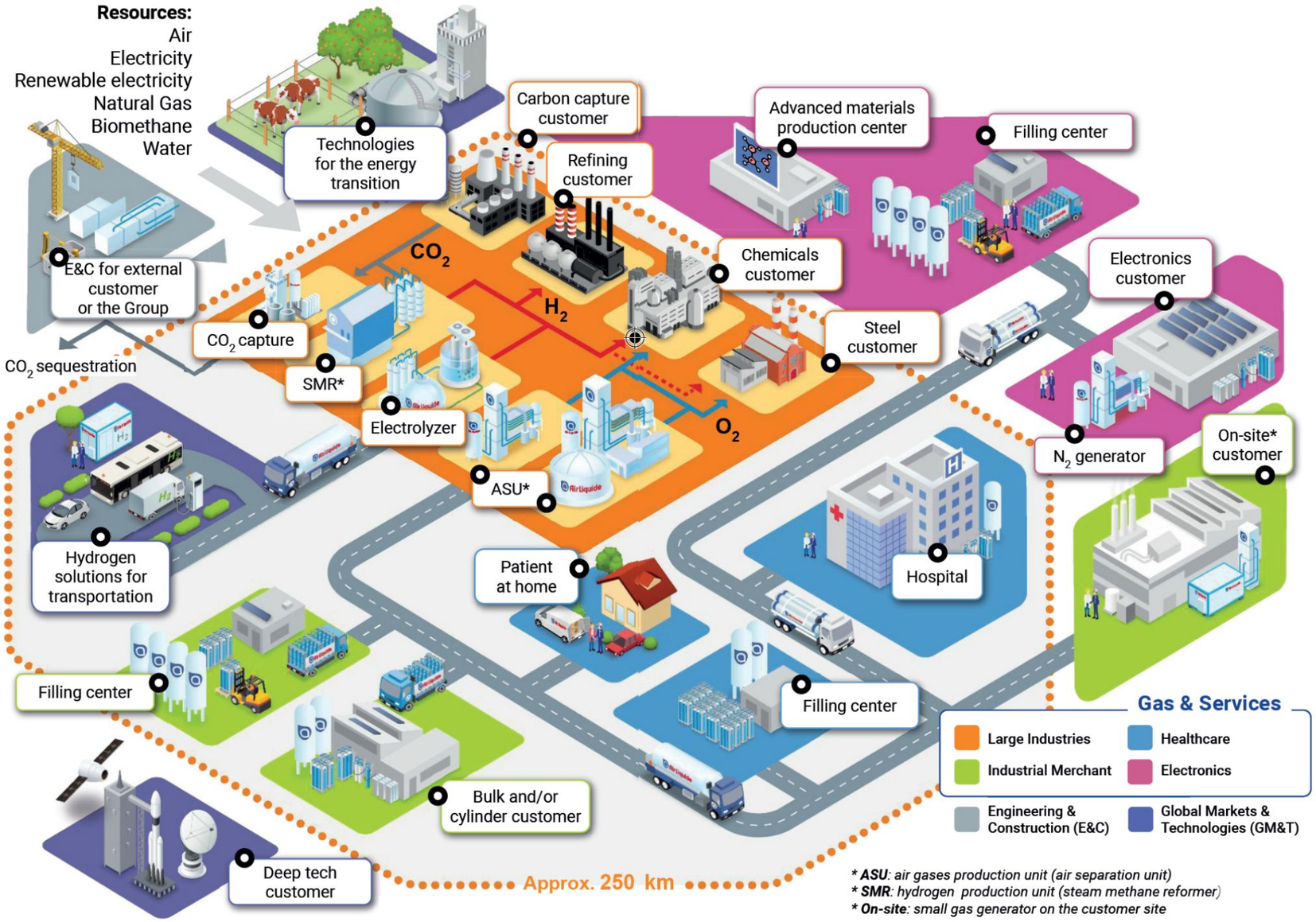
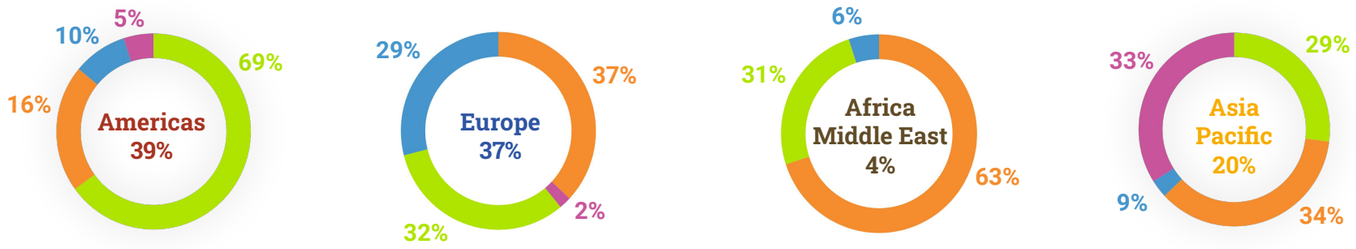
Air Liquide Business Model



** **ASU**: air gases production unit (air separation unit)*
** **SMR**: hydrogen production unit (steam methane reformer)*
** **On-site**: small gas generator on the customer site*

Sales by Geographies
(Gas & Services - 95% of Group sales)



Air Liquide

Group Sales in 2023
€27.6bn

Sales by Business Lines
(in % of Group sales)

Large Industries
(28%)

Industrial Merchant
(43%)

Healthcare
(15%)

Electronics
(9%)

Global Markets and Technologies
(3%)

Engineering & Construction
(2%)

Sales by Activities
(in % of activities sales)

- Air Gases (51%)
- Hydrogen and Carbon Monoxide (37%)
- Cogeneration steam and energy (11%)
- Other (1%)

- Bulk Gases (31%)
- Packaged gases (26%)
- Specialty Gases (11%)
- Small on-site (6%)
- Equipment & Installation (18%)
- Services & Others (8%)

- Home Healthcare (53%)
- Medical Gases (35%)
- Medical Devices (2%)
- Specialty Ingredients (10%)

- Carrier Gases (46%)
- Electronic Specialty Materials (15%)
- Advanced Materials (17%)
- Services (7%)
- Equipment & Installation (15%)

ADVANCE

Delivering financial performance | **Decarbonizing the planet** | **Unlocking progress via technologies** | **Acting for all**

Advance Performance Objectives

ADVANCE

3 Performance Objectives

Sales growth
+5-6% CAGR(1)

ROCE
>10% by 2023 and forward(2)

CO_2 emissions inflection around 2025

2 Key Enablers

- **Capital efficiency**
- **Margin Improvement**

(1) Group comparable sales growth 2021-2025 CAGR

(2) Recurring ROCE based on Recurring Net Profit

2024 Update: Doubling the ADVANCE Margin Improvement Ambition

Confirmed ADVANCE objectives and investments decisions

- ✔ **Sales growth +5-6%** CAGR(1)
- ✔ **ROCE >10%** by 2023 and forward(2)
- ✔ **CO_2 emissions inflection** around 2025
- ✔ **€16bn investment decisions**(3)

Acceleration of margin improvement

+320 bps over 4 years(4)

x 2 vs. initial ambition in March 2022

(1) Group comparable sales growth 2021-2025 CAGR
(2) Recurring ROCE based on Recurring Net Profit, see definition in the appendix of the management report
(3) Cumulated industrial and financial investments decisions over 4 years 2022-2025
(4) Calculated as the sum of yearly OIR margin improvements at the energy price of the previous year; over the period 2022-2025

Resilience + Growth = Performance

Sustained growth drivers

- Healthcare
- Industrial Merchant

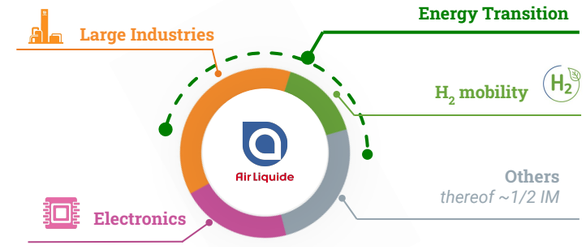
Growth

CLIENT INNOVATION

Growth accelerators

- Energy transition
- Sovereignty
- Electronics

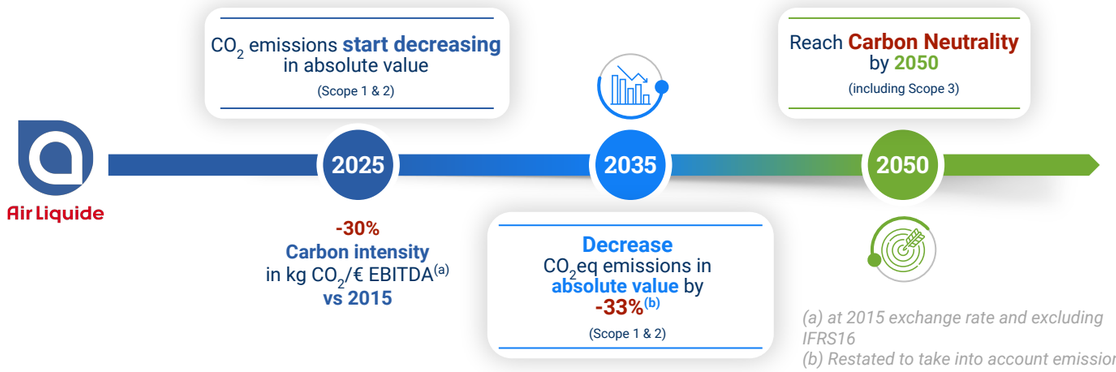
Industrial Investment (Decisions above €5m)



> Total investment decisions **€16bn**(1) **2022-2025**

(1) Cumulated industrial and financial investments decisions over 4 years 2022-2025

Air Liquide Climate Objectives



(a) at 2015 exchange rate and excluding IFRS16
(b) Restated to take into account emissions of assets related to changes in scope (upwards and downwards) and with a significant impact on CO_2 emissions

Resilience embedded in the Business Model

Large industries

- **Long-term** contracts >15 years
- **Take-or-Pay clauses** & Monthly Fees

Healthcare

- Serving **2m patients** & **20,000 hospitals**
- Growth driven by **aging population** and the rise of **chronic diseases**
- A balanced mix of **accreditations** and **mid-term contracts**

Industrial Merchant

- Serving **2m customers**
- **~50%** of sales **resilient**
  - **Fixed revenues** mainly from rentals
  - **Defensive end-markets** (Food & Pharma)

Electronics

- Growth driven by a **more connected world**
- 40% of sales with **Take-or-Pay clauses**
- High value **Advanced Materials**