Sustainability at the heart of the future

DELIVERING GROUP SUSTAINABILITY OBJECTIVES

INVESTOR MEETING

Fabienne Lecorvaisier & Ashutosh Misra
Our Corporate Sustainability Report

URD
Published March 7, 2022

Vigilance Plan
Published March 24, 2022

Annual Report
Published March 25, 2022

Sustainability Report
Published April 7, 2022
Our Sustainability Strategy
ESG: stakes, policies and commitments

- **Environmental, Societal and Governance** stakes identified, with risks and opportunities detailed
- Strong and clear statement of AL’s **responsibilities and commitments to act** on Sustainability topics
- Reinforces AL’s **strong ESG leadership** in the Industrial Gas sector
- **Aligned with the Sustainable Development Goals** established by the United Nations
# Our Sustainability Ambition is embedded in our New Strategic Plan

## Sustainability Ambition
March 2021

### A
- Acting for a low-carbon society

### C
- Acting for Health

### T
- Acting as a Trusted Partner

## Group's New Strategic Plan
March 2022

### ADVANCE

- Delivering financial performance
- And beyond,
- Decarbonizing the planet
- Unlocking progress via technologies
- Acting for all
Ambitious Path towards Carbon Neutrality, starting with 2025 Inflexion Point

Absolute Scope 1+2 emissions

- Subject to favorable long-term policy and regulatory frameworks, and availability of new low-carbon energy infrastructure.

<table>
<thead>
<tr>
<th>Performance Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales growth</td>
</tr>
<tr>
<td>+5-6% CAGR(^{(1)})</td>
</tr>
<tr>
<td>ROCE</td>
</tr>
<tr>
<td>&gt;10%</td>
</tr>
<tr>
<td>by 2023 and forward</td>
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</tbody>
</table>

CO\(_2\) emissions inflection around 2025
2021 Performance
## A recognized Extra Financial Performance - 2021 Ratings

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CDP</strong></td>
<td>A Level A leader, scoring an A- on Climate and Water performance.</td>
</tr>
<tr>
<td><strong>MSCI</strong></td>
<td>Air Liquide has maintained its A grade, ranking in the top 22% of companies on CSR.</td>
</tr>
<tr>
<td><strong>SUSTAINALYTICS</strong></td>
<td>Recognized as “ESG Industry Leader Top Rated”, Air Liquide has received a “low risk” rating.</td>
</tr>
<tr>
<td><strong>FTSE4Good</strong></td>
<td>Air Liquide remains a constituent of the FTSE4Good Index Series for 2022.</td>
</tr>
<tr>
<td><strong>Vigeo eiris</strong></td>
<td>Awarded a score of 61/100, Air Liquide ranks in the top 10%.</td>
</tr>
<tr>
<td><strong>S&amp;P Dow Jones Indices</strong></td>
<td>In 2021, Air Liquide provided enhanced disclosure on various ESG topics in the S&amp;P Global CSA questionnaire for the first time.</td>
</tr>
</tbody>
</table>

Air Liquide earned a place on the CDP Suppliers Engagement Rating Leadership Board. For the 5th consecutive year, Air Liquide has won a Gold Ecovadis Sustainability medal.

Recognized in the top quartile of most leading extra-financial rating agencies.
### 2021 Key ESG Performance Indicators

<table>
<thead>
<tr>
<th>ACT FOR A low-carbon society</th>
<th>Objectives and KPIs</th>
<th>2021 Results</th>
</tr>
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<tbody>
<tr>
<td>By 2035, a 33% reduction in Scope 1 &amp; 2 emissions vs. 2020</td>
<td>&lt; +1%</td>
<td>KPI LC.1</td>
</tr>
<tr>
<td>By 2025, a 30% reduction Carbon Intensity vs. 2015</td>
<td>-24 %</td>
<td>KPI LC.2</td>
</tr>
</tbody>
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<table>
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<tr>
<th>ACT FOR Health</th>
<th>Objectives and KPIs</th>
<th>2021 Results</th>
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<tr>
<td>In mature economies, improve quality of life of chronic patients at home</td>
<td>38 % Patients with Personalized Care</td>
<td>KPI H.1</td>
</tr>
<tr>
<td>In LMICs, facilitate access to oxygen</td>
<td>1,032,000 people</td>
<td>KPI H.2</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>ACT AS A Trusted Partner</th>
<th>Objectives and KPIs</th>
<th>2021 Results</th>
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<td>35% women among Manager &amp; Professional population by 2025</td>
<td>31 %</td>
<td>KPI T.1</td>
</tr>
<tr>
<td>100% of employees with common care coverage package by 2025</td>
<td>34%</td>
<td>KPI T.2</td>
</tr>
</tbody>
</table>
Acting for a low-carbon society

Our ambition: to play a transformative role in the transition to a low-carbon society.

Acting for health

Our ambition: to continuously improve our impact on patient care and quality of life.

Acting as a trusted partner

Our ambition: to leverage trust as the foundation of an empowered employee community and a best-in-class governance.
2021 CO₂ Emissions Profile by Scopes

**TOTAL EMISSIONS**
- Scope 1: 15.5 Mt
- Scope 2: 20.8 Mt
- Scope 3: 22.2 Mt
- TOTAL EMISSIONS: 58.5 Mt

**AVOIED EMISSIONS**
- 15.1 Mt
- Avoid emissions from end-uses (b): 64.2 Mt

Avoid emissions from efficiencies and clients’ applications.
2021 CO₂ Emissions by Geography

Emissions from IDD, EHO and Orsay hubs integrated in Europe
KPI LC.1: Absolute emissions reduction

Absolute emissions: brakes on despite strong revenue growth

(a) 2020 baseline restated to include 2020 emissions from new units acquired from customers, in particular emissions from the new units acquired from Sasol.
(b) 2021 emissions restated to include the emissions from newly acquired units for a full 12 month period, in order to provide a figure comparable to the restated baseline.

2020 Baseline
- As reported
- Restated: 39.2

2021 Emissions
- As reported
- Restated: 39.6

2021 Result: -33%
2035 Objective: < +1%
KPI LC.2: Carbon intensity reduction

Carbon intensity: On track to reach 2025 target (-30% vs. 2015)
Path toward climate objectives: key milestones achieved in 2021

**CO₂ emissions reporting**
- **New tool** to report CO₂ Emissions & other industrial KPIs at the site level
- **Consolidation of Emissions at country level, by Hub and at the Group level**
- **Revision of investment decision process** to integrate CO₂ emissions trajectory

**CO₂ Emission Management**
- **Yearly Carbon Budget** allocated to Hubs and countries
- **Follow up of the impact of each new project on the global 5 year trajectory**
- A dedicated governance in place, fostering regular reviews at top management and Board level
Numerous Decarbonization Initiatives already Launched (Examples)

**Becancour electrolyser**
- 27,000 tons of CO₂ avoided / year

**Building the largest biomethane production unit** in the world in Illinois
- Target capacity of 380 GWh/year in 2024

**Normandy Basin decarbonization**
- In partnership with
- Target up to 3m tons of CO₂ emission reduction /year by 2030

**Several PPAs already signed in Europe**
- Several PPAs already signed in Europe

**Developing the Kairos@C project (CCS) in Antwerp**
- In partnership with
- Target 14.2m tons of CO₂ avoidance in the 1st 10 years
- Subsidy granted from E.U. INNOVATION FUND

**Low carbon ASU** for Shagang Steel
- Target capacity of 3,800 tons /day of Oxygen

**Takeover of ASUs with decarbonization objectives** through PPA & efficiencies
- Target 30-40% CO₂ reduction over 10 years

Taking actions on
- **Our ASSETS** — Scope 1&2
- **Our CUSTOMERS**
- **Our ECOSYSTEMS** — Scope 3

**ASU** = Air Separation Unit
**PPA** = Power Purchase Agreement

Delivering Group Sustainability Objectives, April 7, 2022
First Fundings secured, kick-starting transition in key basins in EU

**Innovation Fund**
One of the world’s largest funding programmes for the demonstration of innovative low-carbon technologies

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<th>Project</th>
<th>Companies</th>
<th>Location</th>
<th>Description</th>
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<tr>
<td>Kairos @ C</td>
<td>AL, BASF</td>
<td>Antwerp, BE</td>
<td>Crossborder CCS value chain and kick-start the Antwerp@C project, which is developing a multi-modal transport infrastructure for CO2 in the port of Antwerp.</td>
</tr>
<tr>
<td>K6</td>
<td>AL, Eqiom</td>
<td>Dunkirk, FR</td>
<td>reduce CO2 emissions through implementation of a range of technological initiatives and innovations at the Lumbres cement plant, in particular with oxyfuel and CCS</td>
</tr>
</tbody>
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**Other Funding**

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<tr>
<td>Normand’Hy</td>
<td>AL, Total Energies</td>
<td>Port-Jérôme, FR</td>
<td>200 MW electrolyzer for renewable H2 production for industry and mobility</td>
</tr>
<tr>
<td>Trailblazer</td>
<td>AL</td>
<td>Oberhausen, GER</td>
<td>30 MW PEM electrolyzer for renewable H2 production for industry and mobility</td>
</tr>
<tr>
<td>Porthos</td>
<td>AL, Exxon, Shell, AP</td>
<td>Rotterdam, NL</td>
<td>CCS value chain to decarbonize the Rotterdam industrial area</td>
</tr>
</tbody>
</table>
On-boarding the organization

Raising awareness & Training employees

Employee on-boarding
- 50 local events (town hall, etc) organized to support the Group' Sustainability objectives announcement, gathering 22,000 employees
- Regular use of dedicated channels (Sustainability intranet, Google Currents, Air Liquide University platform...)

Focused training programs
- Air Liquide University campus “Nutshell” sessions: 2065 attendees
- “How To” sessions: 918 attendees
- Embedded into WBLs Trainings

Deploying in the organization

Climate Champions
- Guarantor of decarbonization roadmap at local level
- Main PoC for all Climate topics
- Monitoring KPIs, rolling out projects and reporting progress

Sustainability Ambassadors
- Network of > 450 volunteers
- Implementing action at local level, raising awareness and sharing best practices
Water Management & Biodiversity: Moving ahead

Detailed water withdrawal and consumption footprint

Enhanced Disclosure of Water related risks

Water management Objectives

- **Objective 1**: For high water use operations in high water stress areas, to have a documented water management plan that addresses water withdrawal / usage risk, by 2025.

- **Objective 2**: For all operations, to implement a global standard at the Group level, beyond established existing processes and procedures which ensure that discharged water quality meets or exceeds the applicable local criteria.

Assessment on biodiversity related risks

- (1) Access to Natural Resources
- (2) Impact on Natural resources

Mapping of Air Liquide assets in Key Biodiversity Areas

Focus on 2 business areas

- Seppic
- Biomethane

Announcement of biodiversity awareness initiative across the Group.
Sustainable finance

Align funding strategy with sustainability strategy and objectives

Contribute to the development of Sustainable Finance

Successful issuance of a 500 M€ Green Bond on May 19th, 2021

First reporting in URD

~ 20 eligible activities

2.45 bn€ (10.5% of consolidated revenues)

89.5% of total consolidated sales not-eligible, include in particular the production of oxygen, medical gases, home healthcare, .. as they have zero direct CO2 emissions
Trajectory alignment

- No SDA for chemical sector yet
- Engagement with SBTi and other Parties to harmonize approach for chemical / industrial gas companies
- AL committed to SBTi (2019), targets submitted for validation November 2021
Acting for a low-carbon society

Our ambition: to continuously improve our impact on patient care and quality of life.

Acting as a trusted partner

Our ambition: to leverage our position as the foundation of an empowered employee community and a best-in-class governance.
KPI H.1 Improve quality of life for chronic patients in mature economies

**SCOPE**

- Implementation of personalized care plans adapted to patients.
- 2 levels of personalized care plans:
  - L1 Compliance-driven model
  - L2 Outcomes-driven model

**2021 ACHIEVEMENTS**

- Established governance and network of 28 HC ESG Ambassadors
- Validated reporting, methodology and tools
- 38% of patients have a personalized care plan

**Example**

- PIMA (launched in 2019), the first individualized program for managing adherence of sleep apnea patients contributes to increase the patient’s empowerment and improve the adherence and quality of life.

*awarded by the* [Value Based Healthcare](https://www.valuebasedhealthcare.com) [Center Europe](https://www.center-europe.com)
KPI H.2 Facilitate access to Oxygen in LMICs*

**SCOPE**

- Equipping primary care facilities in **villages with oxygen**, and bringing our **expertise to support local communities**.
- Expanding partnerships with NGOs.

**2021 ACHIEVEMENTS**

- ~ 1 million population facilitated with access to oxygen
- 2 new “Access Oxygen” models are being tested:
  - VitalAire-Unjani agreement in South Africa to deploy Access Oxygen across rural clinics (July 2021).
  - Pilot-project in Senegal for Unicef’s “Sprint” child-pneumonia project; AL Senegal equipped 60 health centers with oxygen solutions in H1 2021.

**Example**

Oxygen service for rural health clinics, based on measured outcomes, a reliable supply of oxygen and the training of customer staff.
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KPI T.1 and T.2 Diversity & Employee Wellbeing

**Diversity**, a source of performance

- **2021 Result**: 31%
- **2025 Objective**: 35%
- **Objective**: of women among managers & professionals by 2025

**Wellbeing** beyond the workplace

- **2021 Result**: 34%
- **2025 Objective**: 100%
- **Objective**: of employees under a common basis of care coverage by 2025

**Safety**

One ambition: zero accident
Relationship with Stakeholders - Public Sphere

Public Affairs Charter

- **Public Affairs Charter** published

- **Governs** the Group’s interactions with public authorities at all levels

- **Structured as**
  - Principles of Action,
  - Our Organization,
  - Ethics & Transparency
  - Our contribution to Climate change mitigation
Trust as the basis to build Best-in-Class Governance

**Board & Shareholders**
- A diversified and independent Board

**Promote a responsible dialogue with our business stakeholders**
- Expansion of platform to external stakeholders
- Launch of an updated Code of Conduct, taking into account the latest regulatory developments, best practices and our risk mapping

**Contribute to making a positive impact on society**
- Several hundreds of employees involved
- More than 470 projects in around 52 countries for more than 100 years
A commitment to our stakeholders and our planet

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March 2021

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- Acting for Health
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Group's New Strategic Plan
March 2022

- Delivering financial performance
- Decarbonizing the planet
- Unlocking progress via technologies
- Acting for all
- And beyond,

ADVANCE
To learn more...

Sustainability Report 2021

Downloadable Reporting for Stakeholders

2021 Universal Registration Document