



2021 reporting on financial transparency of the Group

Content

**O1 - MEMORANDUM RELATING TO THE 2020 REPORTING ON FINANCIAL TRANSPARENCY
OF ERAMET GROUP**

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MEMORANDUM RELATING TO THE 2021 REPORTING ON FINANCIAL TRANSPARENCY OF ERAMET GROUP (1/2)

The “accounting” directive 2013/34/EU was adopted in June 2013 and implemented into French law through the Law n° 2014-1662 of December 30th, 2014 (Article L.225-102-3 of the Code du commerce). Those texts require large companies active in the extractive industry or the logging of primary forests to publish a report on payments to governments on an annual basis.

This obligation is directly inspired by the Extractive Industries Transparency Initiative (EITI) which ERAMET voluntarily integrated in 2011. The main goal of the EITI is to fight corruption by encouraging transparency on money transfers between mining, oil and gas companies and countries hosting those economic activities.

The payments to be declared shall include the payments in cash or in kind, made as a single payment or as a series of related payments, for an amount equal to or above 100.000 euros within a financial year. The following subsidiaries of the ERAMET Group are subject to this obligation:

- SLN – Le Nickel (France – New Caledonia);
- Comilog SA (Gabon);
- Maboumine (Gabon);
- Eramet South Africa (South Africa);
- Grande Côte Opérations SA (Senegal); and
- Eramine Sud America SA (Argentina);
- Eramet Cameroun (Cameroun).

Detailed information on the subsidiaries of the ERAMET Group is available in chapter 2 of the 2020 Universal Registration Document of the ERAMET Group, available on the website www.eramet.com.

Payments of the following types shall be taken into account:

- Production entitlements;
- Taxes levied on the income, production or profits of the companies, excluding taxes levied on consumption such as value added taxes, personal income taxes or sale taxes;
- Royalties;
- Dividends;
- Signature, discovery and production bonuses;
- License fees, rental fees, entry fees and other considerations for licenses and/or concessions; and
- Payments for infrastructure improvements.

MEMORANDUM RELATING TO THE 2021 REPORTING ON FINANCIAL TRANSPARENCY OF ERAMET GROUP (2/2)

In the absence of any precise legal compelling definition, the types of payments have been defined according to the EITI guidance. For the sake of clarity, the various types of payments have been separated into two general categories: payments imposed on the legal entity as a commercial entity and payments imposed on the legal entity as mining operator.

In 2020, the following subsidiaries did not make payments greater than 100.000 euros : Maboumine, Eramet South Africa, Eramine Sud America, Eramet Cameroun.

This report was approved by the Board of Directors of ERAMET SA on May 28th, 2021.

2021 REPORTING ON FINANCIAL TRANSPARENCY OF ERAMET GROUP

– PAYMENTS PER CATEGORY (1/4)

Payments per category		Definitions	Countries	Legal Entities	Paid Amount (in euros)*	Public authority receiving the payment	
Payments imposed on the legal entity as a commercial entity	Taxes levied on the income, production or profits of companies	<i>Taxes levied on the profits of a company's upstream activities, excluding taxes levied on consumption such as value added taxes, personal income taxes or sale taxes.</i>	France (New Caledonia)	Société Le Nickel (SLN)	11 909 075	Public Treasury (Directorate Tax Services New Caledonia)	(a) (b)
			Gabon	Comilog SA	41 274 433	Ministry of Finance of Gabon	(c)
			Argentina	Eramine Sud America	351 910	Other public authority	(d)
			Sénégal	Grande Cote Opérations SA	5 061 165	Ministry of finance and budget of Senegal	(e)
	Dividends	<i>A payment to a partner or shareholder out of the profit of a company as a return on the investment made.</i>	France (New Caledonia)	Société Le Nickel (SLN)	-		
			Gabon	Comilog SA	6 282 518	Société Equatoriale des Mines and Caisse des Dépôts	(f)
			Argentina	Eramine Sud America	-		
			Sénégal	Grande Cote Opérations SA	-		
	Payments for infrastructure improvements	<i>Payment required by contract law or tax law (e.g. road building)</i>	France (New Caledonia)	Société Le Nickel (SLN)	-		
			Gabon	Comilog SA	4 623 839	City of Moanda	(h)
			Argentina	Eramine Sud America			
			Sénégal	Grande Cote Opérations SA	337 000	Thies Region	(i)

(*) The exchange rate used is the 2020 average rate used for the consolidation of the ERAMET Group accounts, i.e. 119.33174 for Pacific Franc in New Caledonia and 655.957 for CFA Franc in Gabon and Senegal and 80.43762 for Argentina. The amounts reported correspond to all of the disbursements made by the various entities and are not prorated according to the percentage of ERAMET Holding. These ownership percentages are indicated in Chapter 2 of the 2020 Universal Registration Document of the ERAMET Group, available on the website www.eramet.com.

2021 REPORTING ON FINANCIAL TRANSPARENCY OF ERAMET GROUP – PAYMENTS PER CATEGORY (2/4)

Payments per category			Definitions	Countries	Legal Entities	Paid Amount (in euros)*	Public authority receiving the payment
Payments imposed on the legal entity as mining operator	Bonuses	Production Bonus	<i>The bonus is paid upon reaching some milestone such as when a discovery is made, when development activities begin, or when a prescribed level of production is achieved (extraction bonus).</i>	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	
		Signature Bonus	<i>Payment demanded by authorities in certain host countries in advance of exploration activities for the rights to develop an exploration area (bonus after signing contract). the payment is made when the lease agreement is signed, or more accurately, for the right to sign the agreement.</i>	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	
		Discovery Bonus	<i>Payment demanded by authorities in certain host countries in advance of exploration activities for the rights to develop an exploration area (bonus after signing contract). the payment is made when the lease agreement is signed, or more accurately, for the right to sign the agreement.</i>	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	
	Royalties		<i>Payments made to the government to compensate it for the right to extract (and purchase) a non-renewable natural resource. Most royalties are either ad valorem (based on a percentage of the value of output, e.g., 5% of the value of the minerals produced) or per unit (based on a fixed amount, e.g. \$10 per ton).</i>	France (New Caledonia)	Société Le Nickel (SLN)	484 023	Public Treasury (New Caledonia Tax Services Branch)
				Gabon	Comilog SA	20 054 741	Ministry of Mines of Gabon
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	8 608 287	Ministry of Mines of Senegal
	Production entitlements		<i>This is the host government's share of the total production. This production entitlement can either be transferred directly to the host government or to the national state-owned company. Also, this stream can either be in kind and/or in cash.</i>	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	

(a) (g)

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2021 REPORTING ON FINANCIAL TRANSPARENCY OF ERAMET GROUP

– PAYMENTS PER CATEGORY (3/4)

Payments per category			Definitions	Countries	Legal Entities	Paid Amount (in euros)*	Public authority receiving the payment
Payments imposed on the legal entity as mining operator	Various fees	Export duties	Payments to the host government and/or national state-owned company for exporting minerals.	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	26 501 282	Ministry of Mines of Gabon
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	
		Licence fee	Payments to the host government and/or national state-owned company for receiving and/or commencing exploration and/or for the retention of a licence or concession.	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	
		Entry fee	Payments to the host government and/or national state-owned company for performing exploration work and/or collecting data (entry fees). These are likely to be made in the pre-production phase.	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	
		Rental fee	Annual fee collected according to the surface of the land to which the title applies or which is granted to the company.	France (New Caledonia)	Société Le Nickel (SLN)	1 138 383	Other authority
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	285 874	Dakar Harbour
		Various	Land contribution on built and undeveloped properties	France (New Caledonia)	Société Le Nickel (SLN)	-	
				Gabon	Comilog SA	-	
				Argentina	Eramine Sud America	-	
				Sénégal	Grande Cote Opérations SA	-	
					TOTAL	126 912 530	

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2021 REPORTING ON FINANCIAL TRANSPARENCY OF ERAMET GROUP

– PAYMENTS PER CATEGORY (2/2)

- (a) Amounts collected on behalf of the provinces and collectivity of New Caledonia.
- (b) This amount includes the payments of the patent.
- (c) This amount covers the payment of corporate tax and withholding tax on the payment of dividends.
- (d) This amount corresponds to a tax on mining concession in Argentina.
- (e) This amount includes the payment of stamp duty as well as the payment of a transactional agreement as part of the resolution of a customs inspection.
- (f) This amount corresponds to the payment of the share of the dividend paid in 2020 paid to the Gabonese State for the 2019 financial year.
- (g) This amount represents the payment of the surface royalty. However, the litigation is before the Paris Administrative Court of Appeal after obtaining a cassation ruling from the Council of State last year. A decision is expected to fix definitively the amount of money to be reimbursed by the government by the end of the year.
- (h) Payment for the construction of a road in Moanda and contribution for the training of the Gabonese population.
- (i) GCO's social program for the execution of works or equipment for the benefit of villagers affected by mining as expected in the Mining Convention.

* The exchange rate used is the 2020 average rate used to consolidate the ERAMET group accounts.

2021 REPORTING ON FINANCIAL TRANSPARENCY OF ERAMET GROUP – PAIEMENTS PER COUNTRIES AND LEGAL ENTITIES

Countries / entities	Taxes levied on the income, production or profits of companies	Dividends	Payments for infrastructure improvements	Diverses Bonuses	Royalties	Production rights	Various fees	Paid amount in 2020 (in euros)*
France (New Calédonia) / Société Le Nickel (SLN)	11 909 075				484 023		1 138 383	13 531 481
Gabon / Comilog SA	41 274 433	6 282 518	154 034		20 054 741		26 501 282	94 267 008
Senegal / Grande Côte Opération SA	5 061 165		337 000		8 608 287		285 874	13 955 326
Argentina / Eramine Sud America	351 910							351 910
Group Total								126 912 530

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