



DECISION BY THE BOARD OF DIRECTORS REGARDING THE 2022 PERFORMANCE SHARE PLANS

ADJUSTMENT OF THE OBJECTIVES OF THE “WASTE” INDICATOR

Upon recommendation by the Nominating, Compensation and Corporate Governance Committee, the Board of Directors decided at its meeting held on 22 February 2023 to update the objectives of the “non-recovered waste” indicator of the 2022 performance share plan as follows, in accordance with the reality of its calculation scope within the Group resulting from the compilation of the 2022 environmental results, after taking into account a difference in the classification of water between local rules in China and Group policy when the indicator was implemented (2021 base). As this divergence was not known when the objectives of the 2022 plan were established, it led to an erroneous calculation of the 2021 baseline and consequently of the objectives of the indicator as well.

Non-recovered waste for the 2022-2024 period	Vesting rate
Indicator \geq 49.5 kg/t	0%
49.5 kg/t \geq Indicator \geq 48.0 kg/t	Linear scale between 0% et 100%
48.0 kg/t \geq Indicator \geq 47.7 kg/t	Linear scale between 100% et 120%
Indicator \leq 47.7 kg/t	120%

The indicator used is the average of non-recovered waste for 2022, 2023 and 2024 in kg per ton of production.

The reference of 49.5 kg/t is close to the 2021 value, the first year sufficient data were consolidated. The trajectory considered between 2021 et 2024 corresponds to a reduction of 1.5%/year (100% rate).

As a reminder, the waste indicator is one of the monitoring elements of the plan’s Circular Economy indicator, a composite indicator which also includes the Life Cycle Assessment of Arkema’s products and the Group’s efforts to reduce energy consumption with the Energy EFPI.

Moreover, it is more generally part of the plan’s CSR criterion which makes up 25% of the overall allocation and is structured as follows:

CSR	50%	Carbon trajectory – Scopes 1 et 2
	50%	1/3 Diversity
		1/3 Process Safety Event Rate (PSER)
		1/3 Circular Economy