



**AMENDMENT TO  
THE 2019 UNIVERSAL REGISTRATION DOCUMENT**



This amendment to the Universal Registration Document is a free translation of the French language Universal Registration Document that was filed on 30 July 2020 with the French financial markets authority (*Autorité des marchés financiers* – AMF) as competent authority under Regulation (EU) 2017/1129 without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or the admission of securities to trading on a regulated market if supplemented by a prospectus, and, if applicable, a summary of all amendments to the Universal Registration Document. These documents must be approved by the AMF in accordance with Regulation (EU) 2017/1129.

This amendment must therefore be read in conjunction with the 2019 Universal Registration Document filed with the AMF on 26 March 2020 under number D.20-0182.

This document contains a concordance and cross-reference table which regroups all information incorporated by reference, as well as updates and modifications.

The 2019 Universal Registration Document and this amendment are available on the Arkema website ([www.arkema.com](http://www.arkema.com)) under Finance/Financials/Universal Registration Document, and are also available on the AMF website ([www.amf-france.org](http://www.amf-france.org)).

It should be noted that the information available on the Company's website is not part of this amendment, excluding the information expressly incorporated by reference in this amendment. The AMF has neither reviewed nor approved the information herein.

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## **1. PERSONS RESPONSIBLE**

### **1.1 Person responsible for the Amendment to the 2019 Universal Registration Document**

Thierry Le Hénaff, Chairman and Chief Executive Officer of Arkema.

### **1.2 Declaration by the person responsible for the Amendment to the 2019 Universal Registration Document**

*“I hereby declare, having taken all reasonable care to ensure that such is the case, that the information in this amendment is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its meaning.”*

Colombes, 29 July 2020

Thierry Le Hénaff  
Chairman and Chief Executive Officer

## **2. PROFILE, AMBITION AND STRATEGY**

### **2.1 Ambition and strategy**

Since its stock market listing in May 2006, Arkema has engaged in an in-depth transformation process, strengthening its competitiveness, making significant changes to its business portfolio through acquisitions and divestments, developing a more balanced geographic footprint and investing in innovation to respond to major trends in sustainable development.

Convinced that demand for innovative and sustainable materials can only continue to grow in response to new social needs linked to the development of mobility, greater environmental awareness and increasing urbanization, the Group has developed unique expertise in materials centered around bonding and assembly solutions, substitution by lighter or bio-based materials, and coatings and protection. The combination of these three competencies within one player in the chemicals industry is unique, and allows Arkema to benefit from strong synergies in terms of innovation, business development and industrial know-how.

On 2 April 2020, during the Investor Day, Arkema announced the launch of a new phase in its transformation based on these three areas of expertise. They are now regrouped into three coherent and complementary segments, Adhesive Solutions, Advanced Materials and Coating Solutions, which represented close to 80% of Group sales in 2019, and constitute the Specialty Materials platform on which Arkema's long-term vision is based. Over the next five years from 2020 to 2024, the Group will focus its efforts and development on this platform, in line with its ambition to become a global leader in Specialty Materials, that is able to offer the most innovative and sustainable solutions to meet the current and future challenges of its customers.

In addition to this platform, there are Intermediate chemicals, which are more cyclical in nature, regrouping PMMA, Fluorogases and Asia Acrylics. The share of these activities will be gradually reduced over time as the Group implements a specific strategy for each of them. In particular, the Group has begun examining the potential divestment of PMMA, as well as the possible alternatives to minimize exposure to the most emissive Fluorogas applications and rebalance its Asia Acrylics business between upstream and downstream.

By 2024, Arkema's ambition is to become a pure player in Specialty Materials, with a resilient and simplified portfolio with high profitability and strong cash generation. Arkema is aiming to generate sales of €10 to €11 billion, and an EBITDA margin of around 17% versus the current 15.8% for the Specialty Materials business. To complete this new step in its development, the Group intends to draw on its numerous innovation projects and investments in major projects such as the expansion of its specialty polyamides in Asia, which will help for example meet the challenges of materials lightweighting, 3D printing, new energies or energy efficiency in buildings. Arkema also intends to play an active part in the consolidation of the adhesives market.

In a world undergoing profound changes, innovation, corporate social responsibility and commercial excellence are more than ever at the core of the Group's strategy.

In addition, Arkema will retain its strict financial discipline, with a 2024 objective of a net debt to EBITDA ratio (including hybrid bonds) of less than 2 and a return on capital employed of more than 10%.

Between 2020 and 2024, the Group's cash generation is expected to grow further compared with the 2015-2019 period. By maintaining the net debt (including hybrid bonds) to EBITDA ratio at around end-2019 levels, it should allow Arkema to finance major organic growth projects and portfolio management operations, as well as to reward its shareholders, with a goal to gradually increase the payout ratio to around 40% by 2024. This should also allow for opportunistic share buyback operations in favorable market conditions.

The 2024 targets outlined in this document are based on the Group's current best estimates. Achieving these targets will depend on the duration and long-term economic impacts of the Covid-19 crisis.

## 2.2 Group activities

In line with the long-term ambition set out above, Arkema is now organized around three complementary, coherent business segments dedicated to Specialty Materials, namely Adhesive Solutions, Advanced Materials and Coating Solutions, and an Intermediates business segment consisting of activities with more volatile results.

The Adhesive Solutions segment is headed by a member of the Executive Committee, and the Advanced Materials, Coating Solutions and Intermediates segments are under the responsibility of a Chief Operating Officer who is also a member of the Executive Committee. Both of them report to the Chairman and CEO.

The Chief Operating Officer is supported by three other Executive Committee members, who report to him and are respectively in charge of the Coating Solutions business segment and each of the two Business Lines <sup>(1)</sup> making up the Advanced Materials business segment: High Performance Polymers and Performance Additives.

The composition of the business segments is as follows:

- the Adhesive Solutions segment comprises the following Business Lines:
  - Construction and Consumer, providing solutions for construction, renovation of buildings, and DIY,
  - Industrial Assembly, comprising high performance adhesives for durable goods, and adhesive solutions for packaging and non-woven.
- the Advanced Materials segment comprises the following Business Lines:
  - High Performance Polymers, consisting of specialty polyamides and PVDF,
  - Performance Additives, covering interface agents combining specialty surfactants and molecular sieves, organic peroxides, thiochemicals and hydrogen peroxide.
- the Coating Solutions segment comprises the following Business Lines:
  - Coating resins, combining the EU/US acrylics activities and coating resins,
  - Coating additives, combining Sartomer photocure specialties and Coatex rheology additives.
- the Intermediates segment comprises the following activities:
  - Fluorogases,
  - PMMA,
  - Asia Acrylics.

ADHESIVE SOLUTIONS		ADVANCED MATERIALS		COATING SOLUTIONS		INTERMEDIATES
Construction and Consumer	Industrial Assembly	High Performance Polymers	Performance Additives	Coating Resins	Coating Additives	PMMA Fluorogases Asia Acrylics
<b>SPECIALTY MATERIALS</b>						

<sup>(1)</sup> Business Lines are activities or groups of activities.

The 2019 key figures are set out below on the basis of this new segmentation:

2019*	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
<i>(In millions of euros)</i>						
<b>Sales</b>	<b>2,055</b>	<b>2,693</b>	<b>2,148</b>	<b>1,816</b>	<b>26</b>	<b>8,738</b>
<b>EBITDA</b>	<b>264</b>	<b>584</b>	<b>310</b>	<b>381</b>	<b>(82)</b>	<b>1,457</b>
<b>EBITDA margin</b>	<b>12.9%</b>	<b>21.7%</b>	<b>14.4%</b>	<b>21.0%</b>		<b>16.7%</b>
Recurring depreciation and amortization	(59)	(231)	(113)	(120)	(8)	(531)
<b>Recurring operating income (REBIT)</b>	<b>205</b>	<b>353</b>	<b>197</b>	<b>261</b>	<b>(90)</b>	<b>926</b>
<b>Capital expenditure</b>	<b>67</b>	<b>328</b>	<b>122</b>	<b>99</b>	<b>19</b>	<b>635</b>
Of which: recurring capital expenditure*	67	205	121	99	19	511
<b>Capital employed</b>	<b>2,612</b>	<b>2,645</b>	<b>1,432</b>	<b>984</b>	<b>244</b>	<b>7,917</b>
<b>ROCE</b>	<b>7.8%</b>	<b>13.3%</b>	<b>13.8%</b>	<b>26.5%</b>		<b>11.7%</b>

### **2.2.1 Adhesive Solutions (24% of total 2019 Group sales)**

Adhesive Solutions (Bostik) include all of Arkema's adhesives, glues and sealants for the construction and consumer markets, as well as for a large number of industrial markets. In 2019, Bostik reported sales of €2 billion, making it one of the global leaders in adhesive solutions.

Adhesive Solutions are organized into two Business Lines:

- **Construction and 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 hygiene.

### **2024 AMBITION**

By 2024, Arkema's ambition is to reach a new level in Adhesives Solutions in terms of size and profitability, and to consolidate its position as a global market leader. For this segment, the Group is aiming for high single-digit annual sales growth, including acquisitions, and a significant increase in EBITDA margin to approximately 16% in 2024 versus 13% in 2019.

### **STRATEGY AND MAIN GROWTH DRIVERS**

Over the next years, the very significant increase in the size of the Adhesive Solutions segment will require in particular:

- the continuation of bolt-on acquisitions in what is a still fragmented market, with the ambition of carrying out two to three small operations per year and one to three medium-sized acquisitions over the period. These acquisitions are expected to contribute to approximately two-thirds of the segment's sales growth, and
- sustained organic growth in high performance industrial adhesives in response to growing needs in lightweight solutions and in clients' technical expectations, as well as in sealants and flooring adhesive systems in the construction and consumer markets, where growth is driven by new environmental regulations and their increasingly widespread application in emerging countries. This growth will also rely on the continuation of geographic expansion, mainly in high-growth countries and regions such as China, India, Southeast Asia, Latin America and the Middle East.

In addition, in order to continue improving its financial performance, Bostik will be launching a new phase of cost rationalization, and strengthening its operational and commercial excellence programs.

### **2.2.2 Advanced Materials (31% of total 2019 Group sales)**

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

Advanced Materials are organized into two Business Lines:

- **High Performance Polymers**, which provide particularly interesting properties to materials (mechanical, chemical and thermal resistance, etc.) allowing them to be used in a very wide range of high-value added applications;
- **Performance Additives**, comprising tailor-made solutions which are essential to improve the efficiency of certain materials or optimize production processes.

### **2024 AMBITION**

By 2024, Arkema's ambition is to accelerate organic growth in Advanced Materials while maintaining a high level of profitability. The Group is therefore targeting for this segment average organic sales growth of around 4% per year and a stable EBITDA margin of around 22%.

### **STRATEGY AND MAIN GROWTH DRIVERS**

Over the following years, Arkema intends to maintain a high level of investment and innovation in Advanced Materials in order to meet the exponential demand for sustainable materials.

Growth in the segment will notably come from new innovative developments in high-value added and high-growth applications that address major sustainable development challenges (3D printing, water treatment, consumer electronics, aeronautics), as well as from new manufacturing capacities, mainly in Asia. The Group is also committed to strengthening its strategic and technological partnerships with its customers, which are the source of a multitude of developments and disruptive innovation opportunities, in particular in thermoplastic composites, lithium-ion batteries, mineral extraction solutions and animal nutrition.

Lastly, although future growth in Advanced Materials is expected to remain essentially organic, Arkema has not excluded the possibility of bolt-on acquisitions in order to strengthen its portfolio of technologies and to diversify its end-markets even further.

### **2.2.3 Coating Solutions (24% of total 2019 Group sales)**

The Coating Solutions segment includes the entire range of Arkema's materials and technologies for the coating market (decorative paints, industrial coating). The Group's offering of high-performance solutions and innovative technologies make it a global leader in this market that is exposed to increasingly strict environmental standards. Its coherent activities are backed by a competitive upstream in acrylic monomers. The segment is organized into two Business Lines: **Coating Resins** and **Coating Additives**.

### **2024 AMBITION**

By 2024, Arkema intends to accelerate its sales growth in Coating Solutions to almost 3% per year on average while increasing its profitability in order to raise its EBITDA margin to around 16% versus 14.4% in 2019.

## **STRATEGY AND MAIN GROWTH DRIVERS**

To accelerate its growth, the Coating Solutions segment will strengthen the presence of its downstream activities in higher-growth regions such as Asia. It will also actively pursue the development of its sustainable offering, notably in solutions with low volatile organic compounds, such as powder resins, photocure resins and water-based emulsions, which meet customers' growing needs for solutions that are ever more respectful of the environment. Arkema may also carry out bolt-on acquisitions to continue to reinforce its portfolio of technologies and its geographic presence in downstream activities.

These developments will be underpinned by measures to improve operational efficiency and by the reinforced integration between the upstream and downstream, thereby raising the segment's global performance and resilience.

### **2.2.4 Intermediates (21% of total 2019 Group sales)**

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.

Early April 2020, the Group announced that it was initiating a review of these activities in order to define and implement differentiated strategies for each activity, enabling Arkema to maximize value. During this review, the Group will assess the different alternatives that may potentially include divestments or partnerships.

In particular, the Group is considering the divestment of its PMMA activity. PMMA is a material that offers numerous properties as it can act as a substitute for glass or offer health protection qualities, but those properties do not match those of high-performance polymers.

The Group will also examine alternatives to reduce its exposure to the most emissive fluorogas applications, particularly those used for air conditioning and industrial refrigeration. These applications currently represent three-quarters of the activity's sales.

Lastly, the Group will review options to rebalance its acrylic activities in Asia between the upstream and downstream, notably through new partnerships upstream and targeted acquisitions downstream. As part of its strategic review, the Group finalized on 1 June 2020 the divestment of its Functional Polyolefins business, which generated annual sales of around €250 million.

## **3. RISKS AND INTERNAL CONTROL**

At the date of this document, the main risks to which Arkema considers it is exposed, as set out in section 2.1 "Main risks" of the 2019 Universal Registration Document, continue to be applicable. However, Arkema wishes to amend the section 2.1.3 "Operational risks" as follow:

### **Dependency on suppliers**

Arkema France signed an electricity supply agreement with EDF covering some of its industrial sites for a 25-year period (1996-2020) in return for payment to EDF of a sum corresponding to a drawing right. In first-half 2020, Arkema France negotiated new supply conditions for its industrial sites.

### **Risks related to the disruption caused by the Covid-19 public health crisis (added following the Board of Directors' meeting of 26 February 2020)**

The consequences of the Covid-19 epidemic, notably financial ones, are regularly updated in the Group's financial communication, in particular in the half-year 2020 financial report incorporated by reference in this document. In the first quarter, disruptions from the Covid-19 crisis had an impact of around €45 million on the Group's EBITDA.



## **4. RECENT EVENTS**

### **4.1 Highlights**

Highlights are described in the half-year 2020 financial report, incorporated by reference in this document ([www.finance.arkema.com](http://www.finance.arkema.com)).

### **4.2. Press releases**

#### **4.2.1 Press release of 15 April 2020**

On 15 April 2020, Arkema published:

- a press release relating to its solidarity commitment in response to the Covid-19 crisis;
- a press release relating to the procedures for the combined general meeting of shareholders of 19 May 2020.

#### **4.2.2 Press release of 6 May 2020**

On 6 May 2020, Arkema published a press release relating to its first-quarter 2020 results.

#### **4.2.3 Press release of 19 May 2020**

On 19 May 2020, Arkema published a press release relating to the combined general meeting of shareholders of 19 May 2020.

#### **4.2.4 Press release of 2 June 2020**

On 2 June 2020, Arkema published a press release relating to the finalization of the divestment of its Functional Polyolefins business.

#### **4.2.5 Press release of 3 June 2020**

On 3 June 2020, Arkema published a press release relating to the announcement of its innovative partnership with American company Nutrien Ltd, a world leader in agrochemicals, which will supply Arkema with anhydrous hydrogen fluoride for its Calvert City site in Kentucky.

#### **4.2.6 Press release of 5 June 2020**

On 5 June 2020, Arkema published a press release relating to its new membership of the World Business Council for Sustainable Development (WBCSD).

#### **4.2.7 Press release of 20 July 2020**

On 20 July 2020, Arkema published a press release relating to its reinforcement in high performance thermobonding adhesives with the acquisition of Fixatti.

#### **4.2.8 Press release of 30 July 2020**

On 30 July 2020, Arkema published a press release relating to its second-quarter 2020 results.

## 5. CORPORATE GOVERNANCE

### 5.1 Employees' representation on the Board of Directors

In accordance with the Articles of Association as amended by the combined annual general meeting of Arkema's shareholders of 19 May 2020, and with the provisions of article L. 225-27-1 of the French Commercial Code (*Code de commerce*) modified by French Law no. 2019-486 of 22 May 2019 on the action plan for business growth and transformation (the Pacte law), at the meeting of the European Group Works Council of 3 July 2020:

- the French Group Works Council (whose functions are assured by the French delegation of the European Works Council) elected to reappoint Nathalie Muracciole as director representing employees for a four-year term. Nathalie Muracciole's biography is presented on page 98, section 3.2.1.3 of the 2019 Universal Registration Document;
- the European Works Council appointed Susan Rimmer as the second director representing employees for a four-year term. She joined Arkema's Board of Directors on 29 July 2020.

#### Susan Rimmer

DIRECTOR REPRESENTING EMPLOYEES

**Date of first appointment:** 3 July 2020

**Date appointment expires:** European Group

Works Council meeting following the annual general meeting held to approve the financial statements for 2023 financial year

**Nationalities:** British and French

**Business address:** Arkema, 420, rue d'Estienne d'Orves, 92700 Colombes, France

#### PROFESSIONAL EXPERIENCE

Born in 1975 of British and French nationality, Susan Rimmer holds an honors degree from the University of York in the United Kingdom and the Ecole Centrale de Marseille in France. She started her career at Cray Valley Ltd. in Wales as a Technical Service Chemist then became Demand Manager.

Expatriated to Cray Valley SA in 1999, first at the Villers-Saint-Paul site then at the *Centre de Recherche de l'Oise* R&D Centre, she held several positions in technical services, sales and product regulation.

She joined Arkema in 2011. In 2013, she became EMEA Product Stewardship and Sales Administration Manager for the Fluorochemicals Business Unit.

Since April 2019, she holds the position of Global Product Stewardship Manager within Arkema Coating Resins.

Susan Rimmer is currently a member of the Social and Economic Committee at the Colombes headquarters and the European Group Works Council.

#### OTHER OFFICES CURRENTLY HELD\*

##### France

▶ None

##### International

▶ None

#### OTHER OFFICES HELD IN THE PAST FIVE YEARS BUT NOW EXPIRED\*

##### Expired in 2019

▶ None

##### Expired from 2015 to 2018

▶ None

\* Outside the Arkema Group.

In accordance with article L. 225-30-2 of the French Commercial Code, as modified by the Pacte law, Nathalie Muracciole and Susan Rimmer are eligible for a minimum of 40 hours of training per year, the content of which is set by the Board of Directors in agreement with Nathalie Muracciole and Susan Rimmer.

Excluding these modifications, the breakdown of the Board of Directors as described in section 3.2.1 of the 2019 Universal Registration Document remains unchanged.

In accordance with the AFEP-MEDEF Code, which provides that the directors representing employees and directors representing shareholder employees should not be included when calculating the rate of independence for directors, the rate of independence of the Board of Directors remains at 64% (seven directors out of eleven).

In addition, in accordance with articles L. 225-23 and L. 225-27-1 of the French Commercial Code, which provides that the directors representing employees and directors representing shareholder employees should not be included when calculating the proportion of women directors, this proportion remains at 45% (five directors out of eleven).

## 5.2 Compensation policies applicable to the Chairman and Chief Executive Officer and directors

In the context of the Covid-19 health crisis, Thierry Le Hénaff and the Board of Directors have agreed that the annual fixed and variable compensation defined for his new term of office will only take effect from 1 January 2021. The compensation conditions currently in force will continue to apply until said date. Accordingly, the increase in annual compensation (fixed and variable) as part of the changes to the compensation policy for Thierry Le Hénaff provided for in section 3.4.2.1 of the 2019 Universal Registration Document (pages 119 to 124), will not be paid during the 2020 financial year and will apply from 1 January 2021.

Furthermore, in a personal contribution to the solidarity effort, Chairman and Chief Executive Officer Thierry Le Hénaff has 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.

The Board of Directors also decided that changes to the rules for allocating compensation to directors excluding the Chairman and Chief Executive Officer, i.e., the increase in variable compensation for directors linked to their attendance at Board and Committee sessions, as set out in the compensation policy for directors in section 3.4.1.1 of the 2019 Universal Registration Document (pages 116 and 117), will only take effect from 1 January 2021.

The addendum to the Board of Directors' report on the resolutions presented to the combined general meeting of shareholders of 19 May 2020, published on the Company's website on 15 April 2020 and presented in Appendix I to this document, was notably used to modify the sixth and seventh resolutions on the approval of the compensation policy for directors excluding the Chairman and Chief Executive Officer, and the compensation policy for the Chairman and Chief Executive Officer, respectively.

On 15 April 2020, the Board of Directors also published an addendum to its corporate governance report provided for in article L. 225-37 of the French Commercial Code, which is set out in Appendix II of this document.

## 6. INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

### 6.1 Amount of share capital and history

At 30 June 2020, the Company's share capital was €767,364,760 divided into 76,736,476 fully paid-up shares of the same class, with a par value of €10 per share. At that date, 377,904 shares were held in treasury. At 1 January 2020, the Company's share capital was made up of 76,624,220 shares.

Since the beginning of the 2020 financial year, the number of shares has increased by 112,256 shares, which in turn resulted in a share capital increase reserved for employees.

Date	Amount of capital	Total number of shares	Nature of operation	Number of shares issued	Capital increase	Share premium
21 April 2020	767,364,760	76,736,476	Capital increase reserved for employees	112,256	1,122,560	€6,573,711.36

## 6.2 Authorized but unissued capital: authorizations to increase the share capital

At the date of this document, there were no securities, other than the Company's shares, giving access to the Company's share capital.

The following table summarizes the outstanding delegations of authority and authorizations granted by the shareholders' annual general meeting to the Board of Directors, in particular to increase the share capital, as well as their use:

Type of authorization	Description	Date of annual general meeting	Duration of authorization	Maximum authorized nominal value	Use at date of document (unless otherwise specified)
Capital increase	Issue shares in the Company and/or securities giving access to shares in the Company with preferential subscription rights (A)	19 May 2020	26 months	50% of the Company's share capital at 19 May 2020 €1 billion (debt securities)	None
Capital increase	Issue shares in the Company and/or securities giving access to shares in the Company, by means of a public offering other than those referred to in article L. 411-2 1° of the French Monetary and Financial Code ( <i>Code monétaire et financier</i> ), without preferential subscription rights but with a mandatory priority period of at least three days (B)	19 May 2020	26 months	10% of the Company's share capital at 19 May 2020 €1 billion (debt securities)	None
Capital increase	Increase the share capital, without preferential subscription rights, through the issue of shares and/or securities giving access to shares in the Company, by means of a public offering referred to in article L. 411-2 1° of the French Monetary and Financial Code (C)	19 May 2020	26 months	10% of the Company's share capital at 19 May 2020 €1 billion (debt securities)	None
Capital increase	In the event of the issue of shares without preferential subscription rights, set the issue price in accordance with the terms set forth by the annual general meeting up to a maximum of 10% of the share capital over a 12-month period (D)	19 May 2020	26 months	10% of the Company's share capital over a 12-month period	None
Capital increase	Issue shares in the Company, within the limit of 10% of the share capital, as compensation for contributions in kind (E)	19 May 2020	26 months	10% of the Company's share capital at 19 May 2020 (amount included in the (C) limit)	None

Capital increase	In the event of a share capital increase with or without preferential subscription rights, increase the number of shares to be issued (F)	19 May 2020	26 months	15% of the initial issue, subject to the limit stated in the resolution authorizing the issue	None
Capital increase	Overall limit of authorizations to increase the Company's share capital immediately and/or in the future	19 May 2020	26 months	50% of the Company's share capital at 19 May 2020: maximum overall nominal amount of the capital increases set out in (A) to (F); 10% of the Company's share capital at 19 May 2020: overall amount of the capital increases set out in (C) and (E)*	None
Capital increase	Carry out share issues reserved for members of a company savings plan	19 May 2020	26 months	€13.5 million	None
Share buyback	Carry out a share buyback program	19 May 2020	18 months	€100 per share 10% of the total number of shares comprising the Company's share capital	Use at 30 June 2020: see section 6.3 below
Performance shares	Grant free shares in the Company subject to performance conditions	21 May 2019	38 months	1,500,000 shares (less than 2% of the share capital at 21 May 2019)	Grant of 368,980 shares** (29 October 2019)
Capital reduction	Reduce the share capital by canceling shares	21 May 2019	24 months	10% of the share capital	None

\* Please also note that, on 4 May 2020, the Company confirmed the intention of the Board of Directors to cap the maximum nominal amount of share capital increases likely to be carried out, either immediately or in the future, without a priority period for shareholders, pursuant to the delegations granted in the authorizations (B), (C), (E) and (F), at 10% of the Company's share capital at the date of the annual general meeting. Any amounts issued under these resolutions without a priority period for shareholders will therefore be included in the limit for issues without preferential subscription rights.

\*\* This number could be increased to 436,531 in case of outperformance.

There are no other securities giving access to the Company's capital either immediately or in the future.

### 6.3 Treasury shares

#### **Review of share buyback program authorized on 19 May 2020 (2020 share buyback program)**

The combined annual general meeting of 19 May 2020 authorized the Board of Directors to implement a share buyback program capped at 10% of the share capital and subject to a maximum purchase price per share of €100. This authorization, which supersedes the unused portion of the authorization granted by the annual general meeting of 21 May 2019, was granted for an 18-month period from the annual general meeting of 19 May 2020, i.e., until 18 November 2021. It is therefore still in force at the date of this document.

Based on the share capital at 30 June 2020, the maximum amount that may be dedicated to the share buyback program may not exceed €767,364,760.

At its meeting of 26 February 2020, the Board of Directors decided to implement the share buyback program subject to the authorization of the combined annual general meeting of 19 May 2020. Said combined annual general meeting approved the eleventh resolution on the implementation of the share buyback program (see section 6.7 below).

#### **Transactions carried out as part of the 2020 share buyback program**

At 19 May 2020, when the annual general meeting approved the 2020 share buyback program, the Company held, directly or indirectly, 258,904 treasury shares.

The following tables provide a summary of the transactions carried out as part of the 2020 share buyback program.

#### **SUMMARY STATEMENT AT 30 JUNE 2020**

Number of shares comprising the Company's capital at 19 May 2020	76,736,476
Treasury shares held directly or indirectly at 19 May 2020	258,904
Number of shares purchased between 20 May 2020 and 30 June 2020	119,000
Weighted average gross price of shares purchased ( <i>in euros</i> )	79.35
Number of treasury shares at 30 June 2020	377,904
Number of shares canceled in the last 24 months	None
Book value of portfolio ( <i>in euros</i> )	29,148,195
Market value of portfolio ( <i>in euros</i> ) based on closing price at 30 June 2020, i.e., €85.14	32,174,747

Summary of transactions carried out through the program between 19 May 2020 and 30 June 2020	Aggregate gross movements		Open positions at 30 June 2020	
	Purchases	Sales/transfers	Open buying positions	Open selling positions
Number of shares	119,000	-	-	-
Average price of transaction ( <i>in euros</i> )	79.35	-	-	-
Amounts ( <i>in euros</i> )	9,442,437	-	-	-

#### **Breakdown of treasury shares by objective**

At 30 June 2020, the Company's 377,904 treasury shares were allocated for the purpose of covering the Company's plans to grant free shares to its employees and executive officers and those of its affiliated companies.

## 6.4 Share ownership

### 6.4.1 Breakdown of share ownership and voting rights at 30 June 2020

The breakdown of the share capital was established on the basis of a total number of 76,736,476 shares at 30 June 2020, carrying 86,831,108 voting rights (including double voting rights and after deduction of treasury shares), the threshold disclosures made to the AMF or the Company, and an analysis carried out by the Company based on identifiable bearer shares (*Titres au Porteur Identifiable* – TPI). TPI procedures were carried out at the end of 2019, 2018 and 2017, as well as at 30 June 2020.

To the best of the Company's knowledge, the breakdown of Arkema's share ownership and voting rights at 30 June 2020 was as follows:

Main shareholders owning at least 5% of the share capital and/or voting rights:	% of share capital	% of voting rights	% of theoretical voting rights*
Employee share ownership** <sup>(1)</sup>	6.6	10.7	10.7
Fonds Stratégique de Participations <sup>(2)</sup>	7.7	12.3	12.3
Norges Bank	5.3	4.7	4.7
NNS	5.0	4.4	4.4
Treasury shares	0.5	0.0	0.4
Public	74.9	67.9	67.5
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* Pursuant to article 223-11 of the AMF's general regulations, the number of theoretical voting rights is calculated on the basis of all shares.

\*\* See details presented in section 6.4.2 below.

(1) To the Company's knowledge, the Arkema Actionnariat France and Arkema Actionnariat International company mutual funds (Fonds Commun de Placement d'Entreprise – FCPE) held 5.7% of the Company's share capital at 30 June 2020, representing 9.8% of the Company's voting rights. These funds include the shareholdings of employees of the Arkema Group (see section 6.4.2 below), Total and Kem One (a business divested in 2012).

(2) Fonds Stratégique de Participations (FSP) is a member of the Board of Directors and is represented by Isabelle Boccon-Gibod.

To the Company's knowledge, there are no other shareholders other than those mentioned above, holding, directly or indirectly, more than 5% of the Company's share capital and/or voting rights.

### 6.4.2 Employee share ownership

According to the definition of employee share ownership under the terms of article L. 225-102 of the French Commercial Code, the number of Arkema shares held by employees at 30 June 2020 was 5,086,653, representing 6.6% of the share capital and, taking into account double voting rights, 10.7% of the voting rights. This may be broken down as follows:

Shares held by Group employees within the Arkema Actionnariat France FCPE	2,960,912
Shares held by Group employees within the Arkema Actionnariat International FCPE	409,976
Direct registered shares held within a group savings plan ( <i>Plan d'Épargne Groupe</i> )	339,277
Shares arising from the exercise of stock options and held as direct registered shares within a group savings plan	230,381
Free shares	1,146,106
<b>TOTAL EMPLOYEE SHARE OWNERSHIP</b>	<b>5,086,653</b>

### 6.4.3 Legal threshold disclosures

The following legal threshold disclosures have been made to the AMF since the date of the 2019 Universal Registration Document and up to the date of this document:

Company	Date threshold crossed	Threshold crossed
BlackRock Inc.	2 March 2020	exceeded the 5% share capital threshold
BlackRock Inc.	3 March 2020	dropped below the 5% share capital threshold
NNS Luxembourg S.à r.l. and NNS 3 S.à r.l.-SPF	7 April 2020	exceeded the 5% share capital threshold
BlackRock Inc.	9 April 2020	exceeded the 5% share capital threshold
BlackRock Inc.	14 April 2020	dropped below the 5% share capital threshold
Norges Bank	8 May 2020	exceeded the 5% share capital threshold
Norges Bank	13 May 2020	exceeded the 5% voting rights threshold
Norges Bank	14 May 2020	dropped below the 5% voting rights threshold
Norges Bank	28 May 2020	exceeded the 5% voting rights threshold
Norges Bank	3 June 2020	dropped below the 5% voting rights threshold
FCPE Arkema actionnariat France	3 July 2020	exceeded the 5% share capital threshold
FCPE Arkema actionnariat France	8 July 2020	dropped below the 5% share capital threshold

### 6.5 Dividend policy

Faced with the Covid-19 crisis, in the spirit of solidarity and responsibility towards all stakeholders, the Board of Directors decided to reduce the dividend proposed on 26 February 2020 for 2019 to €2.20 per share, representing a 12% decline compared to previous year's level, and around 20% compared to the amount originally announced. The Board of Directors also signaled its intent, when a return to normality takes shape and the appropriate conditions are met, to reconstitute this difference to shareholders in a manner yet to be defined. The addendum to the Board of Directors' report on the resolutions presented to the combined general meeting of shareholders of 19 May 2020, published on the Company's website on 15 April 2020, and appearing in Appendix I of this document, was notably used to modify the third resolution on the allocation of profit and distribution of dividends.

### 6.6 Combined general meeting of shareholders of 19 May 2020

The Company's combined general meeting of 19 May 2020 adopted all of the resolutions proposed by the Company's Board of Directors, as set out in chapter 7 "Annual General Meeting" of the 2019 Universal Registration Document, and supplemented by the addendum to the Board of Directors' report on the resolutions presented to the combined general meeting of shareholders of 19 May 2020, published on the Company's website on 15 April 2020, as well as the notice of meeting in the French legal gazette (BALO) no. 51 of 27 April 2020.

The results of the votes on the resolutions are available in full on the Company's website (<https://www.arkema.com/en/investor-relations/annual-general-meeting/2020/>).



## **7. FINANCIAL INFORMATION**

### **7.1 First-quarter 2020 results**

On 6 May 2020, Arkema published a press release on its first-quarter 2020 results. This press release is referred to in section 4.2.2 “Press release of 6 May 2020”.

### **7.2 Half-year financial report**

A press release on the Group’s second quarter results, including the condensed consolidated financial statements for first-half 2020 as approved by Arkema’s Board of Directors on 29 July 2020, was released on 30 July 2020. It is referred to in section 4.2.8 “Press release 30 July 2020”. The 2020 half-year financial report is incorporated by reference in this document ([www.finance.arkema.com](http://www.finance.arkema.com)).

## **8. CONCORDANCE TABLE**

This concordance table contains the main sections provided for in Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, and refers to sections of the 2019 Universal Registration Document, the half-year 2020 financial report and this Amendment to the 2019 Universal Registration Document, where information on each of these sections can be found.

Sections in Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980	2019 Universal Registration Document	Amendment to the 2019 Universal Registration Document (the “Amendment”) and the Half-year 2020 financial report
<b>1. PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS’ REPORTS AND COMPETENT AUTHORITY APPROVAL</b>	Chapter 8, pages 390-391	1, page 3 of the Amendment
1.1 Identity of persons responsible for the information	8.1.1, page 390	1.1, page 3 of the Amendment
1.2 Declaration by persons responsible	8.1.2, page 390	1.2, page 3 of the Amendment
1.3. Statement by experts and declaration of interest	None	
1.4 Confirmation regarding information sourced from a third party	None	
1.5 Declaration of notification with the competent authority	None	
<b>2. STATUTORY AUDITORS</b>	8.1.3, page 390	
<b>3. RISK FACTORS</b>	2.1, pages 64-77	3, page 8 of the Amendment and 1.7, page 13 of the half-year 2020 financial report
<b>4. INFORMATION ABOUT THE ISSUER</b>	6.1.1, page 344	
4.1 Legal and commercial name	6.1.1, page 344	
4.2 Place of registration, registration number and legal entity identifier (“LEI”)	6.1.1, page 344	
4.3 Date of incorporation and length of life	6.1.1, page 344	
5.1.4.4 Domicile, legal form, applicable legislation, country of incorporation, address, telephone number, website	6.1.1, page 344	
<b>5. BUSINESS OVERVIEW</b>	Chapter 1, pages 36-61	
5.1 Principal activities	1.2, pages 45-58	2.2, page 5 of the Amendment
5.2 Principal markets	1.2, pages 45-58	2.2, page 5 of the Amendment
5.3 Important events in the development of business	6.1.1, page 344	
5.4 Strategy and objectives	Profile, ambition and strategy, pages 12, 13 and 15-25	2, page 4 of the Amendment
5.5 Dependence on patents and licenses, industrial, commercial or financial contracts or new manufacturing processes	1.1.3, 2.1.3 and 2.1.4, pages 42, 69 and 73	
5.6 Competitive position	1.2, pages 45-58	2.2, page 5 of the Amendment
5.7 Investments	5.1.7, page 244	
5.7.1 Material investments	5.1.7, page 244	

5.7.2	Material investments that are in progress or for which firm commitments have already been made	Profile, ambition and strategy, pages 18-19	
5.7.3	Information regarding significant joint ventures and undertakings	5.3.3 and 6.1.2, pages 261 and 345	
5.7.7	Environmental issues that may affect the utilization of tangible fixed assets	4.3.3, pages 173-188	
<b>6.</b>	<b>ORGANIZATIONAL STRUCTURE</b>	6.1.2, page 345	
6.1	Brief description of the Group	6.1.2, page 345	
6.2	List of significant subsidiaries	Note D to the consolidated financial statements and 6.1.2, pages 316 and 345	
<b>7.</b>	<b>OPERATING AND FINANCIAL REVIEW</b>	5.1, pages 238-249	1.1, page 3 and 1.4, page 6 of the half-year 2020 financial report
7.1	Financial condition	5.1, page 238	1.4, page 6 of the half-year 2020 financial report
7.1.1	Changes to businesses and results	5.1, page 238	1.4, page 6 of the half-year 2020 financial report
7.1.2	Likely future development and activities in the field of research and development	1.1 and 5.2, page 36 and 250	2.1, page 4 of the Amendment
7.2	Operating results	5.1.5, page 240	1.4.1, page 6 of the half-year 2020 financial report
<b>8.</b>	<b>CAPITAL RESOURCES</b>	5.1.8, pages 246-247	
8.1	Information about the issuer's capital resources	5.1.8 and 5.1.9, pages 246-248	
8.2	Issuer cash flow	5.1.7, page 244	
8.3	Borrowing requirements and funding structure	5.1.8.1, page 246	
8.4	Restrictions on the use of capital resources in operations	5.1.8.2, page 247	
8.5	Anticipated sources of funds	2.1.6, page 76	
<b>9.</b>	<b>REGULATORY ENVIRONMENT</b>	Chapter 2, pages 63-84	
<b>10.</b>	<b>TREND INFORMATION</b>	5.2, page 250	1.8, page 14 of the half-year 2020 financial report
<b>11.</b>	<b>PROFIT FORECASTS OR ESTIMATES</b>	None	
<b>12.</b>	<b>ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT</b>	3.2, pages 87-104	
12.1	Members of administrative, management or supervisory bodies	3.2.1.2, 3.2.1.3 and 3.2.3, pages 90, 93 and 103	5.1, page 10 of the Amendment and 1.3, page 5 of the half-year 2020 financial report
12.2	Conflicts of interests within administrative, management or supervisory bodies and senior management	3.2.1.1, 3.2.1.2 and 3.2.3, pages 87, 90 and 103	
<b>13.</b>	<b>REMUNERATION AND BENEFITS</b>	3.4, pages 116-133	
13.1	Remuneration paid and benefits in kind	3.4, pages 116-133	5.2, page 11 of the Amendment

13.2	Amounts set aside or accrued to provide for pension, retirement or similar benefits	3.4.1, 3.4.2, 3.4.3 and note 21 to the consolidated financial statements, pages 116, 119, 132 and 298	
<b>14.</b>	<b>BOARD PRACTICES</b>	3.2. and 3.3, pages 87-115	
14.1	Date of expiration of the current terms of office and the period during which the person has served in that office	3.2.1.2, page 90	
14.2	Service contracts for the issuer's administrative, management or supervisory bodies	3.2.3.4, page 103	
14.3	Information on the Audit Committee and Remuneration Committee	3.3.4.1 and 3.3.4.2, pages 112 and 114	
14.4	Statement on corporate governance	3.1, page 86	
14.5	Potential material impacts on the corporate governance, including future changes in the board and committees composition	3.2 and 3.3, pages 87-115	
<b>15.</b>	<b>EMPLOYEES</b>	4.4, pages 189-214	
15.1	Number of employees	4.4.1, pages 189-204	
15.2	Directors' shareholdings and stock options	4.4.1.5 and 6.2.6, pages 201 and 351	
15.3	Arrangements for involving employees in the capital	4.4.1.5 and 6.2.7, pages 201 and 351	
<b>16.</b>	<b>MAJOR SHAREHOLDERS</b>	6.3, pages 353-356	6.4, page 15 of the Amendment
16.1	Shareholders owning more than 5% of the share capital and/or voting rights	6.3.1, page 353	6.4.1, page 15 of the Amendment
16.2	Different voting rights or an appropriate statement to the effect that no such voting rights exist	6.3.3, page 354	
16.3	Control over the issuer, description and nature of control and the measures taken to ensure that such control is not abused	6.3.2, page 353	
16.4	Shareholders' agreement	6.3.2, page 353	
<b>17.</b>	<b>RELATED PARTY TRANSACTIONS</b>	6.1.3, page 346	1.5, page 13 of the half-year 2020 financial report
<b>18.</b>	<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>	5.3 and 5.4, pages 252-342	
18.1	Historical financial information	Profile, ambition and strategy and 8.3.1, pages 8 et 391	
18.2	Interim and other financial information	None	7, page 17 of the Amendment
18.3	Auditing of historical annual financial information	5.3.1 and 5.4.1, pages 251 and 320	
18.4	Pro forma financial information	None	
18.5	Dividend policy	6.4.7, page 360	6.5, page 16 of the Amendment

18.6	Legal and arbitration proceedings	2.1 and note 22.2 to the consolidated financial statements, pages 64-77 and 300	
18.7	Significant change in the issuer's financial position		None
<b>19.</b>	<b>ADDITIONAL INFORMATION</b>	Chapter 6, pages 343-363	
19.1	Share capital	6.2.1, page 346	6.1, page 11 of the Amendment
19.1.1	Issued capital	6.2.1, page 346	6.1, page 11 of the Amendment
19.1.2	Shares not representing capital		None
19.1.3	The number, book value and par value of shares held by the Company or on behalf of the Company or by subsidiaries of the Company	6.2.4, page 347	
19.1.4	Convertible securities, exchangeable securities or securities with warrants	6.2.6, page 351	
19.1.5	Information about and terms of any acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the capital		None
19.1.6	Options or agreements		None
19.1.7	History of share capital	6.2.2, page 347	
19.2	Memorandum and Articles of Association	6.1.1 and 6.5, pages 344 and 360-363	
19.2.1	Issuer's objects or purposes	6.1.1, page 344	
19.2.2	Rights, preferences and restrictions attaching to each class of share	6.5.3, page 362	
19.2.3	Change in control	6.5.2, page 361	
<b>20.</b>	<b>MATERIAL CONTRACTS</b>	1.4, page 61	
<b>21.</b>	<b>DOCUMENTS AVAILABLE</b>	6.1.1, page 344	

## APPENDIX I - ADDENDUM TO THE REPORT OF THE BOARD OF DIRECTORS REGARDING THE RESOLUTIONS SUBMITTED TO THE COMBINED GENERAL MEETING OF SHAREHOLDERS OF 19 MAY 2020

The purpose of this corrective addendum is to modify some sections of the report of the Board of Directors on the resolutions submitted to the Combined general meeting of shareholders of May 19, 2020 (the "General Meeting") set out in section 7.3 of the 2019 Universal Registration Document (the "Report of the Board"). This addendum is fully integrated in the Report of the Board and should be read together with the latter and with the draft resolutions set out in the "avis de réunion" (only available in French) published in the Bulletin des Annonces Légales Obligatoires (BALO) on 10 April 2020, which have been modified by the Board of Directors at its meeting on 14 April 2020 as set out in this addendum. The draft resolutions so modified will be presented in the notice of meeting document to be published on the website of the Company and in the notice of meeting to be published in the BALO. These documents and all preparatory documents for the General Meeting may be found on the website of the Company at the following address: <https://www.arkema.com/en/investor-relations/annual-general-meeting/2020/>.

This addendum has been adopted by the Board of Directors on 14 April 2020 after its decisions to modify draft resolutions number three, six and seven, in the context of the health crisis linked to Covid-19. As a result, the presentation of these resolutions as set out in the Report of the Board are cancelled and replaced by the following presentations. In order to identify the modifications, they have been drafted in bold italics and underlined.

### ALLOCATION OF PROFIT AND DIVIDEND DISTRIBUTION (3<sup>RD</sup> RESOLUTION)

The purpose of the 3<sup>rd</sup> resolution is to decide the allocation of the Company's profit for the year ended 31 December 2019 of €164,980,613.38, as presented in the Company's financial statements, plus prior retained earnings of €1,904,744,218.24. The Board of Directors recommends the profit to be allocated as follows:

#### *Source*

Profit for the period	€164,980,613.38
Prior retained earnings	€1,904,744,218.24
Distributable profit	€2,069,724,831.62

#### *Affectation*

Legal reserve	€1,042,728
Dividend distribution <sup>(1)</sup>	€168,573,284
Retained earnings	€1,900,108,819.62

*(1) The total dividend distribution is calculated on the basis of the number of shares carrying dividend rights at 1 January 2019 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.*

The payment of the dividend of €168,573,284 with regard to the 76,624,220 shares carrying dividend rights at 1 January 2019 and existing on the date of the Board of Directors' meeting adopting the proposed resolutions, would correspond to a distribution of two euros and twenty cents (€2.20) per share. The shares would be traded ex-dividend as of 25 May 2020 and the dividend for the 2019 financial year would be paid as of 27 May 2020. The dividend would be eligible 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. The dividend paid for the last three financial years was as follows:

Financial year	2019	2018	2017
Net dividend per share (in euros)	2.20 <sup>(1)</sup>	2.50 <sup>(1)</sup>	2.30 <sup>(1)</sup>

*(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.*

The distribution of this two euros and twenty cents (€2.20) per share dividend would represent a decline of 12 % relative to last year. The pay-out ratio amounts to 27% of the Group's adjusted net income. The Group has reaffirmed its confidence in its ability to withstand the economic crisis linked to Covid-19 despite the significant drop in global demand expected in the 2<sup>nd</sup> quarter. Nevertheless, in the spirit of solidarity and responsibility towards all stakeholders, Arkema's Board of Directors has decided to reduce the proposed dividend for the 2019 financial year as stated on 26 February 2020 to €2.20 per share, a decline close to 20% compared to the amount announced originally.

### **APPROVAL OF COMPENSATION POLICIES APPLICABLE TO NON-EXECUTIVE DIRECTORS AND TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER (6<sup>TH</sup> AND 7<sup>TH</sup> RESOLUTIONS)**

In the 6<sup>th</sup> resolution, and in accordance with article L. 225-37-2 of the French Commercial Code as amended by French Law no. 2019-486 of 22 May 2019 (the "Loi Pacte"), 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 and in its addendum published on 15 April 2020. This compensation policy is presented in section 3.4.1.1 of the 2019 Universal Registration Document, supplemented by said addendum. The Board of Directors proposes also in the 6<sup>th</sup> resolution, in compliance with article L.225-45 of the French Commercial Code, to set the total maximum amount of the annual compensation allocated to members of the Board of Directors at 800,000 euros.

In addition, the Board of Directors recommends in the 7<sup>th</sup> resolution that you approve the compensation policy for the Chairman and Chief Executive Officer as defined by the Board of Directors at its meeting of 26 February 2020 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 and in its addendum published on 15 April 2020. This compensation policy is presented in section 3.4.2.1 of the 2019 Universal Registration Document supplemented by said addendum.

## **APPENDIX II - ADDENDUM TO THE REPORT OF THE BOARD OF DIRECTORS REGARDING CORPORATE GOVERNANCE AS SET OUT IN 2019 UNIVERSAL REGISTRATION DOCUMENT**

This addendum supplements and is fully integrated in the report of the Board of Directors on corporate governance as provided for in article L. 225-37 of the French commercial code, which describes the compensation policy of the Chairman and Chief Executive Officer (CEO) and of non-executive directors (excluding the Chairman and CEO). In particular, it supplements sections 3.4.2.1 and 3.4.1.1 of the 2019 Universal Registration Document relating respectively to the compensation policy of the Chairman and CEO and to the compensation policy of the non-executive directors.

### ***COMPENSATION POLICY OF THE CHAIRMAN AND CEO***

As mentioned in the Company's press release dated 15 April 2020, within the context of the Covid-19 related health crisis, Thierry Le Hénaff and the Board of Directors have agreed that the fixed and variable annual compensation defined as part of his new term of office will only be effective as from 1 January 2021. The currently applicable compensation will therefore continue until that date. As a result, the increase of the annual compensation (fixed and variable) set out in the evolution of Thierry Le Hénaff's compensation policy as submitted to the vote of the 2020 General Meeting (7<sup>th</sup> resolution) and set out in section 3.4.2.1 of the 2019 Universal Registration Document (pages 119 to 124), will not be paid during 2020 and will be paid from 1 January 2021. The compensation conditions applicable to the current term of office (annual fixed amount of €900,000 and, as in 2019, variable compensation corresponding to a maximum of 150 % of the annual fixed compensation) as set out in the compensation policy approved by the General Meeting on 21 May 2019 (9<sup>th</sup> resolution), and presented in section 3.4.2.1 of the 2018 Reference Document (pages 108 to 111) will continue to be applicable until 31 December 2020.

In addition it is recalled that eager to personally join in the solidarity effort, Thierry Le Hénaff, Chairman and CEO, has also decided to donate 15% of his net fixed compensation perceived in 2<sup>nd</sup> quarter 2020 to the Fondation de France as part of the "All United Against the Coronavirus" alliance.

### ***COMPENSATION POLICY OF THE NON-EXECUTIVE DIRECTORS (EXCLUDING THE CHAIRMAN AND CEO)***

The Board of Directors decided that the evolution of the rules for allocating directors' compensation, i.e.: increase of the variable parts linked to the attendance of the directors to the Board and Committees' meetings, as set out in the compensation policy of non-executive directors submitted to the vote of the 2020 General Meeting (6<sup>th</sup> resolution) and set out in section 3.4.1.1 of the 2019 Universal Registration Document (pages 116 and 117), will only take effect as from 1 January 2021. Until that date, rules for allocating directors' compensation applicable in 2019, as set out in section 3.4.1 of the 2018 Reference Document (pages 107 and 108) will continue to be applicable.