

Air Liquide signs a new long term contract with leading steel producer NLMK in Russia

Air Liquide and NLMK, a leading steel producer in Russia, have entered into a new long-term partnership. Under the agreement, Air Liquide will invest around 100 million euros in the flagship site of NLMK in Lipetsk, a combination of three projects which include the construction of a state-of-the-art Air Separation Unit (ASU), the acquisition of existing hydrogen unit for the steel plant and of the unit for Rare Gases production. This project also provides the base for growth of Air Liquide's Industrial Merchant activity in one of the largest industrial Merchant markets in the Moscow region. Leveraging on new ways of working, the teams were able to finalize this new partnership digitally during the lock-down due to the Covid-19 pandemic crisis.

Air Liquide will design, build, own, and operate a new Air Separation Unit providing the highest industry standards in safety, efficiency and reliability. The unit with a production capacity of 1,000 tons of oxygen per day will be built on the Lipetsk site to increase steel production of the flagship site of NLMK. The Lipetsk site is among the top five most competitive sites in the world for slabs and hot-rolled coil production. Based on the latest energy efficiency technologies, the new Air Liquide unit will be contributing to the increased cost competitiveness of the site. The start-up of the unit is expected in 2023. Under the partnership, Air Liquide will also take over in the coming months all the assets for the production of hydrogen and rare gases at the NLMK site.

This contract, finalized digitally in the midst of Covid crisis, highlights the ability of the two companies to move forward despite the environment. This long-term partnership with NLMK strengthens Air Liquide's position in Russia and illustrates the company's strategy development in major industrial sites. In addition, this project provides momentum for growth in one of the largest Industrial Merchant markets in the Moscow region representing 30% of the country and reliable sourcing of Rare Gases for Air Liquide customers worldwide.

François Jackow, Executive Vice President and a member of the Air Liquide Group's Executive Committee, said: *"We are delighted to become a long-term partner of leading company NLMK. This contract demonstrates growth of our Large Industries business in top industrial sites as well as the strength of our integrated model that enables expansion of the Industrial Merchant activity in this high-density regional market. Air Liquide will also contribute through its technological know-how and innovative solutions towards improved energy efficiency of NLMK's flagship site. This is a concrete illustration of how Air Liquide can contribute to a modern responsible industry"*.

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, 000 Air Liquide, the Russian subsidiary for production and sale of industrial gases was founded. Today, the company operates 17 industrial sites in key regions. More than 600 employees supply products and services to over 1,500 customers.

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A world leader in gases, technologies, and services for Industry and Health, Air Liquide is present in 80 countries with approximately 67,000 employees and serves more than 3.7 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, regular, and responsible 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 22 billion euros in 2019 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.