

**BOARD OF DIRECTORS' DECISIONS DATED 4 MARCH 2015 IN RELATION TO THE
COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

In accordance with the legal and regulatory provisions and the AFEP-MEDEF Code, the decisions taken by the Board of Directors of Arkema on 4 March 2015 upon a recommendation from the Nominating, Compensation and Governance Committee relating to the compensation elements of Mr Thierry Le Hénaff in his capacity as Chairman and Chief Executive Officer of Arkema, are set out below.

Regarding 2014, the variable compensation could reach a maximum of 150% of the annual fixed compensation and was determined based on the achievement of specific quantitative and qualitative targets:

- three quantitative criteria for a maximum weight of 110% of the annual fixed compensation (representing 73.5% of the criteria used to determine the variable compensation):
 - the EBITDA level, for a maximum weight of 55% of the annual fixed compensation, which enables to align the compensation of the Chairman and Chief Executive Officer with the annual financial performance of the Group and to reward the actions implemented by the Group, its ability to adapt to changes in market conditions and the good day-to-day management of the Group by the Chairman and Chief Executive Officer;
 - the recurring cash flow, for a maximum weight of 27.5% of the annual fixed compensation, which rewards the ability of the Group to generate the cash necessary to finance ARKEMA's strategic ambitions and in particular its capital expenditure plans, acquisition program and dividend policy while maintaining a solid balance sheet; and
 - the margin on variable costs of new developments for a maximum weight of 27.5% of the annual fixed compensation, which promotes innovation and the development of new customers, the launch of new applications as well as the completion of major investment projects in line with the Group's focused growth strategy.
- qualitative criteria, specifically defined every year, through some fifteen items, for a maximum weight of 40% of the annual fixed compensation (representing 26.5% of the criteria used for the determination of the variable compensation), which are mainly linked to (i) the implementation of the Group's long term strategy by the Chairman and Chief Executive Officer, and in particular the Group's profile evolution with the strengthening of a balanced geographic presence, the management of acquisitions, the development of innovation platforms and secured access to strategic raw materials (ii) the day-to-day management of the company with quantified operational criteria (safety, fixed costs, working capital, capital expenditure and balance sheet structure) and (iii) the implementation of major industrial projects for the Group.

Based on the results as at 31 December 2014, the Board of Directors set the amount of the variable compensation due for 2014 as follows:

- in respect of the three quantitative criteria linked to the financial performance of the Group (EBITDA, recurring cash flow, and margin on variable costs of new developments), the 2014 achievement rates differ materially / significantly from one criterion to another. On the first criterion (EBITDA level), the performance of the Group is significantly below the target even if margin showed a good resilience in much more unfavourable market conditions in fluorogases and acrylics. Performance in respect of the recurring cash flow remains solid with a good control of capital expenditure during a year in which major projects were completed, and of working capital. In addition, margin on variable costs of new developments, without being at target level, is relatively high, with numerous new developments in High Performance Materials, in particular in fluoropolymers or Filtration and Adsorption, as well as in acrylic downstream (Coating Solutions business segment). Upon application of the calculation formula defined by the Nominating, Compensation and Governance Committee, the variable compensation due in respect of quantitative criteria amounts to 51.8% of the annual fixed compensation, materially lower than in previous years; and

- in relation with the qualitative criteria which are mainly linked to the implementation of the Group strategy, the performance has been assessed to be excellent within the context of a particularly busy 2014 year taking into account the transforming projects currently under way within the Group. The Board of Directors in particular acknowledged the completion and progress of several complex industrial projects, significant and structuring for the long term position of the Group such as the finalization of the construction and the successful start-up of the Thiochemical platform in Malaysia which represented an investment of around 200 million euros, the finalization of the acrylics investment program in North America which represented a global investment of 110 million US dollars over three years, the negotiation and the finalization of the acquisition of the Bostik group together with its financing, the set-up of the joint-venture with Jurong Chemical in acrylics in China and the finalization of the first step of this operation enabling ARKEMA to access to a world-scale unit in acrylics, the strict management of fixed costs and of working capital and finally the significant improvement of the safety results beyond targets initially set up. As a result, the variable compensation due in respect of qualitative criteria was set at 40% of the annual fixed compensation.

In total, the 2014 variable compensation as set by the Board of Directors amounts to 688,500 euros, i.e. 14% lower than the 2013 variable compensation and 34% lower than the 2012 variable compensation. It represents 91.8% of the 2014 annual fixed compensation, i.e.: a global achievement rate of 61.2% (47.1% in respect of the quantitative criteria and 100% in respect of the qualitative criteria).

The 2014 total gross compensation of Mr Thierry Le Hénaff amounts thus as follows:

Fixed compensation 750,000 euros (unchanged since 23 May 2012)

Variable compensation 688,500 euros.

Regarding 2015, the Board set up the annual fixed compensation and the principles applicable to the variable compensation as follows:

- The gross annual fixed compensation remains unchanged in 2015 at 750,000 euros.
- The 2015 variable compensation may reach, as for 2014, a maximum of 150% of the annual fixed compensation and will remain determined on the basis of quantitative targets, identical to those of the previous years, linked to the Group's financial performance: EBITDA, recurring cash flow and margin on variable costs of new developments, with unchanged weighting of each criterion. To these quantitative criteria, qualitative criteria relating again to the priorities of the Group will be added: the implementation of the Group's long-term strategy by the Chairman and Chief Executive Officer, the day-to-day management of the company with quantified operational criteria (safety, fixed costs, working capital, capital expenditure and balance sheet structure) and the implementation of major industrial projects for the Group. In this respect, the Board of Directors will follow up in particular the success of the integration of the Bostik group. In addition the Board of Directors will regularly follow up the ramp-up of the acrylic assets in China and the development of Sunke, the development of the thiochemical plant in Malaysia and the further implementation of the global SAP IT system for the Group's supply chain as well as a certain number of important projects currently underway or under review. The weighting of the various criteria used to determine the variable compensation remains unchanged.

Other elements of the compensation of the Chairman and Chief Executive Officer as set by the Board of Directors dated 7 March 2012 remain unchanged.

Say-on-Pay

In addition, the Board of Directors set out the draft resolutions as well as the summary table of all elements of compensation due or allocated to Mr Thierry Le Hénaff in 2014 which are submitted to the advisory vote of the shareholders at the annual general meeting to be held on 2 June 2015.

For information, all data relating to the compensation of the Chairman and Chief Executive Officer is set out every year in the Board of Director's report to the annual general meeting included in the reference document, which can be viewed on the Company's website: www.finance.arkema.com.