

Air Liquide and Severstal further strengthen their partnership with a new long-term contract

Air Liquide and PAO Severstal, a steel and mining company, have signed a new long-term contract for the supply of oxygen, nitrogen and argon in Cherepovets (Russia). Air Liquide will invest around 50 million euros in the construction of a state-of-the-art Air Separation Unit (ASU) which will improve the energy efficiency and the overall environmental footprint of the Severstal production process.

Air Liquide will design, construct and own a new ASU on the Severstal CherMK site in Cherepovets producing **2,000 tons of oxygen per day**. This will bring the total production capacity of Air Liquide above 7,000 tons of oxygen per day on this site, making the Cherepovets one of the largest industrial gas production unit across the steel industry worldwide. The project will be operated by Air Liquide Severstal, a joint-venture established in 2005 between Air Liquide and Severstal.

The Air Liquide Engineering and Construction teams will bring their state-of-the-art technologies to build this large-scale ASU, which is planned to be operational **by the end of 2020**. The new ASU will enable **improving significantly the energy efficiency and reducing CO₂ emissions by 20.000 tons/year** which corresponds to the yearly emissions of 7.500 cars. This performance will contribute to reach the Climate ambitions of the Air Liquide Group of reducing its carbon intensity by 30% between 2015 and 2025.

This new signature illustrates our strategy of development in key industrial basins. This is the third ASU installed and operated by Air Liquide in Cherepovets since 2007. With the recent renewal of our initial contract, it reflects the long-term partnership and mutual trust between Air Liquide and Severstal.

Guy Salzgeber, Executive Vice-President and member of the Air Liquide group's Executive Committee supervising industrial activities in Europe, said: **"We are pleased to strengthen our long-term partnership with Severstal. The signature of this major contract and renewal of the initial one demonstrate trust and confidence in the ability to create value for our customers and deliver long-term performance which is key to ensure profitable growth. We are also committed to accompany our customers in the energy transition journey by promoting low carbon solutions for a sustainable industry."**

Alexander Shevelev, General Director of Severstal Management, said: **"This contract is further demonstration of Severstal's commitment to sustainable development, as we continue to reduce carbon emissions and improve energy efficiency at our production sites. We are pleased to work with Air Liquide, who shares our focus on environmental protection and takes a highly responsible attitude to ecological conservation. Throughout our long partnership, Air Liquide has demonstrated its ability to deliver high-quality products and innovative services to its customers, and I hope that our positive collaboration will develop further as we continue contributing to the environment protection along with achieving operational excellence together"**.

The Large Industries business line of Air Liquide

Offers gas and energy solutions that improve process efficiency and help achieve greater respect for the environment, mainly in the refining and natural gas, chemicals, metals and energy markets. In 2018, revenues were €5,685 million.

Air Liquide in Russia

Air Liquide was established in Russia in 1989 and was primarily involved in the sale of industrial gas production equipment. In 2005, OOO Air Liquide, the Russian subsidiary for production and sale of industrial gases was founded. Today, the company operates 15 industrial sites in key regions. More than 500 employees supply products and services to over 1,500 customers.

CONTACTS

Group Corporate Communications

media@airliquide.com
+33 (0)1 40 62 50 59
+33 (0)1 40 62 58 49

Air Liquide Eastern Europe & Russia Communications

Dmitry Kuznetsov/Ksenia Amaryan
+7 495 641 28 98

Group Investor Relations

Paris - France
+33 (0)1 40 62 50 87
Philadelphia - USA
+1 610 263 8277

A world leader in gases, technologies and services for Industry and Health, Air Liquide is present in 80 countries with approximately 66,000 employees and serves more than 3.6 million customers and patients. Oxygen, nitrogen and hydrogen are essential small molecules for life, matter and energy. They embody Air Liquide's scientific territory and have been at the core of the company's activities since its creation in 1902.

Air Liquide's ambition is to be a leader in its industry, deliver long term performance and contribute to sustainability. The company's customer-centric transformation strategy aims at profitable growth over the long term. It relies on operational excellence, selective investments, open innovation and a network organization implemented by the Group worldwide. Through the commitment and inventiveness of its people, Air Liquide leverages energy and environment transition, changes in healthcare and digitization, and delivers greater value to all its stakeholders.

Air Liquide's revenue amounted to 21 billion euros in 2018 and its solutions that protect life and the environment represented more than 40% of sales. Air Liquide is listed on the Euronext Paris stock exchange (compartment A) and belongs to the CAC 40, EURO STOXX 50 and FTSE4Good indexes.