

Replies to questions asked prior to the Annual General Meeting

I. CSR

1. Questions from Forum pour l'Investissement Responsable

- To ensure compliance with the Paris Agreement, what is the amount of your CapEx up to 2025? How will this CapEx be divided across the value chain as between maintenance CapEx and growth CapEx? What is the geographical distribution?

As part of its new sustainable development objectives, including the ambition of target of achieving carbon neutrality by 2050 and the objective of reaching a 33% decrease of CO₂ emissions (scope 1 and 2) by 2035, Air Liquide set out the main levers for reducing its emissions, which include, in particular, capturing CO₂ in hydrogen production units by reforming natural gas; supplying low-carbon and renewable electricity to air gas production units; and efforts to improve efficiency and modernize production assets. Alongside these levers, offerings will also be developed to help our customers reduce emissions in their own activities.

As such, in terms of CapEx, the energy transition and the decarbonization of industrial activities represent major opportunities for the Group. These investment decisions are the culmination of an investment process that ensures they are aligned with our ambitions of the emissions abatement.

By 2035, Air Liquide aims to invest approximately 8 billion euros in the low-carbon and renewable hydrogen markets. Around 50% of this investment will cover the primary production of molecules and CO₂ capture, while the other 50% will be allocated to hydrogen logistics, in order to support the ramp-up of markets linked to the energy transition, particularly in regions that have made— or are making—strong commitments in this area, such as Europe, North America and most of the Asian countries where the Group has a strong presence.

Moreover, Air Liquide intends to dedicate around 100 million euros of its Innovation budget every year to reduce its carbon footprint and that of its customers. In particular, it develops technologies to reduce its own emissions and offers cleaner solutions for other CO₂-emitting sectors: the Innovation teams are currently working, among others, on improving the energy efficiency of production units, as well as on CO₂ capture and valorization technologies.

- How do you limit the impact of biodiversity loss on your future earnings? Please specify the indicators and resources put in place?

Air Liquide is mindful of its impact on biodiversity. The Group's production units are generally found on sites located in industrial areas, which limits the impact on biodiversity within its perimeter and more generally throughout the entire value chain of its products.

The biodiversity risk has been incorporated into Air Liquide's Extra-financial Performance Declaration (see pages 314 and 315 of the 2020 Universal Registration Document), which demonstrates the inclusion of this important subject in the Group's reporting and monitoring system.

Furthermore, waste treatment is an essential factor in terms of biodiversity in many sectors of economic activity. Through its biomethane activities, Air Liquide facilitates the creation of organic waste recovery and transformation channels. There was an acceleration in these activities in 2020. With its methanization units, Air Liquide enables it to transform the organic fraction of household, agricultural and agro-industrial waste into biogas, thus playing a part in avoiding its decomposition in the open air and protecting biodiversity, according to circular economy principles.

- How do you prepare for the scarcity of certain natural resources and the procurement challenges for your strategic resources? How does this affect your economic models and how do you secure your supply chains?

Electricity and natural gas are the main raw materials used by the production units. Their availability is thus essential to the Group. Where the local market permits, Group subsidiaries secure their energy sourcing through medium to long-term supply commitments and competitive bidding scenarios with local suppliers with the objective of achieving the most reliable energy supply with a low-carbon footprint and at the most competitive cost available on the market.

Air Liquide pays particular attention to water management, especially in areas of water stress. To ensure better control over water management risk, the Group is currently drafting a water policy. This policy will, in particular, make it possible to introduce best practices and measure the impact that water use at Air Liquide sites may have on local populations.

In general, the Group has a sustainable procurement policy. Suppliers are evaluated according to various criteria relating to their environmental footprint (see page 113 et seq. of the Universal Registration Document).

2. Questions from Trusteam Roc Flex

- Will you be submitting your Net Zero transition plan to a vote by shareholders at the 2022 AGM and at least every three years thereafter, with an annual update on progress made in its implementation?

Adding a resolution to the 2022 General Meeting agenda on the plan to transition toward carbon neutrality is a decision that must be made by the Board of Directors. This subject will be included in the Board's work program and discussed over the course of 2021.

The Group's extra-financial reporting is published each year in the Universal Registration Document. The information provided is audited by independent verifiers, whose report is also included in this document.

Following the Sustainability Day held on March 23, 2021, we expect to inform stakeholders of progress made in achieving our objectives very regularly, especially each year at the General Meeting.

- As scope 3 emissions represent approximately 40% of your total emissions, do you also ambition to achieve carbon neutrality by 2050 for scope 3 emissions? When would you be able to communicate a climate action plan with short- and medium-term emissions reduction targets that are consistent with a net zero trajectory for all scope 3 emissions?

Air Liquide's goal to achieve carbon neutrality by 2050 effectively represents a contribution to world carbon neutrality. Our main levers of action involve Scope 1 and Scope 2 emissions, which is why we have set ambitious quantified targets relating to these emissions. Our principal Scope 3 emissions stem from our suppliers and customers, who are also committed to reducing their emissions to achieve carbon neutrality, which will be reflected in the evolution of our Scope 3.

In addition, accurately measuring and recording Scope 3 emissions is currently a difficult task without a harmonized framework of calculation methods. We are working on this internally and, for the first time, an estimate of the Group's Scope 3 CO₂ emissions was published in the 2020 Universal Registration Document. Over the next few months, Air Liquide will collaborate with other companies in the chemicals sector to harmonize calculation methods.

Air Liquide will also continue to engage with its suppliers and above all its customers to support them in their decarbonization strategies and their actions to develop new, low-carbon production processes and "zero-emissions" downstream markets like hydrogen mobility.

3. Question from Mr Guillaume Ripert

- To what extent is the Air Liquide group involved in ecological transition through industrial symbioses such as the recycling of waste energy or energy exchange between industries as takes place in the Kalundborg port area (Denmark)?

On those industrial platforms where the Group operates, its units are integrated with those of its customers and the other companies active on the site. Whenever possible, from a technical and economic perspective, the Group collects and purifies gases in order to recover and recycle them, or consumes energy in its units that has been co-produced by its customers.

By the very nature of its business model, Air Liquide is a player in the circular economy. As a matter of fact, its business activities involve the pooling of production units and logistical resources between several customers. In addition, Air Liquide recovers the co-products (nitrogen, argon, rare gases, steam, carbon monoxide, etc.) from its principal productions of oxygen and hydrogen. Air Liquide also contributes to accelerating the transition to a circular economy through the development of activities such as the recovery and purification of CO₂ for reuse, or the recovery of organic waste into biomethane and bio-fertilizer.

II. GOVERNANCE

4. Questions from Forum pour l'Investissement Responsable

- Do you apply the GRI 207 standard to your public tax reporting? If so: does this reporting cover all the elements indicated in this standard and, if not, which elements have you chosen not to publish and why? If you do not use this standard: please state the reasons why not and whether you intend to apply it in the near future (within the next 1 to 2 years)? What other measures have you taken or do you intend to take, in order to meet the growing demand from your stakeholders for tax transparency?

We do not publish the country-by-country tax reports sent to the tax authorities each year.

The reason we do not use this standard is to avoid revealing sensitive information to our competitors, for example in countries where our activity is limited to a major customer. We do not intend to use the GRI 207 standard.

We apply our tax charter, which is published on an annual basis.

<https://www.airliquide.com/group/managing-financial-and-tax-risks>

It is worth noting that the Group's activity is very local with very little international trade. As a result, transfer pricing between countries is very limited and taxes are paid mainly based on the results of the local subsidiaries. Moreover, we do not operate without economic substance in any of the countries where we have subsidiaries.

- What scope is taken into account for the equity ratios that you publish? How do you analyze changes in these ratios? Has this analysis led you to adapt your remuneration policies? If so, how?

The Company publishes its equity ratios for the legal scope (i.e. that of Air Liquide SA, which includes more than 1000 employees). These ratios are generally stable, and are slightly down for 2020 (the remuneration of the Executive Officer being more exposed to changes in variable components than that of employees, and the financial criteria objectives having been set before the crisis and not readjusted). Elements are also published to link the evolution of the remuneration of the Executive Officer with the evolution of performance indicators. As a result, the evolution of the remuneration of the Executive Officer has lagged behind the progress of the Group's performance over the last five years. These elements confirm the appropriateness of the remuneration policy.

- With regard to the implementation of your group's gender equality policy, could you inform us:
 - (i) Of the agenda and quantified objectives - achieved or to be achieved - concerning the topics relating to this policy (career, training, remuneration, work/life balance, etc.) at all levels of responsibility.
 - (ii) Whether this equality policy is applied throughout all group companies, both in France and abroad. If not, why not?
 - (iii) If so, what specific means do you use to promote gender equality in the countries where you are based and where it is difficult to impose this concept?

The Board of Directors and its Committees (Appointments and Governance Committee, Environment and Society Committee) regularly review the diversity, gender mix and non-discrimination policy in governing bodies and positions which carry the most responsibility, as well as its objectives and implementation. This diversity policy is also a criterion for the annual variable remuneration of the Executive Officer in 2020 and 2021 and its results are therefore also discussed in this context.

As part of the Universal Registration Document drafting process, the Board reviews and approves the report drawn up (in the 2020 Universal Registration Document, page 326 et seq. describes the objectives, roadmap and achievements of this policy). In particular, it sets out the ambitious objectives that the Group aims to achieve by 2025 in terms of the proportion of women among the "Managers and Professionals" and Executive levels, as well as the progress made in recent years. Women now represent 43% of the employees considered high-potential.

The Executive Committee includes 5 women among its fourteen members (excluding Executive Officer). Three of these were appointed in 2019, having previously held executive positions within the Group. Generally speaking, women hold 21% of the positions defined as Executive in the Group. This latter percentage has increased from 19% to 21% over the last three years.

- How are your lobbying practices officially organized and how do they fit into your group's CSR strategy? Can you describe your company's chain of responsibility with regard to lobbying or institutional relations? In which instances can or should your group's governing body (board of directors, supervisory board) be consulted? What information about your lobbying practices do you publish (public positions, allocated budgets, etc.), for each of your global markets?

The Public Affairs department works mainly in three areas that are fully integrated into our CSR framework: the energy transition, innovation and healthcare. The actions we undertake vis-à-vis the public authorities are most often to respond to a request for expertise from public decision-makers in order to clarify certain points in broad guidelines and legislative or regulatory frameworks. Indeed, the major transformations underway in the field of the energy transition or technologies such as extreme cryogenics sometimes require the input of highly specialized experts.

All the steps we take are recorded in the High Authority of Transparency in Public Life (Haute Autorité pour la Transparence de la Vie Publique) register in France and in the EU transparency register in Europe. The Group's relations with the public sphere are detailed on page 339 of the 2020 Universal Registration Document.

- In practical terms, how do you involve the social partners, at group and local levels, in committing your company to a fair transition? Do you intend to publish their opinion on your vigilance plan? Do you intend to publish their opinion on your extra-financial performance document?

The Group has more than 70 Social and Economic Councils with more than 700 elected representatives within its activities in France. In addition, Air Liquide has a France Group Committee and a European Works Council.

These bodies enable Air Liquide to pursue pragmatic social dialog that is tailored to each organization/entity by finding the right balance between:

- a major social, economic and strategic dialog at the central level,
- and a close social dialog at the local level.

The Group is constantly striving to boost social dialog in its companies.

Some recent significant facts:

The Group Committee was informed of the duty of vigilance at its meeting on September 17 and 18. At the same meeting, the climate objectives were presented to the social partners.

In addition, the L'Air Liquide SA's Social and Economic Council is supported by an Economic and Professional Equality Commission made up of eight trained members who are kept abreast of the strategy, the economic and financial situation and the social policy. It proposes deliberations on these subjects to the Social and Economic Council.

Finally, in view of the forthcoming professional elections, an agreement has just been signed to increase the number of members of this Commission to 11 and extend its competence to environmental and extra-financial aspects.

III. HUMAN RESOURCES

5. Questions from Forum pour l'Investissement Responsable

- Solidarity between economic operators, large and small companies, seems necessary in order to limit the negative impacts of the current crisis. How is your group adapting its purchasing or sales practices, both nationally and internationally, in order to support those of its suppliers or customers who are affected by the crisis? Do you apply different policies for VSEs and SMEs? Has the crisis led you to make structural changes to your policies in this area?

In 2020, during the crisis, we structured the continuity of our activities to serve industry and healthcare in order to ensure the best possible response to the needs of our customers and patients. We kept close contacts with our customers and patients to focus on their satisfaction, leveraging tools that had been rolled out recently, notably the Voice of the Customer program, which collects and analyzes customer opinion worldwide. With that open dialog, the Group was able to maintain the presence of financial guidance throughout the year and continue to sign contracts with our customers.

In Healthcare especially, our teams are fully mobilized. Air Liquide provides medical gases to more than 15,000 hospitals and clinics, especially medical oxygen to treat Covid-19 patients in intensive care. In areas where the virus has been particularly active, our production units have been running at full load and our technicians have been installing temporary oxygen tanks in hospitals or delivering cylinders on an ongoing basis to increase treatment capacities. During the spring, faced with the urgent need for more ventilators in France and with the support of several French industrial companies, Air Liquide delivered at cost 10,000 units, the equivalent of three years of normal production. In Homecare, when in-person visits were not allowed, Air Liquide switched to digital visits and thus ensured the continuity of care for patients.

In addition, Air Liquide strives to build long-lasting relationships with its suppliers, in an environment of mutual trust. This is why our French subsidiaries have been encouraged to pay cash invoices of less than 50,000 euros from small- and medium-sized suppliers immediately.

Finally, in response to the health crisis, the Air Liquide Foundation launched as early as March 2020 the Covid-19 Initiative. More than 2 million euros have been mobilized over two years, with a double objective: to support scientific research projects and to reinforce the help given to associations working with the most vulnerable people to Covid-19. The Foundation has already approved support to 10 scientific projects and 21 social emergency aid projects on all continents.

- How do you manage, at group level, the social impacts associated with the massive development of remote working since the beginning of the pandemic? In particular, in terms of the management of psycho-social risks, cost-sharing, employee satisfaction surveys, shift in employee choice, the share of employees working from home, etc.

Lockdown measures have been put in place in many countries to control the Covid-19 pandemic. In order to manage the crisis, Air Liquide implemented remote working for all employees who could do so for several months. We learned a lot from this large-scale experiment.

Our regularly conducted surveys have shown a constant aspiration for remote working beyond pre-health crisis development level. A number of discussions were conducted during the pandemic and resulted in a framework of 'Next Normal' remote working recommendations for the post Covid period.

At the beginning of 2021, based on these principles, negotiations began in the Group's companies in France.

Furthermore, employee health and safety have always been Air Liquide's top priorities. This is why we have closely monitored the evolution of this unprecedented crisis in all the countries where the Group is present. From the outset, we have implemented measures to protect efficiently the health of our employees, patients, customers and partners. Crisis management organizations have been set up at Group level and in each entity. The worldwide presence of the Group has enabled us to share best practices efficiently and set up clear protocols. Strict protocols and work organization adjustments have been put in place and are continuously adapted according to the evolution of the situation. Human Resources and Health & Safety teams have worked together very closely to adapt the work organization on site to enable our field operations to continue while protecting the health of our employees.

Throughout the world, the different Human Resources teams are staying in contact with employees through regular communication (e-mails, calls and surveys).

We now conduct an annual engagement survey of all our employees. During this Covid period, we have also organized specific surveys in certain entities, in addition to requesting feedback on employee well-being through managers.

- Do you have a definition of a “decent wage” which is not simply limited to the local statutory minimum wage? If so, which? How does your company guarantee that its employees, and also the employees of its suppliers, receive a decent wage?

Firstly, the Group has a clear and consistent remuneration policy.

The employee remuneration is based on three criteria: the position held, the level of responsibility and performance. Also factored in are local market conditions, local minima, the Group's pay equity and current legislation.

Air Liquide also complies with the fundamental conventions of the International Labour Organization and is a member of the Global Compact.

Moreover, during the Sustainability Day held on March 23, 2021, the Group made a commitment to have 100% of the employees under a common basis of care coverage by 2025. This includes life insurance, health coverage and 14 weeks of maternity leave.

- Do you take environmental and social criteria into account in the formula for your profit-sharing agreements with employees in France? If so:
 - What are these criteria? Have they changed since April 1, 2020?
 - What is the proportion of these criteria in the profit-sharing formula? Has it changed over the last year?
 - What proportion of employees are concerned?

There are some 40 profit-sharing agreements in force or up for renewal in the various French companies of the Air Liquide Group. These agreements are specific, but meet certain common recommendations.

The criteria used can be divided into three broad categories:

- those relating to economic and financial performance,
- those relating to operating and business results,
- and finally, those relating to social and environmental responsibility, social management and safety.

This last category is intended to represent about 20% of the weight of all criteria, and even more in some companies.

Thus, one agreement, for example, comprises an inclusion criterion accounting for 20% that targets the populations most isolated from the employment market through specific topics; as part of another agreement, a 10% criterion measuring the implementation of significant actions to reduce CO2 emissions; and a third, accounting for 10%, includes actions measuring employee participation in social, solidarity and environmental actions. The reduction in energy consumption, the drop in consumables such as paper or cups, the recycling rate and other criteria directly related to the companies' activities also feature.

- In the context of employee savings, which funds have a responsible label (CIES, Finansol, Greenfin, SRI)? For each proposed fund, what is the name of the label(s), what is its percentage share of overall employee savings, and what proportion of employees is it offered to? In addition, what proportion of the group's employees, both in France and abroad, have access to other forms of savings in the form of an occupational plan, notably pension plans? What proportion of the assets corresponding to these savings is managed in a socially responsible manner and has "quality signs"? Which ones?

Air Liquide offers its French subsidiaries a Group Savings Plan that includes the option to invest through six corporate mutual funds. At the end of March 2021, this Group Savings Plan represented assets totaling 295 million euros.

This offer allows employees to invest according to their profile, ranging from very low-risk investments (money market funds) through diversified funds, to riskier assets fully invested in equities. Air Liquide also provides a shareholding fund 100% invested in Company securities. This represents 28% of employee savings.

Several of the funds specifically follow a Socially Responsible Investment (SRI) policy. 5.8% of the AL Développement Solidaire corporate mutual fund's assets is invested in funds under the "finansol" banner, and 4.75% is invested in funds with the SRI label. The Rendement Mixte AL and Dynamique AL Croissance corporate mutual funds invest in funds with an SRI label at a rate of 37% and 47%, respectively.

IV. BUSINESS

6. Question from Mr. Jean-Baptiste Perrier

- What happened at the Douai site on July 30? Is the use of hydrogen sufficiently safe so as not to hinder its development? (E.g. as was the case for LPG-powered vehicles)?

At 5:00 p.m. on July 31, 2020, a fire was reported at the Air Liquide site in Frais Marais (Douai), which fills hydrogen for transport in trucks. There were no injuries and the fire was contained within the site. The fire safety devices were automatically triggered. Firefighters and the Air Liquide response teams were mobilized immediately to secure the site, and the situation was quickly brought under control.

Air Liquide has been producing and supplying hydrogen for 50 years. Its properties are well known and it is handled accordingly. For example, unlike liquefied petroleum gas (LPG), hydrogen is lighter than air, and in the event of a leak, it escapes into the atmosphere rather than stagnating. We believe that hydrogen's intrinsic characteristics are an asset for its development.