

## ARKEMA

### DECISIONS OF THE MARCH 7th 2012 BOARD OF DIRECTORS MEETING REGARDING THE COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

In accordance with the legal and regulatory provisions, and with the AFEP-MEDEF Code, the decisions taken by the Arkema Board of Directors at the meeting held on March 7<sup>th</sup>, 2012, upon a recommendation from the Nominating and Compensation Committee, and 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:

- ✓ The fixed gross annual compensation for 2012, with effect as from May 23<sup>rd</sup>, 2012, within the context of its new term of office, shall be 750,000 euros.
- ✓ Variable compensation paid in respect of 2011 and calculated on the basis of criteria set by the Board of Directors meeting dated March 1<sup>st</sup>, 2011, shall be 915,000 euros.
- ✓ The variable part in respect of 2012 may reach as for 2011 a maximum of 150% of the annual fixed compensation, and shall remain determined on the basis of performance criteria related to the achievement of quantitative targets (growth in EBITDA, recurring cash flow and margin on variable costs of new developments) as well as specific qualitative targets essentially related to the implementation of the Group's strategy.
- ✓ Indemnity in the event of early termination of contract

The Board of Directors confirmed, for the new term of office, the terms and conditions of the indemnity due to the Chairman and Chief Executive Officer in the event of early termination of contract (termination or non-renewal of the term of office) or termination linked to a change of control of the Company or a change of strategy decided by the Board of directors, except in the event of serious or gross misconduct, as set out in 2009. The Board maintained in particular the 5 performance criteria based on which the amount of the indemnity shall be calculated subject to the modification of the 5<sup>th</sup> criteria as follows:

#### 5<sup>th</sup> criteria – Return on capital employed

If the average of the net Operating Income to “CMO” (recurring operating income – actual income tax / capital employed – provisions) of the last three years before early termination date is higher than the cost of capital (8.5%), the criterium will be considered as reached.

The maximum amount of the indemnity, calculated on the basis of the performance criteria described above, shall not exceed in any event two years of the fixed gross annual compensation.

The above commitment shall be put to the vote of the Annual General Meeting on May 23<sup>rd</sup>, 2012, as a regulated agreement in application of article L.225-42-1 of the *Code de commerce*, and this amended agreement shall take effect on that date and be subject of a specific report by the statutory auditors.

It should be noted that Mr Thierry Le Hénaff will continue to benefit from the use of a company car, corporate officer unemployment insurance, as well as from a supplementary pension scheme. In addition, in the event of early termination of contract as defined above, Mr Thierry Le Hénaff shall continue to benefit from all its rights related to the stock options as well as all its rights related to the allocation of performance shares by virtue of the plans decided by the Board of directors between the date of beginning of its first term of office and the date of departure.

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](http://www.finance.arkema.com).