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Arkema Inc.

Human Resources/U.S. Benefits

Revision No.: 01_2025

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Title:

**Arkema Inc. Family Building Policy – Infertility, Adoption, and
Surrogacy (formerly Adoption Assistance Policy)**

Revision History

Revision Number	Purpose of Revision	Date
01_2025	Redefine as Family building policy – increase adoption benefit, add fertility and surrogacy benefit through WIN health	January 1, 2025

Prepared by	Reviewed/Revised by	Approved by
Diane Linke, Manager, Health and Welfare Benefits	Robert Follis, Sr. Manager, Benefits	Sandra Auffray, SVP Human Resources and Communications

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1.0 Purpose

The Arkema Adoption and Surrogacy Reimbursement Program, (the “Program”), established by Arkema and currently administered by WIN, Inc. (WIN), is offered to Eligible Employees (defined below) who choose to build their families through adoption and/or surrogacy. The program helps to cover a portion of the expenses associated with adopting a child eighteen years or younger or when using a surrogate to assist in carrying and giving birth to a child.

The services described in this document are one part of the Family Building program being offered to eligible employees of Arkema. The services described below are being offered in conjunction with the Arkema Fertility Preservation Benefits Program that is administered exclusively through WIN. Please note: an eligible employee may utilize (in aggregate) up to \$25,000 lifetime for adoption and surrogacy services (described in this policy below), or fertility preservation services (described separately). Note that the maximum amount that can be excluded from an employee’s gross income in 2024 under an employer-provided adoption assistance program is \$16,810 per child (\$17,280 for 2025-subject to annual change). Please discuss the taxability of any reimbursements from the program with your tax advisor. All reimbursements to employees will be taxed per current IRS guidelines when reimbursements paid through the Payroll department.


Before you begin the adoption/surrogacy process, contact WIN for information about all aspects of the Program, including details about eligibility and covered expenses. You can reach a WIN Service Team Member at: 844-943-6166, Monday - Friday 9:00 a.m. - 7:30 p.m. EST. More details are also available at <https://managed.winfertility.com/arkema/>

In addition, WIN is available to assist Eligible Employees with information, tools, resources and experienced fertility professionals who can provide guidance throughout the surrogacy journey. Eligible Employees are not required to use all the resources of the Program, including WIN’s network of surrogacy agencies. For details, contact WIN at 844-943-6166 and ask to be connected to WIN’s Specialty Services Department.

2.0 Applicability

To be eligible for reimbursement under the Program, at the time (1) the adoption/surrogacy is “**Legally Finalized**”, and (2) reimbursement is requested, and (3) reimbursement is made, meet the following requirements:

- Be actively at work for Arkema as a U.S. benefits eligible employee or on an approved paid leave of absence

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- Intend to become the legal parent of the child adopted or the child born through a U.S.-based surrogate and use a U.S.-based surrogacy, and/or adoption agency or attorney.

This surrogacy benefit is designed to support an Arkema Eligible Employee who is the Intended Parent. An individual who meets the above eligibility requirements is an “Eligible Employee.” An adoption will also be considered Legally Finalized for purposes of this policy when an otherwise fully Eligible Employee provides documentation that he or she incurred Eligible Expenses in connection with a bona fide attempt to adopt a child, but the attempted adoption could not be completed due to reasons beyond the control of the Eligible Employee.

No benefits are provided under the Program for an Arkema employee or spouse/domestic partner acting as a surrogate. Spouses, domestic partners, and dependents of Eligible Employees are not eligible to participate in the Program. All benefits-eligible employees working at least twenty (20) hours a week who have a year of service are qualified to apply for reimbursement of non-duplicative expenses under this policy. Two eligible employees married to one another are each eligible for reimbursement of non-duplicative eligible expenses up to \$25,000 each lifetime. All reimbursements will be taxable when paid through payroll. Tax treatment of these expenses following payment is the responsibility of the respective employees.

Employees working less than the minimum number of hours a week or those who are temporary, co-op, or consultants are not eligible for reimbursements under this policy. Per IRS rules the maximum exclusion is applied per child, so if both parents are employees and each receives adoption assistance for the same child, the maximum IRS exclusion limit must be divided between them. Please consult your tax advisor for specific advice based on tax law in the time period your adoption takes place.


3.0 Definitions

“Eligible Employee” See Section 2 (Applicability) above.

“Intended Parent” An intended parent is a person or couple who wants to have a child and becomes the legal parent through third-party reproduction. This can include surrogacy and/or adoption.

An Intended Parent is a person who plans to have and raise a child. This person may enter into a surrogacy contract with a surrogate mother and is considered the legal parent of the child, regardless of any genetic link to the child. An Intended Parent may also be a person that intends to legally adopt a child.

The following illustrate a few examples of how Intended Parents can be individuals or couples who plan to have a child through surrogacy or adoption and are legally recognized as the child's

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parent, even if they are not genetically related to the child. The individuals below or one of the individuals below, if a couple, are Arkema employees.

- John and Jane want to have a child but are unable to conceive. They enter into a surrogacy contract with a surrogate mother, and John is the intended parent of the child.
- Molly and Sarah are a same-sex couple who want to have a child. They use a sperm donor and enter a surrogacy contract with a surrogate mother. Sarah is the intended parent of the child.
- Robert, as a single male, wishes to have a genetically related child through surrogacy. He purchases donor eggs, and contracts with a surrogate through a surrogacy agency.
- Margaret legally adopts and is granted permanent legal custody of a child.

“Legally Finalized”


An adoption is Legally Finalized when the adoptive parent(s) have been granted permanent legal custody of the child in the U.S. according to the current U.S. and applicable state law governing adoptions; and the adopting parent(s) can provide a notarized adoption decree or notarized court order and U.S. Passport or U.S. Visa, as applicable.

A surrogacy is Legally Finalized once the child is born and the Intended Parent(s) have been granted permanent legal custody of the child and the Intended Parent(s) can provide a copy of either the certified birth certificate or a notarized court order acknowledging parentage of the Intended Parent(s) as the child’s permanent legal parent(s).

In the unfortunate case that an eligible employee’s adoption or surrogacy journey is terminated for failure to result in a successful adoption or surrogacy, the employee may request reimbursement for eligible, non-refundable expenses. The Intended Parent will be required to provide; a copy of the executed agreement with a U.S.-based agency; and a letter from the agency stating the outcome of the journey and that the employee has terminated their agreement with the agency and surrogate, in the case of surrogacy.

A surrogacy will also be considered Legally Finalized for purposes of this policy when an Eligible Employee provides documentation that he, she or they incurred Eligible Expenses in connection with a surrogacy arrangement, but the arrangement was terminated prior to the birth of a child due to reasons beyond the control of the Eligible Employee.

A determination that the intended adoption or surrogacy failure was a result was beyond the control of the Eligible Employee will be determined by the benefits administrator in its sole discretion.

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4.0 Responsibilities

Arkema Inc. has currently contracted with WIN to administer this program and policy. See the section below called Reimbursement Application process below for additional information.

In addition to directing employees to this policy, all Human Resources personnel are to refer all eligible interested employees to WIN (see contact information below and on benefits.arkema.com under the 'burger' menu and listed under Contacts) for additional information about the program and how it operates.

5.0 Requirements

The Program provides reimbursement of up to a \$25,000 lifetime maximum for certain eligible costs associated with adoption and surrogacy arrangements that are Legally Finalized on or after January 1, 2025.


There are various types of surrogacy arrangements, each dependent on the source of genetic material involved – and by whom the material is provided (the surrogate, the Intended Parent(s), or a donor(s)). This benefit is intended to support Eligible Employees regardless of the method through which the adoption or surrogacy occurs, provided that there is a legal basis for the arrangement. Arkema accepts no liability for outcomes of any adoption or surrogacy agreement entered into by the Eligible Employee.

Eligible Expenses

Eligible Employees may be reimbursed for Eligible Expenses (defined below) of up to a combined total of \$25,000 lifetime maximum resulting from any legal adoption or surrogacy occurrences. If you and your spouse or domestic partner are both Eligible Employees, you will both be eligible for reimbursement for up to \$25,000 in non-duplicative expenses resulting from any legal adoption or surrogacy occurrences.

The following costs, upon approval, and as long as they were incurred on and after the employee's benefit eligible hire date, are eligible for reimbursement to the Eligible Employee include:

- Court costs, legal costs, and attorney's fees
- U.S.-based adoption and surrogacy agency fees
- Home Study fees
- Reasonable travel expenses for the Intended Parents or gestational carrier specifically related to the adoption or surrogacy occurrence (including amounts spent for meals, transportation, and lodging while away from home; see ineligible expenses for limitations) The IRS mileage

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,rate, sometimes referred to as the federal mileage rate or mileage reimbursement rate at the time of reimbursement, is the rate that will be used to reimburse individuals under the program.


- U.S.-based egg/sperm donation agency fees when associated with a surrogacy arrangement
- Fees charged by the surrogacy agency to administer the surrogacy occurrence
- Screening costs for gestational carrier and egg or sperm donor when associated with a surrogacy arrangement
- The cost of transfer of the embryo to the gestational carrier
- U.S.- based donor fertility costs and fees when associated with a surrogacy arrangement and not covered by another source.
- Egg or sperm shipping and transport fees
- Immigration and immunization fees associated with an adoption or surrogacy occurrence.
- Unreimbursed medical expenses of the birth mother or surrogate not covered by another source
- Expenses for adopting your spouses' or domestic partner's child from a previous marriage, or your nephew, niece, cousin, brother, sister, or grandchild.

Eligible Employees may seek assistance for both adoption and surrogacy expenses for the same child, but in no event will the amount reimbursed exceed a combined total of \$25,000. Any infertility expenses incurred and paid under the Arkema medical and prescription plan will also be counted to the lifetime maximum of \$25,000 for all infertility, adoption, and surrogacy expenses combined.

Ineligible Expenses

Any cost that is not an eligible expense is not eligible for reimbursement. Ineligible expenses include:

- Any surrogacy arrangement or adoption that is not legally valid and recognized in the U.S.
- Any expenses that violate a state, federal or local law
- Compensation to gestational carrier
- Compensation to the birth mother
- Compensation to egg or sperm donor
- Voluntary donations or contributions to the surrogacy agency or adoption agency
- Costs paid using funds from any federal, state, or local program for surrogacy or adoption.
- Expenses incurred prior to employee being benefit eligible.
- Guardianship, conservatorship, or custody costs that are not associated with the legal adoption or surrogacy of the child.

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- Cost of living expenses and/personal items such as: rent, utilities, toiletries, clothing, over-the-counter supplements, toys, furniture, car seat, etc.
- Loss of income, including but not limited to, loss of income due to complications of pregnancy such as bed rest for birth mother/surrogate.
- Any childcare expenses
- Embryo adoption
- Any costs associated with transferring and/or terminating a surrogacy arrangement.
- Expenses reimbursed under another employer program.
- Any expenses not expressly stated as included shall be deemed to be excluded.

Arkema retains the right to deny benefits under the Program for any expense that it deems to have been incurred in an illegal arrangement or that may result in any legal or tax liability to Arkema. The program will not reimburse expenses for international surrogacy arrangements or international adoptions that are not processed by an agency in the U.S.

Reimbursement Application Process

Arkema has retained WIN to administer the Program. WIN will review and validate reimbursable adoption and surrogacy expenses submitted by Eligible Employees who want to take advantage of this benefit.

- **Enroll with WIN:** Eligible Employees MUST enroll with WIN by speaking to a member of the WIN Specialty Services team, but don't need to enroll before any adoption or surrogacy is legally finalized as long as the expenses they submit are eligible expenses. **Apply for Reimbursement:** Eligible Employees may apply for reimbursement for Eligible Expenses once the adoption or surrogacy has been Legally Finalized, **but no later than 180 days** from the date the adoption or surrogacy is Legally Finalized. Please submit all documentation together, as claims will be reviewed in their entirety.
- **Complete and submit your Adoption and Surrogacy Reimbursement Application,** available from WIN, along with the Required Documentation and Itemized Receipts on the WIN Patient Portal at and clicking on the "My WIN" icon in the upper right-hand corner of the page. Your employer code for the initial registration is: **ARK25** or you may email your application and documentation to: WINSpecialtyServices@WIN-Healthcare.com
- **Required Documentation for Adoption:** Copy of signed U.S.-based agency or attorney agreement and a notarized copy of the adoption decree or a notarized court order. For all foreign adoptions, proof the adopted child legally resides with the Eligible Employee in the U.S., such as U.S. Passport, U.S. Visa, or U.S. Birth Certificate. All documentation must be translated to English.

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- **Required Documentation for Surrogacy:** Copy of signed U.S.-based agency or attorney agreement and a copy of the certified birth certificate or a copy of notarized court order acknowledging parentage of the Intended Parent(s) as the child's permanent legal parent(s) and the attestation of birth.

- **Itemized Invoices and Receipts**

Include copies of original itemized invoices describing services provided on company letterhead, along with itemized receipts and proof of payment, such as cancelled checks or bank statements, showing payment has been made for all eligible expenses being submitted for reimbursement. You may submit claims in excess of the allowable benefit; but the benefit will be reimbursed only up the maximum of \$25,000. Please submit all documentation together, as claims will be reviewed in their entirety.


If submitted documentation requires additional substantiation and receipts, you will be contacted by WIN. Once your application form and required documentation have been reviewed and approved, your reimbursement will be paid through Arkema payroll as soon as administratively feasible, typically within two to three payroll cycles.

The legality of an adoption or surrogacy agreement may vary from state to state. It is your responsibility to make sure the adoption or surrogacy relationship you are entering into conforms with all federal and state laws and regulations before submitting eligible expenses for reimbursement under the Program. Arkema will only provide this benefit to support adoption or surrogacy arrangements that comply with all applicable laws and may deny payment for any international adoption or surrogacy arrangement.

Paying Taxes on the Reimbursement

It is intended that benefits paid under the Program may be excludable from your income for federal income taxes to the extent permitted under Internal Revenue Code § 137 at the time this policy was drafted. Generally, only expenses incurred in connection with the adoption of an unrelated child who is under the age of 18 or mentally or physically incapable of self-care are eligible for this exemption. Benefits paid for the adoption of a step-child or any expenses for a surrogacy arrangement are not eligible for this exemption based on the IRC at the time this policy was drafted. You are responsible for understanding the tax treatment of reimbursements under this Program and for claiming any applicable income exclusion by filing Form 8839 with your federal income taxes. (Form 8839 and Instructions are available from the IRS and on the IRS website at www.irs.gov.)

If you do not satisfy the conditions of Internal Revenue Code § 137, all or part of the reimbursements under this Program may be considered taxable income when you file your federal income tax return—for example, if your adjusted gross income (as defined in the Instructions to Form 8839) exceeds IRS limits.

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It is important for you to understand that although Arkema is required to withhold applicable federal employment taxes from reimbursements (e.g., for Social Security, Medicare, and federal unemployment tax) and to report the total amount of reimbursements to the IRS on your Form W-2, reimbursements under this Program may be made free of federal income tax withholding. If you must include any of the reimbursements in your income, your withholding may not be enough to cover the tax on these payments. Therefore, you may need to adjust your withholding by filing a new Form W-4 with the Arkema. (For general information on Form W-4, see Publication 919, available from the IRS and on the IRS website at www.irs.gov.) State taxes may also apply to reimbursements under this Program.

In addition to the income exclusion discussed above, you may be entitled to a federal income tax credit for adoption expenses other than those reimbursed under this Program or elsewhere. You are responsible for coordinating the income exclusion and tax credit and for determining which one will produce the greatest financial and tax benefit for you and your family. For additional information about the income exclusion and tax credit, please refer to the Instructions to Form 8839, available from the IRS and on the IRS website at www.irs.gov.

The information provided here is not intended as or to be construed as tax advice. Arkema recommends you consult a tax advisor to determine the tax reporting and tax consequences resulting from any benefits paid under this policy as they apply to your individual situation.

General Provisions


The Program operates on a calendar-year basis. Employees are not required or permitted to contribute to the Program. All Program benefits are to be paid by Arkema from its general assets. Arkema Corporate Human Resources makes eligibility determinations and defines the benefits available through the program working with WIN. WIN administers the program. Any determinations of Arkema (or, as applicable, WIN) are final and binding. Employees may appeal decisions by outlining their appeal request in writing to the Plan Administrator using the appeal process outlined in the Medical Summary Plan Description. Arkema intends to continue the Program indefinitely, but has the right to terminate or amend the Program at any time.

If You are on a Leave of Absence

You can apply for benefits under the Adoption or Surrogacy Reimbursement Program while you are on an approved leave of absence and you continue to remain benefit eligible, but you will not be reimbursed until you are actively at work. You must still submit your reimbursement request to WIN within 180 days from the date the adoption or surrogacy was Legally Finalized.


If You Leave Arkema Employment

You must be an active employee at Arkema and meet the eligibility requirements noted above at the time reimbursement is to be issued under the regular payroll/draw process. If you leave Arkema before completion of all program requirements, you will not be reimbursed.

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This Policy is provided as a summary. Interpretation of Policy is made at the discretion of the Arkema Corporate Human Resources Department. Arkema reserves the right to modify, amend or terminate any of its policies and/or employee benefit programs at any time for any reason.

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ANNUAL POLICY AND PROCEDURE REVIEW FORM

Document Number: HR-100

Document Title: Arkema Inc. Family Building Policy – Infertility, Adoption, and Surrogacy (formerly Adoption Assistance Policy)

I have conducted the annual review of this document and there are no changes* that need to be made during this review period.

Reviewer

Print Name: Robert Follis

Signature:



Date: March 27, 2025

Approver

Print Name: Sandra Auffray

Signature:



Date: March 27, 2025

* Typographical changes (e.g., spelling errors, punctuation) are not considered changes for the purposes of this review.