

Information on the remuneration of the Company Officers

Publication pursuant to the AFEP/MEDEF Code

The Board of Directors of Air Liquide, at its meeting on February 15, 2022, took the following decisions regarding the components of remuneration of the Company Officers.

1. 2021 financial year

The **remuneration policy** applicable to the Chairman and Chief Executive Officer, in relation to his office, as decided upon by the Board of Directors on February 9, 2021 and presented in the 2020 Universal Registration Document of the Company (pages 188 to 195) was **approved by the Ordinary General Meeting on May 4, 2021** (12th resolution).

1.1. Variable remuneration for the Chairman and Chief Executive Officer

On the proposal of the Remuneration Committee, the Board of Directors of February 15, 2022 assessed the performance of the Executive Officer in 2021.

1.1.1. Quantifiable financial criteria

In accordance with the remuneration policy approved by the General Meeting of May 4, 2021, the variable remuneration for 2021 is based on two financial criteria: increase in recurring net earnings excluding the foreign exchange impact per share (hereinafter “**recurring EPS**”) and comparable growth in consolidated **revenue**. Details of these criteria are contained in the following summary table (page 4).

For each criterion, the Board of Directors had defined a target objective. The target objectives were exacting and were completely consistent with the trajectory of the NEOS company program.

A formula adopted by the Board makes it possible to calculate the amount of the variable remuneration due (within a maximum limit) by taking into account, on the basis of the consolidated financial statements for the fiscal year, the value achieved for the criterion as compared to the target objective set. Thus, in the event of a performance that exceeds the objective set, the value of the variable remuneration is adjusted upward within the maximum limit set for each criterion. In the event of a performance that is below the lower limit set for each objective, the fraction of the variable remuneration corresponding to this criterion is equal to zero. The achievement of each performance condition is assessed without any set-off as between criteria. The rate of achievement of each objective is calculated linearly between each limit. The objectives are not made public for confidentiality reasons. Nevertheless, the rate of achievement of each objective for the variable remuneration (as a percentage of the fixed remuneration and as a percentage of the target variable remuneration allocated to that criterion) is communicated in the summary table at page 4.

Following an excellent year 2021, the objectives of the quantifiable criteria were carried out to the maximum achievement level.

1.1.2. Qualitative personal criteria

For **2021**, after a detailed analysis by the Remuneration Committee of the achievements for the fiscal year, the Board of Directors noted the following elements concerning each of the personal criteria:

CSR: Performance was considered very good:

■ **Safety and reliability**

Based on the estimated hours worked, the lost-time accident frequency rate of the Group's employees stood at 1.1 in 2021, compared to 0.9 in 2020 and 1.2 in 2019. After an exceptional year in 2020 in terms of safety, during which the Group achieved its best performance since the introduction of this indicator, 2021 was marked by a slight decline in the indicator; nevertheless, it remains a sharp improvement compared to its 2019 level. A similar trend can be observed for subcontractors. One of the explanatory factors for this decrease is linked to the context of the covid-19 pandemic; mandatory measures requiring employees to remote work in certain countries have restricted the presence at operating sites of managers and HSE officers who are responsible for safety. In addition, some actions to improve safety have had to be cancelled or postponed: for example, some of the on-site industrial audits by Group experts, due to the prohibition on travel in some countries. Counterbalancing measures have been implemented, such as virtual audits conducted remotely using video cameras.

2021 was marked by the deaths of 4 subcontractors (three of which were linked to construction activities and one to the handling of a heavy load on site). For the record, 2020 had been marked by the deaths of 2 employees and of one subcontracted driver.

Concerning **industrial safety / reliability**, the Group's **IMS program (Industrial Management System)** set up 15 years ago has helped improve the management of industrial risks. Based on the experience acquired, a large-scale project, namely the IMS Streamlining program, was launched in 2018 in order **to develop it and improve its efficiency**. Despite the covid crisis, the roll-out of the new IMS reference system continued in 2021 throughout all clusters (groups of countries). In August 2021, the first cluster (group of countries) successfully completed this roll-out for the entities in its scope. The roll-out is expected to be terminated across all clusters (groups of countries) by the end of 2022.

In 2020, **process safety** received special attention from management through an ambitious plan to upgrade more than 600 air separation units. This plan follows an industrial accident that occurred at a third-party industrial site in China. It enables us to improve safety at the production sites of the Group. Its implementation continued in 2021. Over 450 units were upgraded over the course of these two years. The remaining units concerned will be upgraded by mid-2022. It can be noted that Air Liquide played a leading role in influencing its peers and inviting them to work together to develop harmonized international standards for everyone's benefit.

Finally, in 2021, **road safety** continued to be the subject of a consolidated action plan aimed at raising awareness among all persons affected by the principal road traffic risks, and encouraging them to behave responsibly at all times when on the road, notably by means of an internal communication campaign, including subcontracted drivers. Moreover, the introduction of technical assistance in trucks (whose implementation commenced a few years ago) continued in 2021, despite the public health crisis. This new technology makes it possible to have an effective impact on driver behavior, and to identify areas for improvement. In order to obtain the maximum benefit, emphasis was placed on more intensive driver coaching by Master Drivers, based on the information provided by this onboard technology.

■ **Continued roll-out of the Sustainable Development strategy**

– **Implementation of the Group's new ESG/Climate objectives:**

The Group's new Sustainable Development objectives were announced by Mr Benoît Potier on March 23, 2021, and represent major progress compared to the 2018 objectives. They are structured around the notion of ACT: Act for Climate, Care for patients, Trust as the base to engage the communities at large. These objectives were well-received and, notably with regard to the CO₂ emissions, were considered by the markets to be very ambitious. They are based on a solid roll-out plan. All industrial clusters (groups of countries) have brought their Climate roadmaps into line with these new objectives, with detailed action plans for the medium-term of the new plan, 2021-2025.

In each of these clusters (groups of countries), the roles of "Climate Champions", responsible for coordinating this matter, and volunteer "Sustainability Ambassadors", who carry out local initiatives and share good practices, have also been adjusted.

The Environment and Society Committee met on four occasions in 2021. It first reviewed the Group's new Sustainable Development objectives which were published in March 2021, and then later in the year the reporting and the follow-up indicators put in place to monitor these new objectives. The environmental and societal risks, the Vigilance Plan and progress made in the management of some specific risks were also reviewed.

Moreover, the ratings obtained by the Group in terms of sustainable development from the various specialist agencies continue to place it among the best performers in its sector.

– **Contribution to the development of the hydrogen ecosystem:**

As part of his work on the Hydrogen Council, Mr Benoît Potier co-chaired two CEO Events in 2021 (in January and October), each of which was attended by around fifty CEOs of international groups, and where the speakers notably included Ms Ursula von der Leyen and Mr Hoesung Lee (Chairman of the GIEC), thus confirming that the Hydrogen Council has acquired full legitimacy on the international scene.

Mr Benoît Potier also co-chaired a meeting in July 2021 between Mr John Kerry and around twelve CEOs from the Hydrogen Council, ahead of the decision by the US administration to provide strong support for hydrogen in the stimulus packages announced in the autumn (Infrastructure Bill and Build Back Better). Finally, Mr Benoît Potier represented the Hydrogen Council in October 2021 at the Hydrogen Energy Ministerial Meeting (HEM) convened by the Japanese government and the IEA and attended by around twenty international ministers.

Mr Benoît Potier is completing his 5th year as co-chair of the Hydrogen Council in 2021 and is thus coming to the end of his 2nd term of office. He will, therefore, step down in January 2022 but has positioned himself in order to remain the official representative of the Hydrogen Council in Europe.

In France, following the creation of the National Hydrogen Council (NHC) in 2020, Mr Benoît Potier co-chaired 4 sessions of the NHC in 2021, 3 of which were attended by ministers and played a major role in the NHC becoming the body which is lawfully recognized by the Government to draw up its strategic priorities, notably in connection with the 2030 France investment plan.

At the European level, Mr Benoît Potier was asked to take part in the annual debates organized by the European Commission, notably as part of the "European Clean Hydrogen Alliance" initiative, and made active contributions to the work of the ERT (European Round Table) on Hydrogen topics.

Mr Benoît Potier has also made an active contribution to the emergence of the first infrastructure fund dedicated to hydrogen (Hy24, in partnership with Ardian and FiveT), which was launched in the autumn of 2021, notably under his leadership and that of the CEOs of TotalEnergies and Vinci. This initiative will help mobilize the financial community more actively in the development of the hydrogen ecosystem.

Finally, in recognition of the rapid acceleration of the Hydrogen markets over the course of 2020, Mr Benoît Potier decided at the end of 2020 to introduce an international structure within the Group for the management of the Group's hydrogen developments (H2 Force). A detailed review of the hydrogen activity was proposed to the Board meeting in September 2021, one year after the meeting dedicated to the strategic challenges of energy transition. This review has made it possible to validate the Group's strategic directions and the significant achievements made by the H2 Force teams and, more specifically, by the Europe Hub since September 2020.

Organization and Human Resources:

Performance was considered excellent. In keeping with past practice, the Group's talent development policy was pursued, with regular reviews. As in previous years, these reviews are conducted at the level of operating clusters (groups of countries) of the Group and up to the Executive Committee. Special attention was paid to international development opportunities in the context of reduced mobility due to the covid crisis; the diversity of profiles was also carefully examined in order to promote, at the level of the Group's key positions, the numerous cultures which make up the Group, and in order to continue to consolidate the gender balance.

Reviews of the Group's most promising talent took place with the Appointments and Governance Committee.

In parallel to the work on governance and preparation for the succession of the Group's Executive Management, special attention has been paid to changes made to the Executive Committee. The key points were the replacement of Ms Fabienne Lecorvaisier as Group CFO by Mr Jérôme Pelletan, and Ms Fabienne Lecorvaisier being in charge of Sustainable Development, in order to oversee the achievement of the ESG objectives of the Group. Other operational moves have been carefully reviewed, notably the succession at the head of Airgas, with Mr Marcelo Fioranelli replacing Mr Pascal Vinet who has in turn taken on an operational role in Europe and AMEI, becoming Vice President of Europe Industries and the Africa/Middle East & India hubs, with effect from September 2021.

Furthermore, a review was dedicated to the Group's talents in technical and industrial roles, and the technical talent development program of the Group (Technical Community Leaders) has evolved in order to consolidate the Group's expertise in Hydrogen Mobility. The international Hydrogen business line has evolved and has acquired greater resources and a more agile organization, in line with the Group's strategic challenges.

Individual performance:

The individual performance was considered excellent, the Executive Officer having managed, in a global context that remained difficult, due in particular to rising energy and raw material prices, supply difficulties, and the persistence of the pandemic context, the Group with agility which enabled it to overcome these obstacles and deliver excellent results for the year.

SUMMARY TABLE OF THE VARIABLE REMUNERATION FOR 2021

Indicator	Approved elements by the Annual General Meeting in 2021:				Achievement ^(d)			
	Target ^(a)		Maximum		As a % of the target remuneration for this criterion	As a % of the fixed remuneration	As a % based on 100	In thousands of euros (rounded off)
	As a % of the fixed remuneration	As a % based on 100	As a % of the fixed remuneration	As a % based on 100				
Financial criteria (quantifiable) including:	105	70	122	73	116	122	74	1617
Increase in recurring net earnings ^(b) excluding the foreign exchange impact, per share (recurring EPS)	75	50	87	52	116	87	53	1153
Comparable growth in consolidated revenue ^(c)	30	20	35	21	116	35	21	464
Personal criteria (qualitative) including:	45	30	45	27	96.7	43.5	26	576
CSR:								
– Safety and reliability: continue efforts to improve safety (lost time accident frequency rate, road traffic accidents and job-related accidents)								
– Continue the roll-out of the sustainable development strategy (implementation of the Group's new ESG/Climate Objectives – contribution to the development of the Hydrogen ecosystem)	15	10	15	9	90	13.5	8	179
Organization/Human Resources (talent development, succession plans, diversity policy)	15	10	15	9	100	15	9	199
Individual performance: assessment by the Board of Directors, notably in light of the external environment for the year	15	10	15	9	100	15	9	199
TOTAL (FINANCIAL AND PERSONAL CRITERIA)	150	100	167	100	110.3	165.5	100	2193

(a) The target corresponds to 100% achievement of the performance criterion.

(b) Excluding exceptional and significant transactions which do not impact the operating income recurring. The calculation is based on the 2021 recurring net profit (Group share) excluding the foreign exchange impact (as compared to 2020). See reconciliation in the 2021 Universal Registration Document to be published.

(c) Excluding significant scope impact, foreign exchange impact and energy. See reconciliation in the 2021 Universal Registration Document to be published.

(d) As per decision of the Board of Directors on February 15, 2022.

Therefore, the total amount of the variable remuneration is above target and amounts to 2,192,875 euros, up by 50% as compared to the variable remuneration for 2020. This variation between 2020 and 2021 is due to a base effect: in 2020, Mr Benoît Potier’s variable remuneration had decreased by more than 29% compared to 2019, since the objectives for the quantitative criteria of his variable remuneration, determined before the start of the pandemic, were not modified during the course of the fiscal year despite the major impact on those indicators of the crisis caused by the pandemic. The 2020-2021 increase reflects the quality of the performance during 2021 compared to an extraordinary year 2020.

The total amount of the variable remuneration due for the 2021 fiscal year will be paid in 2022, after approval of the financial statements by the General Meeting, it being noted that its payment is conditional on the approval by a General Meeting of the elements of remuneration paid during or awarded in respect of the 2021 fiscal year to Mr Benoît Potier.

Total fixed and variable remuneration

The total amount of gross remuneration is therefore as follows:

<i>Amount in euros</i>	B. Potier
Total amount of fixed remuneration	1,325,000
Total amount of variable remuneration	2,192,875
TOTAL (fixed + variable)	3,517,875

The Board of Directors took note that the benefits in kind paid for the benefit of the Executive Officer in 2021 include the use of a company car and the contributions to the unemployment insurance for company managers and corporate officers.

1.2. Long-term remuneration components (LTI)

The Board decided at its February 15, 2022 meeting, in agreement with him, **to apply to Mr Benoît Potier this proration principle when he ends his term of office as Chief Executive Officer on May 31, 2022**, even though he remains with the Group and could in principle therefore continue to acquire his rights during his term as non-executive Chairman. The LTIs attributed to Mr Benoît Potier in 2020 and 2021 will therefore be prorated, to the effect that the 2020 attribution of LTIs to Mr Benoît Potier will be reduced by 19.5% and the 2021 attribution by 52.9%, while the vesting remains subject to performance conditions and all other conditions (including shareholding obligations) continue to apply.

1.3. Long-term commitments

The Board of Directors carried out the examination of the long-term commitments which concern the defined contribution pension plan “PERO” which applies to all the employees and the Executive Officers/the collective pension insurance contract/termination indemnity/death and disability benefit/life insurance plans applicable to Mr Benoît Potier. In respect of 2021, the Board of Directors of February 15, 2022 took note of the 100% achievement of the performance conditions applicable to Mr Benoît Potier under the collective pension insurance contract with individual and optional subscription. Accordingly, the amount to be paid in 2022 in respect of 2021 under this contract will amount to 340,000 euros (split, in accordance with the remuneration policy approved by the General Meeting of May 5, 2021, between a payment to the insurer and a payment to Benoît Potier intended to cover the social security contributions and similar charges and taxes due on the payments made to the insurer). The Board took note that the Group paid to third parties, for Mr Benoît Potier, the contributions to the supplementary defined contribution pension plan, to the collective life insurance plan and the collective death and disability benefits plan.

2. 2022 remuneration policy applicable to Company Officers

The following remuneration policy applicable to Company Officers is in keeping with the Group’s changing governance announced on December 1, 2021 in relation to the succession of Mr Benoît Potier in Executive Management. At its November 30, 2021 meeting, on the Appointments and Governance Committee’s recommendation, the Board of Directors announced its intention to separate the functions of Chairman of the Board from Chief Executive Officer and to renew Mr Benoît Potier’s term as Chairman of the Board of Directors, and to appoint Mr François Jackow as Chief Executive Officer at the close of the General Meeting on May 4, 2022, with effect from June 1, 2022.

Therefore, the remuneration policy applicable to Company Officers described below and subject to the approval of the General Meeting breaks down as follows:

- the remuneration policy of the Chairman & CEO (concerning Mr Benoît Potier for the period running from January 1, 2022, to May 31, 2022);
- the remuneration policy of the Chief Executive Officer (concerning Mr François Jackow with effect from June 1, 2022);
- the remuneration policy of the Chairman of the Board of Directors under a dissociated governance mode (concerning Mr Benoît Potier beginning on June 1, 2022).

This remuneration policy applicable to Company Officers was established by the Board of Directors of February 15, 2022, on the recommendation of the Remuneration Committee based on its work in connection with the succession plan. During this work, the Company Officers do not attend deliberations by the Remuneration Committee relating to their personal case and do not take part in deliberations or votes by the Board of Directors on the remuneration components that concern them. The decision-making process followed to determine the policy is also applicable when said policy is reviewed and implemented.

To determine the remuneration policy, the Board of Directors takes into account the principles of completeness, balance, comparability, consistency, comprehensibility and proportionality as recommended by the AFEF/MEDEF Code of Corporate Governance.

The presented policy is a continuation of that approved by the General Meeting of May 4, 2021 while taking into account developments resulting from governance changes decided as part of the succession. The established policy is therefore competitive and aligned with the Group's strategy and medium and long-term goals. While drafting it, the Board, based on the work of the Remuneration Committee, relied on an in-depth study of industry practices including a detailed benchmark of the remuneration of executive and non-executive officers at CAC 40 companies and a panel of international companies (major European groups⁽¹⁾) that have adopted a separated governance. Both in terms of structure and level, the remuneration policy was therefore established in accordance with Group practices, its new governance context and market practices.

2.1. Remuneration policy applicable to Executive Officers

2.1.1. General principles

In keeping with the Group's practices, the remuneration policy applicable to Executive Officers determined by the Board of Directors provides for a **proportionate balance between the three components of the total annual remuneration** (i.e. the fixed remuneration, the variable remuneration and the long-term incentives, comprising performance shares and/or stock options).

- i. The **fixed remuneration** represents approximately 25%, the variable remuneration 35% and the LTI 40% of the target total annual remuneration. The **elements subject to performance conditions** represent in principle **75%** of this targeted whole. The achievement of each performance condition is assessed without any set-off as between criteria.
- ii. Due to his term of office as Chief Executive Officer ending, Mr Benoît Potier will not be awarded LTIs for 2022. The fixed remuneration for 2022 therefore represents 40% and the variable remuneration targets 60% of his total annual target remuneration for 2022.
- iii. The **variable part** continues to be expressed as a **target** variable remuneration (as a percentage of the fixed remuneration) with a **maximum**. The total target variable remuneration which is determined represents at most 90% of the total maximum variable remuneration, for a very good performance.

The **annual variable remuneration** includes quantifiable and qualitative criteria:

Regarding the **weighting** of criteria chosen, a greater relative weight is given to the quantifiable criteria as compared to the qualitative criteria.

¹ An European panel comprising 14 groups with 8 different nationalities, in the Chemical, Petrochemical, Healthcare, Engineering and Manufacturing industries, with a consolidated revenue of €7 billion to €150 billion (an average of €45 billion and a median of €22 billion).

The target weighting and the maximum weighting are made public ex ante and appear below in the section applicable to each Executive Officer; the actual weight of each criterion for the determination of the variable remuneration due in respect of the fiscal year will be established on the basis of the performance measured for each criterion in light of the target objective, on the basis of the application of a formula for the financial criteria and the assessment of the Executive Officer's performance by the Board of Directors upon the recommendation of the Remuneration Committee for the qualitative criteria.

The **rate of achievement of the objectives** for the variable remuneration as a percentage of the fixed remuneration and as a percentage of the target variable remuneration for this criterion, will be made public ex post.

The quantifiable elements of the annual variable remuneration include, as in 2021:

- a criterion of an increase in the recurring net earnings (excluding exceptional and significant transactions which do not impact the operating income recurring) excluding the foreign exchange impact per share (hereinafter "**recurring EPS**"), which makes it possible to take into account all the items in the income statement;
- a criterion of comparable growth in **consolidated revenue** (excluding significant scope impact and the impact of currency and energy), which reflects the business momentum.

The **qualitative elements of the annual variable remuneration** continue to be based, as to two-thirds, on several categories or sub-categories of objectives which are defined each year and, as to one-third, on an assessment of the individual performance. For 2022, they incorporate the pursuit of long-term objectives related to Safety, Sustainable Development relating to the ESG Objectives announced by the Group on March 23, 2021 ("ACT for a sustainable future"), Human Resources and preparation of the management's succession plans, thus supporting the Company's sustainability and reflecting its extra-financial performance objectives.

The grants of LTIs for 2022:

- are subject to the principle of a proration on the basis of the actual presence of the Executive Officer;
- will not be made at the time of departure of the Executive Officer;
- remain subject to demanding performance conditions calculated over a period of three years:

(i) **for 50% of the LTIs granted**, on the rate of achievement of an objective, set by the Board, consisting of the Return on Capital Employed after tax ("**ROCE** ⁽²⁾") recorded at the end of the 2024 fiscal year.

At the objective set, the grant is 100% and then decreases on a straight-line basis to a **lower limit** below which there will be no award. This **lower limit** corresponds to a **ROCE level which is 200 basis points less** than the objective set, which provides a degree of flexibility, making it possible to take advantage of external growth opportunities.

The objective has been set within the trajectory of the ROCE target announced by the Company that is maintained at more than 10% for 2023-2024.

(ii) **for 40% of the LTI granted:**

- for 50% of the LTI referred to in sub-paragraph (ii): on an objective of Total Shareholder Return set by the Board, defined as the average annual growth rate of an investment in Air Liquide shares, reinvested dividends, for fiscal years 2022, 2023 and 2024 ("**AL TSR**").
- for 50% of the LTI referred to in paragraph (ii): on the rate of Total Shareholder Return from an investment in Air Liquide shares, reinvested dividends — source: Bloomberg ("**B TSR**"), compared to the **CAC 40 TSR** index, reinvested dividends (source: Bloomberg), in fiscal years 2022, 2023 and 2024.

(iii) **for 10% of the LTI granted:** change in the Group's absolute CO₂ emissions over the period 2022-2024 in line with the objective for a shift in 2025 in accordance with the Climate objectives announced by the Group on March 23, 2021 ("ACT" for a sustainable future).

² For the purposes hereof, the Return on Capital Employed after tax ("**ROCE**") will be calculated as follows: ((Net profit after tax before deduction of minority interests – cost of net debt after taxes) for the period 2024) / (average of (shareholders' equity + minority interests + net debt) at the end of the last three half years (H2 2024, H1 2024, H2 2023)).

The rate of achievement of the performance conditions will be recorded in 2025 by the Board at the time when the financial statements are approved for the 2024 fiscal year.

The demanding objectives set for each performance condition will be **made public ex post**, at the end of the Board meeting during which the rate of achievement of the performance conditions is recorded. Executive Officers are also subject to **special shareholding and share ownership obligations**.

Executive Officers benefit moreover from long-term commitments and commitments relating to termination of duties as described below, in addition to other annual remuneration items (benefits in kind, supplementary social protection schemes).

2.1.2. 2022 Remuneration of the Chairman and Chief Executive Officer (applicable to Mr Benoît Potier from January 1 to May 31, 2022)

By applying the principles defined above, on the recommendation of the Remuneration Committee, the Board of Directors of February 15, 2022, decided to **maintain in identical form** the fixed remuneration and structure of the annual variable remuneration of the Chairman and Chief Executive Officer, Mr Benoît Potier, until the end of his term of office as Chief Executive Officer scheduled for May 31, 2022. **Pursuant to the AFEP/MEDEF Code, it is stated that he would not be a beneficiary if an LTI grant took place during this period.** It is also stated that Mr Benoît Potier does not benefit from any remuneration or indemnity due to the announced cessation of his term of office as Chief Executive Officer on May 31, 2022.

2.1.2.1. Fixed remuneration

The fixed remuneration is set at 1,325,000 euros, **unchanged since 2018**. It will be prorated for the period from January 1, 2022 to May 31, 2022, so that the amount paid will be equal to 552,083 euros.

2.1.2.2. Variable remuneration

Pursuant to the principles set forth above at 2.1.1, the quantifiable elements and qualitative elements of the annual variable remuneration, as well as their weighting and their target and maximum weights are as follows:

Indicator	Target ^(a)		Maximum	
	As a % of the fixed remuneration	As a % based on a 100	As a % of the fixed remuneration	As a % based on a 100
Financial criteria (quantifiable) including:	105	70	122	73
Increase in recurring net earnings ^(b) excluding the foreign exchange impact, per share (recurring EPS)	75	50	87	52
Comparable growth in consolidated revenue ^(c)	30	20	35	21
Personal criteria (qualitative) including:	45	30	45	27
CSR:				
<ul style="list-style-type: none"> ■ Safety and reliability: continue efforts to improve safety (lost time accident frequency rate, road traffic accidents and job-related accidents) ■ Roll-out of the action plans relating to the Group's new sustainable development objectives; Progress made concerning the various key indicators and harmonization with the 2025 trajectory for these new objectives) 	15	10	15	9
Organization / Human Resources (management succession plans, hand-over in connection with the succession)	15	10	15	9
Individual performance: assessment by the Board of Directors, notably in light of the external environment for the year	15	10	15	9
TOTAL (FINANCIAL AND PERSONAL CRITERIA)	150 ^(d)	100	167	100

(a) The target corresponds to 100% achievement of the performance criterion.

(b) Excluding significant and exceptional transactions that do not impact the operating income recurring. The calculation is based on the 2022 recurring net profit (Group share) excluding the foreign exchange impact (compared to 2021).

(c) Excluding significant scope impact, foreign exchange impact and energy.

(d) Which corresponds to a variable remuneration of roughly 1,987,500 euros at the target for Mr Benoît Potier (for a full year), prorated at 828,125 euros for a period running from January 1, 2022 to May 31, 2022.

The total amount of the variable remuneration due for the 2022 fiscal year (calculated pro-rata for the period of January 1, 2022, through May 31, 2022) will be paid in 2023, after approval of the financial statements by the General Meeting, it being noted that its payment is conditional on approval by an Ordinary General Meeting of the elements of the Executive Officer's remuneration, under the conditions provided for in article L. 22-10-34 II of the French Commercial Code.

2.1.2.3. Other elements of annual remuneration

The benefits in kind include the use of a Company car as well as contributions to the unemployment insurance for company managers and corporate officers.

2.1.2.4. Long-term remuneration components (LTI)

Pursuant to the AFEP/MEDEF Code, Mr Benoît Potier will receive no LTI grant in 2022, the year he ends his term of office as Chief Executive Officer.

2.1.2.5. Long-term commitments and commitments relating to termination of duties

The long-term commitments and commitments relating to termination of duties made with regard to Mr Benoît Potier in his capacity of Chairman and Chief Executive Officer, whose examination was carried out by the Board as stated above, will be maintained until the end of his term of office as Chief Executive Officer, i.e., May 31, 2022.

2.1.3. 2022 remuneration of the Chief Executive Officer (applicable to Mr François Jackow as from June 1, 2022)

Pursuant to the principles of the remuneration policy of Executive Officers described above, the Board of Directors of February 15, 2022, on the recommendation of the Remuneration Committee, defined the remuneration policy applicable to the Chief Executive Officer as from his appointment to this position by the Board in connection with the implementation of a separated governance, i.e., as from June 1, 2022, as described below.

The positioning of the remuneration was drafted based on an in-depth study of industry practices, including a benchmark with regard to a panel of companies as set forth above. In comparison to this panel, it exhibits the necessary characteristics of competitiveness and comparability.

It is attractive and takes into account Mr François Jackow's experience and skills, and his successful career within the Group that he joined in 1993. His remuneration elements, including long-term commitments, also take into account the intention of **Mr François Jackow to unilaterally end his employment contract by means of resignation as from the start of his corporate office**, in compliance with the recommendations of the AFEP/MEDEF Code and best governance practices.

Moreover, in connection with the General Meeting's proposal to appoint Mr François Jackow as Director, it is worth noting that pursuant to a recurring principle of the Group's remuneration policy, Executive Officers do not receive remuneration in respect of their office as Director as long as they remain Executive Officers. For this reason, Mr François Jackow, if he is appointed as Director, will receive **no remuneration for his office as Director**.

2.1.3.1. Fixed remuneration

The annual fixed remuneration recommended for Mr François Jackow in 2022 is, in application of the aforementioned principles, an annual amount of 1,100,000 euros. For fiscal year 2022, it will be calculated pro-rata for the period extending from the date on which the new Chief Executive Officer assumes his functions (June 1, 2022) to December 31, 2022, to the effect that the amount paid will be equal to 641,667 euros.

2.1.3.2. Variable remuneration

Pursuant to the principles set forth above at 2.1.1, the Board of Directors of February 15, 2022, on the recommendation of the Remuneration Committee, defined the quantifiable elements and qualitative elements of the annual variable remuneration of the Chief Executive Officer, as well as their weighting and their target and maximum weights as follows:

Indicator	Target ^(a)		Maximum	
	As a % of the fixed remuneration	As a % based on a 100	As a % of the fixed remuneration	As a % based on a 100
Financial criteria (quantifiable) including:	84	70	105	70
Increase in recurring net earnings ^(b) excluding the foreign exchange impact, per share (recurring EPS)	60	50	75	50
Comparable growth in consolidated revenue ^(c)	24	20	30	20
Personal criteria (qualitative) including:	36	30	45	30
CSR:				
<ul style="list-style-type: none"> ■ Safety and reliability: continue efforts to improve safety (lost time accident frequency rate, road traffic accidents and job-related accidents) ■ Roll-out of the action plans relating to the Group's new sustainable development objectives; Progress made concerning the various key indicators and harmonization with the 2025 trajectory for these new objectives) 	12	10	15	10
Organization / Human Resources (talent development, management succession plans, diversity policy)	12	10	15	10
Individual performance: assessment by the Board of Directors, notably in light of the external environment for the year	12	10	15	10
TOTAL (FINANCIAL AND PERSONAL CRITERIA)	120 ^(d)	100	150	100

(a) The target corresponds to 100% achievement of the performance criterion.

(b) Excluding significant and exceptional transactions that do not impact the operating income recurring. The calculation is based on the 2022 recurring net profit (Group share) excluding the foreign exchange impact (compared to 2021).

(c) Excluding significant scope impact, foreign exchange impact and energy.

(d) Which corresponds to a variable remuneration of roughly €1,320,000 at the target for Mr François Jackow (for a full year), prorated at €770,000 for a period running from June 1, 2022 to December 31, 2022.

The fixed remuneration represents approximately 27% and the variable remuneration 32% of the total target remuneration, and the target variable remuneration represents 80% of the maximum variable remuneration, pursuant to the principles set forth above.

The total amount of the variable remuneration due for the 2022 fiscal year (calculated pro-rata for the period of June 1, 2022, to December 31, 2022) will be paid in 2023, after approval of the financial statements by the General Meeting, it being noted that its payment is conditional on approval by an Ordinary General Meeting of the elements of the Executive Officer's remuneration, under the conditions provided for in article L. 22-10-34 II of the French Commercial Code.

2.1.3.3. Other elements of annual remuneration

The benefits in kind include the use of a Company car as well as contributions to the unemployment insurance for company managers and corporate officers.

The Chief Executive Officer will continue to benefit from the additional "incapacity, disability, death" benefits plan, unified as from January 1, 2015, and the healthcare costs plan, covering all the personnel and the corporate officers duly authorized to benefit from such plan.

2.1.3.4. Long-term remuneration components (LTI)

Pursuant to the principles and processes of the LTI grant described above (“Structure and main characteristics common to the total remuneration of Executive Officers”), the Board of Directors on February 15, 2022, on the recommendation of the Remuneration Committee, provided for an attribution to Mr François Jackow for his term of office as Chief Executive Officer, for fiscal year 2022, of performance shares totaling 962,500 euros (based on an IFRS value), corresponding pro-rata for the period running from June 1, 2022 to December 31, 2022, to an annual value of 1,650,000 euros.

Pursuant to the principles of the remuneration policy applicable to Executive Officers, the LTIs represent around 41% of the total target remuneration.

The performance conditions and all rules and conditions applying to LTI grants to Executive Officers as described above at 2.1.1 apply to this attribution (limits on volume and value, condition of presence, proration, shareholding and share ownership and other specific regulations).

2.1.3.5. Long-term commitments

For the pension elements, the Board of Directors of February 15, 2022, on the recommendation of the Remuneration Committee, decided that:

- Mr. François Jackow continue to benefit, with effect from his appointment as Chief Executive Officer from:
 - the **mandatory company retirement savings plan (PERO)** that applies to the whole of the Company’s employees, and
 - the **“article 83” defined contribution pension plan** set up for the benefit of the senior managers and executives (for the portion of his Reference Remuneration that is up to 8 times the PASS) in addition to the mandatory basic and supplementary pension plans.
- Mr. François Jackow benefit from a **collective pension insurance contract with individual and optional subscription (so-called “article 82 French Tax Code”)** for the portion of his Reference Remuneration [fixed remuneration and target variable remuneration] that is exceeding 8 times the PASS. This supplementary pension plan for the fraction of remuneration exceeding 8 PASS is entirely subject to performance conditions. The gross annual amount of payments will total approximately 345,000 euros, subject to the achievement of performance conditions similar to those applying to the “article 82” supplementary pension plan applicable until now to Mr Benoît Potier. Consequently, the total amount of contributions for a fiscal year will depend on the average annual gap between the Return on Capital Employed after tax (ROCE) and the Weighted Average Cost of Capital (WACC) (net equity method), calculated (on the basis of the certified consolidated financial statements, approved by the General Meeting) for the last three fiscal years prior to the said fiscal year. The amount paid by the Company (approximately 345,000 euros, subject to 100% achievement of performance conditions) will be split between a payment to the insurer and a payment to Mr François Jackow intended to partially cover the social security contributions and taxes due on the payments made to the insurer. This amount shall be paid in arrears every year for the period until the end of the executive office, after recording the performance conditions associated with this pension plan. This mechanism represents a 31% lower cost to the Company than that which would result from implementing a new supplementary pension plan with defined vested benefits under article L. 137-11-2 of the French Social Security Code.

2.1.3.6. Commitments relating to termination of duties

The Board of Directors of February 15, 2022, on the recommendation of the Remuneration Committee, decided to apply to Mr François Jackow, who unilaterally agrees to end his employment contract as of his appointment as Chief Executive Officer, a termination indemnity, subject to very strict triggering conditions similar to that applying to the Chairman and Chief Executive Officer. The main terms are as follows:

- the cases of forced departure of Mr François Jackow from his term of office as Chief Executive Officer (removal from office, request for resignation) related to a change of strategy or a change in control (in the latter case, the termination indemnity is due, if the departure occurs within six months of the change of control) may give rise to an indemnity;

- the amount of the indemnity in any of these cases is set at the 24 previous months of annual gross fixed and variable remuneration actually paid (24 months of fixed remuneration + 2 previous annual variable remunerations actually paid) on the date of termination of his duties (subject to the exceptions described hereafter). As an exception to this rule, in the event of departure during the course of the 2022 fiscal year, the amount of indemnity will be limited to 12 months of fixed and variable remuneration (sum of the annual fixed remuneration for 2022 and the target annual variable remuneration for 2022) ; in the event of departure during the two following fiscal years (2023 or 2024), for the calculation of the indemnity of 24 months of fixed and variable remuneration, will be taken into account, concerning the variable remuneration, the target variable remuneration awarded in the absence of variable remuneration paid in respect of a fiscal year (for each fiscal year concerned), and the annual fixed remuneration of the ongoing fiscal year and that of the previous fiscal year;
- the amount of the indemnity due decreases gradually as Mr François Jackow, in his capacity as Chief Executive Officer, approaches the age limit defined in the Company's articles of association; in any event, no indemnity shall be paid should the beneficiary claim his pension entitlements on the date of his forced departure;
- the right to payment of the indemnity is subject to the achievement of the performance conditions based (the same as for the collective pension insurance contract with individual and optional subscription set forth above) on the average annual gap between the Return on Capital Employed after tax (ROCE) and the Weighted Average Cost of Capital (WACC) (net equity method), calculated (on the basis of the certified consolidated financial statements, approved by the General Meeting) for the last three fiscal years prior to the said fiscal year, the proportion of the indemnity due decreasing depending on the rate of achievement of such conditions.

To safeguard the legitimate interests of the Company, the Board of Directors also decided to grant a **non-competition** indemnity in consideration of the commitment that would be made by the Chief Executive Officer not to directly or indirectly serve at a competitor of the Group nor a business competing with that of the Company, for a term of two years as from the date on which he ends his term of office.

The amount of this indemnity, payable monthly, would be equal to one year of gross annual fixed and variable remuneration received by the Chief Executive Officer (excluding sums received in respect of long-term variable remuneration), wherein the **aggregated termination indemnity and non-competition indemnity are capped at 24 months of annual gross fixed and variable remuneration** paid to the Chief Executive Officer on the date on which he ends his term of office.

Payment of the non-competition indemnity shall not apply from the moment the Chief Executive Officer exercises his pension entitlements. In any event, no indemnity shall be paid beyond age 65.

The Board of Directors reserves the right to fully or partially waive the non-competition commitment upon the departure of the Chief Executive Officer, in which case no indemnity will be owed.

2.2. Remuneration policy applicable to the Chairman of the Board of Directors under a separated governance mode (applicable to Mr Benoît Potier as from June 1, 2022)

The Board of Directors of February 15, 2022, defined, on the recommendation of the Remuneration Committee, the principles, structure and characteristics of the remuneration of a Board of Directors' Chair not assuming the position of Chief Executive Officer. As part of the succession of Executive Management, this policy is intended to apply to Mr Benoît Potier as of the termination of his duties as Chief Executive Officer and his appointment as Chairman of the Board of Directors beginning on June 1, 2022, subject to the renewal of his term of office as Director.

The Board of Directors, in compliance with the recommendation of the AFEP/MEDEF Code (article 25.2), decided to attribute to the separate Chairman only a fixed remuneration.

The positioning of the remuneration was drafted based on an in-depth study of industry practices, including a benchmark with regard to a panel of companies as set forth above.

To determine the remuneration elements applicable to Mr Benoît Potier, the Board of Directors also took into account the specific role of the Chairman of the Board of Directors in the context of management succession and the missions that the Board of Directors, on the recommendation of the Appointments and Governance Committee, wanted to entrust to Mr Benoît Potier for the duration of the transition in order to benefit from his experience, his vast knowledge of the Group and its business lines, its shareholders and stakeholders and its strategic challenges, and which will be described in detail in the Universal Registration Document to be published.

Taking these elements into account, the Board of Directors recommends paying Mr Benoît Potier an annual fixed remuneration of 800,000 euros, to the exclusion of any variable and long-term remuneration (including LTI) and any exceptional remuneration. The Board also decided that Mr Benoît Potier will receive no additional remuneration in his capacity as Director. For 2022, his remuneration as Chairman of the Board of Directors will be calculated pro-rata for the period of June 1, 2022, through December 31, 2022, i.e., an amount of 466,667 euros.

Furthermore, Mr Benoît Potier will benefit from the use of a company car and will be authorized to continue to benefit from the death and disability benefits plan (solely death benefits) covering all personnel as well as corporate officers duly authorized to receive them.

The Board also took note of Mr Benoît Potier's intention to claim his mandatory pension entitlements at the time of the termination of his term of office as Chief Executive Officer, together with his entitlements pursuant to the supplementary pension plans and other benefits set in the Company.

3. Achievement of the performance conditions under the 2019 performance share plans

3.1. Recording of the achievement of the performance conditions under the September 30, 2019

On the basis of the financial statements for the 2021 fiscal year submitted for the approval of the General Meeting of May 4, 2022, the Board of Directors on February 15, 2022, recorded the rate of achievement of the performance conditions, which apply to the whole of the performance shares awarded to any beneficiary and were determined at the time of the grant of the September 30, 2019 performance share plans.

In 2019, on the recommendation of the Remuneration Committee, the Board of Directors decided, following the general market trend, to award only performance shares to all beneficiaries for purposes of simplification and standardization.

The annual 2019 plans provided that the number of performance shares definitively awarded would depend on the rate of achievement of the following objectives:

(i) for 60% of the performance shares granted, on the rate of achievement of an objective, set for this purpose by the Board, consisting of the Return on Capital Employed after tax ("ROCE") recorded at the end of the 2021 fiscal year. At the objective set, the grant is 100% and then decreases on a straight-line basis to a lower limit below which there will be no award. This lower limit corresponds to a ROCE level which is 200 bps less than the objective set, which provides a degree of flexibility, making it possible to take advantage of external growth opportunities.

The objective had been set within the trajectory of the NEOS company program which aimed at a ROCE of more than 10% in 2021-2022.

The ROCE for the aforementioned period was 9.3%, i.e. an objective achieved as to 75.50%;

(ii) for 40% of the performance shares granted:

- for 50% of the performance shares referred to in sub-paragraph (ii): of an objective of Total Shareholder Return ("AL TSR") defined as the average annual growth rate of an investment in Air Liquide shares, for the 2019, 2020 and 2021 fiscal years. At the objective set of +6%, the grant of shares is 100%, and then decreases on a straight-line basis to +2%. This growth, over the aforementioned period, amounts to 18.70% per annum, i.e. 100% of the target achieved,

- for 50% of the performance shares referred to in sub-paragraph (ii): of the rate of Total Shareholder Return from an investment in Air Liquide shares, reinvested dividends – sourced from Bloomberg (“B TSR”), as compared to the CAC 40 index, reinvested dividends (sourced from Bloomberg) for the 2019, 2020 and 2021 fiscal years.

The applicable formula provided that the rate of achievement of this performance condition was (i) 0% if the average Air Liquide TSR was lower than the average CAC 40 TSR, (ii) 50% if the average Air Liquide TSR was equal to the average CAC 40 TSR, and (iii) 100% if the average Air Liquide TSR was at least 2% higher than the average CAC 40 TSR on the basis of a straight-line change. Any grant for a performance lower than the average of the CAC 40 TSR was impossible.

The rate of return for Air Liquide over the aforementioned period is 18.77%. That of the CAC 40 index over the same period is 19.12%. This gives the difference between the average rate of return for Air Liquide and the average rate of return for the CAC 40 as -0.36%, i.e. an objective achieved as to 0%.

Consequently, the Board of Directors recorded that the rate of achievement of the performance conditions for the September 30, 2019 share performance plans amounts to 65.3%.

After taking into account the rate of achievement of the performance conditions, 20,569 performance shares will be granted to Mr Benoît Potier under these 2019 Plans.

4. 2022 General Meeting - Resolutions relating to remuneration

The Board of Directors adopted the draft resolution as well as the summary table presenting the components of the remuneration paid in 2021 or awarded in respect of the 2021 to Mr Benoît Potier, Chairman and Chief Executive Officer, on which the General Meeting of May 4, 2022 is invited to vote (12th resolution).

The Board of Directors adopted the draft resolution and the Report on Corporate Governance including the components of remuneration of the Chairman and Chief Executive Officer and the Directors of the Company pursuant to article L. 22-10-9 I of the French Commercial Code. These elements are the subject of the 13th resolution submitted for the approval of the General Meeting of May 4, 2022.

The Board of Directors adopted the remuneration policy of the corporate officers which is submitted to the General Meeting of May 4, 2022 and which is governed:

- by the 14th resolution with respect to the Chairman & CEO (concerning Mr Benoît Potier for the period running from January 1, 2022 to May 31, 2022),
- by the 15th resolution with respect to the Chief Executive Officer (concerning Mr François Jackow with effect from June 1, 2022),
- by the 16th resolution with respect to the Chairman of the Board of Directors under a dissociated governance mode (concerning Mr Benoît Potier with effect from June 1, 2022), and
- by the 17th resolution with respect to the Directors.

The details concerning the remuneration of corporate officers that is the subject of the aforementioned resolutions will be included in the 2021 Universal Registration Document.