

ARKEMA GROUP EMPLOYEE SHARE OFFERING 2024

COUNTRY SUPPLEMENT FOR AUSTRALIA



You have been invited to invest in units in an FCPE that will invest in shares of Arkema under the umbrella of the Arkema Group employee share offering 2024. This Australian supplement contains a brief summary of the terms and conditions of the offering specific to Australia and the principal expected tax consequences relating to the offering, and complements the Arkema Plan documents (including the rules of the Arkema Plan and the FCPE regulations).

→ SUMMARY OF THE OFFERING

This Australian supplement is attached to the Information Brochure so that the offer to Australian employees complies with certain regulatory requirements of the *Corporations Act 2001* (Cth), as modified by specific relief granted by the Australian Securities & Investments Commission (ASIC), and to provide additional information regarding taxation issues.

This Australian supplement, together with the Information Brochure, sets out the terms of the offer to you. It summarises the applicable rules of the Arkema Plan and the regulations of the FCPE (see below) that apply in respect of the offer. A copy of the rules of the Arkema Plan is available to you, at no charge and within a reasonable time, on request at your Human Resources department, and the regulations of the FCPE, under which this offer is being made, are available to you on your intranet site or on request from your Human Resources department.

Please note that neither Arkema nor your employer is providing you with, and will not provide you with, any personal, financial or tax advice in relation to this offer. Any advice in this Australian supplement is of a general nature only. It does not take into account an eligible participant's objectives, financial situation and needs. The decision whether to participate in the offering is yours to make having regard to your own particular circumstances and any independent advice you require. You should read the Information Brochure, this Australian Supplement, the Arkema Plan documents and any other accompanying documentation carefully and consider obtaining your own financial product advice from a person who is licensed by ASIC to give such advice if you have any queries as to the course of action you should follow having regard to your specific circumstances.

Any securities issued to you in accordance with this offer are issued as an incentive to promote mutual interdependence between you and Arkema (and the Arkema group) and to further align your interests with the interests of Arkema's shareholders. They are not issued for the purpose of on-sale.

There are no employment advantages or disadvantage related to whether or not you participate in the offering. Participation in this offer is separate from and does not form part of your employment agreement. If you have any specific queries about the offering, you should direct them in first instance to your HR contact Marilou.mateo@bostik.com or 0477624911.

You should note that this is an offer for participation in a foreign employee offering which is subject to the laws of France, and any dispute regarding the offer and its operation shall be subject to the exclusive jurisdiction of the courts of France. This means that any dispute in relation to the Arkema Plan and the offer cannot be brought in a court in Australia and that employees in Australia who participate in this offer must make any claim and enforce any right arising out of or in connection with the offer and their FCPE units in the courts of France. The FCPE rules are regulated by the laws of France, and those laws differ from Australian laws.

You should also note that no employee has a right to compensation or damages as a result of termination of his or her office, employment or other contract with a group company for any reason, so far as those rights arise or may arise from the participant ceasing to have rights under the offer as a result of termination.

Please carefully read the information below before making your investment decision.

■ A share capital increase reserved for employees

Arkema shares or units in an FCPE will be offered to all eligible employees of participating Arkema Group companies, including in Australia, pursuant to Arkema's capital increase reserved to such employees. The Arkema Group Employee Share Offering is being offered as a "Classic" plan.

If the total number of requested units and shares exceeds the offered shares (1 350 000 shares), the number of shares and units requested may be reduced in proportion to the number of subscription applications received. In this event, each participant will be notified personally.

In Australia only units in an FCPE that will invest in Arkema shares will be offered.

■ Eligibility

All current employees of Arkema and the employees of its participating direct and indirect majority-owned subsidiaries, in each case subject to a minimum employment condition of three months measured at the close of the subscription period (on 30 September 2024). In addition, such employee must be employed on the day he or she returns the subscription form during the subscription period.

■ Subscription period

The subscription period starts on **16 September, 2024** and lasts until **30 September, 2024** (inclusive).

If you decide to participate to the 2024 Offer, we invite you to log in to the website, www.ake2024.arkema.com, between 16 September 2024 and 30 September 2024, and click on the "Subscribe" button. You will be asked to enter the user ID and password that have already been sent to you by email on your professional email address.

If you have no professional address or if you have not received these ID and password, you can participate to the 2024 Offer by returning the paper subscription form (see Payment Method below) at the latest by 30 September, 2024 to your Human Resources Department.

■ Subscription price

The subscription price for the Arkema shares or units in the FCPE will be at a 25% discount to the "reference price". The reference price is based on the average of the opening price of Arkema shares over the 20 trading days preceding 11 September, 2024.

Payment will be requested in local currency at an exchange rate to be set before the subscription period begins. Such exchange rate will be valid for the payment of the purchase price throughout the subscription period. As soon as the reference price is determined, you will be advised of the reference price in euro and its A\$ equivalent, together with the subscription price and its A\$ equivalent. The subscription price and reference price are set out on the subscription form.

For example, assume the price was calculated on 11 September 2024. Assume that using the same formula as described above, the reference price is 115 euros. The Subscription price would then be 86.25 euros. Assume the applicable A\$ euro exchange rate on 3 March 2024 was A\$1.00 = 0.665 euros. Therefore, the subscription price would be A\$129.63.

■ Risks in relation to acquiring and holding FCPE units

During the life of the 2024 employee offering, the value of the Arkema shares and units in the FCPE will be affected by fluctuations in the currency exchange rate between the euro and the Australian dollar. As a result, if the value of the euro strengthens relative to the Australian dollar, the value of the shares and units expressed in local currency will increase. On the other hand, if the value of the euro weakens relative to the Australian dollar, the value of the shares and units expressed in Australian dollars will decrease. After the funds are provided to the FCPE to allow it to purchase the shares there is no protection or guarantee in relation to the impacts on your investment of movements in the euro / Australian dollar exchange rate.

The return on your investment is not subject to any form of guarantee. The Arkema share price may fall to such level that when you redeem your units, including taking into account the initial 25% discount on the reference price and the employer matching contribution, you may not recover the full amount you initially paid for your FCPE units. However, if the share price remains stable compared with the reference price you will receive your initial investment, plus the benefit of both the initial 25% discount on the reference price and the discount from the employer matching contribution. If the share price increases compared with the reference price, you will receive your initial investment, plus the benefit of the initial 25% discount on the reference price, the discount from the employer matching contribution and the benefit of any price increase above the reference price.

The market price of an Arkema share can be ascertained from the Euronext Paris website (<https://www.euronext.com/en>). While the market price of an Arkema share will be quoted in euros on the Euronext Paris website, it can be converted to Australian dollars on websites such as www.xe.com to determine the value of the share in Australian dollars.

As your investment is subject to a 5-year lock up period, you are not able to redeem the units in the FCPE until the lock-up period has ended (subject to certain exceptions). Please read below in relation to the custody of the shares and the early exit events from the 5-year lock up period.

As set out below, you will not directly receive dividends on the shares held by the FCPE. Any dividends received on the Arkema shares are re-invested in the FCPE and result in the issue of new units, or fractions of units, in the FCPE.

As noted above, this is an offer for participation in a foreign employee offering which is subject to the laws of France, and any dispute regarding the offer and its operation shall be subject to the exclusive jurisdiction of the courts of France. This means that any dispute in relation to the Arkema Plan and the offer cannot be brought in a court in Australia and that employees in Australia who participate in this offer must make any claim and enforce any right arising out of or in connection with the offer and their FCPE units in the courts of France.

However, a final and conclusive judgement obtained in an Australian court in respect of a fixed and certain sum payable by a French entity would be recognised and enforced by the courts in France, provided actual notice of proceedings has been established in sufficient time to contest them and provided that the judgment was not obtained in a manner contrary to natural justice, French law or public policy in France.

The FCPE rules are regulated by the laws of France, and those laws differ from Australian laws. In addition, as your investment under this offering is for units in an FCPE that holds shares in a French company, time differences between Australia and France will also be relevant from a risk perspective in relation to administering your investment.

Please also read below in relation to:

- the terms of the interest free advance, and in particular the implications if you cease employment prior to repaying the interest free advance;
- the expected tax implications and considerations applying to the 2024 employee offering.

■ Your investment is capped

The maximum subscription amount you can invest will be equal to the lesser of (i) the subscription price of 750 Arkema shares and (ii) 25% of your gross annual compensation for 2023 or 25% of your estimated gross annual compensation for 2024. The employer matching contribution will not count towards the 25% limit.

The minimum amount of investment will be €15.

■ Participation and Method of Payment

If you decide to participate to the 2024 Offer, we invite you to log in to the website, www.ake2024.arkema.com between 16 September 2024 and 30 September 2024, and click on the “Subscribe” button. You will be asked to enter the user ID and password that have already been sent to you by email on your professional email address.

If you have no professional address or if you have not received these ID and password, you can participate to the 2024 Offer by returning the paper subscription form (including a copy of your direct debit confirmation if you have selected that payment method) at the latest by **30 September 2024** to your Human Resources Department.

You may pay for your subscription by electronic funds transfer to the bank account specified in the Subscription Form or alternatively through salary deduction over 24 months (if you are paid monthly) or 104 weeks (if you are paid weekly), as provided in the Australian Supplement and Subscription Form. Your payment will be held in a bank account with the payments of other participating employees until it is provided to the FCPE. You will not receive the benefit of the interest (if any) received on your money before it is used by the FCPE to acquire Arkema shares on 30 October 2024.

If you choose to pay for your subscription by electronic funds transfer to the bank account specified in the Subscription Form, please ensure that a copy of your payment confirmation is delivered to your Human Resources Department by 30 September 2024 at the latest.

If you choose to pay for your subscription through salary deduction, your employer will provide an interest free advance on your salary for the amount you wish to subscribe. Your salary deductions will be used to repay that interest free advance from your employer over the specified period.

Arkema will provide your payment to the FCPE after the close of the offer period and the FCPE will acquire Arkema shares on 30 October 2024. If you cease employment with an Arkema Australia Subsidiary after the end of the subscription period but before the FCPE purchases the shares then your subscription will remain valid and you will participate in the offering. That is, the FCPE will purchase shares on your behalf and shortly after receiving notification of your unit allocation you may request a redemption of units from the FCPE under the early exit events detailed below.

If you choose to pay for your subscription through salary deduction and you cease employment with Arkema before all your salary deductions are completed (including if you cease employment with Arkema after the end of the subscription period but before the FCPE purchases the shares), you will need to make arrangements satisfactory to your employer to repay the salary advance (refer below). You should also refer to the section headed “Early exit events” in terms of the circumstances in which you may redeem your units prior to the end of the lock-up period.

You may not choose the salary deduction payment option if, at the time of lodging your subscription, you are aware that your employment is due to end, or is suspended, on the last day of subscription.

Terms and conditions of interest free advance on your salary as part of the salary deduction payment option

If you choose to pay for your subscription through salary deduction, your employer will provide an interest free advance on your salary for the amount you wish to subscribe.

The terms of the interest free advance are:

- you must mark the box for payment by salary deduction on the Subscription Form;
- you must nominate the total amount you wish to invest on the Subscription Form;
- your employer will deduct the total amount in equal instalments (subject to any final instalment differences) from your post-tax salary payments during the specified period;
- the salary deductions will be used to repay that interest free advance over the specified period;
- the advance is interest free;
- no fees are payable in respect of the advance;
- you must sign and return a declaration that the salary advance is applied to produce assessable income;
- if you cease employment with Arkema before the FCPE purchases the shares then the FCPE will purchase shares on your behalf and shortly after receiving notification of your unit allocation you may request a redemption of units from the FCPE under the early exit events detailed below, and you must make arrangements satisfactory to your employer to repay the salary advance;
- if you cease employment with Arkema before all your salary deductions are completed (including if you cease employment with Arkema before the FCPE purchases the shares), you will need to make arrangements satisfactory to your employer to repay the salary advance. You may request a redemption of units from the FCPE under the early exit events detailed below; and
- if you cease employment with Arkema before all your salary deductions are completed, the amount you must repay your employer to repay the salary advance is an amount no greater than the cumulative value (as at the time the loan is repayable) of the financial products (being the shares / units in the FCPE corresponding to the shares/units you subscribed for) you subscribed for and which were allocated to you.

■ Currency exchange control

As stated above, your subscription is in euro. During the life of the 2024 employee offering, the value of your investment in the FCPE (which will purchase and hold Arkema shares) will be affected by fluctuations in the currency exchange rate between the euro and Australian dollar. As a result, if the value of the euro strengthens relative to the Australian dollar, the value of the units expressed in local currency will increase. On the other hand, if the value of the euro weakens relative to your Australian dollar, the value of the units expressed in Australian dollars will decrease.

In addition, the price of Arkema shares and FCPE units may fall over the Lock-up period and may be worth less at the end of the period from the amount you initially subscribed. You can find the market price of Arkema shares from time to time on the Euronext website.

■ Custody of the shares

The shares will be subscribed and held on your behalf by a collective shareholding vehicle, known as a *Fonds Commun de Placement d'Entreprise*, or an FCPE, which is commonly used in France for the holding of shares held by employee-investors, for the duration of the Lock-up period. Your investment will be held via a “temporary” FCPE, the “Arkema Actionnariat International Relais 2024”, which will be merged shortly after the capital increase into the “Arkema Actionnariat International” FCPE. You will be issued units in the FCPE corresponding to the units you subscribe for in your Subscription Form and the shares the FCPE will subscribe for. A description of the nature of an FCPE and a summary of the rules for the FCPE are set out under ‘Additional Information’. You may request a full copy of the rules from the Human Resources Department (hr.australia@bostik.com). The rules will also be available for inspection at Arkema’s offices in Melbourne.

■ Your investment will be subject to a five-year lock-up period

In consideration of the benefits granted under this offering, your investment is subject to a lock-up period of five years (ending on 30 October, 2029), during which you will not be able to redeem your investment unless you qualify for an early exit (see “**Early exit events**” below).

■ Early exit events

You may request redemption of your investment during the above-mentioned lock-up period in the following circumstances only:

- (a) total and permanent disability of the employee;
- (b) death of the employee; or
- (c) termination of the employment contract (including voluntary resignation and retirement).

Before relying or attempting to rely on any of these early exit events, you should consult with your employer to make sure that your case meets all the requirements of French and Australian law.

Supporting documentation may be required to establish the occurrence of a valid early exit event. Acceptance of a request for early exit is possible but not mandatory. For further information, please contact your human resources office.

■ Dividends

Any dividends paid with respect to the shares, while such shares remain in the FCPE, will be reinvested by the FCPE in additional Arkema shares. The dividends will not be paid out directly to employees. These reinvested dividends will result in the issuance of additional units (or fractions thereof) to employees. The dividends will not be paid out directly to you.

■ Voting rights

As long as the shares are held by the FCPE, the voting rights pertaining to such shares will be exercised by the elected members representing the unitholders on the supervisory board of the FCPE on behalf of the employees.

■ Redemption

Your investment will become available upon the expiry of the lock-up period of approximately five years, or earlier, if you qualify for an early exit. Prior to the end of the lock-up period, you will be informed of the availability of your investment and your FCPE units will be valued in accordance with the share price at that time. At that time, you may request the redemption of your investment from the FCPE in cash or you may continue to hold your units in the FCPE until later requesting the redemption of your investment from the FCPE in cash.

→ MATCHING SHARES

■ Grant of Matching Shares:

It is expected that the Board of Arkema will grant to all participants in the Classic Offer (this is the offer being made to you in 2024) the right to receive additional matching shares (via the allocation of additional units in the FCPE), subject to the conditions contained in the Free Share Plan Rules. It is expected that this grant will be made on 5 November 2024 (the “Grant Date”). A summary of the terms of the Free Share Plan Rules is provided below. You can access the Free Share Plan rules (in French or in English) upon request, from your Human Resources department.

The Arkema employers participating in the Arkema Plan are referred to as the “Participating Companies”.

■ Eligibility:

In order to be eligible to receive a grant of units under the Free Share Plan, an employee must satisfy the following conditions:

- such employee must have submitted a valid subscription form to participate in the Classic Offer and complied in full with all of the terms and conditions of such offer;
- and
- such person must have been employed by a company of the Arkema Group on the Grant Date unless one of the events listed under Exception to the Continued Employment Condition below occurs between the date of subscription and the Grant Date).

In order to receive the additional Matching Shares, the employee must satisfy the Continued Employment Condition described below.

■ Number of Matching Shares and Limit of the Grant of Matching Shares:

All eligible employees that satisfy the above eligibility conditions of the Free Share Plan will be granted a right ("Matching Right") to receive additional Arkema shares delivered through the FCPE via the allocation of additional units in the FCPE ("Matching Shares"). The eligible employee will be granted a Matching Right to one Matching Share for every four whole shares he or she subscribes to, up to a maximum of 25 Matching Shares. The rights and entitlements attaching to the Matching Rights are set out below under "Vesting and Delivery of Matching Shares".

For the avoidance of doubt, subscribed shares (via the subscription of units in the FCPE) shall be based on the amount actually delivered, taking into account any reductions that may be made due to individual or total orders in Arkema Offer exceeding the permitted or available amounts.

Please note that while it is intended that Matching Shares will be delivered through the FCPE, Arkema has the right to deliver shares directly if, for example, Australian regulations change and it is no longer possible to deliver shares through an FCPE.

■ Information on the Grant of Matching Shares:

Within a few weeks following the grant by the Board, each eligible employee will receive a letter or statement confirming that he or she is an eligible employee and setting forth the number of Matching Rights granted to him or her.

■ Vesting and Delivery of Matching Shares:

The Matching Shares will be delivered to all eligible employees four years after the grant, on or about 6 November 2028 (the "Date of Delivery"), provided that the conditions of the Free Share Plan rules (in particular the Continued Employment Condition) have been satisfied during that period. The period between the Date of Grant and the Date of Delivery is referred to as the "Vesting Period". Prior to the Date of Delivery, eligible employees will not own the Matching Shares, and consequently will have no right to any dividends paid in respect of the Matching Shares (or for which the record date is prior to such date) and will have no right to vote at shareholders' meetings. That is, Matching Rights do not carry any entitlement to dividends or to vote.

■ Non-transferability of the Matching Rights:

The Matching Rights are personal to each eligible employee. An eligible employee cannot sell, transfer or pledge his or her Matching Rights under the Free Shares Plan. The only exception to this restriction is for transfers that occur through succession to legal beneficiaries, in the event of the death of the eligible employee.

■ Continued Employment Condition:

In order to receive the Matching Shares, the eligible employee must have remained an employee of the Arkema Group (Arkema and its majority-owned subsidiaries) for the full duration of the Vesting Period. Such employment must be continuous and without interruption.

For sake of clarity, if at any time during the Vesting Period, an eligible employee ceases to be an Employee of the Arkema Group, the Matching Rights will lapse and such employee will lose all rights to the Matching Shares. These rights will not be restored even in the event such person subsequently becomes re employed within the Arkema Group.

■ Exception to the Continued Employment Condition:

An eligible employee will be deemed to satisfy the Continued Employment Condition if, at any time during the relevant Vesting Period, the eligible employee ceases to be employed for any of the following reasons:

(i) Death

In the event of the eligible employee's death, the legal heir or heirs of the deceased beneficiary may request delivery of the Matching Shares within a period of six months following the date of death. In this case, any Matching Shares granted shall be delivered to such heir or heirs promptly following such request and the Vesting Period will not apply.

In the absence of such a request, the Matching Shares granted to the deceased eligible employee shall be delivered to such heir or heirs on the Date of Delivery.

(ii) Disability

In the event of a disability corresponding to a classification in the second or third categories provided for in Article L. 341-4 of the French Social Security Code (or its equivalent in foreign law), the Matching Shares granted shall be delivered to the eligible employee at the Date of Delivery.

(iii) Retirement

In case of retirement at the age provided for retirement under relevant local law.

In such case, the Matching Shares granted shall be delivered to the eligible employee at the Date of Delivery. This exception will only be allowed where legally permissible.

(iv) **Redundancy or termination without cause**

In case of redundancy or termination without cause, the Matching Shares granted shall be delivered to the eligible employee at the Date of Delivery. For the avoidance of doubt, a termination for cause related to the employee's conduct or performance will result in a loss of the right to the Matching Shares.

(v) **Loss of Participating Company status or divestiture of business or operating unit**

In the event of a change in control of a Participating Company or in case of a divestiture of business or operating unit (including outsourcing), an eligible employee of the relevant company, business or operating unit shall not lose his or her right to the Matching Shares as a result of such change or divestiture. The Matching Shares granted shall be delivered to the eligible at the Date of Delivery.

■ **Ownership of the Matching Shares and Selling Restrictions:**

The Matching Shares will be delivered as from the Date of Delivery in one or several shareholding funds (FCPE) and by subscribing to such Plan the employee is deemed to accept such method of delivery.

At the Date of Delivery, any Matching Shares delivered will become the full property of the eligible employee through the FCPE. The eligible employee will, as of such date, benefit from all the rights of ownership relating to these Matching Shares, notably the right to vote at meetings of the Shareholders of Arkema or to be represented, and the right to receive any dividends, in accordance with the terms of the FCPE.

Following the receipt of the Matching Shares (via the allocation of additional units in the FCPE), the recipient will be free to redeem them. The eligible employee may request the redemption of Matching Shares from the FCPE in cash or may continue to hold the Matching Shares through the FCPE until later requesting the redemption of the Matching Shares from the FCPE in cash.

■ **Changes to the Free Share Plan:**

In the event of a restructuring of Arkema that results in a split of the company or a transfer of all or substantially all of its assets to another entity prior to the Date of Delivery, the Free Share Plan may be modified by the Board of Arkema or by law in order to substitute shares in the surviving or successor entities for the Arkema Shares originally provided for under the Free Share Plan.

■ **Additional information**

What is an FCPE? An FCPE is a collective shareholding vehicle established under French Law and is created specifically for the purpose of a French company or group employee stock plan. The Arkema FCPE was created in respect of the Arkema Employee Share Purchase Plan which provides the framework within which the Offer operates, and is thus subject to its regulations as well as to French laws on savings plans.

Under the 2024 Employee Offering, the FCPE will acquire shares in Arkema and then issue units to participating employees. Each unit corresponds to the same fraction of the FCPE's assets and represents an undivided percentage interest in the Arkema shares held by the FCPE on behalf of employees. That is, the shares are pooled within the FCPE compartment and are not held in separate accounts for each employee. Unit values are calculated on the basis of NAV. All prices and values will be calculated in euros.

An FCPE is governed by rules, which set out the terms and conditions under which a plan offering is to operate.

The FCPE is operated and managed by :

- a management company (which is Amundi) ("Management Company");
- a custodian (which is Caceis Bank France) ("Custodian"); and
- a supervisory board (which is comprised of equal numbers of elected employee shareholder representatives and representatives of the Arkema group employers) ("Supervisory Board").

Each of these bodies has specific obligations under the FCPE rules.

Management Company

The Management Company maintains the portfolio of the FCPE pursuant to the rules of the FCPE. The Management Company, subject to the powers of the Supervisory Board, acts on behalf of unitholders and also prepares the accounting documents and periodic information documents required by the FCPE rules.

In addition, the Management Company appoints a legal controller of the accounts ("Legal Controller") (with the approval of the French AMF).

The Management Company calculates the number of units held by each employee and prepares an allotment statement for the company. Arkema then informs each employee of the number of units allotted to that employee. It also executes the redemption of units.

Custodian

The Custodian is responsible for the custody of the assets comprised in the FCPE. It ensures that transactions are carried out in conformity with the relevant legislation and with the FCPE rules. The Custodian must take any necessary steps to enable the FCPE to exercise rights attaching to the assets held by the FCPE.

The Custodian must audit the inventory of the FCPE assets (prepared by the Management Company) within 6 weeks of the end of each half-year period and certifies the inventory of the FCPE's assets at the end of the year.

Supervisory Board

The Supervisory Board meets at least once a year to review the annual reports on the FCPE's performance and the transactions it has made. The elected members representing the unitholders of the Supervisory Board exercises the voting rights attached to the securities included in the FCPE's assets. It appoints one or more proxies to represent the FCPE at the shareholders meetings of the issuing company (in this case, Arkema). The Supervisory Board may present resolutions at the general meetings. The Supervisory Board must approve any change to the FCPE rules before they are made. Without prejudice to the abilities of the Management Company and the liquidator, the Supervisory Board may act on the unitholders' legal behalf to defend or assert the rights or interests of the unitholders.

Legal Controller

The Legal Controller ensures legislative requirements have been met and certifies the accuracy of published information and the regularity of the financial statements and accounting information contained in the management report.

Annual accounts

The Management Company must send to Arkema the following documents (which must have been certified by the Legal Controller) before 30 April in any year:

- the inventory of assets certified by the Custodian within 8 weeks from the end of each half-year period;
- the balance sheet, the income statement and notes, and the management report prepared in accordance with the provisions of the current accounting plan, certified by the Auditor within 4 months after every fiscal year-end.

Arkema will arrange for these documents to be available for inspection at the registered office of Arkema, 420, rue d'Estienne d'Orves, 92700 Colombes, 445 074 685 RCS Nanterre during normal business hours or on request from your Human Resources Manager, (hr.australia@bostik.com). Within 8 weeks after the end of each half-year the Management Company must communicate to Arkema and the Supervisory Board information on the composition of the FCPE's assets. You can request the information from your employer.

The FCPE through which your investment will be held is created for an indefinite term. It has some specific rules, including rules which relate to the portfolio of the compartment and how the unit value is created. The revenue and proceeds of the compartment's assets (eg dividends) must be reinvested. The amounts re-employed in this way result in the issue of new units and/or fractional units in the FCPE. Each year an adjustment to the number of the units is made on the basis of the current price of the Arkema shares and the calculation of the initial NAV. This adjustment is made each year following the reinvestment of any dividends on the Arkema shares. This adjustment is effected in order to minimise any difference between the NAV of the units and the Arkema share price.

Fees and Charges: The annual financial and administrative management fees are equal to 0.008% of the FCPE's net assets, including tax. The fees are charged to Arkema. Management fees are calculated and provided for on the basis of the average assets under management, calculated upon the determination of each NAV. In addition, transaction fees are applicable. The amount of the fees are indicated in the annual management report.

The FCPE rules may be amended with the consent of the Supervisory Board. Unitholders must be informed of any amendment to the rules. Changes take effect no earlier than 3 days after employees are first informed.

Amendment to the FCPE rules and changes to governing bodies: The FCPE rules may be amended with the consent of the Supervisory Board. Employees must be informed of any amendment to the rules. Changes take effect 3 business days at the earliest after employees are first informed. The Supervisory Board may decide to change the Management Company or Custodian. Any such change may only take place after the Supervisory Board has appointed (as necessary) a new Management Company or a new Custodian (with the Management Company's approval) and after the AMF's approval. The change must occur no more than three months after the AMF's approval. In that period the departing Management Company must prepare an interim management report and an inventory of the FCPE's assets. These documents must be provided to the new Management Company on a mutually agreed date or at the end of the 3 month period following the transfer decision.

Any merger or demerger of the FCPE must be:

- (a) made in accordance with French law;
- (b) decided upon by the Supervisory Board;
- (c) approved by the AMF; and
- (d) notified to unitholders.

In a merger or demerger, your new rights will be calculated on the basis of the NAV of units of the FCPE (which will be calculated on the date of merger or demerger). You will be notified of the number of units you will hold in the revised FCPE and of the new rules. Two thirds of the unitholders of the same company may decide to collectively transfer the assets of the current and former employees of the same company held in each compartment of the FCPE to another investment vehicle.

The FCPE may not be liquidated so long as there remains units that cannot be redeemed pursuant to law (that is, while there are units which are still within the lock-up period).

■ **What is the effect of foreign jurisdiction?**

Under the rules of the FCPE, if any dispute that arises between:

- (a) the unitholders; and
- (b) the Management Company; or
- (c) the Custodian,

in connection with the FCPE either during its operation or upon its liquidation, the dispute will be referred to the French courts of competent jurisdiction.

A final and conclusive judgment obtained in an Australian court in respect of a fixed and certain sum payable by a French company (such as Arkema) would be recognised and enforced by the courts in France, provided actual notice of proceedings has been established in sufficient time to contest them and provided that the judgment was not obtained in a manner contrary to natural justice, French law or public policy in France.

TAX INFORMATION FOR EMPLOYEES

RESIDENT IN AUSTRALIA

The following summary sets forth general principles that are expected to apply to employees who are (i) resident in Australia for the purposes of the tax laws of Australia and of the Convention between Australia and the French Republic for the avoidance of double taxation with respect to taxes on income and the prevention of fiscal evasion dated 20 June 2006 including any impact of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (the “Treaty”) and (ii) are entitled to the benefits of the Treaty, but may not apply in all specific cases. This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive.

For definitive advice, employees should consult their own tax advisors regarding the tax consequences of participating in the Arkema Employee Offering.

The tax consequences listed below are described in accordance with the Treaty, Australian tax law and tax practices, and certain French tax laws and practices, all of which are applicable at 27 April 2024. These laws and practices may change over time. Employees should also consider their personal situation.

A. Taxation in France

You will not be subject to taxation in France upon subscription. Provided your investment is held through a compartment of the FCPE and such compartment reinvests any dividends that may be distributed by Arkema, you will not be subject to tax or social charges in France. Any gains realized upon your investment are not subject to taxation or social charges in France.

B. Taxation in Australia

■ 1. Upon subscription

You will not be subject to any income tax on the subscription discount provided at the time you acquire your units in the FCPE.

Instead, the provision of FCPE units to you constitutes a fringe benefit provided in relation to your employment with Arkema.

Accordingly, your local Arkema employer will be liable for fringe benefits tax (“FBT”) on the ‘taxable value’ of the benefit. The ‘taxable value’ of the benefit will equal the ‘grossed up’ fair market value of the discount, which will ultimately depend to a certain extent on the market value of the Arkema shares at the time the units are granted. The ‘gross up’ effectively increases the amount of the benefit to reflect its pre-tax value to you.

In addition to the employer’s FBT liability, you will be liable in most situations for a 1% to 1.5% Medicare Levy Surcharge on the amount of the discount to the fair market value of the units in the FCPE acquired if:

- your income for surcharge purposes exceeds AU\$97,000 per annum (for an individual) or AU\$194,000 per annum (for a couple) (for the 2025 income year);
- you do not hold Australian registered private hospital insurance cover; and
- the value of the benefit is reportable on your year end employer-issued payment summary. Generally, fringe benefits are reportable for a year if they exceed AU\$2,000 in aggregate.

■ 2. Interest free advance payment

You should not be subject to income tax if you choose to pay for your FCPE units by post-tax salary deduction over 12 months. However, the interest free advance will constitute a loan fringe benefit provided in relation to your employment with Arkema. As a result, your local Arkema employer will be liable for FBT on the ‘taxable value’ of the benefit.

Generally, the taxable value of the fringe benefit can be reduced to nil if you provide a declaration that the loan is applied to produce assessable income (for example, the loan is applied to acquire shares that pay dividends). To allow your local Arkema employer to reduce the resulting FBT liability, you will be required to provide that declaration as part of completing the subscription process and at any other time at the request of your employer.

■ 3. Dividends (despite their automatic reinvestment)

You will be subject to income tax on the dividends paid on the shares to the FCPE. This is the case even though the FCPE reinvests those dividends in further Arkema shares on your behalf (with additional FCPE units being issued to you) rather than you receiving them directly.

You will be assessed on the value of the additional FCPE units issued to you at the time the dividends are reinvested. Income tax will be payable at your marginal tax rate on the value of the additional FCPE units issued to you.

The maximum marginal tax rate is 45% (plus a compulsory 2% Medicare levy). Additionally, a Medicare Levy Surcharge of between 1% and 1.5% may also apply to employees whose income for surcharge purposes is more than AU\$97,000 per annum (for an individual) or AU\$194,000 per annum (for a couple) (for the 2025 income year) in most situations if Australian registered private hospital insurance cover is not held.

Any dividends paid to the FCPE must be included in your income tax return for the year in which the dividend is reinvested and therefore the tax will be payable on assessment of your tax return for that income year.

■ 4. Upon redemption

If you request to redeem your units from the FCPE, generally the capital gains tax (CGT) provisions will apply. You may make a capital gain and therefore be subject to income tax.

You will be assessed on any capital gain you make on redemption, which will be equal to the difference between:

- the amount of cash you receive; and
- the sum of the purchase price you paid for the FCPE units (or in the case of FCPE units acquired through dividend reinvestment, the amount of the reinvested dividends).

However, you may use other capital losses from the same income year or prior year capital losses that you have carried forward to offset the capital gain arising from redemption.

You will only be subject to tax if you redeem your FCPE units. If you continue to hold your units in the FCPE beyond the 5 year lock up period, you will not be subject to tax until your FCPE units are redeemed.

As outlined above, you will be subject to income tax on redemption of the additional FCPE units you receive upon reinvestment of dividends. Upon redemption you will be subject to tax on the increase in value of your additional FCPE units above their cost base, comprising the amount of the dividend you were taxed on. The amount of this gain will be reflected in the capital gain calculation referred to above.

If you have held your units in the FCPE for at least 12 months the net capital gain remaining after the utilisation of any capital losses will be discounted by 50%. If you redeem your FCPE units within 12 months of them being issued to you, the whole of the net capital gain remaining after the utilisation of any capital losses will be assessable.

Any net capital gain you make must be included in your income tax return in the year in which your FCPE units are redeemed and will be assessed at your marginal tax rate.

The maximum marginal tax rate is 45% (plus a compulsory 2% Medicare levy). Additionally, a Medicare Levy Surcharge of between 1% and 1.5% may also apply to employees whose income for surcharge purposes is more than AU\$97,000 per annum (for an individual) or AU\$194,000 per annum (for a couple) (for the 2025 income year) in most situations if Australian registered private hospital insurance cover is not held.

If the amount of cash you receive on redemption is less than the sum of the purchase price you paid for the FCPE units (or in the case of FCPE units acquired through dividend reinvestment, the amount of the reinvested dividends), you will make a capital loss. Capital losses can be used to offset other capital gains or carried forward and utilised against capital gains made in future income years.

■ 5. Reporting obligations

You will not have any specific reporting obligations beyond including the receipt of the additional FCPE units from the reinvestment of dividends in your tax return for the year of receipt and including any capital gain you make on redemption of your FCPE units in your tax return for the year in which redemption occurs.

If the fringe benefits that you receive during the year ending 31 March are greater than AU\$2,000 in aggregate the value of the benefits will generally be reportable in your year end employer-issued payment summary. This amount will be included when determining your entitlement to certain tax offsets and other concessions as well as your liability for various surcharges and obligations.

■ Matching Shares

The summary below is drafted on the basis that additional units are provided to employees, rather than any Matching Shares being held directly.

■ Taxation at the date of grant of the right to receive Matching Shares

You will not be subject to any income tax on the grant of the right to receive FCPE units representing your Matching Shares at the date of grant.

Instead, the provision of the rights to you constitutes a fringe benefit provided in relation to your employment with Arkema.

Accordingly, your local Arkema employer will be liable for FBT on the 'taxable value' of the benefit.

In addition to the employer's FBT liability, you will be liable in most situations for a 1% to 1.5% Medicare Levy Surcharge on the amount of the fair market value of the right to receive the units representing the Matching Shares if:

- your income for surcharge purposes exceeds AU\$97,000 per annum (for an individual) or AU\$194,000 per annum (for a couple) (for the 2025 income year);
- you do not hold Australian registered private hospital insurance cover; and
- the value of the benefit is reportable on your year end employer-issued payment summary. Generally, fringe benefits are reportable for a year if they exceed AU\$2,000 in aggregate.

Taxation at the date of delivery of the FCPE units representing your Matching Shares

You will not be subject to any tax on receiving FCPE units representing your Matching Shares.

■ Taxation on dividends

Once the 4 year Vesting Period is satisfied and you receive your FCPE units representing your Matching Shares, you will be subject to income tax on any dividends paid on the shares to the FCPE. This is the case even though the FCPE reinvests those dividends in further Arkema shares on your behalf (with additional FCPE units being issued to you) rather than you receiving them directly.

You will be assessed on the value of the additional FCPE units issued to you at the time the dividends are reinvested. Income tax will be payable at your marginal tax rate on the value of the additional FCPE units issued to you.

The maximum marginal tax rate is 45% (plus a compulsory 2% Medicare levy). Additionally, a Medicare Levy Surcharge of between 1% and 1.5% may also apply to employees whose income for surcharge purposes is more than AU\$97,000 per annum (for an individual) or AU\$194,000 per annum (for a couple) (for the 2025 income year) in most situations if Australian registered private hospital insurance cover is not held.

Any dividends paid to the FCPE must be included in your income tax return for the year in which the dividend is reinvested and therefore the tax will be payable on assessment of your tax return for that income year.

■ Taxation at redemption

Any FCPE units representing your Matching Shares (or reinvested dividends on those units) may not be sold. Rather, those FCPE units may be redeemed for cash only.

If you request to redeem those units from the FCPE, generally the capital gains tax (CGT) provisions will apply. You may make a capital gain and therefore may be subject to income tax.

In respect of the FCPE units representing your Matching Shares, the capital gain on redemption will equal the cash received on redemption of those FCPE units.

In addition, you will be subject to income tax on redemption of any additional FCPE units you receive upon reinvestment of dividends. Upon redemption you will be subject to tax on the increase in value of those additional FCPE units above their cost base, comprising the amount of the dividend you were taxed on. Importantly, you may use other capital losses from the same income year or prior year capital losses that you have carried forward to offset the capital gain arising from redemption.

If the amount of cash you receive on redemption of the FCPE units that were issued as a result of the reinvestment of your dividends is less than the sum of the amount of the reinvested dividends, you will make a capital loss. Capital losses can be used to offset other capital gains or carried forward and utilised against capital gains made in future income years.

If you have held your FCPE units representing your Matching Shares or reinvested dividends for at least 12 months, the net capital gain remaining after the utilisation of any capital losses will be discounted by 50%. If you redeem your FCPE units within 12 months of them being issued to you, the whole of the net capital gain remaining after the utilisation of any capital losses will be assessable.

Any net capital gain you make must be included in your income tax return in the year in which your FCPE units are redeemed and will be assessed at your marginal tax rate.

The maximum marginal tax rate is 45% (plus a compulsory 2% Medicare levy). Additionally, a Medicare Levy Surcharge of between 1% and 1.5% may also apply to employees whose income for surcharge purposes is more than AU\$97,000 per annum (for an individual) or AU\$194,000 per annum (for a couple) (for the 2025 income year) in most situations if Australian registered private hospital insurance cover is not held.