



ADDENDUM TO THE SHARE-BASED COMPENSATION POLICY PUBLISHED IN THE 2021 UNIVERSAL REGISTRATION DOCUMENT

This addendum is attached to the notice of meeting for the Shareholders' annual general meeting to be held on 19 May 2022 (hereinafter, "the annual general meeting").

The purpose of this addendum is to complete the description of the changes made by the Board of Directors to the share-based compensation policy currently applicable, in the context of the renewal of the authorization to grant performance shares published in the Company's 2021 Universal Registration Document ⁽¹⁾ (the "2021 Universal Registration Document"), in which the retranscription of the elements relating to the relative weight of Total Shareholder Return (TSR) in the vesting of the performance shares and the assessment of outperformance was omitted.

Thus, this addendum complements and constitutes an integral component of (i) the corporate governance report provided for in article L. 225-37 of the French Commercial Code describing the compensation policy of executive directors, in particular section 3.5 "Share-based compensation" of the 2021 Universal Registration Document and section 3.4.2 "Compensation policy for executive directors", which refers to it, and (ii) the report of the Board of Directors to the annual general meeting presented in section 7.3 of the 2021 Universal Registration Document, which refers to the items mentioned in (i).

Share-based compensation

In a decision dated 23 February 2022, the Board of Directors submitted to the annual general meeting the renewal of the authorization given in 2019 to allow the Board of Directors to continue to benefit from the possibility of granting performance shares to executives and certain employees of Arkema.

In its decision, the Board of Directors modified the weighting of performance criteria in the vesting of performance shares and the assessment of outperformance.

Weighting of performance criteria

While the version presented on page 137 *et seq.* of the published 2021 Universal Registration Document clearly states that the relative weighting of the CSR criterion will now be increased to 25% of the overall allocation, it should be noted that the Board of Directors has correlatively lowered the relative weighting of TSR, which will now account for 15% of the overall allocation, with the relative weighting of each of the other financial criteria remaining at 20%.

Consequently, the weighting of the various performance criteria should be read as follows:

- EBITDA margin of the Specialty Materials platform: 20%
- EBITDA to cash conversion rate: 20%
- comparative Total Shareholder Return: 15%
- return on average capital employed for the Specialty Materials platform: 20%
- CSR performance: 25%.

⁽¹⁾ Published on the Company's website and filed with the AMF (*Autorité des marchés financiers*) on 29 March 2022 under n° D. 22-0185.

Maximum achievement rate for each criterion

The Board of Directors also confirmed that the rule introduced under the performance share plan implemented in November 2021 (maximum achievement rate for each criterion capped at 100% in the event that the achievement rate for two criteria is strictly below 50%) would be unchanged under the new authorization.

The rest of the share-based compensation policy to be implemented under this authorization, subject to its renewal by the annual general meeting, remains unchanged and is set out in the 2021 Universal Registration Document (on page 137 *et seq.*).
