Expertise, our source of energy

CONVENING BROCHURE

ANNUAL GENERAL MEETING

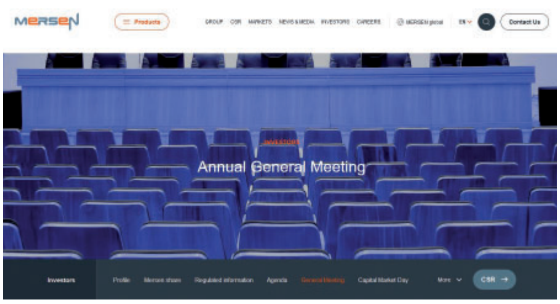
MAY 16, 2024

Auditorium Tour Trinity
1 bis place de la Défense
92400 Courbevoie, France

CONTENT

The Annual General Meeting online

Watch the live broadcast or a replay of the Meeting online (in French)



This document is a free translation into English for convenience purposes only of the shareholders' "Brochure de convocation".

Mersen is a global expert in electrical power and advanced materials for high-tech industries.
With more than 50 industrial sites and 18 R&D centers in 33 countries around the world, Mersen develops custom-built solutions and delivers key products for clients in order to meet the new technological challenges shaping tomorrow's world.
For over 130 years, Mersen has focused tirelessly on innovation to accompany its clients and meet their needs.
Be it in wind power, solar power, electronics, electric vehicles, aeronautics, space or countless other sectors, wherever technology is progressing, you will always find a bit of Mersen.

MERSEN IN A NUTSHELL & KEY FIGURES FOR 2023

A global expert in electrical power and advanced materials,
Mersen partners companies around the world that drive today's industry
and shape tomorrow's society.
A committed partner and core technology provider.

OUR SOLUTIONS

The Group develops tailor-made solutions and supplies key products across ten main product lines to meet new technological challenges.

- High-temperature graphite solutions
- High-temperature insulation
- Overcurrent protection
- Overvoltage protection
- Power conversion
- Motor brushes
- Signal transfer
- Power transfer
- Anti-corrosion equipment
- Advanced optics

€1,211M
IN SALES

56%
FOR SUSTAINABLE DEVELOPMENT MARKETS

EARNINGS

€203M
EBITDA BEFORE NON-RECURRING ITEMS

€137M
OPERATING INCOME BEFORE NON-RECURRING ITEMS

€82M
NET INCOME ATTRIBUTABLE TO MERSEN SHAREHOLDERS

DIVIDEND PER SHARE

€1.25
Subject to shareholder approval at the Annual General Meeting

FINANCIAL STRUCTURE

13.0%
RETURN ON CAPITAL EMPLOYED

1.09
LEVERAGE*

OUR COMMITMENTS

UN GLOBAL COMPACT — WE SUPPORT

WOMEN'S EMPOWERMENT PRINCIPLES — Established by UN Women and the UN Global Compact Office

The Valuable 500

MSCI ESG RATINGS — AA (CCC | B | BB | BBB | A | AA | AAA)

GOLD 2023 ecovadis Sustainability Rating

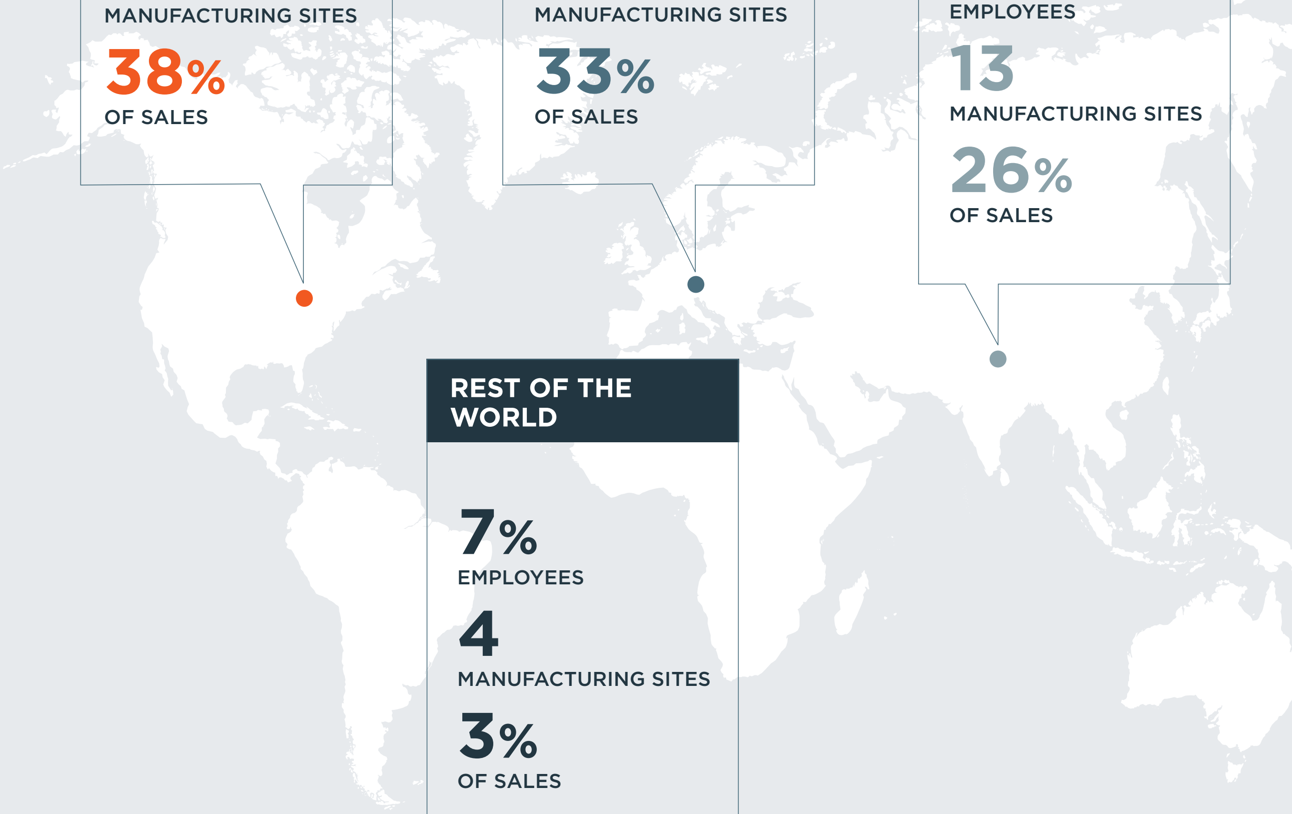
* Leverage: net debt covenant divided by EBITDA covenant (cf URD glossary)

MERSEN WORLDWIDE

7,500
EMPLOYEES

33
COUNTRIES

51
SITES WORLDWIDE
(of which 18 have more than 125 employees)



NORTH AMERICA

33%
EMPLOYEES

14
MANUFACTURING SITES

38%
OF SALES

EUROPE

37%
EMPLOYEES

20
MANUFACTURING SITES

33%
OF SALES

ASIA-PACIFIC

23%
EMPLOYEES

13
MANUFACTURING SITES

26%
OF SALES

REST OF THE WORLD

7%
EMPLOYEES

4
MANUFACTURING SITES

3%
OF SALES

Group Performance in 2023

2023 marked a turning point for Mersen with the presentation of its 2027 strategic roadmap. This plan represents a major change in dimension for the Group and illustrates its ideal positioning to support market acceleration in high-performance semiconductors (particularly SiC semiconductors) and electric vehicles. The announcement was accompanied by a major investment plan to rapidly increase material production capacity, including through the extension of finishing plants and facilities dedicated to the electric vehicle market. The Group also strengthened its resources, in particular its electric vehicle teams.

To maintain its financial and strategic flexibility, Mersen launched and successfully completed a €100 million capital increase, giving the Group a very solid financial structure.

In line with its roadmap, the Group delivered an excellent performance in 2023, achieving record full-year sales of €1,211 million in particular. Organic growth represented more than 13% during the year. Both segments reported a strong performance, each generating double-digit organic growth, underlining the Group's positioning in highly dynamic markets, particularly semiconductors and electric vehicles. Overall, sustainable development markets represented 56% of Group sales.

Overall volume growth, combined with good pricing power in an inflationary context, enabled Mersen to achieve a sharp year-on-year increase in operating income before non-recurring items. This rise takes into account development costs for buoyant Group markets such as electric vehicles and SiC semiconductors, and production ramp-up costs for the Columbia plant in the United States. In 2023, the Group generated very strong net cash flow from operating activities, thanks in particular to the increase in contract advances in the SiC semiconductor market.

In keeping with its roadmap, the Group significantly increased its capital expenditure, particularly at the Columbia and Bay City sites in the United States, which will be started up in the coming half-years. Lastly, Mersen continued to deploy its CSR strategy, an integral part of its business model focused on profitable and responsible growth. It has improved its non-financial performance and updated its new CSR roadmap to align it with the time frame for its strategic plan, 2027.

On the stock market, the Group saw its market capitalization grow by 9% over the year. It was included in Euronext Paris' SBF 120 index on March 17, 2023 after closing.

Business review

Sales for full-year 2023 totaled a €1,211 million, up by 13.2% on an organic basis versus 2022. Around 5% of this growth was attributable to price increases. The unfavorable currency effect, in an amount of €39 million, was mainly due to the depreciation of the Chinese renminbi and the US dollar. The scope effect corresponds to the disposal of a German tantalum anti-corrosion equipment business in August 2023.

By segment

Advanced Materials sales totaled €669 million, up 13.2% on an organic basis over the year. Growth was particularly robust in the Si and SiC semiconductor market, with sales reaching more than €150 million. As expected, sales in the renewable energy market were stable compared to the prior year, as the Group chose to allocate less capacity to solar power in China. Lastly, deliveries for the chemicals market increased slightly.

Electrical Power sales came to €542 million for the year, representing organic year-on-year growth of 13.3%. Sales to the US electrical distribution market remained strong. Sales to transportation markets, including aeronautics, rail and electric vehicles, were also buoyant.

By geographic area

Europe recorded robust growth in both segments, thanks to the semiconductor, rail and aeronautics markets. In Germany, momentum was very brisk, particularly thanks to the chemicals and semiconductor markets. In France, growth was propelled by the aeronautics market.

In Asia, Group sales were slightly up compared with last year, mainly thanks to China and India. China was driven by the semiconductor and chemicals markets, India by the rail and wind markets. However, sales contracted in the electrical protection market.

In North America, momentum was very brisk in both segments and in a large number of markets, particularly semiconductors and process industries. Electrical distribution remained very active, reaching a record over the year.

Lastly, in the rest of the world, year-on-year sales growth reflected higher deliveries of chemicals contracts in the Middle East, partially offset on a comparative basis by South Africa and Morocco, with the major chemicals deliveries of the prior year not repeated in 2023.

Results

Group EBITDA before non-recurring items was 8.7% higher year on year, at €202.7 million (up 14% excluding currency effects). The EBITDA margin before non-recurring items was stable compared with 2022, at 16.7%.

This improvement was largely driven by positive volume and mix effects. Productivity gains and price increases helped offset the higher cost of raw materials, energy and labor. The EBITDA margin before non-recurring items includes R&D expenses related to the p-SiC project, and costs related to the creation of a dedicated EV team, even though sales in these markets are still limited. It also takes into account the cost of ramping up isostatic graphite production at the Columbia site (USA).

Despite higher capital expenditure, depreciation and amortization increased only slightly due to planned start-ups over the coming half-year periods.

Operating income before non-recurring items came to €137.3 million, an increase of 12.9% on 2022, while the operating margin before non-recurring items widened 40 basis points to 11.3%.

The operating margin before non-recurring items for the Advanced Materials segment was 15.7%, in line with 2022 (15.8%). The volume/mix effect was positive. Price increases and productivity gains did not completely offset inflation in raw material, energy and labor costs. The result also includes R&D expenditure on the p-SiC project as well as the cost of ramping up isostatic graphite production at the Columbia site.

Operating margin before non-recurring items for the Electrical Power segment grew sharply by 110 basis points to 10.1% (9.0% in 2022). Volume and mix effects were positive and partly offset the costs of setting up the electric vehicle team. Price increases and productivity gains well offset inflation in raw materials and labor costs.

Net income attributable to owners of the parent came in at €81.6 million in 2023, an increase of more than 20% compared with 2022.

Non-recurring items represented a net expense of €5.9 million for 2023, mainly comprising provisions for disputes and other expenses relating to acquisition projects, and impairment losses on underused assets.

In 2022, the net expense was €11.4 million, mainly corresponding to impairment losses on assets and capital gains on real estate disposals, including an impairment loss on the Anticorrosion Equipment CGU due to the rise in equity risk premiums and interest rates.

Net financial expense came to €19.3 million, up from an expense of €12.9 million in 2022, due to a substantial rise in interest rates over the period impacting the proportion of variable-rate debt and the proportion of net debt in USD with higher rates. This expense also included IFRS costs for pension and rental commitments of around €5 million.

The income tax expense was €26.2 million, corresponding to an effective tax rate of 23.4%, in line with 2022 (23.6%).

Income from non-controlling interests (€4.3 million) essentially included Mersen Yantai (China) and Mersen Galaxy (China), in which Mersen holds a 60% stake.

Cash flow

The Group generated very strong cash flow of €201 million from operating activities, thanks in particular to a positive change in working capital requirement of €3.2 million. This change was driven by an increase in prepayments on contracts in the SiC semiconductor market. As a result, the WCR ratio was exceptionally low at 19.1% of sales versus 20.7% of sales in 2022. This percentage includes a significant amount of provisioned, unpaid bonuses in both 2023 and 2022.

Income tax paid represented an outlay of €25.0 million, up sharply year on year, as the Group benefited more in 2022 than 2023 from accelerated tax depreciation in the United States in connection with investments made at its Columbia site and, to a lesser extent, special payment terms in China related to the health crisis.

The increase in tax paid also reflects earnings growth.

In 2023, capital expenditure reached a record level for the Group at €176.3 million. Almost 54% of this amount (€95 million) relates to the growth plan presented by the Group in March 2023, including a total capital expenditure budget of €300 million over several years:

- Investments to increase graphite and insulation felt production capacity
- Expansion of graphite finishing plants
- Extension of plants dedicated to the electric vehicle market

Other capital expenditure represented 6.6% of sales. Of these, 21% relate to the maintenance, upkeep and modernization of plants and equipment, and 25% to other Group growth projects, including environmental and safety improvements at our sites.

Investments in France (19% of the total) mainly concern growth projects, namely the partnership with Soitec (Gennevilliers) and the setting up of a dedicated workshop to manufacture laminated busbars for ACC (St Bonnet de Mure).

Investments in intangible assets (€11 million) related to the plan to digitize and modernize information systems which began in 2020. To a lesser extent, they concern the capitalization of certain R&D expenses on the EV and p-SiC projects.

Consequently, net debt at December 31, 2023 stood at €212.5 million, down compared with December 31, 2022 (€240.6 million), primarily reflecting the capital increase (net of costs) of €96 million completed in May and, conversely, the significant increase in expenditure as part of the Group's growth plan.

For 2023, the Group is forecasting a return on capital employed (ROCE) of 13.0% (12.5% in 2022), in a favorable context of very significant utilization of production capacity and at a time when the investments made as part of the growth plan have only partially been put into operation.

Financial structure

The Group's financial structure remained solid in 2023, with a leverage ratio of 1.09x and a 25% gearing ratio.

As part of its growth plan, on March 7, 2024, Mersen successfully completed a Schuldschein private placement for €100 million and a term of almost six years. This financing facility, placed with a pool of European and Asian investors, was oversubscribed at more than twice the amount initially planned.

The Group is in compliance with all its banking covenants.

Dividend

At the Annual General Meeting to be held on May 16, 2024, the Board of Directors will recommend the payment of a €1.25 cash dividend per share. This would result in a total payout of around €30 million, up 17% from 2022, representing 37% of income attributable to Mersen shareholders, in line with the Group's policy.

2023 NON-FINANCIAL PERFORMANCE

The Group continued to deploy its CSR strategy, an integral part of its business model focused on profitable and responsible growth, in line with its 2022-2025 roadmap. In 2023, it improved its non-financial performance in a number of areas (see summary below).

The Group has significantly exceeded its reduction targets for greenhouse gas emissions intensity, following already significant reductions since 2018. However, it slightly increased its water consumption in 2023 (while reducing it in terms of sales) due to much higher business growth than initially forecast. The increase in accidents in 2023 mainly stemmed from four sites which experienced high staff and management turnover. A dedicated action plan for each of these sites was immediately established to ensure that the necessary training, particularly in terms of safety briefings and job training, was put in place.

Priority commitments	Ambition	2025 target	2023 achievements
Responsible partner	Integrate environmental and social criteria in the purchase of products and services	• Assess 100% of our strategic suppliers in 2022 • Conduct audits or visits to suppliers based on their CSR rating	Self-assessment conducted by all strategic suppliers in 2022. Start of audits for suppliers with a CSR score below 25
Limit the environmental impact of our sites	Decarbonize and mitigate the impact of climate change	• Reduce GHG emissions intensity by 20% versus 2018 • Increase the share of waste recycled to 75% • Reduce water consumption by 10% versus 2018	GHG emissions intensity: 90 (-26% versus 2022; -54% versus 2018) Waste recycling rate: 70% Water consumption: +3% versus 2022; +14% versus 2018
Develop human capital	Promote equal opportunity and diversity	• 25% of engineering and managerial roles occupied by women • 25% of senior management positions occupied by women • Increase the number of employees with disabilities 2-fold	26.1% 24.3% 197 (+13% versus 2022)
	Promote a social responsibility policy for all	• Provide social protection with a universal indemnity in the event of death in service • Standardize profit-sharing schemes • Adopt a minimum amount of paid leave in all countries	100% of employees covered 68.5% of employees 92.2% of sites
	Develop and consolidate the health and safety culture within the Group	• Keep LTIR* ≤1.8 and SIR* ≤60 • Increase the number of management safety visits (MSV) by 20%	LTIR*: 2.78 SIR*: 68 MSV* = 8,033 (+19% versus 2022)
Develop a culture of ethics and compliance	Instill ethical behavior	• Compulsory ethics training every 2 years for new hires	40% of new hires
	Protect data and systems	• Compulsory cybersecurity training (for employees with a PC)	90% of targeted employees

* LTIR : Lost Time Incident Rate.
* SIR : Severity Injury Rate.
* MSV : Management Safety Visits.

The Group has updated its CSR roadmap to align it with the time frame for its strategic plan, 2027 – see page 11.

Outlook

In 2024, the Group will continue to roll out its medium-term plan. In particular, it will draw on its growth markets, where the Group expects to see:

- continued strong demand in the SiC semiconductor market;
- growth in the electric vehicle market;
- moderate growth in the Si semiconductor market;
- stability in renewable energies, due to the Group's decision to limit its production capacity for the solar market in China and redirect it to other markets.

In its other markets, the Group expects to see:

- growth in the rail market, particularly in India;
- continued business growth in aeronautics;
- moderate growth in the chemicals market;
- growth depending on macro-economic trends for process industries.

The Group will continue to increase its graphite and insulating felt production capacity, expand plants serving the SiC semiconductor market, and set up high-performance automated lines to meet ACC's demand for electric vehicles.

The Group will also continue to strengthen its dedicated teams to handle the development of SiC projects, albeit with limited sales in 2024. The team dedicated to the electric vehicle market will continue its work, with sales still limited in 2024.

Moreover, as the Group accelerates its investment program, depreciation and amortization will increase significantly.

Consequently, in 2024, the Group is aiming for:

- organic growth of around 5%;
- operating margin before non-recurring items of around 11% of sales;
- capital expenditure of between €200 million and €240 million.

The Group confirms the objectives of its 2027 growth plan.

CORPORATE SOCIAL RESPONSIBILITY

In March 2024, the Group plotted out a new 2027 CSR roadmap, in line with its strategic objectives and with a view to growing its business in a responsible and sustainable way. Mersen's commitment to CSR is reflected in a number of objectives across the entire value chain, built on four pillars:

Being responsible partners

Ensuring responsible purchasing

- Maintain a minimum of 85% of external purchases with local suppliers
- Less than 5% of suppliers with a CSR score of less than 25

Limiting our environmental footprint

Limiting greenhouse gas emissions

- Reduce GHG emission intensity (scopes 1 and 2) by 35% (compared to 2022)
- Increase the share of renewable electricity to 80%

Recycling waste

- Increase the share of waste recycled to 80%

Limiting water consumption

- Reduce water consumption intensity by 15% (compared to 2022)
- Draw up a formal water conservation plan for all sites exposed to water stress

Developing human capital

Promoting equal opportunity and diversity

- Encourage gender balance and diversity in the workplace:
  - % of senior management positions held by women: 27%
  - % women engineers and managers: ≥29%
  - Improve inclusion of people with disabilities: up 25% (compared to 2022)

Promoting a social responsibility policy for all: 100% employee beneficiaries

- Provide social protection with a universal indemnity in the event of death in service
- Standardize profit-sharing schemes
- Adopt a minimum amount of paid leave in all countries

Promoting well-being, health and safety at work

- Keep LTIR ≤1.8 and SIR ≤60
- Increase the number of management safety visits per employee by 30% (compared to 2022)

Cultivating an ethics and regulatory compliance culture

Ethics training

- Compulsory for new hires
- Compulsory refresher training every two years (individual or theme-based training by site)

Cybersecurity training

- Compulsory for employees with a personal computer

Voting and taking part in the Annual General Meeting

Only shareholders holding shares at **12:00 a.m., Paris time, on May 14, 2024**
may take part in the Annual General Meeting

Details on how to take part are included in the notice of meeting published in French on April 8, 2024 in the French legal gazette (BALO) (available at: https://www.mersen.com/investors/2024-annual-general-meeting)

1. How to vote

Voting online

The VOTACCESS website will be open from **9:00 a.m.,** Paris time,
on Friday, April 26, 2024 to 3:00 p.m., Paris time, **on Wednesday, May 15, 2024.**

To avoid overloading VOTACCESS, we recommend that you do not wait until the last days before the Meeting to cast your vote.

- For shares held in REGISTERED form:

Go to www.sharinbox.societegenerale.com and log in using the Sharinbox login details mentioned on the voting form or in the email you received, or your login email (if you have already activated your Sharinbox by SG Market account), and the password you already have.

You will have been sent the password by post when you first opened your account with Société Générale Securities Services. If you have lost or forgotten your password, go to the Sharinbox home page and click on "Get your codes".

Once you are logged in, follow the instructions on screen to access VOTACCESS and cast your vote or appoint/revoke a proxy.

Société Générale Securities Services is available to answer shareholder queries from 9:00 a.m. to 6:00 p.m. (Paris time) on the following telephone number: + 33 (0)2 51 85 67 89.

- For shares held in BEARER form:

If your custodian is connected to VOTACCESS, log in via their web portal using your usual login details. Once you are logged in, click on the icon in the line corresponding to your shares and follow the instructions on screen to access VOTACCESS and cast your vote or appoint/revoke a proxy.

If your custodian is not connected to VOTACCESS, you will not be able to vote online. Please refer to the notice of meeting published in French on April 8, 2024 in the French legal gazette (BALO) for more information.

Voting by post

You can also vote via the voting form.
Forms received **after May 13, 2024** will not be considered.

A: Request an admission card to attend the Meeting

or

B: Select your voting method

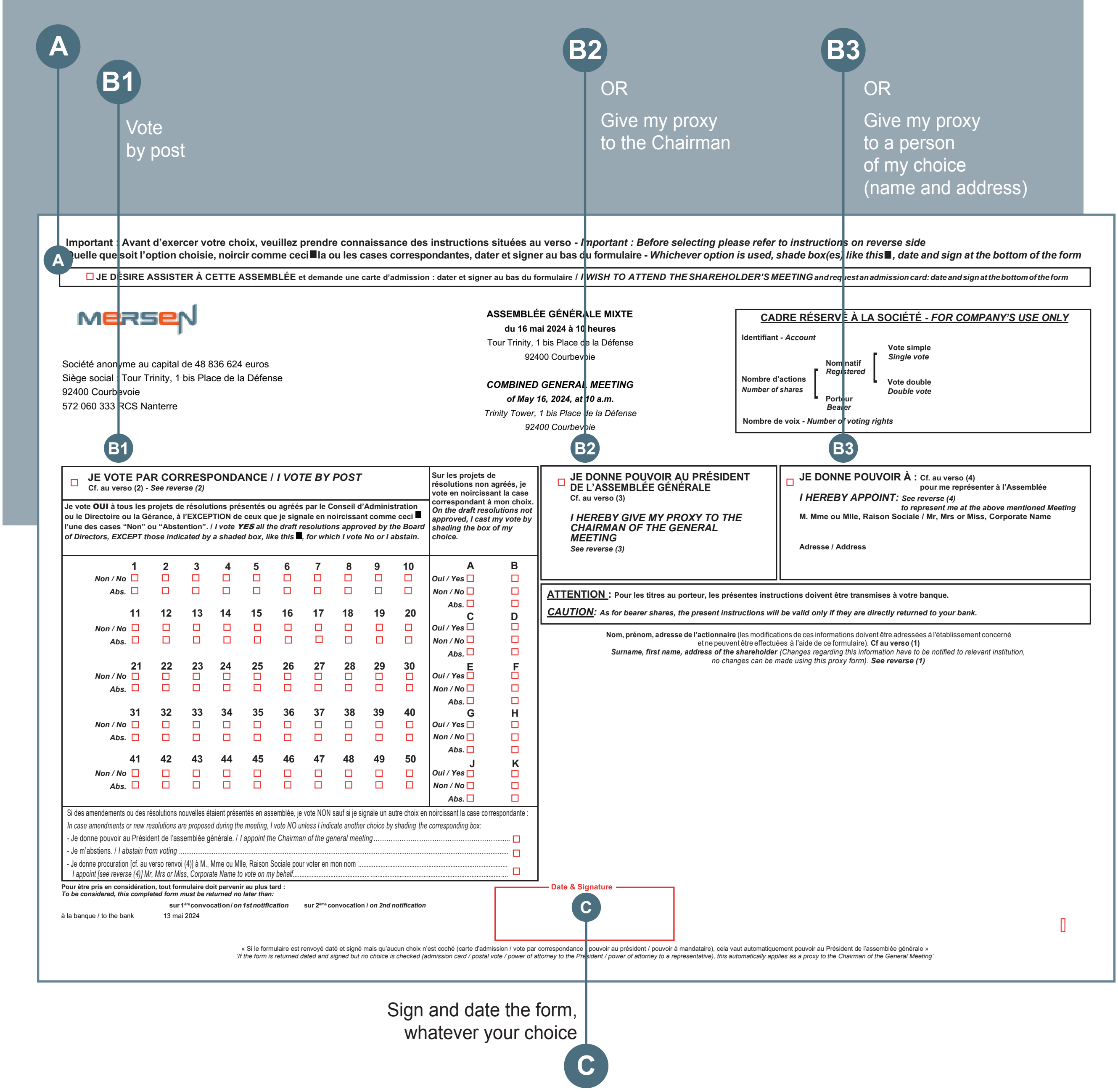
- **B1:** Vote by post
- **B2:** Give proxy to the Chairman
- **B3:** Give proxy to a person of your choice

C: Sign and date the form and return it as follows:

For shares held in registered form: Using the enclosed prepaid return envelope or a standard envelope, send the form to:
Société Générale Securities Services – Service des Assemblées – CS 30812, 44308 Nantes Cedex 3, France

For shares held in bearer form: Send the form to your custodian.

INSTRUCTION TO FILL THE FORM



Important : Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - ***Important : Before selecting please refer to instructions on reverse side***
Quelle que soit l'option choisie, noircir comme ceci ■ la ou les cases correspondantes, dater et signer au bas du formulaire - ***Whichever option is used, shade box(es) like this ■, date and sign at the bottom of the form***

☐ **JE DÉSIRE ASSISTER À CETTE ASSEMBLÉE** et demande une carte d'admission : dater et signer au bas du formulaire / ***I WISH TO ATTEND THE SHAREHOLDER'S MEETING** and request an admission card: date and sign at the bottom of the form*

MERSEN

Société anonyme au capital de 48 836 624 euros
Siège social : Tour Trinity, 1 bis Place de la Défense
92400 Courbevoie
572 060 333 RCS Nanterre

ASSEMBLÉE GÉNÉRALE MIXTE
du 16 mai 2024 à 10 heures
Tour Trinity, 1 bis Place de la Défense
92400 Courbevoie

COMBINED GENERAL MEETING
of May 16, 2024, at 10 a.m.
Trinity Tower, 1 bis Place de la Défense
92400 Courbevoie

CADRE RÉSERVÉ À LA SOCIÉTÉ - *FOR COMPANY'S USE ONLY*
Identifiant - *Account*
Nombre d'actions - *Number of shares*: Nominatif - *Registered* (Vote simple - *Single vote* / Vote double - *Double vote*); Porteur - *Bearer*
Nombre de voix - *Number of voting rights*

☐ **JE VOTE PAR CORRESPONDANCE / *I VOTE BY POST***
Cf. au verso (2) - *See reverse (2)*

Je vote **OUI** à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci ■ l'une des cases "Non" ou "Abstention". / *I vote **YES** all the draft resolutions approved by the Board of Directors, EXCEPT those indicated by a shaded box, like this ■, for which I vote No or I abstain.*

	1	2	3	4	5	6	7	8	9	10
Non / No	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	11	12	13	14	15	16	17	18	19	20
Non / No	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	21	22	23	24	25	26	27	28	29	30
Non / No	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	31	32	33	34	35	36	37	38	39	40
Non / No	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
	41	42	43	44	45	46	47	48	49	50
Non / No	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Abs.	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐

Sur les projets de résolutions non agréés, je vote en noircissant la case correspondant à mon choix.
On the draft resolutions not approved, I cast my vote by shading the box of my choice.

	A	B
Oui / Yes	☐	☐
Non / No	☐	☐
Abs.	☐	☐
	C	D
Oui / Yes	☐	☐
Non / No	☐	☐
Abs.	☐	☐
	E	F
Oui / Yes	☐	☐
Non / No	☐	☐
Abs.	☐	☐
	G	H
Oui / Yes	☐	☐
Non / No	☐	☐
Abs.	☐	☐
	J	K
Oui / Yes	☐	☐
Non / No	☐	☐
Abs.	☐	☐

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée, je vote NON sauf si je signale un autre choix en noircissant la case correspondante :
In case amendments or new resolutions are proposed during the meeting, I vote NO unless I indicate another choice by shading the corresponding box:
- Je donne pouvoir au Président de l'assemblée générale. / *I appoint the Chairman of the general meeting* ☐
- Je m'abstiens. / *I abstain from voting* ☐
- Je donne procuration [cf. au verso renvoi (4)] à M., Mme ou Mlle, Raison Sociale pour voter en mon nom / *I appoint [see reverse (4)] Mr, Mrs or Miss, Corporate Name to vote on my behalf* ☐

☐ **JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**
Cf. au verso (3)
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
See reverse (3)

☐ **JE DONNE POUVOIR À :** Cf. au verso (4) pour me représenter à l'Assemblée
I HEREBY APPOINT: *See reverse (4) to represent me at the above mentioned Meeting*
M. Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name
Adresse / Address

ATTENTION : Pour les titres au porteur, les présentes instructions doivent être transmises à votre banque.
CAUTION: *As for bearer shares, the present instructions will be valid only if they are directly returned to your bank.*

Nom, prénom, adresse de l'actionnaire (les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire). **Cf au verso (1)**
Surname, first name, address of the shareholder *(Changes regarding this information have to be notified to relevant institution, no changes can be made using this proxy form).* ***See reverse (1)***

Pour être pris en considération, tout formulaire doit parvenir au plus tard :
To be considered, this completed form must be returned no later than:

	sur 1ère convocation / *on 1st notification*	sur 2ème convocation / *on 2nd notification*
à la banque / to the bank	13 mai 2024	

Date & Signature

« Si le formulaire est renvoyé daté et signé mais qu'aucun choix n'est coché (carte d'admission / vote par correspondance / pouvoir au président / pouvoir à mandataire), cela vaut automatiquement pouvoir au Président de l'assemblée générale »
'If the form is returned dated and signed but no choice is checked (admission card / postal vote / power of attorney to the President / power of attorney to a representative), this automatically applies as a proxy to the Chairman of the General Meeting'

2. Requests to include items on the agenda and propose resolutions

Shareholders may request to include items on the agenda or propose resolutions by sending an email to AG-Mersen-2024@mersen.com (or, failing that, by sending a registered letter with acknowledgment of receipt to the registered office) arriving **no later than April 21, 2024.**

Requests to include items on the agenda must be justified.

Requests must also be accompanied by a certificate of shareholder account registration.

3. Right to communications

The documents to be presented at the Annual General Meeting will be available on the Company's website – www.mersen.com – no later than April 25, 2024.

Shareholders may request a printed version of certain documents by sending an email no later than **May 10, 2024** to AG-Mersen-2024@mersen.com (or, failing that, by sending a letter to the registered office addressed to the Direction des Relations Investisseurs).

4. Questions

Shareholders may address written questions to the Chairman of the Board of Directors by sending an email to AG-Mersen-2024@mersen.com (or, failing that, by sending a registered letter with acknowledgment of receipt to the registered office) no later than **May 10, 2024.**

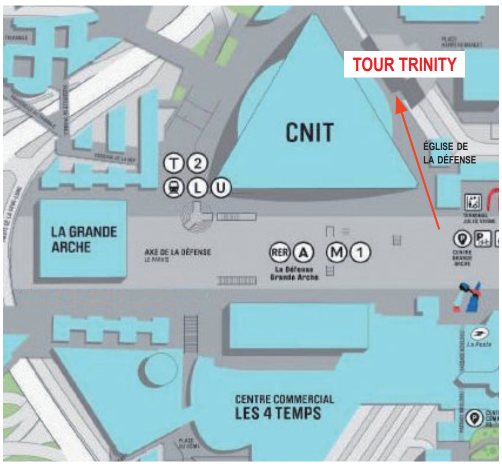
For holders of bearer shares, questions must be accompanied by a certificate of shareholder account registration.

5. How to get to the meeting

Address: Tour Trinity – 1 bis place de la Défense – 92400 Courbevoie – FRANCE

Public transportation: metro line 1, RER A, La Défense Grande Arche, exit Calder Miro

Car park: CNIT



Resolutions

Agenda

Ordinary resolutions:

1. Approval of the parent company financial statements for the year ended December 31, 2023
2. Approval of the consolidated financial statements for the year ended December 31, 2023
3. Appropriation of net income for the year and payment of a dividend
4. Statutory Auditors' special report on related-party agreements – Ratification of a new agreement
5. Appointment of Grant Thornton as sustainability auditor tasked with certifying sustainability information
6. Ratification of the provisional appointment of Jocelyne Vassoille to replace Carolle Foissaud as a director
7. Reappointment of Jocelyne Vassoille as a director
8. Non-replacement and non-reappointment of Michel Crochon as a director
9. Approval of the compensation policy for the Chairman of the Board of Directors
10. Approval of the compensation policy for the Chief Executive Officer and/or any other executive corporate officer
11. Approval of the compensation policy for directors
12. Approval of the disclosures required under Article L.22-10-9, I of the French Commercial Code
13. Approval of the fixed, variable and exceptional components making up the total compensation and benefits in kind paid or granted to Olivier Legrain, Chairman of the Board of Directors, in respect of the past fiscal year
14. Approval of the fixed, variable and exceptional components making up the total compensation and benefits in kind paid or granted to Luc Themelin, Chief Executive Officer, in respect of the past fiscal year
15. Authorization for the Board of Directors to repurchase shares of the Company under a program governed by Article L.22-10-62 of the French Commercial Code, period of validity, purposes, conditions, ceiling, suspension of the authorization during a public offer period

Extraordinary resolutions:

16. Authorization for the Board of Directors to cancel shares of the Company repurchased under a program governed by Article L.22-10-62 of the French Commercial Code and held in treasury, period of validity, ceiling, suspension of the authorization during a public offer period
17. Delegation of authority for the Board of Directors to increase the Company's capital by capitalizing reserves, income and/or additional paid-in capital, period of validity, maximum nominal value of the capital increases, rights to fractions of shares, suspension of the authority during a public offer period
18. Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares (of the Company or another Group company) and/or debt securities, with preferential subscription rights for existing shareholders, period of validity, maximum nominal value of the capital increases, option to offer unsubscribed securities to the public, suspension of the authority during a public offer period
19. Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares (of the Company or another Group company) and/or debt securities through a public offer (with the exception of private placements governed by Article L.411-2, 1 of the French Monetary and Financial Code), without preferential subscription rights but with a priority subscription period for existing shareholders, period of validity, maximum nominal value of the capital increases, issue price, option to limit the amount of the issue to the subscriptions received or allocate unsubscribed securities, suspension of the authority during a public offer period
20. Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares and/or debt securities in payment for shares of another company tendered to a public exchange offer, without preferential subscription rights for existing shareholders, period of validity, maximum nominal value of the capital increases, issue price, option to limit the amount of the issue to the subscriptions received or allocate unsubscribed securities, suspension of the authority during a public offer period
21. Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares (of the Company or another Group company) and/or debt securities through an offer governed by Article L.411-2, 1 of the French Monetary and Financial Code (i.e., a private placement), without preferential subscription rights for existing shareholders, period of validity, maximum nominal value of the capital increases, issue price, option to limit the amount of the issue to the subscriptions received or allocate unsubscribed securities, suspension of the authority during a public offer period
22. Authorization to increase the amount of the issues provided for in the eighteenth to twenty-first resolutions of this Annual General Meeting, suspension of the authority during a public offer period
23. Delegation of authority for the Board of Directors to increase the capital by up to 10% through the issue of ordinary shares and/or securities conferring rights to shares in return for contributions in kind made to the Company comprising capital instruments or securities conferring rights to shares, period of validity, suspension of the authority during a public offer period
24. Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares and/or debt securities (of the Company or another Group company) for subscription by employees of Mersen group companies outside France who are not members of a company savings plan, without preferential subscription rights for existing shareholders, suspension of the authority during a public offer period
25. Delegation of authority for the Board of Directors to increase the capital by issuing ordinary shares and/or securities conferring rights to shares to members of a company savings plan governed by Articles L.3332-18 *et seq.* of the French Labor Code, without preferential subscription rights for existing shareholders, period of validity, maximum nominal values of the capital increases, issue price, possibility to grant free shares pursuant to Article L.3332-21 of the French Labor Code, suspension of the authority during a public offer period
26. Setting of the overall ceilings for the issues of ordinary shares and/or securities conferring rights to shares and/or debt securities that may be made under the delegations of authority above
27. Authorization for the Board of Directors to grant free shares to certain employees subject to the fulfillment of performance conditions, suspension of the authorization during a public offer period
28. Authorization for the Board of Directors to grant free shares to certain senior executives (Chief Executive Officer, members of the Executive Committee and Vice Presidents of the business units) of the Company or of companies or intercompany partnerships that are related to the Company, subject to the fulfillment of performance conditions, suspension of the authorization during a public offer period
29. Authorization for the Board of Directors to grant free shares to certain employees (highpotential managers or managers with expertise in strategic sectors), without performance conditions, suspension of the authorization during a public offer period

Ordinary resolution:

30. Powers to carry out formalities.

Ordinary General Meeting

First and second resolutions: Approval of the financial statements for the year

In the first and second resolutions, you are asked to approve the parent company and consolidated financial statements for the year ended December 31, 2023.

First resolution – Approval of the parent company financial statements for the year ended December 31, 2023

Having considered the Board of Directors' report and the Statutory Auditors' report on the financial statements for the year ended December 31, 2023, the General Meeting approves the parent company financial statements for the year then ended, which show net income for the year of €36,368,323.02, as presented.

Second resolution – Approval of the consolidated financial statements for the year ended December 31, 2023

Having considered the Board of Directors' report and the Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2023, the General Meeting approves the consolidated financial statements for the year then ended, which show net income attributable to owners of Mersen shareholders of €81,583,370, as presented.

Third resolution: Appropriation of net income

The Group had a sound financial structure at December 31, 2023.

Consequently, at the Annual General Meeting to be held on May 16, 2024, the Board of Directors will ask shareholders to approve the payment of a €1.25 per share cash dividend, stable compared with 2022. This would result in a total payout of around €30 million, up 17% from 2022 due to a higher number of shares following the capital increase, representing 37% of income attributable to Mersen shareholders, up from 33% in 2022. This ratio is in line with the Group's policy of distributing between 30% and 40% of attributable net income.

The dividend payment date will be July 4, 2024.

Third resolution – Appropriation of net income for the year and payment of a dividend

The General Meeting approves the Board of Directors' recommendation and resolves to appropriate net income for the year ended December 31, 2023 as follows:

Income available for distribution

Net income for the year	€36,368,323.02

Appropriations

To the legal reserve	€714,681.60
To other reserves	€944,500.17
To the payment of dividends	€30,522,890.00
To retained earnings	€4,186,251.25

The General Meeting notes that a gross dividend of €1.25 will be paid on each share.

For shareholders who are tax residents in France, dividends are either subject to a 12.8% single flatrate withholding tax on the gross dividend (Article 200 A of the French Tax Code *[Code général des impôts])* or, upon the taxpayer's request, subject to the progressive income tax scale after a 40% deduction (Article 200 A, 13, and 158 of the French Tax Code). The dividend is also subject to social security contributions at a rate of 17.2%.

The ex-dividend date will be July 2, 2024.

The dividend payment date will be July 4, 2024.

If the number of shares with dividend rights changes from the 24,418,312 shares comprising the share capital at March 12, 2024, the total amount to be distributed will be adjusted accordingly and the amount allocated to retained earnings will be determined on the basis of the dividends actually paid.

In accordance with Article 243 bis of the French Tax Code, the General Meeting notes that it has been informed of the dividends paid in the last three years and the related revenues for shareholders, as follows:

Fiscal year	Revenue eligible for tax deduction		Revenue not eligible for tax deduction
	Dividend	Other distributions	
2020	€13,560,524.84 (*) €0.65 per A share and €0.065 per D and E share	-	-
2021	€20,820,543.70 (*) €1 per A share and €0.1 per E share	-	-
2022	€26,056,130 (*) €1.25 per share	-	-

(*) Including dividends on treasury shares that were credited to retained earnings.

Fourth resolution: Related-party agreements

The Board of Directors noted the existence of a related-party agreement concerning a waiver of a receivable between Mersen SA and Italthai Mersen Co Ltd (Thailand), companies in which Luc Themelin is a director. Italthai Mersen Co Ltd, which is in the process of liquidation, is 49%-owned by Mersen; the other 49% shareholder has also agreed to waive a receivable in the same amount. The receivable, equivalent to €96,000, is written down in full in Mersen SA's financial statements.

The Board of Directors ratified this agreement on the recommendation of the Audit and Accounts Committee, as outlined in the Statutory Auditors' special report.

The Board of Directors noted that there were no other related-party agreements.

Fourth resolution – Statutory Auditors' special report on related-party agreements – Ratification of a new agreement

Deliberating on the Statutory Auditors' special report on related-party agreements, the General Meeting ratifies the new agreement referred to therein.

Fifth resolution: Sustainability auditor

Starting in 2024, the Group will be required to publish a sustainability report reflecting its CSR policies and performance, in accordance with the European Union's Corporate Sustainability Reporting Directive (CSRD) as transposed into French law. This report must be certified by an accredited auditor.

The Group's Finance department has reviewed the firms authorized to carry out this assignment and has presented a summary to the Audit and Accounts Committee.

On the recommendation of the Audit and Accounts Committee, the Board of Directors proposes that Grant Thornton be appointed as sustainability auditor for the remainder of the terms of office of the statutory auditors, i.e., for four years.

Fifth resolution – Appointment of Grant Thornton as sustainability auditor tasked with certifying sustainability information

Having considered the Board of Directors' report, and in accordance with Article L.232-6-3 of the French Commercial Code, the General Meeting resolves to appoint Grant Thornton as sustainability auditor tasked with certifying sustainability information, for the remainder of the Statutory Auditors' term of office, i.e., until the close of the Annual General Meeting to be held in 2028 to approve the financial statements for the year ending December 31, 2027.

Grant Thornton has indicated that it accepts this engagement and that it is not affected by any incompatibility or ban likely to prevent its appointment.

Sixth to eighth resolutions: Ratification of an appointment and reappointment of a director

In January 2024, Magali Joëssel, permanent representative of Bpifrance Investissement, asked to be relieved of these duties in order to focus on an investment fund she manages. To replace her, Bpifrance Investissement appointed Carolle Foissaud, an independent director, who has since resigned from her position.

To replace Carolle Foissaud for the remainder of her term of office, the Board of Directors appointed Jocelyne Vassoille, currently Vice-President, Human Resources and member of the Executive Committee of Vinci. Jocelyne Vassoille brings to the Board her extensive experience in human resources management for major international groups, as well as in governance and CSR issues.

In accordance with the recommendations of the Governance, Appointments and Remuneration Committee, the Board of Directors considers that Jocelyn Vassoille fulfills the independence criteria set in the AFEP-MEDEF Code and the Internal Rules of the Board of Directors.

You are therefore asked to ratify this provisional appointment for the duration of Carolle Foissaud's term of office as director (expiring at the close of the present meeting), and to renew her appointment for a further four-year term.

The Board of Directors has decided not to renew Michel Crochon's term of office, which is due to expire.

The other governance changes – not put to a vote – are as follows:

- Magali Joëssel was also responsible for CSR issues on the Board of Directors and was a member of the Audit and Accounts Committee. She has been replaced in these roles by Emmanuel Blot, permanent representative of Bpifrance Participations. Emmanuel Blot brings to these CSR issues the expertise in multi-criteria environmental and socioeconomic analysis he has developed working on investment projects. The extensive financial expertise acquired in his role at Bpi will also be an asset for the Audit and Accounts Committee.
- Carolle Foissaud was also Chair of the Governance, Appointments and Remuneration Committee and a member of the Audit and Accounts Committee. Jocelyne Vassoille has been appointed to replace her as Chair of the Governance, Appointments and Remuneration Committee. Carolle Foissaud remains a member of this Committee, replacing Emmanuel Blot. Emmanuelle Picard has replaced Carolle Foissaud on the Audit and Accounts Committee.
- Michel Crochon was responsible for coordinating strategic issues within the Board of Directors. He will be replaced in this position by Emmanuelle Picard. She brings with her the experience she has acquired through a range of strategy, marketing and executive management positions in various global industrial groups.

If this resolution is approved, the Board of Directors will be composed of seven members (excluding the director representing employees), of which four independent members and three women.

As such, the independence rules set out in the AFEP-MEDEF Code will be respected at both Board and Committee level. Legal obligations concerning gender diversity are also respected, since the gender gap on the Board does not exceed two directors.

The Board of Directors is presented on pages 45 and 46 of this document.

Sixth resolution – Ratification of the provisional appointment of Jocelyne Vassoille to replace Carolle Foissaud as a director

The Annual General Meeting ratifies the provisional appointment by the Board of Directors at its meeting of December 21, 2023, effective January 5, 2024, to the Board of Directors of Jocelyne Vassoille, *replacing* Carolle Foissaud, who has resigned.

Consequently, Jocelyne Vassoille will hold office for the remainder of her predecessor's term, i.e., until the close of this Annual General Meeting.

Seventh resolution – Reappointment of Jocelyne Vassoille as a director

The General Meeting reappoints Jocelyne Vassoille as a director for a four-year term expiring at the close of the Annual General Meeting to be held in 2028 to approve the 2027 financial statements.

Eighth resolution – Non-replacement and non-reappointment of Michel Crochon as a director

Having noted that Michel Crochon's term as a director is due to expire at the close of this Meeting, the General Meeting resolves not to reappoint or to replace him.

Ninth to twelfth resolutions: Compensation policy for corporate officers

In the ninth to twelfth resolutions, you are asked to approve the compensation policy for corporate officers for 2024 as set out in the Universal Registration Document on pages 45 to 50 and summarized below.

Compensation of the Chairman of the Board of Directors

This policy remains unchanged from last year. The compensation of the Chairman of the Board of Directors comprises fixed annual compensation for his duties as Chairman, for a gross amount of €120,000, as well as compensation for his duties as a director, the payment of which is mostly conditional on attendance (see below).

Compensation of members of the Board of Directors

On the recommendation of the Governance, Appointments and Remuneration Committee, the Board of Directors recommends increasing the maximum amount of the compensation package allocated to directors. The amount would now be capped at €330,000 (compared with €305,000 previously), to take account of the increased number of Board and committee meetings, in particular related to the 2027 growth plan and the Board's new responsibilities under the CSRD.

The other rules for allocating compensation are unchanged, in accordance with the recommendations of the AFEP-MEDEF Code in this area, with a predominant portion contingent on attendance (two-thirds of total compensation for an attendance rate of 100%).

- The annual compensation paid to each director comprises a fixed portion of €13,000. On top of this basic amount, directors receive additional compensation as follows:
  - Chair of the Audit and Accounts Committee: €11,000
  - Chair of the Governance, Appointments and Remuneration Committee: €9,000
  - Director responsible for strategic issues: €6,000
  - Director responsible for CSR issues: €6,000
- Each director also receives a variable portion of compensation based on their actual attendance at Board and Committee meetings, corresponding to €2,000 per meeting.

If the aggregate amount of compensation calculated by applying the above rules is higher than the compensation package of €330,000 (i.e., if more meetings are held than usual), then the compensation of each director will be reduced proportionately.

Compensation of the Chief Executive Officer

This policy has remained unchanged since 2022. It was defined on the basis of a competitiveness survey carried out by an external firm. The survey measured the positioning of the various components of the Chief Executive Officer's compensation in relation to a panel of comparable companies including groups listed in France with a very strong international presence: Albioma, Bic, Biomérieux, Boiron, CGG, Elis, Exel industries, Guerbet, Ingenico Group, Ipsen, Manutan, Quadient, Remy Cointreau, Sartorius Stedim, Soitec, Tarkett, Trigano and Vicat.

A - Fixed compensation

Fixed compensation is set at €500,000.

B - Short-term variable compensation

Annual variable compensation is based mainly on financial criteria and, to a lesser extent, on individual criteria:

- Financial criteria (70% of the target) in line with the indicators used by the Board of Directors to assess the Group's short-term financial performance, as follows:
  - operating margin before non-recurring items (30% of the target)
  - EBITDA before non-recurring items (20% of the target)
  - net cash generated by continuing operations (operating cash flow) (20% of the target)

Each criterion is assessed independently of the others.

These targets are determined in line with the Group's budget. The “maximum” achievement rates are set well above the budget objectives and designed to reward financial outperformance.

The financial targets are confidential and will only be disclosed ex-post in the first half of 2025.

The individual criteria are defined by the Board of Directors in line with the Group's strategy. They are reviewed independently. At least one criterion must be based on a CSR objective. At its meeting of March 12, 2024, the Board of Directors set the following criteria for 2024 (weighting of each criterion is indicated in brackets):

- **Safety (25%):** the objective is based on three criteria, each with equal weighting:
  - the lost time injury rate (LTIR) must be less than or equal to 1.4 to reach 100% achievement (0% if more than or equal to 1.6),
  - the severity injury rate (SIR) must be less than or equal to 60 to reach 100% achievement (0% if more than or equal to 70),
  - the number of management safety visits (MSV) must be 1.2 per employee;
- **Environment (25%):** the objective is based on four criteria, each with equal weighting:
  - the waste recycling rate must be greater than or equal to 75% to reach 100% achievement (0% if less than or equal to 70%),
  - the Group's Scope 3 greenhouse gas emissions targets must be validated by the SBTi,
  - the Scope 1 and 2 greenhouse gas emissions intensity must be less than or equal to 87 tCO_2 per million euros of sales for 100% achievement (0 if greater than or equal to 92 tCO_2 per million euros of sales),
  - water consumption intensity must be less than 645 cu.m per million euros of sales for 100% achievement (0 if greater than or equal to 653 cu.m per million euros of sales);
- **Succession planning (15%):** the objective is to continue rolling out succession plans for the Executive Committee;
- **Business (20%):** the objective is to successfully monitor and oversee the Group's capital expenditure plan;
- **External growth (15%):** the objective is to complete the acquisitions planned for 2024.

The breakdown of targets and achievement rates is as follows:

<table>
<tr><th>Criterion</th><th>Target</th><th>Maximum</th></tr>
<tr><td>Operating margin before non-recurring items</td><td>30%</td><td>60%</td></tr>
<tr><td>Operating cash flow</td><td>20%</td><td>30%</td></tr>
<tr><td>EBITDA before non-recurring items</td><td>20%</td><td>30%</td></tr>
<tr><td>Non-financial criteria</td><td colspan="2">30%</td></tr>
<tr><td>TOTAL (AS A % OF FIXED COMPENSATION)</td><td>100%</td><td>150%</td></tr>
<tr><td>of which weighting of financial criteria</td><td>70%</td><td>120%</td></tr>
</table>

Achievement rates between the lower and upper limits will be calculated on a straight-line basis.

Achievement beyond the target rewards outperformance. This only applies to financial criteria. The achievement rates for these targets will be disclosed ex-post.

C - Other compensation

The other components of the Chief Executive Officer's compensation remain unchanged, as follows:

- Long-term share-based compensation: allocation of stock options or free shares subject to the achievement of performance objectives. The Chief Executive Officer will receive a maximum of 10% of all issued plans, measured on an IFRS basis; this amount may not exceed 30% of all of his compensation for the previous calendar year. The performance criteria are described in the presentation of the twenty-eighth resolution.
- Benefits in kind: mainly contributions paid to an external organization in respect of executive unemployment insurance, as well as use of a company car.
- Eligibility for staff incentive plans.

Ninth resolution – Approval of the compensation policy for the Chairman of the Board of Directors

Deliberating in accordance with Article L.22-10-8 of the French Commercial Code, the General Meeting approves the compensation policy for the Chairman of the Board of Directors, as presented in sections 2.1.1 and 2.1.2 of the corporate governance report included in the 2023 Universal Registration Document (page 45).

Tenth resolution – Approval of the compensation policy for the Chief Executive Officer and/or any other executive corporate officer

Deliberating in accordance with Article L.22-10-8 of the French Commercial Code, the General Meeting approves the compensation policy for the Chief Executive Officer and/or any other executive corporate officer, as presented in sections 2.1.1 and 2.1.4 of the corporate governance report included in the 2023 Universal Registration Document (pages 45-49).

Eleventh resolution – Approval of the compensation policy for directors

Deliberating in accordance with Article L.22-10-8 of the French Commercial Code, the General Meeting approves the compensation policy for directors, as presented in sections 2.1.1 and 2.1.3 of the corporate governance report included in the 2023 Universal Registration Document (pages 4546).

Twelfth resolution – Approval of the disclosures required under Article L.22-10-9, I of the French Commercial Code

Deliberating in accordance with Article L.22-10-34, I of the French Commercial Code, the General Meeting approves the disclosures required under Article L.22-10-9, I of the French Commercial Code, as presented in section 2.2 of the corporate governance report included in the 2023 Universal Registration Document (pages 50-54).

Thirteenth and fourteenth resolutions: Compensation paid to executive corporate officers for 2023

- **Olivier Legrain, Chairman of the Board of Directors**

The compensation of the Chairman of the Board of Directors comprises fixed compensation and compensation based on membership of the Board and its committees and member attendance.

The main components of compensation for 2023 were as follows:

in euros	
Directors' compensation	37,603
Fixed compensation	120,000
TOTAL	**157,603**

- **Luc Themelin, Chief Executive Officer**

The main components of compensation for 2023 were as follows:

in euros	
Fixed compensation	500,000
Annual variable compensation	715,451
Long-term variable compensation	N/A
Exceptional compensation	N/A
Incentives	21,996
Directors' compensation	N/A
Benefits in kind	35,787
TOTAL	**1,273,234**

Annual variable compensation for 2023 was determined by application of the following criteria:

Objectives set		Unit	Min.	Target	Max.	Actual
Group operating margin before non-recurring items	*Indicator value*	**%**	**9.8**	**10.8**	**11.2**	**11.3**
	% of fixed compensation	%	0%	30%	60%	60%
Group operating cash flow	*Indicator value*	**€m**	**122**	**146**	**158**	**179**
	% of fixed compensation	%	0%	20%	30%	30%
Current EBITDA	*Indicator value*	**€m**	**182**	**196**	**203**	**203**
	% of fixed compensation	%	0%	20%	30%	30%
			0%	**70%**	**120%**	**120%**
Safety: improvement of safety indicators			0%		7.5%	3.0%
Environment: increase in the waste recycling rate, identification of ways to reduce CO_2 emissions, reduction in water consumption intensity			0%		6.0%	4.0%
Succession plan: Ongoing review of internal and external candidates			0%		4.5%	4.5%
p-SiC project: capital expenditure plan for the p-Sic project			0%		6.0%	6.0%
Electric vehicle market: implementation of a dedicated EV organizational structure and signature of new contracts			0%		6.0%	5.6%
			0%		**30%**	**23.1%**
TOTAL AS A % OF FIXED COMPENSATION			**0%**	**100%**	**150%**	**143.1%**

The 2023 **financial objectives** were based on the Group's annual budget, using exchange rates versus the euro for the Chinese renminbi and the US dollar of 7.8 and 1.1 respectively. The target, minimum and maximum levels for the objectives based on operating margin before non-recurring items and EBITDA before non-recurring items were recalculated using the exchange rates applicable in 2023, i.e., 7.66 and 1.08. It is important to note that these changes in exchange rates did not affect the Group's competitiveness. In addition, for the purpose of assessing the achievement of the EBITDA before non-recurring items criterion (which is in absolute value terms), the figure was adjusted to exclude the impact of the acquisitions initially included in the budget but not completed during the year and still under consideration.

- **Operating margin before non-recurring items:** the restated target is 10.8% of sales (100% achievement), higher than the 2022 target of 10.2%, which takes into account an uncertain geopolitical and inflationary environment. The Board of Directors set a maximum restated target of 11.2%, which was high to ensure that the target remained ambitious. The objective was exceeded, as the Group generated an operating margin before non-recurring items of 11.3%.
- **Operating cash flow:** the target was set at €146 million in 2023. The maximum (€158 million) was set at much higher than the 2022 level (€106 million). The actual figure was well above the target level, resulting in an achievement rate of 100%.
- **EBITDA before non-recurring items:** the target level for this objective was €196 million and the maximum was €203 million, representing a 9% increase compared with 2022 (or 14% excluding currency effects). The achievement rate for this objective was 100% as the Group generated EBITDA before non-recurring items of €203 million.

Non-financial criteria:

For 2023, the non-financial objectives were based on the following criteria:

- **Safety (25%):** this objective was based on three indicators: (i) the lost time injury rate (LTIR) had to be less than or equal to 1.4 for 100% achievement (0% if greater than or equal to 1.6).

  For 2023, the rate was 2.78, i.e., 0% achievement. The increase in accidents in 2023 mainly stemmed from four sites which experienced high staff and management turnover. A dedicated action plan for each of these sites was immediately put in place to provide the required training, particularly in terms of safety induction and on-the-job training. (ii) the severity injury rate (SIR), which had to be less than or equal to 60 for 100% achievement (0% if greater than or equal to 70). For 2023, the rate was 68, i.e., 20% achievement. The Board of Directors noted that this indicator improved significantly for temporary workers and subcontractors. (iii) the number of management safety visits (MSV), which had to exceed 5,170. For 2023, the number of MSVs was 8,033, representing a 100% achievement rate. Taking these factors into account, the overall achievement rate for the environmental objectives stood at 40%, i.e., a 3.0% contribution to the objectives out of a maximum 7.5%.

- **Environment (20%):** based on the Group's 2022-2025 CSR roadmap, the objective was to achieve a waste recycling rate of at least 75% for 100% achievement (0% if less than or equal to 70%). For 2023, the rate was 70%, i.e., 0% achievement. The Board of Directors noted, however, that the Group did focus on reducing waste in 2023. In light of the sharp reduction in Scope 1 and 2 greenhouse gas emissions intensity in 2022, the target for 2023 was to focus on analyzing Scope 3 emissions and defining ways to reduce them. The Group carried out an in-depth review on the subject in 2023, which led to an initial mapping of Scope 3 emissions. Consequently, the Board considered that the objective was 100% achieved. The last environmental objective was for the Group's water consumption intensity to be less than 670 cu.m per million euros of sales for 100% achievement. In 2023, the actual figure was 653 cu.m. per million euros of sales, representing a 100% achievement rate. Taking these factors into account, the overall achievement rate for the environmental objectives stood at 66%, i.e., a 4% contribution to the objectives out of a maximum 6%.
- **Succession plan (15%):** this plan is necessary to ensure an effective transition for certain positions within five years. The Board considered that the objective was 100% achieved.
- **p-SiC project (20%):** the objective for 2023 was to complete the necessary capital expenditure to ensure the wafer deliveries to Soitec. The Board of Directors considered that this objective was 100% achieved, as the Group delivered the scheduled number of prototypes to Soitec during the year.
- **Electric vehicle market (20%):** the objective was to (i) finalize the dedicated EV organizational structure in Juarez and St Bonnet, which was achieved, and (ii) enter into two new significant contracts. The Board considered that the second party of this objective was largely achieved, with a rate of 93%, as the Group continued to issue quotes for its customer ACC.

Thirteenth resolution – Approval of the fixed, variable and exceptional components making up the total compensation and benefits in kind paid or granted to Olivier Legrain, Chairman of the Board of Directors, in respect of the past fiscal year

Deliberating in accordance with Article L.22-10-34, II of the French Commercial Code, the General Meeting approves the fixed, variable and exceptional components making up the total compensation and benefits in kind paid or granted to Olivier Legrain, Chairman of the Board of Directors, in respect of the past fiscal year, as presented in section 2.8 of the corporate governance report included in the 2023 Universal Registration Document (page 67).

Fourteenth resolution – Approval of the fixed, variable and exceptional components making up the total compensation and benefits in kind paid or granted to Luc Themelin, Chief Executive Officer, in respect of the past fiscal year

Deliberating in accordance with Article L.22-10-34, II of the French Commercial Code, the General Meeting approves the fixed, variable and exceptional components making up the total compensation and benefits in kind paid or granted to Luc Themelin, Chief Executive Officer, in respect of the past fiscal year, as presented in section 2.7 of the corporate governance report included in the 2023 Universal Registration Document (pages 65-66).

Fifteenth resolution: Share repurchase program

The fifteenth resolution renews the authorization granted to the Board of Directors, for a period of 18 months, to repurchase shares in the Company (including under a liquidity agreement).

At December 31, 2023, the Company held 228,754 shares: (i) 193,484 shares to put in place employee performance share plans, and (ii) 35,270 shares for market-making purposes through a liquidity agreement. These shares represent 0.9% of the Company's capital. They have no voting rights and dividends payable thereon are credited to retained earnings.

The authorization to be granted in the fifteenth resolution states that the maximum purchase price is set at €65 and that the number of shares held by the Company under this authorization may not be greater than 10% of the number of shares comprising the Company's capital at December 31, 2023 (excluding 228,754 treasury shares), i.e., 2,213,078 shares for a maximum amount of €143,850,070.

The objectives of the share repurchase program are described below and in the 2023 Universal Registration Document.

As in previous years, the resolution states that the authorization does not apply during a public offer for the Company's shares.

Fifteenth resolution – Authorization for the Board of Directors to repurchase shares of the Company under a program governed by Article L.22-10-62 of the French Commercial Code

Having considered the Board of Directors' report, the General Meeting authorizes the Board of Directors, for a period of 18 months and in accordance with Articles L.22-10-62 *et seq.* and L.225-210 *et seq.* of the French Commercial Code, to repurchase shares of the Company on one or more occasions and at the times that it deems appropriate. The number of shares held by the Company under this authorization may not be greater than 10% of the number of shares comprising the Company's capital at the date of the General Meeting and may be adjusted as necessary to take into account any capital increases or reductions that may occur during the term of the program.

This authorization supersedes the authorization granted to the Board of Directors by the General Meeting of May 16, 2023 in its fourteenth ordinary resolution.

Shares may be repurchased in order to:

- enhance trading in the secondary market or the liquidity of the Mersen share by engaging an investment service provider under a liquidity agreement that complies with practices approved by French law. For the purposes of the program, the number of shares taken into account to calculate the abovementioned limit corresponds to the number of shares repurchased, less the number of shares sold;
- hold the repurchased shares in treasury and subsequently remit them as part of an exchange offer or in consideration for any mergers, demergers, asset contributions or acquisitions;
- cover stock option and/or free share plans (or similar plans) allocated to employees and/or corporate officers of the Group, including intercompany partnerships and related companies, as well as any share allocations under company or group savings plans (or similar plans) or company profit-sharing plans and/or any other forms of share allocations to employees and/or corporate officers of the Group, including intercompany partnerships and related companies;
- cover securities conferring rights to allocations of shares in the Company, in accordance with applicable regulations;
- cancel the repurchased shares, in accordance with the authorization granted or to be granted by the Extraordinary General Meeting.

The shares may be repurchased by any means, including by way of block purchases, at the times that the Board of Directors deems appropriate.

The Board of Directors may not use this authorization without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

The Company does not intend to use options or derivatives.

The maximum purchase price has been set at €65 per share. In the event of a transaction affecting the Company's share capital, such as share splits or reverse splits and free share allocations to shareholders, the aforementioned amount will be adjusted in the same proportion (a coefficient of the ratio between the number of shares comprising the share capital before the transaction and the number of shares after the transaction).

The maximum amount of the share repurchase program has been set at €158,719,015.

The General Meeting grants full powers to the Board of Directors to carry out these transactions, determine the conditions and procedures thereof, enter into any and all agreements and carry out all formalities.

Extraordinary General Meeting

Sixteenth resolution: Cancellation of shares

At the Annual General Meeting of May 16, 2023, pursuant to the fifteenth resolution, the shareholders authorized the Board of Directors to reduce the Company's capital by canceling treasury shares.

In 2023, the Company did not make use of this authorization.

You are asked to terminate this authorization granted at the Annual General Meeting of May 16, 2023 and to grant the Board of Directors a new authorization, under similar conditions and for a period of 24 months, to reduce the Company's capital by partial or full cancellation of the shares acquired by the Company under a share repurchase program. This authorization would only allow for a maximum 10% reduction in capital.

Sixteenth resolution – Authorization for the Board of Directors to cancel shares of the Company repurchased under a program governed by Article L.22-10-62 of the French Commercial Code and held in treasury

Having considered the Board of Directors' report and the Statutory Auditors' report and deliberating in accordance with Article L.22-10-62 of the French Commercial Code, the General Meeting:

1) Authorizes the Board of Directors to cancel shares, in particular shares purchased or to be purchased under a program governed by Article L.22-10-62 of the French Commercial Code, on one or more occasions and at its discretion. The number of shares canceled may not exceed 10% of the Company's capital as determined on the date the cancellation is decided, less any shares canceled during the previous 24 months. The Board of Directors will be further authorized to reduce the Company's capital to reflect the cancellations, in accordance with the applicable laws and regulations.

2) Sets the period during which this authorization may be used at 24 months, from the date of this Meeting.

3) Resolves that the Board of Directors may not use this authorization without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

4) Grants full powers to the Board of Directors to carry out all transactions required in connection with the share cancellations and resulting capital reductions, to amend the Articles of Association to reflect the new capital, and to carry out all necessary formalities.

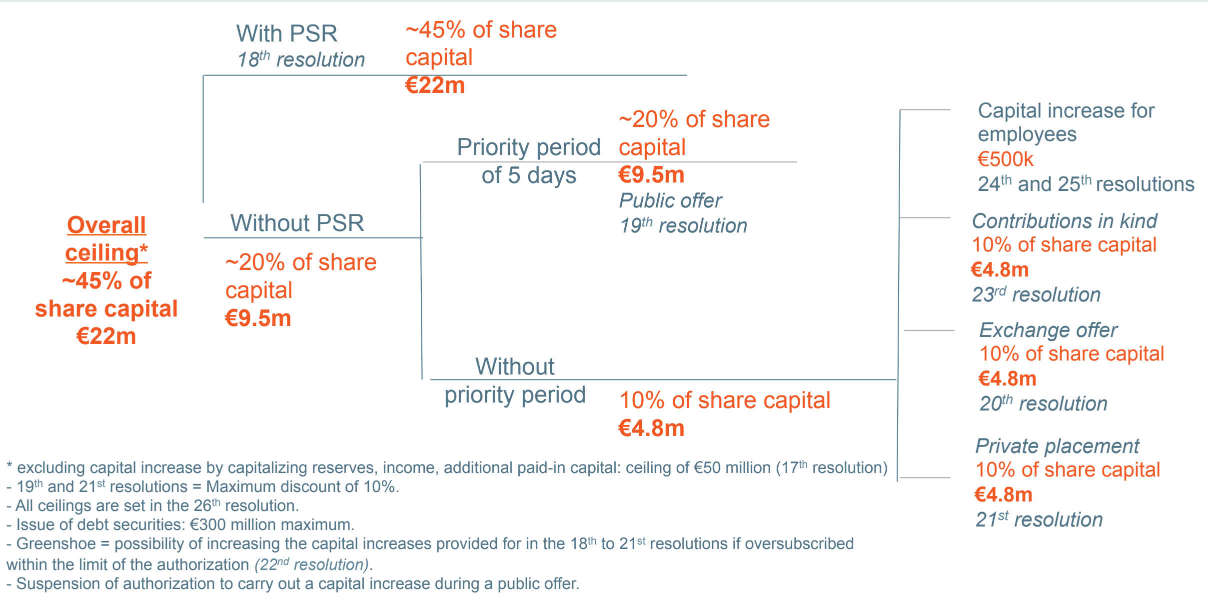
5) Formally notes that this authorization cancels, with immediate effect, the unused portion of any earlier authorization granted for the same purpose.

Seventeenth to twenty-third resolutions: Financial authorizations

In 2023, in order to finance its growth plan, the Group carried out a capital increase with preferential subscription rights in accordance with the twenty-first resolution of the Combined General Meeting of May 19, 2022. It gave rise to the creation of 3,573,408 new shares representing a gross amount of €100,055,424.

The Board of Directors has once again requested the necessary delegations of authority to carry out any issue that it considers necessary to fund business growth.

The diagram below summarizes the ceilings for the various financial resolutions and any applicable discounts.



* excluding capital increase by capitalizing reserves, income, additional paid-in capital: ceiling of €50 million (17th resolution)
- 19th and 21st resolutions = Maximum discount of 10%.
- All ceilings are set in the 26th resolution.
- Issue of debt securities: €300 million maximum.
- Greenshoe = possibility of increasing the capital increases provided for in the 18th to 21st resolutions if oversubscribed within the limit of the authorization *(22nd resolution)*.
- Suspension of authorization to carry out a capital increase during a public offer.

Note:

- To ensure shareholders can have their say on any issues carried out under the delegations of authority below during a public offer period, you are asked to approve their suspension during such periods.
- The maximum value of debt securities (e.g., bonds convertible into or redeemable for shares) issued under these resolutions is capped at €300 million.
- The Board of Directors would have the possibility of increasing an initially planned capital increase in the event of oversubscription (greenshoe or over-allotment option), while remaining within the limits set in each resolution.
- The maximum discount provided for in the nineteenth and twenty-first resolutions has been set at 10%, in line with legal requirements and market practices.

You are asked, under the **seventeenth resolution,** to grant the Board of Directors a new 26-month delegation of authority to increase the Company's capital by capitalizing reserves, income, additional paid-in capital or other capitalizable amounts, and issuing free shares and/or raising the nominal value of existing ordinary shares.

Under the **eighteenth resolution,** you are asked to authorize a capital increase of a nominal value of up to €22 million, corresponding to approximately 45% of the share capital at December 31, 2023, through the issue of ordinary shares or other securities on one or more occasions. Shareholders will have preferential subscription rights (PSRs) to shares or other securities issued in such a way.

Under the **nineteenth, twentieth and twenty-first resolutions,** you are also asked to grant new financial delegations of authority to the Board of Directors to issue shares and other securities without preferential subscription rights for existing shareholders. The purpose of these delegations of authority is to enable the Board to carry out financial transactions on the most appropriate terms. Depending on market conditions, the type of investors concerned by the issue and the type of securities issued, not granting preferential subscription rights may be preferable or even necessary for the placement of securities under optimal conditions, particularly when quick transactions are a critical factor for their success.

Under the **nineteenth resolution,** shareholders do not have preferential subscription rights but benefit from a compulsory five-day priority subscription period. The maximum nominal value of the shares issued may not exceed €9.5 million (approximately 20% of the capital), and any issue will be deducted from the overall ceiling of €22 million.

Under the **twentieth resolution,** which does not grant shareholders preferential subscription rights, securities may be issued in payment for shares of another company tendered to a public exchange offer, to finance a major acquisition, for example. The overall ceiling is limited to 10% of the capital. All issues will also be deducted from the €9.5 million sub-ceiling for issues without preferential subscription rights and from the overall ceiling of €22 million.

Under the **twenty-first resolution,** which does not grant shareholders preferential subscription rights, securities may be issued as part of a private placement for qualified investors. The overall ceiling is limited to 10% of the capital. All issues will also be deducted from the €9.5 million sub-ceiling for issues without preferential subscription rights and from the overall ceiling of €22 million.

The purpose of the **twenty-second resolution** is to allow the Board of Directors, in the event of oversubscription, to decide to increase the number of securities when increasing the capital (under the eighteenth to twenty-first resolutions) while keeping within the ceilings authorized by the General Meeting.

Under the **twenty-third resolution,** which does not grant shareholders preferential subscription rights, shares may be issued in return for contributions in kind. The overall ceiling is limited to 10% of the capital. All issues will also be deducted from the €9.5 million sub-ceiling for issues without preferential subscription rights and from the overall ceiling of €22 million.

Seventeenth resolution – Delegation of authority for the Board of Directors to increase the Company's capital by capitalizing reserves, income and/or additional paid-in capital

Deliberating in accordance with the quorum and majority rules applicable to ordinary general meetings and with Articles L.225-129-2, L.225-130 and L.22-10-50 of the French Commercial Code and having considered the Board of Directors' report, the General Meeting:

1) Delegates its authority to the Board of Directors to increase the Company's capital on one or more occasions, at the times and on the terms that it deems appropriate, by capitalizing reserves, income, additional paid-in capital or other capitalizable amounts, and issuing free shares and/or raising the nominal value of existing ordinary shares.

2) Resolves that, in accordance with Articles L.225-130 and L.22-10-50 of the French Commercial Code, if the Board of Directors decides to use this delegation of authority to issue free shares, rights to fractions of shares will not be negotiable or transferable and that the corresponding shares will be sold and the sale proceeds allocated among the holders of rights to fractions of shares within the period specified in the applicable regulations.

3) Sets the period during which this delegation of authority may be used at 26 months, from the date of this Meeting.

4) Resolves that the nominal value of the capital increase(s) carried out under this resolution may not exceed €50,000,000, not taking into account the nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses.

This ceiling is separate from all the ceilings specified in the other resolutions of this Meeting.

5) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

6) Grants full powers to the Board of Directors to use this delegation of authority and generally to take all measures and carry out all formalities required to complete and place on record each capital increase, and amend the Articles of Association to reflect the new capital.

7) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

Eighteenth resolution – Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares (of the Company or another Group company) and/or debt securities, with preferential subscription rights for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report and acting in accordance with the French Commercial Code, including Articles L.225-129-2, L.228-92 and L.225-132 *et seq.* thereof, the General Meeting:

1) Delegates its authority to the Board of Directors to issue, in exchange for payment or at no cost, on one or more occasions, for the amounts and at the times that it deems appropriate, on the French and/or international markets, in euros or, where applicable, in a foreign currency or any monetary unit determined by reference to a basket of currencies:

- ordinary shares; and/or
- securities conferring rights to shares and/or debt securities.

In accordance with Article L.228-93 of the French Commercial Code, securities issued pursuant to this delegation of authority may confer rights to new ordinary shares of any company that owns, directly or indirectly, more than half of the Company's capital or more than half of whose capital is owned, directly or indirectly, by the Company.

2) Resolves that share warrants issued by the Company may be made available for subscription as well as for issue to existing shareholders at no cost, it being specified that the Board of Directors will have the authority to decide that rights to fractions of shares will not be negotiable and that the corresponding shares will be sold.

3) Sets the period during which this delegation of authority may be used at 26 months, from the date of this Meeting.

4) Sets the following limits on issues carried out by the Board of Directors pursuant to this delegation of authority:

The aggregate nominal value of ordinary shares issued under this delegation of authority may not exceed €22,000,000 and will be deducted from the overall ceiling of €22,000,000 on issues of ordinary shares set in the twenty-sixth resolution submitted to the vote of this Annual General Meeting.

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

The nominal value of debt securities issued under this delegation of authority may not exceed €300,000,000 and will be deducted from the overall ceiling on issues of debt securities set in the twenty-sixth resolution submitted to the vote of this Annual General Meeting.

5) If the Board of Directors uses this delegation of authority to carry out any issues provided for in 1) above:

a) resolves that the shareholders will have a preferential right to subscribe for the ordinary shares or debt securities conferring rights to shares pro rata to their interest in the Company's capital, including any ordinary shares or debt securities not taken up by other shareholders;

b) resolves that, if an issue provided for in 1) above is not taken up in full by shareholders exercising their preferential rights, the Board of Directors may choose any of the following courses of action:

- limit the amount of the issue to the subscriptions received, provided that any minimum take-up rate set by the applicable regulations is met,
- freely allocate all or some of the unsubscribed securities,
- offer all or some of the unsubscribed securities to the public.

6) Resolves that the Board of Directors will have the necessary powers, within the above limits, to set the terms and conditions of the issue(s) and the issue price, if applicable, place on record the resulting capital increase(s), amend the Articles of Association to reflect the new capital, at its discretion charge the share issue costs against the related premium and deduct from the premium the amount necessary to raise the statutory reserve to one-tenth of the new capital after each increase, and generally do whatever is necessary.

7) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

8) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

Nineteenth resolution – Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares (of the Company or another Group company) and/or debt securities through a public offer (with the exception of private placements governed by Article L.411-2, 1 of the French Monetary and Financial Code), without preferential subscription rights but with a priority subscription period for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report and deliberating in accordance with the French Commercial Code, including Articles L.225-129-2, L.225136, L.22-10-51, L.22-10-52 and L.228-92 thereof, the General Meeting:

1) Delegates its authority to the Board of Directors to issue, on one or more occasions, for the amounts and at the times that it deems appropriate, on the French and/or international markets, through a public offer with the exception of private placements governed by Article L.411-2, 1 of the French Monetary and Financial Code *(Code monétaire et financier)* and offers carried out as part of a public exchange offer initiated by the Company, in euros or, where applicable, in a foreign currency or any monetary unit determined by reference to a basket of currencies:

- ordinary shares; and/or
- securities conferring rights to shares and/or debt securities.

In accordance with Article L.228-93 of the French Commercial Code, securities issued pursuant to this delegation of authority may confer rights to new ordinary shares of any company that owns, directly or indirectly, more than half of the Company's capital or more than half of whose capital is owned, directly or indirectly, by the Company.

2) Sets the period during which this delegation of authority may be used at 26 months, from the date of this Meeting.

3) Resolves that the aggregate nominal value of ordinary shares issued under this delegation of authority may not exceed €9,500,000 and will be deducted from the overall ceiling of €22,000,000 and the sub-ceiling of €9,500,000 on issues of ordinary shares set in the twenty-sixth resolution.

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

The nominal value of debt securities issued under this delegation of authority may not exceed €300,000,000 and will be deducted from the overall ceiling on debt securities set in the twentysixth resolution.

4) Resolves to waive shareholders' preferential rights to subscribe for the ordinary shares or securities conferring rights to shares and/or debt securities issued pursuant to this resolution but to offer shareholders the possibility of subscribing for the entire issue on a priority basis during at least five trading days before the public offer is launched by the Board of Directors, in accordance with the law.

5) Resolves that the amount received by the Company, immediately or in the future, for each ordinary share issued pursuant to this delegation of authority will be at least equal to the weighted average share price of the Company over the last three trading days on the Euronext Paris regulated market preceding the beginning of the offer, after adjustment, if necessary, of this amount to take into account the difference with the date of entitlement, less a discount of up to 10%. In the case of an issue of stand-alone warrants, said minimum amount will be determined after taking into account the price of the warrants in accordance with the applicable regulations.

6) Resolves that if an issue provided for in 1) above is not taken up in full, the Board of Directors may choose either of the following courses of action:

- limit the amount of the issue to the subscriptions received, provided that any minimum take-up rate set by the applicable regulations is met;
- freely allocate all or some of the unsubscribed securities.

7) Resolves that the Board of Directors will have the necessary powers, within the above limits, to set the terms and conditions of the issue(s), if applicable, place on record the resulting capital increase(s), amend the Articles of Association to reflect the new capital, at its discretion charge the share issue costs against the related premium and deduct from the premium the amount necessary to raise the statutory reserve to one-tenth of the new capital after each increase, and generally do whatever is necessary.

8) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

9) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

Twentieth resolution – Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares and/or debt securities in payment for shares of another company tendered to a public exchange offer, without preferential subscription rights for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report and deliberating in accordance with the French Commercial Code, including Articles L.225-129-2, L.225136, L.22-10-54 and L.228-92 thereof, the General Meeting:

1) Delegates its authority to the Board of Directors to issue, on one or more occasions, for the amounts and at the times that it deems appropriate, in payment for shares or other securities of another company admitted to trading on one of the regulated markets referred to in Article L.22-10-54 of the French Commercial Code and tendered to a public offer with an exchange component launched by the Company in France or abroad, in accordance with local regulations:

- ordinary shares; and/or
- securities conferring rights to shares and/or debt securities.

2) Sets the period during which this delegation of authority may be used at 26 months, from the date of this Meeting.

3) Resolves that the aggregate nominal value of ordinary shares issued under this delegation of authority may not exceed €4,800,000 and will be deducted from the overall ceiling of €22,000,000 and the sub-ceilings of €9,500,000 and €4,800,000 on issues of ordinary shares set in the twentysixth resolution.

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

The nominal value of debt securities issued under this delegation of authority may not exceed €300,000,000 and will be deducted from the overall ceiling on issues of debt securities set in the twenty-sixth resolution.

4) Resolves to waive shareholders' preferential rights to subscribe for the ordinary shares or securities conferring rights to shares and/or debt securities issued pursuant to this resolution.

5) Resolves that the Board of Directors will have the necessary powers, in accordance with Article L.22-10-54 of the French Commercial Code and within the limits specified above, to approve the list of shares or other securities tendered to the exchange offer, set the issue terms and conditions, the price, the exchange ratio, and – in the case of a paper and cash offer – the amount of the cash payment, and determine the issue method.

6) Resolves that the Board of Directors will have the necessary powers, within the above limits, to set the terms and conditions of the issue(s), if applicable, place on record the resulting capital increase(s), amend the Articles of Association to reflect the new capital, at its discretion charge the share issue costs against the related premium and deduct from the premium the amount necessary to raise the statutory reserve to one-tenth of the new capital after each increase, and generally do whatever is necessary.

7) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

8) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

Twenty-first resolution – Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares (of the Company or another Group company) and/or debt securities through an offer governed by Article L.411-2, 1 of the French Monetary and Financial Code (i.e., a private placement), without preferential subscription rights for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report and deliberating in accordance with the French Commercial Code, including Articles L.225-129-2, L.225136, L.22-10-52 and L.228-92 thereof, the General Meeting:

1) Delegates its authority to the Board of Directors to issue, on one or more occasions, for the amounts and at the times that it deems appropriate, through an offer governed by Article L.411-2, 1 of the French Monetary and Financial Code on the French and/or international market, in euros or, where applicable, in a foreign currency or any monetary unit determined by reference to a basket of currencies:

- ordinary shares; and/or
- securities conferring rights to shares and/or debt securities.

In accordance with Article L.228-93 of the French Commercial Code, securities issued pursuant to this delegation of authority may confer rights to new ordinary shares of any company that owns, directly or indirectly, more than half of the Company's capital or more than half of whose capital is owned, directly or indirectly, by the Company.

2) Sets the period during which this delegation of authority may be used at 26 months, from the date of this Meeting.

3) Resolves that the aggregate nominal value of ordinary shares issued under this delegation of authority may not exceed €4,800,000 and will be deducted from the overall ceiling of €22,000,000 and the sub-ceilings of €9,500,000 and €4,800,000 on issues of ordinary shares set in the twentysixth resolution.

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

The nominal value of debt securities issued under this delegation of authority may not exceed €300,000,000 and will be deducted from the overall ceiling on issues of debt securities set in the twenty-sixth resolution.

4) Resolves to waive shareholders' preferential rights to subscribe for the ordinary shares or securities conferring rights to shares and/or debt securities issued pursuant to this resolution.

5) Resolves that the amount received by the Company, immediately or in the future, for each ordinary share issued pursuant to this delegation of authority will be at least equal to the weighted average share price of the Company over the last three trading days on the Euronext Paris regulated market preceding the beginning of the offer, after adjustment, if necessary, of this amount to take into account the difference with the date of entitlement, less a discount of up to 10%. In the case of an issue of stand-alone warrants, said minimum amount will be determined after taking into account the price of the warrants in accordance with the applicable regulations.

6) Resolves that if an issue provided for in 1) above is not taken up in full, the Board of Directors may choose either of the following courses of action:

- limit the amount of the issue to the subscriptions received, provided that any minimum take-up rate set by the applicable regulations is met;
- freely allocate all or some of the unsubscribed securities.

7) Resolves that the Board of Directors will have the necessary powers, within the above limits, to set the terms and conditions of the issue(s), if applicable, place on record the resulting capital increase(s), amend the Articles of Association to reflect the new capital, at its discretion charge the share issue costs against the related premium and deduct from the premium the amount necessary to raise the statutory reserve to one-tenth of the new capital after each increase, and generally do whatever is necessary.

8) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

9) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

Twenty-second resolution – Authorization to increase the amount of the issues provided for in the eighteenth to twenty-first resolutions of this General Meeting

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting resolves that for each issue of ordinary shares or securities conferring rights to shares decided pursuant to the eighteenth to twenty-first resolutions of this Meeting, the number of securities to be issued may be increased subject to compliance with Articles L.225-135-1 and R.225118 of the French Commercial Code and the ceilings set by the Meeting.

Twenty-third resolution – Delegation of authority for the Board of Directors to increase the capital by up to 10% through the issue of ordinary shares and/or securities conferring rights, immediately or in the future, to shares of the Company in return for contributions in kind made to the Company comprising capital instruments or securities conferring rights to shares

Having considered the Board of Directors' report and the Statutory Auditors' report and deliberating in accordance with Articles L.225-147, L.22-10-53 and L.228-92 of the French Commercial Code, the General Meeting:

1) Authorizes the Board of Directors to issue, based on the report of an expert appraiser of capital contributions, ordinary shares or securities conferring rights, immediately or in the future, to shares of the Company in return for contributions in kind made to the Company comprising capital instruments and securities conferring rights to shares, in a transaction that falls outside the scope of Article L.22-10-54 of the French Commercial Code.

2) Sets the period during which this delegation of authority may be used at 26 months, from the date of this Meeting.

3) Resolves that the aggregate nominal value of ordinary shares issued under this delegation of authority may not exceed 10% of the share capital on the Meeting date and will be deducted from the overall ceiling of €22,000,000 and the sub-ceilings of €9,500,000 and €4,800,000 on issues of ordinary shares set in the twenty-sixth resolution.

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

4) Grants full powers to the Board of Directors to approve the value attributed to the contributed capital instruments and securities conferring rights to shares, decide and place on record the resulting capital increase, charge the share issue costs against the related premium and deduct from the premium the amount necessary to raise the statutory reserve to one-tenth of the new capital after each increase, amend the Articles of Association to reflect the new capital, and generally do whatever is necessary.

5) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

6) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

Twenty-fourth and twenty-fifth resolutions: Authorizations and delegations of authority to promote employee share ownership

You are asked to renew the authorizations and delegations of authority to promote employee share ownership. The twenty-fourth resolution concerns employees of the Group's non-French subsidiaries. The twenty-fifth resolution concerns employees of the Group's French companies.

These resolutions enable new shares to be issued to increase the proportion of the Company's capital held by employees and to give employees in all host countries a stake in the Group's success.They have not been used for several years because of the significant cost involved due to the Group's presence in a large number of countries.

The aggregate nominal value of shares issued under these two delegations of authority would not exceed €500,000.

This amount would be deducted from the overall ceiling of €22,000,000 and the sub-ceilings of

€9,500,000 and €4,800,000 on issues of ordinary shares set in the twenty-sixth resolution of the Annual General Meeting.

Employee shareholders represented 1.2% of the Group's capital at December 31, 2023.

Twenty-fourth resolution – Delegation of authority for the Board of Directors to issue ordinary shares and/or securities conferring rights to shares and/or debt securities (of the Company or another Group company) for subscription by employees of Mersen group companies outside France who are not members of a company savings plan, without preferential subscription rights for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report and deliberating in accordance with the French Commercial Code, including Articles L.225-129-2, L.225138 and L.228-92 thereof, the General Meeting:

1) Delegates its authority to the Board of Directors to issue, on one or more occasions, for the amounts and at the times that it deems appropriate, in France or outside France, to the category of beneficiaries defined below, without preferential subscription rights for existing shareholders:

- ordinary shares; and/or
- securities conferring rights to shares and/or debt securities.

In accordance with Article L.228-93 of the French Commercial Code, securities issued pursuant to this delegation of authority may confer rights to new ordinary shares of any company that owns, directly or indirectly, more than half of the Company's capital or more than half of whose capital is owned, directly or indirectly, by the Company.

2) Sets the period during which this delegation of authority may be used at 18 months, from the date of this Meeting.

3) Resolves that the aggregate nominal value of the capital increase(s) carried out under this delegation of authority may not exceed €500,000 and will be deducted from the ceiling set in the twenty-fifth resolution and from the overall ceiling of €22,000,000 and the sub-ceilings of €9,500,000 and €4,800,000 on issues of ordinary shares set in the twenty-sixth resolution.

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

4) Resolves that, in accordance with Article L.225-138 of the French Commercial Code, the amount received by the Company, immediately or in the future, for each ordinary share issued pursuant to this delegation of authority will be set by the Board of Directors such that the issue price shall be (a) at least equal to 70% of the average price quoted for the Company's shares on the Euronext Paris regulated market over the 20 trading days that precede the Board's decision setting the opening date of the subscription period under this resolution, after adjustment, if necessary, of this amount to take into account the difference with the date of entitlement, in accordance with Articles L.3332-18 *et seq.* of the French Labor Code *(Code du travail)*, or (b) equal to the sum of the shares issued to members of a company savings plan pursuant to the twenty-fourth resolution of this General Meeting. However, the Board of Directors is expressly authorized to reduce or waive the discount, at its discretion, to take into account such issues as local legal, accounting, tax and employment rules and market practices in the countries concerned.

5) Resolves to waive shareholders' preferential rights to subscribe for the ordinary shares or securities conferring rights to shares to be issued pursuant to Article L.228-91 of the French Commercial Code, in favor of the following categories of beneficiaries:

a) employees and corporate officers of Mersen group companies outside France that are related companies within the meaning of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code, to enable them to acquire shares in the Company; and/or

b) employee share ownership funds or other structures, which may or may not be separate legal entities, that invest in the Company's shares and issue units or shares to the persons referred to in (a) above; and/or

c) any bank or subsidiary of a bank acting at the Company's request for the purpose of setting up a share ownership or savings plan for the persons referred to in (a) above, if its intervention is required or useful to enable the employees or corporate officers referred to above to benefit from employee share ownership or savings formulas equivalent or similar to those available to other Mersen group employees in terms of financial benefits.

6) Resolves that, if an issue provided for in 1) above is not taken up in full, the Board of Directors may choose either or both of the following courses of action, in the order of its choice:

- limit the amount of the issue to the subscriptions received, provided that any minimum take-up rate set by the applicable regulations is met;
- freely allocate all or some of the unsubscribed shares or securities among the categories of beneficiaries defined above.

7) Resolves that the Board of Directors will have full powers to use this delegation of authority and to:

a) decide the terms and conditions of the issue(s);

b) draw up the list of beneficiaries in the categories defined above;

c) decide the number of securities to be allocated to each beneficiary;

d) decide the amount of the issue, the issue price and the amount of any issue premium;

e) set the dates and terms of issue, and the type, form and characteristics of the securities, which may be dated or undated and subordinated or unsubordinated;

f) determine the method by which the shares and/or other securities issued or to be issued are to be paid up;

g) set the terms of exercise of any rights attached to the securities issued or to be issued, including the new shares' cum rights date, which may be retroactive, and all other terms and conditions of issue;

h) suspend exercise of the rights attached to the securities, if necessary, for a maximum of three months;

i) at the Board's discretion, charge the share issue costs against the related premium and deduct from the premium the amount necessary to raise the statutory reserve to one-tenth of the new capital after each capital increase;

j) place each capital increase on record and amend the Articles of Association to reflect the new capital;

k) make any and all adjustments that may be required in accordance with the law and decide the method of protecting the rights of holders of securities with deferred rights to shares as applicable;

l) generally, enter into any and all agreements, take any and all measures and carry out all formalities in relation to the issue and servicing of the securities issued pursuant to this delegation of authority and the exercise of the rights attached thereto, and generally do whatever is necessary.

8) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

9) Formally notes that the Board of Directors will report to the next Ordinary General Meeting on the use made of this delegation of authority, in accordance with the applicable laws and regulations.

10) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

Twenty-fifth resolution – Delegation of authority for the Board of Directors to increase the capital by issuing ordinary shares and/or securities conferring rights to shares to members of a company savings plan governed by Articles L.3332-18 *et seq.* of the French Labor Code, without preferential subscription rights for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report and acting in accordance with Articles L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and Article L.3332-18 *et seq.* of the French Labor Code, the General Meeting:

1) Delegates its authority to the Board of Directors to decide, at its discretion, to increase the share capital on one or more occasions by issuing ordinary shares or securities conferring rights to shares for subscription by members of one or several company or group savings plans set up by the Company and/or French or foreign related companies, in accordance with Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code.

2) Resolves to waive shareholders' preferential rights to subscribe for the shares or other securities issued pursuant to this delegation of authority, in favor of the abovementioned beneficiaries.

3) Sets the period during which this delegation of authority may be used at 26 months, from the date of this Meeting.

4) Resolves that the aggregate nominal value of the capital increase(s) carried out under this delegation of authority may not exceed €500,000 and will be deducted from the ceiling set in the twenty-fourth resolution and from the overall ceiling of €22,000,000 and the sub-ceilings of €9,500,000 and €4,800,000 on issues of ordinary shares set in the twenty-sixth resolution.

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

5) Resolves that the shares to be issued under 1) above may not be issued at a discount of more than 30% (or 40% in the case of shares subject to a vesting period of at least ten years in accordance with Articles L.3332-25 and L.3332-26 of the French Labor Code) on the average price quoted for the Company's shares on the Euronext Paris regulated market over the 20 trading days preceding the decision to open the subscription period, or at a price in excess of this average. However, the Board of Directors is expressly authorized to reduce or waive the discount, at its discretion, to take into account such issues as legal, accounting, tax and employment rules and market practices.

6) Resolves that, in accordance with Article L.3332-21 of the French Labor Code, the Board of Directors may grant existing or new free shares or securities conferring rights to shares to beneficiaries described in 1) above in respect of (i) the employer matching payment due under the rules of the company or group savings plans, and/or (ii) the discount, and may decide, in the event of an issue of new shares for the purposes of the discount and/or the employer matching payment, to capitalize reserves, income, or additional paid-in capital necessary to pay up said shares.

7) Formally notes that this delegation of authority cancels, with immediate effect, the unused portion of any earlier delegation of authority granted for the same purpose.

8) Resolves that the Board of Directors may not use this delegation of authority without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

The Board of Directors may decide to use or not to use this delegation of authority, take any and all measures, and carry out any and all necessary formalities.

Twenty-sixth resolution: Ceilings

The **twenty-sixth resolution** sets the ceilings and sub-ceilings for all capital increases and issues of debt securities.

See the diagram on page 27 of this document.

Twenty-sixth resolution – Setting of the overall ceilings for the issues of ordinary shares or debt securities that may be made under the delegations of authority above

Having considered the Board of Directors' report, the General Meeting resolves that, other than the individual ceilings specified in the eighteenth, nineteenth, twentieth, twenty-first, twenty-third, twenty-fourth and twenty-fifth resolutions above, the overall ceilings and sub-ceilings on the issues that may be made pursuant to said resolutions are as follows:

- the aggregate nominal value of ordinary shares that may be issued, whether immediately or in the future, pursuant to the eighteenth, nineteenth, twentieth, twenty-first, twenty-third, twenty-fourth and twenty-fifth resolutions is €22,000,000;
- the aggregate nominal value of ordinary shares that may be issued, whether immediately or in the future, without preferential subscription rights, pursuant to the nineteenth, twentieth, twenty-first, twenty-third, twenty-fourth and twenty-fifth resolutions is €9,500,000;
- the aggregate nominal value of ordinary shares that may be issued, whether immediately or in the future, without preferential subscription rights, pursuant to the twentieth, twentyfirst, twenty-third, twenty-fourth and twenty-fifth resolutions is €4,800,000.

  The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling;
- the aggregate nominal value of debt securities held against the Company that may be issued pursuant to the eighteenth, nineteenth, twentieth and twenty-first resolutions is €300,000,000.

Twenty-seventh to twenty-ninth resolutions: Share grants for employees and the Chief Executive Officer

The successful execution of Mersen's strategy and the Group's long-term future is underpinned by key employees including directors, managers, experts and talented staff. Share allocations are part of Mersen's drive to motive and retain its human capital, which is a crucial asset in today's international and competitive environment.

This year, like last year, you are asked to approve three plans with similar conditions, as follows:

- a condition of three years of continued presence in the Group after the grant (except in very specific cases such as the retirement, death or permanent disability of the beneficiary);
- for Group executives and key managers, ambitious and quantified performance conditions, both financial and non-financial, set in line with the Group's roadmap and objectives. Each performance criterion is measured independently: the outperformance of one criterion does not offset the underperformance of another;
- a plan with no performance conditions to ensure greater retention of high-potential managers and experts;
- a 35% average year-on-year increase in the maximum number of free shares under these three plans: the Board of Directors considers this increase necessary in view of i) the Group's very strong growth between 2019 and 2023 (around 30% growth in sales) and the growth expected over the next few years (40% increase between 2023 and 2027) and ii) the increase in the number of beneficiaries, particularly experts and high potential employees, attributable to the expansion of the Group's workforce. This expansion will focus more on executives (+40%) than on managers (+27%), as the Board wants to place greater emphasis on the responsibility aspect of the 2027 plan.

The various criteria will now be aligned in the Manager and Executive plans, but with different respective weights. They break down as follows:

	2024 (proposed)		*2023 (for reference)*	
	Executives plan	*Managers plan*	*Executives plan*	*Managers plan*
Share price performance	25%	10%	*33%*	
Average change in reported sales	15%	22,5%		*34%**
Average ROCE over 3 years	15%	15%	*17%*	
Average EBITDA margin before non-recurring items over 3 years	15%	22,5%		*33%*
Composite CSR criterion (3)	30%	30%	*33%*	*33%*
ROC per share			*17%*	
TOTAL	**100%**	**100%**	***100%***	***100%***

** organic growth.*

The Board of Directors considers these performance criteria to be better aligned with the Group's 2027 objectives, thanks to (i) the integration of sales and the EBITDA margin before non-recurring items into the Executives plan, and (ii) the integration of ROCE into the Managers plan. Please note that the sales performance criterion includes bolt-on acquisitions in line with 2027 targets, while still respecting profitable acquisition requirements (via the EBITDA margin before non-recurring items and ROCE criteria).

Because of the alignment between the free share plans and with the 2027 targets, the weighting of certain criteria has been reduced. They nonetheless remain in line with market practices.

Main characteristics of the Managers plan (twenty-seventh resolution)

- Term: three years
- Condition of three years of continued presence after the grant (except in specific cases such as the retirement, death or permanent disability of the beneficiary)
- Total maximum number of free shares: 128,340
- Number of beneficiaries: approximately 200 (as in 2023)
- Performance criteria: subject to achieving the continued presence conditions, the shares will vest, partially where applicable, according to the criteria described above approved by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee (see Executives plan for details)

Main characteristics of the Executives plan (twenty-eighth resolution)

- Term: three years
- Condition of three years of continued presence after the grant (except in specific cases such as death, retirement or forced departure)
- Total maximum number of free shares: 120,540
- Number of beneficiaries: 14
- Holding requirement for the Chief Executive Officer capped at the equivalent of one year's fixed salary in Mersen shares
- Performance criteria: subject to achieving the continued presence conditions, the shares will vest, partially where applicable, according to the following criteria approved by the Board of Directors on the recommendation of the Governance, Appointments and Remuneration Committee (relative weighting in the table below):

Performance criteria

- Stock market criterion:

  Growth in the Mersen share price (G) will be compared to that of the SBF 120, in which Mersen is included. Growth in the share price will be compared over three years, starting from the first working day of the month of the 2024 Annual General Meeting, i.e., from May 2, 2024 to April 30, 2027. To limit the impacts of volatility, the average closing prices for the 20 trading days prior to May 2, 2024 will be used for the beginning of the period and the average closing prices for the 20 trading days prior to April 30, 2027 will be used for the end of the period.

  The lower limit (0%) corresponds to a lower change over the period than that of the index. The upper limit (100%) corresponds to a change equal to or greater than 5 percentage points above the index change. Achievement rates between the lower and upper limits will be calculated on a straight-line basis and capped at 100%.

- Average change in reported sales:

  This criterion will be measured on the basis of the average change in reported sales for 2024, 2025 and 2026, including bolt-on acquisitions and disposals (in line with the Group's roadmap), calculated at constant USD and CNY exchange rates. The upper limit (average annual growth of 10% for 100% achievement) is higher than the average 2023-2027 growth anticipated (8.8%) under the Group's medium-term plan (€1.7 billion by 2027). The lower limit (0% achievement) is set at 5% growth, corresponding to a growth rate well above that of global GDP.

- Average ROCE over 3 years:

  This criterion will be measured on the average of 2024, 2025 and 2026 according to the calculation method presented in the 2023 Universal Registration Document (page 80).

  The lower (0%) and upper (100%) limits have been set based on the business plan used to set the Group's 2027 targets. They will be communicated ex-post.

- Average EBITDA margin before non-recurring items over three years

  This criterion will be measured over the average of 2024, 2025 and 2026. The limits have been set based on the Group's business plan. They will be communicated ex-post.

- Composite CSR criterion made up of three independent and quantifiable criteria:
  - Increase in the proportion of women engineers and managers in the Group
  - Reduction in water consumption intensity
  - Reduction in CO_2 emissions intensity

In detail:

- Increase in the proportion of women engineers and managers in the Group

  In its new CSR roadmap to 2027 (see page 108 of the Universal Registration Document), the Group has set itself a new target, namely to increase the ratio of women engineers and managers by four points compared with 2022. In 2023, the Group achieved a ratio of 26.1%.

  In the proposed plan, the lower limit (0%) corresponds to the results obtained at end-2023.

  The upper limit (100%) is set at 28.5%, in line with the roadmap (an increase of four points between 2022 and 2027, i.e., an average increase of 0.75 points per year).

  The indicator will be measured in 2026 and will exclude acquisitions made after December 2023. This calculation may be adjusted in the event of a change of definition, particularly in relation to the application of the CSRD.

- Reduction in water consumption intensity

  In its new CSR roadmap to 2027 (see page 108 of the Universal Registration Document), the Group has set itself a new objective, namely to reduce water consumption intensity by 15% compared with 2022. In 2022, the Group reached a level of 686 cu.m/€m of sales.

  In the proposed plan, the lower limit (0%) corresponds to the results obtained at end-2022.

  The upper limit (100%) is set at 603 cu.m/€m of sales, i.e., a reduction of 12% compared with 2022, in line with the roadmap.

  This criterion will be measured in 2026 based on the environmental reporting scope calculated on the basis of like-for-like sales in order to cancel out the impacts of currency fluctuation on the ratio.

  The indicator will be measured on a like-for-like basis compared with 2023. In particular, consumption linked to the p-SiC project has not been included as it is still being assessed.

  The limits may be adjusted by the Board in the event of a change in the calculation method.

- Reduction in CO_2 emissions intensity (Scopes 1 and 2)

  The indicator will be measured on a like-for-like basis compared with 2023.

  In its new CSR roadmap to 2027 (see page 108 of the Universal Registration Document), the Group has set itself a new objective, namely to reduce Scope 1 and 2 GHG emissions intensity by 35% compared with 2022. In 2023, the Group achieved a solid performance of 90 tCO_2/€m of sales. In 2022, it was 121 tCO_2/€m of sales.

  Maintaining this ratio between now and 2026 will be difficult in light of the significant growth in sales over the period and the capex plan to reach €1.7 billion in sales by 2027, requiring significant carbon-consuming investments. This growth mainly concerns the Advanced Materials segment, which consumes energy for its manufacturing processes. Despite contributing to CO_2 emissions, the majority of these investments are aimed at serving sustainable development markets, such as solar, electric vehicles and semiconductors.

  The lower limit (0%) is set at 100 tCO_2/€m, i.e., a 17% improvement over 2022 (121 tCO_2/€m). The upper limit (100%) is set at 82 tCO_2/€m of sales, i.e., a reduction of 32% compared with 2022, in line with the roadmap.

  This criterion will be measured in 2026 based on the environmental reporting scope calculated on the basis of like-for-like sales in order to cancel out the impacts of currency fluctuation on the ratio. The limits may be adjusted by the Board in the event of a change in the calculation method.

Main characteristics of the High Potentials plan (twenty-ninth resolution)

- Term: three years
- Condition of three years of continued presence after the grant (except in specific cases such as death)
- Total maximum number of free shares: 16,800
- Number of beneficiaries: approximately 60
- No performance criteria, as the objective of this plan is to enhance the Group's appeal and strengthen the loyalty of high-potential employees.

Twenty-seventh resolution – Authorization for the Board of Directors to grant free shares to certain employees subject to the fulfillment of performance conditions

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting authorizes the Board of Directors to allocate, on one or more occasions, in accordance with Articles L.225-197-1, L.225-197-2 and L.22-10-59 of the French Commercial Code, existing or new ordinary shares to employees of the Company or companies or intercompany partnerships that are directly or indirectly related to the Company within the meaning of Article L.225-197-2 of the French Commercial Code.

No free shares may be allocated under this authorization to the beneficiaries referred to in the authorizations for the allocation of free shares that are the subject of the eighteenth and nineteenth resolutions.

The number of free shares that may be allocated under this authorization is capped at 128,340 shares, representing approximately 0.5% of the Company's capital on the date of this Meeting.

Any shares to be issued to protect the rights of beneficiaries of free share allocations in the event of transactions on the Company's share capital during the vesting period will not be taken into account for the purpose of determining compliance with this ceiling.

The free shares will vest subject to the fulfillment of performance conditions set by the Board of Directors.

The free shares will be subject to a vesting period that will be determined by the Board of Directors and may not be less than three years.

The General Meeting authorizes the Board of Directors to decide whether or not to set a holding period at the end of the vesting period.

As an exception to this rule, the free shares will vest before the end of the vesting period if the beneficiary is classified as being disabled (category 2 or 3 in Article L.341-4 of the French Social Security Code *[Code de la sécurité sociale]*).

The Board of Directors will have full powers to:

- set the terms and conditions and any performance or other criteria for share allocations;
- define the list of beneficiaries and the number of shares allocated to each one;
- if applicable:
  - note the existence of adequate reserves and, for each allocation, transfer the sums necessary to pay up the new shares allocated under the plan to a restricted reserve account,
  - decide, when the shares vest, on the capital increase(s) to be paid up by capitalizing reserves, additional paid-in capital or income,
  - purchase the required number of shares under the share repurchase program and allocate them to the free share plan,
  - determine the impact on the beneficiaries' rights of transactions affecting the capital or likely to affect the value of the allocated shares that may be carried out during the vesting period,
  - and modify or adjust as necessary the number of shares allocated in order to protect the beneficiaries' rights,
  - decide whether or not to set a holding period at the end of the vesting period and, if so, determine the length of the holding period and take any appropriate measures to ensure that beneficiaries comply with the holding requirement, and
  - generally do everything necessary under the applicable legislation to implement this authorization.

The Board of Directors may not use this authorization without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

This authorization automatically entails the waiver by shareholders of the preferential right to subscribe for the new shares paid up by capitalizing reserves, additional paid-in capital and income.

It is granted for a period of 38 months from the date of this Meeting.

This authorization cancels the unused portion of any earlier authorization granted for the same purpose.

Twenty-eighth resolution – Authorization for the Board of Directors to grant free shares to certain senior executives (Chief Executive Officer, members of the Executive Committee and Vice Presidents of the business units) of the Company or of companies or intercompany partnerships that are related to the Company, subject to the fulfillment of performance conditions

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting authorizes the Board of Directors to allocate, on one or more occasions, in accordance with Articles L.225-197-1, L.225-197-2 and L.22-10-59 of the French Commercial Code, existing or new ordinary shares to the Chief Executive Officer (executive corporate officer), members of the Executive Committee and Vice Presidents of the business units of the Group belonging to the following categories:

- corporate officers who meet the conditions set out in Article L.225-197-1 of the French Commercial Code; and/or
- employees of the Company or of companies or intercompany partnerships that are directly or indirectly related to the Company within the meaning of Article L.225-197-2 of the French Commercial Code.

The number of free shares that may be allocated under this authorization is capped at 120,540 shares, representing approximately 0.5% of the Company's capital on the date of this Meeting.

Any shares to be issued to protect the rights of beneficiaries of free share allocations in the event of transactions on the Company's share capital during the vesting period will not be taken into account for the purpose of determining compliance with this ceiling.

The total number of free shares that may be allocated to the Chief Executive Officer may not exceed 10% of the total number of free shares allocated under this authorization and the authorizations granted under the twenty-seventh and twenty-ninth resolution of the General Meeting.

The free shares will vest subject to the fulfillment of performance conditions set by the Board of Directors.

In accordance with the provisions of Article L.22-10-60 of the French Commercial Code, the Board of Directors will decide on the number of shares that executive corporate officers will be required to hold in registered form for as long as they remain in office.

The free shares will be subject to a vesting period that will be determined by the Board of Directors and may not be less than three years.

The General Meeting authorizes the Board of Directors to decide whether or not to set a holding period at the end of the vesting period.

As an exception to this rule, the free shares will vest before the end of the vesting period if the beneficiary is classified as being disabled (category 2 or 3 in Article L.341-4 of the French Social Security Code).

The Board of Directors will have full powers to:

- set the terms and conditions and any performance or other criteria for share allocations;
- define the list of beneficiaries and the number of shares allocated to each one;
- if applicable:
  - note the existence of adequate reserves and, for each allocation, transfer the sums necessary to pay up the new shares allocated under the plan to a restricted reserve account,
  - decide, when the shares vest, on the capital increase(s) to be paid up by capitalizing reserves, additional paid-in capital or income,
  - purchase the required number of shares under the share repurchase program and allocate them to the free share plan,
  - determine the impact on the beneficiaries' rights of transactions affecting the capital or likely to affect the value of the allocated shares that may be carried out during the vesting period, and modify or adjust as necessary the number of shares allocated in order to protect the beneficiaries' rights,
  - decide whether or not to set a holding period at the end of the vesting period and, if so, determine the length of the holding period and take any appropriate measures to ensure that beneficiaries comply with the holding requirement, and
  - generally do everything necessary under the applicable legislation to implement this authorization.

The Board of Directors may not use this authorization without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

This authorization automatically entails the waiver by shareholders of the preferential right to subscribe for the new shares paid up by capitalizing reserves, additional paid-in capital and income.

It is granted for a period of 38 months from the date of this Meeting.

This authorization cancels the unused portion of any earlier authorization granted for the same purpose.

Twenty-ninth resolution – Authorization for the Board of Directors to grant free shares to certain employees (high-potential managers or managers with expertise in strategic sectors), without performance conditions

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting authorizes the Board of Directors to allocate, on one or more occasions, in accordance with Articles L.225-197-1, L.225-197-2 and L.22-10-59 of the French Commercial Code, existing or new ordinary shares to certain employees of the Company or companies or intercompany partnerships that are directly or indirectly related to the Company within the meaning of Article L.225-197-2 of the French Commercial Code, identified by the Company as high-potential managers or managers with expertise in strategic sectors, excluding members of the Executive Committee and Vice Presidents of the business units of the Group referred to in the twenty-eighth resolution of this General Meeting.

The number of free shares that may be allocated under this authorization is capped at 16,800 shares, representing approximately 0.07% of the Company's capital on the date of this Meeting.

Any shares to be issued to protect the rights of beneficiaries of free share allocations in the event of transactions on the Company's share capital during the vesting period will not be taken into account for the purpose of determining compliance with this ceiling.

The free shares will be subject to a vesting period that will be determined by the Board of Directors and may not be less than three years.

The General Meeting authorizes the Board of Directors to decide whether or not to set a holding period at the end of the vesting period.

As an exception to this rule, the free shares will vest before the end of the vesting period if the beneficiary is classified as being disabled (category 2 or 3 in Article L.341-4 of the French Social Security Code).

The Board of Directors will have full powers to:

- set the terms and conditions and criteria for share allocations;
- define the list of beneficiaries and the number of shares allocated to each one;

- if applicable:
  - note the existence of adequate reserves and, for each allocation, transfer the sums necessary to pay up the new shares allocated under the plan to a restricted reserve account,
  - decide, when the shares vest, on the capital increase(s) to be paid up by capitalizing reserves, additional paid-in capital or income,
  - purchase the required number of shares under the share repurchase program and allocate them to the free share plan,
  - determine the impact on the beneficiaries' rights of transactions affecting the capital or likely to affect the value of the allocated shares that may be carried out during the vesting period, and modify or adjust as necessary the number of shares allocated in order to protect the beneficiaries' rights,
  - decide whether or not to set a holding period at the end of the vesting period and, if so, determine the length of the holding period and take any appropriate measures to ensure that beneficiaries comply with the holding requirement, and
  - generally do everything necessary under the applicable legislation to implement this authorization.

The Board of Directors may not use this authorization without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

This authorization automatically entails the waiver by shareholders of the preferential right to subscribe for the new shares paid up by capitalizing reserves, additional paid-in capital and income.

It is granted for a period of 38 months from the date of this Meeting.

This authorization cancels the unused portion of any earlier authorization granted for the same purpose.

Thirtieth resolution: Powers to carry out formalities

Thirtieth resolution – Powers to carry out formalities

The General Meeting grants full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all filing and publication formalities required by law.

Components of compensation paid or granted to Luc Themelin, Chief Executive Officer, in respect of the fiscal year ended December 31, 2023 submitted to a vote by the Combined General Meeting

	Amount paid in 2023	Amount granted in 2023 (or fair value of shares)	Observations
Fixed compensation	€500,000	€500,000	No increase in 2023.
Annual variable compensation	€660,000	€715,451 (to be paid subject to the condition precedent of the AGM vote)	The variable portion is between 0% and 100% of the fixed compensation and may be increased in the event of outperformance to up to 150% of the fixed compensation. The individual and financial objectives are reviewed every year by the Governance, Appointments and Remuneration Committee, based on the Group's strategic priorities. The variable portion is composed of financial objectives for 70% (30% based on the Group's operating margin before non-recurring items, 20% based on the Group's operating cash flow and 20% based on EBITDA before non-recurring items). In the event of outperformance, these three financial objectives may be increased to a maximum of 60%, 30% and 30% respectively, i.e., a total of 120%. The 2023 financial objectives were based on the Group's annual budget, using exchange rates versus the euro for the Chinese renminbi and the US dollar of 7.8 and 1.1 respectively. The target, minimum and maximum levels for the objectives based on operating margin before non-recurring items and EBITDA before non-recurring items were recalculated using the exchange rates applicable in 2023, i.e., 7.66 and 1.08. In addition, for the purpose of assessing the achievement of the EBITDA criterion (which is in absolute value terms), the figure was adjusted to exclude the impact of the acquisitions initially included in the budget but not completed during the year and still under consideration. • **Operating margin before non-recurring items:** the restated target is 10.8% of sales (100% achievement), higher than the 2022 target of 10.2%. The Board of Directors set a maximum restated target of 11.2%, which was high to ensure that the target remained ambitious. The objective was exceeded, as the Group generated an operating margin before non-recurring items of 11.3%. • **Operating cash flow:** the target was set at €146 million in 2023. The maximum (€158 million) was set at much higher than the 2022 level (€106 million). The actual figure was well above the target level, resulting in an achievement rate of 100%. • **EBITDA before non-recurring items:** the target level for this objective was €196 million and the maximum was €203 million, representing a 9% increase compared with 2022 (or 14% excluding currency effects). The achievement rate for this objective was 100% as the Group generated EBITDA before non-recurring items of €203 million. The non-financial objectives for 2023 account for 30% and were as follows: • **Safety (25%) -** based on three indicators: (i) A lost time injury rate (LTIR) of less than or equal to 1.4 for 100% achievement (0% achievement if greater than or equal to 1.6). For 2023, the rate was 2.78, i.e., 0% achievement. The increase in accidents in 2023 mainly stemmed from four sites which experienced high turnover of both managerial and non-managerial staff. A specific action plan for each of these sites was immediately put in place to provide the requisite training, particularly in terms of safety induction and on-the-job training. (ii) The severity injury rate (SIR), which had to be less than or equal to 60 for 100% achievement (0% achievement if greater than or equal to 70). For 2023, the rate was 68, i.e., 20% achievement. The Board of Directors noted that this indicator improved significantly for temporary workers and subcontractors. (iii) The number of management safety visits (MSV), which had to exceed 5,170. For 2023, the number of MSVs was 8,033, representing a 100% achievement rate. Taking these factors into account, the overall achievement rate stood at 40%, i.e., a 3.0% contribution to the objectives out of a maximum 7.5%.

	Amount paid in 2023	Amount granted in 2023 (or fair value of shares)	Observations
			• **Environment (20%):** this objective was based on three targets: (i) A waste recycling rate of at least 75% (using the Group's 2022-2025 CSR roadmap as a basis) for 100% achievement (0% achievement if less than or equal to 70%). For 2023, the rate was 70%, i.e., 0% achievement. The Board of Directors noted, however, that during the year the Group focused on reducing waste. (ii) Having significantly reduced Scope 1 and 2 emissions intensity in 2022, the target in 2023 was to analyze the Group's Scope 3 emissions and identify ways to reduce them. The Group carried out an in-depth review on this subject in 2023, enabling it to draw up an initial map of its Scope 3 emissions. The Board therefore considered that this target was 100% achieved. (iii) The last target for the environmental objective was for the Group's water consumption intensity to be less than 670 cu.m per million euros of sales for 100% achievement. In 2023, the actual figure was 653 cu.m. per million euros of sales, representing a 100% achievement rate. Taking these factors into account, the overall achievement rate stood at 66%, i.e., a 4% contribution to the objectives out of a maximum 6%. • **Succession plan (15%):** this plan is necessary to ensure an effective transition for certain roles over the medium term. The Board considered that the objective was 100% achieved. • **p-SiC project (20%):** the objective for 2023 was to complete the necessary capital expenditure projects to ensure wafer deliveries to Soitec. The Board of Directors considered that this objective was 100% achieved, as the Group delivered the planned number of prototypes to Soitec during the year. • **Electric vehicle market (20%):** the objective was to (i) successfully set up the EV organizational structure at the Juarez and St Bonnet plants, which was achieved, and (ii) sign new major contracts. The Board considered that the vast majority of the second part of this objective was achieved, as the Group continued to issue quotes for its customer ACC. The variable compensation for 2023 represents 143.1% of the fixed compensation (due) and breaks down as follows: the portion linked to financial objectives amounted to 60% of the Group's operating margin before non-recurring items, 30% of operating cash flow and 30% of EBITDA before non-recurring items. The proportion linked to non-financial objectives, taking into account the weightings applied to each criterion, amounted to 77%.
Incentives	€20,223	€21,996	The amount of incentives is capped.
Performance shares	€0	€318,254	Luc Themelin was granted 12,600 performance shares in 2023. As no performance share plan was set up in 2020 due to the Covid pandemic, no performance shares vested in 2023.
Directors' compensation in respect of office	N/A	N/A	Luc Themelin does not receive any compensation as a director.
Benefits in kind	€35,787	€35,787	Benefits in kind primarily comprise contributions paid to an external organization for executive unemployment insurance. They also include the use of a company car and the payment of an annual medical examination.
Severance payment	€0	€0	No severance payment was due for or paid in 2023.
Non-compete indemnity	€0	€0	No non-compete indemnity was due for or paid in 2023.
Supplementary pension plan	€0	€0	No amounts were due for or paid in 2023 in relation to supplementary pension plans. The theoretical calculation of the annuity paid to Luc Themelin would amount to €168,000, before tax and social charges.

Components of compensation paid or granted to Olivier Legrain, Chairman of the Board, in respect of the fiscal year ended December 31, 2023 submitted to a vote by the Combined General Meeting

(in euros – gross amount)	Amount paid in 2023	Amount granted in 2023	Observations on the amounts allocated
Fixed compensation	€120,000	€120,000	No increase in 2023. The compensation granted for a given year is paid monthly in the year.
Directors' compensation	€36,827	€37,603	The compensation granted for a given year is paid at the beginning of the subsequent year.
Benefits in kind	N/A	N/A	

GOVERNANCE

Board of Directors

The Board of Directors determines the Company's overall strategy, overseen by its Chairman in close collaboration with Executive Management. As part of this role, it examines and approves the Company's strategic plans and activities.

It is assisted by two committees: the Audit and Accounts Committee (CAC) and the Governance, Appointments and Remuneration Committee (CGNR).

Two directors play a coordinating role in strategic issues and CSR.

63%
PERCENTAGE OF INDEPENDENT DIRECTORS

100%
AVERAGE ATTENDANCE RATE OF DIRECTORS AT SCHEDULED MEETINGS

Olivier Legrain*
Chairman of the Board and member of the CGNR

Emmanuel Blot
Representative of Bpifrance Participations in charge of CSR issues and member of the CAC

Pierre Creusy
Director representing employees and member of the CGNR

Michel Crochon*
In charge of coordinating strategic issues and member of the CAC

Carolle Foissaud
Member of the CGNR

Emmanuelle Picard*
Member of the CAC

Luc Themelin
Chief Executive Officer, Mersen

Denis Thiery*
Chair of the CAC and member of the CGNR

Jocelyne Vassoille*
Chair of the CGNR

** Independent director*

Board members at the date of publication of the 2023 URD. If the eighth resolution is approved, Michel Crochon will no longer be a director at the close of the Annual General Meeting, and Emmanuelle Picard will be responsible for leading discussions on strategic issues.

Ratification of the temporary appointment proposed at the Annual General Meeting of May 16, 2024 (sixth resolution)

Jocelyne Vassoille

Born 06/29/1965
French nationality
Term ends: 2024
Shares held: -
Business address:
1973, boulevard de La Défense
92000 Nanterre, France
Independent member

Member of Mersen's Board of Directors – Chair of the Governance, Appointments and Remuneration Committee

Biography – Professional experience

Jocelyne Vassoille began her career in aeronautics and HR consulting before joining the Danone group, where she held HR positions both in and outside France. She then joined LVMH as Director of Human Resources in charge of Group Talent and Acquisition, as well as the Selective Distribution, Perfumes and Cosmetics divisions, before being appointed Director of Human Resources at Parfums Christian Dior. She was then appointed Director of Human Resources, CSR and Communications at Vivarte. She was Director of Human Resources of L'Oréal's Research & Innovation division before being appointed Vice-President, Human Resources and a member of the Executive Committee of the Vinci group.

Main activities exercised outside the Company

Vice-President, Human Resources and member of the Executive Committee of the Vinci group

Current directorships:

- Directorships in listed companies other than Mersen: Director of Laurent-Perrier
- Directorships in non-listed companies: N/A

Directorships that have expired in the past five years:

N/A

If the shareholders ratify this appointment, the main areas of expertise and experience of the directors will be as follows:

	O. Legrain	E. Blot	P. Creusy	M. Crochon	C. Foissaud	E. Picard	L. Themelin	D. Thiery	J. Vassoille
Executive Management	X			X	X		X	X	
Innovation			X			X	X		
Strategy	X	X		X		X	X	X	X
Experience in Mersen's business activities	X	X	X	X		X	X		
Industrial expertise	X				X		X		
International/knowledge of a strategic geographic area for Mersen			X	X			X	X	X
Finance/risk management/knowledge of financial markets/M&A		X			X	X	X	X	
Experience in listed companies	X	X		X			X	X	X
CSR (including human/social capital, environment/climate, governance)	X	X	X		X	X	X		X

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IN ELECTRICAL POWER
& ADVANCED MATERIALS

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