

ARKEMA GROUP EMPLOYEE SHARE OFFERING 2024

COUNTRY SUPPLEMENT FOR THE THE UNITED ARAB EMIRATES



You have been invited to invest in shares of Arkema under the umbrella of the Arkema Group employee share offering 2024. You will find below a brief summary of the terms of the offering, the local offering information and principal tax consequences relating to the offering.

→ SUMMARY OF THE OFFERING

To be read in conjunction with the employee brochure and other materials distributed to you.

■ A share capital increase reserved for employees

Arkema shares will be offered to all eligible employees of participating Arkema Group companies, 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 shares exceeds the offered shares (1 350 000 shares), the number of shares requested may be reduced. In this event, each participant will be notified personally.

■ 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. 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 September 16, 2024 and lasts until September 30, 2024.

Return your subscription form by September 30, 2024 to:

Sofiane DALLECH - Chief Financial Officer
ARKEMA MIDDLE EAST DMCC
JBC 3 (Cluster Y)
Office Unit 1108
Jumeirah Lake Towers
P.O.BOX 336393 DUBAI
UAE

■ Subscription price

The subscription price for the Arkema shares will be at a discount of 25% from the "reference price".

The reference price is based on the average of the opening price of the Arkema share on the 20 trading days preceding September 11, 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.

During the life of your investment, the value of the Arkema shares will be affected by fluctuations in the currency exchange rate between the euro and the UAE Dirham. As a result, if the value of the euro strengthens relative to the UAE Dirham, the value of the shares expressed in local currency will increase. On the other hand, if the value of the euro weakens relative to the UAE Dirham, the value of the shares expressed in UAE Dirham will decrease.

■ 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 minimum amount of investment will be € 15.

■ Method of payment

Immediate Payment:

Bank transfer:

	ARKEMA MIDDLE EAST DMCC
BANK NAME	CITIBANK, N.A.
BANK ADDRESS	Oud Metha Road, PO BOX 749 Dubai, UAE
SWIFT	CITIAEAD
BANK ACCOUNT NAME	ARKEMA MIDDLE EAST DMCC
BANK ACCOUNT No (AED)	0102043006
IBAN (AED)	AE38 0211 0000 0010 2043 006

Payment by means of loan of 24 installments without interest:

I hereby authorize my employer to discount all months from my salary 1/24 the amount due to this type of payment, the first discount shall be made from the salary of November 2024.

I declare that due to the amount of my subscription, my reimbursements installments shall represent at maximum 10% of my monthly net salary.

I am aware of this payment method, such as described in the country supplement.

I hereby consent to my employer deducting an amount in excess of ten percent (10%) of my annual gross earnings (including bonuses) towards payment of my subscription or any reimbursement for any other amounts due by me to my employer in respect of my participation in Arkema Group share offering.

In case of suspension or the termination of my work contract before October 31, 2026, I commit to pay the remaining amount due before my dismissal. Depending on the case, my employer may implement any adequate measure to charge this credit in case I do not pay the amount due by me.

The employees for which the final agreement deadline is provided to end before October 2024, as well as the employees which work agreement is suspended in the last day of subscription cannot use the benefit, to loan, in 24 installments without interest, from their employer to finance their subscription.

■ Currency exchange control

Purchase of foreign securities and opening of securities accounts abroad are not subject to any local authorizations in the UAE. With the exception of restrictions on currencies subject to any UN and other international sanctions, there are no specific exchange control regulations on the payment of purchase price, transfer of the purchase price abroad or receipt of dividends in a foreign currency.

■ Custody of your shares

Your 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 conservation of shares held by employee-investors. 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 shares you will have subscribed.

■ 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 October 30, 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:

1. Marriage or civil partnership of the employee;
2. Where a child is born or a child arrives at the home in view of being adopted, provided the employee's household is already financially responsible for at least two children;
3. In the event of divorce or separation, when this event is accompanied by a court decision specifying that the sole or shared ordinary place of residence of at least one child is at the domicile of the employee concerned;
4. Where the employee, his or her spouse or children, suffers from a disability as defined by French law;
5. Death of the employee or his/her spouse or civil partner;
6. An early redemption is permitted in case of domestic violence committed against the beneficiary by his or her spouse, civil partner or partner or his or her former spouse, civil partner or partner;
7. Termination of the employment contract;
8. Where the employee, his or her children, or spouse, allocates the amounts saved to create certain businesses as provide for by French law;
9. Over-indebtedness of the employee;
10. Where the employee allocates the amounts saved to the acquisition or enlargement of his or her principal residence entailing the creation of a new living area or for repairing damages caused on your main residence by a natural disaster defined as such by local authorities..

The above is a summary of the current early exit provisions permitted under French law. The early exit events are to be interpreted and applied in a manner consistent with French law. 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 law.

Employees (or their executors) must present a request for redemption within a period of six months after the occurrence of such event, except in the event of the death, disability, domestic violence or termination of the employment contract, in which cases your redemption request may be made at any time. For further information, please contact your human resources office.

■ Dividends

Any dividends paid with respect to 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 to employees.

■ 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 of 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 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. At that time, you may request the redemption of your investment or you may continue to hold your shares through the FCPE.

→ FREE SHARES

■ Grant of Free Shares

It is expected that the Board of Arkema will grant to all participants in the Classic Offer the right to receive free shares, subject to the conditions contained in the Free Share Plan Rules. It is expected that this grant will be made on November 5, 2024 (the "Grant Date"). A summary of the terms of the Free Share Plan Rules is provided below. You can access to the Free Share Plan rules (in French or in English) upon request, from your HR.

The Arkema employers participating in the plan are referred to as the "Participating Companies."

■ Eligibility

In order to be eligible to receive a grant of shares 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 free shares, the employee must satisfy the Continued Employment Condition described below.

■ Number of Free Shares and Limit of the Grant of Free Shares

All eligible employees that satisfy the above conditions of the Free Share Plan will be granted a right to receive free shares from Arkema. The eligible employee will be granted one matching share for every four whole shares he or she subscribes to, up to a maximum of 25 matching shares.

For the avoidance of doubt, subscribed shares 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.

■ Information on the Grant of Free 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 free shares granted to him or her.

■ Vesting and Delivery of Free Shares

The free shares will be delivered to all eligible employees four years after the grant, on or about November 6, 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 free shares, and consequently will have no right to any dividends paid in respect of the free shares (or for which the record date is prior to such date) and will have no right to vote at shareholders’ meetings.

■ Non-transferability of the Rights of Free Shares

The rights resulting from the grant of free shares are personal to each eligible employee. An eligible employee cannot sell, transfer or pledge his or her right to receive the free shares 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 free 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, such employee will lose all rights to the free 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 free shares within a period of six months following the date of death. In this case, any free 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 free 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 free 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 free 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 free 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 free 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 free shares as a result of such change or divestiture. The free shares granted shall be delivered to the eligible at the Date of Delivery.

■ Ownership of the Free Shares and Selling Restrictions

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

Following the receipt of the free shares the recipient will be free to sell them, without selling restrictions other than insider trading restrictions. The free 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.

■ 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.

TAX INFORMATION FOR EMPLOYEES

RESIDENT IN UNITED ARAB EMIRATES

The following summary sets forth general principles that are expected to apply to employees who are resident in the United Arab Emirates (UAE) for the purposes of the tax laws of the UAE and of the tax treaty concluded between France and for the avoidance of double taxation dated 19th of July 1989 (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 UAE tax law and tax practices, all of which are applicable at the time of the offering. These laws and practices may change over time.

A. Taxation in France

You will not be subject to taxation in France upon subscription. Provided your investment is held through the FCPE and such FCPE 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 the UAE

■ Upon subscription

Subscription to shares or units of the FCPE in France will not be subject to any taxes or social security charges under the laws of the United Arab Emirates.

■ Dividends

You will not be subject to taxation or social security charges under the laws of the United Arab Emirates with respect to dividends received by the FCPE.

■ Upon redemption

No tax or social security charges will apply under the laws of the United Arab Emirates on redemption of the FCPE units.

FREE SHARES

■ Tax and/or social security charges that may be applicable at the date of grant of the right to acquire free shares.

No tax or social security charges will apply under the laws of the United Arab Emirates.

■ Tax and/or social security charges that may be applicable if the right to receive free shares vests prior to the end of the vesting period and are not delivered before the date of delivery of the shares.

No tax or social security charges will apply under the laws of the United Arab Emirates.

■ Tax and/or social security charges that may be applicable at the date of delivery of the shares.

No tax or social security charges will apply under the laws of the United Arab Emirates.

■ Tax and/or social security charges that may be applicable at the date of sale of the shares..

No tax or social security charges will apply under the laws of the United Arab Emirates.