

IMERYS MINERALS LIMITED - MODERN SLAVERY STATEMENT - MARCH 2019

The world leader in mineral-based specialties for industry, Imerys delivers high value functional solutions to a great number of sectors, from processing industries to consumer goods and building products.

The Group draws on its knowledge of applications, scientific expertise and technological know-how to offer solutions to beneficiate its mineral resources, produce synthetic minerals and develop formulations. Imerys thus contributes essential properties to customers' products and performance, such as refractoriness, hardness, conductivity, opacity, durability, purity, lightness, filtration, absorption and repellency.

Imerys respects the world in which it operates. The Group is committed to play a role in society, to meet its obligations to the countries and communities within which it does business, and to act as responsible environment stewards and thereby contribute to long term sustainable development.

ENSURE COMPLIANCE TO INTERNATIONAL STANDARDS RELATED TO CHILD FORCED LABOUR

Imerys supports Human Rights as defined in the Universal Declaration of Human Rights, monitors the risk associated with the Group's swift growth in emerging countries and requires that they are respected in its operations worldwide. The Group also engages its main suppliers on Environmental, Social and Governance (ESG) Standards based on the UN Global Compact 10 principles

Imerys is fully committed to taking effective measures to end discrimination and to eradicate child labour and forced labour. Compliance with Group protocols on human rights and labour practices, including preventing child labour and forced labour, is included within due diligence assessment for new projects and within the scope of internal auditing missions for the Group existing activities. Protocols on prohibition of child labour and forced labour have been in place since 2009, and were reviewed and updated in 2017.

COMPLIANCE AND BUSINESS ETHICS

Imerys Code of Business Conduct and Ethics ("the Code") summarizes the principles of ethical behavior the Group expects from all of its employees, contractors, suppliers, and other partners. The umbrella principles set forth in the Code are supported by a series of policies and protocols applying to both the general conduct of Imerys and the individual conduct of each employee. The subjects covered by the Code include compliance with laws and regulations, protection of environment and human rights, relations with local communities and trade unions, workplace safety and health, diversity and equality,

confidentiality, prevention of fraud or corruption, insider trading, conflicts of interest, protection of the Group's assets, fair competition, transparency, and integrity.

The Code is a 'living document', regularly reviewed and updated in order to take into account internal and external changes and developments in applicable international regulations. In this context, in 2018 the Group launched a new Code following a wide consultation across Group functions and with employee representatives. This Code, translated into 23 languages, introduced by the Group CEO, applies to all Imerys employees, Imerys controlled joint ventures, Imerys suppliers, agents and other comparable long term business partners.

SUPPLIERS' ENGAGEMENT

Imerys believes that high standards in all environmental, social and governance areas are essential for all of its business operations. The Group expects its business partners and suppliers to adhere to the same principles as elaborated with the Group Code of Ethics and Business Conduct. As such in 2018, Imerys updated and launched new Supplier ESG Standards ("the Standards"). These Standards, based on the Group Code and CSR Charter and aligned with the SustainAgility program, have been translated into 23 languages. These new Standards, which must be formally acknowledged and complied with, are applicable to all suppliers and are considered a prerequisite for doing business with the Group, forming an important part of the Group Purchasing policy.

FAIR OPERATING PRACTICES & RESPONSIBLE SUPPLY CHAIN

Imerys is committed to respecting internationally recognized human rights, as set out in the International Bill of Human Rights and the ILO's Fundamental Conventions. The Group is committed to respect human rights and avoid complicity in human rights abuses, as stated in the UN Guiding Principles on Business and Human Rights. These commitments and the policies and programs that support their implementation contribute to SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, and to SDG 16 to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

In 2017, the Group strengthened its antitrust compliance program, reviewing the Group policy and initiated training sessions on compliance with antitrust regulation and the Group program. The roll-out of the program training continued throughout 2018.

In compliance with the new European Union General Data Protection Regulation (GDPR)¹,

¹ General Data Protection Regulation 2016/679 on data protection and privacy for all individuals within the European Union and the European Economic Area as well as the export of personal data outside the EU and EEA areas.

which came into force in May 2018, the Group launched a personal data protection compliance program to review and map Imerys data flows, ensuring all necessary controls, notifications and authorizations are in place for both compliance and business efficiency.

The Group tax policy is fully in line with the best international standards with respect to anti-tax avoidance and tax evasion practices. It operates in countries chosen solely for industrial or commercial purposes and does not enter into artificial arrangement for tax planning purposes. It is committed to full compliance with its tax obligations, paying the right amount of tax in the right country at the right time.

In accordance with the provisions of Article L. 225-102-3 of the French Code of Commerce, the report on payments greater than or equal to €100,000 made in favor of governmental authorities by Group entities conducting activities in exploration, prospecting, discovery, development or extraction of minerals will be filed with the French Register of Commerce and available on the website of the Company as per the conditions prescribed by the Law.

CONTROL MEASURES

The Group management framework is articulated through a series of policies, protocols and procedures based upon the ambitions and commitments expressed in the Code and the CSR Charter. This framework, covering human rights, health, safety and environment, amongst other themes, defines clear requirements for all Group operations. Implementation of Group policies, protocols and procedures are the responsibility of all businesses and functions. Based on the Code, Group requirements for all suppliers are clearly defined within the Imerys Supplier Environmental Social and Governance Standards. Across the Group, division purchasing policies define the process through which the elements of these Standards are implemented. In 2019, the Group purchasing policy shall be reviewed to integrate additional considerations related to the updated Standards as well as the risk assessment process undertaken in 2018. As of 2019 all suppliers will be required to sign the Standards, committing to compliance with the requirements stipulated within. In addition to the supplier self-declaration, specific ESG clauses linked to the Code are integrated within supplier contracts as appropriate. Furthermore, the Group General Terms and Conditions for CAPEX projects purchases encompasses compliance with the Imerys Code and the Standards.

Awareness of and training on the requirements of the Group Code is provided to help managers and employees to understand and respect the Code. To support the roll-out of the new Code a specific e-learning module was developed. This e-learning module is compulsory for all Group employee, has been translated into 23 languages and will be delivered throughout 2019 through IM-Pulse, as well as through other delivery channels.

In addition to the aforementioned dedicated e-learning, Imerys also conducted a series of training and awareness raising sessions for purchasing and supply chain professionals on UN Guiding Principles on Business and Human Rights and their application within Imerys. A

total of 10 sessions were held in 2018. Within the context of the Group purchasing transformation they offered an opportunity to create greater awareness amongst purchasing professionals around the world of the specific risks and obligations in the management of the Group's global supply chain.

The verification of compliance is conducted through different internal assessment processes at both local and Group level. Verification of compliance with the Group Code and other Group policies and protocols is conducted by different functions within the Group organization, including but not limited to Legal, CSR, Health and Safety, Geology and Mining and Internal Control.

The assessment of ESG performance of suppliers starts during supplier qualification and on-boarding. Screening criteria for the qualification of suppliers includes ESG elements. The Group focuses in particular on assessments and audits of suppliers ranked as highest risk based on the risk mapping and evaluation process described above. In such cases the Group conducts additional due diligence or specialized external third-party reviews prior to contract award. In 2019, the Group will focus on streamlining best practices on supplier onboarding across the Group.

The Group has launched various pilot projects focusing on a Group of suppliers in key countries to help build their capacity and ensure they are continuously improving their own ESG performance in line with Imerys requirements. One such project launched at a Kaolin site in Brazil was recognized in the 2018 SD Challenge for the work done with the suppliers of its local social projects to ensure they are meeting the Group Code. In partnership with a department of the Brazilian Industry Federation, which supports local businesses to develop their skills, Imerys began working with eight small companies to help them improve specific competencies and processes. This capacity building project will help the local suppliers to expand their services through a better understanding and alignment with international standards on organizational management, labor and taxes obligations, ethics, and financial management.

ALERT MECHANISM

A new alerts system, operated by an independent qualified third-party and open to all employees and external parties was designed and launched in 2018 to enable employees to report any suspected violations of the Group Code. Reports can be made either by telephone or via a web platform². Both telephone and web platform reporting is available in all main Imerys languages 24 hours per day, seven days per week. This platform safeguards confidentiality throughout the entire process. Based on the facts presented in all preliminary reports, the Group assigns an investigative team of trained professionals in the applicable field to conduct the investigation. The investigative team collects and reviews documents,

² <https://wrs.expolink.co.uk/Imerys>

conducts interviews, inspects locations, and performs any other tasks necessary to come to a conclusion about the allegations in the report. Imerys encourages its employees and stakeholders to share any information believed to represent a threat to the ethical conduct of its business. Accordingly, Imerys and its employees shall take no action in retaliation against any person for making a good faith report or participating in an investigation under the alert system policy.

Imerys created a new Ethics Committee, chaired by the Group General Counsel and lead by the Antitrust & Compliance General Counsel. The principal mission of this Committee is to validate the Group ethics program, including specific annual objectives and priorities. The Ethics Committee receives statistics on the alerts system and establishes a periodic assessment of the reported cases in a Compliance Report that is presented to the Audit Committee.

MONITORING AND EVALUATION OF THE EFFECTIVENESS OF CONTROL MEASURES

Following the launch of the Group alert system, one report was submitted in October 2018. This case was reviewed as per the Group policy.

In 2018, 4 internal fraud cases were reported and investigated. Remedial actions have been implemented and monitored by internal control.

Every year, the Group Internal Control function conducts Internal Control Self-Assessment (ICSA) campaigns. These campaigns are conducted in order to identify any key missing controls and define action plans where any missing internal controls are identified. The 2018 campaign focused on compliance with the Code of Business Conduct and Ethics, thus providing the Group with a comprehensive evaluation of the effectiveness of existing control measures across the entire Group on ethics, anti-bribery, antitrust, lands permits & permissions, commercial transactions with sensitive countries, human rights and labour practices, community relations, and environment. Based on this review the Group has identified specific actions to improve the effectiveness of control measures, included but not limited to the roll-out of the new e-learning on the Code of Conduct and Business Ethics as well as the effective dissemination of the updated Imerys Supplier ESG Standards.



Jeremy Barnard
HR Director

Statement approved by the Board of Directors of Imerys Minerals Limited on 28th March 2019.

Imerys Minerals Limited - financial year ended on 31st December 2018.