



Ordinary Shareholders' General Meeting

31 May 2022



Presentation of the Group situation in 2021, its outlook and its new strategic roadmap

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Chair and CEO

May 31, 2022


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Our purpose, our reason for acting



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

Our purpose sets a course and fuels the Group's strategy to create value in a sustainable manner

1

Interacting with all stakeholders



- Making the **safety** of our employees **our priority**
- Maximising the positive impact of our activity in all **host countries**

2

Operating responsibly



- Extracting resources in respect of the **environment** and **biodiversity**
- Optimising their use
- Innovating for the **climate**
- Respecting **human rights**

3

Producing metals that the world needs



- Meeting the needs of **global economic development**
- Participating in the challenges of the ecological and **energy transition**

Conveying our collective goals, it provides meaning for our decisions and fuels the daily actions of all employees and stakeholders

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2021 Retrospective

Unless otherwise specified, financial figures are presented in accordance with IFRS 5 - Non-currents Assets Held for Sale and Discontinued Operations -, in line with Eramet's new scope focused on the Mining & Metals division

Delivering on our promises

Strategic

- Acceleration of repositioning in **Mining & Metals**
 - > Ongoing **growth in mining production**
 - > Restart of **lithium project**
 - > Divestment of **Aubert & Duval**¹

Sustainability

- Significant progress for **people and planet**
- ESG performance recognised by **leading agencies**

Financials

- **c. €450m²** of **intrinsic gains** in 2 years
- **€401m²** **FCF** in 2021
- Ongoing **deleveraging**³ **<1x** end-2021



¹ MoU signed in February 2022

² Including discontinued operations

³ Net debt-to-EBITDA ratio

2018 roadmap: repositioning Eramet's asset portfolio...

1

FIX / REPOSITION our least performing assets

ALMOST DONE

▀ **SLN**

- > **6 Mwmt** nickel ore export authorisation
- > Discussions ongoing to access competitive energy



▀ **A&D**

- > MOU signed for divestment to Airbus, Safran & ACE consortium



▀ **Sandouville**

- > Divested



▀ **Erasteel**

- > Divestment process



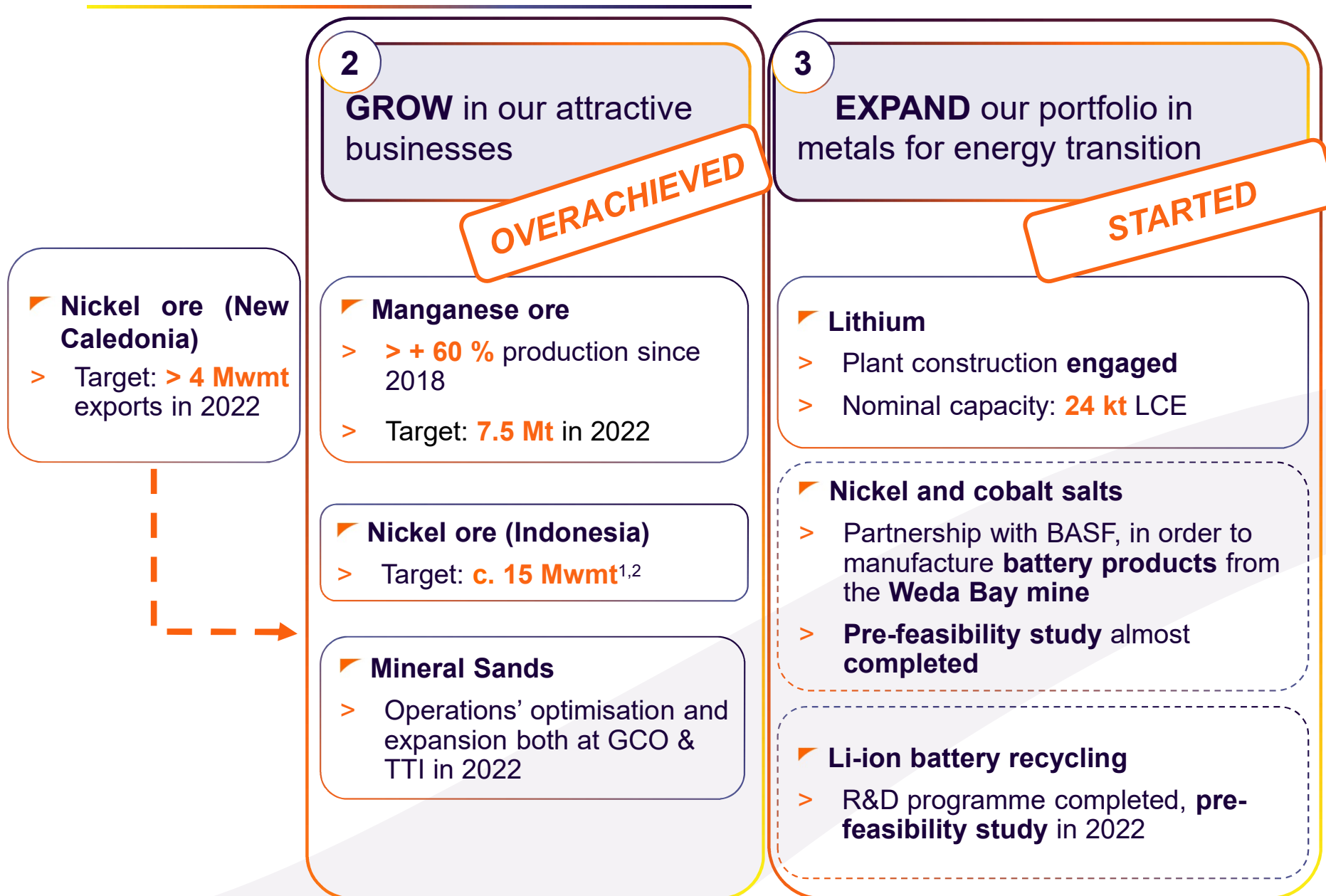
2

GROW in our attractive businesses

3

EXPAND our portfolio in metals for energy transition

...to become a pure player in Mining & Metals



2021, another year of solid CSR performance

Favourable evolution of our 2018-2023 CSR Roadmap Index **104** (target: 100)



Safety

-46% reduction in number of accidents
vs 2020 (TRIR at **2.2** in 2021)



Diversity

26% women managers

Social Impact



- A **continued support** to populations located near our sites in Africa
 - > Provided medical care to **22,000** people
 - > Improved drinking water access for **13,000** people
 - > Enhanced learning conditions for **14,000** students

Climate







- **-39%** in CO₂ intensity¹
- Validation of the Group's CO₂ emissions reduction target “well below 2°C” by the **SBTi**

Biodiversity



- Rehabilitation Rate **1.32** in 2021, **30%** more than the cleared areas
- Validation of the Group's biodiversity commitments by **act4nature**
- Inauguration of the Lékédi **biodiversity foundation**

2021, strong operational results and record mining production

Manganese BU	Nickel BU		Mineral Sands BU
	SLN 	Weda Bay 	
<p>Strong operational performance</p> <p>7 Mt ore produced</p> <p>747 kt alloys produced, o/w 54% refined</p>	<p>Continued ramp-up of mines, despite significant disruptions throughout the year</p> <p>5 Mwmt ore produced</p> <p>c. 3Mwmt ore exported</p> <p>39 kt-Ni ferronickel produced</p>	<p>Fast growth and strong operational performance at Weda Bay</p> <p>14 Mwmt¹ ore produced</p> <p>39 kt-Ni¹ ferroalloys produced</p>	<p>Record production</p> <p>804 kt mineral sands produced</p> <p>209 kt TiO₂ slag produced</p>

Mining production²

> +75% vs 2020

x 2.5 vs 2019

2021, strong financial results



- C. **€450m** of intrinsic gains¹ in two years, of which **€200m** in 2021
- Favourable price environment, however an increase in input costs



2021 EBITDA²

> €1bn

2021 FCF

€401m o/w **€526m**,
excl. discontinued operations



Leverage³

< 1x

Dividend of

€2.5 / share

submitted to the vote of the
shareholders' meeting

Economic fundamentals restored

¹ Including discontinued operations

² Reflecting new Eramet scope, excl. discontinued operations

³ Net debt / EBITDA

Outstanding results of the continuing operations

€m	2021 ¹	2020 ¹
Sales	3,668	2,792
EBITDA	1,051	516
% Sales	29%	18%
Current operating income	784	257
% Sales	21%	9%
Net income – Continuing operations	791	(160)
Net income – Discontinued operations	(426)	(516)
Net income – Group share	298	(675)

€m	31/12/2021 ¹	31/12/2020 ²
Net debt	(936)	(1,378)
Shareholders' equity	1,335	958
Leverage (net debt / EBITDA)	0.9	2.7
ROCE (COI / capital employed ³ for previous 12 rolling months)	30%	8%

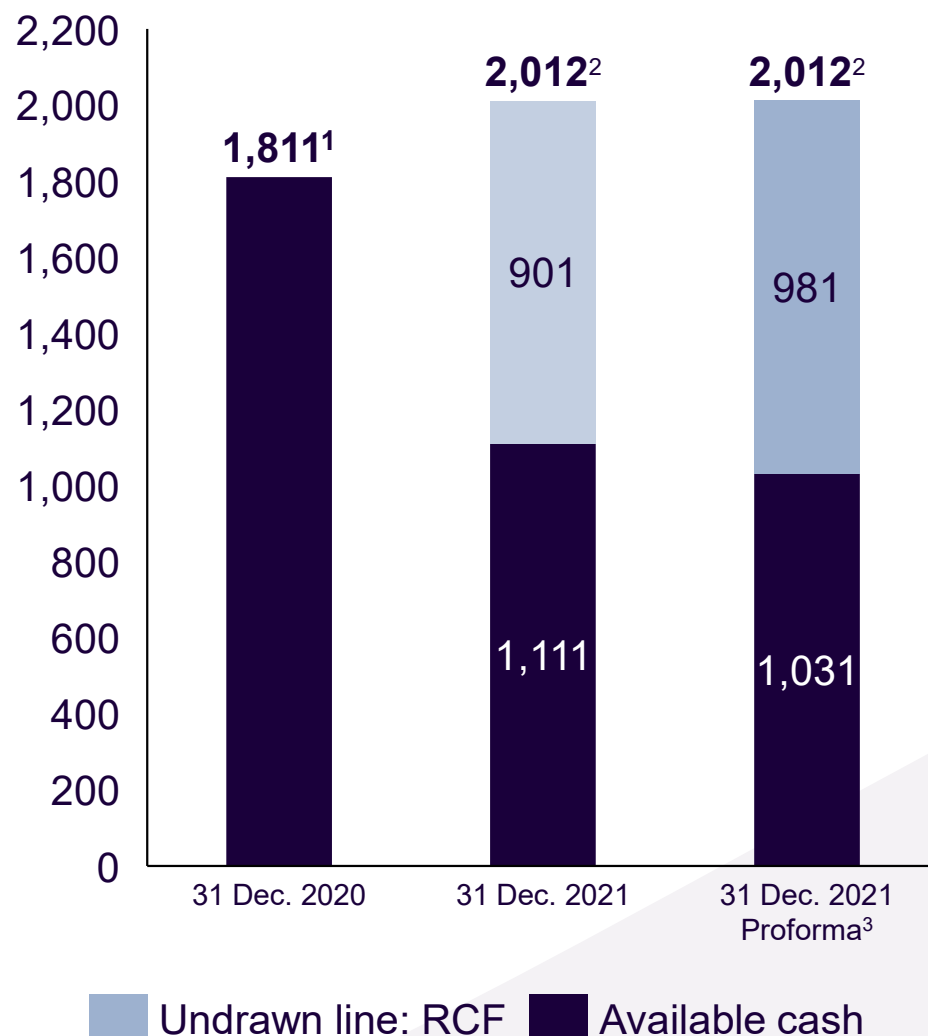
¹ Application of IFRS 5 i.e. excl. A&D, Erasteel and Sandouville

² Application of IAS8 for the 2020 balance sheet opening

³ Sum of shareholders' equity, net debt, provisions for site rehabilitation, restructuring and other social risks, less financial fixed assets, excluding Weda Bay Nickel capital employed.

Strong liquidity at 31 December 2021

Group financial liquidity (€m)



RCF

- > **€981m** RCF maturing 2024, drawn down in March 2020 as a precaution following health crisis
- > Repayments:
 - **€500m** in July 2021
 - **€401m** in December 2021
 - **€80m** in **January 2022**

TiZir Bond entirely repaid in 2021

- > **\$240m** early repayment and amortisation in July

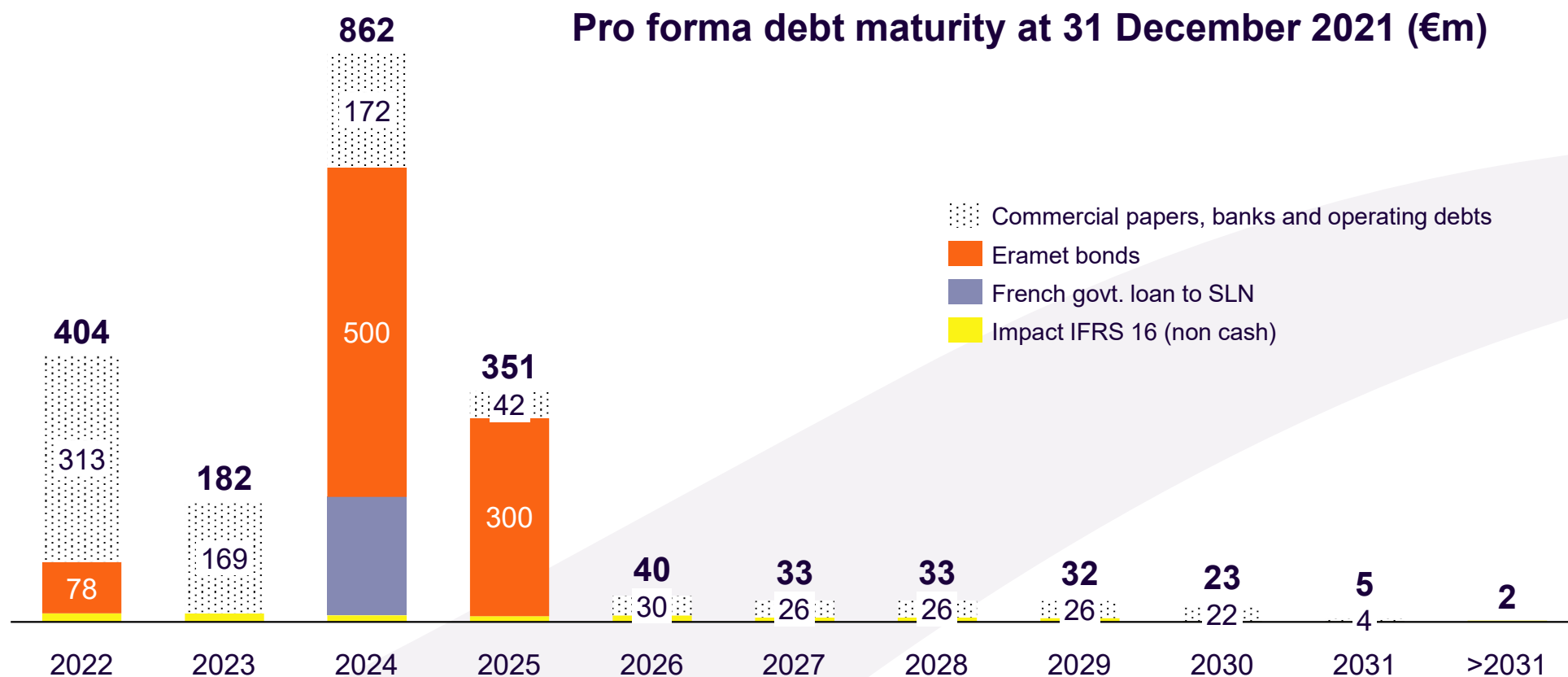
¹ In accordance with IAS 8, reported cash was restated on 1 January 2020 for the impact of financial fraud at the Group's head office (-€45m)

² Application of IFRS 5 i.e. excl. A&D, Erasteel and Sandouville

³ Proforma liquidity, after RCF repayments of €80m in January 2022

No major debt maturity until 2024

- Pro forma Group gross debt incl. IFRS16 equal to **€1,967m** at 31 December 2021
- Group's **average debt maturity** of **2.6 years**
- About **80%** of debt at a fixed rate



Cash well allocated, disciplined investment

2021



Maintaining cash reserves of ~€500m on average over the cycle

Situation update - Q1 2022

Unless otherwise specified, financial figures are presented in accordance with IFRS 5 - Non-currents Assets Held for Sale and Discontinued Operations -, in line with Eramet's new scope focused on the Mining & Metals division

Positive market momentum in all the Group businesses

Manganese BU



- Global carbon steel production **down**
- Supply shock on Alloys market** due to the war in Ukraine
- Increasing demand for high-grade ore¹** while limited availability

Nickel BU



- Global stainless steel production **down**
- Increased demand for primary nickel** for batteries
- Supply keeps rising**, boosted by NPI production in Indonesia
- Low LME² & SHFE² inventories: **5 weeks** of consumption
- Tensions in the Nickel ore market**

Mineral Sands BU



- Zircon and titanium-based products** production **up**, without being able to meet the **demand**
- Positive momentum** reflected on market prices which are on the rise

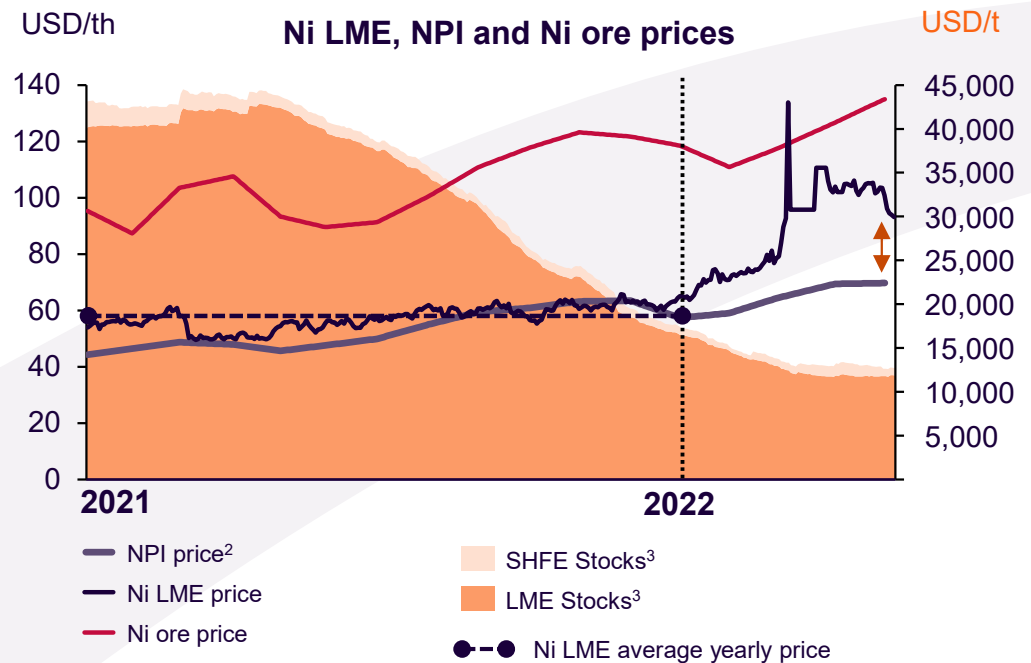
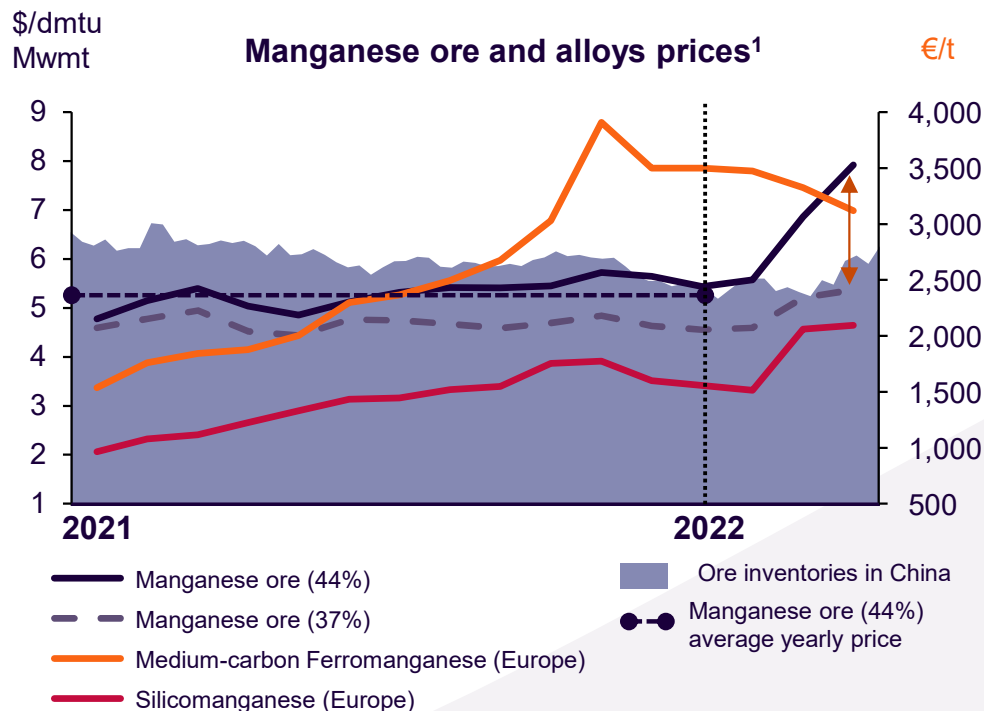
Very strong price environment, given the tensions on supply that have been accentuated by the war in Ukraine



- **Mn Ore** (CIF China 44%) price strongly up in Q1 2022 (+17% vs Q1 2021), increasing the spread with South African lumpy ore (37%)
- **European SiMn** price up 62%, **MCFeMn** price up 100%
- **Supply shock** due to war in Ukraine: standard alloys market prices up significantly starting March



- **Ni LME price up significantly** in Q1 2022 (+49%) against the backdrop of robust demand for electric vehicle batteries, low inventory levels and war in Ukraine
- **Q2 2022 ferronickel price** is expected to be set at a level significantly below the current **LME price** but above that of **NPI**¹
- Average price of **seaborne Ni ore** (1.8% CIF China) recording a 18% increase while high grade ore is scarced



¹ Manganese ore: CRU CIF China 44% / Mn lumpy ore CIF China (36-38%)
Medium-carbon FerroMn and Silicomanganese: CRU Western Europe spot price

² SMM NPI 8-12% index

³ Including producers' inventories

Significantly higher input costs in Q1 2022

1

High freight cost should keep weighing on manganese and nickel ore margins

Freight costs include **chartering costs** (based on routes time charter rate¹) and transportation **fuel costs**

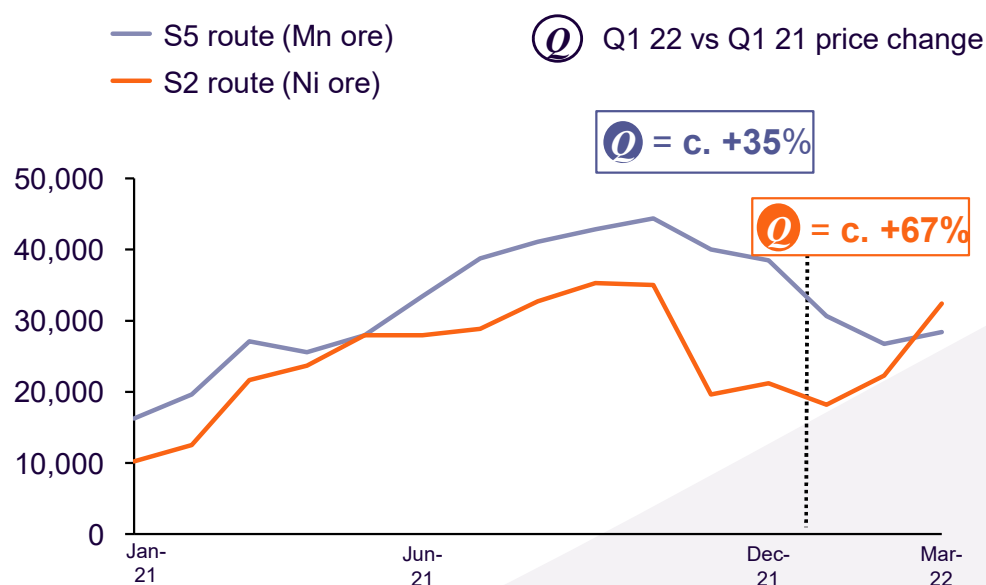
Larger vessels (Capesize) introduced in Gabon in 2022 to reduce freight costs

2

Energy and reductants prices should keep weighing on the Group's performance in 2022, notably:

- > European Mn alloys plants and TTI: exposed to reductants (notably metallurgical coke) and thermal coal
- > SLN: exposed to electricity and brent for its power production, as well as thermal coal

Routes rate (\$/day)



+22% increase in **fuel costs** on both routes vs Q1 2021

80% of power purchases protected through LT supply agreements, notably in Norway

Brent prices

+60%

vs Q1 21

Nut coke spot prices

+90%²

vs Q1 21 in Europe

Thermal coal spot prices

> x3³

vs Q1 21

¹ Incl. mainly vessel hiring costs (>90% of chartering costs), as well as broker payment and port fees

² Source: Resources-net CAMR, Nut coke spot price, Europe

³ Source: Argus, thermal coal spot price, ARA, Europe

Very good operating performance of mining activities in Q1 2022

Strong production growth momentum in Q1 2022 vs Q1 2021

Manganese ore

1.8 Mt

(+17%)

Nickel ore

SLN

1.2 Mwmt

(+10%)

WB¹

4.6 Mwmt

(+74%)

Mineral Sands

198 kt

(+16%)



Mining production¹

> +44%

vs. Q1 2021

Sales volume up in Q1 2022

Mn ore external sales

1.4 Mt

(+16%)

Ni ore SLN exports

632 kwmt

(+46%)

Ni ore WB² external sales

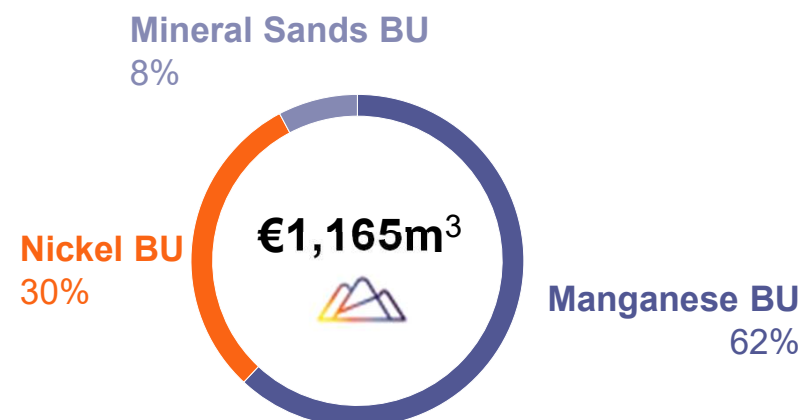
3.9 Mwmt

(x3)



Q1 2022 Group turnover up 79%, driven by strong growth in all activities

€ million ¹	Q1 2022	Q1 2022 vs Q1 2021
Manganese BU	722	86%
<i>Mn ore</i>	308	63%
<i>Mn alloys</i>	414	107%
Nickel BU²	352	75%
<i>SLN</i>	270	84%
<i>Weda Bay (off-take)</i>	83	54%
Mineral Sands BU	90	61%
Group³	1,165	79%



+6%
Volume
impact

+64%
Price
impact

+10%
Currency
impact

Increase in metal prices has largely offset the increase in input costs in Q1 2022

¹ Data rounded to the nearest million

² Nickel BU excluding Sandouville (discontinued operation)

³ Excluding Aubert & Duval, Sandouville and Erasteel, which in accordance with the IFRS 5 standard – “Non-current assets held for sale and discontinued operations”, are presented as operations in the process of being sold

Good start to the year in a very favorable price environment

- Continued **organic growth confirmed** in 2022
 - > **7.5 Mt** of manganese ore production in Gabon
 - > more than **4 Mwmt** of nickel ore exports in New Caledonia
 - > approximately **15 Mwmt**¹ of nickel ore production at Weda Bay
- c.**€550m cash capex**² o/w c. **€250m** of growth capex
- **EBITDA target** revised up at **more than €1.5bn**³ based on:
 - > **higher** manganese alloys selling prices vs 2021
 - > average market consensus for manganese ore price of **\$5.6/dmtu**
 - > average market consensus for LME nickel price of **\$26,400/t**⁴
 - > Impact of higher selling prices expected to be partially offset by the **strong increase in input costs**, mainly freight, energy and reductants prices
- **Strong commitment** to develop and deliver **the Group's strategic projects**
- Importance to **remain agile to adapt** to fluctuating market conditions **and seize opportunities**

¹ Subject to administrative approval

² Excluding lithium capex financed by Tsingshan, incl. IFRS 5 discontinued operations' capex

³ Based on an exchange rate at \$/€1.15

⁴ The price of ferronickel should be set at a level below the LME nickel price, but above that of NPI ("Nickel Pig Iron")

3

New strategic roadmap

Right timing to become a leading player in the new age of metals...

Pure player in Mining and Metals contributing to a sustainable future

**Grow in metals supporting
global economic development**



Resilient markets

MANGANESE ORE & ALLOYS



NICKEL



MINERAL SANDS



**Develop critical metals for
energy transition**

Fast-growing markets



LITHIUM



NICKEL/COBALT SALTS



BATTERY RECYCLING

**Demonstrated leadership and continuous
value-accretive organic growth**

**Huge potential to benefit from energy
transition**

ATTRACTIVE and SUSTAINABLE POSITIONING

CASH-GENERATING BUSINESS

...with a portfolio contributing to the battle for climate change

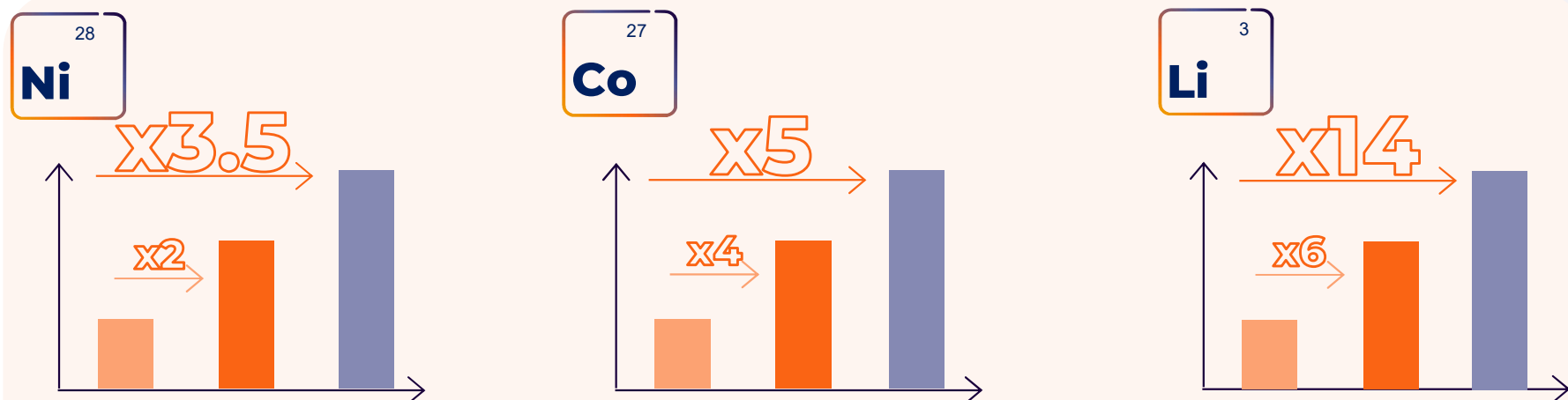
Well positioned product offering

- Very high-grade ore offering lower carbon contents
- Consumed energy¹ (excluding reductants) decarbonated up to more than 40%

Reference in CSR

- Committed for the planet and for the climate ; **CO₂ reduction targets SBTi certified**
- Committed for the **communities' well-being**

Perfectly positioned to answer to the booming metal requirement for energy transition



Global demand in 2020 vs. 2030 vs. 2040 (in k-tonnes²)

Source: Eramet analysis

Focus on Eramet's projects for the energy transition

Major projects ideally positioned to strengthen Eramet's leading role at the service of the global energy transition

Lithium - Centenario



Phase 1 started

- **Critical for Li-ion rechargeable batteries production**
- Re-start of Lithium project
 - > Large drainable resources (c. **10 Mt LCE**¹)
 - > Very high direct extraction yield (c. **90%**)
 - > Annual production of **24 kt LCE**
 - > Commissioning **early 2024**
- **Partnership** with Tsingshan, **Eramet** maintaining **control**

Production of battery quality Ni/Co



FID not yet taken

- **Products** for Li-ion batteries from the **Weda Bay mine**
- Assessment for development of a hydrometallurgical plant which could include a **HPAL** ("High-Pressure Acid Leaching") unit
- **Partnership with BASF**
- Potential timing for start-up of installation: **Mid-2020s**

Battery recycling



Demo stage

- Eramet could play a **strategic role** as supplier of battery grade metals (lithium, cobalt, nickel) and a player in the recycling chain in Europe
- **Partnership with SUEZ** for the blackmass² production stage
- Potential timing for start-up of operations: **20025-2026 for refining** of blackmass and other scrap metals

¹ Lithium Carbonate Equivalent

² Blackmass: a metallic concentrate of nickel, cobalt, manganese, lithium and graphite

Conclusion & outlook

2022: a new journey has started for Eramet



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



eramet

Nursery, GCO, Senegal