specifically trained and dedicated to these issues. These networks are important relays because they allow employees to report any unethical behavior.

Nadia Ngalani
Head of Legal and Compliance and Ethics Manager at Comilog (Gabon)

Respect for human rights

By 2023, Eramet aims to be a benchmark in terms of respect for human rights in its sphere of activity and to have developed a mature level of reporting as part of the Shift-Mazars reporting system.

600

employees trained on human rights as a priority target in 2020



In 2020, we supported Eramet in renewing its human rights risk mapping, relying on employee consultation. Identifying these risks is all the more essential in this period of crisis which accentuates vulnerabilities. We then made recommendations that will enable the Group to continue to implement its commitments to its employees, the communities near its sites, and the entire value chain.

Caroline Le Mestre
Director at GoodCorporation

The deployment of this approach is based on the human rights policy, on regular assessments with regular monitoring by the CSR Committee and by the creation in 2021 of a Social Impact and Human Rights Department.

Adopted in 2019, the human rights policy was developed in consultation with internal and external stakeholders. It covers internationally recognized human rights and details the commitments made by the Group on its key issues, grouped into three areas: respect for human rights with employees, to ensure a safe, healthy and respectful working environment; respect for human rights with business partners (customers, suppliers, subcontractors and partners), to develop a responsible value chain; respect for human rights with communities, to reduce impacts and make a positive contribution.

In order to anchor the approach, Eramet has developed an e-learning entitled “Understanding and integrating human rights into the company” to enable employees to better understand this concept, understand the issues at stake, and identify risks and best practices for vigilance.

Eramet also created an internal audit framework based on the Danish Institute for Human Rights’ Quick Check. These audits prioritize the most sensitive sites identified during the risk mapping exercises. The Social Impact and Human Rights Department is responsible for monitoring the Group’s human rights action plans.

THE PRINCIPLES IN FORCE

All exchanges with the Group’s partners must strictly respect the fundamental principles set out in the international reference texts. Eramet follows those defined in particular by the International Bill of Human Rights and the Fundamental Conventions of the International Labour Organization, in accordance with the Guiding Principles on Business and Human Rights.



COMMITTED TO OUR PLANET

Who still doubts the reality of the ecological crisis? The UN, IPCC, independent agencies... successive reports are becoming increasingly alarming about the risks that threaten our planet and its inhabitants. Moreover, the first visible repercussions of climate change (record temperatures, fires, drought...) have shifted public opinion around the world. From States to ordinary citizens, everyone is called upon to act. As for the expectations placed on the major industrial groups, they are equal to their impact on the climate: gigantic. Well aware of this historic paradigm, Eramet has chosen to take all its responsibilities.



Controlling atmospheric emissions

By 2023, we aim to have reduced channeled dust emitted from our industrial facilities by 80% compared to 2018.



Reducing atmospheric emissions

Among the atmospheric emissions generated by Eramet's activity, dust is the main pollutant (see p. 28 on the issue of CO₂ emissions). Due to the combustion process, the pyrometallurgical process is the one that generates the most emissions, with two types of discharges: channeled dust and diffuse dust. The first type, from plant chimneys in particular, is different because it is quantifiable. For this reason, this indicator has been set as a target: the Group aims to reduce its channeled dust emissions by 80% between 2018 and 2023.

To this end, Eramet is relying on a plan to invest in new pollution control equipment and improve its operational control. In the plants, multiple purification devices are installed: electrostatic precipitators, baghouses, scrubbers, washing towers, etc. While a 40% reduction was targeted for 2020, the objective was largely exceeded with a 56% reduction. This improvement is due in particular to the

action plan implemented on the agglomeration chain of the Moanda Industrial Complex (CIM) in Gabon and also, to a lesser extent, to operational control actions on each of the sites. At the CIM, channeled dust emissions diminished by 60% in 2019 alone. Finally, lower production in some units also contributed to this reduction. The replacement of SLN's oil-fired power plant will contribute to a significant reduction in the Group's SO₂ and dust emissions. A call for tenders was launched in 2020 by *Nouvelle-Calédonie Énergie*.

At the same time, the Group is working to identify and reduce diffuse dust emissions, in particular through working groups on good practices such as watering or the under-cover storage of powdered materials.



The preservation of water resources and the rehabilitation of our mining sites

To protect water resources and promote biodiversity, we are working to rehabilitate a larger area than that cleared for our mining needs.

The preservation of water resources

The preservation of water quality is a vital issue for the planet. Most of the territories where Eramet operates are special in that they have high levels of precipitation, like New Caledonia. Mining activity takes place mainly on open-pit sites where the clearing of soils, necessary for the activity, accelerates erosion. In this context, Eramet has set itself an objective: to preserve the quality of aquatic environments by limiting erosion on its sites as much as possible.

From New Caledonia to Gabon and Senegal, Eramet is carrying out mining rehabilitation actions, in particular by revegetating its sites (by hydroseeding and planting, by spreading topsoil, etc.). This is the most effective way to foster the return of biodiversity, as well as to combat erosion and thereby protect the quality of water resources around mining sites. In 2020, Eramet met its target for the period 2019-2023 with a ratio of 1.03: rehabilitate at least as much land as the Group clears.

For SLN, the priority is to limit the risks of pollution of rivers or the lagoon located downstream from the mines by suspended matter. Over time, the Group has developed real expertise in responding to this problem. From the upstream phase, multiple precautions are taken while a Water Management Plan is used to document each site. One solution is to build structures near the mines to slow down and then decant the storm water. Nearly 2,500 sedimentation basins are used to contain suspended matter and prevent it from being discharged into the natural environment. They are monitored by drones.



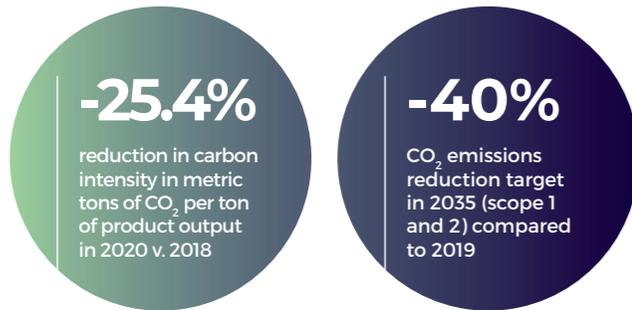
Another priority is to limit water consumption. Significant efforts are being made to maximize water recycling and thus reduce consumption. In Gabon, 60 to 80% of the water used by the Comilog washing plant is recycled, depending on the year.

WATER AND R&D

How can we reduce our water consumption through innovation? This subject is at the heart of the work carried out by our R&D teams. As part of our lithium extraction project in Argentina, the Group has developed its own process, which has a significantly lower impact than conventional lithium extraction processes on the total water balance of the salars (salt flats), with a saving of more than 30% in water consumption per ton of lithium.

Improving the Group's energy and climate footprint

The energy transition to a low-carbon economy aims to reduce greenhouse gas emissions in order to limit global warming to below 2°C, as committed to in the Paris Agreement. This transition is profoundly transforming our societies and impacting the activity of all companies. Eramet has set itself the objective of reducing the amount of CO₂ per ton of outgoing product by 26% by 2023 compared to 2018.



By choosing to develop its business on lower-carbon activities and take action to control emissions, Eramet has reduced its carbon intensity by more than 25% in two years. Building on this momentum, the Group has decided to further accelerate the process through a commitment to a Science Based Target: to reduce Scope 1 and 2 CO₂ emissions by 40% in absolute terms by 2035 compared to 2019. In addition, the Group has set itself the goal of becoming carbon neutral by 2050.

A strategy to tackle the climate challenges

The decarbonation of our activities is at the heart of the Group's challenges, and is an essential element of our "right to operate". The reduction of CO₂ emissions, a short, medium and long-term issue, is based on governance that takes into account the optimization of existing assets;

In 2021, Eramet Ideas has carried out initial conclusive laboratory tests on the manufacture of manganese metal... without any CO₂ emissions. This new process, the only one of its kind in the world for manganese, opens up tremendous prospects, particularly for a future low-carbon industry.

Thomas Hitier
Executive Expert at Eramet Ideas (France)

the development of new technologies in partnership with peers, academics and suppliers; and support for the decarbonation of customers.

Eramet's response to climate change is based on reducing scope 1 and 2 CO₂ emissions and helping customers (scope 3 emissions) to reduce their greenhouse gas emissions by offering products and solutions that help to reduce their carbon footprint. This is reflected in one of the three pillars of the Group's strategy, "Expand our portfolio into metals for the energy transition"; and promoting the circular economy (see p. 20-21).

Decarbonizing production

In 2020, Eramet continued its efforts to decarbonize the energy mix through the following main projects:

- **The power modulation of SLN's oil-fired power plant**, in particular to absorb peaks in New Caledonia's renewable electricity production. An artificial intelligence system allows the optimized management of power calls and supplies, taking into account the operating conditions of the furnaces and the energy mix available on the network.
- **The development of wind farms in Norway.** At the end of 2019, Eramet signed the Group's first power purchase agreements (PPAs) with a Norwegian electricity supplier for a constant, guaranteed-cost supply of wind-generated energy. The two Tysvaer and Buheii wind farms will come on stream at the end of 2021. The PPAs have been operational since January 2021. Eramet Norway has thus succeeded in securing a long-term supply of competitively priced electricity, while contributing to the development of renewable energy.

ISO 50001

By the end of 2020, 14 sites had implemented an ISO 50001 certified energy management system. The Eramet Marietta site and GCO obtained their certifications in early 2021, and the two remaining Comilog entities (the mine and the Moanda Metallurgical Complex) will be audited for certification in 2021. By this deadline, the Group's main energy consumers and CO₂ emitters will be ISO 50001 certified.



- **The commissioning of a solar photovoltaic farm on the Les Ancizes site.** This infrastructure was put into operation in 2020 and covers the outdoor parking lot for the plant's staff vehicles. More than 7,000 panels over a surface of 12,000 m² now generate the electrical energy equivalent to the consumption of all the furnaces of the heat treatment of the rolling mill.

In 2020, Eramet also stepped up its Research & Innovation efforts to identify alternative, less carbon-intensive sources for its pyrometallurgical processes. Among the subjects on which progress has been made are the use of bio-reducers, with industrial trials scheduled for 2021, and the use of non-fossil fuels for the first stages of the manganese reduction process.

The Group is also deploying a series of energy saving actions to reduce its CO₂ emissions. The NewEra ERU (Energy Recovery Unit) project, for example, makes it possible to generate both heat and electricity from the gases produced by the furnaces through the addition of a carbon monoxide combustion unit. The heat is recovered to improve the efficiency of the process and thus reduce the need for electrical energy in the furnaces. The energy gain is therefore twofold: less energy needed for the furnaces and more electrical energy available elsewhere. In 2020, Eramet formalized an industrial partnership to install a pilot on the Sauda site in Norway to capture, store and send to a storage unit the emissions from the NewEra ERU.

Taking action to protect biodiversity

Although the Eramet group does not operate mines in protected areas, its activities may have an impact on species, habitats or ecosystems, depending on the sites. The Group has acquired solid experience in biodiversity issues and has built a network of in-house specialists. Eramet's commitments to biodiversity are integrated into the Environmental Responsibility policy, which was updated in 2020. The Group acts according to a four-step strategy:



- **Avoid** local and international hot spots. In Gabon, as part of the opening of the Okouma/Bafoula plateaus, gallery forests were excluded from the mining plan following the results of biodiversity studies.
- **Reduce** to minimize the impacts of our activities on biodiversity, throughout the life of our projects. In Senegal, for example, mining areas are subject to an internal

environmental permit, which must be applied for with one month's notice. Specialized teams then complete biodiversity inspections including a flora inventory, and identification and transfer of vulnerable, protected or endemic species. Wildlife species that are not very mobile, including snakes, are recovered from the site to be released in the areas being rehabilitated or given to the Hann Zoological Park with the collaboration of the Water and Forests Department. Since 2013, 1,037 snakes have been transferred.

- **Rehabilitate** progressively and revegetate with endemic species to rebuild conditions conducive to the recovery of biodiversity. The Group was one of the first mining companies to develop land stabilization and revegetation practices through planting or hydroseeding. In New Caledonia, the first tests began in the 1970s.
- **Offset** and contribute to a net gain in biodiversity. In Gabon, **the Lékédi Park**, a subsidiary of Comilog, works to protect protected species and young orphans from poaching. The park also conducts research on biodiversity, in partnership with Gabonese and international scientists and organizations. Since 2013, the Lékédi Park has been associated with the Haut-Ogooué Province Regional Directorate of Water and Forests to conduct awareness-raising and anti-poaching activities. In June 2021, in Gabon, Eramet and Comilog inaugurated the Group's first biodiversity foundation.

To learn more about our contribution, visit...



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