



2021
NOTICE
OF MEETING

COMBINED ANNUAL GENERAL MEETING

THURSDAY 20 MAY 2021

AT 10.00 A.M. (Paris time)

Behind closed doors
at Arkema's headquarters
420 rue d'Estienne d'Orves
92700 Colombes - France

Live broadcasting and a replay
will be available on the website
www.finance.arkema.com



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Press releases and all other information useful to shareholders, including documents related to this annual general meeting, can be found on www.finance.arkema.com

FOR FURTHER INFORMATION, PLEASE CONTACT



Arkema's Investor Relations department at:

+33 (0)1 86 86 05 90

This document is a free translation in English of the "Brochure de convocation" and is provided solely for the information and convenience of English-speaking readers.

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MESSAGE FROM THIERRY LE HÉNAFF

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

LADIES AND GENTLEMEN, DEAR SHAREHOLDERS,

We have been living through the Covid-19 pandemic together for just over a year now. I hope that you and your families are in good health and have not been badly affected by the virus.

In a still uncertain public health context, with lockdown measures and travel restrictions still in place in France, we thought that it would be preferable for the annual general meeting, which is taking place on Thursday, May 20, 2021, to once again be held without the physical presence of shareholders this year. For this reason, I encourage you to participate using remote access tools.

Despite these unusual arrangements, the annual general meeting remains a highly important opportunity to engage with our shareholders, and I look forward to joining you there. My presentation, as well as those of Marie-José Donsion, Arkema's Chief Financial Officer, and other participants, will be broadcast live on our website. You may ask your questions online in advance, or directly during the meeting. Moreover, due to these circumstances, remote voting electronically or by post will be, like last year, the only way to express your vote on the proposed resolutions.

During the annual general meeting, we will look back on 2020 and how it unfolded in these exceptional circumstances. The Group resisted very well during the pandemic, adapting its ways of working, protecting the health of its employees, ensuring the continuity of supplies for its customers and delivering a robust financial performance. The Specialty Materials platform demonstrated its resilience, thereby confirming the soundness of our refocusing strategy. Cash generation reached a very high level and net debt remained well controlled.

The Group did more than simply manage the crisis; it actively worked to prepare for the future. Arkema continued to implement its roadmap to become a pure Specialty Materials player by 2024. These are innovative, high performance

and sustainable materials serving megatrends, such as green mobility and home comfort.

Lastly, the Group reached new milestones in Corporate Social Responsibility, strengthened its long-term commitments, and was notably rewarded with its inclusion in the DJSI World Index.

Thanks to these achievements, and as part of the policy to gradually increase shareholder returns, the Board of Directors has decided to propose a dividend of €2.50 per share. The Group will also implement a share buyback program for a total amount of €300 million once the divestment of the PMMA business to Trinseo is finalized. These provisions include the restitution of the €0.50 per share portion of the dividend which had been retained in 2020 in the context of the pandemic.

During this meeting, you will also be asked to vote on the appointment of several directors, who will complement the skills and experience of the Board. You will notice that the Group's high governance standards have resulted in further progress, particularly the increased internationalization of the Board of Directors and the creation of the Innovation and Sustainable Growth Committee.

In addition to the agenda of the meeting and the proposed resolutions that will be submitted to your approval, this notice of meeting includes practical information on how to participate in the meeting. You will also find a summary of the 2020 results and information on our governance.

I am confident about the Group's positioning and potential to create value in 2021 and beyond, and I would like to thank you for your support and loyalty.

Thierry Le Hénaff
Chairman and Chief Executive Officer

HOW TO TAKE PART IN THE GENERAL MEETING?

COVID-19 WARNING

Due to the evolving context of the Covid-19 pandemic, the general meeting will exceptionally be held **behind closed doors, without the physical presence of shareholders and of other people entitled to attend.**

Under those conditions, **no admission card will be given** and we invite you to vote remotely before the start of the general meeting by internet on the VOTACCESS secure platform or by mail via the paper voting form, or give a proxy to the Chairman of the general meeting. You can also give a proxy to a third party under the conditions set out on pages 3 and 4.

Every effort will be made to facilitate remote participation. Thus, **the general meeting will be broadcast live and a replay will be available** at www.finance.arkema.com. It will not be possible to take part in the general meeting by videoconference or teleconference.

You will be able to **submit questions** linked to the fields covered in the general meeting by including your shareholding certificate:

- to the address arkema-assemblee-generale-2021@arkema.com, at the latest **on the 2nd business day preceding the meeting**, i.e. 18 May 2021 at midnight (Paris time) in order to allow time to provide answers during the session or in writing in the section dedicated to the 2021 annual general meeting on the Company's website (www.finance.arkema.com); and
- as a complement to the legal regime pertaining to written questions, to the address arkema-assemblee-generale-2021-direct@arkema.com **on the day of the general meeting**, from 9 a.m. (Paris time) and up until the opening of the questions and answers session, in order to allow for answers during the session.

The questions asked on the day of the event will be processed and regrouped by topic by a moderator. Just like a general meeting held physically, the Company will make every effort to answer as many questions as possible within the time allotted. Unlike written questions that fall under article R. 225-84 of the French Commercial Code (*Code de commerce*), the answers to questions asked during the session will not be published on the Company's website.

Given the context of the health crisis, shareholders are encouraged to send all requests and documents electronically.

The combined annual general meeting will take place **at 10:00 a.m. (Paris time) on Thursday 20 May 2021, behind closed doors, at Arkema's headquarters** ⁽¹⁾.

The annual general meeting is only open to Arkema's shareholders regardless of the number of shares held.

To take part in the general meeting, you are therefore required to provide evidence of your status as a shareholder of Arkema **two business days before the date of the meeting, i.e., by 0:00 a.m. (Paris time) on 18 May 2021.**



How to justify your status as a shareholder of Arkema?

If your shares are registered

The evidence of your status as shareholder is provided simply by having your shares registered in your name in the direct or administered registered account **at the latest at 0:00 a.m. (Paris time) on 18 May 2021.** You do not need to do anything else.

If you hold bearer shares

The evidence of your status as shareholder is provided by a **certificate of shareholding** (*attestation de participation*) issued by your **financial intermediary** (bank, stockbroker or any other party who manages the share account in which your Arkema

shares are held). Your financial intermediary is your **only contact** for these matters.

He will send to the following registrar appointed by Arkema the certificate of shareholding along with your voting form or proxy voting form:

BNP Paribas Securities Services
CTO Assemblées Générales
Les Grands Moulins de Pantin
9, rue du Débarcadère
93761 Pantin Cedex – France.

(1) As provided for in article R. 225-67 of the French Commercial Code, the convening notice is published in the *Bulletin des Annonces Légales Obligatoires* on 30 April 2021.



How to vote?

In the exceptional context linked to Covid-19, as described on page 2 of this notice, **you will not be able to physically attend** the annual general meeting, which will exceptionally be held behind closed doors. **No admission card will be given.**

To vote, you may:

1. **vote** or give proxy to the Chairman or any person you choose **by post**; or
2. **vote** or give proxy to the Chairman or any person you choose **online on the secure VOTACCESS platform.**

In all cases, you must either:

- complete the attached form (see “How to fill out the form?” on page 5) and send it back; or
- log into the secure dedicated website and follow the procedure described hereafter for online voting.

Shareholders who have already cast their vote remotely, sent a proxy or asked for a participation certificate under the conditions set out below, can choose another way to take part in the general meeting provided that the instruction in that regard is received within the deadline mentioned hereafter in accordance with articles R. 225-77 and R. 225-80 of the French Commercial Code. By way of derogation, the instruction received previously will be revoked.

1. Vote or give proxy by post

Choose one of the three options mentioned on the **postal voting form** and then fill in your name, first name and address or make sure they are correct if already mentioned, before dating and signing the form:

- **Vote by post:** fill in box ❶ “vote by post”.
- **Give your proxy to the Chairman of the annual general meeting** ⁽¹⁾: fill in box ❷ “I give my proxy to the Chairman of the general meeting”. In this case, the Chairman **will vote in favor** of the proposed resolutions agreed by the Board of Directors.

In order to be taken into account, postal voting forms and proxies in paper form to the Chairman of the general meeting, will have to be received by the Company or the general meeting services of BNP Paribas Securities Services, at the latest on 17 May 2021 at midnight (Paris time).

- **Give your proxy to another shareholder of Arkema, your spouse, a partner** with whom you have entered into a civil partnership or any other person of your choice : fill in box ❸ “I give a proxy to” and identify the named person who will vote.

The designated proxy, in the exceptional context linked to Covid-19, will have to issue his or her voting instructions and justify his capacity as proxy holder **at the latest on 16 May 2021 at midnight (Paris time)** by electronic mail to the address paris.bp2s.france.cts.mandats@bnpparibas.com.

The designated proxy addresses his or her voting instructions to carry out the relevant mandates to the aforementioned electronic mail address, by way of a scanned copy of the single form mentioning the name, first name and address of the designated proxy, writing “acting as a proxy holder”, and to be dated and signed. The voting instructions are written in the box “I vote remotely” of the form. The proxy holder attaches a copy of his or her identity document and, where appropriate, a power of representation of the legal person represented. **No proxy with a designated person given pursuant to articles L. 225-106 I and L. 22-10-39 of the French Commercial Code will be taken into account if the proxy given by the shareholder or the proxy’s voting instructions are not received by the Company in the aforementioned conditions at the latest four days before the general meeting, i.e. on 16 May 2021.**

Warning: this electronic address is reserved for holders of a proxy given to them by a shareholder and no remote voting or proxy given to the Chairman of the meeting sent by a shareholder or by an intermediary at this electronic address will be taken into account.

Revocations of proxies in paper form must be received at the latest :

- on 17 May 2021 for proxies given to the Chairman of the general meeting; and
- on 16 May 2021 for proxies given to a third party.

You are a registered shareholder

Send the form to **BNP Paribas Securities Services** using the provided reply pre-paid envelope.

You hold bearer shares

Send the form to **your financial intermediary.**

(1) For all proxies by shareholders without a designated representative, the Chairman of the annual general meeting will vote in favor of the proposed resolutions presented or approved by the Board of Directors, and a vote against all the other proposed resolutions. In order to cast any other vote, shareholders must designate a person who accepts to vote according to his or her wish.

2. Vote or give proxy online

Access to the secure VOTACCESS platform, which offers the same options as the paper voting form, will be possible from **30 April 2021 at 10:00 a.m. (Paris time) until 19 May 2021 at 3:00 p.m. (Paris time)**.

It is recommended that shareholders do not wait until the day before the meeting to vote, in order to avoid congestion.

You are a registered shareholder

Log into the secure VOTACCESS platform via the Planetshares website, <https://planetshares.bnpparibas.com> using:

- your usual ID and password, if you are a direct **registered shareholder**; or
- the login ID which was sent to you together with your notice of meeting, if you are an **administered shareholder**.

Once logged in, follow the instructions on screen.

Should you encounter any problem, you can call the toll-free number 0 800 115 153 (from France) or +33 (0)1 55 77 41 17 (outside France).

To be duly taken into account, proxies or revocations of proxies given **to third parties in electronic form** will have to be received at the latest on 16 May 2021 at midnight (Paris time).

To be duly taken into account, proxies or revocations of proxies given **to the Chairman of the general meeting in electronic form** will have to be received at the latest the day before the meeting at 3:00 p.m. (Paris time).

You hold bearer shares

- **The bank or broker holding your account is connected to the VOTACCESS platform**

Log into its website using your usual ID and password, click on the icon on the line corresponding to your Arkema shares and follow the instructions on screen.

Please contact the bank or broker holding your account in order to confirm whether such access is subject to any specific terms of use.

- **The bank or broker holding your account is not connected to the VOTACCESS platform**

You can appoint or revoke a proxy **electronically** by sending an email to paris.bp2s.france.cts.mandats@bnpparibas.com.

This email must mention Arkema and contain the date of the general meeting, your name, first name and address, and the name, first name and, if possible, address of the proxy.

You must ask your bank or broker holding your share account to send confirmation in writing to BNP Paribas Securities Services – CTO Assemblées Générales – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France.

To be duly taken into account, proxies or revocations of proxies given **to third parties in electronic form** will have to be received at the latest on 16 May 2021 at midnight (Paris time).


To be duly taken into account, proxies or revocations of proxies given **to the Chairman of the general meeting in electronic form** will have to be received at the latest the day before the meeting at 3:00 p.m. (Paris time).

Whichever option you choose, **only those shares held in the share account** no later than **two business days** prior to the annual general meeting, *i.e.*, **18 May 2021 at 0:00 a.m. (Paris time)** will be taken into account.

If shares are sold or transferred after this record date, the certificate of shareholding of the seller will remain valid and votes cast granted by the seller will be taken into account.

How to fill out 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



Société Anonyme au capital de 767 364 760 €
 Siège social : 420, rue d'Estienne d'Orves
 92700 COLOMBES Cedex France
 445 074 685 RCS Nanterre

ASSEMBLÉE GÉNÉRALE MIXTE
 convoquée le jeudi 20 Mai 2021 à 10h00 (heure de Paris),
à huis clos,
 au siège social, 420 rue d'Estienne d'Orves 92700 Colombes

COMBINED GENERAL MEETING
 to be held on Thursday, May 20th, 2021 at 10:00 am (Paris time),
behind closed doors,
 at the registered office, 420 rue d'Estienne d'Orves 92700 Colombes

CADRE RÉSERVÉ À LA SOCIÉTÉ - FOR COMPANY'S USE ONLY

Identifiant - Account Vote simple
Single vote

Nominatif Registered Vote double
Double vote

Nombre d'actions / Number of shares Porteur
Bearer

Nombre de voix - Number of voting rights

1 **JE VOUS ENVOIE 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 ■, one of the boxes "No" or "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.

	1	2	3	4	5	6	7	8	9	10	A	B
Non / No	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Oui / Yes	<input type="checkbox"/>
Abs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Non / No	<input type="checkbox"/>
	11	12	13	14	15	16	17	18	19	20	C	D
Non / No	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Oui / Yes	<input type="checkbox"/>
Abs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Non / No	<input type="checkbox"/>
	21	22	23	24	25	26	27	28	29	30	E	F
Non / No	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Oui / Yes	<input type="checkbox"/>
Abs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Non / No	<input type="checkbox"/>
	31	32	33	34	35	36	37	38	39	40	G	H
Non / No	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Oui / Yes	<input type="checkbox"/>
Abs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Non / No	<input type="checkbox"/>
	41	42	43	44	45	46	47	48	49	50	I	K
Non / No	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Oui / Yes	<input type="checkbox"/>
Abs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Non / No	<input type="checkbox"/>
											Abs.	<input type="checkbox"/>

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)] 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.

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 1^{ère} convocation / on 1st notification sur 2^{ème} convocation / on 2nd notification

à la banque / by the bank le 17 Mai 2021 à 23h59 / May 17th, 2021 at 11:59 pm

à la société / by the company

2 **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)

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: If it is about bearer securities, 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 (Change regarding this information have to be notified to relevant institution, no change can be made using this proxy form). See reverse (1)

FILL IN YOUR NAME, FIRST NAME AND ADDRESS OR CHECK THEM IF THEY HAVE ALREADY BEEN FILLED IN.

WHATEVER YOUR CHOICE: DO NOT FORGET TO DATE AND SIGN HERE.

Date & Signat.

YOU WANT TO CAST A POSTAL VOTE:

fill in box **1** and follow the instructions.

YOU WANT TO GIVE YOUR PROXY TO THE CHAIRMAN OF THE MEETING:

fill in box **2**.

YOU WANT TO APPOINT AS YOUR PROXY A PERSON OF YOUR CHOICE:

fill in box **3**. This person will be able to vote on your behalf by sending his voting instructions and justifying his or her capacity as proxy holder at the latest on 16 May 2021 by electronic mail to the address: paris.bp2s.france.cts.mandats@bnpparibas.com.



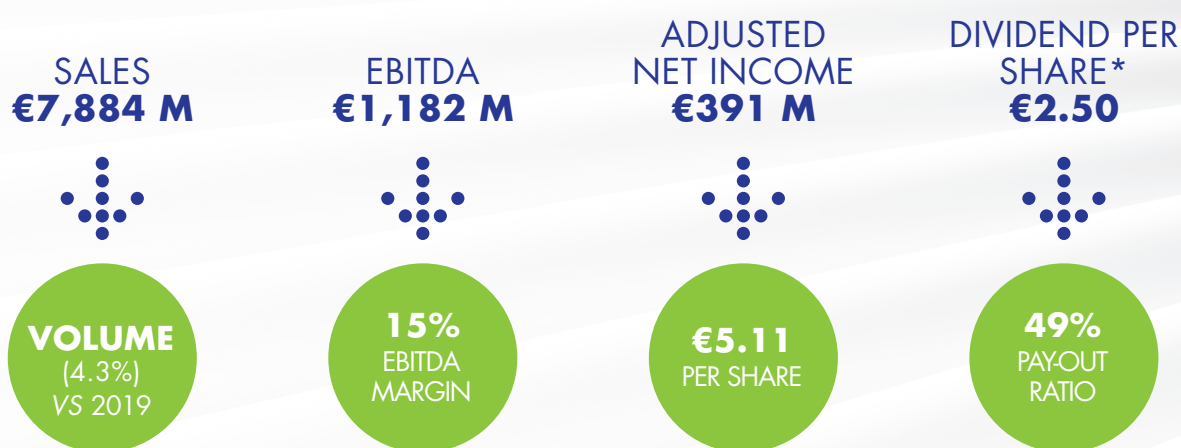
Nota Bene: If you hold bearer shares, please do not send the form directly to Arkema or to BNP Paribas Securities Services, but to your financial intermediary, as it must be accompanied by a certificate of shareholding. Your bank or broker will issue the required certificate and send it with your voting form to: BNP Paribas Securities Services – CTO Assemblées Générales – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France.

ARKEMA IN 2020



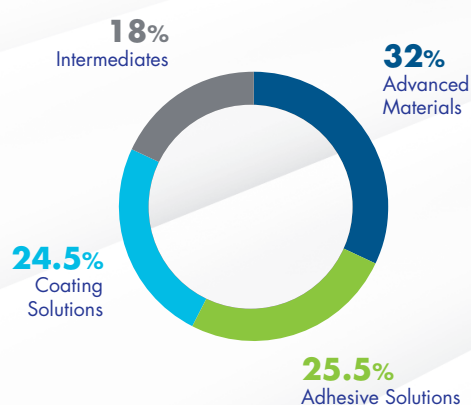
Key figures

All figures contained in this section are provided on a consolidated basis and in accordance with the Group's organization prevailing on 31 December 2020. Details on the alternative performance indicators used by the Group are provided in note 4 of the notes to the consolidated financial statements at 31 December 2020 in section 5.3.3 of the 2020 Universal Registration Document.

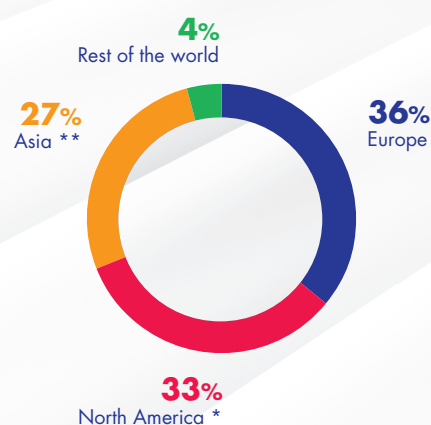


* Dividend proposed at this annual general meeting.

| Sales by segment



| Sales by region



* United States, Canada and Mexico.

** Asia and the Middle East.

20,600
EMPLOYEES

PRESENCE IN
55
COUNTRIES

147
INDUSTRIAL SITES

3
REGIONAL R&D
HUBS



Income statement key figures

<i>(In millions of euros unless otherwise mentioned)</i>	2020	2019	Variation
Sales	7,884	8,738	-9.8%
EBITDA	1,182	1,457	-18.9%
EBITDA margin <i>(EBITDA as % of sales)</i>	15.0%	16.7%	-
Recurring operating income (REBIT)	619	926	-33.2%
REBIT margin <i>(REBIT as % of sales)</i>	7.9%	10.6%	-
Operating income	600	806	-25.6%
Net income – Group share	332	543	-38.9%
Adjusted net income	391	625	-37.4%
Earnings per share <i>(in euros)</i>	3.98	6.45	-38.3%
Adjusted net income per share <i>(in euros)</i>	5.11	8.20	-37.7%

Balance sheet key figures

<i>(In millions of euros unless otherwise mentioned)</i>	2020	2019
Shareholders' equity	5,235	5,324
Net debt (including hybrid bonds)	1,910	2,331
Ratio of net debt to EBITDA	1.6	1.6
Capital employed	7,364	7,917
Working capital on sales <i>(in %)</i>	11.8%	13.8%
Net provisions*	809	805

* Provisions net of non-current assets as defined in section 5.1.9 of the 2020 Universal Registration Document.

Cash flow statement key figures

<i>(In millions of euros unless otherwise mentioned)</i>	2020	2019
Cash flow from operating activities	1,115	1,300
Free cash flow*	651	667
Recurring and exceptional capital expenditure**	600	607

* Cash flow from operations and investments excluding the impact of portfolio management.

** As defined in note 4 to the consolidated financial statements at 31 December 2020 in section 5.3.3 of the 2020 Universal Registration Document.

Non-financial key figures

	2020	2019
Safety		
Total recordable injury rate (TRIR)*	1.0	1.4
Process safety event rate (PSER)	4.0	3.7
Climate and environment**		
Greenhouse gas emissions	0.77	0.87
Volatile organic compound emissions	0.58	0.60
Chemical oxygen demand	0.45	0.50
Net energy purchases	0.90	0.91
Innovation		
Percentage of patent applications filed relating to sustainable development / number of patents applications filed	78%	67%
Percentage of sales that significantly contribute to the United Nations' Sustainable Development Goals***	50%	46%
Employees		
Percentage of women in senior management and executive positions	23%	23%
Percentage of non-French nationals in senior management and executive positions	41%	40%

* Number of injuries per million hours worked (including injuries not resulting in time off work). TRIR includes injuries to both Group and subcontractor employees.

** In EFPI terms compared with 2012 except for greenhouse gas emissions and in absolute terms compared with 2015 for greenhouse gas emissions.

*** On the basis of an assessment of 72% of the Group's third-party sales in 2020, and 44% in 2019.

Group's financial performance in 2020

In 2020, an extraordinary year marked by an unprecedented health crisis, which led to successive national lockdowns imposed in many countries and a global economic crisis, Arkema had a solid financial performance. In this highly volatile environment, the Group was able to count on the strong mobilization of its teams in managing operations, its balanced geographical footprint, the diversity of its end markets and the quality of its technologies.

Sales

At **€7,884 million**, sales were down 9.8% relative to last year, or 8.1% lower at constant currency, in an environment marked by the health and economic crisis linked to the emergence of Covid-19. In this context of the pandemic, the Group reacted quickly and implemented strong measures to protect the health of its employees while ensuring business and service continuity for its customers.

After a strong slowdown in global demand in the second quarter, the construction, DIY and decorative paints markets gradually improved in the second half. The Group also benefitted from its innovation and its positioning in certain growing markets such as batteries, medical, nutrition and packaging, as well as from the diversity of its end markets and balanced geographical footprint. The Group's volumes

EBITDA and recurring operating income

EBITDA amounted to **€1,182 million** (€1,457 million in 2019) and EBITDA margin held up well at **15.0%**. The Group's performance was mainly impacted by the decline in volumes, lower prices in Intermediates and an unfavorable currency effect, partly offset by the benefits of innovation in faster-growing segments, cost reduction initiatives, lower raw materials prices and the positive impact of acquisitions. Specialty Materials recorded a robust performance despite the difficult context, with EBITDA declining 12% and a resilient EBITDA margin⁽²⁾ at 15.8% (16.8% in 2019). Adhesive Solutions played their part in this very challenging context, with EBITDA comparable to the 2019 level (€261 million versus €264 million in 2019), and EBITDA margin improving to 13.1% (12.9% in 2019).

Net income - Group share and adjusted net income

Consequently, **net income – Group share** totaled **€332 million** (€543 million in 2019). Excluding the post-tax impact of non-recurring items, **adjusted net income** amounted to **€391 million** versus €625 million in 2019, *i.e.*, **€5.11 per share** (€8.20 per share in 2019).

Net income – Group share included other income and expenses representing a net income of €38 million. This amount includes (i) the €235 million pre-tax gain relating to the divestment of the Functional Polyolefins business, (ii) impairments linked to tests performed in view of the highly exceptional circumstances arising from Covid-19, including €69 million in write-downs of goodwill, mainly in the Intermediates segment, and €42 million

Arkema's strategy to refocus on Specialty Materials⁽¹⁾ also paid off handsomely. Specialty Materials accounted for 82% of the Group's sales in 2020 and demonstrated resilience throughout the year, with an EBITDA down 12% year on year, while the Intermediates segment, which is more cyclical by nature, recorded a decline of nearly 40%.

decreased by 4.3% during the year, particularly in the transportation, industrial and oil & gas markets. The price effect was a negative 4.7% and was mainly due to the impact of lower propylene prices in the Coating Solutions segment, as well as the challenging market conditions in Intermediates, particularly Fluorogases. The scope effect was a positive 0.9%, corresponding to the contribution of acquisitions in the Adhesive Solutions segment, and of ArrMaz in Advanced Materials in the first half of the year, largely offset by the impact of the divestment of the Functional Polyolefins business on 1 June. The depreciation of the US dollar and certain emerging currencies against the euro resulted in a 1.7% negative currency effect.

EBITDA of Intermediates fell sharply, reflecting the more cyclical nature of these businesses and penalized by unfavorable market conditions, particularly in Fluorogases, as well as by a negative scope effect related to the divestment of Functional Polyolefins.

Recurring operating income (REBIT) totaled €619 million, representing a REBIT margin of 7.9%. This figure includes recurring depreciation and amortization of €563 million, up €32 million on 2019, mainly attributable to the integration of acquisitions and the start-up of new production units, partly offset by a favorable currency effect and the divestment of Functional Polyolefins.

on a limited number of tangible and intangible assets, (iii) restructuring charges totaling €37 million, mainly in the Adhesive Solutions segment and Fluorogases in Asia, (iv) M&A-related expenses of €20 million corresponding to the planned divestment of PMMA and various acquisitions in the Adhesive Solutions segment, and (v) expenses related to the consequences of Hurricane Harvey in the United States.

Net income – Group share includes €57 million in depreciation and amortization resulting from the revaluation of tangible and intangible assets carried out as part of purchase price allocations, up €10 million from 2019, mainly due to the full-year impact of ArrMaz.

(1) Specialty Materials include the 3 following segments: Adhesive Solutions, Advanced Materials and Coating Solutions.

(2) Before allocation of Corporate.



It also includes net financial result with a net expense of €85 million, down by a significant €31 million compared with 2019. This year-on-year change is primarily due to a better interest rate on the portion of the Group's debt swapped into US dollars, and to the refinancing in December 2019, at favorable market conditions, of the €480 million senior bonds that matured in April 2020.

Dividend

As part of the policy to gradually increase shareholder returns, the Group is proposing to implement a dynamic cash allocation program in line with the guidelines presented at the Capital Markets Day in April 2020. The Board of Directors has decided

Lastly it includes income taxes representing a net expense of €178 million in 2020 versus a net €137 million expense in 2019. This increase was mainly attributable to differences in deferred tax over the period, arising from a €55 million reversal of deferred tax assets. Excluding non-recurring items, the tax rate amounted to 22% of recurring operating income. This was higher than in 2019 due to the geographic breakdown of the Group's results.

that at the 20 May 2021 general meeting it will recommend a dividend payment of €2.50 per share, to be paid entirely in cash. Shares will be traded ex-dividend on 26 May 2021 and the dividend will be paid as from 28 May 2021.

Performance by segment in 2020

Adhesive Solutions segment

Following the integration of Bostik in 2015, the Group developed the Adhesive Solutions segment notably by making a number of bolt-on acquisitions in the construction sector – in particular in sealants and flooring solutions – as well as in high performance industrial adhesives and engineering adhesives.

This segment includes all of Arkema's adhesive solutions, glues and sealants, and is organized into 2 Business Lines:

- **Construction & Consumer**, which includes Bostik's solutions for construction and building renovation (adhesive solutions for floors, tiles, waterproofing, joints, assembly, insulation and wall and floor surface preparation); and

- **Industrial Assembly**, which includes Bostik's solutions in industrial adhesives for durable goods (automotive, aeronautics, etc.) and consumer goods (hard and soft packaging, labels, etc.), and in hygiene.

As one of the world leaders in adhesives, Bostik offers high value-added solutions for construction and building renovation, as well as for many industrial applications.

(In millions of euros)	2020	2019*
Sales	1,996	2,055
EBITDA	261	264
EBITDA margin (% of sales)	13.1%	12.9%
Recurring operating income (REBIT)	198	205
REBIT margin (% of sales)	9.9%	10.0%

* 2019 figures have been restated in accordance with the new reporting structure announced by the Group on 2 April 2020.

Sales of the Adhesive Solutions segment were down 2.9% to **€1,996 million** in 2020. The 4.1% decline in volumes reflects mainly the very strong slowdown in the construction market in the second quarter and the decline in industrial markets during the year. Prices held up well (+0.5%) in this context of low volumes. The integration of LIP, Ideal Work and Fixatti resulted in a 3.1% positive scope effect, while the currency effect trimmed 2.4% off sales.

The performance of Adhesive Solutions was very resilient in 2020 with **EBITDA** broadly stable at **€261 million** (€264 million in 2019). **EBITDA margin** amounted to **13.1%**, up 20 bps on 2019, confirming the solidity of the adhesive business when the environment is less favorable. The margin also benefited from the improved operating efficiency of this segment and mix optimization toward higher added value products.

Advanced Materials segment

The Advanced Materials segment is highly exposed to the major challenges of sustainable development and as a result offers a wide range of high-tech solutions. Thanks to substantial investments in innovation and R&D, these solutions mean the segment is able to meet the growing and increasingly complex needs of customers in materials lightweighting, new energies (batteries, wind power, etc.), access to water, bio-based or recyclable materials, and new production processes (3D printing), particularly for cutting-edge sectors such as automotive, electronics, health, nutrition, sport, oil and gas extraction, and aeronautics.

Advanced Materials are organized into two Business Lines:

- **High Performance Polymers**, materials with excellent mechanical, chemical and thermal resistance properties that can be used in a very wide range of high-value added applications; and
- **Performance Additives**, comprising tailor-made solutions which are essential to improve the properties of certain materials or optimize production processes.

(In millions of euros)	2020	2019*
Sales	2,527	2,693
EBITDA	496	584
EBITDA margin (% of sales)	19.6%	21.7%
Recurring operating income (REBIT)	245	353
REBIT margin (% of sales)	9.7%	13.1%

* 2019 figures have been restated in accordance with the new reporting structure announced by the Group on 2 April 2020.

Sales of the Advanced Materials segment were down 6.2% to **€2,527 million**, impacted mainly by the 8.3% decline in volumes in the context of the health crisis. In High Performance Polymers, demand fell in the transportation, oil & gas and consumer goods markets despite the improvement seen in the fourth quarter, overshadowing the strong growth in batteries, where the Group leveraged its innovation. The animal nutrition, crop protection and medical markets supported Performance Additives, partly offsetting the declines in industrial markets. The price effect of -0.8% confirmed the segment's ability to maintain stable selling prices despite the strong decline in

volumes. Finally, the scope effect of +4.4% corresponded to the integration of ArrMaz in the first half of the year, and the currency effect was a negative 1.5%.

In this context, **EBITDA** declined 15.1% to **€496 million**, the reduction in fixed costs and more favorable raw materials prices mitigating the impact of lower volumes. **EBITDA margin** remained at a high level at **19.6%** (21.7% in 2019), confirming the segment's good performance in a more challenging macroeconomic context.

Coating Solutions segment

The Coating Solutions segment includes the entire range of Arkema's materials and technologies for the coating market (decorative paints, industrial coatings). The Group's offering of high performance solutions and innovative technologies make it a global leader on a market that is exposed to increasingly

strict environmental standards. Its coherent activities are backed by a competitive upstream in Acrylics.

The segment is organized into two Business Lines: **Coating Resins** and **Coating Additives**.

(In millions of euros)	2020	2019*
Sales	1,911	2,148
EBITDA	261	310
EBITDA margin (% of sales)	13.7%	14.4%
Recurring operating income (REBIT)	142	197
REBIT margin (% of sales)	7.4%	9.2%

* 2019 figures have been restated in accordance with the new reporting structure announced by the Group on 2 April 2020.

Sales of the Coating Solutions segment decreased 11.0% to **€1,911 million**, reflecting a 9.4% negative price effect which was mainly linked to the decline in propylene prices. Volumes were down by 1.2%, with the strong recovery in the decorative paints market in the second half of the year offsetting, to a large extent, lower volumes in the segment's other markets during the year.

At **€261 million**, Coating Solutions' **EBITDA** was down 15.8% relative to last year, strongly impacted by the Acrylics activities that are not integrated downstream. Performance for the segment's other activities was robust, with EBITDA up slightly on last year. **EBITDA margin** resisted well at **13.7%** (14.4% in 2019), supported by cost reduction initiatives and synergies between the segment's different product lines.

Intermediates segment

The Intermediates segment combines three activities in which the Group has strong positions and high-quality assets, but where results are more volatile: PMMA, Fluorogases and Asia Acrylics.

In early April 2020, Arkema announced that it was initiating a review of these activities in order to define differentiated strategies for each one and gradually reduce their share in the Group's business to nil by 2024.

(In millions of euros)	2020	2019*
Sales	1,425	1,816
EBITDA	231	381
EBITDA margin (% of sales)	16.2%	21.0%
Recurring operating income (REBIT)	109	261
REBIT margin (% of sales)	7.6%	14.4%

* 2019 figures have been restated in accordance with the new reporting structure announced by the Group on 2 April 2020.

At **€1,425 million**, sales of the Intermediates segment were down 21.5% year on year, impacted by unfavorable market conditions, particularly in Fluorogases. The price effect was a negative 10.8% and the volume effect was a negative 2.3%, supported in the fourth quarter by improved demand in PMMA and Acrylics in Asia. The scope effect was a negative 7.1%

and corresponded to the divestment of the Functional Polyolefins business finalized on 1 June 2020.

In the context of the pandemic, the segment's **EBITDA** decreased sharply year on year to **€231 million** and **EBITDA margin** dropped to **16.2%**.

Cash flow and net debt at 31 December 2020

In 2020, **net cash flow** represented a net inflow of **€657 million** (versus a net outflow of €62 million in 2019), and included net cash inflow of €6 million from portfolio management operations. This amount mainly includes proceeds from the divestment of the Functional Polyolefins business and transactions in Adhesive Solutions with the acquisitions of LIP, Fixatti and Ideal Work, and the equity interest in CMC.

In 2019, the net cash outflow from portfolio management amounted to €729 million, stemming mainly from Arkema's acquisitions of ArrMaz, Lambson and Prochimir, an equity interest in Carbon® and Arkema's acquisition of Jurong's stake in Taixing Sunke Chemicals.

Consequently, **free cash flow** (corresponding to net cash flow excluding the impact of portfolio management operations) amounted to **€651 million** for the year, close to the excellent level of €667 million achieved in 2019. This amount, which includes €140 million of exceptional capital expenditure, led to an EBITDA to cash conversion rate of 67%.

The 2020 free cash flow figure included a €196 million inflow linked to the change in working capital (+€82 million in 2019), reflecting strict management of inventories and receivables in a very volatile year, as well as the rebound in activity toward the end of the year. It also includes a reduction in taxes paid and lower cost of debt, primarily due to a better interest rate on the portion of the Group's debt swapped into US dollars, and to the refinancing in December 2019, at favorable market conditions, of the €480 million senior bonds that matured in April 2020.

Total capital expenditure amounted to €605 million on the year (€635 million in 2019), of which €460 million was recurring and €140 million exceptional. As in 2019, recurring capital

expenditure represented the equivalent of 5.8% of Group sales in 2020. This level of capital expenditure is in line with Arkema's target of controlling its capital intensity tied up and to spend, on average, around 5.5% of sales in recurring capital expenditure each year. Exceptional capital expenditure of €140 million is mainly attributable to investments relating to specialty polyamides in Asia and to the partnership for the supply of hydrofluoric acid in the United States and should amount around €250 million in 2021. Therefore recurring and exceptional capital expenditure should amount €750 million in 2021.

In 2020, non-recurring items represented a net cash inflow of €24 million, which notably included an exceptional €55 million inflow from tax savings generated from the utilization of tax losses, as well as restructuring costs.

Cash flow from financing activities represented a net outflow of **-€535 million** in 2020. This figure primarily includes the proceeds from the €300 million green bond issue dedicated to the financing of the bio-based polyamide plant in Singapore, the reimbursement of the €480 million senior debt and the payment of the 2019 dividend, which was limited to €2.20 per share in the context of the pandemic, representing an aggregate €168 million. The cost of share buybacks was €25 million in 2020, and interest paid on the Group's €300 million and €400 million hybrid bonds amounted to €28 million.

Including the hybrid bonds, **net debt** stood at **€1.91 billion** at end-December 2020 versus €2.33 billion at 31 December 2019. The ratio of net debt (including hybrid bonds) to EBITDA remained well controlled at 1.6x, at the prior year level.

Outlook for 2021

In an environment that is still uncertain, particularly with regards to the pandemic, the start of the year is marked by an increase in the level of global demand, in the continuity of fourth-quarter 2020. EBITDA for first-quarter 2021 could thus rise by around 10% relative to first-quarter 2020, including a negative currency impact estimated at €15 million.

Moreover, the growth of Arkema's EBITDA during the year should be concentrated in Specialty Materials (82% of Group sales in 2020). Excluding a significant resumption of the pandemic:

- Arkema aims at constant currency ⁽¹⁾ for Specialty Materials EBITDA to grow by around 10% in 2021 relative to 2020:
 - Bostik, in line with its 2024 trajectory, is aiming for 14% EBITDA margin in 2021, thanks to the benefits of its positioning in the construction and high-performance industrial adhesives markets, and its operational excellence initiatives, as well as its acquisition strategy,
 - the Advanced Materials segment should record a significant rebound, driven in particular by its innovations in batteries, electronics, lightweight materials, sporting goods and filtration, as well as by higher demand in certain industrial markets, animal nutrition and crop protection,

- finally, earnings of Coating Solutions should be supported by the growth momentum and sustainable innovation in the paints, electronics and 3D printing markets;
- EBITDA for the Intermediates segment in 2021 is expected to be at a comparable level to 2020 at constant currency ⁽¹⁾ and scope. The divestment of PMMA is expected to close in mid-year.

Moreover, in 2021 the Group will continue to execute its mid-term strategy presented at the Capital Markets Day in April 2020, in line with its ambition to become a pure Specialty Materials player by 2024. In this respect, the two major industrial projects – the bio-based polyamides plant in Singapore and hydrofluoric acid plant in the United States – will progress as expected and come on stream mid-2022. Arkema will pursue its bolt-on acquisition strategy in Specialty Materials, particularly in Adhesive Solutions, and will accelerate the strategic review of Fluorogases. Lastly, the Group will reinforce its innovation for sustainable development given the opportunities arising from governments' stimulus plans in the fields of new mobility, home comfort and management of natural resources.

(1) With the assumption of a €/€ rate of 1.2 for 2021, the impact on 2020 EBITDA is estimated at a negative €30 million for Specialty Materials and a negative €10 million for Intermediates.



Results of the Company in the last five years

Type of disclosures (In millions of euros unless otherwise indicated)	2016	2017	2018	2019	2020
I – Financial position at year-end					
a) Share capital	757	759	766	766	767
b) Number of shares issued	75,717,947	75,870,506	76,581,492	76,624,220	76,736,476
II – Operations and results					
a) Sales (excluding taxes)	19	66	86	109	99
b) Income before tax, depreciation, impairment and provisions	528	60	2	155	103
c) Income taxes	89	(51)	18	9	11
d) Employee profit sharing	-	-	-	-	-
e) Income after tax, depreciation, impairment and provisions	767	485	522	165	103
f) Amount of dividends distributed	155	176	190	168	NC
III – Earnings per share (in euros)					
a) Income after tax but before depreciation, impairment and provisions	8.15	0.12	0.26	2.15	1.48
b) Income after tax, depreciation, impairment and provisions	10.13	6.39	6.82	2.15	1.34
c) Net dividend per share	2.05	2.30	2.50	2.20	NC
IV – Employee data					
a) Number of employees	9	9	8	8	10
b) Total payroll	8	7	8	9	9
c) Amounts paid to employee benefit bodies in the year	5	4	6	7	7

CORPORATE GOVERNANCE

Composition of the Board of Directors as of 31 December 2020

The Board of Directors comprises fourteen members including:

- seven independent directors;
- one member representing shareholder employees; and
- two members representing employees.

It also includes seven women.

The Board of Directors set up two permanent and specialized committees: the Audit and Accounts Committee and the Nominating, Compensation and Corporate Governance Committee. It has also decided to set-up, from the annual general meeting to be held on 20 May 2021, a third permanent and specialized committee: the Innovation and Sustainable Growth Committee.

The Board of Directors met twelve times in 2020, including a one-day session dedicated to strategy, with an average global attendance rate of 95%.

I Summary of the Board of Directors composition

	Nationality	Age	Independent director	Year of first appointment	Year current term expires	Other directorships in listed companies	Audit and Accounts Committee	Nominating, Compensation and Corporate Governance Committee	Expertise
Thierry Le Hénaff Chairman and CEO	French	57		2006	2024	2			Chairman and Chief Executive Officer
Yannick Assouad	French	61	◆	2017	2021	2			Executive management, digital and industry
Jean-Marc Bertrand representing shareholder employees	French	62		2018	2022	None			IT and knowledge of the Group
Marie-Ange Debon	French	55	◆	2018	2022	2	Chairman		Executive management, accounting, finance and M&A
Ian Hudson	British and Swiss	63	◆	2019	2023	1	●		Executive management, chemicals, finance, innovation and sustainable development
Alexandre de Juniac	French	58	◆	2018	2022	None		●	Executive management, industry and digital
Victoire de Margerie	French	57	◆	2012	2023	2		●	Chemicals, industry, innovation and sustainable development
Laurent Mignon	French	57		2006	2023	2			Executive management, banking, finance and M&A
Hélène Moreau-Leroy	French	56	◆	2015	2023	None	●		Industry, finance, M&A and governance
Thierry Morin	French	68		2006	2021	1		Chairman	Executive management, industry and finance
Nathalie Muracciole representing employees	French	56		2016	2024	None			Human resources and knowledge of the Group
Marc Pandraud	French	62	◆	2009	2021	None			Finance and M&A
Susan Rimmer representing employees	British and French	45		2020	2024	None			Chemicals and knowledge of the Group
Fonds Stratégique de Participations represented by Isabelle Boccon-Gibod	French	52		2014	2022	4	●		Industry, finance, innovation and sustainable development
						3			

◆ Independence in accordance with the AFEP-MEDEF Code criteria set out in the Board of Directors' internal rules and as assessed by the Board of Directors.

● Member



Directors proposed for appointment at the general meeting

Thierry Pilenko INDEPENDENT DIRECTOR

Current position: management consultant
Nationality: French
Number of shares held at the date of this document: 500

PROFESSIONAL EXPERIENCE

Thierry Pilenko, born in 1957, is a graduate of the École Nationale Supérieure de Géologie in Nancy, France, and of the Institut Français du Pétrole (IFPEN). He is a management consultant and holds several directorships in international energy companies.

Thierry Pilenko began his career in 1984 as a geological engineer with Schlumberger. During the 20 years he spent with this company, he held various management positions, including in Italy, Gabon, Nigeria, Dubai, Indonesia and the United States. In 2004, he was appointed Chief Executive Officer of Veritas DGC, a geophysical services company based in Houston (which subsequently became CGG Veritas), before becoming Chairman and CEO of Technip SA in 2007, and Executive Chairman of TechnipFMC between 2017 and 2019. He was a member of the Supervisory Board of Peugeot (PSA) between 2012 and 2014, a Director of CGG between 2007 and 2010, of Hercules Offshore between 2006 and 2015, and of Valaris between 2017 and 2021. He has been a US resident, based in Houston, for over 15 years.

Other offices currently held outside of the Arkema Group

France

- ▶ None

International

- ▶ Member of the Board of directors of Valaris plc
- ▶ Member of the Board of directors of Trident Energy
- ▶ Member of the Board of directors of Ensign Natural Resources

Bpifrance Investissement INDEPENDENT DIRECTOR

Number of shares held at the date of this document through the Lac1 fund: 5,379,000

PROFESSIONAL EXPERIENCE

Bpifrance assists businesses - at every stage of their development - providing loans, guarantees and equity. Bpifrance supports them in their innovation and international expansion projects. Bpifrance now also provides export insurance services with a wide range of products. In addition, consulting, academic, networking and acceleration programs for start-ups, SMEs and mid-caps are also part of its services to entrepreneurs. Thanks to Bpifrance and its 50 regional offices, entrepreneurs benefit from a local, single and efficient point of contact to help them meet their challenges effectively.

Lac1 acquires long-term stakes in French listed multinationals and plays an active role in their governance. The Lac1 fund has an investment capacity of €4.2 billion after its first round of funding alongside Bpifrance, involving around thirty subscribers, amongst which French and international institutional investors, large corporations and family offices. Lac1 is managed by Bpifrance Investissement, and draws on Bpifrance's position within its ecosystem, its knowledge of technological and environmental transitions, as well as its expertise in the governance of listed companies. Bpifrance Investissement is Bpifrance's equity financing arm.

Subject to the approval of the annual general meeting of the appointment of Bpifrance Investissement, its permanent representative would be Sébastien Moynot, whose professional experience is detailed on the next page

Sébastien Moynot

PERMANENT REPRESENTATIVE OF BPIFRANCE INVESTISSEMENT

Current position: member of the management committee of Bpifrance Investissement Large Cap.

Nationality: French

PROFESSIONAL EXPERIENCE

Sébastien Moynot, born in 1972, is a former student of Ecole Normale Supérieure de Paris, holds a Master of Advanced Studies in probability from Université Pierre et Marie Curie, and is a graduate of Ecole Nationale de la Statistique et de l'Administration Economique with an agrégation in mathematics.

He started his career in the economic forecasting department of the French Ministry of Finance. From 2000 to 2004, he was responsible for the strategy and then the debt issuance operations of Agence France Trésor, managing the French government's debt. He was then in charge of companies in the transportation sector on behalf of the French State Holdings Agency and, in this role, oversaw the IPO of several investees. He joined the Fonds Stratégique d'Investissement at its creation in 2009, and then Bpifrance where, since 2013, he has been a member of the management team of the Development Capital business, for which he has made a large number of equity investments in companies across all sectors.

Over the past 15 years, Sébastien Moynot has sat on the Boards of Directors for some 20 companies, notably in various industrial sectors and in the field of renewable energy.

Other offices currently held outside of the Arkema Group

France ⁽¹⁾

- ▶ Member of the Board of Directors of Albioma*
- ▶ Member of the Board of Directors of Beneteau SA*
- ▶ Chairman of the Board of Directors of Cosmeur SAS
- ▶ Member of the supervisory committee of Green Yellow SAS
- ▶ Censor of the Supervisory Board and member of the audit committee of Vivescia Industries SCA*
- ▶ Censor of the Supervisory Board of Nexteam Group
- ▶ Member of the Board of Directors of Verallia*

International

- ▶ None

(1) Sébastien Moynot is the permanent representative of Bpifrance or Bpifrance Investissement as the case may be.

* Listed company.

Ilse Henne

INDEPENDENT DIRECTOR

Current position: member of the Executive Committee of the thyssenkrupp Materials Services segment as its Chief Transformation Officer

Nationality: Belgian

Number of shares held at the date of this document: 450

PROFESSIONAL EXPERIENCE

Ilse Henne, born in 1972 in Ghent, Belgium, holds several advanced business management degrees from the Universities of Ghent and Leuven, Belgium, as well as a master's degree in linguistics and literature, also from the University of Ghent. She is currently a member of the Executive Committee of the thyssenkrupp Materials Services segment as its Chief Transformation Officer. She has been responsible for the Group's operating result and strategic transformation since 2019. She speaks five languages fluently, including French, and has been living in Germany since 2012.

Ilse Henne began her career in 1995 at Sadel NV, a Belgian group specializing in stainless steel products, where she worked in various positions in business development, sales and supply chain management until 2002. She then joined the Materials division of thyssenkrupp Group, which is specialized in the distribution of steel and non-ferrous metals in Belgium. Between 2012 and 2018, she held various management positions in Germany, first as head of the Materials Western Europe/Asia-Pacific operating unit, and between 2016 and 2018 as the CEO of thyssenkrupp Schulte.

Other offices currently held outside of the Arkema Group

France

- ▶ None

International

- ▶ Member of the Executive Committee of the thyssenkrupp Materials Services segment as its Chief Transformation Officer

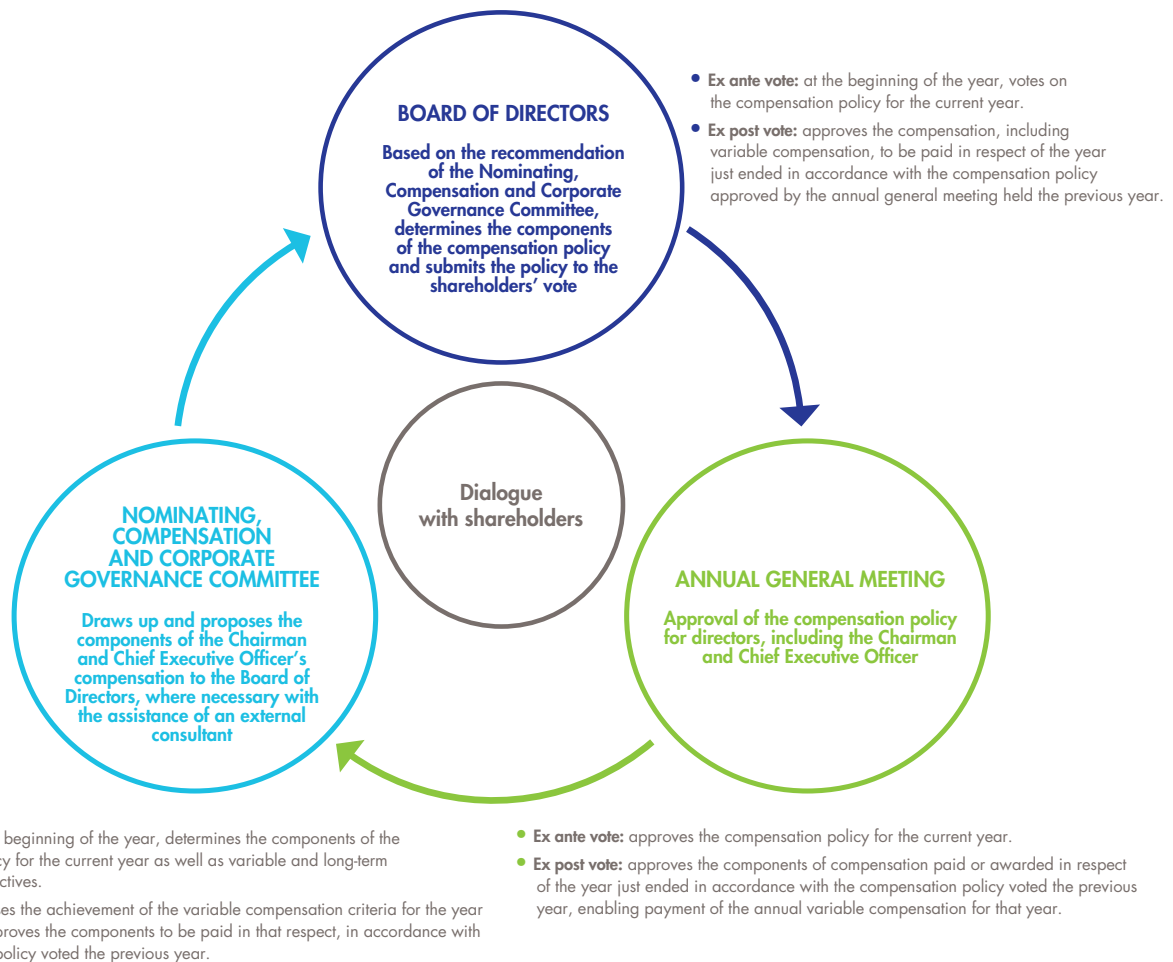


Compensation of executive officers

Compensation policy for executive officers

The Chairman and Chief Executive Officer is the Company's sole executive officer.

The following diagram illustrates the discussion and decision process in order to determine and approve the compensation policy for the Chairman and Chief Executive Officer and its implementation:



Compensation principles

The policy and principles governing the compensation of the Chairman and Chief Executive Officer are globally defined by the Board of Directors at each renewal of his term of office, *i.e.*, every four years, and for the duration of his term of office, on the proposal of the Nominating, Compensation and Corporate Governance Committee, if necessary with the assistance of external consultants whose objectivity has been verified. The Board of Directors conducts an overall assessment of the Chairman and Chief Executive Officer's compensation package, as well as a detailed review of its components, to ensure that the compensation package remains simple, easy to understand, balanced and consistent. In particular, it ensures that the compensation policy is aligned with the Group's medium and long-term strategic priorities and that it reflects both the Group's financial performance and the Chairman and Chief Executive Officer's individual performance and responsibilities.

The compensation policy takes account of the social interests of the Company and its subsidiaries, and contributes to the strategy of the Group in its commercial, industrial and R&D aspects and to the sustainability of Arkema, by allocating a variable compensation, determined based on criteria that reflect in a significant manner (i) the contribution to the Group's earnings of new developments, which promote innovation, the development of new products and the launch of new applications as well as the completion of major investment projects in line with the Group's targeted growth strategy, and (ii) the implementation of the Group's medium- and long-term strategy by the Chairman and Chief Executive Officer, in particular the evolution of the Group's profile, CSR issues and operational management. The compensation policy aims to provide incentives and to secure loyalty, in accordance with market practice for equivalent positions in similar French and international chemical companies and in French companies with similar market capitalizations, and to align the

compensation structure with those of such companies. The Board of Directors also takes into account the compensation and employment conditions of the employees of the Group.

The compensation policy for the Chairman and Chief Executive Officer, which was amended upon Thierry Le Hénaff's re-election as director in accordance with the principles summarized above, was thus approved at the annual general meeting of 19 May 2020, for a four-year term. It is composed of:

- (i) an annual fixed compensation amounting to €1,000,000;
- (ii) an annual variable compensation taking into account the achievement of specific, precise and demanding quantitative and qualitative targets aligned with the Group's strategy and priorities and which can amount to 180% of the annual fixed compensation; and
- (iii) a long-term compensation through the award of 30,000 performance shares fully subject to performance criteria and representing on the basis of a maximum allocation of 120% (*i.e.* 36,000 shares, in case of outperformance) approximately 70% of the base salary (fixed compensation plus maximum variable compensation) and approximately 45% of the total compensation package.

One component enabling the building up of a supplementary retirement benefits corresponding to 20% of his total fixed and variable compensation completes the policy package since the termination of the Chairman and Chief Executive Officer's supplementary defined benefit pension scheme on 7 June 2016.

These components are distributed in a balanced manner between short- and long-term components, in line with the compensation of the Group's senior executive and employees. They are mainly submitted to the achievement of precise and quantified criterion reflecting the performance of the Group, thus favoring the development of the Company and the creation of value over the long-term and thus aligning the interests of the manager with those of the shareholders and all the stakeholders.

In addition, there is a severance pay to be paid in case of forced departure as well as a non-compete clause whose purpose is to prohibit the Chairman and Chief Executive Officer, in consideration of an indemnity to be paid to him, for a period of one year from the effective date of termination of office, from engaging, directly or indirectly, in an activity that competes with Arkema's businesses, either on his own behalf or on behalf of another company.

Implementation of compensation policy for 2020

In accordance with the provisions of article L. 22-10-34, II of the French Commercial Code, the following components of compensation due or awarded to Thierry Le Hénaff, Chairman and Chief Executive Officer of the Company, and only executive officer, for the year ended 31 December 2020, is submitted to the shareholders' vote at this annual general meeting in the **11th resolution**.

It is recalled that in the unprecedented context of the Covid-19 health crisis, the Board of Directors and Thierry Le Hénaff agreed, in April 2020, that the increase in the amount of the

On recommendation of the Nominating, Compensation and Corporate Governance Committee, for 2021, the Board of Directors decided that it shall have the possibility to modify some performance criteria attached to the annual variable compensation or long-term compensation (performance shares) of the Chairman and Chief Executive Officer and/or modify, upward or downward, one or several parameters attached to these criteria (weighting, triggering threshold, objectives, targets, etc.). This possibility may be used by the Board of Directors only in exceptional circumstances external to Arkema, and in particular in the case of any new development of the Covid-19 health crisis, not taken into account by the criteria or parameters initially determined in the present compensation policy for the annual variable compensation and long-term compensation in performance shares, that would have a significant impact on the Company's performance, and could not be foreseen at the time when the Board determined the present compensation policy to be submitted to the annual general meeting. In any event, these adjustments or modifications shall not have the effect of modifying the maximum weighting of the quantitative criterion or qualitative criterion of the annual variable compensation, nor of increasing the maximum number of shares that may be definitely acquired at the end of the annual performance share plans. The purpose of these adjustments or modifications must be to better reflect the actual performance of the Chairman and Chief Executive Officer, taking into account the circumstances that led to the use of this possibility, in the application of the compensation policy. In this context, the Board of Directors will be particularly vigilant to ensure that any changes made are fully correlated to the Group's performance given the circumstances, to the benefits received by shareholders, and to the situation of stakeholders. The Board of Directors will take its decision on the recommendation of the Nominating, Compensation and Corporate Governance Committee and will have to justify it in light of the circumstances that led to the use of this possibility and in light of the alignment with the interests of shareholders. Any use of this discretion will be made public by the Board.

In accordance with applicable legal provisions, this policy will again be submitted to the vote of the annual general meeting of May 20, 2021 under the **9th resolution**.

All the information required in accordance with article L. 22-10-8 II of the French Commercial Code are detailed in the 2020 Universal Registration Document on pages 126 to 132, and includes, among other information, the information submitted to the shareholders' vote at the annual general meeting in the **9th resolution**.

fixed compensation (to €1 million) and the target (120%) and maximum (180%) amount of the variable compensation of Thierry Le Hénaff, widely approved by the annual general meeting of 19 May 2020 upon renewal of his mandate, would not take effect until 1 January 2021. Accordingly, the amount of the annual fixed compensation remained unchanged in 2020 (€900,000) and the maximum achievable amount of variable compensation due for 2020 remained unchanged at 150% of annual fixed compensation, like the preceding years.



It is also reminded that, in a personal contribution to the solidarity effort, Thierry Le Hénaff decided to donate 15% of his net fixed compensation received in the second quarter of 2020 to the Fondation de France's "Tous unis contre le virus" (All United Against Coronavirus) alliance.

Finally, in 2020 Arkema decided from the beginning of the pandemic not to have recourse to the system of partial unemployment nor to the French State aids.

Components of compensation submitted to a shareholder vote	Amounts paid during 2020	Amounts awarded for the 2020 financial year or accounting valuation	Presentation
Fixed compensation	€900,000	N/A	In the context of the Covid-19 health crisis, Thierry Le Hénaff and the Board of Directors agreed on 14 April 2020 that the annual fixed compensation defined for his new term of office will only take effect from 1 January 2021. Consequently, in 2020, his annual fixed compensation was €900,000, unchanged from the amount approved at the annual general meeting of 7 June 2016 for his then term of office.
Annual variable compensation	€1,143,000	€992,456	<p>Annual variable compensation for 2020 was determined taking into account the achievement of specific, precise and demanding quantitative and qualitative targets approved by the Board of Directors at its meeting on 26 February 2020, before the Covid-19 health crisis, and not amended subsequently despite the pandemic.</p> <p>In accordance with the Chairman and Chief Executive Officer's compensation policy approved by the annual general meeting of 19 May 2020, the maximum weighting of criteria for the period between January and May 2020 was 55% for EBITDA, 27.5% for recurring cash flow and new developments and 40% for personal criteria and, from the start of the new term of office, the criteria were equal-weighted at 45% each up to a maximum global award rate of 180%. Nevertheless, to reflect the delay in the increase, the Board reduced the weighting to a maximum global award rate of 150%, representing a maximum of 37.5% for each criterion instead of 45%. Consequently, given the actual performance for the year ended 31 December 2020, which reflects a robust financial performance despite the fall in the Group's sales and EBITDA in the context of a strong global economic slow down, with notably a strong resilience of the Group's EBITDA margin at 15% and of the EBITDA of Specialty Materials (82% of Arkema's sales), a high level of cash generation, further improved operating performance and the progress made in refocusing the Group toward becoming a pure Specialty Materials player, the Board of Directors set the amount of variable compensation due in respect of 2020 as follows:</p> <ul style="list-style-type: none"> • concerning the three quantitative criteria linked to the Group's financial performance, the achievement rates by criterion were as follows: <ul style="list-style-type: none"> • 11% for EBITDA, whose average maximum weighting represents 45%, and which reached €1,198 million in 2020 (excluding the M&A impact) in a very challenging economic environment, supported by a Group EBITDA margin that remained resilient at 15%, the limited volumes decline of 4.3%, Specialty Materials' resilience including a stability of the Adhesives segment and the rebound in performance in the fourth quarter supported by the strong EBITDA growth of Adhesives (+15%) and Coating Solutions (+19%); • 100% for recurring cash flow, whose average maximum weighting represents 33%. Recurring cash flow reached an excellent level in 2020, totaling €762 million (free cash flow adjusted notably for exceptional capex). In particular, this performance reflects solid operating results for the year in an environment strongly marked by the health crisis, the significant adjustment to capex versus the initial budget, together with excellent management of working capital, which reached the record level of 11.8% of annual sales at end-2020. This cash generation helped reduce the Group's net debt to around €1,910 million (including hybrid bonds), representing 1.6x annual EBITDA; and • 100% for the criterion of new developments, whose average maximum weighting represents 33%. The Board of Directors took into account the commercial success of the main innovation platforms, assessed using a reporting table that tracks the evolution of the margin on variable costs of various pre-defined products, the development of (also pre-defined) new customers, growth in emerging geographies, and the introduction of new applications over the year. For 2020, the Board noted the following significant developments in particular: sealants used in construction, new ranges of DIY adhesives, high performance engineering adhesives and films, adhesives for hard and soft packaging, special materials for batteries, developments in nutrition, electronics applications, specialty fluorogases and additives for the solar industry. <p>The variable compensation due in respect of the quantitative criteria thus amounted to 71.7% of the annual fixed compensation; and</p> <ul style="list-style-type: none"> • concerning the qualitative criteria, 50% of which involved the implementation of the Group's strategy and main operational priorities, and the other 50% operational management issues, the notable achievements include: <ul style="list-style-type: none"> • regarding the implementation of the Group's strategy and main operational priorities: 2020 featured a Capital Markets Day along with the redrafting of the Group's strategy and its ambition to become a pure Specialty Materials player by 2024, M&A projects that positively impacted the Group's specialties profile, notably the finalization of the divestment of Functional Polyolefins and the planned divestment of MMA/PMMA to Trinseo, together with the bolt-on acquisitions of LIP, Fixatti and Ideal Work by Bostik and the integration of ArrMaz with the ramp-up of synergies despite the Covid-19 pandemic.

Components of compensation submitted to a shareholder vote	Amounts paid during 2020	Amounts awarded for the 2020 financial year or accounting valuation	Presentation
			<p>In terms of capital expenditure, the Board of Directors further acknowledged the progress achieved in several industrial projects that are significant and essential for the Group's long-term positioning, such as progress made – on time and on budget – in the construction of the amino 11 monomer and Rilsan® polyamide 11 manufacturing plant in Singapore and of the hydrofluoric acid production unit being built in partnership with Nutrien. The Board also noted the success and intensified efforts of new business, particularly in major areas of sustainable development such as new energies, home comfort, lightweight materials and natural resource management;</p> <ul style="list-style-type: none"> regarding operational management components, one-third of which were quantifiable: excellent workstation safety performance with a Group record low TRIR of 1.0 accident per million hours worked (only 30% of total accidents took place on sensitive sites and the number of accidents to hands was reduced by half), continued ramp-up of cross-functional initiatives (operational and commercial excellence, cybersecurity, digitization and data management), and tight control over capex and working capital (see above). The ramp-up of Bostik continued with new initiatives to share resources with the rest of the Group and the stability of its financial performance year-on-year despite the Covid-19 crisis. The Board also acknowledged the continued deployment of the CSR roadmap, notably Arkema's inclusion in the DJSI World index, ranking sixth in the "Chemicals" category out of the 114 companies assessed and representing major recognition of the progress achieved by Arkema, the advances made in systematically evaluating its portfolio in light of sustainability criteria, as well as the progress recorded in several non-financial performance indicators such as the sustainable solutions offering and the reduction in greenhouse gas emissions and emissions into water. Finally, it noted the proactive management of the company's executives and talents, in particular the changes in the Executive Committee, strengthening of Bostik's organization and the establishment of a new target for the percentage of women in senior management positions at over 30% by 2030 (versus 25% by 2025). <p>In light of all of these achievements, and the manner in which the Group came through the particularly challenging circumstances of the pandemic to emerge stronger and confident as it heads into 2021, the achievement rate of these criteria was set at 100%. Consequently, the average variable compensation due in respect of qualitative criteria was set at 38.5% of the annual fixed compensation.</p> <p>In total, the 2020 variable compensation amounts to €992,456, i.e., 73% of the maximum, 13.2% lower than in 2019 and 26.5% lower than in 2018. It represents 110.2% of the 2020 annual fixed compensation.</p> <p>The payment of this annual variable compensation is subject to the shareholders' approval of the 11th resolution at the annual general meeting to be held on 20 May 2021 and will therefore be effective only after this date.</p>
Deferred variable compensation	N/A	N/A	Thierry Le Hénaff receives no deferred variable compensation.
Exceptional compensation	N/A	N/A	Thierry Le Hénaff receives no exceptional compensation.
Compensation for serving as a director	N/A	N/A	Thierry Le Hénaff receives no compensation from Arkema for serving as a director.
Stock options	N/A	N/A	Thierry Le Hénaff does not receive any stock options.
Performance shares	N/A	€1,577,400	<p>Making use of the authorization granted by the annual general meeting of 21 May 2019 (13th resolution), at its meeting of 4 November 2020, the Board of Directors awarded 30,000 performance shares (representing 0.04% of share capital) to Thierry Le Hénaff (out of a total of 366,795 shares granted to around 1,500 grantees, representing 29% of the performance share grant).</p> <p>The shares will vest at the end of a three-year period subject to a presence condition and if the following five performance targets are met: EBITDA margin for the Specialty Materials platform, EBITDA to cash conversion rate, comparative Total Shareholder Return, return on average capital employed for the Specialty Materials platform and Arkema's CSR performance (comprising four indicators: TRIR (30%), climate and non-renewable resources management (40%) and percentage of women in senior management (30%). Each criterion is applied to 20% of the awarded rights. The vesting period is followed by a two-year mandatory holding period. Further details on the criteria may be found in section 3.5.1 of the 2020 Universal Registration Document.</p> <p>In the event of outperformance, and pursuant to the performance conditions set out in this plan, this award could rise to 36,000 shares, or 120% of the maximum awarded.</p>
Pension	€450,000	€378,491	<p>Since 7 June 2016, when the supplementary defined benefit pension scheme (governed by article L. 137-11 of the French Social Security Code) from which he benefited was terminated, Thierry Le Hénaff benefits from an additional annual payment corresponding to 20% of his total fixed and variable compensation for the year concerned, to enable him to build up his supplementary retirement benefits, year after year. Thierry Le Hénaff has committed to invest this entire amount, net of any contributions and tax, in investment vehicles dedicated to the financing of his supplementary retirement benefits.</p>



Components of compensation submitted to a shareholder vote	Amounts paid during 2020	Amounts awarded for the 2020 financial year or accounting valuation	Presentation
Benefits in kind	N/A	€6,720	Thierry Le Hénaff has the use of a company car.
Components of compensation paid or awarded for 2020 already approved by the annual general meeting			
Severance payment	No payment ⁽¹⁾		<p>Thierry Le Hénaff is entitled to a severance payment in the event of his forced departure. The amount is calculated by reference to the achievement of three demanding conditions set by the Board of Directors and approved by the annual general meeting (TRIR - total recordable injury rate, annual variable compensation, and EBITDA to cash conversion rate) and cannot exceed twice his total annual gross fixed and variable compensation. The calculation base is the fixed annual compensation for the year in which the forced departure occurs and the average of the last two years of variable compensation paid prior to departure.</p> <p>The amount of the payment is calculated based on three demanding conditions, each accounting for one-third of the total:</p> <ul style="list-style-type: none"> • TRIR: average TRIR (total recordable injury rate) for the three years preceding departure would have to be less than or equal to 1.4, making Arkema a leader for the industry as a whole; • annual variable compensation: on average, the annual variable compensation paid during the three years preceding departure would have to be at least 75% of the target variable amount; • EBITDA to cash conversion rate (defined as free cash flow excluding exceptional investments divided by EBITDA): the EBITDA to cash conversion rate must be greater than or equal to 35%. The achievement rate will be determined using the average conversion rate for the three years preceding departure. <p>In addition, the Board of Directors has decided to gradually reduce the maximum termination indemnity that would be payable to 18 months of total annual gross compensation (fixed and variable) in case of a departure beyond 60 years of age, and 12 months of total annual gross compensation (fixed and variable) beyond 62-and-a-half years of age. No compensation would be paid in the event of departure beyond the age of 65.</p>
Non-compete compensation	N/A		<p>Thierry Le Hénaff is subject to a non-compete clause, in accordance with the legal provisions and recommendations of the AFEP-MEDEF Code, whereby, in the event of termination of his office as Chairman and Chief Executive Officer, for whatever reason, he will be bound by a non-compete obligation, limited to a period of one year from the effective date of termination.</p> <p>The purpose of this non-compete clause is to prohibit Thierry Le Hénaff, in consideration of an indemnity to be paid to him under the conditions set out below, for a period of one year from the effective date of termination of office, from engaging, directly or indirectly, in an activity that competes with Arkema's businesses, either on his own behalf or on behalf of another company. An activity that competes with Arkema's businesses means any specialty chemicals activity carried on in the same geographic regions and sectors as those of the Arkema Group when the term of office ends. In consideration of the non-compete undertaking, and throughout the term of the agreement, Thierry Le Hénaff will receive a monthly indemnity equal to 100% of his monthly compensation calculated based on the sum of his fixed compensation for the year in which his term of office ended and the average of his annual variable compensation paid for the last two years prior to the effective termination date. A monthly payment will be made throughout the period of this non-compete agreement.</p> <p>Any breach of this non-compete obligation will require Thierry Le Hénaff to repay the monthly indemnities he has already received and the Company will no longer be liable to pay the remaining indemnities through to the end of the one-year period.</p> <p>The Board of Directors may decide to waive this non-compete clause up to the effective date of termination of Thierry Le Hénaff's office at the latest. In such an event, he would no longer be bound by the constraints of the non-compete clause referred to above and the Company would be released from any commitment to pay him a non-compete compensation.</p> <p>It should be noted that Thierry Le Hénaff will only be entitled to this indemnity if his departure is not concomitant with his retirement. Moreover, Thierry Le Hénaff will not be entitled to the indemnity once he reaches the age of 65. In these two cases, Thierry Le Hénaff will be released from his obligations.</p> <p>Lastly, in accordance with the recommendations of the AFEP-MEDEF Code, in the event of the simultaneous application of severance pay and the non-compete compensation, the cumulative amount of these indemnities will not exceed two years of fixed and variable compensation (as defined above).</p>

(1) Estimate of the amounts payable at 31 December 2020, in a theoretical case of forced departure, in accordance with the provisions of article L. 22-10-9, I, 4° of the French Commercial Code: €4,293,000.

Equity ratios between the compensation of the Chairman and Chief Executive Officer and the average and median compensation of the Company's employees as well as the annual change in the Chairman and Chief Executive Officer's compensation, the Company's performance, the average

compensation of the Company's employees (other than executives) and the above-mentioned fairness ratios over the last five years, are described in section 3.4.2.2 of the 2020 Universal Registration Document.

Compensation policy for non-executive directors

Compensation principle

The compensation of non-executive directors is reviewed every four years, at the end of the Company's Chairman and Chief Executive Officer's term of office as a director. It was last reviewed and adopted at the annual general meeting of 19 May 2020. In accordance with the compensation policy submitted to it, the said annual general meeting set the maximum annual amount of compensation that the Board of Directors may allocate between its members and those of the specialized committees at €800,000.

As announced in the press release published by the Company on 14 April 2020 in the context of the Covid-19 health crisis, the amount and allocation of this compensation applicable from 1 January 2021 are as follows:

- an annual fixed amount of €25,000 per director paid on a *pro rata* basis in the event of a change during the year; and
- a predominant variable amount based on directors' attendance, as follows:
 - €3,500 per director present at a Board of Directors' meeting, except for exceptional meetings held by conference call and of a shorter duration for which the variable amount is set at €1,750,
 - €2,500 per director present at a specialized committee meeting (excluding the Chairman), except for exceptional meetings held by conference call and of a shorter duration for which the variable amount is set at €1,250, and

- €5,000 per committee Chairman present at a specialized committee meeting, except for exceptional meetings held by conference call and of a shorter duration for which the variable amount is set at €2,500.

The senior independent director receives an additional annual fixed compensation of €10,000.

In accordance with the recommendations of the AFEP-MEDEF Code, these allocation rules take account of the directors' membership of the Board of Directors and/or its committees, and their effective participation in meetings, by making the variable portion of their compensation predominant. The amounts allocated are adapted in accordance with the level of responsibility entrusted to directors and the time they must devote to their duties. The compensation and employment conditions of the Company's employees are also an integral part of the process for determining and revising the compensation policy and are taken into account when analyzing the consistency of the compensation structure in place. Rules are also designed to comply with Group policy on preventing potential conflicts of interest between the directors and the Company.

The compensation policy for non-executive director as voted by the annual general meeting on 19 May 2020 for a 4-year term is again submitted, unchanged, in accordance with Article L. 22-10-8 II of the French Commercial Code, to the approval of the annual general meeting under the **8th resolution**.

Implementation of compensation policy for 2020

In the context of the Covid-19 crisis, on 14 April 2020 the Board of Directors decided that the new rules for allocating the compensation of non-executive directors defined above, *i.e.* increase in the variable amount based on directors' attendance at Board and Committee's meetings, would not apply until 1 January 2021. Consequently, the method of allocating the directors' compensation in 2020 remained unchanged from 2019, *i.e.*:

- an annual fixed amount of €25,000 per director paid on a *pro rata* basis in the event of a change during the year; and
- a predominant variable amount based on directors' attendance, as follows:
 - €3,000 per director present at a Board of Directors' meeting, except for exceptional meetings held by conference call and of a shorter duration for which the variable amount is set at €1,500,

- €2,000 per member present at a specialized committee meeting (excluding the Chairman), except for exceptional meetings held by conference call and of a shorter duration for which the variable amount is set at €1,000, and
- €4,000 per committee Chairman present at a specialized committee meeting, except for exceptional meetings held by conference call and of a shorter duration for which the variable amount is set at €2,000.

The senior independent director received additional annual fixed compensation of €10,000.

In accordance with the compensation policy set out above, compensation awarded to non-executive directors for 2020 thus amounted to €606,500 (compared to €549,250 for 2019), allocated as follows based on the attendance rates of each director.



(In euros)	2020		2019	
	Amounts awarded	Amounts paid ⁽¹⁾	Amounts awarded	Amounts paid
Yannick Assouad, director	50,500	47,250	46,000	46,000
Jean-Marc Bertrand, director representing shareholder employees	None ⁽²⁾	None ⁽²⁾	None ⁽²⁾	None ⁽²⁾
Isabelle Boccon-Gibod, permanent representative of the FSP, director	64,000	59,500	58,000	58,000
Marie-Ange Debon, director	76,000	71,500	70,000	70,000
Ian Hudson, director	64,000	59,500	37,250 ⁽³⁾	37,250 ⁽³⁾
Alexandre de Juniac, director	58,500	56,000	53,000	53,000
Victoire de Margerie, director	58,500	49,500	46,500	46,500
Laurent Mignon, director	47,500	41,500	41,500	41,500
Hélène Moreau-Leroy, senior independent director	74,000	69,500	68,000	68,000
Thierry Morin, director	66,000	65,500	60,000	60,000
Nathalie Muracciole, director representing employees	None ⁽⁴⁾	None ⁽⁴⁾	None ⁽⁴⁾	None ⁽⁴⁾
Marc Pandraud, director	47,500 ⁽⁵⁾	43,000 ⁽⁵⁾	43,000 ⁽⁵⁾	43,000 ⁽⁵⁾
Susan Rimmer, director representing employees	None ⁽⁴⁾	None ⁽⁴⁾	None ⁽⁴⁾	None ⁽⁴⁾
TOTAL	606,500	563,000	549,250 ⁽⁶⁾	549,250 ⁽⁶⁾

(1) Amounts paid in 2020 based on the payment arrangements for each of the directors.

(2) Jean-Marc Bertrand is on the payroll of Arkema France and does not receive any compensation as a director representing shareholder employees.

(3) Ian Hudson has been a director of the Company since 21 May 2019.

(4) Nathalie Muracciole and Susan Rimmer are on the payroll of Arkema France and do not receive any compensation as directors representing employees.

(5) Marc Pandraud declines all amounts due to him in return for his work as a director of Arkema and requests that the Company donate his compensation to charity.

(6) This amount includes compensation paid to directors, whose terms of office expired in 2019.

With the exception of Jean-Marc Bertrand, director representing shareholder employees, and Nathalie Muracciole and Susan Rimmer, directors representing employees, who are paid a salary by Arkema France, the non-executive directors received no other compensation or benefits in 2020 from the Company. Furthermore, no compensation other than that mentioned above and paid by the Company was paid to non-executive directors by other Group companies during the year. According to

the article L. 22-10-34 of the French Commercial Code, the compensation components of the non-executive director as mentioned above, together with the compensation components referred to in article L. 22-10-91 of the French Commercial Code and mentioned in pages 18 to 21 of this notice of meeting, are submitted to the vote of the annual general meeting in respect of the **10th resolution**.

PROPOSED AGENDA AND RESOLUTIONS



Proposed agenda for the combined annual general meeting

Resolutions proposed to the ordinary general meeting

- Approval of the Company's financial statements for the year ended 31 December 2020.
- Approval of the consolidated financial statements for the year ended 31 December 2020.
- Allocation of profit for the year ended 31 December 2020 and setting of the dividend.
- Approval of the agreements and commitments referred to in articles L. 225-38 *et seq.* of the French Commercial Code (*Code de commerce*).
- Appointment of Thierry Pilenko as a member of the Board of Directors.
- Appointment of Bpifrance Investissement as a member of the Board of Directors.
- Appointment of Ilse Henne as a member of the Board of Directors.
- Approval of the compensation policy for directors, other than the Chairman and Chief Executive Officer.
- Approval of the compensation policy for the Chairman and Chief Executive Officer.
- Approval of the information provided for in the report on corporate governance relating to the remuneration of executive officers.
- Approval of the components of compensation paid in or awarded to the Chairman and Chief Executive Officer for the year ended 31 December 2020.
- Authorization granted to the Board of Directors to carry out a share buyback program.

Resolutions proposed to the extraordinary general meeting

- Authorization granted to the Board of Directors for a period of 24 months to reduce the share capital by canceling shares.
- Amendments of articles 10.3 and 16.5 of the Company's Articles of Association.
- Powers to carry out formalities.



Presentation and text of the resolutions proposed by the Board of Directors

Resolutions proposed to the ordinary general meeting

1ST & 2ND RESOLUTIONS

APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR

OVERVIEW

The purpose of the **1st and 2nd resolutions** is to approve respectively the Company's financial statements and the Arkema Group's consolidated financial statements for the year ended 31 December 2020.

FIRST RESOLUTION

(Approval of the Company's financial statements for the year ended 31 December 2020)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the Company's financial statements for the year ended 31 December 2020, the Board of Directors' management report and the statutory auditors' reports, approves said financial statements, as well as the transactions reflected therein and described in said reports.

In accordance with the provisions of article 223 *quater* of the French Tax Code (*Code général des impôts*), the annual general meeting approves the expenses and charges mentioned in article 39-4 of the French Tax code, which amounted to €88,311 in the financial year ended 31 December 2020, and given the Company's tax position in 2020, the non-deductibility of these expenses resulted in an additional current tax of €14,139.

SECOND RESOLUTION

(Approval of the consolidated financial statements for the year ended 31 December 2020)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the consolidated financial statements for the year ended 31 December 2020, the Board of

Directors' Group management report and the statutory auditors' report on the consolidated financial statements, approves said financial statements, as well as the transactions reflected therein and described in said reports.

3RD RESOLUTION

ALLOCATION OF PROFIT AND SETTING OF THE DIVIDEND

OVERVIEW

The purpose of the **3rd resolution** is to approve the distribution of a **dividend of €2.50 per share, 14% up** compared to prior year. The payout ratio amounts to 49% of the Group's adjusted net income per share.

This proposal together with the implementation of a €300 million share buyback program after the finalization of the divestment of MMA/PMMA business, include the restitution to the shareholders of the €0.50 per share portion of dividend which had been retained in 2020. The shares will trade ex-dividend as of **26 May 2021**. The dividend will be payable as of **28 May 2021**.

THIRD RESOLUTION

(Allocation of profit for the year ended 31 December 2020 and setting of the dividend)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having noted that the Company's financial statements for the year ended 31 December 2020 show a profit of €102,815,816.76, plus prior retained earnings of €1,900,510,348.22, decides, as recommended by the Board of Directors, to allocate the distributable profit for the financial year as follows:

Source	
Profit for the period	€102,815,816.76
Prior retained earnings	€1,900,510,348.22
Distributable profit	€2,003,326,164.98

Allocation	
Legal reserve	€112,256
Dividend distribution ⁽¹⁾	€191,841,190
Retained earnings	€1,811,372,718.98

(1) The total dividend distribution is calculated on the basis of the number of shares carrying dividend rights at 1 January 2020 and existing on the date of the Board of Directors' meeting adopting the proposed resolution and therefore granting dividend rights. The total may vary if the number of shares carrying dividend rights changes up to the ex-dividend date depending, for example, on the number of treasury shares held by the Company.

PROPOSED AGENDA AND RESOLUTIONS

Accordingly, the annual general meeting decides to pay a dividend of €191,841,190 with regard to the 76,736,476 shares carrying dividend rights at 1 January 2020 and existing on the date of the Board of Directors' meeting adopting the proposed resolutions, corresponding to a distribution of two euros and fifty cents (€2.50) per share, it being specified that full powers are granted to the Board of Directors to set the definitive total amount of the dividend, the balance of distributable income and consequently the amount to be allocated to retained earnings.

The shares will be traded ex-dividend as of 26 May 2021 and the dividend for the 2020 financial year will be paid as of 28 May 2021.

In accordance with article 243 *bis* of the French Tax Code, this dividend is eligible in full for the 40% tax relief available to individual shareholders domiciled for tax purposes in France as

provided for in article 158.3-2° of the aforementioned Tax Code, provided notably that the beneficiary has elected for taxation on the progressive income tax scale.

The dividend paid for the last three financial years was as follows:

Financial year	2019	2018	2017
Dividend distribution (in euros)	168,171,755.40	190,282,390.00	175,827,067.30
Net dividend per share (in euros)	2.20 ⁽¹⁾	2.50 ⁽¹⁾	2.30 ⁽¹⁾

(1) Eligible in full for the 40% tax relief available to individual shareholders domiciled for tax purposes in France as provided for in article 158.3-2° of the French Tax Code, applicable, under certain conditions, in the event of election of taxation on the progressive income tax scale.

4TH RESOLUTION

APPROVAL OF RELATED-PARTY AGREEMENTS

OVERVIEW

In accordance with the law, the Board of Directors performed its annual review of the related-party agreements entered into and authorized during previous years, and still in place during the year ended 31 December 2020. It noted that the only agreement in force in 2020, already approved by the annual general meeting of 7 June 2016, is the commitment related to the early termination of the Chairman and Chief Executive Officer's term of office, which terminated on 19 May 2020.

In addition, during the 2020 financial year, the Board of Directors authorized a multi-currency syndicated credit facility agreement with, among others, the Natixis and JP Morgan Securities PLC banks. The agreement provides for the implementation of a syndicated credit facility of a maximum amount of €1 billion by nine banks, including Natixis and JP Morgan Securities PLC, in favor of Arkema and its subsidiary Arkema France, for the purpose of financing the Company's general requirements.

Consequently, the purpose of the **4th resolution** is to duly note the information relating to the related-party agreements and commitments as set out in the statutory auditors' special report and to approve the agreement authorized and entered into during the financial year ended 31 December 2020 referred to in this report. This report is included in section 7.1 of the 2020 Universal Registration Document.

FOURTH RESOLUTION

(Approval of the agreements and commitments referred to in articles L. 225-38 et seq. of the French Commercial Code)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the statutory auditors' special report provided for in article L. 225-40 of the French Commercial Code, duly notes the information relating to the

agreements entered into and the commitments made during prior financial years and approved by the annual general meeting and approves the agreement authorized and entered into during the financial year ended 31 December 2020 referred to in this report.

5TH TO 7TH RESOLUTIONS

COMPOSITION OF THE BOARD OF DIRECTORS

OVERVIEW

The terms of office of Yannick Assouad, Thierry Morin and Marc Pandraud are due to expire at the close of this annual general meeting.

On the recommendation of the Nominating, Compensation and Corporate Governance Committee, the Board of Directors proposes to this annual general meeting to **appoint for a four-year term**:

- **Thierry Pilenko**, French national living in the United States, as independent director. His appointment will enable the Board to benefit from his experience as Chairman and Chief Executive Officer of listed companies, as a top-level energy industry executive in a highly international environment (Europe, Africa, the Middle East, Asia and North America), as well as from his extensive experience in technologies, new materials and talent management (**5th resolution**);
- **Bpifrance Investissement**, representing the Lac1 fund, as independent director. Its appointment will enable the Board to benefit from its in-depth knowledge of Arkema's key markets, technological and environmental transition, as well as expertise in the governance of listed companies. In accordance with the AFEP-MEDEF Code, the Board considered that the percentage of Arkema's capital owned by Lac1, which is less than 10%, did not disqualify Bpifrance Investissement from acting as an independent director at the date of appointment. Bpifrance Investissement would have **Sébastien Moynot** as permanent representative (**6th resolution**);



- **Ilse Henne**, Belgian national living in Germany, as independent director. Her appointment will enable the Board to benefit from her international management experience in metals trading, storage and processing, which has led her to develop expertise in strategic evolution, operational performance improvement and supply chain excellence, as well as in-depth knowledge of some key sectors for Arkema, particularly the automotive industry (**7th resolution**).

Subject to the annual general meeting of 20 May 2021 approving these proposals:

- Thierry Pilenko will be appointed as Chairman of the Nominating, Compensation and Corporate Governance Committee to replace Thierry Morin;
- Ilse Henne will be appointed member of the Audit and Accounts Committee; and
- Bpifrance Investissement, represented by Sébastien Moynot, will be appointed as member of the new Innovation and Sustainable Growth Committee.

In view of these changes and subject to approval of these resolutions, **seven** of the **fourteen members** of the Board of Directors would be **women** at the close of this annual general meeting, *i.e.* **45%** (excluding directors representing employees and shareholder employees). In addition, with eight independent members, **the independence rate would amount to 73%** (excluding directors representing employees and shareholder employees), representing an increase compared to 2020 (64%). Lastly, the internationalization of the Board would be reinforced through the presence of three foreign nationals, seven members who have had international careers, and a director living in the United States.

The education and professional experience of Ilse Henne, Thierry Pilenko, Sébastien Moynot and Bpifrance Investissement are set out in pages 15 and 16 of this document.

FIFTH RESOLUTION

(Appointment of Thierry Pilenko as a member of the Board of Directors)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the Board of Directors' report, decides to appoint Thierry Pilenko as a director for a term of

four (4) years expiring at the close of the annual general meeting to be held in 2025 to approve the financial statements for the year ending 31 December 2024.

SIXTH RESOLUTION

(Appointment of Bpifrance Investissement as a member of the Board of Directors)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the Board of Directors' report, decides to appoint Bpifrance Investissement as a director for

a term of four (4) years expiring at the close of the annual general meeting to be held in 2025 to approve the financial statements for the year ending 31 December 2024.

SEVENTH RESOLUTION

(Appointment of Ilse Henne as a member of the Board of Directors)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the Board of Directors' report, decides to appoint Ilse Henne as a director for a term of four (4)

years expiring at the close of the annual general meeting to be held in 2025 to approve the financial statements for the year ending 31 December 2024.

8TH & 9TH RESOLUTION

APPROVAL OF THE COMPENSATION POLICY FOR NON-EXECUTIVE DIRECTORS AND THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

OVERVIEW

In accordance with article L. 22-10-8 II of the French Commercial Code:

- In the **8th resolution**, the Board of Directors recommends that you approve the **compensation policy for non-executive directors, other than the Chairman and Chief Executive Officer**, as defined by the Board of Directors on the recommendation of the Nominating, Compensation and Corporate Governance Committee and presented in the corporate governance report provided for in article L. 225-37 of said Code. This compensation policy is presented in section 3.4.1.1 of the 2020 Universal Registration Document, on page 124, and on page 22 of this document.
- In the **9th resolution**, the Board of Directors recommends that you approve **the compensation policy for the Chairman and Chief Executive Officer** as defined by the Board of Directors, on the recommendation of the Nominating, Compensation and Corporate Governance Committee and presented in the corporate governance report provided for in article L. 225-37 of the French Commercial Code. This compensation policy is presented in section 3.4.2.1 of the 2020 Universal Registration Document, on pages 126 to 132, and on pages 17 and 18 of this document.

PROPOSED AGENDA AND RESOLUTIONS

EIGHTH RESOLUTION

(Approval of the compensation policy for directors, other than the Chairman and Chief Executive Officer)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the corporate governance report referred to in article L. 225-37 of the French Commercial Code describing the compensation policy for directors,

other than the Chairman and Chief Executive Officer, approves said policy as presented in section 3.4.1.1 of the 2020 Universal Registration Document, in compliance with article L. 22-10-8 II of the French Commercial Code.

NINTH RESOLUTION

(Approval of the compensation policy for the Chairman and Chief Executive Officer)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the corporate governance report referred to in article L. 225-37 of the French Commercial Code describing the compensation policy for the Chairman

and Chief Executive Officer, approves said policy as presented in section 3.4.2.1 of the 2020 Universal Registration Document, in compliance with article L. 22-10-8 II of the French Commercial Code.

10TH RESOLUTION

APPROVAL OF THE INFORMATION PROVIDED FOR IN THE REPORT ON CORPORATE GOVERNANCE RELATING TO THE REMUNERATION OF EXECUTIVE OFFICERS

OVERVIEW

Pursuant to article L. 22-10-34 II of the French Commercial Code, the purpose of the **10th resolution** is to submit to the approval of shareholders the information about the compensation of directors, including the Chairman and Chief Executive Officer, referred to in article L. 22-10-91 of the French Commercial Code, and presented in the corporate governance report provided for in article L. 225-37 of said Code. This information is provided in detail in sections 3.4.1.2 and 3.4.2.2 of the 2020 Universal Registration Document, on pages 124 and 125, pages 132 to 137, and on pages 18 to 23 of this document.

TENTH RESOLUTION

(Approval of the information provided for in the report on corporate governance relating to the remuneration of executive officers)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the corporate governance report referred to in article L. 225-37 of the French Commercial Code, approves the information provided for

in article L. 22-10-34 I and presented in sections 3.4.1.2 and 3.4.2.2 of the 2020 Universal Registration Document, in compliance with article L. 22-10-9 of the French Commercial Code.

11TH RESOLUTION

APPROVAL OF THE COMPONENTS OF COMPENSATION PAID IN OR AWARDED TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR THE YEAR ENDED 31 DECEMBER 2020

Pursuant to article L. 22-10-34 II of the French Commercial Code, the purpose of the **11th resolution** is to submit to the approval of shareholders the fixed, variable and exceptional components of the total compensation and benefits of any kind paid in or awarded for the year ended 31 December 2020 to Thierry Le Hénaff, Chairman and Chief Executive Officer. Payment of the variable compensation due for the past financial year is subject to the approval of this resolution.

The components of the remuneration are set out in detail in section 3.4.2.2 of the 2020 Universal Registration Document, on pages 132 to 137 and on pages 18 to 21 of the present document.



ELEVENTH RESOLUTION

(Approval of the components of compensation paid or awarded to the Chairman and Chief Executive Officer for the year ended 31 December 2020)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the corporate governance report referred to in article L. 225-37 of the French Commercial Code, approves the fixed, variable and exceptional

components of the total compensation and benefits of any kind paid in or awarded for the year ended 31 December 2020 to Thierry Le Hénaff, as presented in section 3.4.2.2 of the 2020 Universal Registration Document, in compliance with article L. 22-10-34 II of the French Commercial Code.

12TH RESOLUTION

SHARE BUYBACKS

OVERVIEW

The purpose of the **12th resolution** is to **renew the authorization** granted to the Board of Directors by the annual general meeting on 19 May 2020 **to purchase or arrange for the purchase of shares in the Company**. The purchase of shares may be carried out at any time, **except from the date a takeover bid for the Company’s shares is filed by a third party and until the end of the offer period**.

Main characteristics of the proposed share buyback program

Maximum purchase price: **€135 per share**

Overall theoretical maximum aggregate amount that may be allocated to the share buyback program (based on the share capital at 31 December 2020): **€1,035,942,345**

Maximum percentage of shares that can be bought back: **10% of the total amount of shares comprising the Company’s share capital**

Objectives of the share buyback program: **any purpose permitted by law**

Length of the authorization: **18 months**

Use of the previous authorization

Between 19 May 2020 and 31 March 2021, the Company repurchased 453,682 shares. At 31 December 2020, the Company owned 59,756 treasury shares that were all allocated for the purpose of covering the performance share plans put in place in order to foster the loyalty and motivate Group’s employees. These treasury shares are used to vest performance shares without any dilutive effect for shareholders.

The detailed information related to the current and proposed share buyback programs is presented in paragraph 6.2.4 of the 2020 Universal Registration Document on pages 353 to 355.

TWELFTH RESOLUTION

(Authorization granted to the Board of Directors for a period of 18 months to carry out a share buyback program)

The annual general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and having considered the Board of Directors’ report, authorizes the Board of Directors, or any person duly authorized to act on its behalf, to purchase or arrange to have purchased, shares in the Company in accordance with articles L. 22-10-62 *et seq.* of the French Commercial Code, regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 and Title IV of Book II of the general regulations of the French financial markets authority (*Autorité des marchés financiers* – AMF). The number of shares that may be held by the Company under this authorization at any given date may not be greater than 10% of the share capital. The number of shares held by the Company may be adjusted as necessary to take into account transactions that affect the share capital occurring after this annual general meeting. The authorization is granted under the following conditions:

(i) the maximum purchase price is €135 per share.

However, the Board of Directors may adjust the purchase price to take into account the impact on the share price of transactions such as a capitalization of share premiums, reserves or earnings giving rise either to an increase in the par value of the shares or the issuance and award of free shares, a stock split or reverse stock split, or any other transaction affecting shareholders’ equity;

- (ii) based on the share capital at 31 December 2020, the theoretical amount that may be dedicated to this share buyback program may not exceed €1,035,942,345;
- (iii) under no circumstances can the Company hold, directly or indirectly, more than 10% of its share capital as a result of the purchases made pursuant to this authorization;
- (iv) the shares bought back and held by the Company shall have no voting or dividend rights; and
- (v) such shares may be purchased or transferred at any time, except from the date of a takeover bid until the end of the offer period, under the conditions and within the limits, particularly as regards volume and price, permitted by law at the date of the transaction in question, by any and all means, including on the market or over the counter, by way of block trades or derivative financial instruments or warrants traded on a regulated market or over the counter, under the conditions permitted by the market authorities and at the times the Board of Directors or its delegated representative deems appropriate.

PROPOSED AGENDA AND RESOLUTIONS

The annual general meeting decides that these share purchases can be made for any purpose permitted by law either now or in the future, and notably for the following purposes:

- (i) implementing market practices allowed by the AMF such as purchasing or selling shares within the scope of a liquidity agreement entered into with an investment services provider and compliant with the Code of Conduct approved by the AMF, as well as any market practice subsequently permitted by the AMF or by law;
- (ii) purchasing shares in the Company in order to hold them and subsequently tender them in exchange or as payment for any potential external growth transactions, it being specified that the shares purchased for this purpose may not exceed 5% of the Company's share capital at the time of the acquisition;
- (iii) putting in place and complying with obligations and in particular delivering shares upon the exercise of rights attached to securities giving immediate or future access by any means to shares in the Company, as well as carrying out any hedging transactions in respect of the Company's obligations regarding such securities, in accordance with the conditions provided for by the market authorities and at the times the Board of Directors or its delegated representative deems appropriate;
- (iv) covering stock option plans granted to employees or executive officers of the Company or its Group;
- (v) granting free shares in the Company to employees or executive officers of the Company or its Group, particularly under the conditions provided for in articles L. 225-197-1 to L. 225-197-3, L. 22-10-59 and L. 22-10-60 of the French Commercial Code;
- (vi) offering employees the opportunity to acquire shares, whether directly or via a company savings plan (*Plan d'Épargne Entreprise*), under the terms provided for by law and notably articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*); and
- (vii) canceling all or some of the purchased shares in order to reduce the Company's share capital.

The annual general meeting grants full powers to the Board of Directors, with the possibility to sub-delegate such powers under the conditions set by law, to ensure the implementation of this authorization, and in particular to set the terms and conditions thereof, carry out the share buyback program and notably place all stock market orders, enter into any agreements, prepare and amend any documents, in particular information documents, carry out all formalities, including assigning or reassigning the purchased shares to the various purposes pursued, make all declarations to the AMF and any other bodies and, in general, do whatever may be necessary.

The annual general meeting decides that this authorization is granted for a period of eighteen (18) months from the date of this annual general meeting. It renders ineffective the unused portion of any prior authorization granted for the same purpose and in particular that given by the annual general meeting of 19 May 2020 in its 11th resolution.

Resolutions proposed to the extraordinary general meeting

13TH RESOLUTION

SHARE CAPITAL REDUCTION BY CANCELING SHARES

OVERVIEW

The purpose of the **13th resolution** is to **renew** the authorization granted by the annual general meeting of 21 May 2019 to reduce the share capital, on one or more occasions, by canceling all or some of the shares acquired under the share buyback authorization granted in the 12th resolution, up to **a maximum of 10%** of the Company's share capital for a period of 24 months.

This authorization should be granted for **a period of 24 months** from the date of this annual general meeting. It would render ineffective the prior authorization granted for the same purpose.

THIRTEENTH RESOLUTION

(Authorization granted to the Board of Directors for a period of 24 months to reduce the share capital by canceling shares)

The annual general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, and having considered the Board of Directors' report and the statutory auditors' special report, in accordance with the provisions of articles L. 22-10-62 *et seq.* of the French Commercial Code:

- authorizes the Board of Directors to reduce the share capital, on one or more occasions, in the proportions and at the times it deems appropriate, by the cancellation of any number of treasury shares (including all or part of the shares acquired under the authorization granted in the 12th resolution of this annual general meeting) up to a maximum of 10% of the Company's share capital per twenty-four (24) month period. The number of the Company's shares may be adjusted as necessary to take into account transactions that affect the share capital occurring after this annual general meeting;
- decides that the difference between the book value of the canceled shares and their par value will be allocated to the "share premium" account or to any other available reserve account, including the legal reserve, within the limit of 10% of the share capital reduction; and
- grants full powers to the Board of Directors, with the possibility to sub-delegate such powers under the conditions set by law, to carry out the share capital reduction resulting from the cancellation of shares and the abovementioned allocation, and accordingly amend the Company's Articles of Association and carry out any necessary formalities.



The annual general meeting decides that this authorization is granted to the Board of Directors for a period of twenty-four (24) months from the date of this annual general

meeting. It renders ineffective any prior authorization granted for the same purpose and in particular that given by the annual general meeting of 21 May 2019 in its 12th resolution.

14TH RESOLUTION

AMENDMENTS OF ARTICLES OF ASSOCIATION

OVERVIEW

The **14th resolution** involves various amendments to the Articles of Association arising from the enactment of order no. 2020-1142 of 16 September 2020 creating, within the French Commercial Code, a specific division for companies whose securities are admitted to trading on a regulated market or a multilateral trading facility, gathered within the French Commercial Code all the specific provisions applicable to listed companies, amending (or repealing) certain articles and creating new articles in a new Chapter X (Companies whose securities are admitted to trading on a regulated market or a multilateral trading facility) of Title II of Book II of the French Commercial Code.

In this context, it is proposed to **update** the references to the French Commercial Code contained in **articles 10.3 and 16.5 of the Articles of Association**.

FOURTEENTH RESOLUTION

(Amendments of articles 10.3 and 16.5 of the Company's Articles of Association)

The annual general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, and having considered the Board of Directors' report recalling that Order no. 2020-1142 of 16 September 2020 creating, within the French Commercial Code a division specific to companies whose securities are admitted to trading on a regulated market or on a multilateral trading facility has gathered the legislation dedicated to listed companies in a new chapter of the French Commercial Code, decides to update the references to the articles of the French Commercial Code cited in the Company's Articles of Association, by amending article 10.3 paragraph 1 and paragraph 10 and article 16.5 paragraph 1 of the Articles of Association as follows (the added references are marked in bold and the deleted references are barred):

"10.3 Directors representing employees

*In accordance with the provisions of **articles L. 225-27-1 and L. 22-10-7** of the French Commercial Code, the number of directors representing employees on the Board of Directors is determined by the number of directors appointed by the ordinary general meeting.*

(...)

*The director(s) representing employees is/are not taken into account when establishing the minimum and maximum number of directors provided for in article 10.1 above nor when applying the first paragraph of article L. 225-18-1 **and of article L. 22-10-3** of the French Commercial Code."*

"16.5 Representation

*Shareholders may be represented at general meetings by another shareholder; their spouse or partner with whom they have entered into a pacte civil de solidarité or any other individual or legal entity in accordance with the conditions set out in article L.225-106 et seq., **and L. 22-10-39 et seq.** of the French Commercial Code. (...)"*

15TH RESOLUTION

POWERS FOR FORMALITIES

FIFTEENTH RESOLUTION

(Powers to carry out formalities)

The annual general meeting grants full powers to the bearer of an original, a copy or an excerpt of the minutes of this annual general meeting for the purposes of performing all filing, publicity or other formalities that may be required.

OPTION FOR THE E-NOTICE



FOR REGISTERED SHAREHOLDERS ONLY

The e-notice is a simple, fast and secure way of being invited to the general meeting that will enable you to receive by email a notice of meeting along with a voting form.

As part of our gradual digitalization process, since the general meeting of 21 May 2019 you may now opt for the e-notice. By choosing this option, you will be able to receive all the relevant documentation as soon as it is available and you will contribute to better protect the environment by avoiding the print-out and sending of notices by post.

To opt for the e-notice, you simply need to **fill in the reply form below with your name, first name, date of birth and email address**, and send it

back to us at the following address: Arkema – Investor Relations department – 420, rue d’Estienne d’Orves – 92705 Colombes Cedex – France.

You can also **log into the Planetshares website** using your usual ID and password, select “My personal information”/“My e-services” and fill in the section “Convocation by email to general shareholders’ meetings”.

If you had already opted for the e-notice but continue to receive a hard copy of

documents, we suggest you renew your request by filling in and sending us the reply form below or by logging into the Planetshares website.



REPLY FORM TO OPT FOR THE E-NOTICE



PLEASE RETURN THE FORM TO ARKEMA

by e-mail

actionnaires-individuels@arkema.com

by post

ARKEMA

Investor Relations department

420, rue d’Estienne d’Orves

92705 Colombes Cedex – France

I wish to receive my notice of meeting and the documents relating to Arkema’s shareholders’ general meetings from the shareholders’ general meetings to be held following that of 20 May 2021.

To that effect, I fill in the following details (all required information is mandatory):

I, undersigned,

Mrs Mr

Name: First name: Date of birth (dd/mm/yyyy):

I mention below my email address (to be filled in capital letters):

.....@.....

Signed at: on:

Signature



REQUEST FORM FOR ADDITIONAL DOCUMENTS



COMBINED ANNUAL GENERAL MEETING 2021

Thursday 20 May 2021



PLEASE RETURN THE FORM TO ARKEMA

by e-mail

actionnaires-individuels@arkema.com

by post

ARKEMA

Investor Relations department

420, rue d'Estienne d'Orves

92705 Colombes Cedex – France

Documents and information referred to in article R. 225-83 of the French Commercial Code, included in the 2020 Universal Registration Document, are available and/or can be ordered on the website www.finance.arkema.com.

I, undersigned,

Mrs Mr Company

Name (or company name): First name:

N°: Street:

Postcode: City: Country:

Email adress:@.....

Acknowledge having received the documents relating to the combined annual general meeting of 20 May 2021 and referred to in article R. 225-81 of the French Commercial Code, *i.e.*, the agenda, proposed resolutions and summary presentation of the Company's situation during the year that just ended (together with a table of the last five-year results).

Request Arkema to send me prior to the combined annual general meeting, the documents and information referred to in article R. 225-83 of the French Commercial Code and included in the 2020 Universal Registration Document.

Within the current context and in accordance with the article 3 of the Order no. 2020-321 dated 25 March 2020, relating to the adaptation of rules for holding and participating in shareholders meetings and meetings of management bodies of legal entities and unincorporated entities governed by private law due to the Covid-19 epidemic, extended by the Decree no. 2021-255 of 9 March 2021, any shareholder who has provided an e-mail address will receive an electronic version of these documents. Otherwise, a hard copy of these documents will be sent as soon as possible.

Signed at: on: 2021

Signature









Investor Relations Department
420, rue d'Estienne d'Orves
92700 Colombes – France
www.arkema.com

