

Additional information for the Annual General Meeting of 7 June 2016

1. <u>Additional information on the long-term stock-based compensation and on performance</u> <u>share plans (17th resolution)</u>

Arkema would like to give the following precisions on the implementation of future performance share plans. These elements come in addition to the information already published in the 2015 Reference Document and in the Notice of meeting sent to shareholders.

As mentioned in the 2015 Reference Document, the Board of Directors held on 2 March 2016 confirmed the stock-based compensation policy as described in the introduction to the section 3.5 on pages 171 and 172 of this document and which includes the three criteria defined for the 2015 performance share plan.

It is therefore reminded that between 2013 and 2015, several changes have been made to the structure of the performance share plans in order to further reinforce their requirements and to even more closely align the interests of the holders of performance share rights with those of shareholders following discussions with the latter. These changes concerned the introduction of a criterion related to a comparative Total Shareholder Return (TSR) and to a criterion related to cash generation in line with the ambitious targets announced at its Capital Markets Day in June 2015.

For the 2015 plan, it is reminded that the vesting of the performance shares depends on three demanding criteria which constitute good indicators for value creation for both the Group and its shareholders including:

- a criterion relating to EBITDA growth in line with the Group's strong ambition for the coming years,
- a criterion relating to a comparative TSR defined to assess the good positioning of the Group versus its main peers regarding shareholder return, and
- a criterion relating to the EBITDA to cash conversion defined to assess the Group's ability to finance both its organic developments and its bolt-on acquisitions while maintaining a high level of dividend distribution.

As part of the new authorization, **the Board of Directors confirmed that it intends to continue to apply the same performance criteria.** If one of these criteria was to cease to be relevant for the Company or if, following discussions with shareholders, a new criterion was to become more appropriate, the Board of Directors would define a criterion with a similar level of requirement over the long-term.

2. Additional informations on a related-party agreement (5th resolution)

Arkema would like to specify that, in addition to the termination, from this annual general meeting, of the supplementary defined benefit pension scheme from which Thierry Le Hénaff benefited, payments made under the defined contribution pension scheme will also be stopped.