



SUSTAINABILITY-LINKED FINANCING FRAMEWORK

May, 2024



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1. INTRODUCTION

1.1 About Eramet

Eramet is a French multinational **mining and metallurgy company** headquartered in Paris ("**Eramet**" or the "**Company**"). With its 10,700 employees worldwide and over 100 years of experience, the Company is a key player in the extraction and recovery of metals and the production of processing of high value-added alloys. Through these activities, it transforms the Earth's mineral resources to provide sustainable and responsible solutions to the growth of the industry and to the challenges of the energy transition. Its mining operations are mainly located in the French overseas territory of New Caledonia, in Gabon and in Senegal, with leading position in the production of ferronickel; high-grade manganese ore and mineral sands (e.g., zircon, titanium).

Eramet's notable ambition is to become a leading mining and metallurgy group that is respectful of its environment and makes a positive contribution to the areas in which it operates. It aims at **extending its portfolio in the critical metals for the energy transition**, being the only European mining entity with world-class mineral deposits on battery metals (i.e., nickel, cobalt and lithium) and the first European company to develop sustainable and large-scale lithium production.

Beyond its strategic investments in sectors of the future, Eramet and its subsidiaries taken as whole (the "**Group**") is also creating this sustainable performance through the quality and strength of its teams around the world, delivering operational excellence, innovation capability, an entrepreneurial spirit, openness and pragmatism. As a business partner of choice, Eramet also strives to be seen as a home for best talents that enables every individual to reach their full potential.

1.2 Eramet's Sustainability Strategy

Corporate social responsibility is at the heart of the Eramet project, with an ambition enrolled in its corporate purpose (*raison d'être*) in May 2021 to **become a reference for the responsible transformation of the Earth's mineral resources for living well together**.

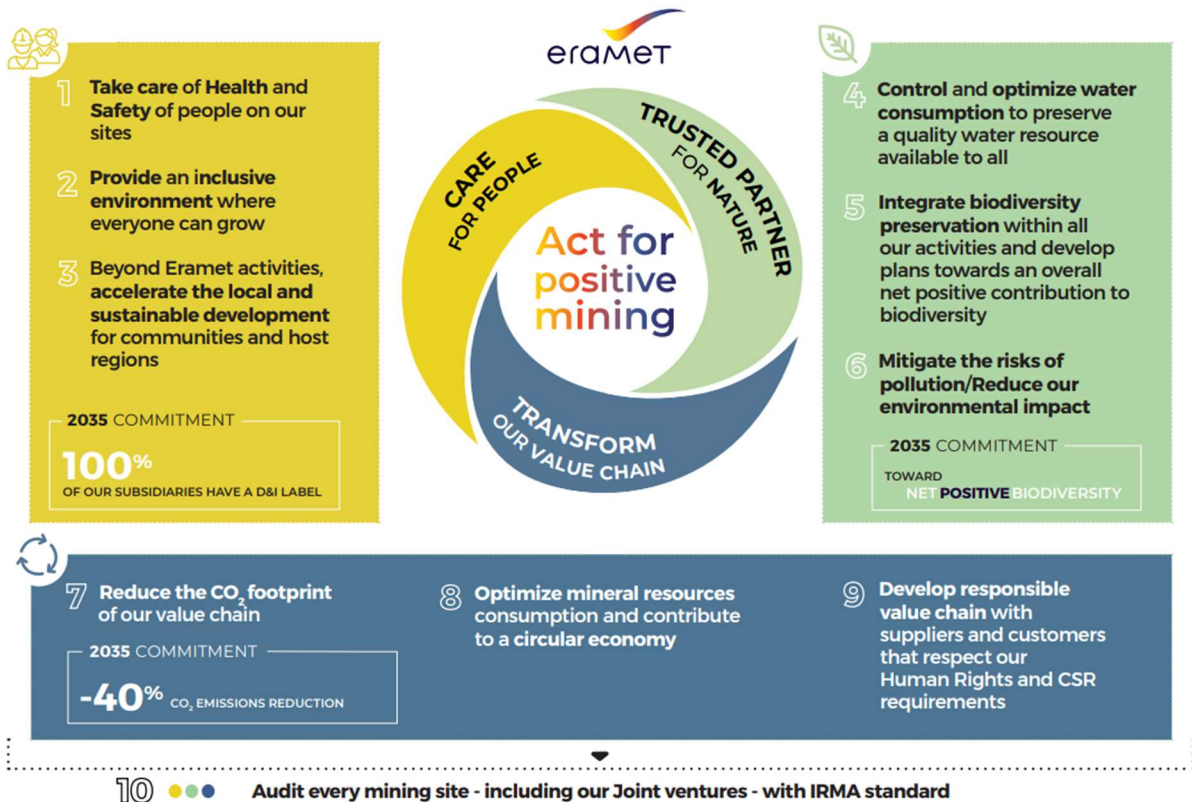
With this in mind, the Group has chosen to join the Extractive Industries Transparency Initiative ("**EITI**") and to become a partner member of the Responsible Minerals Initiative ("**RMI**") to contribute to the improvement of best practices in the responsible sourcing of metals. With its subsidiaries, the Group is particularly committed to providing concrete responses to the Sustainable Development Goals ("**SDGs**"), the priorities defined by the United Nations (UN) for a better and more sustainable future for all. In line with this commitment, Eramet has joined the Global Compact, one of the main mechanisms initiated by the UN to support companies' voluntary commitments.

Eramet's social responsibility got a fresh impetus with its **CSR Roadmap 2024-2026**, unveiled in November 2023 during the 1st Capital Market Day. It is structured around 3 pillars, bringing together a total of 10 specific objectives to be achieved by 2026.

At the heart of this approach lies a strong ambition: "**Act for Positive Mining**", which translates the desire to create, wherever possible, a positive impact for its stakeholders and ecosystem, but also to drive a shift to action and a positive, responsible state of mind within its teams, focused on the continuous improvement of practices to achieve the best standards in the sector.

While embedding its growing ambition in this new CSR Roadmap, Eramet is building on the solid foundations of the 2018-2023 Roadmap, maintaining consistency with:

- the priority issues for all its internal and external stakeholders (as listed in the Group's double materiality matrix);
- its long-term commitments (notably the Group's Decarbonization Roadmap validated by SBTi, or its commitment to diversity and inclusion).



1.2.1 *Care for People*

This pillar covers our employees and subcontractors, as well as local populations and communities. The aim is to guarantee good living together through safety, respect, support and development.

This pillar contributes to the long-term objective of having every subsidiary recognized by a label for its Diversity & Inclusion approach by 2035.

Objective 1: Take care of Health and Safety of people on our sites

Our social responsibility begins with the health and safety of our employees and subcontractors. This issue is at the top of our dual 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 a TF2 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 adapt to the Group's changing industrial footprint and growing need for innovation.

This objective is in line with Objectives 2, 3 and 4 relating to employee development, commitment and diversity in the 2018-2023 CSR Roadmap. While retaining a target for the feminization of managerial staff, already present in the 2018-2023 period, Act for Positive Mining introduces:

- an objective of **supporting the development of all employees**;
- a goal of **employing young people**, contributing to the training of local skills for the development of each of our host countries.

Objective 3: Beyond Eramet activities, accelerate the local and sustainable development for communities and host regions

Having successfully set up a community dialogue mechanism and investment program at each of its sites over the 2018-2023 period, in this new CSR Roadmap the Group aims to develop an investment program focused on **the empowerment of local populations**, supporting economic diversification and job generation **outside its core activities**, in order to lay the foundations for a positive legacy.

1.2.2 Trusted partner for Nature

Being a reference for the responsible transformation of the Earth's mineral resources starts with the implementation of industry best practices to limit our environmental impact on all dimensions: **water, atmospheric emissions, waste, biodiversity**.

By **monitoring, optimizing and continuously improving our key environmental parameters, and by innovating** to achieve some of our most ambitious goals, we strive to restore or improve our ecosystems to the state they were in before our passage.

This pillar contributes to our goal for 2035: to move towards a net positive¹ impact on biodiversity.

Objective 4: Control and optimize water consumption to preserve a quality water resource accessible to all

Preserving water resources and making them accessible to all is a major challenge for our company and for our internal and external stakeholders, and one of the most material issues for the company (see double materiality analysis).

In its new CSR Roadmap, Eramet is **committed to minimizing the impact of its activities on water resources and aquatic environments** by continuously improving water monitoring, management and treatment methods on our sites, as well as optimizing process water consumption and increasing recycling on sites most at risk of water stress.

¹ Methodology currently being defined, contribution defined according to International Finance Corporation performance standard no. 6 applied to all the Group's mining sites.

Objective 5: Integrate biodiversity preservation within all our activities and develop plans towards an overall net positive contribution to biodiversity

In this new CSR Roadmap, the Group supplements its rehabilitation rate target already deployed during the 2018-2023 period, with a goal of equipping all its mining sites with a Biodiversity Action Plan in line with the IFC Performance Standards.

This follows a long-lasting commitment of the Group in favor of the protection of biodiversity, with the first rehabilitation works launched by the Group in the 1970s. These long-term biodiversity commitments have been recognized in November 2021 as being SMART by the **act4nature** steering committee, a voluntary biodiversity alliance directed at French companies operating internationally.



Objective 6: Mitigate the risks of pollution/Reduce our environmental impact

When it comes to environmental impact, creating trust requires both rigorous management and transparency.

To continue the efforts begun under Objective 11 of the previous CSR Roadmap on the reduction of channelled dust, Act for Positive Mining places strong emphasis on two aspects that are among the priorities of our external stakeholders:

- the monitoring of air quality communicated to the communities surrounding our sites, and the monitoring and reduction of fugitive dust;
- the monitoring and management of water discharges at all our sites, in full transparency with neighbouring communities.

1.2.3 Transform our Value chain

The fight against climate change and the promotion of a more sustainable model can only be achieved with our value chain partners. Being responsible means not only leading by example, but also operating in a responsible ecosystem that shares and respects common CSR and ethical practices.

This pillar contributes to our goal of reducing our absolute CO₂ emissions from scopes 1 and 2 by 40% by 2035, compared with 2019.

Objective 7: Reduce the CO₂ footprint of our value chain

The transition to a low-carbon economy is a systemic challenge, and Eramet has chosen to extend its commitment beyond the question of its direct carbon footprint, by assessing the impacts on its entire value chain. Reducing CO₂ emissions requires both immediate attention and a long-term approach, including the transformation of existing assets, the development of new technologies in partnership with peers, academics and suppliers, as well as the integration of our customers' long-term decarbonization trajectory.

Eramet's target of a 40% reduction in absolute CO₂ emissions from Scopes 1 and 2 by 2035 compared with 2019, has been validated by the SBTi (Science-Based Target initiative) with

"target set" status. The intermediate targets to 2026 posted in this CSR Roadmap are fully in line with this trajectory, in continuity with Objective 13 of the 2018-2023 CSR Roadmap.

Objective 8: Optimize mineral resources consumption and contribute to a circular economy

Eramet has long been committed to a circular economy approach for all resources used in its business: mineral resources, water, energy, raw materials. Eramet will pursue this commitment at its mines and plants, broadening the scope of Objective 7 of the previous CSR Roadmap.

In addition to its historical activities, and in line with Objective 6 of the 2018-2023 CSR Roadmap concerning the economic diversification of its portfolio, the Group will also pursue the development of a robust technico-economic model for industrially recycling 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 enforcing our duty of care to ensure that our upstream and downstream partners share the same CSR and human rights standards as Eramet, while helping to raise their awareness. In line with Objective 10 of the 2018-2023 CSR Roadmap, Act for Positive Mining includes commitments to:

- monitor all our suppliers considered at risk via a CSR assessment carried out by an independent third party;
- subject our entire customer portfolio to ongoing screening of their CSR and ethical practices.

This vigilance will enable Eramet to discuss with its customers and suppliers and assess the relevance of proposed corrective measures, in order to decide whether the business relationship can be continued.

To support this approach as closely as possible to our sites, and in line with Objective 9 of the 2018-2023 CSR Roadmap, all new arrivals in purchasing and sales functions will receive ethics training every year, with all teams present in 2023 having been trained by the end of the period.

Objective 10: Audit every site – including our Joint ventures – with IRMA standard

Anchoring CSR performance 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 transparency and continuous improvement on all the mining sites we operate, based on independent audits to assess environmental and social responsibility, business integrity and the creation of a positive legacy on each of our sites.



IRMA: Eramet recognises the Initiative for Responsible Mining Assurance (IRMA) as the reference framework which the Group wishes to use in developing its mining-related activities and projects. IRMA is approved by numerous actors in the battery value chain, NGOs, and institutions connected with mining activities.

In 2022, self-assessments were carried out on the mining sites in Senegal and Argentina. In addition, an audit was conducted in the first quarter of 2022 to self-assess WBN's mining operations against the IRMA standard.

1.3 ESG Performance recognized by leading ESG agencies

Eramet ESG Performance is reflected in its ESG ratings. The Group also earned a B, on the Climate Change questionnaire of the Carbon Disclosure Project's (CDP) 2023 ranking, placing Eramet in the top category of companies in its business sector. In addition, Eramet was evaluated by the CDP on the Water Security questionnaire and received the score of C. Eramet's Moody's ESG Risk Rating also improved from 66/100 in 2021 to 69/100 in 2024. Eramet has received for the fourth year in a row the A score by the MCSI agency, in 2024. The Group also earned an overall rating of B by ISS-ESG and was awarded "Prime" status, granted to companies whose ESG performance exceeds the threshold of other companies in their industry. Finally, Sustainalytics awards a score of 28.3, placing Eramet 21st out of 205 in the diversified metals mining sector rankings.



1.4 Rationale for the Sustainability-Linked Financing Framework

Driven by an in-depth transformation, Eramet has clearly defined ambitions to become a strategic player in the energy transition and committed to strong sustainability objectives.

The development of a Sustainability-Linked Financing Framework in 2023 allowed Eramet to team-up with its financial stakeholders along the Company's long-term strategic and sustainable objectives. As such, any Sustainability-Linked Financing instruments issued under this new Framework will enable Eramet to align its sustainability objectives with its financing strategy. It represents an additional step in Eramet's commitment to Sustainable Finance, after the signing of 2 sustainability linked banks facilities (RCF and term loan) in 2021 and 2023, complemented by a 1st Framework released in 2023.

2 SUSTAINABILITY-LINKED FINANCING FRAMEWORK

The Eramet Sustainability-Linked Financing Framework ("**Framework**") aligns with the International Capital Markets Association ("**ICMA**") Sustainability-Linked Bond Principles ("**SLBP**", June 2023) and the Sustainability-Linked Loan Principles ("**SLLP**", February 2023), which provide market guidance on the recommendation of structuring features, disclosure and reporting. Hence, it has been structured according to the following sections:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Financial characteristics
4. Reporting
5. Verification

As the ESG market continues to evolve, the rise of new standards and/or potential changes in the SLBP and SLLP may be incorporated into futures versions of this Framework. The Framework is applicable to any outstanding Sustainability-Linked Bonds/Loans issued under this Framework by Eramet or its subsidiaries. Sustainability-Linked Financing are instruments for which the financial and/or structural characteristics vary depending on whether the issuer or borrower has achieved pre-defined Sustainability Performance Targets.

2.1 Selection of Key Performance Indicators (“KPIs”)

Eramet has selected three KPIs for this Framework, because they are core, relevant and material to Eramet’s business.

Note that baselines and historical figures associated to each KPI exclude the subsidiaries that have been divested since 2019: Aubert & Duval, Erasteel, Sandouville and Eramet Titanium & Iron AS’s operations.

KPI#1: Absolute Scope 1 & 2 GHG emissions reduction	
Definition	Absolute Scope 1 and 2 Greenhouse gas (GHG) emissions for a given year (measured on the 31 st of December each year) compared to absolute GHG emissions of the baseline year.
Scope	Eramet Group’s own operations (i.e. the one over which Eramet has operational control) ²
Baseline	2019: 3,651 Mt of CO ₂ equivalents
Methodology	Absolute scope 1 and 2 greenhouse gas emissions for all operated entities of the Eramet Group are measured by an absolute figure of greenhouse gas emissions in metric Megatons of CO ₂ equivalents for a given calendar year (measured on the 31 st of December of each year). The reported figure in Megatons of CO ₂ equivalents is prepared in accordance with the rules of the Greenhouse Gas Protocol.

KPI#2: Carbon intensity, Scope 1 & 2 GHG emissions	
Definition	Scope 1 and 2 Greenhouse gas (GHG) emission intensity for a given calendar year (measured on the 31 st of December each year) compared to GHG emissions intensity of the baseline year.
Scope	Eramet Group’s own operations (i.e. the one over which Eramet has operational control) ² .
Baseline	2019: 0.351 metric tons of CO ₂ equivalents per sellable metric ton

² In accordance with the Greenhouse Gas Protocol, direct emissions (scopes 1 and 2) of the joint ventures in which Eramet does not hold the controlling interest, are recorded in scope 3 in proportion to the Group’s percentage of shareholding.

Methodology	<p>Eramet's intensity value is calculated dividing the absolute Scope 1 and 2 greenhouse gas emissions for a given year by the total volume of production ready to be sold.</p> <p>The dividend figure is expressed in metric tons of CO₂ equivalent, and it is calculated following the rules of the Greenhouse Gas Protocol, over the Scope described here above.</p> <p>The divisor is expressed in tons of sellable products. For the calculation of the divisor, Eramet makes sure to avoid double counting of ore volumes from extraction on mines to shipment, specifically for its activity in Gabon. Comilog's sellable tons are tons of ore shipped by train, and embarked on vessels at Owendo port facilities, plus the sellable tons transformed in Moanda plants (CMM – <i>Complexe Métallurgique de Moanda</i> and CIM – <i>Complexe Industriel de Moanda</i> facilities). Mines' extraction volumes are not accounted for, as they are already included in embarkment activity. No activity is considered for Setrag to establish the divisor³.</p> $KPI2 = \frac{\text{Scope 1\&2 GHG emissions (in metric tons of CO}_2\text{e)}}{\text{Total of sellable production (in metric tons)}}$
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KPI#3: Share of suppliers and customers by emissions having decarbonization targets consistent with the well-below 2° scenario of the Paris Agreement	
Definition	Share of suppliers and customers having decarbonization targets for their own scopes 1 and 2, that are consistent with the well-below 2° scenario of the Paris Agreement or more ambitious (measured on the 31 st of December each year)
Scope	All suppliers and customers of the Eramet Group, except traders ⁴ . Covering Eramet's Group scope 3 emissions, across all first 14 categories ⁵ outlined in the GHG Protocol Corporate Value Chain standard (excluding trading companies in category 10 - "Processing of Sold Products").
Baseline	~30% in 2021
Methodology	<p>On an annual basis, Eramet calculates the Eramet Group's scope 3 emissions for each category listed above according to related GHG protocol Corporate Value Chain standard, applying preferably "<i>average-data method</i>"⁶, and "<i>spend based method</i>"⁷ when physical data are missing.</p> <p>Emission factors are extracted from recognized international databases (ADEME, Life Cycle Inventories of Metals, EPA, AIE, Quantis, EcoInvent, ...).</p> <p>As Eramet continuously looks for quality improvement of the Eramet Group Scope 3 accounting, the emissions factors mentioned above may be updated over time or will be superseded by actual customer and supplier emission data.</p> <p>The KPI#3 follows the requirements of SBTi criteria for "<i>suppliers or customers engagement targets</i>"⁸ considering the qualification of their commitment and it is</p>

³ Setrag is a subsidiary of Eramet's subsidiary Comilog. The activity of Setrag is the transportation of passengers by train, where emissions are not measured in tons of products. As it is difficult to define its activity in tons, it is not accounted at all in the divisor, but full emissions are accounted in the dividend: it is a conservative approach.

⁴ Traders don't have either direct emission, nor strong rationale to formalize such commitments.

⁵ Category 15 is related to Investments, and not to Suppliers & Customers' activities

⁶ Multiplying mass data (tons of goods/products) by relevant emission factor

⁷ Multiplying economic value by relevant emission factor

⁸ Criteria assessment: <https://sciencebasedtargets.org/resources/files/SBTi-Criteria-Assessment-Indicators.pdf>

	based on a subsequent assessment of revenues from customers and the spend on suppliers that have this type of decarbonisation targets.
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2.1.1 ***Materiality***

Climate change is one of the main threats facing humanity in the coming decades. As a mining and metallurgical group whose operations generate large amounts of greenhouse gases, Eramet is a key stakeholder when it comes to tackling this issue. The Group is thus seeking to avoid and minimize its atmospheric emissions. Eramet's strategy focuses on **reducing scope 1 and 2 CO₂ emissions**, and to onboard both its customers and suppliers as climate change is a systemic issue and **our whole value chain is to act**.

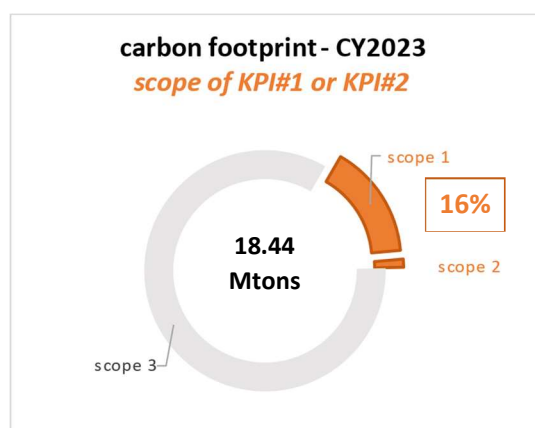
The three selected KPIs are core to Eramet's strategy to reduce the Group CO₂ emissions and are addressing the **decarbonization challenge**, that is of vital importance to the mines and metals industries. Decarbonization is indeed becoming an essential part of the "license to operate", with metals & mining companies facing both an increasing demand for the materials essential to the energy transition and a growing pressure to decarbonize operations that are highly energy intensive. Fully aware of the driving and structural role that can be played by industrial operators who provide the global industry with raw materials, Eramet aims to reduce the Group carbon footprint by controlling its emissions, developing its lowest-carbon activities, and supplying metals essential to the energy transition. Eramet is hence transforming its industry and providing solutions to tackle the crucial climate challenge.

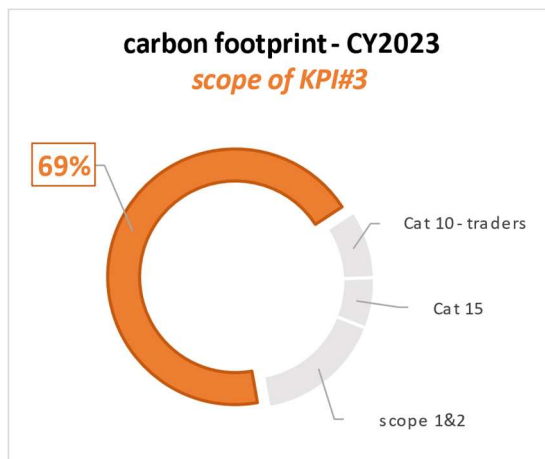
KPI #1 and KPI #2 address Eramet Group's Scope 1 and 2 emissions

Eramet Group's scope 1 emissions refer to on-site direct emissions, resulting mainly from the transformation of ore through pyrometallurgy, for which there is currently no economically viable alternative technological solution.

Scope 2 emissions refer to indirect emissions linked to electricity and heat purchases, which is rather low for the Eramet Group thanks to a high proportion of carbon-free electricity available on the networks the company is connected to.

In 2023, Eramet Group's total Scope 1 and 2 emissions amounted up to 3.010 Mt of CO₂ equivalent, and accounted for **16% of the Group's total Scope 1, 2 and 3 emissions**. Hence, reducing these emissions scopes is a key part of the Company's strategic objective to contribute to climate change mitigation.





KPI #3 addresses Eramet Group's Scope 3 GHG emissions referring to all the emissions that occur in Eramet Group's value chain, from categories 1 to 14 defined by GHG protocol, traders excluded (in category 10). In 2023, these emissions amounted up to 12.64 Mt of CO₂ equivalent and **accounted 69% of the Group's total Scope 1, 2 and 3 emissions**.

The largest share of Eramet Group's scope 3 emissions comes from the "processing of sold products", meaning the emissions of the consumers of mining products. Other scope 3 emissions include upstream Scope 3 emissions related for example to the purchased goods and services or to the transportation of raw materials supplied.

KPI#3 prompts Eramet's (and companies of the Eramet Group's) suppliers and customers to commit on their own science-based targets by 2025. Given the share of the Eramet Group's total emissions targeted by this KPI and the potential to drive significant emission reductions throughout the Eramet Group's value chain, this KPI is another key priority under the Company's CSR strategy.

2.2 Calibration of Sustainability Performance Targets ("SPTs")

Note that baselines, historical figures and targets value associated to each KPI exclude the subsidiaries that have been divested since 2019: Aubert & Duval, Erasteel, Sandouville and Eramet Titanium & Iron AS's operations.

2.2.1 Summary of available KPIs and SPTs

All Sustainability Performance Targets' pace are aligned with the Group's decarbonization roadmap that was submitted to the international consortium SBTi as part of its approval process in September 2021, which recognizes the ambition of the target and its consistency with the Paris Agreement, according to a well below 2°C pathway.

The selected KPIs are governed by Eramet's public commitments as set out in the CSR Roadmap 2024-2026 and as validated by SBTi for its decarbonization targets. It's important to mention, that Eramet reviews at least every five years the compliance of this commitment with latest applicable criteria of the SBTi. Next formal review will occur in 2026⁹.

The applicable KPI(s), Sustainability Performance Target(s) and related observation date(s) for a given Sustainability-Linked Financing will be specified in the relevant documentation of the specific transaction.

⁹ Eramet's CSR Roadmap 2024-2026 includes the objective of maintaining in 2026 at least a 67% level for KPI#3, as nature of Eramet future commitment on scope 3 to be submitted to SBTi during 2026 is not yet decided.

2.2.2 *Summary of available KPIs, SPTs and observation dates*

	2019	2020	2021	2022	2023	2025	2026	2030	2035
Absolute Scope 1 & 2 GHG emissions (in Mt)	3.651	3.533	3.263	3.226	3.010	–	–	–	-40% vs 2019 ≤2.190
Carbon Intensity, Scope 1 & 2 GHG emissions (in tCO ₂ /t)	0.351	0.298	0.269 ¹⁰	0.271 ¹⁰	0.247	-35% vs 2019 ≤0.228	-37% vs 2019 ≤0.221	-40% vs 2019 ≤0.211	–
Share of suppliers and customers by emissions having decarbonization targets consistent with the well-below 2° scenario of the Paris Agreement	28%	27%	30%	33%	46%	67%	67%	–	–

¹⁰ These figures have been restated to cancel out the incidental decrease in carbon emissions / intensity as a result of the outage of an electric power plant unit in New Caledonia to represent the carbon intensity under a business-as-usual scenario. Hence, these figures are more representative datapoints in the decarbonization trajectory.

2.2.3 Sustainability Performance Targets, Baseline and Ambitiousness

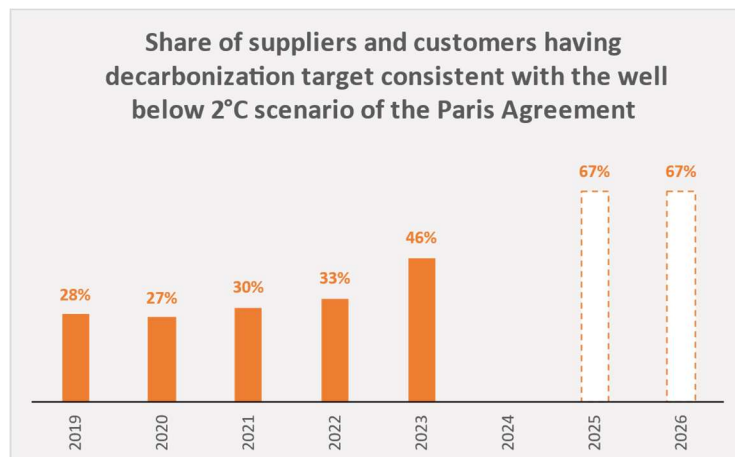
SPT for KPI#1 : Absolute Scope 1 & 2 GHG emissions reduction															
SPT	-40% by 12/31/2035 versus 2019 (or ≤2,190 Megatons in 2035)														
Baseline	Full calendar year of 2019: 3,651 Megatons														
Ambitiousness	<div data-bbox="416 407 1163 860" data-label="Figure"> <p>Absolute Scope 1 and 2 emissions, recent performance and targets</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Emissions (Megatons)</th> </tr> </thead> <tbody> <tr><td>2019</td><td>3,651</td></tr> <tr><td>2020</td><td>3,533</td></tr> <tr><td>2021</td><td>3,263</td></tr> <tr><td>2022</td><td>3,226</td></tr> <tr><td>2023</td><td>3,010</td></tr> <tr><td>2035 (Target)</td><td>2,190</td></tr> </tbody> </table> <p>WB2°C: average -2.5%/yr</p> </div> <p>The reduction target for 2035 set by Eramet has been validated by SBTi in September 2021. This validation ensures that the commitment is compatible with the “well-below the 2°C” scenario of the Paris Agreement.</p> <p>Eramet is one of the few companies in the mining sector with a SBTi validated target, which makes it an industry leading target.</p> <p>The most significant improvements in absolute terms depend on breakthrough innovations to production processes (see below – levers to achieve SPT), most of them at the research & development status and expected to take some time to materialize. To complement this long-term absolute target, Eramet has set short and medium terms targets on improving its carbon intensity.</p>	Year	Emissions (Megatons)	2019	3,651	2020	3,533	2021	3,263	2022	3,226	2023	3,010	2035 (Target)	2,190
Year	Emissions (Megatons)														
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2023	3,010														
2035 (Target)	2,190														

SPT for KPI#2: Carbon Intensity reduction, Scope 1 & 2 GHG emissions																			
SPTs	-35% by 12/31/2025 versus 2019 (or $\leq 0.228\text{tCO}_2/\text{t}$ by 2025) -37% by 12/31/2026 versus 2019 (or $\leq 0.221\text{tCO}_2/\text{t}$ by 2026) -40% by 12/31/2030 versus 2019 (or $\leq 0.211\text{tCO}_2/\text{t}$ by 2030)																		
Baseline	Full calendar year of 2019: $0.351\text{ tCO}_2/\text{t}$																		
Ambitiousness	<div data-bbox="485 427 1230 882" data-label="Figure"> <table border="1"> <caption>Scope 1 and 2 emissions intensity, recent performance and targets</caption> <thead> <tr> <th>Year</th> <th>Emissions Intensity (tCO_2/t)</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>0.351</td> </tr> <tr> <td>2020</td> <td>0.298</td> </tr> <tr> <td>2021</td> <td>0.269</td> </tr> <tr> <td>2022</td> <td>0.271</td> </tr> <tr> <td>2023</td> <td>0.247</td> </tr> <tr> <td>2025 (Target)</td> <td>0.228</td> </tr> <tr> <td>2026 (Target)</td> <td>0.221</td> </tr> <tr> <td>2030 (Target)</td> <td>0.211</td> </tr> </tbody> </table> </div> <p>The reduction pace is set in line with the decarbonization roadmap that was submitted to the SBTi as part of its review and approval process, ensuring the target is consistent with the Company validated long-term absolute emission target (i.e., -40% by 2035 of absolute emission), which has been recognized in accordance with a well-below 2°C pathway.</p> <p>This target is ambitious, especially considering that Eramet's carbon intensity is already quite low compared to its peers thanks to:</p> <ul style="list-style-type: none"> (i) Its pyrometallurgies activities based in France and Norway where the electric intensity is very low, as well as in Gabon where Eramet uses electricity generated by hydroelectric dams. (ii) Strong decrease in carbon-intensity over the past years driven by: <ul style="list-style-type: none"> ○ A change in activity mix by opting to ramp-up mining activities, which are much less emissions-intensive than the Eramet Group's other activities, especially pyrometallurgy activity, ○ The implementation of energy recovery facilities for transporting ore at Comilog in Gabon or energy recovery in exhaust gases in Norwegian plant of Sauda, for example. Eramet continued to develop its decarbonized electricity sourcing with the construction of two wind farms in Norway. 	Year	Emissions Intensity (tCO_2/t)	2019	0.351	2020	0.298	2021	0.269	2022	0.271	2023	0.247	2025 (Target)	0.228	2026 (Target)	0.221	2030 (Target)	0.211
Year	Emissions Intensity (tCO_2/t)																		
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2023	0.247																		
2025 (Target)	0.228																		
2026 (Target)	0.221																		
2030 (Target)	0.211																		

SPT for KPI#3: Share of suppliers and customers by emissions having decarbonization targets consistent with the well-below 2° scenario of the Paris Agreement

SPT
67% by 12/31/2025
67% by 12/31/2026

Ambitiousness



To address Eramet's Scope 3 emissions, that account for most its carbon footprint, Eramet is among the first ones of its industry to have engaged with SBTi on such commitment on its supply chain. Commitments encompassing all scope 3 emissions are very few amongst mining industry players. Some actors have set partial targets, covering for example only the shipping emissions.

Eramet aims at ensuring that the suppliers and customers set the targets that adhere to the SBTi criteria, meaning that this ambition is aligned to well-below 2°C scenario. This target is ambitious considering 2021 and 2022 performance and the number of suppliers and customers concerned, to whom Eramet has to engage with.

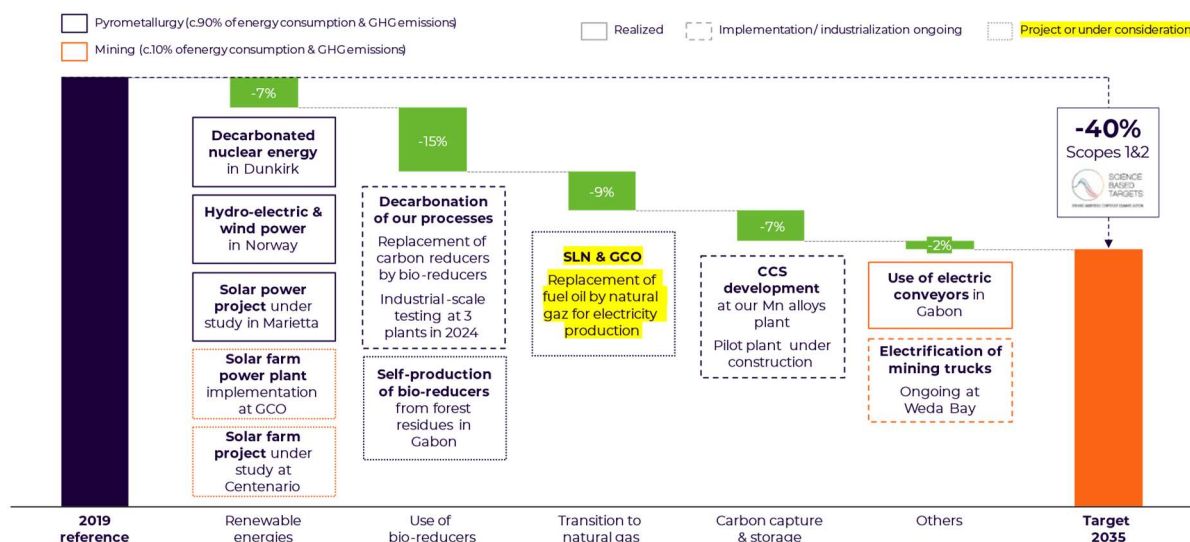
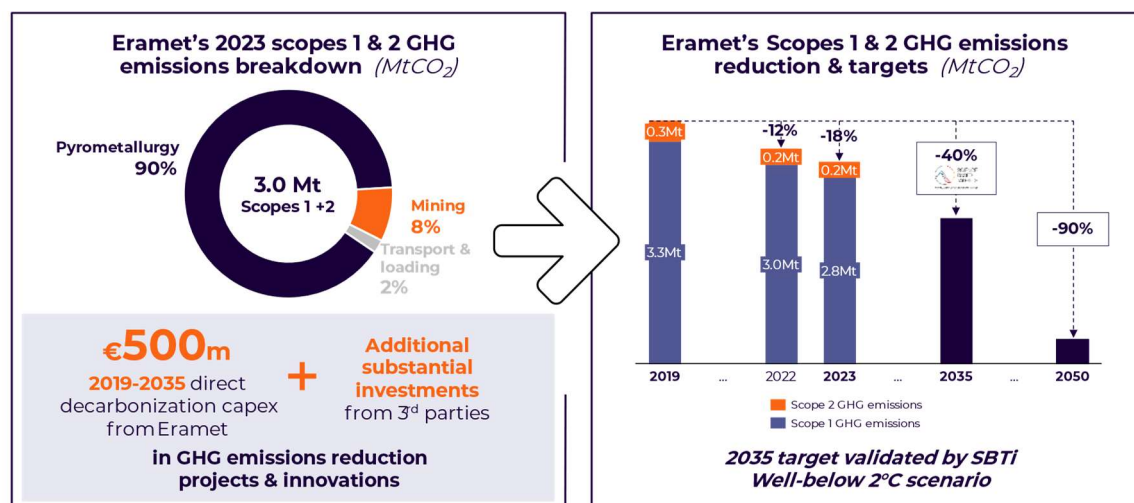
Such SPT requires Eramet's suppliers and customers to set reduction targets, applying for example the contraction method¹¹, which would unavoidably positively impact Eramet's Scope 3 absolute emissions.¹²

¹¹ [SBTi-manual.pdf \(sciencebasedtargets.org\)](https://sciencebasedtargets.org/document-library/sbti-manual.pdf)

¹² Eramet's CSR Roadmap 2024-2026 includes the objective of maintaining in 2026 at least a 67% level for KPI#3, as nature of Eramet future commitment on scope 3 to be submitted to SBTi during 2026 is not yet decided.

2.2.4 Levers to achieve SPTs

Achieving SPT #1 and SPT #2: The Group's decarbonization roadmap was refined in 2023, to consider the sale of Eramet Titanium & Iron AS.



The priority actions are:

- Continuous improvement and energy efficiency:** Eramet must anchor a strong culture of energy and climate performance among all its employees to ensure that energy and climate sobriety is systematically sought in operational choices. To structure all these progress initiatives, Eramet has implemented a management system for its energy and climate performance within its entities, up to ISO 50001 certification for every Group's mining and metallurgical sites.

A "Temporary Docked Power Plant" solution, aimed at ensuring the continuity of electricity supply to the Doniambo site connected at the end of 2022, has been 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 allows a significant gain in efficiency and the savings observed in 2023 are already nearly 30% for each kilowatt hour produced;

- **the use of bio-reducers** in ore reduction, as a replacement for coke. The main challenge of this decarbonization lever is to have sufficient sources of bio-reducers, managed in a sustainable manner and compatible with the constraints of our processes. The market for bio-reducers is not very mature and production capacities are not yet in place, in view of the potential demand of industry (metallurgy, cement in particular). Eramet is attentive to the prioritization of biomass uses, so that bio-reducers are considered in a specific way, in relation to uses for which alternatives are more widely available, such as electricity production.

In 2023, Eramet appointed a Project Director specifically in charge of the development of bio-reduction, reporting to the Group's Decarbonization Department. Eramet is continuing its collaborations with several suppliers to develop, at the necessary scale, production capacities for bio-reducers adapted to the processes of its various production sites. In 2023, a forest waste recovery program was initiated in Gabon, for the manufacture of charcoal for metallurgical use;

- **the substitution of heavy fuel oil by natural gas** for electricity production to reduce the carbon content of the electricity consumption of Doniambo plant, in New Caledonia, and the Grande Cote Operation site in Senegal. However, this line of work requires the development of a natural gas supply chain, under technical and economic conditions that meet Eramet's expectations. Discussions were held in 2023 with oil operators 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 put a stop to the discussions initiated in 2022 on these subjects for the time being;
- **the development of carbon capture and sequestration** (or utilization) to sustainably manage emissions that could not be avoided. The technical challenges are numerous (developments needed for gas capture, transport, and storage) and the size of the infrastructure requires collaboration between manufacturers. Eramet is actively working, in partnership with other stakeholders, to define efficient and competitive transport and final disposal solutions, as well as to highlight the difficulties encountered at regional and national levels.

In September 2023, pre-feasibility studies for the site's CO₂ capture and storage project were launched in Sauda, Norway, and work for the installation of a pilot started in October. At the Porsgrunn site in Norway, the Group has initiated discussions with various partners to enhance the reuse of CO₂ through third-party industrial applications;

- **the implementation of renewable electricity** purchases and production coupled with the electrification of mines. Today, the Group's industrial sites are all connected to a highly carbon-free electricity grid, except for 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 sourced electricity, available 24/7, and in significant quantities. As far as Eramet's mining operations are concerned, the sites are generally isolated and require both investment in a carbon-free electricity production infrastructure and the change of the fleet of machinery to move away from the current full-diesel operation;

Eramet has entered the negotiation phase for the signing of a Power Purchase Agreement (Power Purchase Agreement) for renewable energy from a solar farm built in Centenario, Argentina, and financed by the partner. This 15MWp facility will also have 10MW battery storage;

Eramet is actively working to implement a project to build a 21 MWp solar power plant (coupled with 11 MW electrochemical storage), which will reduce the fuel consumption needed to meet the energy needs of the Grande Côte Operations site;

Achieving SPT #3 will entail great deal of effort for the Company to enroll into its sustainability journey an increasing number of its counterparts through the observed period. This is achievable through the following actions:

- **Supplier engagement** and procurement policy and choices: structural engagement including establishment of a criterion related to suppliers' positioning on climate change on all purchases that would be weighted in the final decision, questionnaires sent through supplier's management systems on their positioning and initiatives related to climate change
- **Customer engagement** and product and service design: including offering customers products with low carbon content and/or expertise in how to decarbonate the processing of Eramet's metals, business model innovation
- **Dedicated discussion set up with significant suppliers and customers** to articulate specific joint decarbonization actions
- **Data collection and monitoring of the data quality** encompassing the whole of Eramet's value chain and substantial amount of efforts and attention invested by Eramet into improving the sustainability quality of its value-chain across all of its products and geographies

Overall the management of suppliers and customers through the lens of science-based targets allows Eramet to improve the accuracy of its Scope 3 reporting as well as to have real positive influence on the emission reduction. The thorough and responsible action plan implemented by Eramet around SPT3 encompasses the largest possible coverage of Scope 3, representing a real challenge for the mining industry players where the Scope 3 is rarely reported or the reduction targets go beyond 2030 horizon.

Detailed information on factors that support and/or might put at risk the achievement of the targets might be disclosed in the relevant documentation of the Sustainability-Linked Financing instruments, in line with applicable regulation.

2.3 Financial Characteristics

The financial characteristics of Eramet Sustainability-Linked Financing instruments can vary depending on whether the included KPIs meets the predefined SPTs (as specified in section 2.2 of this Framework). The applicable adjustment and therefore the resulting impact on the financial characteristics for a given instrument will be specified in the relevant documentation. The proceeds of the Eramet Sustainability-Linked Financing instruments will be used for general corporate purposes.

The following sections outline the various approaches for impacting the financial characteristics of Eramet Sustainability-Linked Bonds.

- **A coupon step-up during the lifetime of the bond**

In case this approach is applicable, failure to meet one or more SPTs will result in a coupon step-up applicable to all interest periods following the observation date (starting therefore on the next coupon payment falling after such observation date and applicable until maturity of the bond). If only some of the SPTs used in an instrument are met on a given observation date, an intermediary step-up could apply.

- **A premium paid at maturity of the bond**

In case this approach is applicable, failure to meet one or more SPTs will result in an additional cash payment on top of the principal amount to bondholders at maturity of the bond.

In the case of Sustainability-Linked Loans, a **margin adjustment** in the form a premium or a discount will be applied depending on whether Eramet meets one or more of the SPTs. The specific margin adjustment mechanism will be specified in the loan documentation.

2.4 Reporting

On an annual basis and until the maturity of a Sustainability-Linked Bond or Loan, Eramet will provide investors and/or other stakeholders up-to-date information deemed to be relevant for the assessment of the applicable KPIs and SPTs (as outlined in section 2.1 and 2.2 of this Framework, respectively) in its universal registration document report or any equivalent or standalone report or document. The report will include:

- the performance of the selected KPIs against the predefined SPTs, including baselines and historical trajectory where relevant,
- any information enabling to monitor the level of ambition of the SPTs (e.g., any update in the issuers or borrowers' sustainability strategy or on the related KPI/ESG governance, and more generally any information relevant to the analysis of the KPIs and SPTs).

Following the observation date of any of the Sustainability Performance Targets, a report confirming the KPIs performance relative to the SPTs will be provided.

Reporting will be made readily available on Eramet's website for all Sustainability Linked Bonds issued under the present Framework and covered by an assurance statement of the statutory auditor (please refer to section 2.5 of this Framework for more details).

The sustainability confirmation statement with verification report attached outlining the performance against the SPTs will be provided to the lenders participating in the Sustainability-Linked loan instruments and in accordance with the relevant loan documentation.

2.5 Verification

2.5.1 Verification and Assurance

Independent assurance will be provided by a qualified external auditor, which will assess Eramet's performance level against the KPIs and related SPTs, on an annual basis and until the maturity of the instrument. This annual assurance report will be included in the Eramet's universal registration document report or any equivalent or standalone report or document.

Additionally, a specific **Verification Assurance Report** will be provided by the auditor at time of a target observation date for a given SPT, based on which a potential adjustment of the financial characteristics of a specific Sustainability-Linked financial instrument will be triggered.

2.5.2 Second Party Opinion

Eramet has appointed Sustainalytics to provide a Second Party Opinion (SPO) on the Framework. The SPO verifies the Framework's alignment with the Sustainability-Linked Bond Principles, the Sustainability-Linked Loan Principles as well as its alignment with the ICMA Climate Transition Finance Handbook. The Second Party Opinion report will be made available on the Investor Relations section of the Eramet corporate website.

2.6 Recalculation

The legal documentation of a Sustainability-Linked Financing instrument may include a recalculation provision to take into consideration potential exceptional events, such as significant evolution in methodology or perimeters (acquisition and/or disposal) or extreme events, including drastic changes in the regulatory environment that could substantially impact the calculation of the KPI, the restatement of the SPT, and/or pro-forma adjustments of baselines or KPI scope.

In the event of any change, which occurs between the issue date of Sustainability-Linked Bonds and the Sustainability Performance Target Date (i) in the Group's perimeter (due to an acquisition, a merger or a demerger or other restructuring (*scission* or *apport partiel d'actifs*), an amalgamation, a consolidation or other form of reorganisation with similar effect, a spin-off, a disposal or a sale of assets); (ii) in or any amendment to any applicable laws, regulations, rules, guidelines and policies relating to the business of the Group; or (iii) to the methodology for calculation of any KPI to reflect changes in the market practice or the relevant market standards, which, individually or in aggregate, has a significant impact on the level of any SPT or any KPI baseline (each, a "**Recalculation Event**"), the relevant SPT may be recalculated in good faith by the Company to reflect such change, provided that an independent external verifier has independently confirmed that the proposed revision is consistent with the initial level of ambition of the relevant SPT taking into account the Recalculation Event.

2.7 Disclaimer

The information contained in this Framework, unless differently specified in this Framework, has not been independently verified and no representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. This Framework is intended to provide non exhaustive, general information.

This Framework contains certain forward-looking statements that reflect Eramet management's current views with respect to future events and financial and operational performance of the Group. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding present and future business strategies and the environment in which Eramet operates, and involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, or industry results or other events, to be materially different from those expressed or implied by these forward-looking statements due to any number of different factors, many of which are beyond the ability of Eramet to control or estimate including, but not limited to, future market development, or changes in the regulatory environment. These forward-looking statements and information are not guarantees of future performances.

Forward-looking statements speak only as of the date of this document and Eramet expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements included in this document to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Such forward-looking statements are for illustrative purposes only.

This document is not intended to be and should not be construed as providing legal or financial advice.

This Framework does not constitute a recommendation or advice regarding any debt securities or loans of Eramet or any of its subsidiaries or its affiliates. This Framework is not, does not constitute, nor it should be interpreted as, or form part of, any offer or invitation to underwrite, subscribe for or otherwise acquire or dispose of, any solicitation of any offer to underwrite, subscribe for or otherwise acquire or dispose of, any debt securities (including any sustainability-linked debt securities) issued, to be issued by, Eramet or any of its subsidiaries or its affiliates in the U.S. or in any other jurisdiction.

Any decision to buy or invest in debt securities that may be issued by Eramet or its subsidiaries or affiliates from time to time, including any sustainability-linked debt securities, shall be made solely and exclusively on the basis of the information set out in the pertinent prospectus or offering document in accordance with all applicable laws (including selling restrictions) provided in connection with the offering of such debt securities, and not on the basis of the Framework.

Any decision to grant a loan to Eramet or any of its subsidiaries or its affiliates shall be made solely and exclusively on the basis of the relevant documentation relating to it and not on the basis of the Framework.

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