

## 2023 GRANTS OF PERFORMANCE SHARES

The Board of Directors of L’Air Liquide S.A., at its meeting on September 28, 2023, adopted the performance share plans for 2023 which are aimed, above and beyond incentive and mandatory profit sharing, at associating employees to a greater extent with the Company’s performance

### 2023 principles of grant

For the Executive Officer, the 2023 grant is in line with the remuneration policy drawn up by the Board of Directors on February 15, 2023 and approved by the General Meeting on May 3, 2023. Accordingly, the long-term incentive component (hereinafter the “LTI”) granted to the Executive Officer represents approximately 40% of the total target annual remuneration.

In these circumstances, it had been agreed by the Board of Directors on February 15, 2023 that the grant of performance shares to Mr. François Jackow in 2023 would represent an IFRS value of approximately 1,650,000 euros.

As has been the case since 2019, the Board of Directors decided, on September 28, 2023, in line with the general market trend, only to grant performance shares (and not stock options) to all the beneficiaries, for reasons of simplification and harmonization.

On the basis of these principles, the Board of Directors made the following grants at its meeting on September 28, 2023:

### 2023 grants of performance shares

The Board granted performance shares in accordance with the following terms:

#### **Volume**

- Executive Officer

	Volume <sup>1</sup>	IFRS value in € <sup>1</sup>	Volume as a % of the capital (by number of shares) <sup>1</sup>
François Jackow – in his capacity as Chief Executive Officer	12,050 Shares	1,649,284	0.0023%

<sup>1</sup> Amount calculated on the basis of the IFRS value as at September 28, 2023, at a share price of €158.48.

- Other grants

The Board of Directors also decided to make 2,692 grants of performance shares to 2,637 distinct beneficiaries (representing 329,199 shares).

The lists of employee beneficiaries were drawn up on a selective basis to recognize outstanding contributions and provide an attractive and competitive component of remuneration for the Group’s Talents, while ensuring a rotation and a broader range of beneficiaries with a view to diversity. Over one-third of the beneficiaries of the 2023 Plans are employees who had not been granted any stock options/performance shares during the last five years.

- Overall, 341,249 performance shares representing 0.065% of the capital were thus granted to 2,638 beneficiaries (representing 2,693 grants), i.e. approximately 4% of the workforce.

**Rules which apply in 2023**

Subject to the performance conditions (set forth below), the provisions of the 2023 “France” and “World” Performance Share Plan Regulations include, in particular, the following items:

- a. For France, the vesting period is fixed at 3 years and the holding period at 2 years;
- b. The “World” regulations in turn provide for a vesting period of 4 years with no additional holding obligation.

**Performance conditions for the 2023 grants**

**The whole of the performance shares granted to any beneficiary pursuant to the 2023 Plans is subject to the following performance conditions** which apply to both the “France” and “World” Plans. These conditions had been determined by the Board of Directors on February 15, 2023.

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

In summary, the applicable performance conditions are as follows<sup>1</sup>:

Indicator	Weighting	Comment
ROCE	50%	Objective which aims at a recurring ROCE maintained at 10% at the end of 2025.
TSR <i>of which :</i>	40%	
<i>AL TSR</i>	20%	Total shareholder return set in accordance with historic performances (the objective will be communicated ex post).
<i>B TSR</i>	20%	<ul style="list-style-type: none"> <li>– 0%, if the average of the Air Liquide TSR is lower than the average of the CAC 40 TSR,</li> <li>– 50%, if it is equal to the average of the CAC 40 TSR,</li> <li>– 100%, if it is at least 2% higher than the average of the CAC 40 TSR (on the basis of a straight-line change).</li> </ul>
Change in CO2 emissions	10%	Change in the Group’s absolute CO2 emissions over the period 2023-2025 in line with the objective for a decline in 2025, in accordance with the climate objectives announced by the Group on March 23, 2021.

**Specific rules applicable to the Executive Officer****Limits on the grant for the Executive Officer**

Within the scope of the sub-limits authorized for 38 months by the General Meeting, most recently by the Combined General Meeting of May 4, 2022 (21<sup>st</sup> resolution), the Board of Directors sets lower annual limits for the grants to the Executive Officer, expressed (i) as a percentage of the share capital and (ii) as a multiple of his remuneration, in accordance with the recommendations of the AFEP/MEDEF Code.

<sup>1</sup> Details of the performance conditions are contained in the 2022 URD, at page 232.

The limits set by the Board of Directors for 2023 concerning Mr. François Jackow, in his capacity as Chief Executive Officer, are unchanged compared with 2022 and are as follows:

- (i) the total number of performance shares granted in 2023 to the Executive Officer may not grant entitlement to a number of shares that exceed 0.012% of the share capital (it being understood that a sub-limit on grants was set by the General Meeting on May 4, 2022 of 0.1% of the capital for 38 months);
- (ii) the total aggregate IFRS value of the performance shares granted to the Executive Officer cannot exceed approximately 1.5 times the amount of his maximum gross annual remuneration (the fixed + variable maximum) (it being noted that the shares granted to the Executive Officer represent approximately 40% of the total target annual remuneration).

### **Other specific rules**

The other specific rules which apply to the Executive Officer are as follows:

- Pursuant to the decision made by the Board on February 15, 2023, the 2023 grant of performance shares to the Executive Officer remains subject to the proration principle.
- Obligations regarding the restriction on the sale of performance shares during the periods defined by law.
- Commitment not to carry out hedging transactions with regard to the risk concerning the performance shares awarded, throughout the whole of his term of office.

### **Shareholding obligations:**

- The shareholding obligation resulting from the Balladur Amendment applies to the grants made to Mr. François Jackow in his capacity as Executive Officer with effect from the 2022 Plan. The internal rule on shareholding defined by the Board of Directors will be applied by 2026 at the latest (within four years of Mr. François Jackow's appointment as Executive Officer).

The shareholding and share ownership obligations will, moreover, be maintained for Mr. Benoît Potier for the duration of his term of office as Chairman of the Board of Directors.

These obligations comply with the recommendations of the AFEP/MEDEF Code of December 2022.