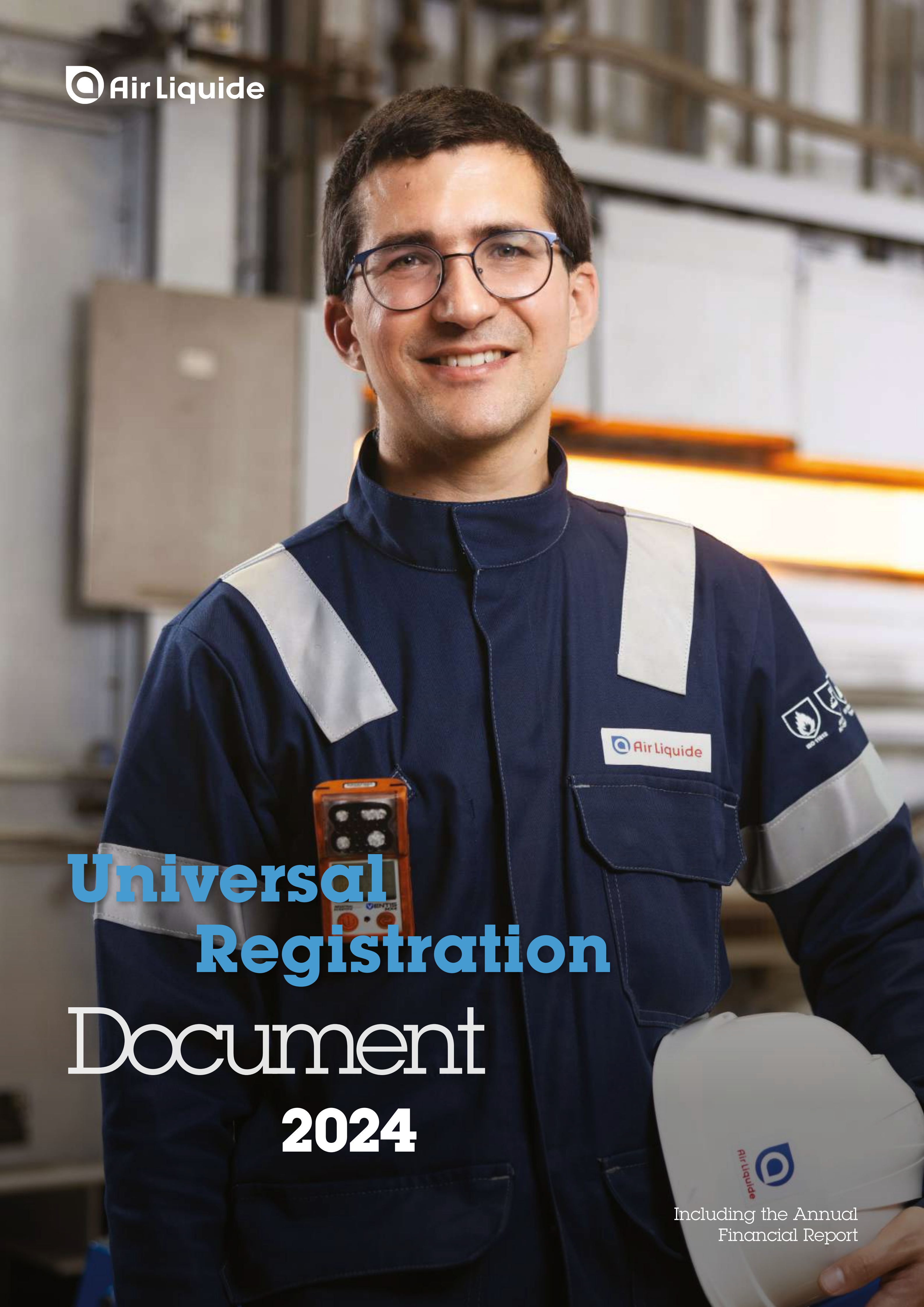

Air Liquide

Universal Registration Document 2024

Including the Annual Financial Report

Content

Universal Registration Document

INCLUDING THE ANNUAL FINANCIAL REPORT

2024

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document has been filed on March 6, 2025 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document including the Annual Financial Report is a reproduction of the official version, which has been prepared in ESEF format and is available on the issuer's website www.airliquide.com.

This document is a non-binding "free" translation from French into English and has no legal value other than an informative one. Should there be any difference between the French and the English version, only the text in French language shall be deemed authentic and considered as expressing the exact information published by Air Liquide.

A financial and technical glossary is provided at the end of the document – pages 434 to 437.

VISIT OUR WEBSITE

www.airliquide.com

MESSAGE FROM BENOÎT POTIER AND FRANÇOIS JACKOW

Performing with impact in a changing world

In a rapidly changing world, Air Liquide's business model is demonstrating its strength and resilience in response to the challenges of multiple transitions. At the cutting edge of technological innovation in the fields of energy transition and electronics, the Group also stands out with its ability to collaborate with strategic partners. Benoît Potier, Chairman of the Board of Directors, and François Jackow, Chief Executive Officer of Air Liquide, share their perspectives.

BENOÎT POTIER

Chairman of the Board of Directors

FRANÇOIS JACKOW

Chief Executive Officer

How does the changing global environment influence Air Liquide's strategic vision?

— **Benoît Potier.** Geopolitical and economic fragmentation are redefining the global balance of power. We are witnessing a global clusterization, with the world operating increasingly through communities of interest and alliances. At the same time, major transformations (demographic, climate, digital and societal) are also having an effect. In response to these challenges, Air Liquide is strategically positioned to provide relevant solutions and support its customers in these major transitions.
Our global presence and our long-standing ties with key industrial basins are part of our structural advantages that enable us to serve a wide range of sectors. Drawing on our mastery of essential molecules and our ability to innovate, we continuously develop new solutions to meet emerging needs. We integrate the very best technologies into our products to benefit our customers and patients. We have always aimed to play a pioneering role by embracing emerging trends in response to global transformations, all with a market-driven approach. This is still the case, now more than ever! We are visionaries, taking immediate and tangible action to contribute to the world's transformations.

« **The transition** to a carbon-neutral economy by 2050 starts now. »

— Benoît Potier

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In this context, how would you assess the Group's performance in 2024?

— **François Jackow.** I am extremely proud of the Group's very solid financial performance. It is all the more remarkable in a year marked by macroeconomic tensions and the Group's structural transformation. This performance has led to improved results in several areas. We achieved a record improvement in our operating margin of more than 110 basis points [(1)]. Encouraged by this result, which was made possible by record efficiencies of nearly 500 million euros, we have decided to raise and extend our margin ambition, now targeting an increase of +200 basis points for the period 2025-2026, representing an unprecedented total increase of +460 basis points [(1)] over five years (2022-2026). There has also been growth in sales, which now amount to more than 27 billion euros, up +2.6% [(2)], in sluggish market conditions. These sales figures are further proof of Air Liquide's significant resilience, driven particularly by Industrial Merchant in North America, Electronics in Asia and Healthcare. The Group's recurring net profit [(3)] increased by +11.5% and recurring ROCE is up at +10.7%, even though our investments are increasing. Now more than ever, we are continuing to prepare the future, with sources of growth fueled by our record investment decisions in 2024, reaching 4.4 billion euros.

Our ability to provide our customers with innovative products and services with a technological focus is reflected in major commercial successes in both traditional sectors and the transformation-driven fields of the energy transition and semiconductors.

For example, the contracts signed with LG Chem and GlobalFoundries in the United States, Wanhua in China and Aurubis in Europe are proof of the relevance of our offerings. These successes have been accompanied by a multiplication of large-scale projects, such as the continued development of our low-carbon hydrogen ecosystem in the Normandy industrial basin, the project of a low-carbon oxygen platform for ExxonMobil in the United States (which would be the Group's largest investment in its history!) and major investment projects, working with TotalEnergies, for the construction of two very large-capacity electrolyzers to accelerate decarbonization in Europe.

Moreover, several of our projects have received support from the European Union, including the d'Artagnan CO_2 infrastructure project, managed with Dunkerque LNG, to decarbonize the Dunkirk basin, the carbon capture and storage project in Denmark with Cementir and the large-scale project for the production, liquefaction and distribution of low-carbon and renewable hydrogen from ammonia in the port of Antwerp-Bruges in Belgium. This support is an acknowledgment of the quality of our technological solutions in response to the challenges of the energy transition and their key role in tomorrow's industry.

We owe these major advances to the remarkable dedication of our teams around the world. Every year, they push boundaries, innovate and rise to new challenges, contributing to the Group's growth and transformation.

(1) *Excluding energy.*
(2) *On a comparable basis.*
(3) *Excluding currency impact and exceptional and significant transactions that have no impact on the operating income recurring.*

What can you tell us about your extra-financial performance?

— **François Jackow.** Our extra-financial results are solid on all indicators of our ADVANCE plan. On safety, which is of paramount importance, I would like to thank all of our teams for their remarkable mobilization, which allowed us to make progress in 2024. On the environmental front, we have reduced our CO_2 emissions by 11% [(1)] compared with 2020, confirming that we are ahead of schedule in achieving our inflection target by 2025. Our carbon intensity has decreased by 41% [(2)] compared to 2015, already surpassing our reduction target of 30% set for 2025.

In terms of diversity, women currently represent 33% of the Group's Managers and Professionals, while all Air Liquide employees now benefit from a common basis of care coverage, one year ahead of our target.

Once again, this progress is the result of the tireless work of the teams and their unwavering commitment to the environment, safety and inclusion. At a time when a decline is being seen in some of these areas, these results are all the more remarkable and meaningful, demonstrating our determination to go even further.

I would particularly like to thank our staff for their vital contribution. I have every confidence in them and in our collective ability to drive our performance again in 2025.

What are the strengths of Air Liquide's model when it comes to responding to the challenges of a changing world?

— **Benoît Potier.** Our model is unique. It is built on a broad range of markets, applications and geographies and makes our Group particularly resilient. We are strategically located on five continents, yet we also have in-depth knowledge of local industrial networks. This solid foundation enables us to offer useful and customized solutions, drawing on best practices on a global scale, while developing strong relationships with our customers, underpinned by long-term contracts and strategic partnerships. Increasingly, we are joining coalitions and playing the role of facilitator within multi-stakeholder ecosystems. This role highlights our expertise and our abilities to innovate and develop relationships of trust as we work closely with our teams, customers, partners and shareholders. This trust is built on quality dialog. This unique and proven model has successfully navigated crises while creating value.

— **François Jackow.** To continue the progress made so far, maintain our agility and enhance our performance, we have launched an ambitious internal transformation program. Our fundamentals, namely safety, customer satisfaction and employee engagement, are deeply rooted in the Group's culture. To sustain this corporate culture, we recognize the need to simplify our organization to become even more proactive, competitive and attractive, ensuring that we are better prepared for the challenges of tomorrow. This simplified structure will facilitate quicker decision-making and increased efficiency, while the creation of a new and unique Group Industrial Direction will develop operational synergies. This transformation plan will give us the means to continue to seize market opportunities created by the challenges of the world's ecological, economic and societal transitions. There have never been so many and such large-scale opportunities. We must make the most of them!

To what extent do the Group's activities, products and technological solutions contribute to creating a positive impact?

— **François Jackow.** Our innovation is strongly focused on technologies with a positive impact. More than 3,000 employees are dedicated to innovation, working tirelessly with the Group's operational teams to optimize the use of molecules and improve the efficiency of industrial processes and our healthcare solutions. They are tasked with developing effective and useful solutions for society as a whole. In terms of decarbonization, this includes the supply of low-carbon gas, oxy-combustion, capture solutions for CO_2 sequestration and low-carbon hydrogen production plants. These solutions are implemented in various sectors, including those that are the hardest to abate, such as the cement industry.

Our efforts also extend to the transformation of healthcare systems: we provide hospitals with low-carbon molecules and we offer solutions that combine human interaction and digital technologies to better support patients treated at home. This technological expertise is also reflected in our support for the growth of the semiconductor industry. Today, it is a vital industry for many everyday activities, including communication, transportation and even healthcare, and our gas solutions and services make a difference, both in terms of performance and carbon footprint. Lastly, we leverage our long-standing expertise in industrial processes by providing increasingly advanced and innovative solutions to support our customers every day as they work to continuously improve their products.

(1) *Emissions are reported by the Group in scopes 1 and 2, using a "market-based" methodology, and are restated, from 2020 and each subsequent year, to take into account changes in scope having a significant impact (upwards and downwards) on CO_2 emissions.*
(2) *In kg CO_2 equivalent/euro of operating income recurring before depreciation and excluding IFRS 16 at the 2015 exchange rate on scopes 1 and 2 "market-based" greenhouse gas emissions.*

— **Benoît Potier.** Our impact is at the heart of our deliberations and decision-making processes at all levels of the company. Sustainable development is one of the key priorities of our ADVANCE plan and the work of our Board of Directors, which is knowledgeable about this topic and includes an Environment and Society Committee which closely monitors our objectives and our undertakings. Our commitment to sustainability reflects our desire to create a positive impact. We have committed to a 33% reduction in our CO_2 emissions [(1)] by 2035 through low-carbon hydrogen, CO_2 capture and the electrification of industrial processes. This trajectory is integrated into our investment decisions and the environmental impact of our projects is given careful and exacting consideration. The social aspects (safety, social coverage, diversity) on which we have made progress are also monitored by the Board. We are mindful that our impact also relates to our governance. Our governance must be exemplary and I want to commend the efforts and commitment of our Directors in this regard.

What are the main challenges in the short term?

— **Benoît Potier.** We must adapt to numerous changes, geopolitical tensions, the rise of artificial intelligence and the acceleration of economic cycles. We must become more agile while remaining attentive to emerging trends and weak signals from our various markets to ensure that we can anticipate these transformations. I have the utmost confidence in our values, which serve both as the cornerstones of our business model and as a frame of reference; they must help us move forward and consolidate our position. This is particularly important, given the increasingly urgent need for companies to transform: the transition to a carbon-neutral economy by 2050 starts now. This will involve accelerating our partnerships and the joint development of solutions with industrial and institutional partners, because these challenges are complex and go far beyond the scope of individual companies and countries. Major challenges such as the transport and storage of CO_2, access to renewable energy and the development of low-carbon hydrogen infrastructure require a collective and coordinated approach. To achieve this, there will need to be a simplified regulatory framework that is tailored to the competitive environment of the future. A pragmatic and flexible approach will facilitate the rapid and efficient development of these new ecosystems: this will be one of the challenges facing our industries, particularly in Europe.

What are the priorities in response to these challenges?

— **François Jackow.** Firstly, we must continue to develop solutions that address the world's challenges and create value – that's the strength and the hallmark of our business model, which has proven itself time and time again. We are also going to enhance our competitiveness by continuing the Group's transformation to achieve improved performance that benefits our customers and patients. We remain firmly committed to the energy transition, despite the changing views of some political and economic stakeholders. This commitment is reflected in our continued efforts to reduce our carbon emissions and support our customers as they work towards decarbonization. Similarly, we continue to focus on healthcare and semiconductors, two strategic sectors with real promise as we prepare for the future.

To put it another way, our priority is to show that, day after day, we are a productive and useful company that is worthy of the trust put in us by all our stakeholders. We will do this by creating value for our employees, customers, patients and shareholders, while striving to make a useful contribution to our world.

> « **Continuing to develop solutions** that address the world's challenges and create value is the strength and the hallmark of our business model. »
>
> — François Jackow

(1) *Scopes 1 and 2 emissions in absolute value.*

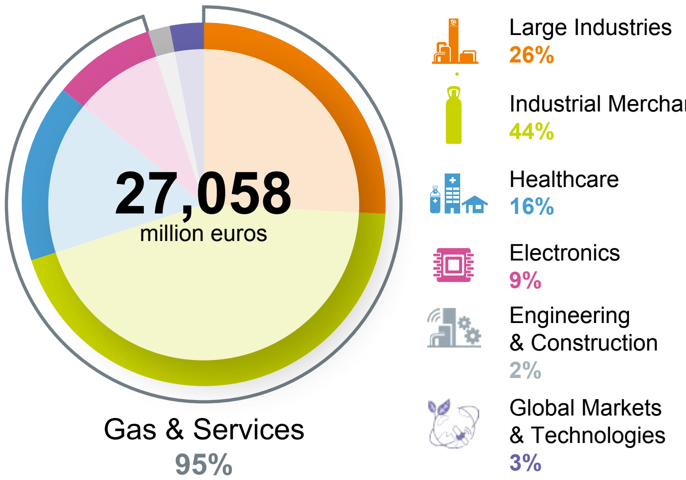
A GLOBAL PRESENCE

2024 GROUP REVENUE BY ACTIVITY

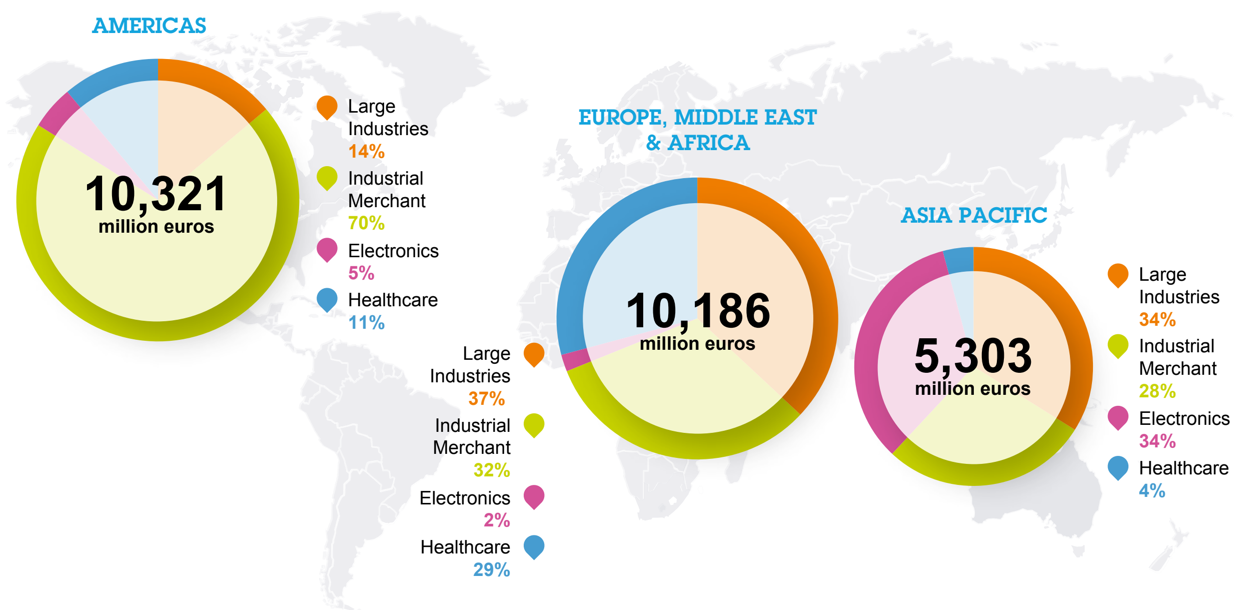
Present in
60 countries (1)

~ 66,500
employees

A world leader
in gas, technologies
and services
for Industry
and Health



2024 GROUP REVENUE BY REGION AND BY ACTIVITY, FOR GAS & SERVICES (G&S)



(1) *Excluding Russia, where the entities are no longer consolidated.*

A WIDE RANGE OF MARKETS AND A STRONG BUSINESS MODEL

KEY ELEMENTS BY BUSINESS LINE (a)

LARGE INDUSTRIES

26% of Group revenues

7,120 million euros

- High capital intensity
- Customers in metals, chemicals, refining and energy
- Industrial basin and pipeline network strategy
- Long-term contracts (15 years) with minimum volumes covered by take-or-pay clauses, and prices indexed on costs, including on energy cost
- Synergies with other business lines

INDUSTRIAL MERCHANT

44% of Group revenues

11,906 million euros

- Technological solutions adapted to customers' businesses
- More than 2 million customers
- Importance of logistics
- High number of applications and end-markets

HEALTHCARE

16% of Group revenues

4,274 million euros

- Gases, equipment, and services at home, in hospitals, and medical practices
- More than 2 million patients
- Geographical density
- Operations relying on remote patient monitoring and sophisticated IT systems

ELECTRONICS

9% of Group revenues

2,510 million euros

- Technological solutions with ultra high purity gases and advanced materials
- Long-term contracts for carrier gases, with clauses regarding minimum volumes ("take-or-pay") and indexation on energy costs (and other costs)
- Concentration of the activity in Asia

ENGINEERING & CONSTRUCTION

2% of Group revenues

412 million euros in third-party sales

- Design and construction of plants and equipment, for the Group and third-party customers

GLOBAL MARKETS & TECHNOLOGIES

3% of Group revenues

836 million euros

- Development and supply of technological solutions for the energy transition and deep tech markets

(a) *Published data.*

REGULAR AND SUSTAINED PERFORMANCE

TSR

Annual Total Shareholder Return for a single registered share

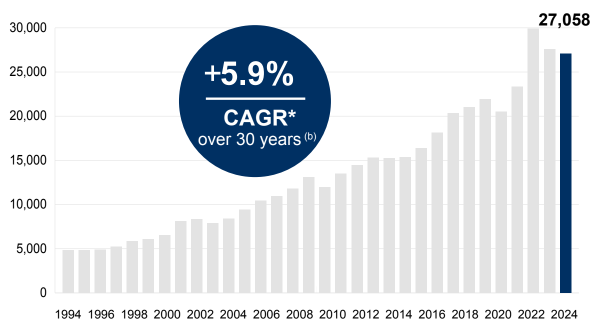
+11.2% over 5 years [a]

+11.6% over 10 years [b]

(a) At December 31, 2024, for an invested capital since December 31, 2019.
(b) At December 31, 2024, for an invested capital since December 31, 2014.

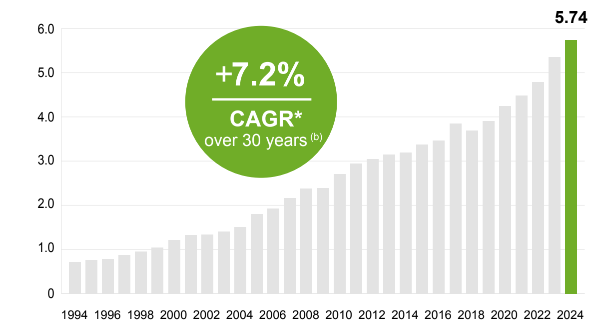
REVENUE

(in million euros)



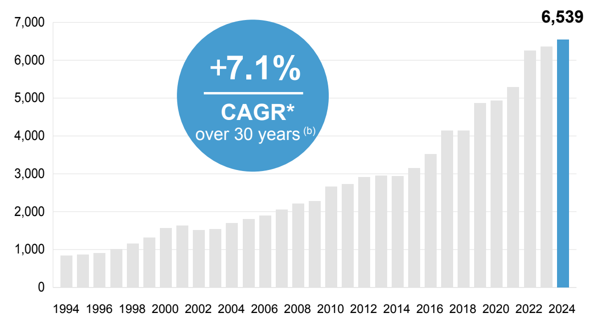
EPS [a]

(in euros)



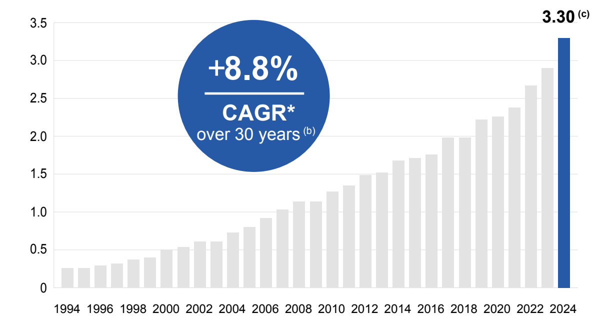
CASH FLOW

(in million euros)



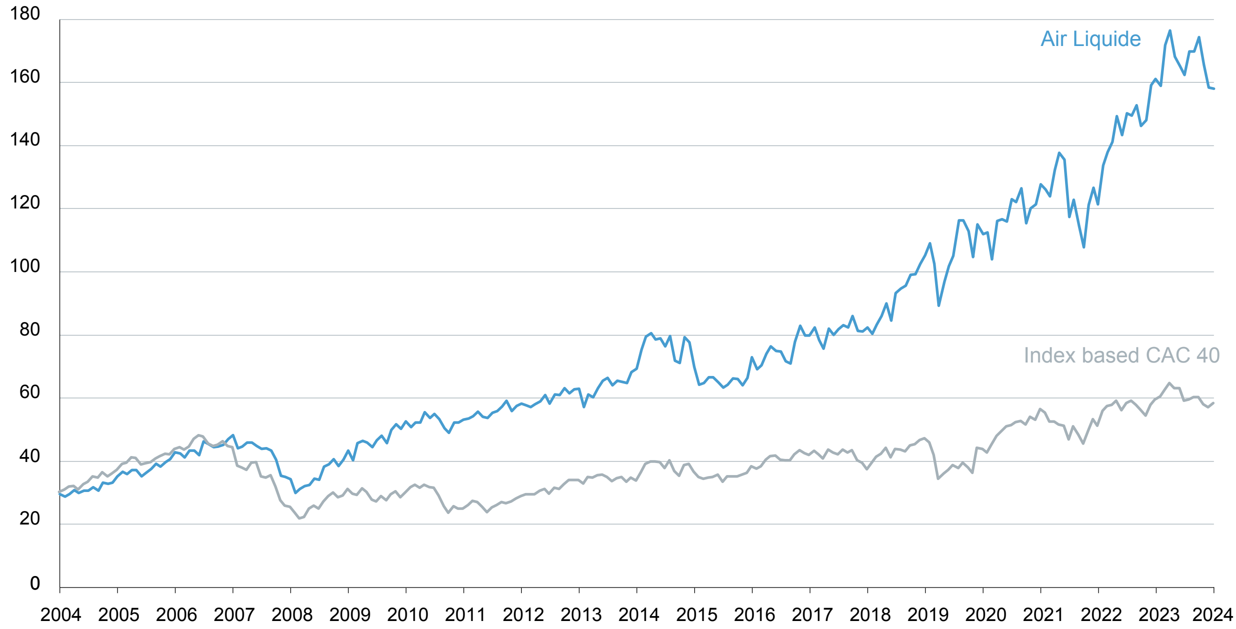
DIVIDEND [a]

(in euros per share)



** Compound Annual Growth Rate.*
(a) Adjusted for the 2-for-1 share split in 2007, for attributions of free shares and for a factor of 0.974 reflecting the value of the rights of the capital increase completed in October 2016.
(b) Calculated according to prevailing accounting rules over 30 years.
(c) Subject to the approval of shareholders during the General Meeting on May 6, 2025.

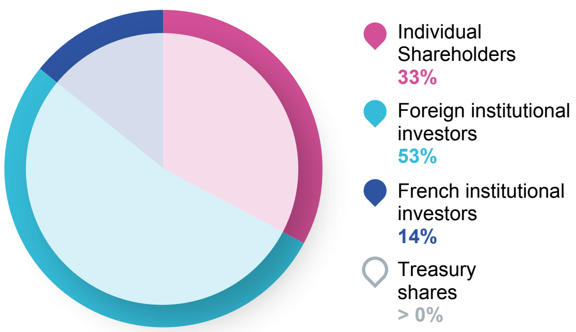
STOCK MARKET PERFORMANCE



		2020	2021	2022	2023	2024
Market Capitalization at December 31 *(in million euros)*		63,589	72,872	69,305	92,378	**90,740**
Adjusted closing share price [(a)] *(in euros)*						
	high	117.98	128.38	136.91	162.76	177.55
	low	82.00	103.06	105.18	122.42	152.25
At December 31		110.95	126.71	120.36	160.11	156.92
Net earnings [(b)] – EPS *(in euros)*		4.25	4.48	4.79	5.35	**5.74**
Net Dividend per share [(b)] – DPS *(in euros)*		2.70	2.75	2.90	2.90	**3.30** [(c)]
Pay-out ratio		55%	55%	58%	56%	59%
Dividend yield		2.0%	1.9%	2.2%	1.8%	**2.1%**
Ex-dividend date		May 17, 2021	May 16, 2022	May 15, 2023	May 20, 2024	May 19, 2025

(a) Adjusted following current Euronext regulation.
(b) Data adjusted for attribution of free shares and capital increase.
(c) 2024 Dividend, subject to the approval of Shareholders during the General Meeting on May 6, 2025.

SHARE OWNERSHIP BREAKDOWN AT DECEMBER 31, 2024



STRATEGIC PLAN FOR 2025

ADVANCE ////////

3 Performance Objectives

Sales growth +5-6% [a]

ROCE [b] **>10%** by 2023 and forward

CO_2 emissions inflection around 2025

Air Liquide

Financial performance

and beyond,

Decarbonizing the planet

Unlocking progress via technologies

Acting for all

(a) Group comparable sales CAGR from year-end 2021 to year-end 2025, at 2021 energy price and FX, excluding significant scope.
(b) Recurring ROCE.

ADVANCE Objectives Well On Track

Objectives & investment decisions	2024 Achievement	
• Comparable **sales growth** **+5-6%** CAGR [a]	**+6.5%** [b] 2021–2024 CAGR	✔ in fine
• **ROCE >10%** by 2023 and forward [c]	**10.7%**	achieved
• **CO_2 emissions inflection** around 2025	**-11%** [d] vs 2020	achieved
• **Investment** decisions **€16bn** [e]	**€12.7 bn** Sum 2022–2024	✔ in fine

achieved ✔ in fine

(a) Group comparable sales CAGR from year-end 2021 to year-end 2025, at 2021 energy price and FX, excluding significant scope.
(b) Including +2.5% Argentina impact.
(c) Recurring ROCE based on Recurring Net Profit.
(d) Scopes 1 & 2 CO_2 emissions, Scope 2 "market-based", restated emissions, see chapter 1 – pages 59 and 64 and chapter 5 – page 313 and following.
(e) Cumulated industrial and financial investments decisions over 4 years 2022-2025.

2024 FINANCIAL PERFORMANCE

Resilience | **Strong Performance** | **Future Growth**

Comparable Sales Growth

+3% (a)

Group OIR margin (b)

+110 bps

Recurring ROCE (c)

10.7%

CO_2 Emissions

-11%

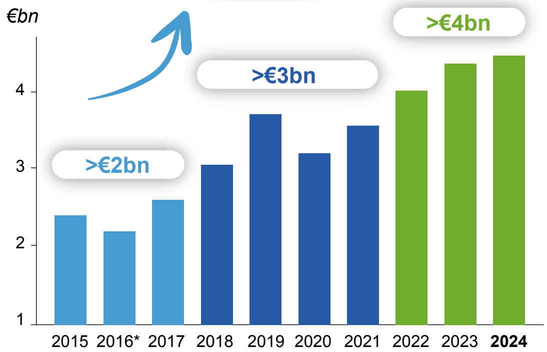
vs 2020 (d)

Investment Backlog

€4.2 bn

(a) Including +1.9% contribution from Argentina.
(b) Improvement of the Operating Income Recurring on Sales ratio excluding energy passthrough impact.
(c) Recurring ROCE based on Recurring Net Profit.
(d) Scopes 1 & 2 CO_2 emissions, Scope 2 "market-based", restated emissions, see chapter 1 – pages 59 and 64 and chapter 5 – page 313 and following.

Accelerated Investment Decisions to Prepare for the Future



Total industrial and financial investment decisions over 10 years

OIR Margin Improvement

- 2nd step-up in ambition
- Extended to 2026

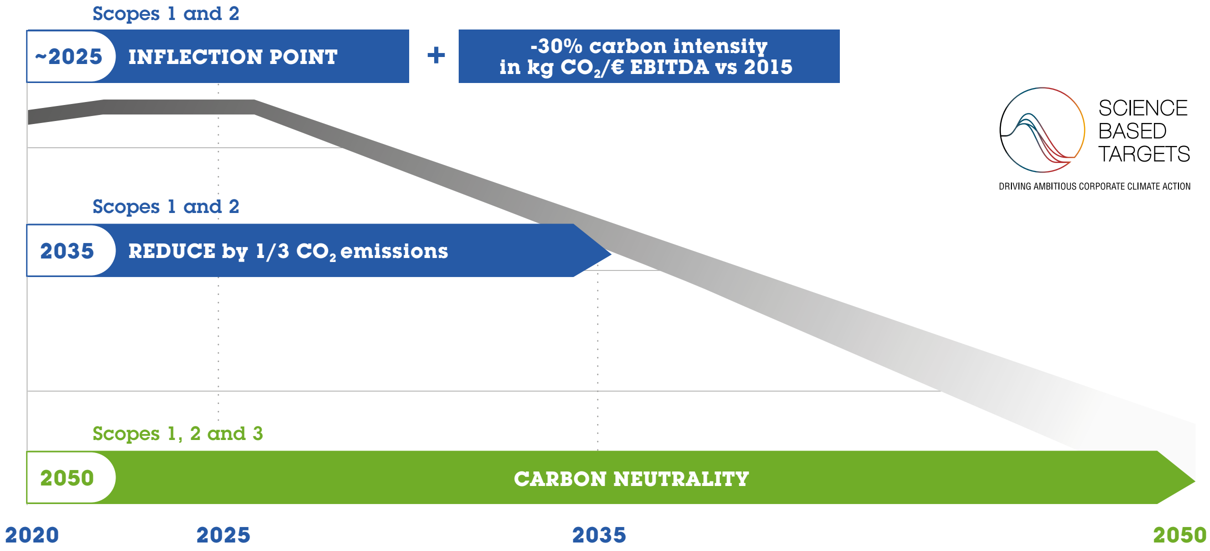
+460 bps

over 5 years 2022–2026

* Excluding Airgas acquisition.

DECARBONIZING THE PLANET

TOWARDS CARBON NEUTRALITY BY 2050



In 2024, the Group's Scopes 1 and 2 CO_2 emissions are down -11.1% [a] compared with the 2020 baseline.

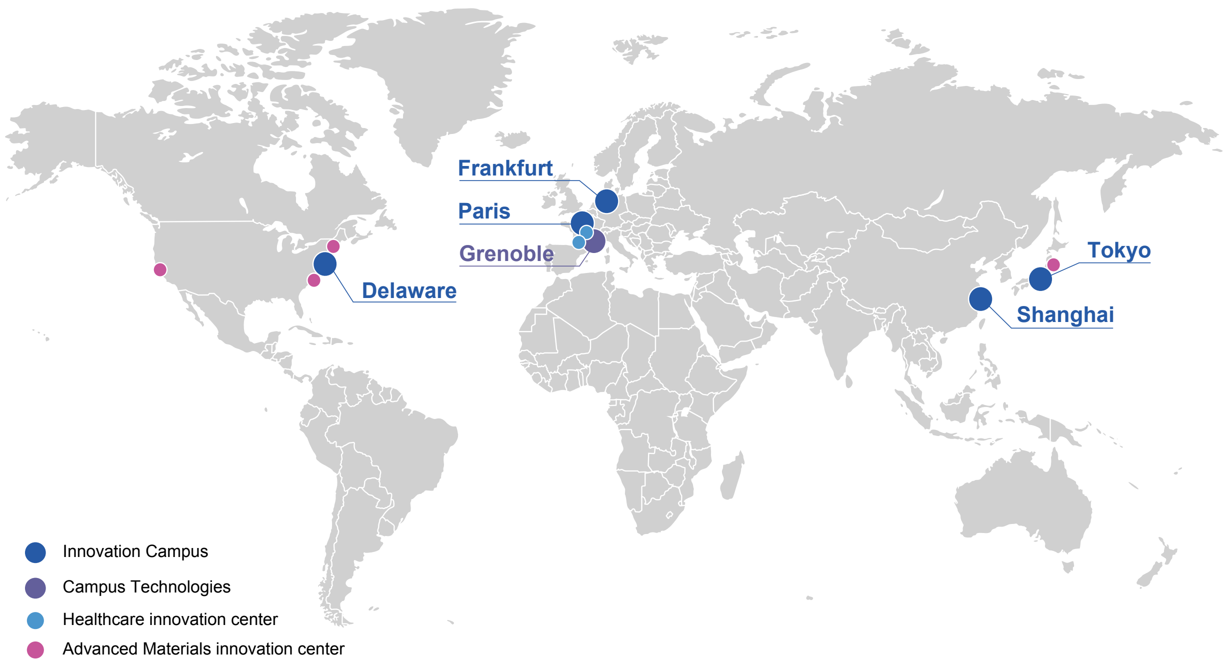
The Group's carbon intensity [b] stood at 4.3, a -41% decrease compared to 2015, exceeding the reduction target of -30% in 2025.

(a) Scopes 1 & 2 CO_2 emissions, Scope 2 "market-based", restated emissions, see chapter 1 – pages 59 and 64 and chapter 5 – page 313 and following.
(b) In kg CO_2-equivalent/euro of operating income before depreciation and amortization and excluding IFRS 16 at 2015 exchange rates on Scopes 1 and 2 of greenhouse gas emissions, Scope 2 on a "market-based" methodology, see chapter 1 – page 64 for the reconciliation.

UNLOCKING PROGRESS VIA TECHNOLOGIES

€309 M	366	350
of innovation spending (2024)	new patents	innovation partnerships

A GLOBAL INNOVATION ECOSYSTEM



Hydrogen solutions

Construction of an industrial scale ammonia cracking pilot plant for the production of low-carbon and renewable hydrogen.

Carbon capture

Development of our Cryocap™ product range to fit the specific needs of our customers in heavy industry and contribute to the decarbonization of their activities.

Advanced materials

Market launch of an innovative range of solid-state precursors and proprietary delivery systems for the manufacture of the most advanced memory and logic chips.

ACTING FOR ALL

Safety

The frequency rate stood at a **record** level in 2024 of **0.7** lost-time accidents per million hours worked, a decrease of -32% compared with 2023.

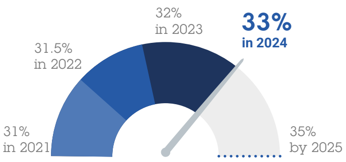
Air Liquide Foundation

Supports projects in three areas for 15 years:

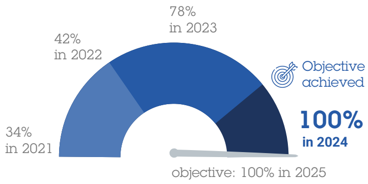
- Medical research on respiratory disease;
- Jobs integration, especially with technical positions;
- Local solidarity actions.

For the employees and the communities

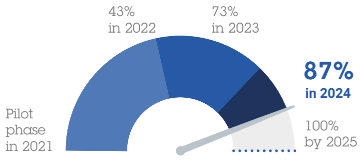
By 2025, **35% women** among the Manager and Professional population.



By 2025, **100% of employees to have common basis of care coverage**, including death and disability benefits, health coverage and a minimum 14 weeks of paid maternity leave.



By 2025, **100% of employees** to have access to volunteering opportunities through the Citizen at Work program.



For the patients

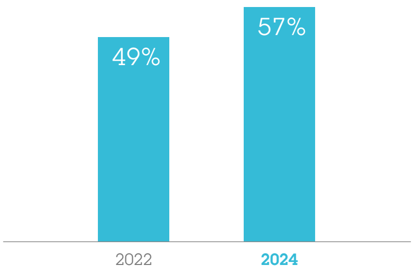
Improving **the quality of life of chronic patients** at home in mature economies.

2024 achievements:

140

patient-centric initiatives developed

Percentage of patients with personalized care plans



A COMPANY REWARDED FOR ITS EXTRA-FINANCIAL PERFORMANCE

CDP

Air Liquide scored A- in Water management and B in Climate change.

S&P 100

For the third year running, Air Liquide has been included in the DJSI Europe index in recognition of its commitment to social and environmental responsibility. Air Liquide has also been included into S&P Sustainability Yearbook.

FTSE

Air Liquide remains a constituent of the FTSE4Good index series in 2024.

Ecovadis

In 2024, Air Liquide ranks in the top 20% of the best-rated companies.

MSCI

Air Liquide has maintained its A rating.

ISS

Air Liquide ranks in the top 20% of companies in the running, maintaining its ISS "Prime" status.

Moody's ESG Solutions

Air Liquide beating sector average in all pillars and domains.

Sustainalytics

Recognized as "ESG Industry Top Rated", Air Liquide received a "low risk" rating.

Ratings obtained in 2024.

1 Integrated report

HISTORY OF THE AIR LIQUIDE GROUP

Air Liquide, a world leader in gases, technologies and services for industry and health, has been building its leadership since 1902.

1902-1960

ORIGIN

Air Liquide was born in 1902 from innovation and the encounter between two men: Georges Claude, inventor of an industrial process for the production of oxygen from liquid air, and Paul Delorme, a visionary entrepreneur.

FIRST INTERNATIONAL DEVELOPMENTS

Gas, by its very nature, is difficult to transport and thus local production is required. This was one of the reasons why Air Liquide set its sites internationally early on, building numerous production units abroad. Development was rapid in Europe (1906), Japan (1907), Canada (1911) and the United States (1916).

LISTING ON THE STOCK EXCHANGE

The critical role played by Shareholders became evident in the first years of the Company's development. Listed on the Paris Stock Exchange in 1913, the share celebrated its hundredth year of listing in 2013. During these 100 years, Air Liquide has endeavored to forge a strong and privileged relationship with its Shareholders based on exceptional stock market performance, with an average annual increase in its share price of +11.9%.

REVOLUTIONARY DISTRIBUTION METHODS

In the 1950s Air Liquide put in place new ways to distribute industrial gases.

Storing gas in liquid form in cryogenic tanks allows vast quantities to be transported by road or rail within a radius of approximately 200-250 km from the production site.

By delivering gas to several customers through pipelines, Air Liquide adopted a network strategy for the first time, linking its gas production units to one another. The Group increased its production capacity to meet soaring demand from large industries: firstly, for oxygen in the steel industry, and secondly, for nitrogen in chemicals. This marked the start-up of the Large Industries business.

1960-2000

SPACE INDUSTRY

Convinced of the industrial potential of cryogenics, Jean Delorme, Chairman & CEO of Air Liquide, decided to create a research center dedicated to these technologies. This center was founded in 1962 near Grenoble in France. The first applications were rapidly integrated in the space industry and ever since Air Liquide has been a key partner of the space adventure.

A TRADITION OF INVENTIONS

The Claude Delorme Research Center, located on the Saclay plateau and now called the Innovation Campus Paris, was created in 1970. The research center's work is focused on enhancing gas production technologies and their applications. It is evidence of the Group's desire to better understand the industrial processes of its customers and develop new gas applications to better satisfy their requirements. Today, the Group also has Innovation Campuses in Europe (Germany, France), North America (USA) and Asia (China, Japan).

A NEW MARKET: ELECTRONICS

In Japan, the Group began in 1985 to supply ultra-high purity gases to the semiconductor industry: this involves carrier gases, mainly nitrogen, used to transport the specialty gases and keep the chip production tools inert, and specialty gases that are used directly in the manufacturing of semiconductors. In 1987, Air Liquide inaugurated the Tsukuba Research Center in Japan, which is dedicated to the electronics industry.

MAJOR ACQUISITION

The Group acquired Big Three in the United States in 1986, a Large Industries business with a significant pipeline network along the Gulf Coast.

EXTENDED OFFERING: HYDROGEN AND STEAM

In addition to oxygen and nitrogen, Air Liquide extended its offering to hydrogen and steam in the 90s. To ensure the success of this new offering, the Group used its business model, which is behind the success of its air gas business, and deployed from the beginning a basin strategy.

HEALTHCARE

Originally an oxygen supplier to hospitals, Air Liquide became a specialist in the healthcare sector. The Group launched its Home Healthcare business in the 1990' and set up a dedicated network of specialist teams. Medical gases were progressively classified as drugs and manufacturers were required to file market authorizations. The Group also launched research programs in therapeutic gases, used for resuscitation and pain relief.

2000-2020

INTERNATIONAL EXPANSION

The Group invested massively in China in the early 2000s; the country has been a major growth market for industrial gases and Air Liquide entered into numerous air gas contracts.

The Group acquired part of Messer Griesheim's activities in Germany, the United Kingdom and the United States.

ORGANIZATION BY BUSINESS LINE

The Air Liquide growth drivers for the coming decades are based on changing lifestyles: industrial growth of developing economies, increasing energy needs and environmental challenges, healthcare and high technology. To capture this growth, the Group created a new organizational structure based on four World Business Lines. They combine the technical and operational expertise which are specific to each of the businesses of the Group – Large Industries, Industrial Merchant, Healthcare and Electronics – and centralize the specific market expertise.

Conscious of the strategic dimension of Engineering & Construction capabilities, the Group acquired Lurgi in 2007. This company provides Air Liquide with major proprietary technologies, notably hydrogen and carbon monoxide production units, adding to the Group's historical competencies in cryogenics.

RESILIENCE IN AN UNPRECEDENTED CRISIS

Affected by a global economic crisis of unprecedented magnitude in 2008 and 2009, the Group focused its efforts on the management of its cash, costs, and investments (capital expenditures). Having tested the solidity of its long-term contracts, Air Liquide demonstrated the relevance and resilience of its business model. In a context of global recession, the Group showed itself to be an exception, posting a stable net profit while preserving the strength of its balance sheet.

INNOVATION AND HYDROGEN

Innovation is central to Air Liquide's strategy. In 2013, Air Liquide launched two initiatives to promote open innovation: i-LAB (innovation Lab) and ALIAD, the Group's capital venture entity to take minority investments in innovative technology start-ups. In 2014, the Group decided on new investments such as the modernization of the Research Center near Versailles, on the Saclay plateau, and the launch of a technical Center of Excellence for cryogenic production technologies.

In addition, on a worldwide scale, Air Liquide actively contributes to the development of the hydrogen energy activity by supporting automotive manufacturers launching Fuel Cell Electric Vehicles on the market. Air Liquide contributes to the construction of hydrogen refueling stations (United States, Japan, France, Germany, Belgium, Denmark, the Netherlands, Korea, China, etc.).

AIRGAS ACQUISITION BY AIR LIQUIDE AND NEOS PROGRAM

On May 23, 2016, Air Liquide completed the acquisition of the American company Airgas and took a new dimension. This acquisition was complementary to the Group's businesses in the United States and enabled Air Liquide to be present across all market segments both upstream of and downstream to the US market; this integration has created significant value.

The Group realized more than 300 million US dollars of synergies through this acquisition. Moreover, Airgas' model, in terms of products, digitization of businesses, and business model, has been spread outside the United States.

With this acquisition, Air Liquide strengthens its position in the United States, the largest industrial gas market worldwide. This market also enjoys the strongest growth among advanced economies.

Following this acquisition Air Liquide published its new mid-term Company program, NEOS, on July 6, 2016. Its strategy for profitable growth over the long term is that of a customer-centric transformation. It is based on operational excellence and the quality of its investments, on open innovation and the network organization already implemented by the Group worldwide.

CREATION OF THE GLOBAL MARKETS & TECHNOLOGIES BUSINESS

To step up the development of offerings in new markets, the Group created in 2016 the Global Markets & Technologies business, responsible for developing new activities in the field of energy transition and deep tech, by leveraging technologies.

REFOCUSING ON GAS & SERVICES BUSINESSES

Following the divestiture of its Aqua Lung (diving) and Air Liquide Welding (welding) subsidiaries in 2017, Air Liquide focused on its Gas & Services businesses. After these divestitures, the share of Gas & Services revenue in Group sales increased from 90% in 2015 to 96% in 2018.

ENERGY TRANSITION AND CLIMATE OBJECTIVES

For many years now, Air Liquide has been committed to sustainable growth aimed, in particular, at limiting its CO_2 emissions and those of its customers. On November 30, 2018, Air Liquide announced its climate objectives, in particular a 30% reduction in its carbon intensity between 2015 and 2025, with a global approach that includes its assets, its customers, and its ecosystems. These objectives are the most ambitious in the sector and are in line with the NEOS company program. In this respect, the Global Markets & Technologies activity is stepping up sales to energy transition-related markets, driven by the biomethane sector and the first developments in hydrogen mobility.

FINALIZATION OF THE INTEGRATION OF AIRGAS AND STRENGTHENING OF THE GROUP'S EFFICIENCY PROGRAM

At the beginning of 2019, Air Liquide reached its target of 300 million US dollars in synergies, thanks to the integration of Airgas, more than a year before initially planned. With the integration complete, Airgas joined the Group's efficiency program and contributes to increasing the annual target for efficiencies. The Group efficiencies target was initially set at 300 million euros and was revised up, to more than 400 million euros, as of 2019. Moreover, a program aimed at promoting the sharing of the Airgas model has allowed close to 100 Group managers to immerse themselves in Airgas operations, and to step up the sharing of its best practices with other Group regions.

INCREASING IMPORTANCE OF NEW HYDROGEN MARKETS

In 2019, Air Liquide announced the construction in Canada of the largest Proton Exchange Membrane (PEM) electrolyzer in the world, aimed at producing hydrogen using hydro-power for industry and mobility usages. The Group invested in a hydrogen production and liquefaction unit for the west coast of the United States and worked with its Steel customers to decarbonize steel production using hydrogen.

2020-2024

MOBILIZATION OF THE GROUP AGAINST COVID-19

The Healthcare teams were highly mobilized to cope with the increasing demand for medical oxygen, supply equipment such as ventilators for hospitals, ensure stabilized patients can return home and guarantee chronic patients are continually monitored.

In a context of global health and economic crisis, the Group has once again proven its resilience. This crisis has also highlighted the contribution of the Group's activities to society as well as the commitment of its employees.

ACT FOR A SUSTAINABLE FUTURE

In March 2021, the Group strengthened all of its sustainable development goals by detailing them around three axes.

First, to ACT for a low-carbon society, in line with the Paris Agreement, by setting a target of carbon neutrality by 2050, with two major intermediate steps: the start of the reduction of its CO_2 emissions in absolute value around 2025 and a -33% decrease in its CO_2 emissions from Scopes 1 and 2 by 2035 compared to 2020. Air Liquide acted for climate in 2021, by initiating projects and partnerships for the decarbonization of industrial and mobility activities, and by announcing its participation in the largest fund dedicated to clean hydrogen infrastructure. The Group also acquired Sasol air separation units in South Africa and a TotalEnergies steam methane reformer in France while committing to a very significant decrease of their CO_2 emissions.

Second, CARE for patients by improving the quality of life of patients with chronic diseases in mature economies and facilitating access to medical oxygen in low- and middle-income countries. Already in place in Senegal, the initiative allows access to medical oxygen to rural communities and its deployment has started in South Africa.

And third, TRUST as the base to engage with employees and to build the best-in-class governance.

LAUNCH OF THE NEW STRATEGIC PLAN: ADVANCE

In March 2022, Air Liquide announced ADVANCE (see page 38), its new strategic plan for 2025. It placed sustainable development at the heart of its strategy and combined financial and extra-financial performance. With a strong business model which has proven its resilience, with its innovation capacity and its technological know-how, the Group is particularly well positioned to continue its growth and profitability trajectory while contributing to respond efficiently to major economic, environmental and societal challenges.

TRANSFORMATION PROGRAM

Capitalizing on its ADVANCE strategic plan, on an enhanced performance ambition and a record-high number of investment opportunities, Air Liquide launched a new multi-year transformation program for the Group in 2024 to foster agility, accelerate decision-making and improve efficiency. Air Liquide is implementing several initiatives, including a simplified organization with reduced hierarchical levels and a single worldwide Group Industrial Direction. This transformation program aims to effectively meet the evolving needs and expectations of customers and employees.

BUSINESS MODEL

1. Prerequisites to action: safety, ethics and the respect for Human Rights

PREREQUISITES TO ACTION

Before any decisions are made and during the roll-out of its projects, Air Liquide ensures that three key principles are applied as an integral part of its operational excellence, with no exceptions across any of its business areas:

SAFETY

A zero-accident ambition

Safety is the fundamental value of the Air Liquide Group. The commitment to safety is total, visible and supported by unwavering vigilance.

Individual safety
Road safety
Process safety

ETHICS

A program of actions focusing on employees

Ensuring integrity and transparency in all our operations.

HUMAN RIGHTS

Respect for Human Rights

Respecting and promoting Human Rights in our operations around the world.

OUR ACTIONS

Life-Saving Rules that apply to everyone; compliance is mandatory and monitored.

Training in safety "leadership" and risk prevention for employees and partners.

The IMS (industrial management system)**, which has been in place for the last 15 years,** is regularly audited and updated for effective and harmonized management of the safety and reliability of Group operations.

Introduction of the latest on-board vehicle driver assistance technologies to prevent road risks.

Code of Conduct
- Available in 20 languages,
- Mandatory training for 100% of employees,
- Individual adherence to the Code required annually.

Dedicated structure:
- Ethics and Compliance Committee,
- Ethics Officers,
- Control and Compliance Department.

Mandatory training in local customs, regulations and Code of Conduct.

ETHICALL
EP ETHICSPOINT

Whistleblowing systems enabling all employees to report policy breaches (anonymously if they wish to).

Respect for the **fundamental standards**

International Bill of Human Rights.

International Labour Organization Declaration on Fundamental Principles and Rights at Work.

United Nations Guiding Principles on Business and Human Rights.

OECD Guidelines for Multinational Enterprises.

Voluntary commitments

United Nations Global Compact.

Continuous improvement and excellence regarding environment, health and safety in the chemicals sector.

Further information on the prerequisites for action is available in the Sustainability Statement (chapter 5 – page 277).

2. Description of the business model [1]

PROFILE

Inventor of the future, Air Liquide has contributed to the world's development since 1902 thanks to the power of science. Oxygen, hydrogen, nitrogen, etc., these molecules are everywhere today, at the heart of our lives. A world leader in gases, technologies and services for industry and health, the Group creates and develops innovative solutions based on technology and scientific expertise to support industry and health in its march towards progress. It acts on a daily basis for its customers, its patients and beyond to be useful to society. It invents a future where responsible growth can benefit all, for a sustainable future.

ADVANCE
Strategic plan
for 2025

RESOURCES & ASSETS

~ **66,500** employees

> **4 million** customers and patients

~ **80,000** suppliers

~ **900,000** Shareholders

~ **350** technological and industrial partnerships

> **600** production units

> **20 million** cylinders

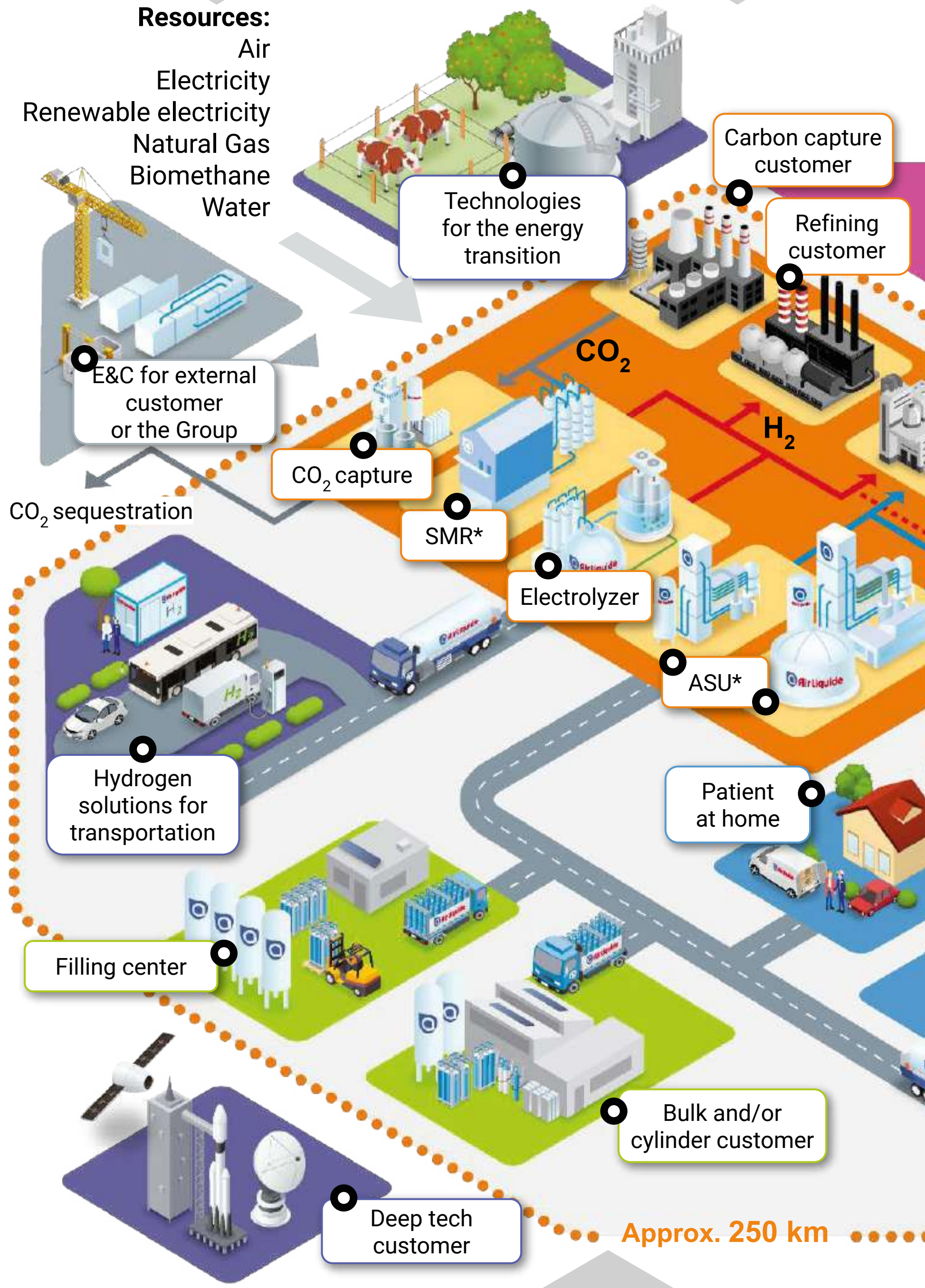
~ **10,000** trucks

6 Innovation and Technologies Campuses

~ **15,000** patents

65.6 TWh of energy

99.6 Mm³ of water consumed



PREREQUISITES TO ACTION SAFETY ETHICS HUMAN

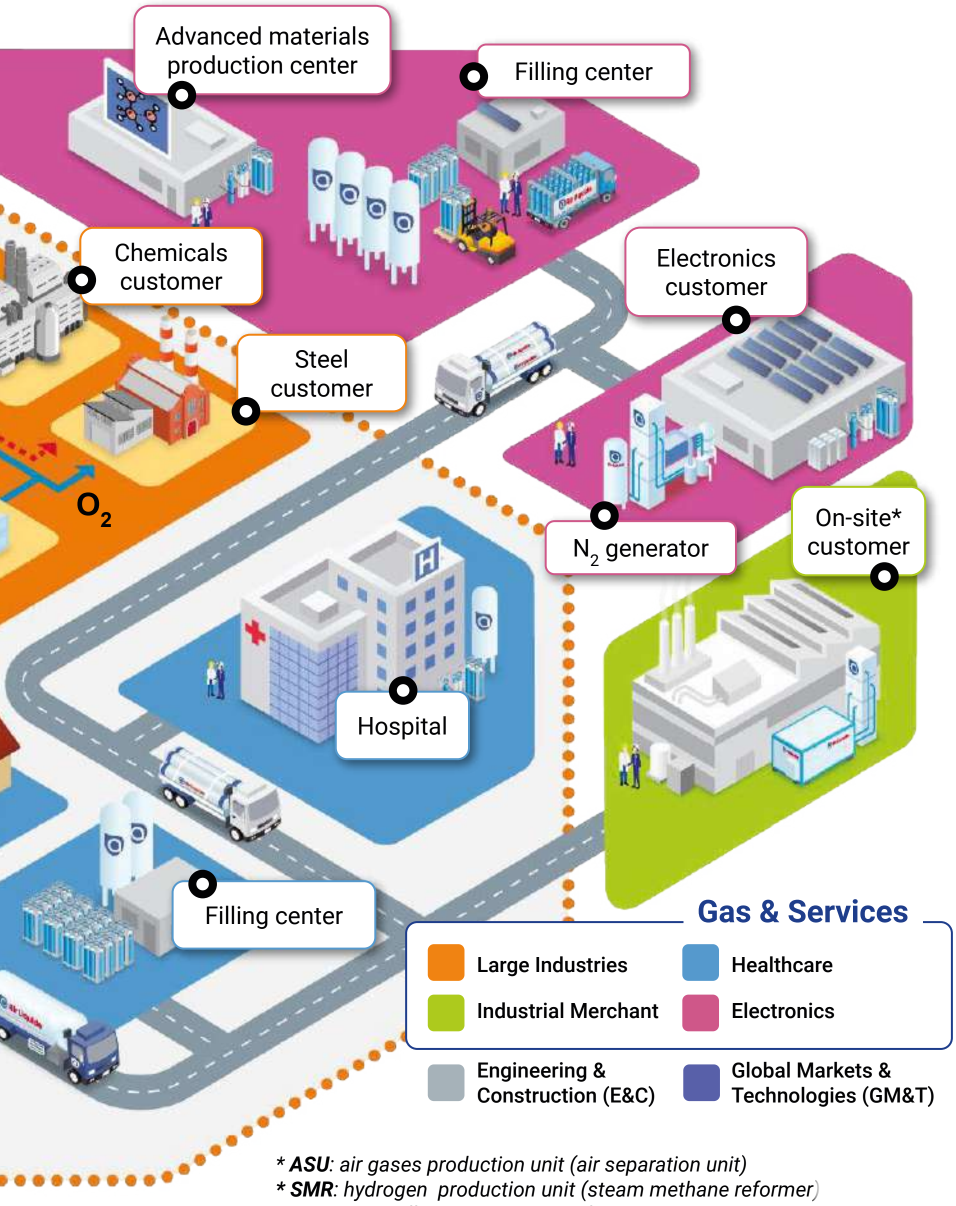
(1) ESRS 2 SBM-1 § 42.

DELIVERING financial performance

DECARBONIZING the planet

UNLOCKING progress via technologies

ACTING for all



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

(a) *Data calculated according to prevailing accounting rules over 30 years. Adjusted dividend per share to take into account the two-for-one share split in 2007, for free share attributions and for a factor of 0.974 reflecting the value of the preferential subscription rights of the capital increase completed in October 2016.*
(b) *Cash flow from operating activities before changes in working capital.*

RIGHTS

VALUE CREATION

Financial performance [a]

Revenue:
27.1 billion euros
+5.9% on average over 30 years

Cash flow [b]:
6.5 billion euros
+7.1% on average over 30 years

Adjusted dividend per share:
+8.8% on average over 30 years

Environment

- **Carbon neutrality** by 2050
- Carbon trajectory validated by SBTi
- Emission **34.9 Mt** in 2024 **-11.1%** compared with 2020 baseline (scopes 1 & 2)

Society

- **Record** level of **0.7** accident frequency rate
- **100%** of employees benefit from a common basis of care coverage
- Highest **diversity** in its sector
- Close to **600** projects supported by the Air Liquide Foundation since its creation

3. Description of activities [1]

The Group classifies its activities as follows: Gas & Services, Engineering & Construction, Global Markets & Technologies, and all serve one unique business, that of industrial gases. The four business lines comprising the Gas & Services activities are closely tied by a strong industrial mindset where proximity is key. The diagram on page 25 illustrates the sharing of production or distribution assets between the different business lines for a given geographic region. This efficient industrial network and its proximity with its customers allow Air Liquide to:

- improve reliability;
- optimize energy consumption, costs and logistics flow;
- anticipate customers' needs;
- understand changes in the markets;
- and offer innovative solutions.

A unique, global Industrial Direction was created at the end of 2024 to better answer to industrial challenges and to the needs of the Group's numerous customers in order to ensure them the highest safety, quality, reliability and efficiency standards. This Industrial Direction leverages in particular Air Liquide's know-how and optimizes the Group's industrial processes.

The synergies enjoyed by all of the Group's businesses are not limited to the industrial aspect, but also include scientific and technological expertise, the innovation approach, as well as Human Resources and financial management. The strong integration of the various World Business Lines thus allows the Group to create synergies, become stronger and grow while creating long-term value.

The Strength of Air Liquide's model

In **Large Industries**, the supply of gas is contracted for a duration of at least 15 years, and includes take-or-pay clauses which guarantee a minimum level of revenue. To be noted that the energy cost is contractually reinvoiced to customers.

Industrial Merchant is characterized by the broad diversity of its markets, customers, and regions, which is the result of strategic targeting and which reinforces the resilience of the business line. Sales include a significant share of fixed revenue from providing equipment to customers sites (notably cylinders and vessels for bulk gases).

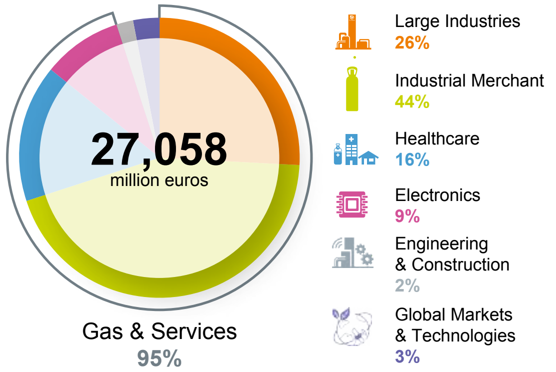
Healthcare benefits by marked societal trends (longer life expectancy, development of chronic diseases, etc.), which ensure growth in demand independently of economic cycles.

The development of the semiconductor industry with its numerous digital applications is the main source of sales growth in **Electronics**, an industry presenting a strong momentum.

In addition to the Gas & Services businesses, **Global Markets & Technologies** help place Air Liquide in a pioneering position in new markets and new business models relating to energy transition and deep tech, thus accelerating the learning curve on new social and environmental challenges, and opening up key opportunities for future growth.

Finally, the **Engineering & Construction** business line is responsible for the design and construction of plants and equipment to meet the various needs of the Group's business lines and third-party customers. Through its Engineering & Construction business line, the Group cultivates, shares and passes on its expertise, ensuring both the continuity of its know-how and its continuous improvement thanks to the permanent integration of the latest technological advances and their adaptation to new markets.

2024 GROUP REVENUE BY ACTIVITY



The solutions offered by the business lines to sustainable development, of today or the future, especially in the energy transition domain, reinforce the Group's growth and resilience.

The Group's capacity to innovate enables it to continuously improve its current offerings by integrating new technologies and new ways of working to boost operational excellence and future growth. Air Liquide therefore draws on its internal and external innovation ecosystems to develop differentiating solutions for its customers and patients and open up new markets. Innovation contributes to the Group's sustainable growth.

Moreover, through its various World Business Lines, the Group serves more than 4 million customers and patients in a variety of industries and across a wide range of regions, which provides high resistance to economic cycles. These characteristics, which are inherent to the industrial and healthcare gas business, reinforce the strength of the business model.

The Group's products [2] and services are used in all industrial markets and in Healthcare. It should be noted that Air Liquide is not directly active in the exploration, extraction, refining, or distribution of liquid or gaseous fossil fuels with the exception of marginal sales (below the thresholds provided for in Regulation (EU) 2020/1818) of compressed natural gas for customers in mobility. In addition, Air Liquide does not sell products falling within division 20.2 of Annex I to Regulation (EC) No 1893/2006 concerning agrochemicals and pesticides. Finally, Air Liquide neither produces controversial weapons nor cultivates or produces tobacco.

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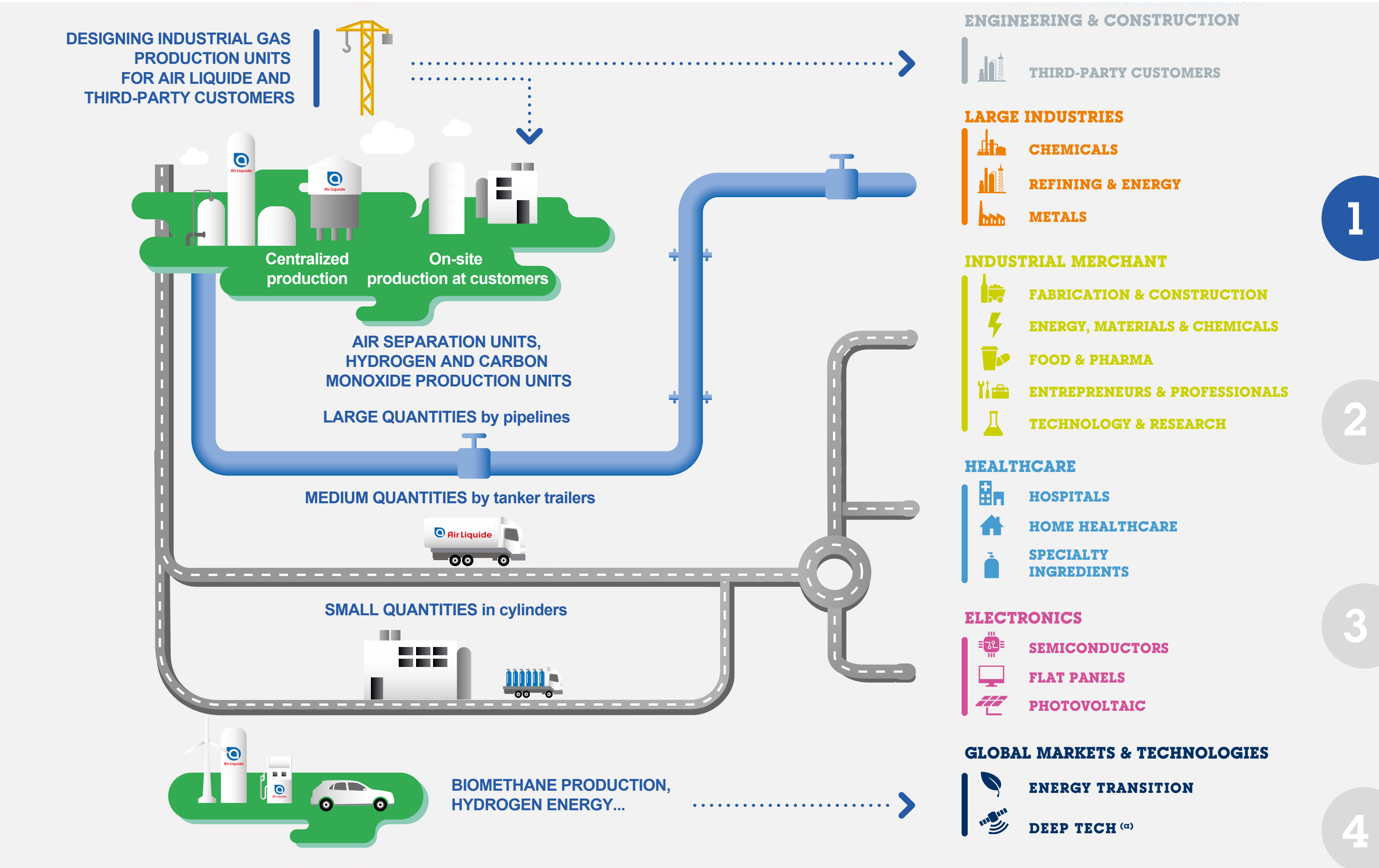
(1) *ESRS 2 SBM-1 § 40 (a), ESRS 2 SBM-1 § 42.*
(2) *ESRS 2 SBM-1 § 40 (d).*



(a) Disruptive technologies based on scientific breakthroughs of such a nature as to change the modes of design and production.

3.1. GAS & SERVICES

The Gas & Services businesses include four World Business Lines to better support changes and meet the needs of the various markets: Large Industries, Industrial Merchant, Healthcare, and Electronics.

To maintain economically viable distribution costs, industrial gas production must be local. Therefore, Air Liquide gas production units are located throughout the world and can supply many types of customers and industries with the relevant volumes and services required. Air Liquide's structure is made up of corporate functions, in Paris, and of groups of countries under the supervisions of an Executive Committee member depending on their geographical location (Americas, Europe Middle East & Africa and Asia Pacific).

- **Large Industries** supplies industrial gases by operating major production units. It serves customers in the metals, chemicals, refining and energy sectors where high gas volumes call for a dedicated plant or the development of a pipeline network. Large Industries also supplies the Group's other business lines with gases which are then packaged and delivered to their respective customers.
- **Industrial Merchant** supplies a wide range of different gases, application equipment and associated services. It serves industries and professionals that require smaller quantities than Large Industries' customers. Gas can be distributed in bulk, in liquid form, or in cylinders, in gaseous form, for smaller quantities. Finally, small production units can be installed locally for customers with larger gas needs, or in remote areas.
- **Healthcare** supplies medical gases, equipment and services to hospitals and also directly to patients in their homes. It also produces and distributes healthcare specialty ingredients for the cosmetics, pharmaceutical, vaccine and nutrition markets.
- **Electronics** supplies gases, materials (complex molecules) used in manufacturing processes, as well as equipment and services mainly used for the production of semiconductors, but also flat screens and photovoltaic panels.

Large Industries

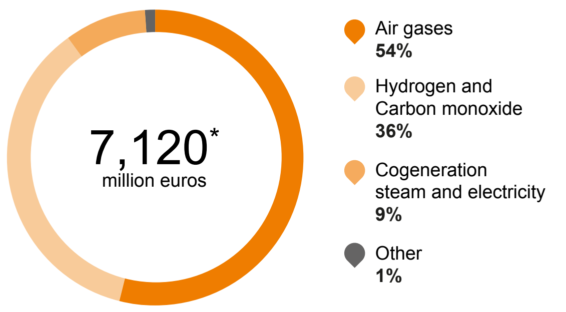
1. BUSINESS OVERVIEW, BUSINESS MODEL AND INDUSTRIAL PROCESSES

a. Business overview

The Large Industries business line supplies gas and energy solutions to customers in the metals, chemicals, refining and energy industries, which are essential for their own core businesses, to improve process efficiency and to make their plants more environmentally friendly. The Large Industries business line provides oxygen, nitrogen, argon, hydrogen and carbon monoxide through its plants and its pipeline network. The Group also operates cogeneration plants to supply customers with steam and electricity.

A world leader in this sector, Air Liquide benefits from rigorous investment selection and project execution processes as well as the expertise of its project development teams. The Engineering & Construction teams also support the Large Industries business line. The largest Large Industries customers are looked after by key account managers who have in-depth knowledge of customers' businesses, as well as of their projects, industrial processes and global structure. This allows Large Industries to maintain close contact with its customers, thus improving the Group's responsiveness and competitiveness in terms of meeting their needs.

2024 LARGE INDUSTRIES REVENUE BY PRODUCT



* *26% of Group's revenue.*

b. Business model

The supply of gas is generally contracted for 15 years. For certain projects, this can be extended to 20 years and beyond. The signing of new contracts for new industrial customers' sites is a strong predictor of future growth. Within these contracts, the Group guarantees long-term service continuity and a high level of reliability with respect to the gas supply via a high-performing industrial solution. In return, long-term gas supply contracts include guaranteed minimum volumes through take-or-pay clauses, as well as the indexation to variable costs (mainly for electricity and natural gas) and to inflation.

The use of industrial gases is critical for the various industrial processes of Large Industries' customers. As any discontinuity in supply translates into an interruption of the customer's production operations, supply reliability and safety are crucial. However, although vital, gas supply generally represents a very small part of total production cost for the customer.

Large Industries is at the heart of the energy transition, which creates major growth opportunities with the supply of low-carbon gases as well as new modes of process and solutions for the customers' CO_2 emissions reduction.

c. Large Industries industrial processes

The resources necessary for the production of industrial gases vary according to the type of gas and the location of the production unit. The production of oxygen and nitrogen requires air and a large quantity of electricity. Cogeneration units consume natural gas and water. Reforming units which produce hydrogen and carbon monoxide mainly consume natural gas and little electricity. Air Liquide is also developing its production of low-carbon hydrogen by electrolysis, which requires low-carbon electricity and water.

Air gases production (ASU: Air Separation Unit)

An Air Separation Unit (ASU) compresses, liquefies and distills air in order to separate it into its different components: 78% nitrogen, 21% oxygen, 1% argon and noble gases (neon, krypton and xenon). Only certain large ASUs can produce these noble gases. The ASUs do not emit CO_2 directly but electricity consumption is significant. A simplified diagram of an ASU operation is presented on page 35.

Hydrogen and carbon monoxide production through steam reforming (SMR: Steam Methane Reformer)

By steam reforming natural gas, an SMR produces hydrogen and carbon monoxide. The most significant raw material is natural gas; electricity and water consumption is modest. A simplified diagram of hydrogen production by reforming is presented on page 36. Air Liquide has developed a portfolio of CO_2 capture solutions adapted to SMR, allowing their greenhouse gas emissions to be very significantly reduced.

Hydrogen production through electrolysis

Hydrogen production through electrolysis is based on the dissociation of water molecules (H_2O) using electricity, to extract hydrogen and oxygen molecules. This process produces hydrogen without using or emitting carbon-based molecules. It can be used to produce low-carbon hydrogen for industry and mobility, as well as for energy storage. A simplified diagram of hydrogen production through electrolysis is presented on page 35.

Cogeneration

Cogeneration consists of simultaneously and efficiently producing electricity and steam generally by consuming natural gas and water. The electricity is used by an Air Liquide plant or sold on the local network. The steam is required for certain industrial processes. This type of unit emits CO_2 directly.

GAS SEPARATION TECHNOLOGIES FOR THE CAPTURE AND USE OF CO_2

Air Liquide's portfolio of technologies also includes separation and gas capture technologies. Based on cryogenic distillation, adsorption, absorption, or separation membranes, these technologies are used to capture the carbon dioxide generated by Air Liquide's industrial processes and those of its customers. Air Liquide proposes to its customers CO_2 capture as a service on a typical Large Industries contract basis. These solutions can be installed, for example, at hydrogen production units, petrochemical facilities, or cement plants. Captured carbon dioxide is then permanently sequestered in geological storage facilities or used in the customer's processes, such as the treatment of alkaline water, or used by Industrial Merchant customers, to produce carbonated beverages, to package food in a protective atmosphere, or to prepare welding gas mixtures.

2. LARGE INDUSTRIES KEY FIGURES

- > 300 large air separation units;
- > 50 hydrogen and/or carbon monoxide production units;
- > 9,700 km of pipeline networks;
- > 15 cogeneration plants.

3. CUSTOMERS AND MARKETS

The chemicals industry uses mainly oxygen, hydrogen and carbon monoxide in its manufacturing processes, as well as nitrogen to inert its installations.

The refining industry requires hydrogen for various processes, in particular to desulfurize fuels and crack hydrocarbons. Stricter regulations to reduce fuel pollutant emissions and the use of heavier hydrocarbons are contributing to the increase in demand for hydrogen. The production of sustainable fuels requires larger quantities of hydrogen than the production of traditional fuels. In addition, some regulations require the use of renewable feedstocks, such as renewable hydrogen, in fuel production.

In the metals industry, Air Liquide supplies large volumes of oxygen to steel producers notably, the use of which improves their energy performance and significantly reduces their CO_2 emissions. The majority of new projects are currently located in emerging economies. To propose to its customers solutions enabling carbon emission reduction, Group is also partnering with steel industry customers to develop innovative solutions involving renewable or low-carbon hydrogen for Direct Reduced Iron (DRI) production plants and carbon capture technologies.

Numerous industries linked to energy or chemicals use large quantities of oxygen to transform coal, natural gas, or liquid hydrocarbons into syngas for the production of chemical products, synfuel, or electricity.

To meet customer requirements, the supply of large quantities of gas is critical. Air Liquide supplies its customers directly by pipelines from a dedicated plant or different plants linked by a network. Air Liquide has built its pipeline networks progressively over the last 40 years. With a total length of more than 9,700 kilometers (6,000 miles), these networks stretch, for example, across Northern Europe, from Rotterdam through to Dunkirk, and along the Gulf Coast in the United States from Lake Charles (Louisiana) to Corpus Christi (Texas) as well as along the Mississippi River in Louisiana. Many other mid-size local networks have also been built in other significant and fast-developing industrial basins in Germany, Italy, Singapore, Korea and, more recently, China.

KEY POINTS

The **Large Industries** business line depends on long-term contracts (15 to 20 years), which include take-or-pay clauses and offer considerable visibility of future revenue and protection in the event of a significant fall in customer volume consumption (below the minimum take-or-pay level). Sales prices in Large Industries contracts are indexed, in particular, to energy and inflation costs. The long investment cycle and high capital intensity require a solid balance sheet. The signing of new contracts is a strong predictor of future growth.

Air Liquide is developing a pipeline network strategy in the industrial basins in order to provide customers with greater supply reliability while optimizing operating costs. This strategy allows the pooling of production assets and generates savings, notably on energy, on the overall Air Liquide network as well as for its customers.

By developing its capacity to deliver low-carbon industrial gases to its clients and other Group businesses, by allowing industrial processes decarbonization, and by offering carbon capture as a service, Large Industries is crucial for the energy transition and the Group's decarbonization strategy.

Industrial Merchant

1. BUSINESS OVERVIEW, BUSINESS MODEL AND SUPPLY MODES

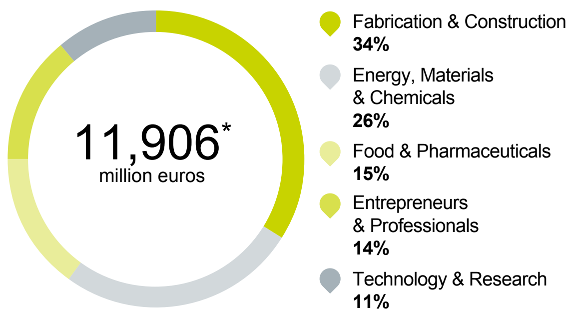
a. Business overview

The Industrial Merchant business line is, by its nature, a highly local business, which provides more than two million customers with industrial gases, equipment, hardgoods, and associated services.

Industrial Merchant provides gas using the supply mode best adapted to customers' needs: either via a small on-site production unit for customers with major volume requirements, or in liquid form distributed by trucks for medium-scale quantities, or in cylinders for smaller volumes and use on construction sites. Around 95% of Industrial Merchant's customer base is small customers who favor simplicity, flexibility and quality of service: they mainly order cylinder gas and hardgoods.

The Industrial Merchant activity serves a wide variety of markets, often essential to life. It constantly invents new applications for its molecules that address the challenges of energy transition but also the challenges of new uses and markets and that contribute to improving the operational efficiency of its customers. The Industrial Merchant business manages a significant amount of data from the large number of assets used in operations along with the diversity of markets and customers. Digital transformation and data analysis, therefore, play a predominant role in improving operational efficiency, price management, and the quality of the services provided to customers.

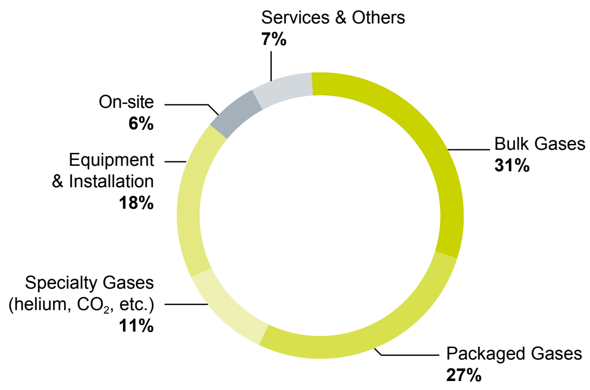
2024 INDUSTRIAL MERCHANT REVENUE BY END MARKET



* *44% of Group's revenue.*

b. Business model

A large share of Industrial Merchant sales is covered by contracts with terms of up to five years for cylinders and liquid gas supply and up to 15 years for small on-site gas generators. These contracts generally include gas supply, the reliable and safe delivery of products and the provision by the Group of equipment at customers' sites, the provision of a service, as well as the indexation of the sales price to different variables such as inflation and energy prices. The provision of cylinders or tanks on customers' sites is covered by a fixed monthly fee. The wide range of markets, customers, and regions in which the Group is present reinforces the resilience of this business line.



The Industrial Merchant (IM) business line is integrated in the industrial basins and firmly **grounded in local economic life.** This local base is strengthened by economic constraints which limit the radius of gas distribution to some 250 kilometers around a production site. One of the strengths of Industrial Merchant is being able to identify high-potential areas and establish a site by developing synergies with Large Industries' network of plants or by investing in dedicated units. While permeating the local economy, the Industrial Merchant business line has expanded its operations internationally in about 50 countries, thus strengthening the business line's resilience. This regional diversity is based on a strategy of targeted investments and the regular optimization of portfolios.

A permanent focus on geographic density within the industrial basins is a key success factor thanks to the synergies that this generates, in particular in terms of logistics. In addition to the business development of a basin, the acquisition of local distributors and their portfolio of customers also helps improve this density, in particular in markets that are still fairly fragmented such as the United States and China.

c. Supply methods

On page 30, the diagram shows the different **supply modes used in Industrial Merchant**. Strong **operational discipline** is applied across the value chain (supply, packaging, distribution) and is an essential part of Air Liquide's integrated model. Coupled with new digital tools, this allows the Group to optimize the use of its resources in real time (plants, trucks, energy, etc.) to improve the competitiveness of its products and services for customers and reduce its CO_2 emissions. Air Liquide's quest for continuous improvement helps ensure the safety of its employees, customers, and service providers and optimize their costs while offering a seamless customer experience.

2. INDUSTRIAL MERCHANT KEY FIGURES

- > 30,000 employees;
- ~ 20 million cylinders;
- ~ 10,000 trucks;
- ~ 53,000 cryogenic tanks installed on customers' sites;
- > 1,000 on-site generation units;
- ~ 1,500 filling centers and retail stores.

3. CUSTOMERS AND MARKETS

a. A customer-centric culture

Customers and markets served by Industrial Merchant are presented in the drawing on page 30. Industrial Merchant customers vary greatly in terms of size, business and needs, but their common ground is their desire for products and services which facilitate daily activities.

The Group's ambition to provide a seamless customer experience requires listening to customers' needs, providing a diversified and customized offering and an excellent quality of service. To further customer engagement, Air Liquide is working on the rationalization and simplification of its processes to continuously improve the level of its service, focusing on the reliability of its equipment and deliveries and thus the overall efficiency of its supply chain.

Optionality in terms of both product and service offerings as well as the transactional channel is also a differentiating characteristic of the Industrial Merchant business line. Thanks in particular to the contributions of Airgas in terms of customer culture and excellence in operational service, Industrial Merchant continues to develop a multi-channel approach to sales which notably includes e-commerce and telesales to better support the uses of its customers.

A MULTI-CHANNEL SALES APPROACH

DIGITAL AND DATA FOR THE PERFORMANCE AND THE CUSTOMERS

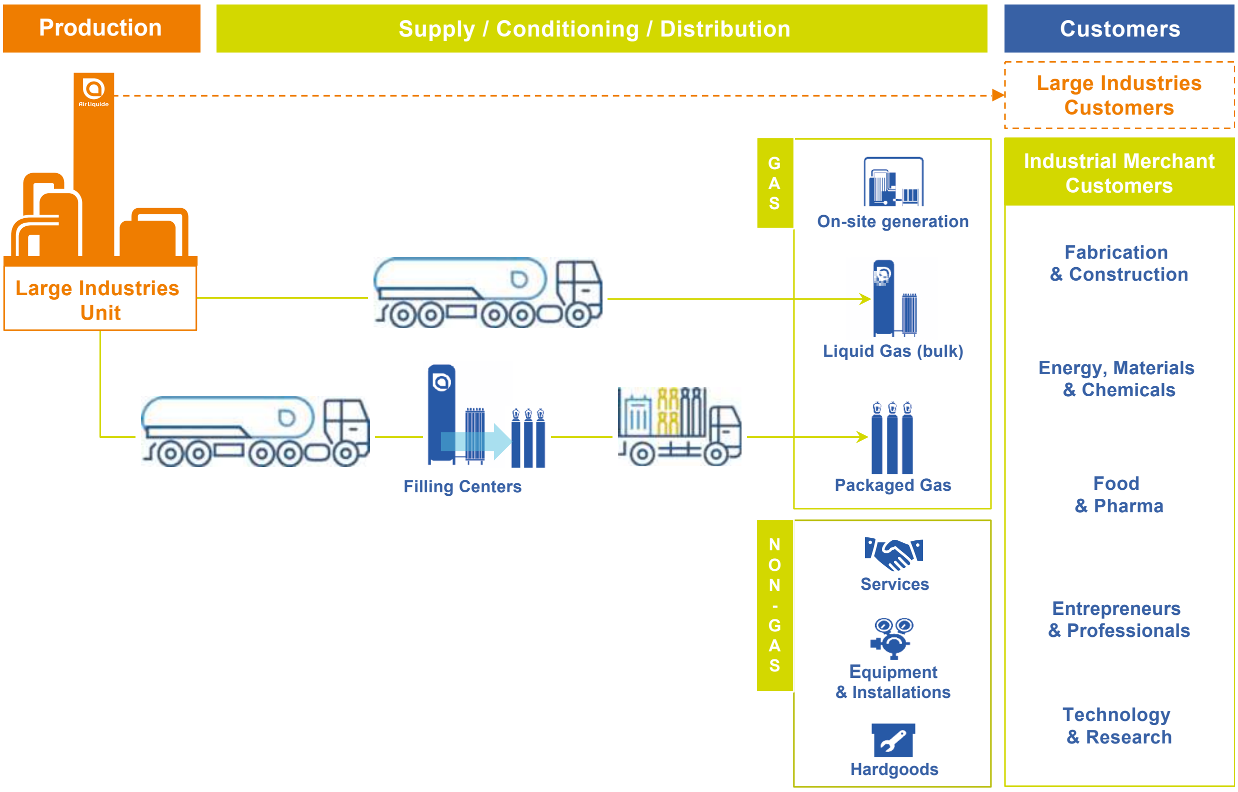
The **Industrial Merchant** business line manages a significant amount of data from the large number of assets and customers. Digital transformation and data analysis, therefore, play a predominant role in improving operational efficiency, the quality of the services provided to the customers, and new offerings. Thanks to this data analysis, the Industrial Merchant teams are able to drive the performance of operations in real time and optimize price management in a fair and dynamic way depending on markets and costs. The digitalization of assets on customer sites also enables the uploading of utilization data, which is then analyzed to create new services, offerings, or business models.

b. A strategic positioning on markets with optimized product portfolios

Thanks to their proximity to customers and the Group's presence in a large number of markets, the Industrial Merchant teams foster a large and in-depth knowledge of these markets and of their industrial processes. Moreover, Air Liquide collects a large amount of data from these markets and the economy in general. This allows the Group to identify major trends, assess growth prospects and anticipate future opportunities. By closely analyzing this market data and its value chains, the Group has developed a **selective approach and dynamic market management** to focus its resources on areas of higher potential growth. The diversity of the markets, customers and geographical regions resulting from strategic targeting strengthens the resilience of the business line.

The level of profitability of the Industrial Merchant business line varies according to product and supply mode. **By optimizing this product mix**, the business increases its profitability, captures new volumes and diversifies its customer base.

SUPPLY MODES



CUSTOMER MARKETS

	Fabrication & Construction	Energy, Materials & Chemicals	Food & Pharmaceuticals	Entrepreneurs & Professionals	Technology & Research
Industry sectors	■ Metal Fabrication (and treatment) ■ Construction ■ Automotive ■ Trains ■ Shipyards ■ Aeronautics & Space	■ Chemicals ■ Metallurgy ■ Oil, gas and mining ■ Construction material (glass, Cement, etc.) ■ Utilities (water, waste, power, etc.)	■ Food production & processing ■ Beverage ■ Agriculture (and aquaculture) ■ Bars & restaurants ■ Pharmaceuticals ■ Cosmetics	■ Workshops, maintenance facilities and service centers (auto repair, HVAC, plumber…)	■ Electronic Components & Assembly ■ Optoelectronics & Fiber optics ■ Public Research & Universities ■ Industrial Research centers
Market trends	Quality, continuous improvement, product quality and pressure on the price of manufactured products. Development of lightweight materials (composite), new manufacturing processes (additive manufacturing) and electrification.	Productivity, preservation of the environment and natural resources.	Global growing and aging population, environmental considerations drive demand.	Simplicity and flexibility of products and services. Ease of customer experience.	Development of digitalization. Need for smarter, more reliable and more efficient products and services. New controls with gases.

KEY POINTS

The Industrial Merchant business line is, by its nature, a highly local business, which provides more than two million customers with industrial gases, equipment, hardgoods and associated services.

The diversity of markets, customers and regions is the result of strategic targeting and reinforces the resilience of the business line.

The balanced breakdown between markets related to industrial production and those more consumption-related, the fact that they are often related to sectors essential for life, coupled with an Industrial Merchant business model which includes a share of fixed income from sales, notably by providing cylinders and vessels on customer sites, strengthens the resilience of the business. Thus, about 50% of Industrial Merchant sales are not dependent on the local industrial production of the countries in which the Group is present.

Thanks to the proximity to their customers, in-depth knowledge of their industrial processes and innovation capabilities, Industrial Merchant teams and their experts in gas applications develop new product or services offerings which are a major growth and performance driver.

Healthcare

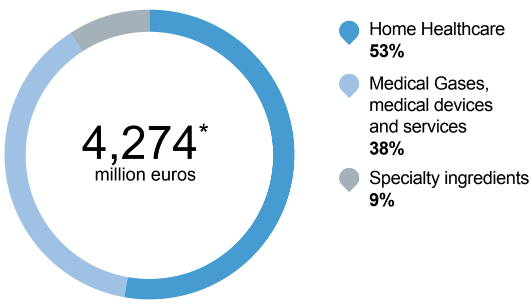
1. BUSINESS OVERVIEW AND BUSINESS MODEL

a. Business overview

The Healthcare activity provides medical gases, home healthcare services and specialty ingredients. These products and services support patients along the continuum of care, from the hospital to their homes. The Group is committed, alongside patients, healthcare professionals, hospitals, and new places of care, to contributing to making the healthcare system more efficient. Air Liquide is one of the world leaders in this constantly changing business sector, subject to stringent regulatory requirements and characterized by multiple stakeholders (patients, doctors, health authorities, and payers).

Actors and decision-makers in the health sector are faced with the double challenge of the increase in the number of patients with chronic diseases and the economic sustainability of health systems. Air Liquide's Healthcare activity intends to be the partner in the transformation of this sector and is committed to bringing ever more value to all stakeholders in order to contribute to the collective resolution of this challenge. Air Liquide's vision is based on the principles of Value-Based Healthcare. The value-based approach seeks the optimal trade-off between the objective and subjective benefits for each patient and the cost to society, in order to guarantee quality medical care and service for all patients in the long term. In concrete terms, this means for the Healthcare activity the development of a personalized care plan that meets the needs of each patient profile with the objective of making it possible to achieve the outcomes that everyone expects to improve quality of life. It is also a virtuous approach that allows the Group to effectively adapt its interventions while working to ensure the sustainability of healthcare systems. For medical gases and related services, the aim is to ensure their availability, simplify their management, and contribute to a more efficient and sustainable system, in order to enable doctors to focus on their health mission. Today, Air Liquide is reinforcing contractualization of supply security, service offer quality and environmental footprint.

2024 HEALTHCARE REVENUE BY ACTIVITY



* *16% of Group revenue.*

b. Business model

The Healthcare activity, in particular the supply of medical gases to hospitals and other places of care, mainly relies on the gas production capacities of Large Industries and develops its own distribution logistics. Medical gases have a drug designation status which requires market authorization from the country's health authorities. They are subject to specific pharmaceutical traceability and are supplied in gas or liquid form by qualified personnel. The integration of the industrial and Healthcare activities has led to synergies and industrial efficiency.

2. HEALTHCARE KEY FIGURES

- ~ 15,600 employees;
- Over 30 countries worldwide;
- ~ 2.1 million patients cared for at home;
- ~ 20,000 hospitals and clinics;
- ~ 140,000 healthcare professionals.

3. CUSTOMERS AND MARKETS

Over the last 20 years, Air Liquide has strengthened its leading healthcare role in Europe, Americas, Australia and Korea. It continues to grow in all regions, in particular depending on the expansion of healthcare systems. As a result, about two thirds of the Healthcare business line's sales are in Europe and about one quarter in the Americas.

The business line provides products and services in three areas:

- **Medical Gases, medical devices and services**: Air Liquide supplies more than 20,000 hospitals and clinics around the world. Among the main medical gases and their areas of application, Air Liquide provides: medical oxygen (O_2) for respiratory diseases or intensive care; a mixture of oxygen and nitrous oxide (N_2O) in analgesia; nitric oxide (NO) in intensive care. Air Liquide ensures compliance with the strictest safety and quality standards through the installation and maintenance of medical gas distribution networks in hospitals and permanent inventory control.

  Air Liquide's medical gases and services are also used outside hospitals, particularly in proximity care medical centers (outside hospital centers, dentists, dermatologists, etc.), for emergency rescue services and patient transport. Furthermore, a limited share of the sales of this activity comes from the design and marketing of innovative medical devices, in particular ventilators for intensive care, transport and home use, as well as equipment for the administration of medical gases and aerosol therapy.
- **Home Healthcare**: Air Liquide cares for 2.1 million patients in their homes suffering from chronic diseases, such as respiratory diseases or diabetes. Once the diagnosis and treatment are established by a doctor, the long-term treatment requires patient education, implementation of the therapy and its continuous support, and interventions by trained nurses or technicians in person or remotely thanks to the increased use of digital solutions.

Air Liquide developed its Home Healthcare business in the 1980s, taking care of patients on oxygen therapy leaving the hospital. Home Healthcare activity was then expanded to other treatments to support people suffering from respiratory diseases (sleep apnea, COPD – chronic obstructive pulmonary disease, etc.) or diabetes by providing them with medical devices and associated services for long-term monitoring.

- **Specialty Ingredients**: for over 80 years, through its subsidiary Seppic, Air Liquide has designed and developed specialty ingredients for the healthcare sector, in particular adjuvants for vaccines, film-coating systems for the pharmaceutical industry as well as a complete range of eco-friendly thickeners, stabilizers, emulsifiers and active ingredients for the cosmetics market.

KEY POINTS

The **Healthcare** business line operates in a constantly evolving world and within a strict regulatory framework. Societal trends such as the aging population, the increase in chronic diseases and the fragility of healthcare systems financing which seek efficiencies make the Healthcare activity a major growth driver for the Group.

Air Liquide Healthcare has a unique position in that it is present along the continuum of care and connected to all stakeholders in the healthcare ecosystem (patients, healthcare professionals, hospitals, health authorities, payers) for the treatment of acute diseases (with the supply of medical gases and services in hospitals and other places of care), the treatment of chronic diseases (with Home Healthcare) and in prevention and well-being (with Specialty Ingredients).

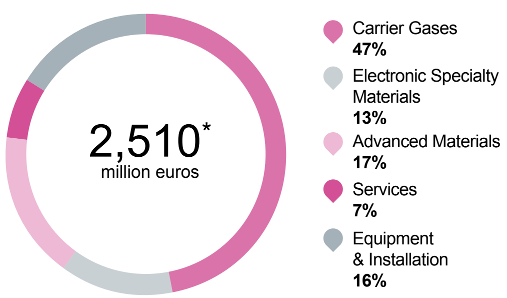
Electronics

1. BUSINESS OVERVIEW AND BUSINESS MODEL

a. Business overview

Air Liquide provides innovative solutions essentially to the semiconductor market and marginally to the flat panel display and photovoltaic markets. To do so, the Electronics business line leverages its expertise, its innovation capacity and its global infrastructure allowing a strategic proximity to key players in these sectors. Electronics customers' products respond to increasingly challenging consumer demands for mobility, connectivity, computing power, artificial intelligence and energy savings. These technological advances are possible thanks to the innovative materials and gases used in semiconductor production. Air Liquide is the world leader in industrial gases for Electronics and the only player to offer a complete range of products and solutions.

2024 ELECTRONICS REVENUE BY PRODUCT



* 9% of Group revenue.

b. Business model

Air Liquide's Electronics business is based near its customers' production facilities. Its business model is mainly based on long-term contracts for the supply of carrier gases, and constant innovation for the supply of new advanced materials that are necessary to meet the technological challenges of the sector's major players. The business line also supplies equipment for the distribution of gas and chemical products and installs them at its customers' facilities. The Electronics business line works on reducing its greenhouse gas emissions associated with electricity consumption for the production of carrier gases, and on reducing the emissions of its customers by providing them with low-impact materials to replace some of the more polluting combinations currently in use.

2. ELECTRONICS KEY FIGURES

- > 4,000 employees;
- > 200 carrier gas units;
- > 200 different molecules (special and advanced materials);
- ~ 50,000 cylinders of specialty materials delivered each year.

3. CUSTOMERS AND MARKETS

The Electronics business line provides a global service to the sector's main players. It is present in Asia (~72%), the USA (~20%) and Europe (~8%). Air Liquide is the market leader in the Electronics business line.

- **Carrier Gases:** Carrier gases (very high purity gases, mainly nitrogen, but also oxygen, argon, helium, hydrogen, etc.), supplied from on-site facilities, are intended to dilute and transport molecules for chip manufacturing, cooling and inerting of the production environment. The Carrier Gases business is resilient and shows steady growth. It benefits from long-term "take-or-pay" contracts with an average duration of 15 years and growing demand in line with the expansion of the semiconductor industry.
- **Electronic Specialty Materials**: These gases (silane, xenon, nitrous oxide, etc.) are used in the manufacturing processes of all semiconductors. The growth of the activity is closely linked to the volume of semiconductor production.
- **Advanced Materials**: These materials used in gas form are at the heart of the most advanced manufacturing processes and are essential for the miniaturization and energy efficiency of new generations of memory and logic chips. The most sophisticated advanced materials are developed in collaboration with customers and their ecosystem. There are few players with the innovation capabilities needed to operate in this market. The activity benefits from the development of advanced semiconductors.
- **Equipment & Installation**: The Electronics business also sells and installs equipment to ensure the distribution of gases, materials and chemicals to customer sites. The level of activity is linked to the commissioning or development of new customer manufacturing sites.
- **Services & Analysis**: customers rely on Air Liquide's expertise for the daily management of gases, materials and chemical products on their sites, as well as to provide cutting-edge analytical services to continuously improve their production processes.

KEY POINTS

Air Liquide is the world leader in industrial gases for Electronics and the only player to offer a complete range of products and solutions.
The Group's **Electronics** business line consists of five different segments:

- The Carrier Gas business is resilient, driven by long-term contracts with take-or-pay clauses and by growing demand in line with the industry expansion;
- Electronic Specialty Materials, which are used for all semiconductor manufacturing;
- Advanced Materials, essential for producing new generations of more efficient chips;
- Equipment & Installation (sales and installation of gas, materials and chemical distribution systems);
- Services & Analysis (analysis and management of gases, materials and chemicals).

3.2. GLOBAL MARKETS & TECHNOLOGIES

To accelerate Air Liquide's sustainable growth, the Global Markets & Technologies (GM&T) World Business Unit delivers technological solutions – molecules, equipment and services – to **support the dynamic markets of energy transition and deep tech**.

The GM&T World Business Unit invests in and operates **biomethane** production units to recover agricultural, household or industrial waste as part of a **circular economy approach**. Biomethane can be used to replace natural gas of fossil origin: in grids for domestic use, for heavy mobility (trucks, buses, ships, etc.) or for various industrial applications, in particular the **production of low-carbon hydrogen**.

In **hydrogen**, Air Liquide masters the entire supply chain, from production to storage, to distribution and the development of applications for **industrial markets and heavy-duty mobility**. The Group thus contributes to the wider use of hydrogen as an energy vector. GM&T designs hydrogen refueling stations and supply hydrogen to support the mobility. To date, the Group has assembled and delivered more than 200 hydrogen refueling stations around the world and is developing technologies and infrastructure required for the use of liquid hydrogen.

For the **maritime industry**, GM&T develops multimodal and sustainable solutions to supply a comprehensive range of gases (air gases, carbon dioxide, helium, hydrogen, krypton, xenon, etc.) and support its customers to decarbonize their operations.

To support deep tech, GM&T designs and develops, with its customers and ecosystems, **equipment** and disruptive **technologies** notably for the launchers, satellites, international research projects and the quantum computing. Through its patented technologies and its expertise in cryogenics, GM&T continues to push the frontiers of science and open up new markets.

- **836 million euros** of revenue in 2024;
- 3 activities: Technologies, Biogas solutions and Maritime;
- 29 biomethane production units worldwide, with an annual production capacity of 2 TWh;
- A total of more than 200 hydrogen refueling stations and 200 more than 200 Turbo-Brayton units sold.

KEY POINTS

The **Global Markets & Technologies** World Business Unit relies on proprietary disruptive technologies to open up new deep tech markets and develop new business models within the fields of energy transition with a circular economy approach.

3.3. ENGINEERING & CONSTRUCTION

To provide customers with the gases required for their industrial production, Air Liquide engineers have developed **innovative proprietary technologies**. The Group designs and constructs gas production units, from the feasibility study stage through to the delivery of the complete installation, for its own use or for sale to customers who prefer to insource their gas requirements. These units comply with the increasingly strict safety, reliability and competitiveness requirements.

Engineering & Construction development for **industrial gas**, **energy conversion**, gas **purification** and **CO_2 capture** technologies, as well as **renewable and low-carbon hydrogen**, enable customers to optimize the use of natural resources.

In particular, Engineering & Construction teams are already offering the customers, particularly in hard-to-abate sectors, a full range of carbon capture proprietary technologies that enable them to decarbonize their operations.

To cover all of the primary industrial markets and manage its production costs, the Engineering & Construction business has extensive geographical coverage with engineering centers and manufacturing workshops located mainly in North America, Europe, Asia and the Middle East.

The Group favors the development of its gas sales business over equipment sales. Nonetheless, Engineering & Construction has a strategic value for the Group, both internally and externally.

Internally, the **Group** benefits from the strong competencies and engineering resources required for investment projects of its Gas & Services businesses. It provides a high level of **expertise**, crucial to the design of efficient units which specifically respond to the needs of the Group's Gas & Services customers.

The Engineering & Construction business also serves **third-party customers**, allowing the Group to constantly assess the competitiveness of its own technologies and commercial offering. In particular, Air Liquide is hence able to forge close relations with customers who produce their own gas, better understand their industrial processes and be informed of their investment projects. In certain cases, negotiations initially steered toward the sale of equipment were finalized by the signing of a long-term industrial gas supply contract. As part of this third-party customer business, the strategy consists of favoring research and equipment supply contracts and not tolerating construction risks. Accordingly, Engineering & Construction's contribution to consolidated revenue (sales to third-party customers) can vary significantly from year to year.

In 2024, published consolidated third-party sales for Engineering & Construction totaled **412 million euros**.

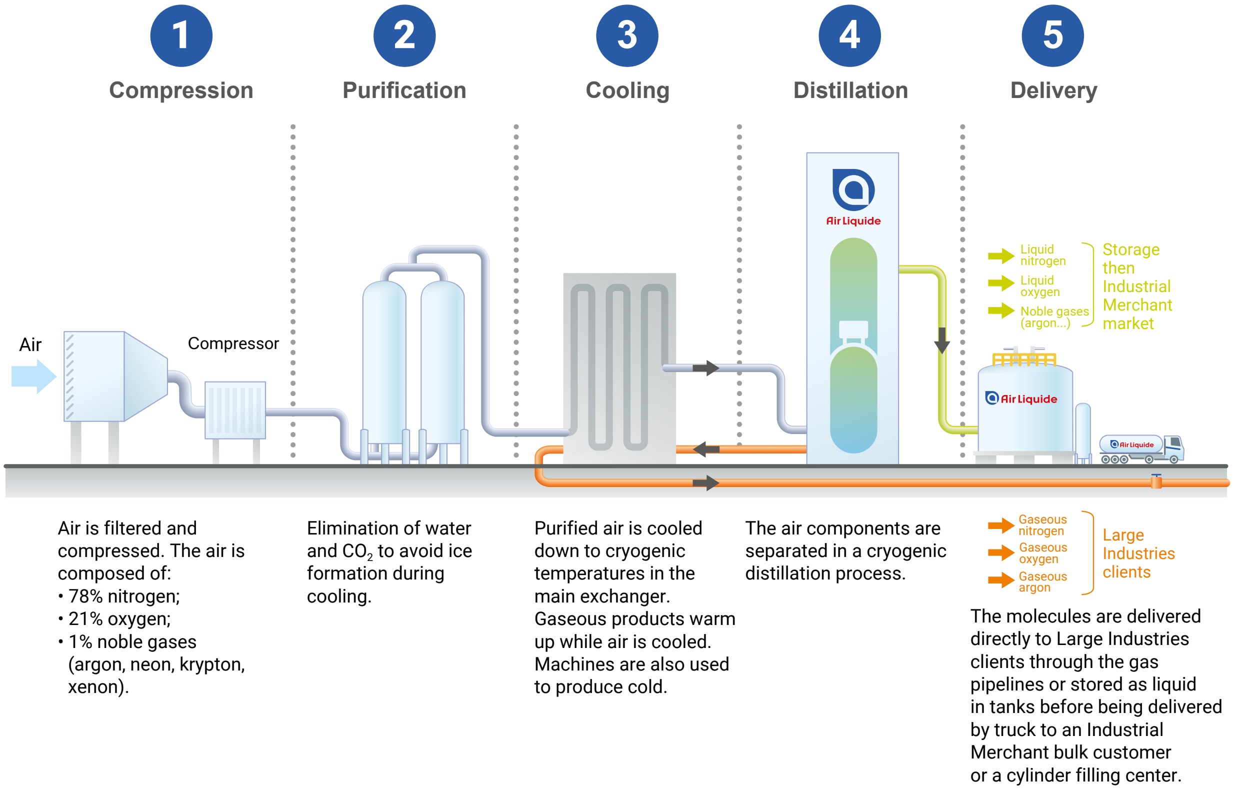
KEY POINTS

The **Engineering & Construction** business provides the Group with a genuine competitive edge, enabling it to offer turnkey solutions to its customers and to engage for its own purposes in a process of continuous improvement of industrial processes, and of reduction in the cost of its industrial assets and of the environmental footprint.

Consolidated Engineering & Construction sales only reflect sales to third parties and do not include internal sales for the needs of the Group or the Gas & Services businesses. In order to cover all the major industrial markets and control its production costs, it has an extensive geographical presence with engineering centers and manufacturing workshops established in particular in North America, Europe, Asia and the Middle East.

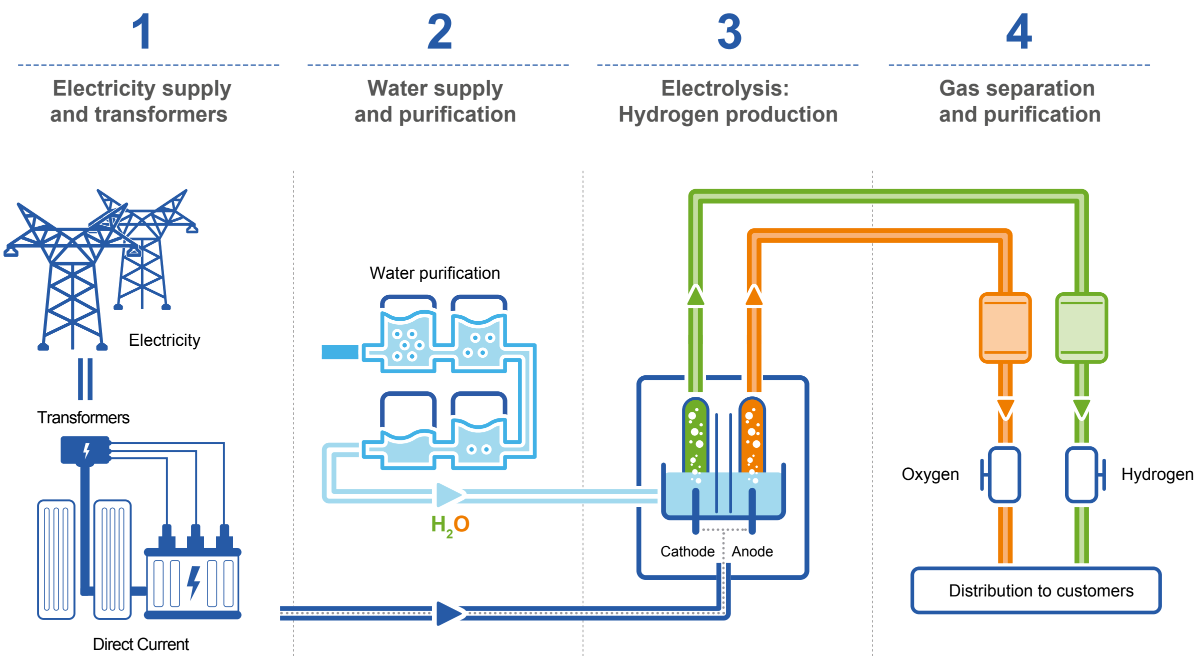
Engineering & Construction masters a large portfolio of processes, the main ones of which are necessary for the operations of Gas & Services businesses and are explained below:

PRODUCTION OF AIR GASES BY CRYOGENIC DISTILLATION (AIR SEPARATION UNIT)



Engineering & Construction designs and realizes air separation units (ASUs) for the Group and third-party customers. Large Industries, Electronics (for the production of carrier gases) and Industrial Merchant (mainly for on-site units) operate ASUs. These units also produce medical oxygen for the Healthcare activity.

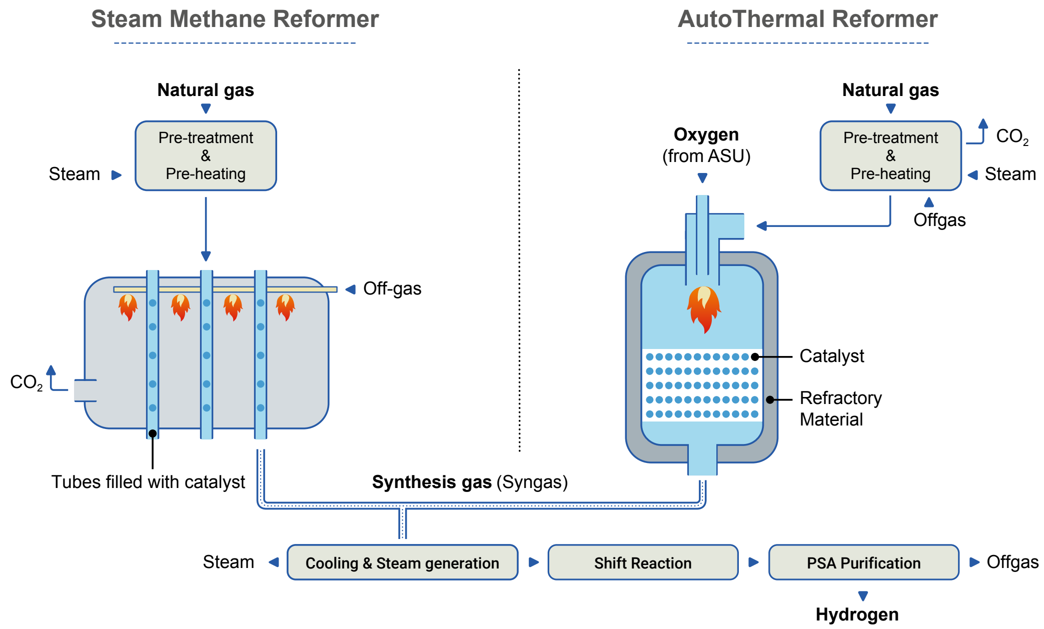
PRODUCTION OF HYDROGEN BY ELECTROLYSIS



The Engineering & Construction business masters the engineering of electrolyzers. The Electronics and Industrial Merchant businesses have operated more than 40 small electrolyzers for many years. In the case of PEM (Proton Exchange Membranes) electrolyzers, main equipment is usually provided by the joint venture with Siemens Energy. In Large Industries, two 20 MW PEM electrolyzers are in service (in Canada and Germany) and one 200 MW PEM electrolyzer is under construction in France.

PRODUCTION OF HYDROGEN BY METHANE REFORMING

The two main processes are:



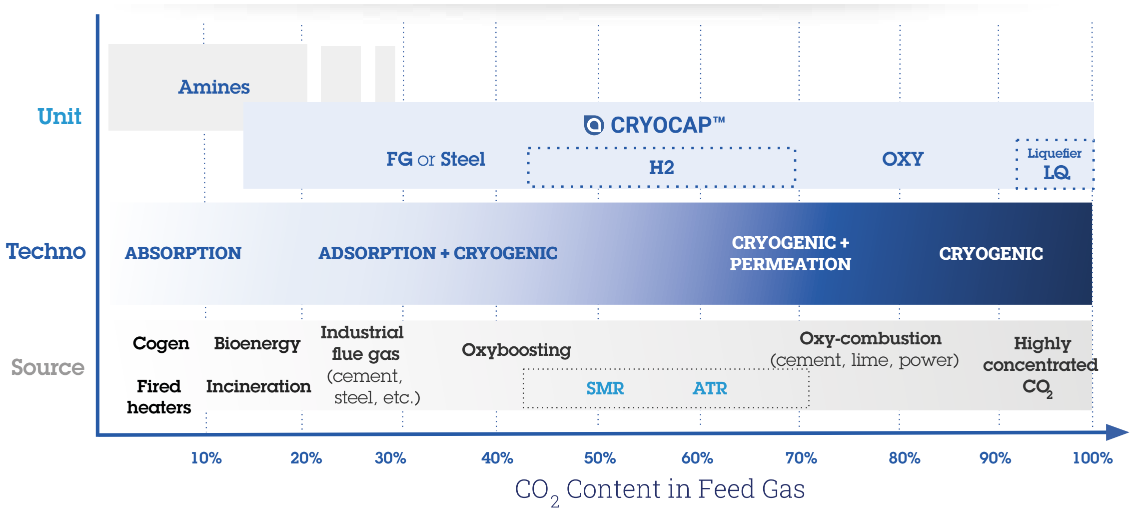
After pre-treatment to remove certain impurities, the natural gas (or biogas) is pre-heated and mixed with steam. In the case of **steam methane reforming (SMR)**, this mixture passes through catalyst-filled tubes inside a high-temperature reformer to be transformed into syngas (mainly hydrogen, carbon dioxide and monoxide). This syngas is then cooled (producing steam) and directed inside a “shift” reactor which increases the hydrogen content that can then be purified and supplied to the customer. The off-gas is used to heat the reformer. For the production of carbon monoxide (not shown), the cooled synthesis gas is collected and then purified successively by carbon capture and cryogenic distillation processes.

In the case of **autothermal reforming (ATR)**, the synthesis gas is produced in a single high pressure and high temperature reactor. This process requires oxygen. ATR is an efficient solution for the production of very large quantities of hydrogen.

Finally, **POX (Partial OXidation)**, a process similar to ATR but without catalyst, is an efficient solution when the main gas produced is carbon monoxide.

Air Liquide E&C has designed and built numerous SMRs and more than 40 ATRs and POXs for third-party customers. Air Liquide Large Industries has been operating mostly SMRs but also several ATRs and POXs.

CARBON CAPTURE



Air Liquide masters a **comprehensive portfolio of carbon capture solutions**, based on the different technologies, and operates hydrogen production units equipped with these processes. Carbon capture can be used to decarbonize the Group's units and customers' plants. Air Liquide offers a carbon capture solution as a service, including investment in capture units and related infrastructure, as well as their operation and maintenance.

In particular, Air Liquide has developed the **Cryocap™** process, which combines cryogenics with other technologies and makes it possible to efficiently decarbonize the production of hydrogen, steel, chemicals or cement. The Group has been operating an industrial-scale Cryocap™ unit since 2015 and two more are under construction.

4. Competition

At a global level, the industrial gases industry comprises three main players: Air Liquide and Linde Plc (Ireland), co-market leaders with sales in excess of 25 billion euros each, and Air Products (United States) with revenue which is more than two times lower. There are also a number of global and regional players, such as Nippon Sanso Holdings (Japan), Air Water (Japan), Messer (Germany), Hangzhou Oxygen Plant Group "Hangyang" (China) and AirPower (China) – formerly Yingde and Baosteel Gases. Finally, numerous smaller-sized players are also present in local markets.

In Large Industries, the customer can choose between self-production and over-the-fence gas supply. Self-production is currently estimated to account for 90% of hydrogen production and 60% of oxygen production globally, although with significant geographical disparities. Companies self-producing gas represent an important market share for the Group to address. In this respect, the potential to convert self-production into over-the-fence supply represents a major growth opportunity for the Large Industries business. The level of self-production varies strongly depending on the geographic region, type of industry or local culture. In advanced economies, the supply of oxygen is largely over-the-fence, while the supply of hydrogen for refining remains primarily in-house. In developing economies, while relatively new, over-the-fence supply is accelerating significantly. Air Liquide and Linde Plc, the world leaders in Large Industries, are in competition with the other major global players and local players.

Industrial Merchant is a local business: transport costs limit the operating area to within 200 to 250 km of a production unit, except for high value-added gases such as argon and helium. This market, which is highly diversified due to the size and activity of its customers, thus includes numerous small and medium-sized local competitors, either by producing and distributing gas or solely distributing gas.

In Healthcare, most gas industry players also supply hospitals with medical oxygen, but few are present in the treatment of chronic diseases at home. In Home Healthcare, Air Liquide is number one in Europe (in number of patients), whereas Linde Plc has a larger presence in the United States. This market remains fragmented in almost all regions with a multitude of small companies and associations. This fragmentation provides bolt-on acquisition opportunities.

In Electronics, a business in which Air Liquide is the leader, six companies play a major role: Air Liquide, Linde Plc, Merck KGaA (Germany), Entegris (United States), Air Products and Nippon Sanso Holdings. In the advanced materials market, Air Liquide is a leader and is considered one of the "first movers" focusing on growing its incumbent position and developing innovative new molecules. The other "first movers" in this specific Electronics market are Merck and Entegris.

In Engineering & Construction, Air Liquide also competes with industrial gas players. In "cryogenic" technologies used for air gas separation, the main competitors are Linde Plc, Hangzhou Oxygen Plant Group "Hangyang" and Air Products. Chinese competitors are gaining ground due to strong demand in their country. In "non-cryogenic" technologies used for producing hydrogen and the chemical conversion of syngas, the largest competitors are Technip Energies (France), Haldor Topsoe (Denmark), Johnson Matthey (United Kingdom) and Linde Plc.

Global Markets & Technologies is growing worldwide, in growth markets such as those relating to the energy transition and deep tech. The competitive landscape varies greatly from market to market, with companies of various sizes, from multinationals to start-ups.

Air Liquide is well positioned to capture new growth opportunities relating to the energy transition, notably low-carbon and renewable hydrogen, thanks to its strategic positioning, operational experience and expertise in key technologies such as electrolysis, CO_2 capture and hydrogen liquefaction.

STRATEGY AND OBJECTIVES

1. Ambition

Health, climate, energy, mobility: our world is facing major challenges, even vital ones. Now more than ever, there is an urgent need to invent a sustainable future.

An ambition to invent a sustainable future has driven and guided the way Air Liquide innovates over the last 120 years. Today, its molecules can be found all around us, at the heart of life: in factories, in hospitals, behind smartphone screens, and even inside space shuttles.

Inventing a sustainable future means creating and cultivating innovative solutions based on technology and scientific expertise to support industry and healthcare as they march towards progress and a decarbonized world. It means acting on a daily basis for customers and patients in addition to being useful to society as a whole.

Inventing a sustainable future also means creating an original growth model that combines steady and solid financial performance with leading environmental and societal objectives. It means doing business while being responsible.

Because now more than ever, inventing a sustainable future means being open to the needs of everyone and acting in the interest of all.

Inventing a sustainable future is the **ambition** of the Air Liquide Group.

AIR LIQUIDE'S PERFORMANCE OVER 30 YEARS

For more than 30 years, Air Liquide has posted strong performances, which has driven its long-term growth outlook. This performance is due to the strength of Air Liquide's business model and diversity of business reach in terms of geographies, businesses, end-markets and customers.

- **Revenue:** +5.9% on average per year.
- **Earning per share** [(a)]**:** +7.2% on average per year.
- **Cash flow from operating activities before changes in working capital:** +7.1% on average per year.
- **Dividend per share** [(a)] [(b)]**:** +8.8% on average per year.

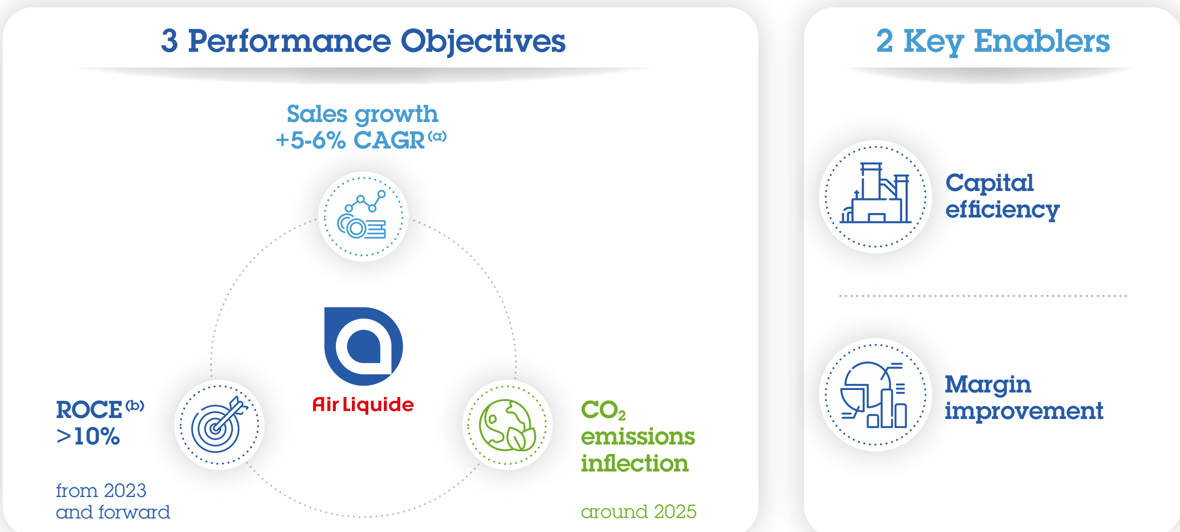
(a) Adjusted for the two-for-one share split in 2007, for free share attributions and for a factor of 0.974 reflecting the value of the preferential subscription rights of the capital increase completed in October 2016.
(b) Subject to the approval of the General Meeting on May 6, 2025.

2. Strategic plan and mid-term objectives

On March 22, 2022, Air Liquide presented **ADVANCE**, its new strategic plan for 2025. It places Sustainable Development at the heart of its strategy and **combines financial and extra-financial performance**. Backed by a business model of proven **resilience**, **innovation** and **technological know-how**, the Group is particularly well positioned to continue its **growth** trajectory while contributing to an efficient response to major economic, environmental and societal challenges.

2.1. DELIVER A STRONG PERFORMANCE

With ADVANCE, Air Liquide is taking action today while preparing for the future. The Group is rising to an ambitious challenge: maintain its **growth** momentum while pursuing its **CO_2 emission reduction** targets and investing in the **markets of the future**.



(a) Compound Annual Growth Rate (CAGR), Group comparable sales growth.
(b) Recurring ROCE based on recurring net profit.

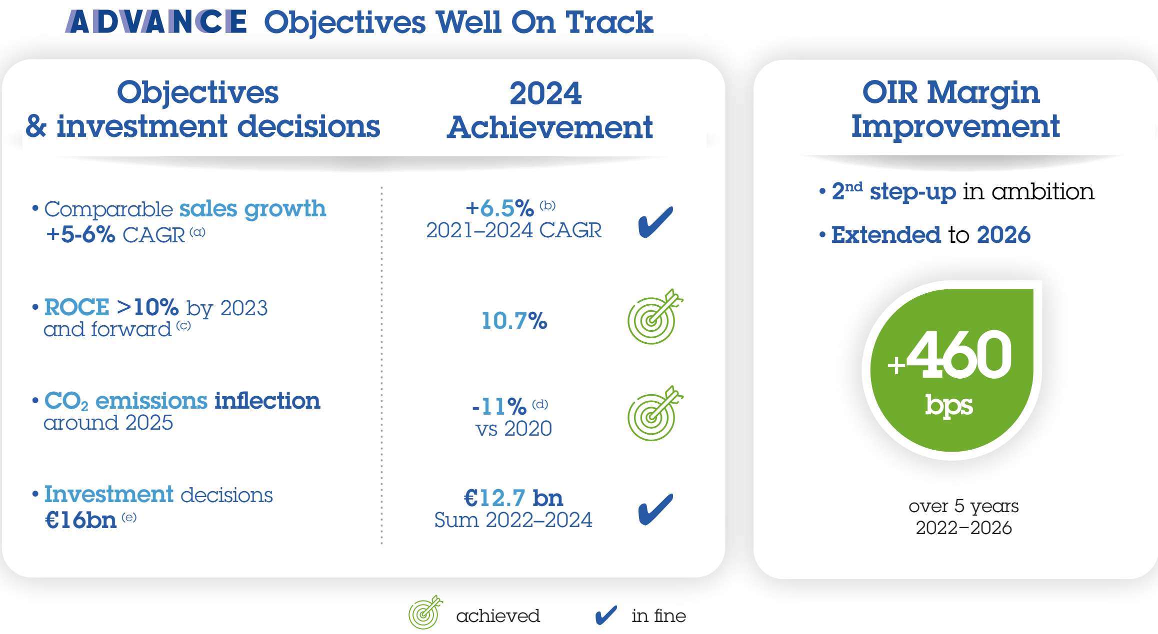
Three objectives define the ambition of the Group when it comes to performance:

- an acceleration in sales **growth** reaching a pace of **+5% to +6% on average per year** [(1)];
- a Return on Capital Employed (**ROCE** [(2)]) **of more than 10%** starting from **2023**;
- a **reduction of CO_2 emissions in absolute value** starting around **2025**.

To achieve this, the Group will rely on the **optimization of its capital resources** and on the improvement of its **operating margin** by acting on several levers: a dynamic pricing policy, regular efficiency gains and active management of the portfolio of activities.

At the same time, **investment** decisions will be increased to a record level, to reach about **16 billion euros** over the 2022-2025 period, with half of the industrial investments being dedicated to the energy transition [(3)]. On average, the annual amount of industrial decisions increases by **+45%** [(4)] compared to the previous strategic plan, "NEOS".

One year before the end of the Advance strategic plan, the Group's performance positions it very favorably to achieve its three strategic objectives by the end of 2025:



(a) Group comparable sales CAGR from year-end 2021 to year-end 2025, at 2021 energy price and FX, excluding significant scope.
(b) Including +2.5% Argentina impact.
(c) Recurring ROCE based on Recurring Net Profit.
(d) "Market-based" scopes 1 & 2 CO_2 emissions, see page 64.
(e) Cumulative industrial and financial investment decisions over four years 2022-2025.

Furthermore, from 2022 to 2024, cumulated annual improvements in the operating margin excluding the energy impact reached +260 basis points. It is ahead of the target of +320 basis points over the four-year period of the Advance plan (2022-2025).

Indeed, communicated in March 2022, the ADVANCE plan's initial ambition for improving operating margin was +160 basis points over four years from 2022 to 2025. In February 2024, it was revised upwards to +320 basis points, a doubling of the initial target.

In February 2025, the ambition for improving the margin excluding energy impact is raised for the second time, over a period extended by one year. It now stands at +460 basis points over a five-year period, from 2022 to 2026.

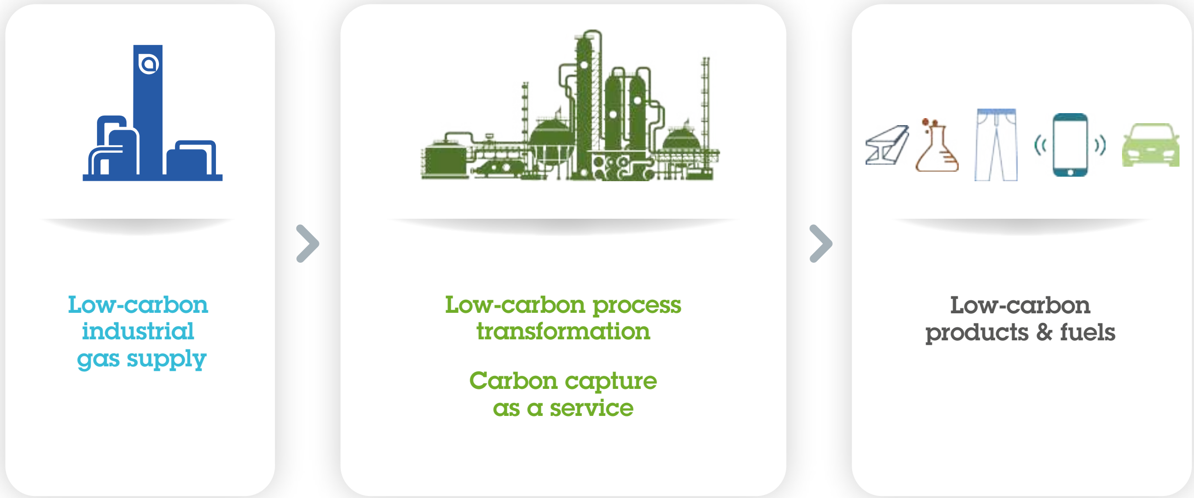
(1) Compound Annual Growth Rate (CAGR), Group comparable sales growth.
(2) Recurring ROCE based on recurring net profit.
(3) Industrial investment decisions above 5 million euros.
(4) Annual average of industrial investments over the 2022-2025 period compared to the annual average over 2016-2019.

2.2. DECARBONIZE THE PLANET

With ADVANCE, Air Liquide confirms its **leadership in the decarbonization of the industry and in the emergence of a low-carbon society** in which hydrogen and carbon capture play a decisive part.

The reduction of CO_2 emissions is a major challenge for large industrial players and for heavy duty mobility. This represents a pool of **opportunities** for Air Liquide.

The Group has a large **portfolio of technological solutions** and services to accompany its Large Industries customers across the world in their path to decarbonization. Notably, this includes the supply of **low-carbon industrial gases**, the **transformation** of its customers' industrial **processes** and **CO_2 management**.



Air Liquide recognizes the climate emergency and aims to **actively participate in the implementation of the Paris Agreement**, which defines a global framework aimed at limiting global warming to well below 2 °C above pre-industrial levels and pursuing efforts to limit it to 1.5 °C. As part of its Sustainable Development objectives presented in March 2021, the Group is committed to achieving **carbon neutrality by 2050.** Air Liquide intends to contribute to carbon neutrality by addressing the entire value chain, therefore covering direct emissions (Scope 1), indirect emissions linked to electricity and steam supply (Scope 2), as well as Scope 3 emissions, which include other reported indirect emissions.

Air Liquide's trajectory towards **carbon neutrality in 2050** includes two major intermediate steps in 2025 and 2035:

- to **start reducing** its **absolute CO_2** emissions around **2025**;
- to reach a **-33% decrease** of its Scope 1 & 2 CO_2 emissions by **2035** compared to 2020.

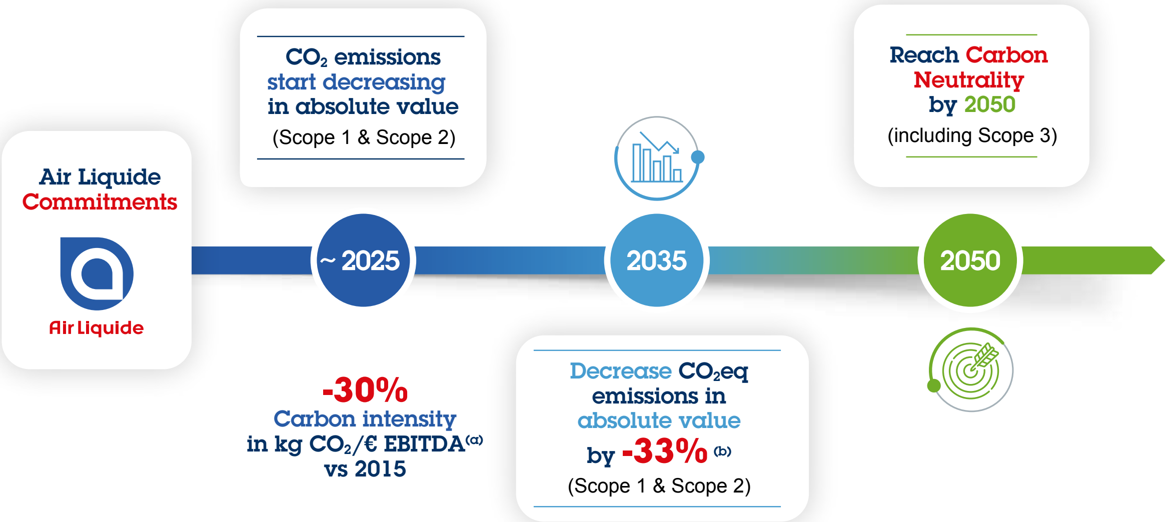
The Group also maintains its objective to reduce by -30% its carbon intensity in kg CO_2/€ EBITDA in 2025, compared to 2015, in accordance with a commitment that was made in 2018.

Aware of the importance of contributing to the achievement of carbon neutrality throughout its value chain, in 2022, Air Liquide worked on developing its “Scope 3” emissions reduction strategy. The value of its customer relationships has led the Group to pledge to have 75% of its 50 largest customers committed by 2025 to carbon neutrality and 100% by 2035.

Chapter 5 of this Universal Registration Document detail the climate transition plan, objectives, strategy, actions, results, risks and opportunities that decarbonization and the energy transition represent for the Group.

CLIMATE OBJECTIVES

The timeline below summarizes the Group's decarbonization objectives:



(a) In kg CO_2 equivalent/euro of operating income before depreciation and amortization and excluding IFRS 16 at 2015 exchange rates for Scopes 1 and 2 of greenhouse gas emissions using a "market-based methodology".

(b) Scopes 1 & 2 CO_2 emissions, Scope 2 "market-based", restated emissions to take into account over a full year from 2020 and each subsequent year, the emissions of the assets which correspond to changes in scope and which have a significant impact (upwards and downwards) on CO_2 emissions.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Air Liquide's Scope 1 & 2 CO_2 emissions reduction target for 2035 has been **validated by the Science Based Targets initiative** (SBTi) as being **compliant and in line with climate science** [(a)]. The Group was the first in its industry to obtain this validation from the SBTi.

(a) Air Liquide announced its greenhouse gas emission reduction objectives for Scopes 1 and 2 in March 2021 on a 2020 baseline. Following the acquisition of the Sasol air separation units in South Africa on June 24, 2021, Air Liquide submitted to SBTi a target on a 2021 baseline in order to integrate this significant change in scope.

ASSETS AND CLIMATE RISKS [a]

The main Group assets that impact the CO_2 footprint are:

- **> 400 large air gas** production **units**, oxygen and nitrogen in particular, which do not generate direct emissions but require electricity. The CO_2 emissions linked to this electricity are accounted for in Scope 2;
- **> 50 large hydrogen** production **units**, which consume natural gas and emit CO_2 accounted for in Scope 1.

- In the Large Industries business, each air gas or hydrogen production unit is linked to a **long-term customer contract**, lasting **15 to 20 years** and assets are amortized over the duration of the contract. Hence, the risk of impairment is limited.
- Industrial gases are **used in most industries** today and will be even more so during the energy transition due to the fact they are **at the heart of industry decarbonization solutions**. Demand will increasingly turn to low-carbon gases, in line with changing regulations.
- **The majority of Group's Scopes 1 and 2 CO_2 emissions comes from a limited number of assets and countries**. The emission reduction targets therefore require the activation of a limited number of well-identified levers. **Solutions have already been implemented to decarbonize existing** production **units**:
  - for **air gases** (Scope 2 emissions) mainly by using **low-carbon electricity** in particular in key geographies: 80% of Scope 2 emissions come from six countries. Since 2018, Air Liquide has already signed 30 renewable medium- and long-term power purchase agreements for more than 5 TWh per year of renewable and low-carbon electricity. More than 95% of air separation units are already electrified and do not require any specific investment for the transition;
  - for **hydrogen** production units using methane reforming (Scope 1 emissions), **by capturing CO_2** notably on large SMRs. Indeed, 60% of Scope 1 direct emissions come from fewer than 15 production units. Air Liquide masters a **complete portfolio of proprietary technologies** for capturing CO_2 and a carbon capture unit is under construction on the Group's largest hydrogen production unit in Europe.

  The demand for **low-carbon gases at a higher price** is growing and allows **the Group's investment in low-carbon assets to be remunerated**, in particular for the production of hydrogen, as well as any potential overcosts linked to the supply of renewable electricity. In addition, financing programs in the form of subsidies or tax credits are also being implemented in Europe and in the United States in order to support, during a transition period, the decarbonization of existing industrial assets and new production units.
- **Energy costs** (electricity for air gases and natural gas for reforming units) and **those related to CO_2 emissions** (e.g. ETS scheme in Europe) are **re-invoiced to the customer** in the frame of a long-term contract (15 years or more). The Group also applies this business model to the supply of low-carbon gas, so **Air Liquide does not bear significant risks associated with energy and CO_2 costs.**
- A **client** supplied in hydrogen by the Group is therefore facing an **arbitration** between:
  - bear the **cost of CO_2**; or
  - **buy low-carbon hydrogen from Air Liquide, the price of which includes the return on investment in a CO_2 capture unit** as well as operating and storage costs. **The higher the value of CO_2, the more the customer will be encouraged to choose the supply of low-carbon hydrogen**, which will also contribute to the **achievement of its own decarbonization objectives. A high carbon price is therefore favorable to accelerating the decarbonization of the Group assets**. The sensitivity study shows that, depending on the geography and the context, a **price starting from 100 to 250 euros per tonne of CO_2** encourages the customer **to lean toward the supply of low-carbon hydrogen.** This CO_2 value can be explicit or integrated into regulatory obligations on the carbon footprint of end products.
- Any **new investment** decision by Air Liquide now includes the constraint of **reducing CO_2 emissions, in line with the Group's decarbonization objectives.** The share of **electrolyzers** among hydrogen production units should therefore increase in the coming years. In 2023, Air Liquide has inaugurated the Electrolyzer manufacturing workshop built within the frame of the joint venture with Siemens Energy and has announced the decision to invest in a 200 MW electrolyzer.
- Air Liquide is implementing a certain number of actions to **take physical risks into account**. They are reviewed during investment decisions, then taken into account during unit conception and covered by Group insurance. Air Liquide carried out a study in 2023 aimed at consolidating and improving the physical risk management process according to 2 high-emission scenarios leading to global warming of +2.7 °C and +4.4 °C by 2100. Work is continuing to refine the understanding of the issues at the level of the Group's different types of assets, with a refocusing on the main industrial basins.

The potential impacts of the **risk related to the energy transition** as well as physical risks were analyzed as part of the closing of the Group's financial statements (see note 31 to the Consolidated Financial Statements – page 248) and **no significant impact was identified**, **mainly for the reasons mentioned above**. The energy transition is above all a **growth opportunity for Air Liquide, as the Group has the technologies to decarbonize the assets of its industrial customers**.

(a) ESRS 2 SBM-3 §48 (f).

2.3. TECHNOLOGICAL INNOVATION TO OPEN NEW MARKETS

With ADVANCE, Air Liquide aims to contribute to the development of key sectors for the future, where it intends to reinforce its positions, leveraging on innovation and technology, two major assets of the Group.

The Group will focus on five key sectors of the future:

Electronics, where the revolutions in regards to digital, data and artificial intelligence represent a real development opportunity and will strengthen the Group's leadership position;

Healthcare, in which Air Liquide's value-based approach, which improves quality of life for the patient at the best cost for the health system, responds to major societal issues;

Industrial Merchant, whose growth is driven by environmental challenges and by new usages, notably digital;

Deep tech, including space, extreme cryogenics and quantum computing;

Hydrogen mobility, and notably heavy duty mobility: a very high potential market, where Air Liquide has a leading position and in which low-carbon hydrogen will play a key role.

HYDROGEN KEY ROLE FOR INDUSTRY AND MOBILITY

The Group is deeply convinced that **hydrogen will play a key role in the energy transition**. Hydrogen offers tremendous growth potential as a competitive low-carbon solution for many applications **in the industry and mobility sectors.** The Group intends to be a key enabler of the hydrogen society thanks to its assets, technology, expertise and strategic positioning built up over about 50 years. This is why in these new hydrogen markets, **the Group masters the whole value chain for industry and mobility**, which includes the sourcing of low-carbon energies and renewables, the production of hydrogen, packaging by compression and liquefaction, delivery by truck and pipelines along with storage and distribution to the end customers. To this end, the Group is investing in new technologies to produce and distribute low-carbon hydrogen at large scale competitively, reliably and safely, such as electrolysis, capture of CO_2 and hydrogen liquefaction.

At the Sustainability Day in 2021, the Group committed to develop hydrogen as quickly as the ecosystem allows, with the ambition to triple its sales from 2 to 6 billion euros by 2035, supported by 8 billion euros investment on this period and an electrolysis capacity of 3 GW by 2030 (in operation or under construction).

2.4. ACTING FOR ALL

In the context of ADVANCE, Air Liquide aims to include the perspective of its direct stakeholders, as well as those of society at large.

In practice, this means:

fostering **employee engagement** and the development of their skills through the implementation of new ways of working in a safe, inclusive and collaborative environment;

reinforcing its **customer-centric culture**, to better acknowledge, anticipate and support their needs, and by continuing the profound transformation already underway to better serve **patients**;

always going further in the quality of the privileged relationship Air Liquide nurtures with its **Shareholders**, with a regular and attractive remuneration that rewards loyalty;

acting as a committed corporate citizen concerned with the **general interest**, where the Group's contribution can make a difference, in particular by taking action in communities, or for example by developing initiatives to promote access to medical oxygen.

SOCIAL AND SOCIETAL OBJECTIVES

The Group's commitment to society is reflected in particular by a "zero accident" safety ambition and by the implementation of actions to achieve the following objectives:

- **35% of women** among **managers and professionals** by **2025;**
- **100%** of employees will benefit from a common basis of **care coverage** by **2025**;
- **100%** of employees will have the opportunity to engage **in local initiatives** to support communities by **2025.**

3. Strategy governance

3.1. ORGANIZATION

The governance of the Group's strategy is organized around three time frames: short, medium and long term, to which various internal teams contribute. Their specific roles are described in Chapter 2 "Risk factors and control environment" (page 71 and followings).

Short term: the goal is to achieve the annual objectives set as part of the strategic plan. Progress is assessed using both quantitative and qualitative measures. This process is overseen by the Group Executive Committee, under the direction of Group Operations Control and with the support of the Strategy department and the World Business Lines. In addition, the Group continuously monitors its environment for potential risks, opportunities and emerging trends that may require adjustments to its strategic plan.

Medium term: The focus is on maintaining the trajectory of the strategic plan and anticipating changes in our markets. In this regard, the Group's performance forecasts are updated each year to ensure that they are in line with the strategic plan's trajectory. In addition, the Group works to anticipate changes in its markets, the needs of its customers, and developments in its key geographical areas or key industrial basins. The World Business Lines are responsible for these analyses and projections. The main strategic challenges are identified, prioritized and managed at Executive Committee level.

Long term: The Group focuses on developing strategic projections for the next 10 years and beyond, to ensure that the various World Business Lines are properly aligned with the Group's strategic challenges. These projections help identify underlying trends that need to be captured either in the current strategic plan, or in future revisions. The Group Strategy department works closely with the World Business Lines and Group Operations Control to conduct these analyses.

The Executive Committee meets regularly to review the Group strategy and its implementation. Investments are approved by the Resources and Investment Committee (RIC), whose operation is described in the Investment process section of this chapter. Monthly performance meetings ensure that these decisions are properly implemented and executed.

Finally, taking into account environmental and societal challenges is an integral part of the Group's strategy. The Sustainable Development Department, which reports to a Vice President who is a member of the Executive Committee, contributes to the development of Strategy and defines specific measures to be integrated into the company's strategic plan. In addition, this Vice President participates in strategy meetings and certain RICs with a particular focus on this sustainable development priority.

3.2. INVESTMENT PROCESS

The Group's steady long-term growth is largely due to its ability to invest in new projects each year. Investment projects in the industrial gas business are spread throughout the world, highly capital intensive and supported by long-term contracts, in particular for Large Industries and Electronics. Air Liquide has thus tailored its financing to the nature of its projects, based on the diversification of financing sources, the prudent management of the balance sheet and innovative financing methods. This financing policy is fundamental for the Group's continued development.

The Group's investments reflect its growth strategy. They can be classified into two categories:

- industrial investments, which bolster organic growth and guarantee the efficiency, replacement, maintenance and safety of installations;
- financial investments, which strengthen existing positions or accelerate penetration into a new region or business segment through the bolt-on acquisition of companies or assets already in operation, as well as new technologies.

The nature of industrial investments differs from one World Business Line to another: from gas production units for Large Industries and Electronics, to filling centers, logistics equipment, storage facilities, medical devices and management systems for Industrial Merchant, Electronics and Healthcare. The nature of investments is also highly varied within Global Markets & Technologies. Capital intensity varies greatly from one business to another.

CLIMATE AND INVESTMENT DECISIONS

According to the Air Liquide business model, the growth of activities requires investments in new production units. Thus, achieving decarbonization objectives necessarily involves the compatibility of investment plans with the decarbonization trajectory. The investment process is now accompanied by the allocation and monitoring of an annual "CO_2 budget" allocated to the Group's operations, in order to pilot the trajectory. Air Liquide has set up processes to measure and control its CO_2 emissions on a quarterly basis.

Moreover, for all its projects, for all geographies, even those without a current price for CO_2, Air Liquide **includes a carbon price in its investment decision process**. A **sensitivity study** to this aspect is performed with various values including the **current local price and a high value of 100 euros per tonne, or more**, chosen according to the geography and context. The study allows the economic cost of the greenhouse gas emissions and the consequences for the project to be assessed, even in the event of a strong carbon price increase in the long term. The analysis **ensures the robustness and sustainability of the customer project, the CO_2 cost being contractually invoiced to the client.** This analysis also makes it possible to validate the relevance and viability of the investment solution planned by Air Liquide and to propose low-carbon technological solutions.

3.2.1. Capital intensity

Capital intensity is the ratio of capital required to generate one euro of supplementary revenue when projects or businesses reach maturity. This capital is either invested in industrial assets (production units, storage facilities, logistics equipment, etc.), or used as working capital to finance the development of the activities.

Capital intensity varies significantly from one business to another:

- Large Industries:
  - air gas production has a capital intensity of around 3. It varies with the trend in electricity prices,
  - hydrogen production by reforming has a capital intensity of between 1 and 2, due to the high proportion of natural gas in the cost of sales. This capital intensity, therefore, varies with the changes in natural gas price. The capital intensity of hydrogen production through electrolysis is usually significantly higher and depends on the electricity management and price;
- Industrial Merchant capital intensity to launch the business in a new market is between 1.5 and 2;
- Electronics has an average capital intensity between 2.5 and 3;
- in Healthcare, capital intensity, excluding acquisitions, is around 1 depending on the product mix.

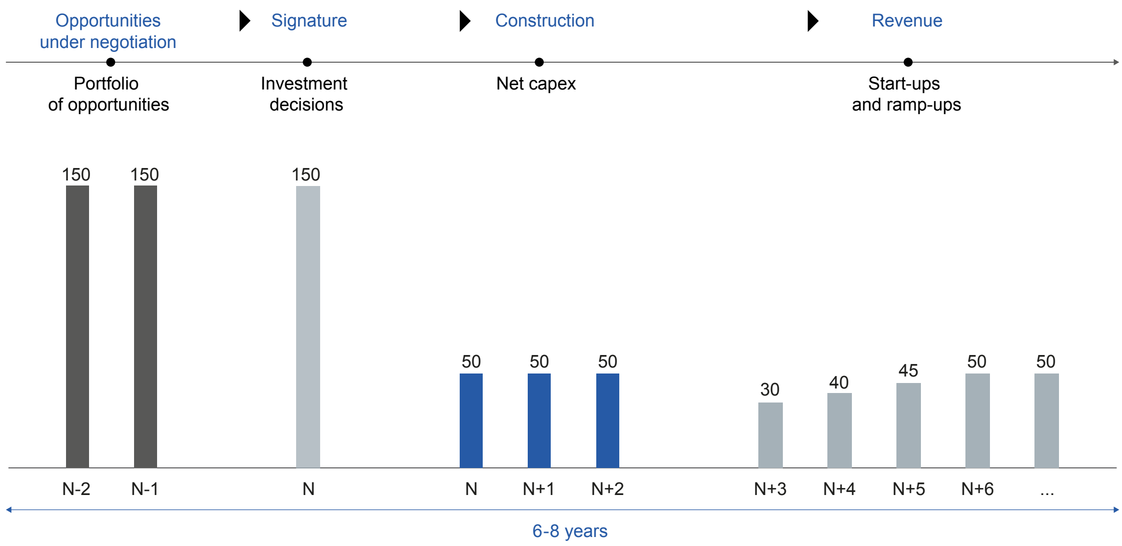
The Group's capital intensity, therefore, continues to vary depending on the business mix, project type and prices of raw materials. It is much higher for renewal and efficiency investments.

Whatever the capital intensity, any project must enable the Group to achieve its Return on Capital Employed (ROCE) objective over the long term. Therefore, for the same level of return on investment, the operating margin (OIR to revenue ratio) of a project will depend on the capital intensity of the activity in which the project is carried out.

3.2.2. The theoretical lifespan of gas production unit contracts

Long-term development is one of the key characteristics of the Industrial Gas business. It is particularly evident in the investment cycle, where there is approximately a five-year span between the study of a new construction project for a Large Industries customer and the first corresponding industrial gas sales. Investment cycles in other business lines are generally shorter. Monitoring the lifespan of these projects is essential to anticipating the Group's future growth. The chart below provides details of each stage of this process based on the example of a Large Industries contract.

INVESTMENT CYCLE OF A LARGE INDUSTRIES CONTRACT

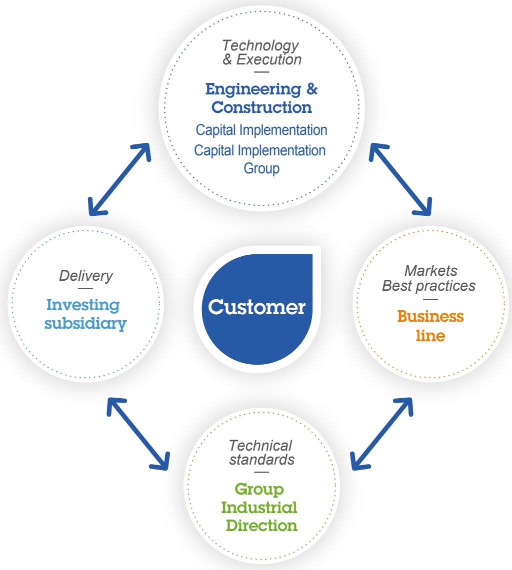


Applying a theoretical capital intensity of 3, an investment of 150 million euros in a new project should generate 50 million euros of sales per annum, when fully ramped up.

- **Opportunities and Negotiation phase**: the project is included in the portfolio of investment opportunities and enters into the development process. Projects exceeding 5 million euros of investment for Large Industries and exceeding 3 million euros for other business lines are monitored within the portfolio of potential opportunities and split between those for which a decision is expected within 12 months and those for which the investment decision will take more than one year. Projects are then discussed and negotiated with the customer. Projects can be removed from the portfolio for several reasons:
  1. the contract is signed, it is removed from the portfolio and therefore becomes an investment decision;
  2. the project is abandoned by the customer;
  3. the customer decides against an over-the-fence gas supply or the project is awarded to a competitor;
  4. the project is delayed beyond 12 months: it is removed from the 12-month portfolio but remains in the long-term portfolio.
- **Signature phase**: the two parties reach an agreement. The signing of a long-term contract represents an investment decision validated by the internal governance bodies. The project is removed from the portfolio of investment opportunities and is registered in current investments.

- **Construction phase**: the construction of the unit generally takes 24 to 36 months or more for the most complex projects. This is the capital expenditure period. The project remains in the investment backlog.
- **Revenue phase**:
  1. commissioning: this corresponds to the start-up of the unit. Sales reflect the needs of the customer with a guaranteed minimum volume at the take-or-pay level, guaranteeing minimum profitability from the beginning of the contract;
  2. ramp-up: this is the unit's ramp-up phase. Over the course of the contract term, volumes increase above the take-or-pay level to the nominal amount defined in the contract. Nominal capital intensity is achieved only at the end of this phase.

3.2.3. Governance of major growth projects



The business line involved ensures the global customer relationship is monitored, provides the required know-how and ensures the overall consistency of the project, in terms of both contract and technical standards. It is also responsible for good internal governance practices.

The local subsidiary proposes the project and, once the contract has been signed, carries the investment on its balance sheet. It is then responsible for operations, customer relations and the project's financial profitability.

Engineering & Construction provides the technologies and guarantees that they are competitive, both overall and specifically for each project thanks to a good industrial architecture solution. Engineering & Construction is responsible for the plant supply and works with local Capital Implementation teams (CI within the hubs) which are responsible for executing the project. The local CI team is supported by a dedicated CIG (Capital Implementation Group) composed of experts.

Potential projects are identified well in advance, based on good market knowledge and a strong local presence. The first stage includes selecting the opportunities in which the Group would like to invest both commercial and technical resources, in line with its global strategy. This selection process is followed by a series of validation stages.

During the development stage, the project is submitted for the approval of the Executive Committee member who oversees the geographical area on which the project depends. At the Group level, three major bodies validate the relevance of the project: the RIC (Resources & Investment Committee – see below), which is responsible for assessing and validating investment requests, the ERC (Engineering Risk Committee), which is responsible for assessing technical and execution risk, as well as the E-Enrisk (Energy and Emissions Risks Committee) in charge of taking into account aspects related to energy and the environment.

Once the project has been decided on by Air Liquide and signed with the customer, it is executed by a team composed of representatives of the investing subsidiary and Engineering & Construction, under the supervision of the geographical area.

During the start-up of a unit, project management is the responsibility of the local operational teams, under strict standards to ensure the site's security and integrity. The operational management of the unit is carried out by the local subsidiary, and the Group and hub's Operations Control monitors its financial performance.

ROLE OF THE RESOURCES & INVESTMENTS COMMITTEE (RIC)

The purpose of these Resources and Investments Committees (RICs) is to assess and approve requests for investments that have been submitted, as well as medium- and long-term contractual commitments and Human Resources requirements that may arise therefrom.

They are held regularly (usually once a month) for each geographical area (Americas, Europe Middle East & Africa and Asia Pacific) and each World Business Unit (Healthcare, Engineering & Construction, Innovation & Development Division (IDD), Corporate functions).

Each Committee meeting is chaired by the Executive Committee member in charge of the concerned Geography or Global Business Unit. The investment is presented by the Director of the group of countries (Clusters) or the Global Business Unit. The permanent members, who have a right of veto, are the representatives of the business line, the Group Finance Department as well as Engineering & Construction and Capital Implementation. Additional participants may be invited, including representatives of the Group Industrial Direction.

The Committee's decisions are reviewed by the CEO.

The decision is based on a rigorous assessment of individual projects as well as each project's expected profitability. The following criteria are systematically reviewed:

- the location of the project: the analysis will take into account whether the project is based in an industrial basin with high potential, whether it is connected to an existing pipeline network, or whether it is in an isolated location;
- the competitiveness of the customer's site: based on size, production processes and particularly their environmental footprint, cost of raw materials and access to markets;
- customer risk;
- the greenhouse gases emissions as well as their economic impact and solutions for reducing emissions;
- the adequacy of the project with the Group's environmental objectives, including the compatibility with the decarbonization trajectory;
- the other sustainable development criteria, such as water consumption, biodiversity and relations with local communities;
- the physical risks related to climate change;
- exposure to the risk of corruption;
- contract clauses;
- end products and the stability of future demand for these products;
- quality and risk related to the technical solution;
- country risk: evaluated on a case-by-case basis and can lead to changes in the financing policy and its supplementary insurance cover.

Following approval by the RIC and signing with the customer, the project is transferred to the investment backlog.

INVESTMENT CYCLE DEFINITIONS

Investment opportunities at the end of the period

Cumulative value of investment opportunities taken into account by the Group for a decision within the next 12 months. Industrial projects generating revenue of more than 5 million euros for Large Industries and more than 3 million euros for other business lines, excluding asset renewals and safety, maintenance and efficiency projects.

Decisions during the period

Cumulative value of industrial and financial investment decisions. Growth and non-growth industrial projects, including the renewal of assets, efficiency projects, maintenance and safety, as well as financial decisions (acquisitions).

Investments backlog at the end of the period [a]

Cumulative value of investments for projects that have been decided but not yet started up. Industrial projects of more than 10 million euros, excluding asset renewals and safety, maintenance and efficiency projects.

(a) Different from construction in progress (see note 12.1 to the Consolidated Financial Statements – page 219) without threshold or business criteria.

3.3. FINANCING

The financing policy is regularly reviewed to provide the best possible support to the Group's development and take into account changes in financial market conditions while respecting a credit profile in line with Standard & Poor's, Moody's and Scope Ratings long-term minimum "A" category rating.

The Air Liquide Group applies the following principles of prudence:

- diversifying financing sources and spreading of debt maturities in order to minimize refinancing risk;
- backing commercial paper issues with confirmed credit facilities;
- hedging interest rate risk to ensure visibility of financing costs, in line with long-term investment decisions;
- funding investments in the currency of the operating cash flows, to ensure a natural currency hedging;
- a permanent centralization of funding and excess cash through Air Liquide Finance, a wholly-owned entity of L'Air Liquide S.A.

Furthermore, the Air Liquide Group, as part of its growth strategy combining financial and extra-financial performance, is turning to the opportunities offered by the finance market in terms of responsible and sustainable financial instruments.

3.3.1. Diversifying and securing financing sources

Air Liquide diversifies its financing sources by accessing various debt markets: commercial paper, bonds and banks.

For its short-term financing, Air Liquide uses the short-term commercial paper market, in France, in the form of short-term negotiable securities (NeuCP) through two programs of up to an outstanding maximum of 3 billion euros each, and in the United States through a US Commercial Paper program (USCP) of up to an outstanding maximum of 2 billion US dollars.

For its long-term financing, Air Liquide has a Euro Medium-Term Note (EMTN) program to issue long-term bonds of up to an outstanding maximum amount of 12 billion euros. This program allows, in particular, for bonds to be issued in the principal currencies (euro, US dollar, Japanese yen) as well as in other currencies (Chinese renminbi, Swiss franc and pound sterling). Air Liquide can also issue private placements.

In line with its environmental and social objectives, Air Liquide established in 2021 a Sustainable Financing Framework updated in 2024 to cover the following instruments to finance sustainable projects intended to have a clear benefit to the environment and society. This Framework is now aligned with the 2021 Sustainability Bond Guidelines (SBG), the 2021 Green Bond Principles (GBP), the 2023 Social Bond Principles (SBP) overseen by the International Capital Markets Association (ICMA), as well as the Social Loan Principles 2023 and the Green Loan Principles 2021 overseen by the Loan Market Association (LMA).

The Group also raises funds through bank debt (loans and credit facilities).

To avoid liquidity risk relating to the renewal of funding at maturity, and in accordance with the Group's internal policy, the Group limits its short-term debt maturities to an amount that is covered from its core banks by committed credit facilities, syndicated or bilateral.

3.3.2. Centralization of cash and funding, excess cash and hedging

To benefit from economies of scale and facilitate capital markets financing (bonds and commercial paper), the Group uses a dedicated subsidiary, Air Liquide Finance. This subsidiary centralizes the vast majority of the Group's financing transactions. It hedges currency, interest rate and commodities risk for the Group's subsidiaries in those countries where it is permitted by law.

In the countries where local regulations allow it, Air Liquide Finance also centralizes cash flow balances through direct or indirect daily cash pooling of these outstanding balances or through intra-group loans and borrowings. When daily international cash concentration is not possible, there exist, nonetheless, local cash poolings which allow periodic intercompany loans to Air Liquide Finance.

Due to the currency matching within Air Liquide Finance, resulting from the currency hedging of intra-group loans and borrowings, these internal financing transactions do not generate a foreign exchange risk for the Group.

Air Liquide Finance, which centralizes the Group's financial hedging transactions, complies with EMIR requirements (European Market Infrastructure Regulation) relating to its status as a non-financial counterparty (NFC-). Following the definitions brought by EMIR REFIT and according to its status "NFC-", Air Liquide Finance transferred from 2021 the responsibility for reporting derivatives to its counterparties.

Furthermore, in certain specific cases (e.g. regulatory constraints, high country risk, joint ventures, etc.), the Group may limit its risk through adapted management, by setting up specific financing in the local banking market, and by using credit risk insurance.

3.3.3. Staggering debt maturity

To minimize the refinancing risk related to debt maturity schedules, the Group spreads maturities over several years.

Debt maturity schedules are regularly reviewed by Finance Department and Executive Management during Finance Committee.

Refinancing risk is also reduced by the regularity of the cash flow generated from Group activities.

3.3.4. Use of bank guarantees

From time to time, Group subsidiaries require bank guarantees, mostly in favor of Healthcare, Engineering & Construction and Global Markets & Technologies clients, either during the tender period (bid bond), or after contract award, during contract execution until the end of the warranty period (advance payment bond, performance bond and warranty bond).

The most common bank guarantees are advance payment bonds and performance bonds and are extended to customers to secure contractual performance.

In the Group's ordinary course of business, certain subsidiaries are required to provide financial payment guarantees to secure rental or insurance obligations.

The projects, for which these guarantees are granted, are regularly reviewed by management and are subject to approval by the Board of Directors for guarantees which exceed 100 million euros. When guarantee payment calls become probable, the necessary provisions are recorded in the Consolidated Financial Statements.

3.4. INNOVATION

The **Innovation & Development Division** (IDD) drives the innovation strategy and its execution for the Clusters (groups of countries), with the strong support of the World Business Lines. It contributes to the operational excellence and future growth of the Group by creating new profitable and sustainable offers in both its traditional and new businesses. It is responsible for imagining, designing, developing and incubating new solutions until they are brought to market, particularly when it comes to offers with high technological content.

The Innovation & Development Division relies both on its Innovation Campuses and its Campus Technologies, gathering the experts of its internal ecosystem, on its partnerships with external innovation ecosystems, as well as on the engineering centers of the Group. Sales to end customers contribute to the industrialization of innovations.

The investment decisions and resources relating to innovation rely on the **Group's governance bodies (Resources and Investment Committee – RIC, Risk Committee);** their roles are described on page 84 of this Universal Registration Document.

Research & Development projects are managed by the R&D portfolio directors and driven by the World Business Lines in order to ensure the alignment of the projects with business strategies and to anticipate the industrialization and rollout phases. The implementation of R&D projects for a cluster, in line with the World Business Lines strategy, and the annual meetings with the Clusters, are also helping to improve customer proximity and reduce the time-to-market of innovations.

Furthermore, **Technology Roadmaps (TRM)** dedicated in particular to the Hydrogen Energy, Global Markets & Technologies, Engineering & Construction and Digital & IT have been defined and are coordinated by the Innovation & Development Division's Chief Technology Officer, working hand in hand with R&D and the business lines. Structured around the project maturity scale, these roadmaps constitute the steering tool of the Group's technology innovation strategy. The **First-of-its-Kind Committee (FOIK),** created specifically to assess the risks related to industrial demonstration projects, carried out for the first time by the Group, and to the implementation of innovative technologies on commercial units, meets every month. The digital projects in development phase, prior to deployment, are subject to technological validation by the relevant Digital & IT teams and are presented to the RIC.

The innovation strategy is also regularly reviewed by the Group's **Executive Committee** and the **Board of Directors.**

CONTENT <

PERFORMANCE

Unless otherwise stated, all **variations in revenue outlined below are on a comparable basis**, excluding currency, energy (natural gas and electricity) and significant scope impacts.

1. Key figures

(in millions of euros)	FY 2023	FY 2024	2024/2023 published change	2024/2023 comparable change [(a)]
Total Revenue	**27,608**	**27,058**	**-2.0%**	**+2.6%** [(g)]
Of which Gas & Services	*26,360*	*25,810*	*-2.1%*	*+2.7%* [(g)]
Operating Income Recurring (OIR)	5,068	5,391	+6.4%	+10.7% [(h)]
Group OIR Margin	18.4%	19.9%	+150 bps [(i)]	
Variation excluding energy [(b)]			***+110 bps*** [(i)]	
Other Non-Recurring Operating Income and Expenses	(497)	(446)		
Net Profit (Group Share)	3,078	3,306	+7.4%	
Net Profit Recurring (Group share) [(c)]	3,320	3,466	+4.4%	
Net earnings per share *(in euros)*	**5.35** [(d)]	**5.74**	**+7.3%**	
Dividend per Share *(in euros)*	**2.90** [(d)]	**3.30** [(e)]	**+13.7%**	
Cash flow from operating activities before changes in working capital	6,357	6,539	+2.9%	
Industrial capital expenditure	3,393	3,525		
Net Debt	€9.2 bn	€9.2 bn		
Net Debt to Equity ratio	36.8%	33.2%		
Return on Capital Employed after tax – ROCE	9.8%	10.3%	+50 bps	
Recurring ROCE [(f)]	**10.6%**	**10.7%**	**+10 bps**	

(a) Change excluding the currency, energy (natural gas and electricity) and significant scope impacts, see reconciliation page 63.
(b) See reconciliation page 64.
(c) Excluding exceptional and significant transactions that have no impact on the operating income recurring, see reconciliation page 64.
(d) Restated to take into account the effect of free share attribution on June 12, 2024.
(e) Dividend proposed to shareholders for the fiscal year 2024.
(f) Based on the recurring net profit, see reconciliation pages 64 and 65.
(g) Including the contribution of Argentina for +1.9%.
(h) Including the contribution of Argentina for +3.9%.
(i) Argentina does not contribute to the operating income recurring margin.

2. Income statement

REVENUE

Revenue *(in millions of euros)*	FY 2023	FY 2024	2024/2023 published change	2024/2023 comparable change
Gas & Services	26,360	25,810	-2.1%	+2.7%
Engineering & Construction	390	412	+5.7%	+5.8%
Global Markets & Technologies	858	836	-2.6%	-2.5%
TOTAL REVENUE	**27,608**	**27,058**	**-2.0%**	**+2.6%**

Revenue by Quarter *(in millions of euros)*	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Gas & Services	6,358	6,438	6,445	6,569
Engineering & Construction	92	105	110	106
Global Markets & Technologies	200	186	207	243
TOTAL REVENUE	**6,650**	**6,729**	**6,762**	**6,918**
2024/2023 Group published change	**-7.3%**	**-1.2%**	**-0.7%**	**+1.5%**
2024/2023 Group comparable change	**+2.1%**	**+3.1%**	**+3.3%**	**+1.8%**
2024/2023 Gas & Services comparable change	**+2.0%**	**+3.4%**	**+3.6%**	**+1.9%**

Group

Group revenue stood at **27,058 million euros** in 2024 and posted comparable growth of **+2.6%** compared to 2023, identical in the 1st and 2nd half-year. The contribution of Argentina [(1)] to comparable growth was +1.9% (down in the 4th quarter to +1.2%). **Global Markets & Technologies** sales, down **-2.5%**, grew excluding the divestiture of the technological activities for the Aeronautics sector. Consolidated revenue from **Engineering & Construction** was up **+5.8%**. The Group's **published revenue** decreased by **-2.0%**, impacted by unfavorable currency (-2.4%) and energy (-2.2%) impacts. There was no significant scope impact in 2024.

Gas & Services

Gas & Services revenue reached **25,810 million euros** in 2024, up by **+2.7%** on a comparable basis (including a contribution of +1.9% from Argentina).

All business lines grew. Revenue from **Large Industries** posted an increase of **+1.2%**, supported by the start-up of two large units at the beginning of the year but impacted by the divestiture of a cogeneration unit in Europe in early January 2024 and by numerous customer maintenance turnarounds. The development of the **Industrial Merchant** business (**+1.6%**) continued in 2024, illustrating the resilience of the business model in a difficult economic environment: a solid **price** effect of **+4.0%** offset a marked decline in Hardgoods in the United States and slightly lower gas volumes. Sales of **Electronics** increased by **+3.3%**, supported by all business segments with the exception of Specialty Materials. The **Healthcare** business (**+8.6%**), independent of the industrial context, was the first contributor to growth; it benefited from the dynamic development of Home Healthcare, and the increase in volumes and prices of medical gases in an inflationary environment, particularly in Latin America.

Published revenue in the Gas & Services businesses was down **-2.1%**, penalized by unfavorable currency (-2.5%) and energy (-2.3%) impacts. There was no significant scope impact in 2024.

Revenue by geography and business line *(in millions of euros)*	FY 2023	FY 2024	2024/2023 published change	2024/2023 comparable change
Americas	10,169	10,321	+1.5%	+7.3%
Europe, Middle East & Africa (EMEA) [(a)]	10,781	10,186	-5.5%	-1.1%
Asia Pacific	5,410	5,303	-2.0%	+1.6%
GAS & SERVICES REVENUE	**26,360**	**25,810**	**-2.1%**	**+2.7%**
Large Industries	7,825	7,120	-9.0%	+1.2%
Industrial Merchant	11,975	11,906	-0.6%	+1.6%
Healthcare	4,077	4,274	+4.8%	+8.6%
Electronics	2,483	2,510	+1.1%	+3.3%

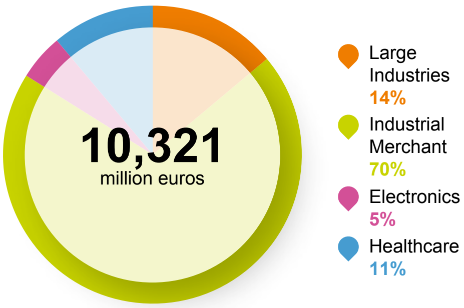
(a) Performance monitoring for Europe, the Middle East & Africa (including India) is now provided within the same operational sector. Data for 2024 according to the previous operational structure (Europe on the one hand, Middle East & Africa on the other) is available page 69.

(1) See impact of Argentina page 69.

Americas

In the Americas, Gas & Services revenue amounted to **10,321 million euros** in 2024, with all businesses contributing to the growth of **+7.3%** (including a +5.0% contribution from Argentina). Large Industries (+8.1%) benefited from the start-up of a major unit at the beginning of the year and the strengthening of demand from Chemical customers in the United States. The increase in Industrial Merchant sales (+4.9%) was supported by a price effect that remained very high (+6.9%). Growth was very dynamic in Healthcare (+22.7%). In the Electronics business (+8.2%), revenue from Carrier Gases posted double-digit growth and sales in Equipment & Installation were very high.

AMERICAS GAS & SERVICES 2024 REVENUE



- Revenue from **Large Industries** posted strong growth of **+8.1%** in 2024 despite customer turnarounds. The start-up of a major Air Separation Unit at the beginning of the year and, to a lesser extent, the increase in sales of electricity and steam produced by the cogeneration units were the growth drivers in the United States. In Latin America, hydrogen volumes were down due to the nationalization of a production unit in Mexico at the end of 2023.
- Sales in the **Industrial Merchant** business posted an increase of **+4.9%**. The **price** effect stood at **+6.9%** in 2024 and remained high in the 4th quarter (+6.1%). It benefited from proactive price campaigns in the United States, which represented 50% of the +6.9% increase, and in Argentina to counter hyperinflation (approximately 40% of the increase). Hardgoods volumes posted a marked decline in 2024, while gas volumes remained resilient, down slightly in the 4th quarter, notably due to lower helium volumes. Growth in industrial markets was still mainly driven by prices, but volumes increased in the Chemicals, Aeronautics, Utilities, Beverages and Technology markets.
- In the **Healthcare** business, sales rose by **+22.7%**, boosted by the strong increase in prices in the United States (+5.5%) and in Argentina in a context of hyperinflation. In the United States, volumes of medical gases increased slightly. In Latin America, the number of patients in Home Healthcare as well as the volumes of medical gases increased at a steady pace.
- **Electronics** saw an increase of **+8.2%** in revenue. Carrier Gases sales posted double-digit growth, supported notably by the start-up and ramp-up of a nitrogen generator and higher helium sales. Sales of Specialty Materials and Advanced Materials were down in 2024, however with an improvement in sales of Advanced Materials in the 4th quarter. Equipment & Installations sales remained very high throughout the year, with the decline in sales in the 4th quarter compared to 4th quarter of 2023 due to a very high basis of comparison.

AMERICAS

- **ExxonMobil Baytown project:**

  Air Liquide plans to invest up to **850 million US dollars** to build, own and operate **four Large Modular Air separation units** as well as related infrastructure in the framework of a long-term binding agreement with **ExxonMobil** for its planned low-carbon hydrogen project in **Baytown, TX (USA)**. This will enable Air Liquide to **increase its oxygen production capacity by 50% in Texas**. Pending the final investment decision, this major project would mark **the largest industrial investment in the history of the Air Liquide Group**. This new Air Liquide Baytown low-carbon platform would deliver primarily **vast amounts of low-carbon oxygen and nitrogen** to ExxonMobil, and also **significant volumes of argon, krypton** and **xenon** to other customers of Air Liquide, notably in **Industrial Merchant**. This agreement also leverages existing Air Liquide's **pipelines** infrastructure to support **low-carbon hydrogen** development. Thanks to low-carbon electricity supply and Air Liquide's innovative solution, the **CO_2 footprint** of oxygen production would be **reduced by two-thirds**. This major investment would represent the **largest low-carbon oxygen production platform in the Americas**.
- **Micron Boise project:**

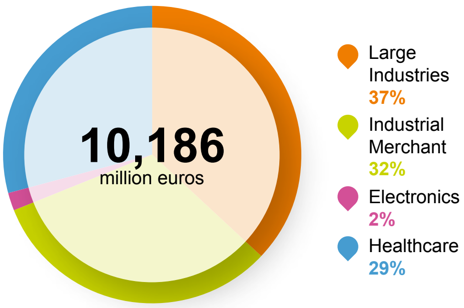
  Air Liquide will build a **new industrial gas production facility** in the **United States** to supply the new fab of Micron Technology, inc. at Boise in Idaho. In the framework of a long-term contract, the plant will provide **large volumes of high purity carrier gases for the production of advanced memory chips**, especially to follow the growing demand for computing capacity required by **Artificial Intelligence**. Air Liquide will invest over **250 million US dollars** in this state-of-the art production unit.
- **LG Chem Clarksville project:**

  Air Liquide will invest around **150 million US dollars** to expand its production capacity and pipeline network in Clarksville, in Tennessee, **United States**, in the context of a new **long-term contract** with **LG Chem**. The new **air separation unit** will supply oxygen to LG Chem's battery materials production site and will also have significant liquefaction capacity to **support the development of the Industrial Merchant business** in Tennessee and Kentucky.

Europe Middle East & Africa (EMEA)

Revenue in the Europe, Middle East & Africa (EMEA) region [1] amounted to **10,186 million euros** in 2024, down **-1.1%**. Sales in Large Industries (-1.9%) were up excluding the impact of the divestiture of a cogeneration unit in Germany in the 1st quarter. The Industrial Merchant business (-4.0%) was impacted by the contraction in volumes and the divestiture of businesses in 12 countries in Africa, with the price effect being neutral over the year. The Healthcare business posted solid sales growth (+4.0%), supported by the development of Home Healthcare and medical gases.

EMEA GAS & SERVICES 2024 REVENUE



- In 2024, the revenue in **Large Industries** showed a decline of **-1.9%** but an increase of +2.1% excluding the divestiture of a cogeneration unit in Germany in the 1st quarter. In Europe, volumes increased slightly in Chemicals compared to a low level in 2023. They remained stable overall in Steel and Refining. In Middle East & Africa, hydrogen volumes were high in the 1st half-year, but were impacted by a decennial maintenance turnaround at a major unit in Saudi Arabia in the 4th quarter.
- Sales in the **Industrial Merchant** business declined by **-4.0%** in 2024 following growth of +11.9% in 2023. The price effect was neutral in the EMEA region. In Europe, it gradually improved over the year and turned positive in the 4th quarter: the decrease in the price of bulk (indexed to energy prices) was largely offset by the proactive increase in the price of packaged gases, a specific attention being given to the creation of value through innovation and on the quality of service to customers. Volumes were down, resilient in the Transportation and Beverage sectors. In the Middle East & Africa, Industrial Merchant revenue was down due to the divestiture of activities in 12 African countries at the end of July 2024; excluding this divestiture, the business grew dynamically, supported by the increase in prices and, to a lesser extent, the increase in volumes.
- Revenue from **Healthcare** increased by **+4.0%** in 2024. Home Healthcare continued its growth, with a sharp increase in the number of patients cared for, particularly for sleep apnea and diabetes. Growth in sales of medical gases remained solid, supported by a balanced contribution from volumes and prices aligned with inflation.

EUROPE MIDDLE EAST & AFRICA (EMEA)

- **TotalEnergies La Mède project:**

  Air Liquide announced a **renewable hydrogen** production project at La Mède (**France**) in the frame of a long-term contract with **TotalEnergies**. A new hydrogen production unit will enable the production of renewable hydrogen from **recycled biogenic by-products** from the TotalEnergies biorefinery, instead of using fossil hydrocarbons as feedstock. The renewable hydrogen produced will be used mainly by the biorefinery for the **production of biofuels** and **Sustainable Aviation Fuels (SAF)**. This project will contribute to the emergence of a new renewable hydrogen ecosystem in the Fos-sur-Mer area.
- **Two large-scale electrolyzer projects in the Netherlands:**

  In a major step towards decarbonizing European industry, Air Liquide announces **two large-scale electrolyzer projects** to produce **renewable and low-carbon hydrogen** in Europe. The first project, **ELYgator**, is an Air Liquide **200 MW** electrolyzer **near Rotterdam** (the Netherlands), leveraging already secured renewable electricity from offshore windfarms. It will supply renewable and low-carbon hydrogen mainly TotalEnergies' industrial platform and also other European industrial and heavy-duty mobility needs. In addition, Air Liquide and **TotalEnergies** announce the creation of a **joint-venture** to develop a **250 MW** electrolyzer to **supply the Zeeland refinery site** (the Netherlands).
- **European fundings:**

  Several major Air Liquide projects related to the energy transition were **granted European subsidies** in 2024:
  - **160 million euros** from the CEF-E program for the d'**Artagnan** project, which includes **CO_2** transportation **pipelines** and a **terminal** for the liquefaction and loading of CO_2 onto vessels in the port of Dunkirk (France);
  - **220 million euros** from the European Innovation Fund for the **ACCSION** project run by Air Liquide and the Cementir Holding group, which concerns one of the leading **onshore carbon capture and storage (CCS)** value chains in Europe and will significantly reduce the CO_2 emissions of the **Aalborg Portland cement plant** (Denmark);
  - **110 million euros** from the European Innovation Fund for the **ENHANCE** project which, for Air Liquide, consists of building, owning and operating a **large-scale ammonia cracking plant** to produce low-carbon hydrogen and an innovative **hydrogen liquefier** in Antwerp (Belgium).
- **Divestitures in Africa:**

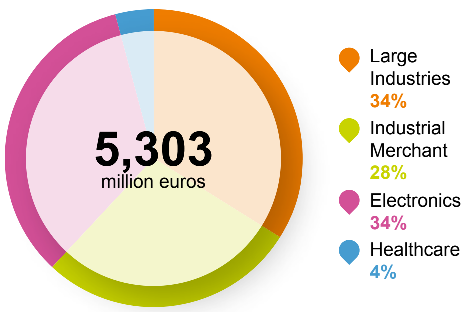
  Air Liquide **finalized** on July 22, 2024, the **sale to Adenia Partners Ltd of the Group's activities in twelve countries in Africa**: Benin, Burkina Faso, Cameroon, Congo, Côte d'Ivoire, Gabon, Ghana, Madagascar, Mali, Democratic Republic of Congo, Senegal and Togo. These activities represented an **annual revenue of approximately 60 million euros**, less than 10% of the Group's revenue in Africa.

(1) *Performance monitoring for Europe, the Middle East & Africa (including India) is now provided within the same operational sector. Data for 2024 according to the previous operational structure (Europe on the one hand, Middle East & Africa on the other) is available page 69.*

Asia Pacific

Revenue for the Asia Pacific region in 2024 amounted to **5,303 million euros**, an increase of **+1.6%**. Stable in the 1st half-year, sales returned to growth in the 2nd half (+4.1%). Sales in Large Industries in 2024 (+2.4%) benefited in particular from the start-up of a large hydrogen unit in China in March. Industrial Merchant revenue (-1.2%) was impacted by the marked decline in helium sales in China. Carrier Gases and Advanced Materials, whose growth was strong, were the main contributors to sales growth in Electronics (+3.4%).

ASIA PACIFIC GAS & SERVICES 2024 REVENUE



- Revenue in **Large Industries** rose by **+2.4%** in 2024. Sales benefited from the start-up of a large hydrogen production unit in China in March and the supply of additional volumes to the customer KMCI in Korea under a long-term contract from the 4th quarter. They were nevertheless affected by customer turnarounds, mainly in China in the 1st half-year and in Singapore in the 4th quarter.
- In **Industrial Merchant**, revenue in 2024 was down **-1.2%**. The **price** effect (**-0.6%**) was impacted by the sharp drop in helium prices in China. Excluding helium, sales in Asia increased over the year and were stable in the 4th quarter. Volumes were up in Chemicals, Energy, Manufacturing and Food. In China, volumes of packaged gases were up sharply, supported in particular by recent acquisitions.
- Revenue from **Electronics** was up by **+3.4%** over the year. The start-up and ramp-up of several production units drove the strong increase in Carrier Gases sales. Revenue from Advanced Materials also posted very strong growth. The sharp increase in sales in Equipment & Installations in the 2nd half-year almost entirely offset the weak sales in the 1st half.

ASIA PACIFIC

- **Wanhua project:**

  Air Liquide has decided to invest close to **60 million euros** to **take over** and operate an **Air Separation Unit** (ASU) within the context of a **long-term contract** with **Wanhua Chemical Group** (Wanhua), a leading global chemical company, in the city of **Yantai, China**. In this context, Air Liquide will also build, own and operate **a new liquid argon production unit** on this ASU, built by the Air Liquide engineering. This long-term contract, the first signed by the Group with Wanhua, will allow Air Liquide to start **supplying industrial and medical gases in the city of Yantai** and to reinforce its presence in the region of Shandong.
- **Mitsubishi Materials project:**

  Air Liquide will make a significant investment to build, own, and operate a **large air separation unit** on Naoshima Island in **Japan**. This plant will support the ramp-up of production for **Mitsubishi Materials**, **Japan's leading copper producer**. In addition to supplying large volumes of **oxygen**, up to 1,400 tonnes per day, and **nitrogen**, Air Liquide's new unit will also produce **argon** and **neon**, contributing to ensure a stable supply of these noble gases that are essential to key industries in Japan, particularly semiconductor and transportation equipment manufacturing.

Global Markets & Technologies

Global Markets & Technologies posted a **-2.5%** decrease in revenue on a comparable basis, to **836 million euros** in 2024. Excluding the divestiture of the technological activities for the Aeronautics sector in the 1st quarter, revenue from the business increased compared to 2023. Biomethane volumes grew, particularly in the United States, where they benefited from the start-up of a unit.

Order intake for Group projects and third-party customers amounted to **775 million euros** in 2024. They include a record number of Turbo-Brayton LNG reliquefaction units, special systems for the Electronics and space industries, biogas processing equipment as well as equipment for the liquefaction, transportation and distribution of industrial gases.

GLOBAL MARKETS & TECHNOLOGIES

- **Hydrogen Mobility along the Seine Axis:**

  Continuing to build its **low-carbon hydrogen ecosystem** in the Normandy industrial basin in France, Air Liquide has decided to invest **50 million euros** in a new **logistics chain for packaging and transporting hydrogen** to refueling stations along the Seine Axis, to support the development of low-carbon mobility. The new packaging site will be supplied with renewable hydrogen by the Air Liquide **Normand'Hy** electrolyzer under construction. This investment will contribute to the decarbonization of industry and mobility in Normandy and Île-de-France.

Engineering & Construction

Consolidated revenue from Engineering & Construction totaled **412 million euros** in 2024, an increase of **+5.8%**. Consolidated revenue excludes internal projects, in particular for Large Industries and Electronics, which are growing.

Order intake for the Group and third-party customers reached a record level of **1,804 million euros** in 2024. The first phase of the Group's major project with ExxonMobil in Baytown, Texas (United States), which involves the construction of four Large Modular Air Separation Units, contributes in particular to this amount. It includes other ASUs, notably for the Group's Large Industries and Electronics businesses, as well as a large electrolyzer, cryogenic equipment and studies for projects related to the energy transition. Group orders represent a large majority of new projects.

ENGINEERING & CONSTRUCTION

- **Cryocap™ Technology selected by Stockholm Exergi:**

  Air Liquide's **innovative CO_2 liquefaction technology, Cryocap™ LQ, has been selected by Stockholm Exergi**, Stockholm's energy company, in Sweden **to contribute to its Bio-Energy Carbon Capture & Storage (BECCS) project**. This new technology is an important additional brick in **Air Liquide's portfolio of proprietary technologie**s that paves the way to the development of large-scale Carbon Capture & Storage (CCS) projects.

OPERATING INCOME RECURRING

Operating income recurring before depreciation and amortization totaled **7,896 million euros**, an increase of **+4.6%** as published compared with 2023. **Purchases** were down significantly by **-10.2%**, primarily due to the decrease in energy costs, and natural gas in particular. **Personnel costs** posted a very limited rise of **+1.3%** despite an inflationary context, because they benefited from the first effects of the organization streamlining plans. **Other operating income and expenses** increased by **+4.6%**, mainly due to the increase in maintenance costs.

Efficiencies [(1)] reached a record level of **497 million euros** in 2024, compared to 466 million euros in 2023. They significantly exceeded the annual target of 400 million euros in the Advance plan. The Group's **transformation** programs accelerated and included in particular the rollout of digital resources to support operations, the optimization of the supply chain in the Industrial Merchant and Healthcare businesses, the implementation of Business Service Centers and the reorganization of the Home Healthcare business in France. Efficiencies related to **procurement** increased with the strengthening of globalized actions to leverage volumes. In addition, the cross-functional program of **continuous improvement**, comprising in particular more than a thousand industrial efficiency projects, supported more than a third of the efficiencies. Efficiencies are one of the three levers for improving performance, with price management, particularly in Industrial Merchant, and dynamic management of the asset portfolio.

Depreciation and amortization totaled **2,505 million euros**, slightly up by +0.9% and **+1.1% excluding the currency impact**, the effects of contract renewals and the end of depreciation of certain assets offsetting the impact of the start-up of new units.

The Group's **operating income recurring (OIR)** reached **5,391 million euros** in 2024, an increase of **+6.4%** as published. Excluding the currency impact (on a comparable basis), it increased by +10.7% (and +6.8% excluding Argentina), which is significantly higher than the comparable sales growth, highlighting a strong leverage effect. The **operating margin** (OIR over revenue) as published stood at 19.9%, up +150 basis points compared to 2023. The decrease in energy costs, contractually re-invoiced to Large Industries customers, reduced published sales with no impact on operating income recurring in absolute value, thus creating an accretive effect on the operating margin published in 2024.

Excluding energy impact, the operating margin posted a record increase of +110 basis points (Argentina not contributing to this improvement). Thus, the increase in the Group's annual margin excluding the energy impact accelerated and hit a new level: between +10 and +20 basis points per year between 2011 and 2018, it exceeded a first level in 2019, lasting until 2023, when it stepped-up to a range of +70 to +80 basis points. In 2024, the improvement in the operating margin excluding the energy impact exceeded 100 basis points.

Thus, **from 2022 to 2024, cumulated annual improvements in the operating margin excluding the energy impact reached +260 basis points**. It is **ahead** of the **target of +320 basis points** over the four-year period of the Advance plan (2022-2025).

Indeed, communicated in **March 2022**, the ADVANCE plan's **initial ambition** for improving operating margin was **+160 basis points** over four years from 2022 to 2025. In **February 2024**, it was revised upwards to **+320 basis points**, a **doubling of the initial target**.

In February 2025, the ambition for improving the margin excluding energy impact is raised for the second time, over a period extended by one year. It now stands at +460 basis points over a five-year period, from 2022 to 2026.

Structural transformation actions of the Group, initiated in 2024, will continue to support the achievement of this new performance ambition. They are structured around four key areas, leveraging data: simplification of the organization, extension of business service centers, industrial and commercial initiatives.

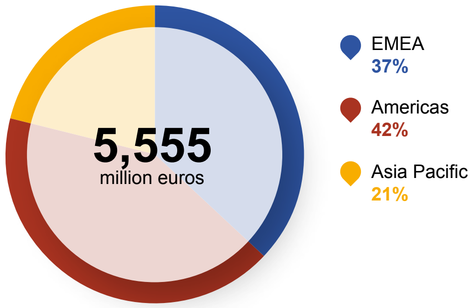
(1) *See definition page 65.*

Gas & Services

The Gas & Services operating income recurring totaled **5,555 million euros** in 2024, representing an increase of **+5.4%** as published compared with 2023. The **operating margin** stood at 21.5% as published, a sharp increase of **+100 basis points excluding the energy impact**.

Prices in the **Industrial Merchant** business were up **+4.0%** in 2024, demonstrating the Group's ability to pass through cost increases. Prices were also up in Large Industries and Healthcare.

GAS & SERVICES 2024 OPERATING INCOME RECURRING



Gas & Services Operating margin [a]	FY 2023	FY 2024	2024/2023 excluding energy impact
Americas	20.9%	22.6%	+140 bps
Europe, Middle East & Africa (EMEA)	17.9%	20.0%	+130 bps
Asia Pacific	22.4%	22.3%	-30 bps
TOTAL	**20.0%**	**21.5%**	**+100 bps**

(a) Operating income recurring / revenue as published.

Operating income recurring for the **Americas** reached **2,334 million euros** in 2024. **Excluding the energy impact**, the operating margin grew by **+140 basis points** compared with 2023. The Industrial Merchant business was the main contributor to this performance. The increase in prices and significant efficiency gains, particularly in the United States, supported the improvement in the margins of the Industrial Merchant and Healthcare businesses. Margin growth in Electronics was significant, despite high sales of equipment and installations with lower margins: it was supported by higher volumes, particularly of advanced materials and carrier gases, and by significant efficiencies.

Operating income recurring for the **Europe, Middle East and Africa (EMEA)** zone reached **2,038 million euros** in 2024. **Excluding the energy impact**, the operating margin improved by **+130 basis points** compared with 2023. In Industrial Merchant, significant efficiencies and accretive price management supported margin growth. Efficiencies in Healthcare and Large Industries, the restructuring of the Home Healthcare business in France and the payment of an indemnity by a Large Industries customer in 2024 also contributed to this performance.

In **Asia Pacific**, operating income recurring stood at **1,184 million euros**. The operating margin **excluding the energy impact** was down **-30 basis points** compared with 2023, but **up +50 basis points** excluding the exceptional payment in 2023 of an indemnity by a Large Industries customer. This performance benefited in particular from high efficiencies across all businesses.

Global Markets & Technologies

Operating income recurring for the Global Markets & Technologies business stood at **173 million euros** in 2024. The operating margin reached **20.7%**, a sharp increase of **+400 basis points** compared with 2023. This performance was notably supported by a favorable mix and a non-recurring item.

Engineering & Construction

Operating income recurring for Engineering & Construction was **62 million euros** in 2024. The operating margin stood at **15.0%**. It reached 11.1% in 2023.

Corporate Costs and Research & Development

Corporate costs and Research & Development expenses totaled **399 million euros**, a rise of +2.6% compared with 2023.

NET PROFIT

Other operating income and expenses showed a net balance of **-446 million euros** in 2024 compared with -497 million euros in 2023. Other operating expenses amounted to -511 million euros in 2024 and mainly included restructuring costs of just over 200 million euros (the large part of them having a cash impact in 2024) and asset impairment (with no impact on cash). Other operating income amounted to 65 million euros and mainly reflected capital gains on the divestiture of businesses. As a reminder, they amounted to 242 million euros in 2023 and benefited from the sale of the Group's stake in Hydrogenics.

Financial income and expenses amounted to **-418 million euros** in 2024 and remained stable compared with -416 million euros in 2023. This included net finance costs of -258 million euros, down by -2.7% as published compared to a basis of comparison already reduced in 2023 as it benefited from exceptional income generated by early bond redemptions. This 2024 performance is explained by the decrease in the average outstanding debt and in the factoring expenses, and by the increase in capitalized project finance costs. The **average cost of net debt** remained stable compared to 2023, at **3.4%**. Other financial income and expenses stood at -160 million euros compared with -151 million euros in 2023.

The **tax expense** amounted to **1,087 million euros** in 2024, hence an effective tax rate of **24.0%**. In 2023, the effective tax rate of 23.4% benefited from a reduced tax rate on the capital gain on the divestiture of the Group's stake in Hydrogenics, and the recognition of tax credits in Italy.

The **share of profit of associates** amounted to -1 million euros. The share of **minority interests** in net profit reached **134 million euros**, up from 110 million euros in 2023. Minority interests were notably impacted in 2023 by the impairment of an intangible asset.

Net profit (Group share) stood at **3,306 million euros** in 2024, showing growth of **+7.4%** as published and a sharp increase of +15.0% excluding the currency impact. Net profit recurring [(1)] (Group share) amounted to 3,466 million euros, up by +4.4% as published and +11.5% excluding the currency impact. It increased by +5.2% excluding the currency impact and excluding Argentina's contribution. The Net profit recurring (Group share) is calculated from the Net profit (Group share) by excluding the impacts in 2024 of the 2023 exceptional operations restated in 2023 net profit recurring, the end of the restructuring costs of the Home Healthcare business in France also incurred in 2023 and the impact of a significant restructuring plan in Southern Europe (France, Iberia and Italy) initiated in 2024.

Earnings per share stood at **5.74 euros**, up **+7.3%** [(2)] as published compared with 2023, in line with the increase in net profit (Group share). The **average number of outstanding shares** used for the calculation of 2024 earnings per share was **576,457,564**.

CHANGE IN THE NUMBER OF SHARES

	2023	2024
Average number of outstanding shares	**575,808,001** [(a)]	**576,457,564**

(a) Adjusted following the free-share attribution on June 12, 2024.

DIVIDEND

At the Annual General Meeting on May 6, 2025, the payment of a dividend of **3.30 euros per share** will be proposed to shareholders for the fiscal year 2024. The proposed dividend shows a strong growth of **+13.7%** compared with the 2023 dividend, adjusted to take into account the 1 for 10 free share attribution of June 2024. Over a 20-year period, the compound annual growth rate of the dividend [(3)] posts an increase of +7.8% and the total shareholder return for each registered share [(4)] reaches +12.0%. The total estimated pay-out taking into account share repurchases, share cancellations and the exercising of stock-options would amount to **1,959 million euros**, representing a pay-out ratio of 59% of the published net profit (Group share). The ex-dividend date is scheduled for May 19, 2025 and the payment is scheduled for May 21, 2025.

3. Cash Flow and Balance Sheet

(in millions of euros)	2023	2024
Cash flow from operating activities before changes in working capital	**6,357**	**6,539**
Changes in working capital	(154)	(155)
Other cash items	60	(62)
Net cash flows from operating activities	**6,263**	**6,322**
Dividends	(1,667)	(1,808)
Industrial capital expenditure	(3,393)	(3,525)
Financial investments [(a)]	(231)	(284)
Proceeds from sale of assets	403	193
Proceeds from issues of share capital	129	34
Purchase of treasury shares	(82)	(231)
Lease liabilities repayments and net interests paid on lease liabilities	(280)	(284)
Impact of exchange rate changes and net indebtedness of newly consolidated companies & restatement of net finance costs	(102)	(355)
Change in net debt	**1,041**	**62**
Net debt as of December 31	(9,221)	(9,159)
DEBT-TO-EQUITY RATIO AS OF DECEMBER 31	**36.8%**	**33.2%**

(a) Including dividends received from equity affiliates and transactions with minority shareholders (respectively 18 and −33 million euros).

NET CASH FLOW FROM OPERATING ACTIVITIES AND CHANGES IN WORKING CAPITAL REQUIREMENT

Cash flows from operating activities before changes in working capital amounted to **6,539 million euros**, up +2.9% as published, +5.4% excluding the currency impact and +3.7% excluding the currency impact and excluding Argentina. It includes the cash impact of a large part of the exceptional restructuring charges which amount to approximately 200 million euros.

Working Capital Requirement (WCR) rose by **155 million euros** compared with December 31, 2023, impacted notably by the increase of helium inventory in a dedicated cavern in Germany and by the decrease in energy prices generating an important decrease in the accounts payable. Days of Sales outstanding remained stable at 35 days.

Net cash flow from operating activities after changes in working capital requirement amounted to **6,322 million euros**, an increase of +0.9% compared with 2023, +2.2% excluding the currency impact and +2.0% excluding the currency impact excluding Argentina.

(1) See definition and reconciliation page 64.
(2) 2023 earnings per share amounted to 5.35 euros taking into account the impact of the free share attribution carried out in June 2024.
(3) Adjusted for the 2-for-1 share split in 2007, for free shares attributions and for the capital increase completed in October 2016.
(4) Taking into account changes in the share price, dividends reinvested in shares and free share attribution, both increased by the loyalty bonus.

CAPITAL EXPENDITURE

(in millions of euros)	Industrial capital expenditure	Financial investments [a]	Total investments [a]
2020	2,630	141	2,771
2021	2,917	691	3,608
2022	3,273	126	3,399
2023	3,393	231	3,624
2024	**3,525**	**284**	**3,809**

(a) Including dividends received from equity affiliates and transactions with minority shareholders (respectively 18 and −33 million euros in 2024).

Capital expenditure was very high in 2024 at **3,809 million euros**, including dividends received from equity affiliates and transactions with minority shareholders (respectively 18 and -33 million euros).

Industrial capital expenditure amounted to **3,525 million euros**, compared with 3,393 million euros in 2023, an increase of +3.9% and +6.4% excluding the currency impact, reflecting the increase in investment decisions in the last few years. For the Gas & Services business, this expenditure totaled 3,412 million euros, a rise of +8.2%, with the corresponding geographical breakdown presented in the table below.

	Gas & Services			
(in millions of euros)	EMEA	Americas	Asia Pacific	Total
2023	1,258	1,059	835	3,152
2024	**1,465**	**1,168**	**780**	**3,412**

Financial investments amounted to **284 million euros** in 2024 (Including dividends received from equity affiliates and transactions with minority shareholders for respectively 18 and -33 million euros). It included 20 acquisitions, mainly in the Industrial Merchant and Healthcare businesses. They stood at 231 million euros in 2023.

In a context of dynamic management of the Group’s business portfolio, **proceeds from the sale of assets** reached **193 million euros** in 2024. These included the proceeds from the following divestitures: the technology businesses for the Aeronautics sector of the Global Markets and Technology business line, Group’s businesses in 12 countries in Africa and a cogeneration unit in Germany.

Net capital expenditure totaled **3,617 million euros**, up +12.3% compared with 3,221 million euros in 2023.

NET DEBT

Net debt at December 31, 2024 amounted to **9,159 million euros**, a decrease of 62 million euros compared with December 31, 2023, despite an unfavorable currency impact. Cash flows from operating activities after changes in working capital allowed to slightly reduce the net debt after the payment of **1.8 billion euros in dividends** and over **3.8 billion euros in industrial and financial investments**. The net debt-to-equity ratio stood at 33.2%, highlighting the strength of cash flows.

ROCE

The return on capital employed after tax (ROCE) was 10.3% in 2024, up +50 basis points compared with 2023. **Recurring ROCE** [1] stood at **10.7%**, an improvement compared with 10.6% in 2023 despite the dilutive impact of the acceleration in investments. The **recurring ROCE** exceeded the ADVANCE target of a recurring ROCE greater than 10% as early as 2022, one year ahead of schedule.

(1) See definition and reconciliation pages 64 and 65.

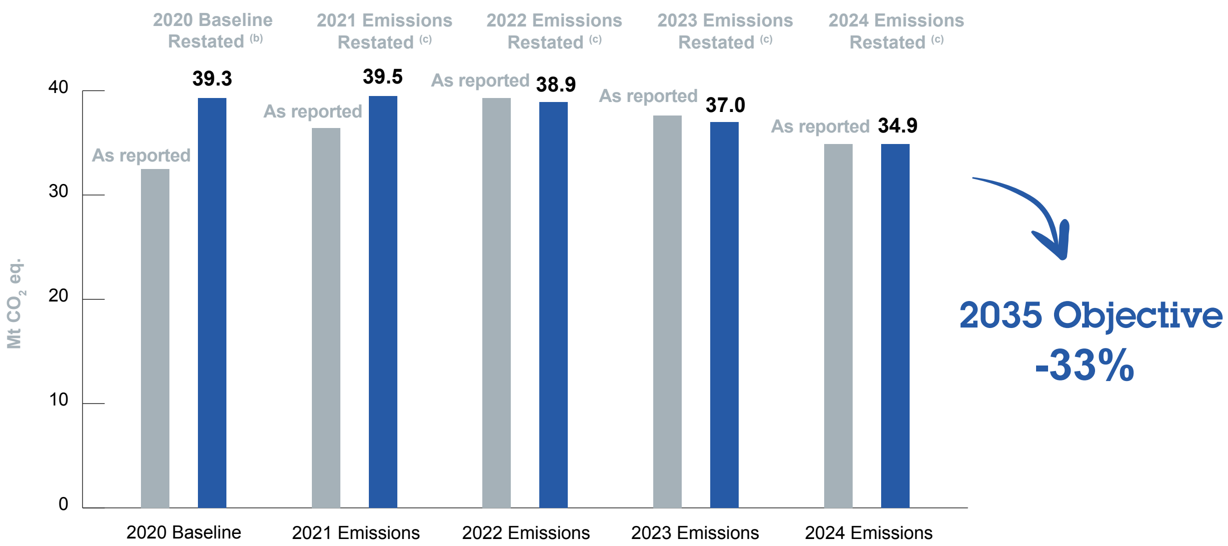
4. Extra-financial performance

ADVANCE, the Group's strategic plan for 2025 announced in March 2022, places sustainable development at the heart of the strategy and **combines financial and extra-financial performance**.

First of all, **safety** is a priority objective for the Group. Preventive actions are consistently implemented with a "zero accident" ambition. Thus, the **lost time accident frequency rate** [1] stands at a **record** level of **0.7** in 2024, down **-32%** compared to 1.0 in 2023. The lost time accident frequency rate for subcontractors also continues to improve and reached 1.1 in 2024, compared to 1.3 in 2023.

Scopes 1 and 2 CO_2 emissions for the Group amounted to **34.9 million tonnes of CO_2 equivalent** [2] in 2024 and decreased by **-2 million tonnes compared to 2023**. They are thus down sharply by **-11.1% compared to the 2020 baseline** [2]. The main contributor is the strong increase **in voluntary purchases of low-carbon energy**, with consumption up 5.2 TWh compared to 2020 (including an additional 1.8 TWh in 2024). Energy efficiency projects, such as the electrification of two air separation units in China and the supply of biogas to a hydrogen unit in the United States, also contributed, as did the low industrial demand of the past two years.

CO_2 EMISSIONS [(a)]: INFLECTION CONFIRMED



(a) All absolute emissions figures in million tonnes of CO_2-equivalent Scopes 1 and 2 emissions, using a "market-based" methodology.
(b) 2020 baseline restated to take into account over the full year the emissions of the assets which correspond to changes in scope (upwards and downwards) and which have a significant impact on CO_2 emissions.
(c) Emissions restated to take into account over a full year from 2020 and each subsequent year, the emissions of the assets which correspond to changes in scope (upwards and downwards) and which have a significant impact on CO_2 emissions.

After two consecutive years of significant decrease in CO_2 emissions in absolute value in 2023 and 2024, achieving the inflection point planned around 2025 in the ADVANCE strategic plan is confirmed. In 2025, the evolution of CO_2 emissions should be limited.

Carbon intensity stands at 4.3 kg of CO_2 equivalent per euro of EBITDA [3] in 2024, down -12% compared to 2023. It has decreased by -41% compared to 2015 and exceeds the objective of at least -30% decrease in 2025 compared to 2015.

In accordance with its climate transition plan, the Group is taking action to reduce its emissions in the coming years. They are based on three levers: low-carbon energy supply, asset management and CO_2 capture. Thus, in 2024, Air Liquide signed a **record number of multi-year power purchase agreements (PPAs)** for **2.5 TWh per year of low-carbon and renewable electricity** which will enable Air Liquide to **reduce its own CO_2 emissions by approximately 1.2 million tonnes per year** in the coming years and to **achieve decarbonized growth**. The Group has also decided to electrify a third air separation unit in China, which will reduce its Scope 2 emissions by approximately **340,000 tonnes of CO_2 per year**. In addition, a **Cryocap™ carbon capture** unit is under construction to decarbonize the Group's largest hydrogen production unit in Europe.

The Group also has effective solutions to **decarbonize its customers' production units** and is actively involved in their deployment, as illustrated elsewhere in this activity report.

On the social side, the **share of employees benefiting from a common base of social coverage** reached the target of **100%** one year ahead of schedule. The gender diversity indicator progressed in 2024, to **33% women among managers and professionals**. In addition, **87% of the Group's employees** now have access to volunteer opportunities to serve their local community as part of **Citizen at Work**, up from 73% in 2023.

Already present in Senegal, South Africa and Kenya, the Access Oxygen program was deployed in Mali in 2024. With this program, **more than 2.7 million people** have had easier access to **medical oxygen** in **low- and middle-income countries**.

[1] Frequency rate of accidents with lost time for Air Liquide's employees and temporary workers. In number of accidents with at least one day's absence per million hours worked.
[2] In tonnes of CO_2 equivalent for the Scopes 1 and 2, Scope 2 "market-based", restated emissions, see definition and reconciliation page 64.
[3] Operating Income Recurring before depreciation, at 2015 currency rate, see reconciliation page 64.

SUSTAINABLE DEVELOPMENT

- While the healthcare sector worldwide accounts for 4% of global CO_2 emissions and that healthcare facilities have **growing interest in reducing their carbon footprint**, Air Liquide Healthcare's **ECO ORIGIN™** offer is experiencing strong development. Less than a year after launching its solution for healthcare players, the company has already signed in 2024 **contracts with 19 hospitals and clinics in Europe** (Belgium, France, Germany, Italy, Netherlands, Spain) and a **first contract in Latin America** (Brazil) for the supply of **certified low-carbon oxygen and nitrogen**.
- Air Liquide received the **Special Jury Prize** awarded by the **Forum for Responsible Investment (FIR)** for its **2024 Vigilance Plan**. The vigilance plan is designed to identify and prevent risks of violations of human rights, health, safety of people and the environment in the context of the Group's activities worldwide. This award is the recognition of the **exemplary governance** and **transparent dialogue** that the Group has been building with its stakeholders for many years.

5. Investment cycle and financing

INVESTMENTS

Investment decisions and investment backlog

(in billions of euros)	Industrial Investment decisions	Financial investment decisions (acquisitions)	Total investment decisions
2020	3.0	0.1	3.2
2021	3.0	0.6	3.6
2022	3.9	0.1	4.0
2023	4.2	0.1	4.3
2024	**4.1**	**0.3**	**4.4**

Industrial and financial investment decisions reached a record level of **4.4 billion euros** in 2024. The amount of **investment decisions** has grown in stages over the past ten years: between 2 and 3 billion euros until 2017, then between 3 and 4 billion between 2018 and 2021, it then exceeds the 4 billion euros mark. This **acceleration** of investments enables the Group to prepare for its future growth.

The **industrial investment decisions** amounted to **4,101 million euros** in 2024, very close to the all-time high of 4,189 million euros reached in 2023.

- In **Americas**, investment decisions include in particular:
  - the first phase of investment amounting to 120 million euros (out of a total of 850 million US dollars) for the major project with ExxonMobil in Baytown, Texas (United States). This involves building and operating four Large Modular Air Separation Units (LMAs) as part of a long-term contract to supply low-carbon oxygen and nitrogen: this will allow the customer to produce, in particular, low-carbon hydrogen for the synthesis of ammonia and the decarbonization of existing facilities;
  - a new Air Separation Unit (ASU) for an amount of approximately 150 million US dollars. It will supply air gases to an LG Chem battery materials production site in Clarksville, Tennessee (United States), and to Industrial Merchant customers in Tennessee and Kentucky;
  - new biogenic CO_2 production capacities in the United States and Brazil, and air gases in Brazil to support the growth of the Industrial Merchant business;
  - production centers dedicated to specialty and advanced materials in the United States to serve Electronics customers.
- The main decisions in **Europe** concern:
  - in the 4th quarter, the first tranche of investment in the Elygator project, a large electrolyzer near Rotterdam in the Netherlands. This 200 MW unit will combine Proton exchange membrane (PEM) and alkaline technologies to supply renewable hydrogen under long-term contracts, notably to TotalEnergies;
  - investment of around 100 million euros to renew several contracts with Aurubis in Germany and Bulgaria, and support the development of Industrial Merchant markets in these regions.
- In **Asia**, the Group decided to invest in particular in:
  - a new large Air Separation Unit in Japan, notably to supply oxygen to Mitsubishi Materials and argon and neon to Industrial Merchant and Electronics customers;
  - the acquisition of an ASU at the Wanhua Chemical Group site in Yantai (China) under a long-term contract. This 60 million euros investment also includes a new argon production facility for local customers;
  - the electrification of a third Air Separation Unit in China, which currently uses steam produced by the customer from coal. This investment, as part of a long-term contract with the customer, will contribute to the reduction of CO_2 emissions accounted for under scope 2;
  - new carrier gas units for Electronics customers, particularly in China and Singapore, and new advanced materials production centers in Asia.
- It should be noted that investment decisions to generate **efficiencies** represented approximately 8% of total industrial investment decisions in 2024.

INVESTMENTS

- In 2024, Air Liquide signed contracts for **more than 50** new small **on-site gas generators** for **Industrial Merchant** and **Electronics**. These units offer several advantages: a continuous, reliable supply of gas, adapted to each customer's production needs and helping to reduce carbon emissions.

Financial investment decisions amounted to **323 million euros** in 2024, up sharply compared to 94 million euros in 2023. These decisions include:

- 16 acquisitions in **Industrial Merchant** in the United States, Canada, China, Brazil and Italy;
- 3 acquisitions in the **Home Healthcare** business in Brazil, Germany and Austria;
- the acquisition by the **Global Markets & Technologies** business of a biogas producer in Sweden.

The **investment backlog** stood at **a very high level** of **4.2 billion euros**. The investment backlog is diversified, and includes 90 projects spread across all regions. More than a third of these investments correspond to projects in the Electronics business.

Start-ups

Two major units in **Large Industries** started up in 2024:

- a large hydrogen and CO production unit, incorporating a CO_2 capture and recycling system, for Chemicals customers in China;
- a large Air Separation Unit in the United States.

The main start-ups of the year also include two ASUs that were electrified in China (allowing a reduction in scope 2 CO_2 emissions and water withdrawal), a new ASU in Egypt and a 20 MW PEM electrolyzer in Germany.

The main start-ups in the **Electronics** business concern a large ultra-pure carrier gas production unit in Japan, smaller units in Asia and the United States, and an advanced materials production center in Korea.

The **additional contribution to sales** of unit start-ups and ramp-ups totaled **253 million euros** in 2024.

The **additional contribution to sales** of unit start-ups and ramp-ups is expected to increase **in 2025** compared to 2024, to reach between **310 and 340 million euros**.

Investment opportunities

The **portfolio of 12-month investment opportunities** reached a record level of **4.1 billion euros** at the end of 2024, up significantly compared to 3.4 billion euros at the end of 2023. **Energy transition** projects represent more than 40% of the portfolio, mainly in Europe and the United States, while **Electronics** projects make up just over a third of the opportunities: projects are spread across Asia, Europe and the United States.

The portfolio of opportunities at more than 12 months is continuing to grow and has reached a very high level. It includes in particular significant projects in the energy transition and the Electronics sector.

FINANCING

"A" Category financial rating confirmed

The Group is rated by three rating agencies: Standard & Poor's, Moody's and, since 2023, Scope Ratings. The long-term ratings are **"A" for Standard & Poor's and Scope Ratings** and **"A2" for Moody's**. In addition, the short-term ratings are "A1" for Standard & Poor's, "S-1" for Scope Ratings and "P1" for Moody's. Standard & Poor's and Moody's respectively confirmed their ratings on September 5 and December 22, 2024 and gave them a stable outlook. Scope Ratings confirmed its ratings on December 20, 2024 with a positive outlook.

Diversifying financial sources

As of December 31, 2024, **Group financing through capital markets** accounted for **79% of the Group's total debt**, for a **total amount of outstanding bonds of 8.4 billion euros** including all types of bonds, and 0.4 billion euros of commercial paper.

The **total amount of credit facilities** now reaches **4.0 billion euros** with **20 banks**, an increase of 0.2 billion euros compared with 2023. The **syndicated credit facility** covers an amount of **3.0 billion euros**, up by 0.5 billion euros compared with 2023, and the maturity has been extended to 2029 (previously December 2025) with two extension options of one year each. This facility includes an indexation mechanism of financial costs on three of the Group's CSR targets in the areas of carbon intensity, gender diversity, and safety.

Issues and redemptions

In May 2024, the Group issued a **green bond for 500 million euros** maturing in 10 years to finance energy transition projects.

In addition, **three bond issues** for a total residual amount of **1.1 billion euros equivalent were repaid** at maturity in June and September 2024.

SUSTAINABLE FINANCING

- Air Liquide has successfully issued a **new 500 million euros green bond** maturing in **10 years**, with a **global cost** for Air Liquide of **3.466%**. The Group uses the proceeds from the issuance to **finance or refinance flagship energy transition and sustainable projects**, in particular in low-carbon hydrogen, carbon capture and low-carbon air gases. Air Liquide becomes a **regular ESG issuer**, three years after its first green bond issue. This operation has been realized within the frame of the Group's Euro Medium Term Note (EMTN).

Net Debt by currency as of December 31, 2024

	12/31/2023	12/31/2024
Euro	52%	51%
US Dollar	30%	30%
Taiwanese Dollar	5%	6%
Japanese Yen	3%	3%
Chinese Renminbi	1%	1%
Others	9%	9%

Investments are generally funded in the currency in which the cash flows of these investments are generated, creating a natural currency hedge. In 2024, the share of euro in the total net debt slightly decreased in favor of, in particular, the Taiwanese dollar.

Centralization of cash and funding

In 2024, Air Liquide Finance continued to pool the cash balances of Group entities.

On December 31, 2024, Air Liquide Finance had granted to Group subsidiaries, directly or indirectly, the equivalent of 11.8 billion euros in loans and received 2.8 billion euros in excess cash as deposits from them. These transactions were denominated in 21 currencies (mainly the euro, U.S. dollar, Japanese yen, Canadian dollar, Chinese renminbi, Singapore dollar, British pound). Approximately 400 subsidiaries are included in the Group cash pooling, directly or indirectly (including subsidiaries where cash pooling is carried out locally before being centralized at Air Liquide Finance).

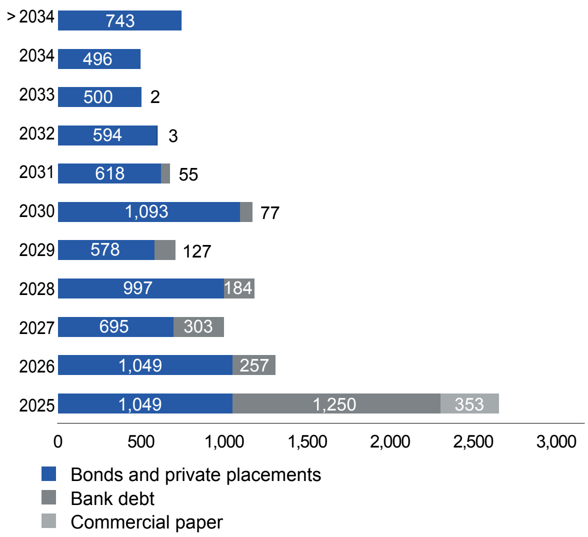
Debt maturity and schedule

The **average of the Group's debt maturity** was **5.2 years** at December 31, 2024, slightly decreasing compared with December 31, 2023 (5.5 years). Indeed, due to the generation of net cash flow in 2024, bond issues reached maturity without the need for refinancing.

The gross debt amounted to 11.1 billion euros. The amount of gross debt maturing in the next 12 months is 2.7 billion euros. Then, the highest annual maturity represents approximately 12% of the gross debt.

DEBT MATURITY SCHEDULE

Gross debt *(in millions of euros)*
(Excluding put options to minority shareholders for an amount of 54 million euros)



6. Performance indicators

Performance indicators used by the Group that are not directly defined in the financial statements have been prepared in accordance with the AMF position 2015-12 about alternative performance measures.

The performance indicators are the following:

- Currency, energy and significant scope impacts;
- Comparable sales change and comparable operating income recurring change;
- Operating margin and operating margin excluding energy;
- Reported and restated CO_2 emissions;
- Operating income recurring before depreciation and amortization excluding IFRS 16 at 2015 exchange rate to calculate the carbon intensity;
- Recurring net profit Group share;
- Recurring net profit excluding currency effect;
- Net Profit Excluding IFRS 16;
- Net Profit Recurring Excluding IFRS 16;
- Efficiencies;
- Return on Capital Employed (ROCE);
- Recurring ROCE.

DEFINITION OF CURRENCY, ENERGY AND SIGNIFICANT SCOPE IMPACTS

Since industrial and medical gases are rarely exported, the impact of currency fluctuations on activity levels and results is limited to euro translation impacts with respect to the financial statements of subsidiaries located outside the euro zone. **The currency effect** is calculated based on the aggregates for the period converted at the exchange rate for the previous period.

In addition, the Group passes on variations in the cost of energy (electricity and natural gas) to its customers via indexed invoicing integrated into their medium and long-term contracts. This indexing can lead to significant variations in sales (mainly in the Large Industries Business Line) from one period to another depending on fluctuations in prices on the energy market.

An energy impact is calculated based on the sales of each of the main subsidiaries in Large Industries. Their consolidation allows the determination of the energy impact for the Group as a whole. The foreign exchange rate used is the average annual exchange rate for the year N-1. Thus, at the subsidiary level, the following formula provides the energy impact, calculated for natural gas and electricity respectively:

Energy impact = Share of sales indexed to energy year (N-1) x (Average energy price in year (N) - Average energy price in year (N-1))

This indexation effect of electricity and natural gas does not impact the operating income recurring.

The **significant scope effect** corresponds to the impact on sales of all acquisitions or disposals of a significant size for the Group. These changes in scope of consolidation are determined:

- for acquisitions during the period, by deducting from the aggregates for the period the contribution of the acquisition,
- for acquisitions during the previous period, by deducting from the aggregates for the period the contribution of the acquisition between January 1 of the current period and the anniversary date of the acquisition,
- for disposals during the period, by deducting from the aggregates for the previous period the contribution of the disposed entity as of the anniversary date of the disposal,
- for disposals during the previous period, by deducting from the aggregates for the previous period the contribution of the disposed entity.

CALCULATION OF PERFORMANCE INDICATORS (YEAR)

Comparable sales change and comparable operating income recurring change

Comparable changes for sales and operating income recurring **exclude the currency, energy and significant scope impacts described above**.

(in millions of euros)	FY 2024	FY 2024/2023 Published Growth	Currency impact	Natural gas impact	Electricity impact	Significant scope impact	FY 2024/2023 Comparable Growth
Revenue							
Group	27,058	-2.0%	(654)	(422)	(185)	0	+2.6%
Impacts in %			*-2.4%*	*-1.5%*	*-0.7%*	*+0.0%*	
Gas & Services	25,810	-2.1%	(653)	(422)	(185)	0	+2.7%
Impacts in %			*-2.5%*	*-1.6%*	*-0.7%*	*+0.0%*	
Operating Income Recurring							
Group	5,391	+6.4%	(218)	—	—	0	+10.7%
Impacts in %			*-4.3%*	—	—	—	
Gas & Services	5,555	+5.4%	(217)	—	—	0	+9.5%
Impacts in %			*-4.1%*	—	—	—	

Operating margin and operating margin excluding energy

The operating margin is the ratio of the operating income recurring divided by revenue. The operating margin excluding the energy impact corresponds to operating income recurring (which is not impacted in absolute value by the energy costs contractually re-invoiced to Large Industries customers) divided by revenue restated for the energy impact to which the corresponding currency impact is attached. The ratio of operating income recurring divided by revenue (whether restated or not for the energy impact) is calculated with a one decimal place rounded number. The variation between two periods is calculated as the difference between these rounded ratios, which can result in positive or negative differences compared to a more precise calculation, due to rounding.

(in millions of euros)		FY 2023	FY 2024	Natural gas impact [(a)]	Electricity impact [(a)]	FY 2024 excluding energy impact	Improvement [(b)] 2024/2023
Revenue	Group	27,608	27,058	(443)	(202)	27,703	
	Gas & Services	26,360	25,810	(443)	(202)	26,456	
Operating Income Recurring	Group	5,068	5,391			5,391	
	Gas & Services	5,271	5,555			5,555	
Operating Margin	**Group**	**18.4%**	**19.9%**			**19.5%**	**+110 bps**
	Gas & Services	**20.0%**	**21.5%**			**21.0%**	**+100 bps**

(a) Including the currency impact linked to the considered energy impact.
(b) Excluding energy impact.

Reported and restated CO_2 emissions

(in thousands of metric tonnes CO_2 eq.)	FY 2020	FY 2023	FY 2024	2024/2020 change	2024/2023 change
Scope 1: total direct greenhouse gas emissions (GHG) [(a)]	15,345	16,107	14,868	-3.1%	-7.7%
Scope 2: total indirect greenhouse gas emissions (GHG) [(a)]	17,184	21,510	20,064	+16.8%	-6.7%
Total emissions as reported [(a)]	**32,529**	**37,617**	**34,933**	**+7.4%**	**-7.1%**
Total restated emissions [(b)]	**39,289**	**36,977**	**34,933**	**-11.1%**	**-5.5%**

(a) "Market-based", actual Group emissions including changes in scope having an impact (upward and downward) on CO_2 emissions during the year from the effective date.
(b) "Market-based", restated to take into account over a full year from 2020 and each subsequent year, the emissions of the assets which correspond to changes in scope and which have a significant impact (upwards and downwards) on CO_2 emissions.

Operating income recurring before depreciation and amortization excluding IFRS 16 at 2015 exchange rate to calculate the carbon intensity

(in millions of euros and thousand of tonnes)	FY 2015	FY 2024	2024/2015 change
(A) Operating income recurring before depreciation and amortization	**4,033**	**7,896**	
(B) Currency impact (2015) [(a)]		(494)	
(C) IFRS16 Impact [(b)]		273	
(A) - (B) - (C) = (D) EBITDA used for Carbon Intensity calculation	**4,033**	**8,117**	
(E) CO_2 equivalent emissions (Scopes 1 + 2 [(c)]) in thousands of tonnes	29,413	34,933	
Carbon Intensity (E) / (D)	**7.3**	**4.3**	**-41.0%**

(a) At 2015 exchange rate, EBITDA being converted at 2024 rate for countries in hyperinflationary context.
(b) The IFRS 16 impact on operating income recurring before depreciation and amortization includes the neutralization of rental expenses, which are then reintegrated into depreciation and amortization and other financial expenses booked in relation to IFRS 16.
(c) Scope 2 emissions calculated from the specific supplies (market-based): the Group hence adopted the methodology recommended by the GHG Protocol.

Recurring net profit Group share and recurring net profit Group share excluding currency impact

The recurring net profit Group share corresponds to the net profit Group share excluding exceptional and significant transactions that have no impact on the operating income recurring.

	FY 2023	FY 2024	2024/2023 variation
(A) Net Profit (Group Share) – As Published	**3,078.0**	**3,306.1**	**+7.4%**
(B) Exceptional and significant transactions after-tax with no impact on OIR			
■ Sales of Group stake in Hydrogenics	**159.4**		
■ Impairments of assets held for sale and of other assets identified in particular following a strategic review, and their impacts in 2024 (proceeds of divestiture, indemnity received from a customer and end of depreciation of an asset)	**(345.7)**	(103.9)	
■ Restructuring costs of Home Healthcare business in France in 2023 and 2024, and of the business in Southern Europe in 2024 (France, Iberia, Italy)	**(55.7)**	(55.7)	
(A) - (B) = Net Profit Recurring (Group Share)	**3,320.0**	**3,465.7**	**+4.4%**
(C) Currency impact		(237.1)	
(A) - (B) - (C) = Net Profit Recurring (Group Share) excluding currency impact		**3,702.8**	**+11.5%**

Net profit excluding IFRS 16 and net profit recurring excluding IFRS 16

Net profit excluding IFRS 16:

	FY 2023	FY 2024
(A) Net Profit as Published	**3,188.4**	**3,440.0**
(B) = IFRS 16 Impact [(a)]	(17.8)	(20.7)
(A) - (B) = Net Profit excluding IFRS 16	**3,206.2**	**3,460.7**

(a) *The IFRS 16 impact includes the reintegration of leasing expenses less depreciation and other financial expenses booked in relation to IFRS 16.*

Net profit recurring excluding IFRS 16:

	FY 2023	FY 2024
(A) Net Profit as Published	**3,188.4**	**3,440.0**
(B) Exceptional and significant transactions after-tax with no impact on OIR	(266.1)	(159.6)
(A) - (B) = Net Profit recurring	**3,454.5**	**3,599.6**
(C) IFRS 16 Impact [(a)]	(17.8)	(20.7)
(A) - (B) - (C) = Net Profit recurring excluding IFRS 16	**3,472.3**	**3,620.3**

(a) *The IFRS 16 impact includes the reintegration of leasing expenses less depreciation and other financial expenses booked in relation to IFRS 16.*

Efficiencies

Efficiencies represent a sustainable cost reduction resulting from an action plan on a specific project. Efficiencies are identified and managed on a per project basis. Each project is followed by a team composed in alignment with the nature of the project (purchasing, operations, human resources...).

Return on Capital Employed – ROCE

Return on capital employed after tax is calculated based on the Group's consolidated financial statements, by applying the following ratio for the period in question.

For the numerator: net profit excluding IFRS 16 - net finance costs after taxes for the period in question.
For the denominator: the average of (total shareholders' equity excluding IFRS 16 + net debt) at the end of the past three half-years.

(in millions of euros)		FY 2023 (a)	H1 2024 (b)	FY 2024 (c)	ROCE Calculation
Numerator (c)	Net Profit Excluding IFRS 16			3,460.7	3,460.7
	Net Finance costs			(258.4)	(258.4)
	Effective Tax Rate [(a)]			23.9%	
	Net Finance costs after tax			(196.6)	(196.6)
	Net Profit - Net financial costs after tax			**3,657.3**	**3,657.3**
Denominator ((a)+(b)+(c))/3	Total Equity Excluding IFRS 16	25,117.5	25,503.1	27,716.4	26,112.4
	Net Debt	9,220.9	10,156.2	9,159.2	9,512.1
	Average of (total equity + net debt)	**34,338.4**	**35,659.3**	**36,875.6**	**35,624.5**
ROCE					**10.3%**

(a) *Excluding non-recurring tax impact.*

Recurring ROCE

The recurring ROCE is calculated in the same manner as the ROCE using the recurring net profit for the numerator.

(in millions of euros)		FY 2023 (a)	H1 2024 (b)	FY 2024 (c)	Recurring ROCE Calculation
Numerator (c)	Net Profit Recurring Excluding IFRS 16			3,620.3	3,620.3
	Net Finance costs			(258.4)	(258.4)
	Effective Tax Rate [(a)]			23.9%	
	Net Finance costs after tax			(196.6)	(196.6)
	Recurring Net Profit Excluding IFRS 16 - Net financial costs after tax			**3,816.9**	**3,816.9**
Denominator ((a)+(b)+(c))/3	Total Equity Excluding IFRS 16	25,117.5	25,503.1	27,716.4	26,112.4
	Net Debt	9,220.9	10,156.2	9,159.2	9,512.1
	Average of (total equity + net debt)	**34,338.4**	**35,659.3**	**36,875.6**	**35,624.5**
Recurring ROCE					**10.7%**

(a) *Excluding non-recurring tax impact.*

7. Innovation

7.1. FOCUSING ON GROWTH MARKETS IDENTIFIED IN ADVANCE

The **Group's innovation spending** amounted to **309 million euros in 2024**. Innovation spending corresponds to the OECD definition, namely research and development, market launch and marketing expenses for new offerings and products.

This **amount, which has been stable over the past three years**, illustrates the Group's commitment to develop and maintain a portfolio of innovations on the growth markets identified in ADVANCE, the Group's strategic plan for 2025, enhancing its **operational excellence** and **sustainability objectives**.

In 2024, **more than 3,000 employees** work in entities dedicated to innovation, contributing to the development and marketing of new offers and products.

309 million euros
of innovation
spending (2024)

366
new
patents

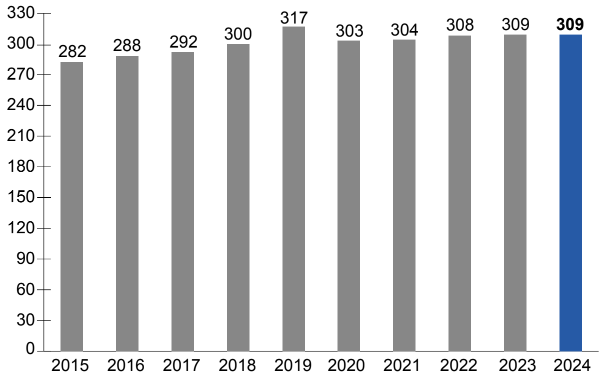
350 partnerships
with academics, industrials
and start-ups

2024 figures

Innovation and technologies are a driving force of ADVANCE, contributing to the Group's **profitable and sustainable growth** and to the opening of **new markets**. They generate **new opportunities for the future**, thanks to employees' expertise and their ability to develop and market innovative solutions that meet the needs of customers and patients.

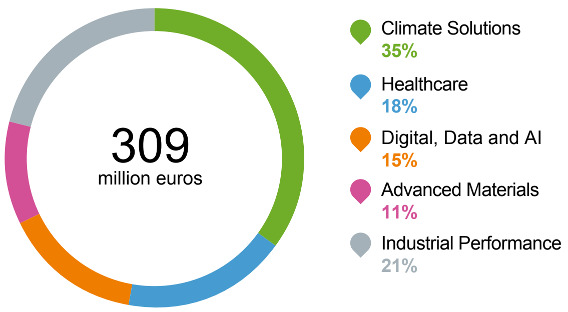
Within ADVANCE, innovation efforts continued, focusing on **climate solutions, digital, data and artificial intelligence (AI) for the transformation of industry and healthcare**, **advanced materials in electronics and deep tech** to gain **impact** and encourage the **replication** of offerings.

INNOVATION SPENDING IN 2024



■ *Innovation spending (in millions of euros)* [(a)]

(a) Perimeter effect from 2020 related to the divestiture of Schülke.



Patented inventions contribute to the Group's competitiveness and the differentiation of its offerings, and illustrate its capacity for technological innovation. **With 366 new inventions filed as first patent applications in 2024 in various geographies, Air Liquide is the leading applicant for new patents in its industry.** Within its portfolio of climate technology solutions, Air Liquide has more than 500 international patent families on hydrogen and around 550 international patent families on carbon capture and storage in 2024. **Air Liquide's global portfolio is made up of around 15,000 patents and patent applications.**

7.2. CONTRIBUTING TO PROFITABLE SHORT-TERM GROWTH WHILE PREPARING FOR THE GROUP'S FUTURE

Air Liquide's innovation strategy is part of an **open ecosystem** and relies on its **Innovation Campuses** (Paris, Frankfurt, Shanghai, Tokyo and Delaware) and its **Campus Technologies Grenoble**, and on around **350 partnerships** with academics, industrial partners and start-ups to **co-develop innovative solutions and accelerate their time-to-market**.

In 2024, Air Liquide and its partners MAN, ETA Florence Renewable Energies as well as four academic partners (CERTH, Sant'Anna, LRGP and TU Delft) launched the **M^{2}are project**. This project, coordinated by Air Liquide, aims **to develop a new process for producing "maritime methanol"** from biogenic carbon dioxide and renewable hydrogen, to support the maritime transport sector in reducing its CO_2 emissions.

In the field of mobility, **Air Liquide and TotalEnergies** have announced the creation of **TEAL Mobility**, a 50/50 joint venture to **develop a network of hydrogen refueling stations for heavy-duty trucks** on major European roads (in France, Benelux and Germany). This initiative will ease access to hydrogen, thereby enabling its use in freight transport and strengthening the hydrogen industry. The joint venture will invest in, build and operate these stations, as well as supplying and selling hydrogen on the market.

The Group also innovates with start-ups: its venture capital arm **ALIAD** provides financial, technological and commercial support to innovative start-ups in three key areas: climate, health and industrial innovation. **ALIAD has supported and accompanied more than 40 start-ups since its creation in 2013**, and this year continued its support, in particular for **Ekoscan Integrity**, a French start-up offering a range of products and services for the inspection and protection of industrial equipment. Their non-destructive ultrasonic testing technology can be used to inspect the Group's production units to improve their reliability, safety and environmental footprint. Air Liquide also has a **deep tech start-up accelerator, Accelair**, located at the heart of its Innovation Campus Paris, offering tailor-made facilities consisting of individualized, equipped and secure offices and experimentation laboratories, as well as personalized support for start-ups by Group experts. In 2024, **Aerleum joined Accelair**. The start-up is developing an innovative technology integrating atmospheric CO_2 capture and its conversion into methanol in a single process, for **transport decarbonization**.

7.2.1. Climate solutions

The innovation capacity and technological know-how of Air Liquide's teams enable the Group to offer **cleaner and more sustainable solutions** to reduce its own emissions and those of its industrial customers, and are helping to meet the Group's objective to be carbon neutral by 2050 (see page 40).

With 60 years of unique expertise across the hydrogen value chain, Air Liquide is working to **decarbonize industry and heavy mobility worldwide**.

In 2024, Air Liquide inaugurated "**Trailblazer**", a high-capacity PEM (proton exchange membrane) electrolyzer to produce renewable hydrogen in Oberhausen, Germany. This project is a continuation of the joint venture between **Siemens Energy and Air Liquide**, with the integration of the first electrolyzers manufactured in the Gigafactory in Berlin, in operation since 2023. With a **production capacity of 20 MW of renewable hydrogen per year**, "Trailblazer" meets the decarbonization needs of industry and mobility in the Rhine and Ruhr regions.

As part of its **Paris 2024 partnership**, Air Liquide has supplied the official fleet of the event with hydrogen from renewable sources. Thanks to a network of **around 10 modular stations** made available in 2024, Air Liquide supplied nearly **12 tonnes of hydrogen**, i.e. twice the quantity supplied over the same period in 2023, enabling the official vehicles to travel more than **1 million kilometers** during the Olympic and Paralympic Games. Air Liquide mobilized its conditioning centers in northern France, without any service interruption. The renewable hydrogen was then transported to the Paris region by a fleet of latest generation high-pressure trailers.

As a recognized expert in hydrogen technologies, Air Liquide is pursuing its industrial collaborations to **accelerate innovation towards low-carbon aviation**. As a member of the BeautHyFuel consortium (a collaboration between Turbotech, Safran, Air Liquide, Elixir Aviation and Daher, supported by the French Civil Aviation Authority), Air Liquide participated in the successful ground testing of the first gas turbine powered from a liquid hydrogen tank for the light aviation market. This demonstrates that **a complete propulsion technology solution without carbon emissions in flight** is possible, and that it can be directly integrated into light aircraft.

Air Liquide also announced the enhancement of its hydrogen solutions' portfolio, using **ammonia conversion into hydrogen with new cracking technology**. An **innovative industrial scale pilot unit** in the Port of Antwerp (Belgium) will be operational in 2025. At the end of 2024, Air Liquide has been selected to receive a grant of 110 million euros from the European Innovation Fund for its project to build and operate a large-scale Ammonia cracking plant in the port of Antwerp-Bruges (Belgium), the first-of-its-kind in Europe, as well as an innovative hydrogen liquefier. Ammonia, composed of hydrogen and nitrogen, can be produced with a low carbon footprint and easily transported over long distances, before being converted into hydrogen locally, thus contributing to the **decarbonization of industry and mobility**.

Carbon capture and sequestration (CCS) is an effective technology for capturing the large volumes of CO_2 emitted by the sectors that are the highest emitters and hard to abate, thereby reducing short- and mid-term emissions. At the end of 2023, Air Liquide announced the **construction and operation of a large-scale carbon capture unit**, based on its proprietary Cryocap™ technology, in the Rotterdam industrial basin in the Netherlands. The new unit will be installed at the Group's hydrogen production plant located in the port of Rotterdam and will be connected to **Porthos**, one of Europe's largest carbon capture and storage infrastructure, aiming to reduce the basin's CO_2 emissions by 2.5 million tonnes a year.

7.2.2. Digital, data and AI to transform industry and healthcare

3.5 billion data points collected each day at Air Liquide sites worldwide	**More than 500 projects** using data and AI

To **optimize its own energy consumption**, Air Liquide integrates **innovative digital solutions** into its offerings, enabling a better customer, patient and employee experience, while fostering **operational excellence**.

The Group relies on digital solutions based on data and artificial intelligence (AI) for various uses, throughout the value chain, from production to distribution and marketing of its products. Integrated into its internal operations and offers, these **digital technologies contribute to the development of the customer, patient and employee experience**, provide higher efficiency and, in particular, enable its industrial activities to be managed with greater speed of execution and agility. Thus, **seven operational centers** worldwide **(Smart & Innovative Operations)** enable remote control of the production at Air Liquide sites, using predictive data analysis and AI. Moreover, the rollout of the **program for the digitization of the liquefied products supply chain (Integrated Bulk Operations)** provides Industrial Merchant customers around the world with a service guaranteeing greater reliability and safety, while improving the Group's efficiency and reducing its carbon footprint.

Digital is also a powerful tool for home Healthcare activity and allows to accelerate the **Value-Based Healthcare approach** (see page 31). Based on the analysis of monitoring data from thousands of **patients living with sleep apnea** and their profile, artificial intelligence can **predict the risk of non-adherence** of a patient equipped with a connected device, enabling the **most appropriate personalized support** to be set up for this patient profile. The use of digital solutions such as *kairin*, combining a patient application designed to encourage their involvement, and a platform facilitating exchanges between Air Liquide and healthcare professionals, is made available to **improve the quality of life of patients** with a chronic disease. In 2024, **58,000 new patients living with chronic diseases were able to start benefiting from personalized, outcome-driven support**, particularly in Europe, LATAM and Australia. This brings the total number of patients benefiting from this kind of personalized care plan to **over 101,000** in 2024.

7.2.3. Advanced materials in Electronics

In 2024, Air Liquide finalized the market launch of its **new comprehensive portfolio of solid precursors and delivery systems**, Subleem™, for semiconductor manufacturing. During the deposition process, which is crucial to chip manufacturing, vaporized precursors deposit high quality, thin films on a silicon wafer. Air Liquide has developed a range of solid precursors, as well as a series of new proprietary large-scale sublimation systems, **converting solid precursors directly into the gas phase by sublimation**. These new technologies enhance the security of supply and guarantee an uninterrupted, high flow of gas to the semiconductor manufacturing sites, particularly for the production of the most advanced memory and logic chips.

7.2.4. Deep tech

Thanks to its long experience in controlling very low temperatures, Air Liquide is able to support major scientific projects through its expertise in mechanical cold production, gas liquefaction and storage, and cryogenic fluid distribution. Among these major projects are the **ITER experimental fusion reactor** and the **SHINE project, a particle accelerator**, that will produce high-intensity X-ray flashes capable of passing through relatively thick objects without being absorbed or scattered. The ultra-fast, high-resolution images thus created will be used in a whole range of applications, **from the development of new drugs to the design of materials for electronics and clean energy**. In 2024, a new milestone was reached in both projects: the SHINE unit was commissioned, and ITER large-scale cryogenic cooling systems produced the first drops of liquid helium.

As a partner of the space industry for more than 50 years, with 262 Ariane flights to date, **Air Liquide teams contributed to the success of the inaugural flight of Ariane 6 in 2024**. Air Liquide provided the cryogenic lines and equipment and ensured the maintenance and operation of all cryogenic equipment on the launch pad in Kourou, French Guiana, as well as the fluids required for all launcher preparation sequences (nitrogen and helium) and for propulsion, in particular liquid hydrogen and liquid oxygen.

8. Appendix

CONTRIBUTION OF ARGENTINA TO THE RESULTS

Argentina's contribution is calculated as the difference between the amounts consolidated at Group level and the same amounts consolidated excluding Argentina's data. The same method applies to the Gas & Services activity.

Contribution of Argentina to the comparable growth of revenue in 2024 *(in %)*	**Total**	**Large Industries**	**Industrial Merchant**	**Healthcare**	**Electronics**
Americas	+5.0%	+6.3%	+3.2%	+17.3%	—
Gas & Services	+1.9%	+1.3%	+1.9%	+4.4%	—

Argentina's contribution to the Group's comparable revenue change was **+1.9% in 2024** and **+1.2% in the 4th quarter of 2024**.

	2024/2023 Published	**Energy impact**			**Currency impact**			**2024/2023 comparable**		
Growth *(in %)*	**Group**	**Group**	**Argentina impact**	**Excl. Argentina**	**Group**	**Argentina impact**	**Excl. Argentina**	**Group**	**Argentina impact**	**Excl. Argentina**
Revenue	-2.0%	-2.2%	+0.2%	-2.4%	-2.4%	-1.6%	-0.8%	+2.6%	+1.9%	+0.7%
Operating Income Recurring	+6.4%				-4.3%	-3.2%	-1.1%	+10.7%	+3.9%	+6.8%
Group OIR margin excluding energy impact								+110bps	*no impact*	
Recurring net profit	+4.4%							+11.5%	+6.3%	+5.2%

EUROPE, MIDDLE EAST AND AFRICA

	2024 revenue *(in millions of euros)*	**As published growth**	**2024 comparable growth** *(in %)* **Total**	**Large Industries**	**Industrial Merchant**	**Healthcare**	**Electronics**
Europe	9,086	-6.7%	-1.4%	-2.6%	-4.3%	+3.7%	N.C.
Middle East and Africa	1,100	+5.1%	+1.7%	N.C.	N.C.	N.C.	—
Europe + Middle East and Africa (EMEA)	**10,186**	**-5.5%**	**-1.1%**	**-1.9%**	**-4.0%**	**+4.0%**	**N.C.**

N.C.: Not communicated.

Performance monitoring for Europe, the Middle East & Africa (including India) is provided within the same operational sector from the 3rd quarter of 2024.

OUTLOOK

In 2024, the Group achieved a **very solid performance**, marked in particular by a **record improvement of +110 basis points in the operating margin excluding energy impact** and by **sales growth of +2.6%** on a comparable basis, in a subdued macroeconomic environment. These results are accompanied by a **significant progress in all the extra-financial indicators** of the ADVANCE strategic plan.

The Group also signed major projects in 2024, thus having a **record growth backlog**. This dynamic reflects Air Liquide's ability to offer innovative, high-value-added technological solutions to its customers, both in **traditional sectors** and in those driven by the **energy transition** and the rise of artificial intelligence, such as the **semiconductor** industry.

The **strength of the diversified model** and the agility of the **teams** are all assets that allow us to **continue to deliver sustained performance regardless of the market environment**.

One year before the end of the Advance strategic plan, the Group's performance **positions it very favorably to achieve its three strategic objectives by the end of 2025**:

- The **compound annual comparable growth rate of the revenue over the 2022-2024 period**, corresponding to the first three years of the ADVANCE strategic plan, reached **+6.5%** [(1)]. It is calculated based on 2021 revenue, at the 2021 currency rate and energy price, excluding the impact of significant scope (acquisition of Sasol's ASUs and deconsolidation of Russia). This growth is in line with the Advance plan's target of +5% to +6% over four years, from 2022 to 2025.
- **Recurring ROCE** [(2)] increased to **10.7%** in 2024 and exceeded the ADVANCE target of a recurring ROCE above 10% as early as 2022, one year ahead of schedule.
- **After two consecutive years of significant decrease in CO_2 emissions in absolute value in 2023 and 2024, achieving the inflection point planned around 2025 in the ADVANCE strategic plan is confirmed**. In 2025, the evolution of CO_2 emissions should be limited.

Moreover, **total investment decisions from 2022 to 2024** amounted to **12.7 billion euros**, in line with the ADVANCE plan's projection of 16 billion euros over four years, from 2022 to 2025.

Furthermore, **from 2022 to 2024, cumulated annual improvements in the operating margin excluding the energy impact reached +260 basis points**. It is **ahead** of the **target of +320 basis points** over the four-year period of the Advance plan (2022-2025).

Indeed, communicated in **March 2022**, the ADVANCE plan's **initial ambition** for improving operating margin was **+160 basis points over four years from 2022 to 2025**. In **February 2024**, it was revised upwards to **+320 basis points**, a **doubling of the initial target**.

In February 2025, the ambition for improving the margin excluding energy impact is raised for the second time, over a period extended by one year. It now stands at +460 basis points over a five-year period, from 2022 to 2026.

Finally, in 2025, Air Liquide is confident in its ability to further increase its operating margin and to deliver recurring net profit growth, at constant exchange rates [(3)].

(1) *Including a contribution of Argentina for +2.5%.*
(2) *See definition and reconciliation page 65.*
(3) *Operating margin excluding energy passthrough impact. Recurring net profit excluding exceptional and significant transactions that have no impact on the operating income recurring.*

2

Risk factors and control environment

INTRODUCTION

Chapter 2 below covers the description of the risk factors and related management measures referred to in article 16 of Regulation (EU) 2017/1129 dated June 14, 2017 ("Prospectus Regulation III"), as well as the Vigilance Plan pursuant to article L. 225-102-4 of the French Commercial Code.

In addition, the Sustainability Statement as defined in article L. 232-6-3 of the French Commercial Code and published in Chapter 5 of this Universal Registration Document (page 278) presents the main issues relating to financial materiality and impacts related to the Group's businesses.

This Universal Registration Document is committed to complying with the various principles governing Prospectus Regulation III, the Vigilance Plan and the Sustainability Statement in the following manner:

- **material** risk factors which are **specific to the issuer**, after taking into account the related management measures (net risks, Prospectus Regulation III), are presented in the Risk factors and management measures section of this chapter of the Universal Registration Document – page 72;
- the mapping of **risks relating to the duty of vigilance** complements the Company's mapping by identifying risks that the Company could pose to individuals (in terms of the respect of human rights and fundamental freedoms, health and safety), and to the environment. The most pertinent risks are identified in order to be addressed as a matter of priority through the drafting of prevention, mitigation or remedial measures (Vigilance Plan section of this chapter – page 90);
- The Sustainability Statement, which includes a Double Materiality Assessment, was prepared following the guidelines of Directive (EU) 2022/2464, the "CSRD" (Corporate Sustainability Reporting Directive), and is presented in Chapter 5 of this Universal Registration Document – page 278.

RISK FACTORS AND MANAGEMENT MEASURES

The Group identifies the risk factors to which it is exposed using a formal risk management approach. This presentation of risk factors and related management measures is based on the reference framework of the internal control and risk management system, developed under the supervision of the French financial market authority. It was prepared with contributions from several departments (particularly Finance, Sustainable Development, Group Control and Compliance, Legal, Industrial, Safety and Industrial Systems).

The risks presented below, at the date of this Universal Registration Document, are the risks that the Group considers may have a significant negative impact on its business, results, outlook, or reputation, should they occur. The list of these risks is, however, not exhaustive and other risks, unknown at the date of this document, could occur and have a negative effect on the Group's business.

The Group is committed to regularly assessing the risks and reducing the likelihood that they will occur or their potential impact by implementing internal control and risk management procedures, as well as formalized and specific action plans. These procedures, as well as the Group's codes and policies, are included in a global reference manual, called the BlueBook, which is the cornerstone of the Group's internal control and risk management system.

Risk factors are presented below as net risks (taking into account management measures already implemented) and divided into categories according to their nature. In each category, the most significant risk factors are presented first (in bold).

Among the risk categories, the two most significant specific risks for the Air Liquide Group are both related to its business: these are industrial risks and industrial investment-related risks.

Risk categories	Risk factors
Business-related risks	**Industrial risks**
	Industrial investment-related risks
	Energy sourcing-related risks
	Risks relating to the design and construction of production units
	Innovation-related risks
	Human Resources management-related risks
	Customer risks
Financial risks	**Counterparty and liquidity risks**
	Foreign exchange risks
	Interest rate risks
	Tax risks
Digital risks	**Digital risks**
Environmental risks	**Climate risks: greenhouse gas emissions**
	Climate risks: physical impact on Operations
	Water management risk
Geopolitical, regulatory, legal and public affairs risks	**Geopolitical risks**
	Regulatory and legal risks
	Public affairs risks

Impacts related to the military conflict between Russia and Ukraine

Due to the changing geopolitical context and local constraints, the Group's businesses in Russia are no longer controlled nor consolidated since September 1, 2022.

Nevertheless, at this time Air Liquide remains the owner of non-consolidated securities. As a result, the Company may bear any risks related to its status as a shareholder. Air Liquide continues to favor the transfer of its activities in Russia in the form of an MBO (Management Buy-out).

1. Business-related risks

The industrial gas business is characterized by a significant technology content (both in the design phase and the construction of production units), local production units, high capital intensity, and substantial energy requirements.

Various risks are associated with these characteristics. They are mitigated by various factors, including primarily the diversity of industries and customers served by the Group, the multiple gas applications that it offers them, as well as the large number of geographies in which it operates. In addition, a significant share of business is subject to contracts, a strict investment project authorization and management process, and a tailored energy policy.

1.1. INDUSTRIAL RISKS

Identification and description of risks

Industrial risks are linked to the various products, industrial processes and distribution methods implemented by the Group. They are distributed over a large number of local production sites.

Over and above the usual risks inherent in all industrial activities, Air Liquide's businesses entail more specific risks relating to:

- products: the intrinsic properties of industrial gases manufactured, transformed or packaged by the Group classifies them in the dangerous materials category; the use of these industrial gases requires specific means of control and protection in order to prevent risks such as:
  - anoxia, associated with inert gases,
  - over-oxygenation or fires, associated with oxygen and oxygen mixtures or flammable gases,
  - toxicity, associated with certain specialty gases;
- processes and their operation:
  - cryogenics is used to separate gases by distillation, store them and transport them. This very low-temperature technique is connected with a risk of cryogenic burns from liquefied gases,
  - likewise, high-temperature techniques, which are used in particular in the production of hydrogen, are particularly exposed to risks of burns, fire or explosions,
  - in addition, pressure is central to the Group's processes. Pressurized equipment must be designed with safety devices which limit the risk of accidents and damage caused by an uncontrolled increase of pressure,
  - for some of these processes, the constantly growing needs of the Group's customers may require the use of increasingly large equipment or capacity: in certain cases, additional measures have to be implemented to prevent the level of risk from increasing,
  - lastly, the energy transition is driving the Group to deploy new technologies, such as PEM (Proton Exchange Membrane) electrolyzers, carbon capture equipment, Autothermal Reforming (ATR) equipment. Each of these technologies undergoes a preliminary in-depth risk analysis in order to define the most appropriate control and protection elements, in close collaboration with the partners that may be involved in the manufacturing of this equipment;
- logistics and transportation: each year, delivery vehicles, sales staff and technicians travel hundreds of millions of kilometers. Non-compliance with traffic regulations or the lack of regular maintenance of vehicles would expose drivers and third parties to increased risks of accidents. In addition, industrial sites use a lot of motorized lifting equipment, which presents specific risks (collision, falling loads, etc.). Training and certification are thus required to operate them;

- engineering and construction: industrial risks are factored in and must commence at the design phase of future installations. During the construction phase, the lack of a strict accident prevention framework would affect the coordination among the various stakeholders and expose teams to risks of accidents;
- delivery reliability: the Group is exposed to the risk of faults in the systems supplying gas to customers, which could lead to a disruption to supply, in terms of quality or volumes;
- any failure to comply with specific standards and regulations, in particular in healthcare, with the risk of non-compliance of products and services provided to customers and patients.

Risk management measures

To manage these risks, the Group has an Industrial Management System (IMS) that covers all Air Liquide's businesses. The IMS is based on:

- the accountability of the departments of the various Group entities for the implementation of this system;
- the issue of key management and organizational procedures that aim to ensure:
  - compliance with standards and regulations,
  - competence management (training, qualifications if necessary, and more),
  - process risk management,
  - occupational health, safety and environmental management,
  - road safety management,
  - industrial emergency management,
  - change management,
  - maintenance management,
  - control of products and services from providers,
  - management of installation projects,
  - management of product development,
  - management of production and service provision,
  - incident and accident reporting and investigation,
  - management of industrial audits,
  - deployment of shared technical standards within the Group entities.

The IMS document base is continuously updated and enriched.

The Safety and Industrial System Department and the Industrial Department, under the supervision of a member of the Executive Committee, supervise and control the implementation of the IMS, by notably relying on:

- various dashboards designed to monitor performance in terms of reliability and safety;
- process audits to verify the implementation conditions and compliance of operations with IMS requirements;
- thorough reviews prior to the start-up of any new production unit to prevent any accidents or failures due to a construction defect;
- technical audits to ensure the compliance of operations with Group rules.

As part of its Transformation program, Air Liquide is implementing several changes including the creation of a single global Group Industrial Direction (see History of the Air Liquide Group in Chapter 1 – page 20).

The evolution of the reliability and safety performances and their level of compliance with IMS requirements are regularly monitored by the Executive Committee as well as by the Environment and Society Committee.

1.2. INDUSTRIAL INVESTMENT-RELATED RISKS

Identification and description of risks

The Group may be exposed to risks related to its industrial investments. The profitability of each investment project can be affected by different factors, related on the one hand to strategic aspects of the project, namely geographical location, assessment of the local context including the economic environment (inflation), customer quality and the competitiveness of its site and the environmental or societal impact of the project; and on the other hand to the proper control of the execution of the project, which includes in particular the relevance of the design, the maturity of the cost estimate, and lastly the quality and respect of construction deadlines and budgets.

Furthermore, in the new markets that are developing around the energy transition in particular, in addition to the risks mentioned above, the Group may be exposed to risks related to the degree of maturity of certain technologies (for example, a pilot project that constitutes a world first), the increasing size of projects and the speed at which these new markets are opening up.

Risk management measures

The BlueBook's Operations control policy sets out the control principles for the Group's industrial investments, the implementation of which is set out in the investment decisions procedure. The latter includes in particular:

- a detailed process, within the Resources and Investment Committees (described in paragraph 3 of the Strategy and objectives section of Chapter 1 – page 47), for the review and approval of investment requests based on strict assessment criteria that include in particular medium-term contractual commitments, as well as consideration of the environmental impact of projects;
- control of investment decisions through the specific follow-up of authorizations granted as well as contributions expected and seen during the initial years. In addition, the subsidiaries are obliged to report (above certain thresholds) all budget overruns and implement corrective action plans aimed at ensuring the profitability of the investments concerned; they are supported by teams of experts ("Group Capital Implementation" teams) in order to secure good preparation and execution, in particular for the largest projects;
- more in-depth analysis of the profitability of certain major investments (comparative analysis prior and subsequent to completion).

1.3. ENERGY SOURCING-RELATED RISKS [(1)]

Identification and description of risks

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

Risks to which the Group is exposed when sourcing energy and raw materials relate to:

- the supply of energy and raw materials (access and reliability, in particular counterparty risk, etc.);
- their carbon footprint;

(1) *ESRS 2 SBM-1 §42 (a).*

- volumes (non-compliance with obligations and commitments on volumes, etc.);
- prices (volatility, competitiveness, etc.);
- compliance with current regulations (market transparency rules, Sapin 2 Law, etc.);
- changes in local regulations on energy and its deregulation.

Financial risk relating to raw materials is described in note 25.1 to the Consolidated Financial Statements on page 244.

Moreover, and in addition to energy and raw materials, the Group may be temporarily exposed to supply shortages for certain molecules which are only produced at a limited number of sites, in particular with worldwide reach, such as helium and rare gases.

Risk management measures

Due to the geographic spread of Group activities, its supply contracts are diversified.

The management of exposure to specific energy-sourcing risks is described in the Group's Energy management policy and is based on two principles:

- energy purchasing must exclusively cover internal production needs ("own-use");
- entities pass on energy cost fluctuations to their customers via indexed invoicing integrated into their long-term gas supply contracts (15 years and more). The risks of supplier shortages/ default are also covered by Force Majeure clauses in customer contracts.

The Group works to maintain these principles in the context of the supply of low-carbon industrial gases produced from renewable or low-carbon energy (for which new risks must be taken into account: long-term commitment, fixed price, intermittency, management of environmental certificates, etc.).

The "E-Enrisk" Group Energy & Emissions Risk Management Committee reviews the energy sourcing strategies of the entities, examines the most significant commitments and ensures that commitments made are consistent with the Group's climate strategy (both upstream of investment decisions and for existing assets).

The composition of the "E-Enrisk" Committee is detailed in paragraph 5 of the Control environment section of this chapter – page 88.

Moreover, risks relating to the sourcing of certain molecules produced at a limited number of sites with worldwide reach are managed by a strategy of diversifying sources, storing molecules and securing procurement through long-term contracts.

1.4. RISKS RELATING TO THE DESIGN AND CONSTRUCTION OF PRODUCTION UNITS

Identification and description of risks

Air Liquide's engineering team designs and builds production units worldwide which are primarily intended for Group investments, but also for third-party customers.

As these projects generally extend over several years, they are exposed, at their various stages, to risks relating to design, purchasing, transport or construction and more generally the overall quality, schedule and costs. Risks relating to these projects are often greater during the construction phase, in particular for turnkey projects:

- the quality and delivery times for critical equipment, on the one hand, and on-site construction costs and deadlines on the other may give rise to project start-up setbacks and impact project profitability;
- unexpected technical difficulties may also arise, in particular when a new innovative process is implemented;
- certain projects are located in regions of the world that may present political, social, environmental or economic risks.

Risk management measures

Engineering and project management teams have implemented a risk management system for the development and execution of all their projects (of varying size and complexity and which use different types of technology), which is described in the document specific to this activity, the "Playbook".

This system relies in particular on an Engineering Risk Committee. Based on feedback from ongoing and completed projects, it aims to ensure proper risk assessment throughout the life of the projects as well as the implementation of appropriate management measures:

- during the development stage: by identifying potential threats (but also opportunities) that may have an impact on the project's objectives during the forthcoming execution stage, thus allowing adequate decisions to be made;
- during the execution stage: by continuing to regularly assess and mitigate already-identified risks which could change, occur or disappear, but also by identifying and dealing with any new threats which could have an impact on the contractual commitments, stakeholder engagement (suppliers and subcontractors), technical integrity or the performance of the project right through until its completion.

1.5. INNOVATION-RELATED RISKS

1.5.1. Technology-related risks

Identification and description of risks

The Group operates in a fast-moving environment, with the emergence of new products, new players, new business models and new technologies, thus creating a strong need for technological developments in its main markets, such as hydrogen energy or even healthcare. These changes may impact the Group's activities or its position in a market. The Group's growth possibilities, therefore, depend on its ability to respond to this change over time.

In terms of digital technologies, the Group is facing remarkable transformation challenges with possible impacts on its business model, its organization and, ultimately, its competitiveness. The risk to which the Group is exposed is linked in particular to the rapid increase in the nature and volume, availability, security and quality of data, whether from customers and patients or its own assets.

Risk management measures

The Group has introduced a dedicated structure to roll out its innovation strategy which focuses on two objectives: contributing to its operational excellence and long-term performance, based on new offerings, technologies and services. The Innovation & Development Division (IDD) therefore steers the innovation strategy on behalf of the Group's hubs, World Business Lines and operations, and contributes to the Group's sustainable growth.

Drawing on continuous reflection regarding new technologies and new markets, the IDD is responsible for imagining, developing and incubating new solutions through to their launch on the market, in particular when related to offerings with major technological content, all while maximizing their impact and facilitating replication across all of the Group's businesses and geographies. To do this, it relies in particular on the strong exploration capacity of the Group's R&D, its organization as close as possible to its customers with six Campuses on three continents, and its integration in innovation ecosystems.

The Group continually adapts its innovation approach and invests each year in Research & Development and digital technology. In recent years, it has strengthened its open innovation approach, in particular with the signing of long-term joint development agreements with key partners, regarding:

- the energy transition and preservation of the planet (a significant portion of the innovation spend is allocated to the elaboration of new processes which consume less energy and allow CO_2 emissions to be reduced);
- healthcare;
- digital, data and artificial intelligence;
- electronics
- deep tech (disruptive technologies): cryogenic equipment, space exploration, etc.

Five Innovation Campuses and one Technologies Campus, located across the globe, aim to create a connected network which is open to its innovation partners – universities and technology institutes, suppliers, customers and start-ups. The Group thus relies on an ecosystem made up of some 350 external partners.

The Group has put in place a robust innovation governance process, from idea to market. In particular, it reviews initiatives whose results are not at the expected level (see paragraph 3.4 of the Strategy and objectives section in Chapter 1 – page 49), and prioritizes initiatives with the highest impact each year.

The Group is introducing digital solutions, data and artificial intelligence into its internal operations and as part of its offerings, to improve efficiency and in particular help steer its industrial activities with greater speed and agility. For example, the rollout of Smart & Innovative Operations Centers which facilitate the remote management of production at its sites, by drawing on predictive data analysis and artificial intelligence is one illustration of this. Moreover, the rollout of the Integrated Bulk Operations digitization program, aimed at digitizing the liquid products supply chain, provides Industrial Merchant customers around the world with access to a service that guarantees greater reliability and safety, while improving the Group's efficiency and reducing its carbon footprint.

1.5.2. Intellectual property-related risks

Identification and description of risks

The global environment shows particular interest in intellectual property as well as, in certain jurisdictions, greater attention to the protection of trade secrets. The Group's business is not significantly dependent on technologies patented by third parties; it relies mainly on technologies, processes, designs and software developed internally, in particular by its Innovation, Digital & IT, Engineering & Construction teams, its World Business Lines, and its Operations teams. Innovation is also increasingly achieved in partnership with third parties; the Group develops certain innovative businesses through partnerships, buying shares in innovative entities, or acquisitions.

Limitations on the Group's ability to protect, retain or enforce its intellectual property rights, including its trade secrets, could result in a loss of revenue and any competitive advantage that the Group holds. Third parties may also be able to develop an independent technology similar to that of Air Liquide without infringing its intellectual property rights or having access to its trade secrets, which could harm the Group's financial position or profitability.

Air Liquide, through its technologies, processes, designs and software, always makes sure to respect the intellectual property rights of others. If a third party claims otherwise and in the event of litigation, regardless of the merits, such claims generally result in significant legal costs, including potential damage to the Group's reputation. Risks may also arise in the treatment of third parties' confidential information, including trade secrets, in the Group's day-to-day operational activities or in the context of collaborations.

Risk management measures

Governance relating to intellectual property and related risk management principles are set out in the Group Policy and procedures aimed at:

- ensuring the protection of the Group's intellectual assets, by protecting the Group's inventions, designs, brands and software;
- ensuring that Air Liquide complies with all valid intellectual property rights of third parties in all its areas of activity;
- in the case of partnerships and collaborations with third parties, supporting stakeholders within the Group to manage risks related to intellectual property;
- raising awareness among employees of the risks relating to intellectual property.

To this end, the Group relies on an Intellectual Property Department whose employees are based at the Group's head office and in the main geographic regions.

To the Group's knowledge, there are no legal or arbitration proceedings relating to intellectual property, either current or threatened, which may have or have had, in the past 12 months, significant impacts on the Group's financial situation or profitability.

1.6. HUMAN RESOURCES MANAGEMENT-RELATED RISKS

Identification and description of risks

The long-term performance of the Air Liquide Group is driven, in particular, by its employees, their skills and their commitment.

In its businesses, the Group aims to:

- attract and retain the required skills at the right time and in the right place, in particular in markets where the Group is expanding its activities, or in geographies where the employment market is strained;
- maintain and develop technical expertise, where possible through certification, to guarantee the continuity of the Group's businesses;
- strengthen employability and support the development of skills in new disciplines (data science, artificial intelligence, etc.) to meet the needs related to the digitalization of its activities or towards new businesses such as hydrogen or decarbonization.

The corresponding risks would arise, in particular, from shortcomings in:

- skills development;
- the management of careers and opportunities;
- the recognition of performances and contributions, in particular in certain areas of expertise.

In addition to risks relating to skills management, psychosocial risks may also affect the mental health and level of commitment of Group employees, particularly in the recent context of the digitalization of the working environment, which has transformed operating methods.

Furthermore, Air Liquide contributes to economic and social growth in the 60 countries [(1)] where it operates through its technical, industrial, medical and economic businesses. Air Liquide therefore identifies and applies the applicable laws and regulations, in particular in terms of working conditions and labor relations.

Risk management measures

The Group is committed to identifying, attracting and developing the necessary scientific, technical and digital skills required for its growth, its operational performance and innovation. To this end, the Human Resources policy defines the main rules, together with the roles and responsibilities of the different parties involved in their implementation, with respect to issues including:

- acquisition and sustainability of the necessary skills. Air Liquide relies on the 70-20-10 learning model, which considers that 70% of learning takes place through practice, 20% through observation or interaction and 10% through training. To this end, Air Liquide University offers a wide range of training courses, particularly online (e-learning), in a wide variety of fields and regularly enriched with new content, meeting the specific needs of the organization and recently including digital, artificial intelligence and the energy transition;
- supporting employees in their individual development throughout their careers through career interviews during which employees discuss their career plans with their line manager and/or their HR manager;
- changes in working methods within the Group. In its BeActEngage framework, Air Liquide specifies what is expected of employees in order to enable them to evolve in a safe, ethical and engaging environment to deliver long-term performance. For the Group, it is also a means of ensuring its operational performance. In 2024, a study was carried out to determine which ways of working should be reinforced and which new ones should be implemented. The evolution of this framework has been published and made available to all Group employees. Deployment is in progress;
- performance measurement and recognition based on results and behavior to offer all employees fair, equitable and competitive total compensation. In addition to employee remuneration and loyalty policies (regular capital increases reserved for employees, in countries where regulations allow this), specific provisions are aimed at promoting and sustaining certain skills, such as inventor and innovator recognition programs, and the technical expertise development scheme (Technical Community Leaders) in a wide range of fields such as industrial operations, industrial safety and digital.

More generally, the Group ensures the building of a performance-focused, attractive and collaborative professional environment while also safeguarding the health and well-being of Group employees. Their engagement is measured with the My Voice program: a questionnaire is submitted each year to all employees, asking them about their experience within the Company. The results are studied in order to define and implement appropriate action plans at the various levels of the organization.

The growth in remote working has increased the use of digital tools to ensure business continuity. Employees' adjustment to this new way of working was facilitated by the existence of a digital and collaborative environment that had already been rolled out within the Group several years ago, as well as the development of virtual training courses covering remote working and team management. In this context, the Group rolled out a global project to support new ways of working.

1.7. CUSTOMER RISKS

Identification and description of risks

The primary customer risk is the risk of bankruptcy or closure of a customer's production site. More generally, the business of some of the Group's customers may be interrupted following natural or man-made disasters, including those resulting from changes in weather conditions, pandemics, climate change, or following major political events (including war and nationalization).

The amount of operating receivables as well as provisions for doubtful receivables are shown in note 17 Trade receivables to the Consolidated Financial Statements on page 223.

Risk management measures

The diversity of the Group's geographic presence across 60 countries [(1)], as well as the industries and sectors in which it works, helps to distribute customer risk. The Group's entities serve a very large number of customers (more than two million worldwide) in a broad range of industries: electronics, healthcare, pharmaceuticals, chemicals, steel, metals, refining, food, automotive, etc.

The Group's largest customer represents 2% of revenue, the Group's top 10 customers represent around 12% of sales and the top 50 customers represent around 28% of sales.

A significant part of the Industrial Gas business is covered by customer contracts, with commitment periods specific to the relevant business line:

- the Large Industries business and a third of the Electronics business mainly rely on 15- to 20-year take-or-pay secured contracts, ensuring a guaranteed minimum revenue and offering strong future cash flow predictability;
- the contracts in the Industrial Merchant business, generally with a duration of one to five years, also include services relating to storage and cylinders over the lifetime of the supply contract;
- in the Healthcare business, positions vary between health systems, with certain countries awarding one to five-year contracts on a regional and pathology basis following invitations to tender.

Finally, the impact on the Group of the risks of customer business interruption following major climatic or political events is limited by the wide diversity of countries in which it operates. This impact can be offset by the necessary recourse to gases or equipment manufactured by the Group in critical situations. Gases are needed to secure industrial installations or chemical facilities (inert gases), maintain local industrial activity (essential to industrial processes) or even sustain life (medical gases and equipment). The Group's businesses are therefore often protected or prioritized depending on the situation.

(1) *Excluding Russia, where the entities are no longer consolidated following the loss of control on September 1, 2022.*

2. Financial risks

The Group's financial policy sets out the management principles for the financial risks to which its business is exposed. In this context, the Group has defined and regularly reviews the terms of the financial procedures which forbid speculative transactions notably on financial instruments.

Financial decision-making governance is the responsibility of the Finance Committees (Strategic Finance Committee and Operational Finance Committee), with the former considering issues relating to the financing strategy and the latter dealing with the practical methods of its implementation.

2.1. COUNTERPARTY AND LIQUIDITY RISKS

Identification and description of risks

Counterparty risk primarily relates to trade receivables, short-term investments, derivative hedging instruments and credit facilities contracted with each bank.

Trade receivables risks relate to receivables on the balance sheet that may remain unpaid in the long term, in particular in the event of the financial hardship of a customer.

Short-term investment and deposit risk is mainly related to short-term cash deposits in the event that one of the Group's key banks defaults and, to a lesser extent, an impairment loss due to the use of monetary funds for a portion of the portfolio.

Hedging derivative risk relates to the positive market value of transactions which would be lost in the event of the default of one or more counterparties, and the need to substitute new hedges under potentially less favorable conditions.

Finally, the main risk related to credit facilities is that the facility is unavailable when a drawdown is required.

Note 25.1 to the Consolidated Financial Statements describes counterparty and liquidity risk for the year ended December 31, 2024 – page 241.

Notes 17.1 and 17.2 to the Consolidated Financial Statements provide a breakdown of trade and other operating receivables and provisions for doubtful receivables on page 223.

Risk management measures

With industrial projects and acquisition transactions, customer counterparty risk is one of the key elements assessed by the Resources and Investments Committees.

For long-term contracts, an assessment of a potential customer's credit profile is carried out before any contact is made. This assessment is then taken into account in the payment terms proposed to customers.

For the Group's major customers (in 2024, 162 customers, generating around 35% of sales), counterparty risk is monitored on a monthly basis using ratings provided by financial rating agencies, or via an internal financial rating (when an explicit published rating does not exist). The actual structure of contracts, in particular for Large Industries and Electronics, reduces risks in that these medium to long-term contracts include safeguarding clauses for the Group.

In certain cases (mainly Europe and the United States), the risk of losses on certain trade receivables is transferred to the banks through non-recourse factoring programs.

Moreover, to reduce risks relating to the default of a financial counterparty, the Group has adopted a conservative approach to its short-term investments and only works with leading banks and financial institutions rated at least A or A2 by Standard & Poor's or Moody's, over the long term, except in exceptional and justified circumstances.

Investments must therefore be made with key banks (i.e. leading banks selected according to their financing resources, their geographical and product coverage, ESG performance, as well as their financial stability), with maturities of less than three months, be highly liquid and have low volatility. The ratings of key banks and risk indicators available on the markets are monitored on a daily basis using real-time financial information services.

Cash pooling with the help of international cash pooling (a daily leveling system towards Air Liquide Finance) and the policy of annual extraction of subsidiaries' dividends also helps limit the amount of local cash in each country.

To minimize the risk relating to the market value of hedging derivatives used to manage currency and interest rate risk and that of fluctuations in raw material and energy prices, the Group works with its key banks on one hand, while also ensuring it diversifies its transactions. These transactions are governed by Framework-contracts (*Fédération Bancaire Française* or International Swaps and Derivatives Association contracts). The Group has decided not to use a collateralization mechanism due to the low average duration of these derivatives and the cash fluctuations that may result from margin call mechanisms.

Lastly, in terms of financing, to ensure its development and independence, the Group sees that it has permanent liquidity, i.e. sufficient financing capacities with a wide and diversified panel of key banks and money and bond markets, including a responsible and sustainable financing framework (Sustainable Financing Framework making it possible to issue green bonds) that is available at any time and at the lowest cost.

2.2. FOREIGN EXCHANGE RISKS

Identification and description of risks

The Group, due to its international presence, is naturally exposed to foreign currency fluctuations with, on one hand, a transaction risk and, on the other hand, a risk relating to the translation of its financial statements into euros (the Group's reporting currency).

Foreign exchange transaction risk relates, on one hand, to the foreign currency commercial cash flows of operating entities and, on the other hand, cash flows arising from royalties, technical support and dividends.

Translation risk relates to the publication of the Group's financial statements in euros from the entities' financial statements in local currencies, without an impact on the profitability of the Group's businesses.

Note 24.5 to the Consolidated Financial Statements presents net debt by currency on page 239 and note 25.1 to the Consolidated Financial Statements on pages 240 to 244 describes the foreign exchange risk management process, as well as the derivative hedging instruments used and sensitivity to foreign currency exchange rates.

Risk management measures

Since industrial and medical gases are not transported over long distances, most products are manufactured in the country where they are sold. The Group considers that its activities and its profitability have a low level of exposure to currency fluctuations.

The Group has nevertheless defined methods for hedging its main foreign exchange risks, whether this is borne by the holding companies or the operating entities, in terms of authorized hedging instruments, the decision process and the execution of transactions.

These measures are supplemented by management rules adapted to local circumstances, which are aimed at ensuring compliance and security of transactions and optimizing management.

The application of this financial policy is controlled by the Finance Department. The majority of transactions are executed directly on a centralized basis with the subsidiaries and over-the-counter markets, which is completed by consolidated reports provided by various Group entities on a monthly or quarterly basis, depending on the type of risk.

The activities are managed on the basis of highly separated duties, using a multilateral negotiation platform, cash management software, and a communication platform linked to the international banking communication network "SWIFT". An independent auditor is mandated to conduct an annual assessment of the Group's level of compliance with Swift's Customer Security Program. The assessment showed that the ecosystem and internal security procedures are in line with Swift requirements.

Furthermore, the Group provides a natural hedge and reduces its exposure to exchange rate fluctuations by raising debt in the currency of the cash flows generated to repay the debt. Thus, financing is raised either in local currency or, when sales contracts are indexed in euros or US dollars, in hard currencies (EUR or USD).

2.3. INTEREST RATE RISKS

Identification and description of risks

The interest rate risk is mainly linked to the fluctuation of future cash flows on debt when the rate is variable.

In addition, in the case of a significant increase in interest rates upon future renewals of bonds, the Group may find itself obliged to devote a more significant portion of cash flows from its operational activities to service its debt.

Note 24.3 to the Consolidated Financial Statements – page 237 – presents the fixed-rate portion of debt and note 25.1 to the Consolidated Financial Statements – pages 240 to 244 – describes the sensitivity of the Group's financial expenses to interest rate fluctuations and the interest rate repricing schedule for fixed-rate debt and interest rate risk hedging instruments.

Risk management measures

The Group's strategy is to maintain, over a medium- to long-term period, a majority of total debt at fixed rates, notably by using firm or option hedges.

Centralized interest rate hedging methods have also been defined for each major currency in which debt is held (in particular EUR, USD, JPY, and CNY, which represent around 85% of total net debt) including:

- the selection of authorized tools, in particular swaps and interest rate options;
- hedging decision processes;
- methods of executing transactions.

For debt in other currencies, rules have been defined in order to ensure that the transactions initiated to hedge interest rate risk are consistent with Group objectives.

Moreover, pre-hedging transactions for future highly probable issues are regularly implemented to protect the Group against an increase in interest rates.

With few exceptions, all interest rate transactions are centrally processed by Air Liquide Finance, and regularly valued using both internally designed tools and an independent specialized firm.

2.4. TAX RISKS

Identification and description of risks

The Group is exposed to tax risk in certain countries, due to changes in applicable regulations, which may have an impact on its activities or its results. This risk may arise from:

- unfavorable changes in local or international regulations;
- challenges in the application of current regulations or standards;
- errors when completing tax returns;
- regular audits by tax authorities which could lead to disagreements over the interpretation of facts.

Risk management measures

As far as tax is concerned, the Group focuses on complying with laws and regulations. Modifications of laws and regulations are followed and monitored by its Tax Department and its local Finance Departments.

The Group's tax Charter supports its ambition to remain a leader in its sector by acting in a responsible manner, consistent with the Group's long-term growth strategy. Air Liquide has defined the following principles which govern its tax policy, in line with article L. 22-10-36 of the French Commercial Code:

- Group entities must respect the laws and regulations in force, as well as the international standards that affect it such as those of the Organisation for Economic Co-operation and Development (OECD), in particular on transfer prices;
- Group entities ensure that tax returns and payments are completed in compliance with local regulations. They complete the required tax returns according to the jurisdictions in which the Group operates;
- the Group is committed to acting with integrity in all tax-related matters. It aims to operate in a transparent manner and build constructive, long-term relationships with the tax authorities;
- the Group deals with tax-related matters by banning tax havens and does not make use of shell corporations without economic or commercial substance;
- the Group protects value for its Shareholders by taking measures to minimize double taxation phenomena. Furthermore, it acts to minimize fiscal risk. Its tax strategy is in line with the Group's strategy and complies with the Code of Conduct.

Tax policy followed by the Group

Air Liquide applies a tax compliance and transparency policy, guaranteed by the presence of qualified and dedicated teams of tax experts who are up to date with the latest tax reforms and respect the Group's values. The Group is committed to acting with integrity in all tax-related matters. In the countries where it operates, the Group maintains transparent, constructive and long-term relationships with the tax authorities, providing them with the information they need within a reasonable period of time. L'Air Liquide S.A., on its own behalf and on behalf of its integrated French subsidiaries, is the first company to sign the "Fiscal Partnership" with the French tax authorities. By signing this partnership in March 2019, L'Air Liquide S.A. and its subsidiaries have entered a trust-based, transparent relationship with the French tax authorities. This commitment continues without interruption.

The Group ensures that its operations comply with tax regulations, so that it pays an appropriate amount of tax according to the place where the value of its business activity is created, without artificially transferring value within low-tax jurisdictions.

The Group does not use opaque structures or entities in tax havens and does not withhold useful information from the tax authorities. It does not use structures that lack economic or commercial substance.

The Group applies an intra-group cash flow policy that complies with the OECD principles. In particular, it applies the arm's length principle to transfer pricing and does not use transfer pricing as a tax planning tool. As the Group's organizational structure is decentralized, its intra-group transactions are very limited and represent a small proportion of total sales.

Air Liquide complies with the "Country-by-Country Reporting" (CBCR) obligations.

Organization and governance of the tax function

The subsidiaries' tax affairs are the responsibility of their Finance Departments. Due to their size, some subsidiaries have a specialized Tax Department reporting to the Finance Department, such as in France, the United States, Germany, China, Canada, Italy, Benelux and Spain. In some cases, a Cluster Tax Department reporting to the Cluster's Finance Department has been set up to coordinate taxation in several countries, such as in South-East Asia and Africa/Middle East.

All these country or Cluster Tax Departments have a functional link with the Group's Tax Department, which is based at the Head Office. The latter coordinates the network of tax teams, in particular through regular meetings to identify significant issues, provide the appropriate technical support and the necessary guidance.

The Group Tax Department is part of the Group's Finance Department. It maintains links with the various financial, legal and other organizations in order to keep abreast of the Group's operations. It participates in the Finance Committee, an internal Group committee, to ensure the tax position complies with the Tax Charter. The Department presents the Group's main tax risks to the Audit and Accounts Committee at least once a year. In addition, given the importance of the negotiations underway at the OECD to develop the so-called Pillar 1 and Pillar 2 rules, the Group's Tax Department joined the OECD working groups in 2021 and will participate constructively in this work for as long as necessary.

3. Digital risks

3.1. DIGITAL RISKS

Identification and description of risks

The Group's activities, expertise and, more generally, its relations with all stakeholders (suppliers, customers, banks, communities of experts, etc.) depend on increasingly dematerialized and digitized operations. These operations are based on information systems and interdependent communication networks to be secured to preserve their integrity, availability, security and confidentiality of data, sometimes subject to specific regulations.

Given the Group's global markets, industrial sites and the still significant level of cyber threats, this risk is considered high for Air Liquide and addressed accordingly by the organization.

Risk management measures

The Digital Security Policy describes the Digital Security issues, sets the basic rules governing the handling of associated risks, and outlines the roles and responsibilities in this area. It is accompanied by:

- codes outlining principles to be respected by users and IT administrators;
- procedures describing, in particular, how to secure data and applications, and detect and deal with incidents.

The Digital Security Department, attached to the Group Control and Compliance Department, defines the main areas of focus in a multi-year operational program, and specifies the short-term action plans, in the light of a risk analysis updated annually. It coordinates them in collaboration with the Digital & IT teams, among others, and deploys them by relying on dedicated resources in the Clusters, World Business Lines and World Business Units.

The main lines of work revolve around:

- risk prevention and raising employee awareness of fraud and leaks of confidential information or personal or patient health data, via educational tools such as online training on data protection or the use of IT tools and phishing campaigns. Risk prevention measures in the event of remote working have been strengthened, in particular in the management of remote access to IT systems;
- protection of critical applications, the most sensitive information (patient health data, in particular), industrial assets, as well as taking Digital Security into account from the project design phase, as an intrinsic dimension of any digital solution;
- monitoring of digital threats, information leaks and major cyber incidents that could affect the Group's activities: this involves penetration testing (which is increasingly automated), the implementation of a system to report information leaks as well as monitoring of Group applications that are exposed on the Internet;
- implementing regulatory compliance for the organization using specific projects or programs such as respecting the General Data Protection Regulation (GDPR); for the latter, a framework agreement was drafted governing sharing of personal data within the Group, and a mechanism for the handling and processing of complaints was introduced; now deployed in all businesses and geographies, annual controls (supplemented by occasional audits) ensure its sustainability. Other recent or imminent regulations have also required specific action plans (for example the NIS2 for Europe, the AI Act, etc.);
- the Group's resilience through the department in charge of incident detection/reaction, crisis simulation exercises (at the base and Cluster levels), and implementation of a business continuity plan in the event of an interruption of IT systems.

4. Environmental risks

4.1. ENVIRONMENTAL RISKS

4.1.1. Climate risks: greenhouse gas emissions

Identification and description of risks

Air Liquide's business model is based on the outsourcing of the industrial gas needs of its customers who often emit greenhouse gases themselves, in particular in the metals, chemicals and refining industries. This outsourcing is justified by Air Liquide's expertise which allows them to optimize the energy consumption of production tools and favor low-carbon energy procurement. However, it leads to the transfer of a portion of the customer's greenhouse gas emissions to the Group.

Nearly 85% of Air Liquide's large production units are Air Separation Units (ASU), which do not use any combustion processes and therefore do not emit CO_2. The only raw material they use is air, with the energy required to separate the air being consumed almost exclusively in the form of electricity. Electricity used by the Group to power these units generates CO_2 emissions at electricity suppliers; such emissions are classified as indirect emissions (Scope 2).

The Group's two other main CO_2-emitting activities are hydrogen production by steam reforming and co-generation. These account for nearly 15% of large production units and use combustion processes emitting CO_2, known as direct emissions (Scope 1).

In this respect, the climate risk (greenhouse gas emissions) is closely linked to the implementation by public authorities of greenhouse gas emission reduction policies such as, for example, the introduction of a carbon price or more stringent regulations, that may impact:

- either the Group's plants (direct impact on the operational scope), resulting in increased production costs, and the need for new investments;
- or those of its suppliers, resulting in supplier price increases;
- or customers (indirect impact on the value chain), impacting for instance their market, processes and industrial gases needs.

Air Liquide is present in regions across the globe that have implemented or are in the process of implementing greenhouse gas emissions trading schemes. If the share of emissions covered by free allowances decreases, the Group may be required to introduce compensatory measures. It should be noted that long-term contracts foresee a transfer of CO_2 costs to customers.

Risk management measures

To reinforce the climate objectives announced in November 2018, which set the framework under which the Group takes active measures for the climate in its operations, with its customers and ecosystems by offering low-carbon solutions, Air Liquide announced new sustainable development objectives on March 23, 2021. In line with the Paris Agreement, and to address the urgency of taking climate change and the energy transition into account, Air Liquide sets itself the ambition to achieve carbon neutrality by 2050, with two major intermediate milestones:

- the start of the reduction of absolute CO_2 emissions around 2025;
- a -33% reduction in its Scopes 1 and 2 CO_2 emissions [(1)] by 2035, compared with a "market-based" 2020 Scopes 1 and 2 baseline [(2)].

The objective of reducing carbon intensity by -30% by 2025 relative to 2015 emissions [(3)] has been maintained.

A Climate Policy published in the BlueBook in 2022 aims to consolidate the principles governing climate risk management within the Group, as well as across the entire value chain.

The monitoring and achievement of the Group's climate objectives rely on:

- the internal greenhouse gas emission monitoring procedure, which sets out the monitoring of current greenhouse gas emission regulatory obligations with which the Group must comply, the methodology for calculating Scopes 1 and 2 emissions, as well as the reporting scope and frequency;
- integration of the monitoring of the CO_2 trajectory performance in the Group's management process, in particular the budgeting process that now includes the allocation of a carbon budget to the different geographical areas, as well as quarterly monitoring by geography and business line at the Executive Committee level;
- a review of investment decisions, taking climate factors, in particular a CO_2 price, into consideration, along with an analysis of the opportunities and risks associated with energy transition. For all its projects, for all geographies, and even those without a current official price for CO_2, Air Liquide integrates a CO_2 price sensitivity study into its investment decision process. This sensitivity analysis is carried out using the current local price, as well as a value of 100 euros or more per tonne, chosen according to geography and context;
- the rollout of the "Climate Champions" network and the regular review of the decarbonization plan of each Cluster (group of countries);
- the assumption of the introduction, in the regions in which the Group operates, of public policies aimed at stepping up the transition toward a low-carbon economy that are in line with a "well below 2 °C" trajectory.

In addition, access to renewable energy is a key factor in the management of the Group's climate risk.

Finally, information regarding the European Union (EU) "Taxonomy Regulation" is available in paragraph 2.1 of the Sustainability Status section of Chapter 5 – page 295.

(1) In metric tonnes of CO_2-equivalent, restated, from 2020 and each subsequent year, to include the emissions of the assets for the full year, taking into account changes (upwards and downwards) in scope having a significant impact on CO_2 emissions.
(2) Scopes calculation methodology explained in paragraph 2.2.5 of the Sustainability Statement section of Chapter 5 – pages 313 to 318.
(3) In kg CO_2-equivalent/euro of operating income recurring before depreciation and amortization and excluding IFRS 16 at 2015 exchange rates on Scopes 1 and 2 of greenhouse gas emissions in a "market-based" methodology.

4.1.2. Climate risks: physical impact on Operations

Identification and description of risks

Air Liquide operates in certain regions of the world exposed to changes (in severity or frequency) in exceptional meteorological phenomena due to climate change. These phenomena can slow down or interrupt the Group's operations or make them more expensive. Its suppliers and customers are also confronted with this same issue.

These can be broken down into:

- acute risks triggered by events such as natural disasters, the frequency and severity of which are increasing: storms, hurricanes, flooding, etc. These risks may relate to Air Liquide sites located near the coast for example, or in regions affected by hurricanes (the US Gulf Coast, South Asia, etc.);
- chronic risks, related to longer-term changes in climate models and rising temperatures: rising sea levels, chronic heatwaves in certain regions, changes in rainfall patterns and an increase in their variability, the disappearance of certain resources, etc.

Risk management measures

Physical risks (water availability, frequency of extreme events, etc.) are appraised during the review of investment requests, in the same way as financial criteria, to ensure that the associated risk management measures are adapted, for example in the design of equipment.

In addition, Group operations that are regularly exposed to the acute risks described above have risk management systems in place aimed at adopting suitable preventive operational measures and managing these crises by, first and foremost, protecting individuals and the production facilities in close cooperation with customers. These systems are regularly updated and improved.

Chronic risks are taken into account, particularly in the design of production units, in the same way, and to the same extent as their energy efficiency and carbon footprint.

In 2023, Air Liquide carried out a study to identify the risks linked to the physical impacts of climate change according to two high-emission scenarios (SSP2-4.5 used as “business as usual” leading to +2.7 °C by 2100 and the SSP-5.8 or “worst case scenario” leading to +4.4 °C by 2100) and to consolidate and improve the physical risk management process. We continue to work on improving our understanding of the challenges facing the Group's various asset types, with a focus on the main industrial basins.

Physical risks and the risks of greenhouse gas emissions are also taken into account in the preparation of the financial statements (note 31 – page 248).

4.1.3. Water management risk [1]

Identification and description of risks

The Group is dependent on water for its activities, and this risk is therefore considered material. The Group's water consumption comes from evaporation from the cooling of rotating machines. Water is also used as a raw material for the manufacture of products such as hydrogen.

Air Liquide pays particular attention to water management, especially in areas of water stress. The lack of water availability or poor water quality can have an impact on the security of supply of Air Liquide products to customers, adversely affect the efficiency or reliability of its plants and increase the direct cost of production.

Risk management measures

To manage the risks associated with water withdrawal and use, a water management policy was published in the BlueBook in 2021.

This policy identifies the impact of Air Liquide's activities on water availability. The policy defines the principles of risk management based on a specific assessment of the situation at each site. Finally, it describes the actions to be implemented to ensure appropriate water management.

In 2023, following the rollout of the water management policy, Air Liquide focused on the following objective, defined for the Group in 2021: implement a documented water management plan by 2025 aimed at reducing water withdrawal and use risks for water-intensive operations in areas of high water stress.

5. Geopolitical, regulatory, legal and public affairs risks

5.1. GEOPOLITICAL RISKS

Identification and description of risks

Considering the changing international climate, including increasing tensions between (or within) some countries and the persistence of terrorist threats, the Group may be exposed in certain countries to economic or financial risks, as well as to risks affecting the safety of its employees (on site or during business travel) and the security of its facilities.

Risk management measures

When investment requests are reviewed, the geopolitical context of a project (in both safety and economic terms) is part of the criteria examined before any approval: country risk is thus assessed on a case-by-case basis and may lead to adjustments to financing strategy and supplementary insurance cover, or even the rejection of the project.

Moreover, all countries in which the Group operates are subject to monitoring and regular analysis of the geopolitical context.

Finally, the Group Security Department uses awareness-raising and training tools to protect employees, travelers and expatriates who are potentially exposed in certain geographies or when traveling for business: e-learning courses, interventions from experts on certain specific risks (health, hygiene, pollution, kidnapping, etc.). Other measures are also implemented locally to secure products and sites that are most exposed to an external threat.

(1) *ESRS 2 SBM-1 §42 (a).*

5.2. REGULATORY AND LEGAL RISKS

5.2.1. Risks of non-compliance with laws and regulations

Identification and description of risks

In all the countries where the Group operates, its entities are exposed to the risk of non-compliance with laws and regulations. In an increasingly complex context due to a continuously rising number of standards, they must monitor changes to the legal and regulatory framework notably in terms of the specificities of the businesses that they conduct.

The Healthcare business line, in particular, is subject to specific regulations for the products that it sells (medical devices, drugs), the research activities that it carries out, and for the processing of patients' personal healthcare data.

The Group must in particular face, in all regions in which it operates, the risks of non-compliance with:

- competition law;
- provisions aimed at combating corruption;
- international sanctions;
- regulations restricting exports of certain products or relating to destinations under sanctions;
- regulations on the transfer of personal data (see paragraph 3.1 Digital risks in this section – page 80);
- the duty of vigilance.

Group entities are also exposed to the risk of non-compliance with contractual obligations (of their own or those of their contractual counterparties).

Liabilities and contingent liabilities related to disputes are described in notes 22 and 30 of the Consolidated Financial Statements – pages 228 and 248.

Risk management measures

Changes to legal and regulatory requirements are monitored with particular vigilance and are accompanied by the implementation of procedures aimed at improving teams' knowledge of these changes and related risks and providing them with tools to ensure compliance with obligations in the following fields, through:

- Group Codes on how to behave in order to comply with competition laws, accompanied by surprise audits and training that includes e-learning;
- a corruption prevention program in which General Management and management are closely involved; this program relies in particular on the mapping of corruption risks, the updated Code of Conduct, a full set of training and awareness-raising actions for those exposed to corruption-related risks, a third-party assessment mechanism, accounting controls and a whistleblowing system. This program is regularly updated to take into account new regulatory and legal requirements under the coordination of the Group's Ethics Officer, who relies on a network of ethics correspondents and the support of the Operational Departments in the hubs and businesses; it is regularly audited;
- an international trade compliance program (export control and international sanctions), based on a guidance document, a network of correspondents and regulatory watch, as well as a tool and procedures for verifying third parties; particular attention is paid to compliance with international sanctions against Russia, and the associated import/export control regimes;
- various contract guides (for Large Industries, Industrial Merchant, Electronics, Engineering & Construction and Financing) and Codes of Good Practices (for Healthcare);
- the establishment of a specific department to deal with the legal challenges of the law on the duty of vigilance.

To the Group's knowledge, there are no governmental, legal or arbitration proceedings, either current or threatened, which may have or have had, in the past 12 months, significant impacts on the Group's financial situation or profitability.

5.2.2. Risks related to public policies

Identification and description of risks

Changes in public policies may have repercussions on the Group's operations. These impacts can be of different kinds and concern both the Group's scope of activities and its rules of governance. The Group must be structured to enable the upstream identification of changes that could impact it.

In addition, in the preparation of public policies, it is common for public decision-makers to solicit the opinion of stakeholders likely to be affected by such policies in order to contribute to the definition of more effective regulations. In this context, the Group is regularly contacted at different levels on an individual and non-coordinated basis by various public authorities, ministries and government agencies to participate in these discussions. In order to support these discussions in a structured manner, Air Liquide defines positions on the subjects on which it may be solicited by the public authorities.

Risk management measures

The role of the European and International Affairs Department (DAEI) is to organize the Public Affairs function within the Group to ensure that mechanisms are put in place to monitor and analyze changes in public policies.

The DAEI and its representatives present in the subsidiaries of a few specific countries ensure the consistency of the messages conveyed by these subsidiaries by coordinating the representation before public institutions, NGOs, civil society, professional associations or think tanks.

In this context, the Group interacts with public stakeholders, in strict compliance with the principles of integrity and transparency.

Moreover, Air Liquide complies with national or supranational provisions relating to transparency registers by regularly reporting on its activities and lobbying actions to the appropriate authorities.

CONTROL ENVIRONMENT

This section describes the key elements of the control and risk management environment instituted by the Company.

1. Organization

The Group is organized and based on a consistent Group strategy. It is supported by a method of management which centers on mid-term objectives that are categorized by business, as well as a steering process for activities based on annual budgetary objectives, which are further categorized down to the individual plan level. As part of the ADVANCE corporate program, the Group continued to rely on a network organization that promotes communication and shortens decision-making circuits.

The organization breaks down into:

- geographic directors, who ensure the presence and representation of the Group in the main global regions. With the Base (L'Air Liquide S.A. head office), they are responsible for defining the operational strategy for the Group's geographic regions and their global performance;
- entities, grouped in Clusters (groups of countries) for better pooling of resources, which ensure operational management of their activities and implement the Group strategy in those countries where the Group has a presence;
- the World Business Lines, which:
  - with the Clusters and Strategy Department, prepare the medium-term strategic goals for the businesses they represent,
  - have responsibility for strategic marketing, the transformation of their respective businesses and the suitability of skills in their specific areas of business;
- Global Business Units (GBUs) specific to certain activities (Home Healthcare, Innovation & Development Division, Engineering & Construction);
- the Industrial Direction, whose mission is to optimize industrial processes in order to guarantee the safety, quality, reliability and efficiency of our operations. It covers all of the Group's industrial operations except GBUs;
- Global Business Services (GBS).

This organization also includes the Corporate functions, which notably comprise the three key control departments that report to General Management:

- the Finance Department, which is responsible for:
  - the reliability of accounting and financial information,
  - the Group's financial and tax risk management,
  - the drafting of Group objectives and monitoring of performance by operations control, based on financial data prepared by the accounting teams, analysis conducted by the financial teams of the various entities as well as certain operational data;
- the Group Control and Compliance Department, which:
  - provides expertise and assistance to entities in their risk management approach (see below) and builds a Group synthesis,
  - helps Group entities ensure compliance with and promotion of both the Group's ethical values, particularly through training and awareness-raising measures and the treatment of fraud and deviations (all these measures, organizations and tools are presented in detail in the Sustainability Statement – page 352), as well as compliance with duty of vigilance measures and with international trade regulations,
  - verifies the effective application of internal control and risk management procedures through audits carried out according to a defined program presented to the Group's Audit and Accounts Committee. This program, developed and based on the risk analysis, is regularly monitored by the Audit and Accounts Committee in liaison with the Environment and Society Committee (for environmental and societal issues). Audit reports are systematically supplemented by corrective action plans, which are supervised by a member of the Executive Committee. These reports, as well as subsequent follow-up reports, are the subject of various communications and periodic discussions with the Statutory Auditors,
  - provides guidance to Group entities, through the Digital Security Department, which reports directly to the Group Control and Compliance Department, on the identification and protection of their data, systems and digital applications (definition of rules, rollout expertise and advice, control of proper implementation);
- the Legal Department, which identifies legal risks, issues internal guidelines and Codes, and then oversees their proper implementation. It monitors the development of the main disputes. It manages insurance.

Moreover, the Group has an ethics whistleblowing system covering all its entities, enabling any deviations from the Group Code of Conduct or applicable legislation to be reported anonymously to an independent external service provider. This system is open to all the Group's internal and external stakeholders (customers, patients, suppliers, subcontractors and their staff, local communities, facilitators, etc.).

All alerts recorded are treated confidentially under the supervision of the Group Ethics Officer. This system is an alternative solution to the usual process for reporting incidents within the entities through managers and the Human Resources teams. It helps to accelerate the processing of reports received, and thus to minimize their potential impact on individuals and the organization. The principle of whistleblower protection is guaranteed by the Group and reiterated in the Code of Conduct. No sanctions or retaliatory measures are allowed against any person who lodges an alert in good faith.

The description of the whistleblowing system and details of the indicators relating to the reports and alerts received are available in paragraph 4.2 of the Sustainability Statement in Chapter 5 – page 353.

Finally, this organization relies on a framework of authorizations and delegations:

- to members of the Executive Committee and certain departments and services in order to define their commitment and payment powers for commercial transactions (sales or purchasing);
- to certain executives in charge of entities or sites in France in particular, in order to ensure the prevention and management of industrial risks in terms of hygiene and safety;
- to certain financial executives, in order to ensure the security of transactions and financial flows.

The managers of the various Group subsidiaries exercise their duties under the control of the Boards of Directors and in accordance with laws and regulations applicable in the countries where they operate.

2. Risk management

To ensure the continued development of its activities, the Group must actively pursue an approach to prevent and manage the risks (especially industrial and financial risks) to which it is exposed.

In terms of the Group's business activities, industrial risk management must essentially focus on prioritizing safety and security while maintaining a permanent focus on the reliability of facilities.

Financial risk management requires strict control over investments, combined with prudent and rigorous practices regarding the accounting and financial aspects of the activities.

The Group's formal risk management approach aims to ensure:

- the regular identification of the different forms of risk (industrial, financial and other) encountered by the Group during the pursuit of business activities, which are assessed according to both potential impact and probability of occurrence;
- the assessment of the level of maturity of the management of each risk based on a common scale with respect to the quality of policies, organizational structures, processes and controls in place;
- the progress of the main corrective action plans undertaken to mitigate these risks, by focusing monitoring activities on a limited number of priorities.

This three-phase risk management process (mapping, maturity level assessment, mitigation plans) covers more than 90% of consolidated Group revenue.

The Risk Management Department within the Group Control and Compliance Department leads this approach using:

- resources dedicated by Clusters, World Business Units and World Business Lines to manage the approach in their respective scopes of responsibility (under the supervision of the Boards of Directors of the entities concerned) and to provide a summary thereof;
- the work of members of the Risk Committee that it coordinates (described in paragraph 5 of this section – page 87).

The Audit and Accounts Committee reviews Group risk management based on presentations covering:

- the progress of the approach (on an annual basis);
- each major risk management system based on a multi-year program structured according to the challenges;
- internal audit summaries of these risk management systems.

The Environment and Society Committee meets three times a year. In addition, at least two joint sessions are organized with the Audit and Accounts Committee. The trajectory of climate objectives and associated risks are reviewed during these sessions.

In order to have a broader approach, each year, the Risk Management Department presents a hypothetical identification and positioning of emerging risks at a Risk Committee meeting. A review is also performed on the timing of the emergence of these risks, and the necessary anticipatory actions are suggested.

Finally, an annual summary of risk management actions undertaken by the Group is presented to the Board of Directors; each year it validates the Audit and Accounts Committee's provisional program which is presented to it beforehand, as well as a list of subjects of strategic interest or with particular relevance that will be presented in a more specific manner.

3. Internal control

In addition to the Principles of Action (https://www.airliquide.com/sustainable-development/ethics/groups-principles-action), which reaffirm the Group's values with particular reference to stakeholders (Shareholders, suppliers and customers, employees, etc.), the Group's policies, Codes, and procedures are grouped together in a Global Procedures Manual, the BlueBook, which is available to employees on the Intranet. The BlueBook constitutes a set of internal control and risk management documents, which must be implemented by each entity included in the Group's consolidated financial statements.

The BlueBook is the cornerstone of the Group's internal control system, which aims to ensure that:

- the Group's activities and the conduct of its employees:
  - comply with laws and regulations, internal standards and applicable best practices,
  - comply with the objectives defined by the Company, especially in terms of risk prevention and management policies,
  - contribute to safeguarding the Group's assets;
- all financial and accounting information communicated either internally or externally gives a true and fair view of the situation and activity of the Group and complies with prevailing standards.

Under the aegis of the Group Internal Control Department, awareness-raising and training actions on internal control issues are regularly carried out, for example, during the virtual training campuses offered by Air Liquide University twice a year.

Generally, the Group's internal control system should help better master its activities, the efficiency of its operations and the efficient use of its resources. It also aims to prevent errors and frauds.

As with other "assurance systems", it cannot provide an absolute guarantee that the Group's objectives will be met.

In line with the actions undertaken in previous years, all material Group entities and shared service platforms (representing over 90% of consolidated Group revenue) conduct an annual review of the appropriateness of their systems in relation to the Reference Framework for internal control and risk management systems.

These entities also implement actions aimed at improving their control systems in terms of annual guidelines defined at the beginning of the year by the Clusters and World Business Units, the Group Control and Compliance Department and the Finance Department. The latter two together organize these improvement measures and report on their progress to the Group's General Management then to the Audit and Accounts Committee.

In 2024, a specific assessment of the internal control system for the Sustainability Statement was carried out within the context of application of the new ESRS standards, as described in Chapter 5, paragraph 1.3.2 – page 283.

Audits are coordinated by the Group Control and Compliance Department and the Statutory Auditors, based on a joint work program, to verify the assessments of the internal control processes and the correct implementation of key operating controls.

Finally, cases of fraud are systematically reported to the Group's Ethics Officer, analyzed together with Internal Control in order to identify measures to strengthen the system to be implemented, and investigated when deemed necessary. They are regularly brought to the attention of General Management, the Ethics and Compliance Committee and the Audit and Accounts Committee.

4. Financial and accounting information

In order to guarantee the quality and reliability of the financial and accounting information produced, the Group primarily relies on a set of accounting principles and standards, as well as a consistent accounting and management reporting system, and feeds both the Group statutory consolidation process and the management analysis that is under the responsibility of independent departments, which report to the Finance Department.

The Group accounting manual, which includes the Group financial policy, defines the accounting rules and principles as well as the consolidation methods applicable, and states the formats applicable for reporting financial and accounting information. This manual is regularly updated by the Finance Department in accordance with amendments to IFRS or their interpretations.

Management and accounting reports are each prepared under the responsibility of independent but interactive departments that follow identical methods and principles:

- this independence allows for the enhancement of information and analysis through the use of complementary indicators and data, particularly those which are specific to each business;
- the fact that these bodies are interactive provides for better control of the reliability of information through the systematic and regular reconciliation of data.

The reports primarily include:

- monthly management reporting, known as the "Monthly Flash Report", which provides information on revenue and the main financial indicators: income statement, cash flow from operating activities, net debt and the amount of investments authorized and committed;
- quarterly reporting, known as the "Management Control Report", which provides details of the primary items of the income statement, balance sheet and cash flow statement;
- a quarterly "variance" analysis report to assess the various components of the change in operating income recurring.

These three documents are compiled by each management entity according to a predefined yearly timetable. They are systematically accompanied by comments on activities drawn up under the supervision of the entity's Chief Executive Officer, and are consolidated at Group level with a breakdown by geographic region and business:

- quarterly reporting for accounting consolidation is compiled by each reporting entity which, in addition, must provide (on a semi-annual basis) information on off-balance sheet commitments that include in particular:
  - energy purchasing,
  - financial guarantees and deposits,
  - all other contractual commitments.

Accounting consolidation statements and monthly reporting are escalated to the Central Consolidation Department. This department prepares the consolidated data and works in conjunction with the Operations Control Department, whose duty is to analyze and comment on the results, identify and explain any differences with respect to forecasts, and update said forecasts. Meetings are organized each month with the heads of geographic regions and Clusters (groups of countries) to clarify these analyses.

As part of the scope of the monthly Group Performance Steering Committee, a rolling forecast for the rest of the current year is systematically presented by the Finance Department, in order to identify, when applicable, any differences with respect to yearly targets and take the necessary steps.

Through regular controls, the Finance Department ensures the effective application of accounting methods and principles in the various Group entities. For the most complex accounting standards as well as the rollout of new standards, training, enhanced support and controls are provided or they are directly processed by the Finance Department. These include those relating to employee benefits (IAS 19), consolidation methods (IFRS 10/11), the classification of material contracts in the Large Industries business, revenue recognition methods (IFRS 15/ IFRS 16), derivative financial instruments (IAS 32, IFRS 7, IFRS 9), and long-term renewable energy purchase contracts (IFRS 9, IFRS 10/11, IFRS 16).

It also relies on audits carried out by the Group Control and Compliance Department, with which it has regular contact.

The Group takes into account climate risks in its closing assumptions and incorporates their potential impact in its financial statements. In particular, climate risks are taken into account when carrying out closing procedures, in particular the analysis of the useful lives of property, plant and equipment used for calculation of depreciation and amortization, the review of the estimates and assumptions concerning assets' impairment tests, and the risk assessment to determine the amount of provisions for contingencies and losses.

The quality and reliability of financial and accounting information is also based on high-performance transactional systems (such as Enterprise Resource Planning – ERP), coupled with modern and secure Group consolidation and Business Intelligence tools. These tools enable financial and operational data to be analyzed, made available and displayed to all employees and management.

The project, which aims to further harmonize ERPs, continues on the basis of the definition of an accounting and financial framework tailored to the various Group businesses.

5. Monitoring of control systems

The Board of Directors exercises its control over Group management based on the various quarterly activity reports it receives from General Management and the work of the Audit and Accounts Committee, according to the methods and principles described (reports, debriefings, etc.) – paragraph 10.1 of the Governance section in Chapter 3 – pages 115 to 116.

General Management exercises its control over risk management, in particular through regular meetings organized around the Chief Executive Officer.

It also relies on existing reports and:

- Executive Committee meetings, with, in particular, debriefings from the Safety and Industrial System Department regarding Group performance in terms of security and the progress of current actions;
- work carried out by the Finance Department, and the Group Control and Compliance Department;
- recommendations made by various Group Committees set up to ensure enhanced management of certain commitments and significant stakes (the role and members of these Committees are described below).

These control measures are enhanced by the involvement of operational departments and the Executive Committee in the implementation and follow-up of actions needed to improve and strengthen the quality of internal controls.

THE RISK COMMITTEE

The purpose of this Committee is to provide support and expertise to the Clusters, World Business Units and World Business Lines, which must implement and coordinate the risk management approach in their respective scopes of responsibility.

It brings together the following Corporate functions: Group Control and Compliance, Legal, Finance, Communication, Safety and Industrial Systems, Human Resources and Sustainable Development Departments as well as a representative from Operations.

It meets twice a year and is chaired by the Chief Executive Officer (CEO), in the presence of the General Secretary and the Director of Strategy. The objectives of these meetings are to report on the progress of priority actions to mitigate major risks, to draw up a summary of risk management and to define Group orientations. The Committee also examines certain strategic risks more closely.

THE FINANCE COMMITTEES

The purpose of the **Strategic Finance Committee** is to verify the effective application of the Group's financial policy, to approve financial management proposals and suggestions that have been submitted and to approve the rules governing the Group's financial policy, which are subject to regular review.

It brings together the Group Chief Financial Officer, the Deputy Chief Financial Officer, the Group Financing and Treasury Director, and the Corporate Finance Director, who meet under the authority of the Chief Executive Officer (CEO).

The Committee meets at least three times a year and upon request, if necessary.

The purpose of the **Operational Finance Committee** is to make day-to-day decisions concerning the financial management of the Group, to propose structuring transactions to the Strategic Finance Committee and to ensure their implementation after approval.

It brings together the Group Chief Financial Officer, the Deputy Chief Financial Officer, the Group Finance and Treasury Director, and the Corporate Finance Director, assisted by a Committee Secretary.

The Committee meets every four to six weeks, and the minutes of these meetings are sent to the Chief Executive Officer (CEO).

THE RESOURCES & INVESTMENTS COMMITTEES (RIC)

The purpose of these Resources and Investments Committees is to assess and approve requests for investments, medium- and long-term contractual commitments, Human Resources requirements that may arise therefrom, as well as the environmental footprints of these projects. In line with the Group's commitment within the framework of its sustainability objectives announced in March 2021, the importance of environmental criteria has been reinforced, with particular attention paid to the carbon impact of investment decisions.

They meet regularly (usually once a month) for each Geography and World Business Unit.

Each Committee meeting is chaired by a member of the Executive Committee in charge of the Geography or World Business Unit involved and brings together the Directors of the Cluster and Business Line concerned by the investment, as well as representatives of the Group Finance Department (who have the right of veto), the Industrial Direction, Engineering & Construction, and the Capital Implementation Group (CIG).

The Committee's decisions are reviewed by General Management.

THE ETHICS AND COMPLIANCE COMMITTEE

With regard to ethics, the purpose of this Committee is to supervise the Group's ethics program (monitoring of actions undertaken to prevent corruption and deviations from the Code of Conduct, proposing short- and medium-term orientations) and to recommend sanctions in case of significant deviation.

In the more general area of compliance, this Committee oversees compliance issues that are not activity specific, such as competition law, export controls, duty of vigilance and the protection of personal data (which is reviewed annually).

It brings together the Group Control and Compliance, Legal, Sustainable Development, and Human Resources Departments as well as a representative of operational functions; it meets at least twice per year and more often when required.

THE DIGITAL SECURITY COMMITTEE

This Committee is responsible for validating the strategic directions for Digital Security and for ensuring the operational progress of certain Group projects (industrial IT, digital innovation, monitoring of leaks of confidential information, or personal or health data, etc.).

It brings together the Directors in charge of Digital & IT, Digital Security and Group Control and Compliance, as well as a representative from Operations and, if necessary, other Corporate and Operational Departments. It is held every two months, under the chairmanship of a member of the Executive Committee.

THE INDUSTRIAL AND SAFETY COMMITTEE

The purpose of this Committee is to supervise the management of industrial risks and to monitor the advancement of the main actions for progress.

It is composed of representatives of the various Group Industrial Division activities, the Group Safety Director, a representative of the Engineering & Construction global business unit (ECC), a representative of the Global Markets & Technologies global business unit (IDD) and a representative of the Home Health global business unit. It meets six to eight times a year, under the chairmanship of a member of the Executive Committee.

THE E-ENRISK COMMITTEE

The purpose of this Committee is to review and provide guidance and recommendations on energy and climate strategies implemented by Group entities.

Each month, it brings together the Executive Committee member overseeing the Large Industries World Business Line and the Group Strategy function, the Vice President of the Large Industries World Business Line, the Director of Energy, the Large Industries Director of Markets and Energy Transition, the Group Financing and Treasury Director, the Organization and Accounting Methods Director, the Executive Vice President, Sustainable Development, the Group Investment Director and the Energy Transition Strategy Director of the Hydrogen Energy World Business Line. Meeting minutes are sent to all Executive Committee members.

OTHER COVERAGE SYSTEMS

The Group covers its main risks through international insurance programs with leading insurers. This concerns in particular damage to property, civil and environmental liability, cyber risk, civil liability of corporate officers, etc. The two largest programs are detailed below.

1. Property damage and business interruption

Group property and business interruption are covered by property and casualty insurance policies underwritten in each country in which the Group operates. Almost all of these policies are integrated into an international program.

These policies, which are generally of the "All Risks Except" form, cover fire, lightning, water damage, explosions, vandalism, impact, machinery breakdown, theft and, depending on the country and in limited amounts, natural disasters.

Business interruption following a claim for damage is covered by insurance for most production sites under these same policies. The coverage period for business interruption is 6 to 24 months. Deductible amounts are correlated to the activity of the sites. Insurers conduct regular visits at the main industrial sites for risk prevention purposes.

2. Civil liability

In terms of civil liability, the subsidiaries have local liability policies that cover damage to third parties due to their activities (operational risk) and their products (product risk). The amount insured for each subsidiary in its policy depends notably on the amount of its revenue and on its activities.

In addition to local policies, the Group has comprehensive coverage for damage to third parties covering all of its activities in the form of umbrella insurance taken out in France, which covers both the Company and its subsidiaries. The Group's insurance policy also covers adverse impacts on the environment, ecological harm and environmental damage.

The coverage amount underwritten exceeds 500 million euros. Coverage is built on several overlapping insurance lines. Each line has been underwritten for a given amount with several insurers sharing the risk. Beyond the first line, the upper lines pick up the excess risk from the lower lines.

3. Captive reinsurance

A portion of property damage and business interruption risk is kept by the Group via a captive reinsurance company, which also participates, among other things, in the coverage of the Group's civil liabilities as well as in the coverage of goods transported.

This captive reinsurance company covers, for the 2024 fiscal year, claims of up to a maximum of 56 million euros with sub-limits per claim depending on the nature of the claim. Beyond these amounts, risks are transferred to third-party insurers. Their management is entrusted to a captive manager approved by the competent authorities.

VIGILANCE PLAN

1. Introduction

1.1. OVERVIEW OF THE LAW

French law no. 2017-399 dated March 27, 2017, relating to the duty of vigilance of parent companies and instructing companies ("Law on the duty of vigilance") introduced the obligation [1] for parent companies employing more than 5,000 employees in France or 10,000 employees in France and abroad, to establish and effectively implement a Vigilance Plan. This Plan must include "reasonable vigilance measures to identify the risks and prevent severe impacts on human rights and fundamental freedoms, health and safety of persons and on the environment" which may result from the activities of the Group and its subsidiaries, and those of suppliers or subcontractors with whom Air Liquide has an established commercial relationship. This obligation is based on five measures:

- risk mapping (identification, analysis, prioritization);
- procedures to regularly assess the situation of subsidiaries, suppliers and subcontractors;
- appropriate actions to mitigate risks or prevent severe impacts;
- an alert mechanism that collects reporting of potential or actual risks;
- a monitoring scheme to follow up on the measures implemented and assess their effectiveness.

In accordance with article L. 225-102-1 of the French Commercial Code as amended on January 1, 2025, Air Liquide complies with the requirements of the Law on the duty of vigilance by issuing a Vigilance Plan, whose content is disclosed in:

- paragraph 2 Vigilance Plan cross-reference table – page 92 which refers to the corresponding parts of Chapter 5 of this Universal Registration Document, Sustainability Statement section where the different approaches to each issue are described;
- the effective implementation report of the Vigilance Plan for the year 2024 presented in paragraph 3 Overview of 2024 – page 95.

Air Liquide publishes its Vigilance Plan annually in an autonomous communication on the Group's website (https://www.airliquide.com/sustainable-development/extra-financial-performance/vigilance-plan).

This Vigilance Plan applies to L'Air Liquide S.A. and all Group subsidiaries.

1.2. GOVERNANCE OF THE DUTY OF VIGILANCE

In 2024, the Duty of Vigilance and Societal Responsibility Department oversees the implementation of Air Liquide's vigilance approach. It is part of the Group Control and Compliance Department, which is supervised by the Group General Secretary, member of the Executive Committee. The Duty of Vigilance and Societal Responsibility Department is responsible for coordinating (i) the implementation of due diligence processes to guide the various departments involved and (ii) drafting of the Vigilance Plan to better meet the expectations of the Group's stakeholders.

The Procurement, Group Control and Compliance (including Ethics, Risk Management and Digital Security), Sustainable Development, Legal, Human Resources and Safety and Industrial System Departments are involved in the rollout of actions and the drafting of this Vigilance Plan.

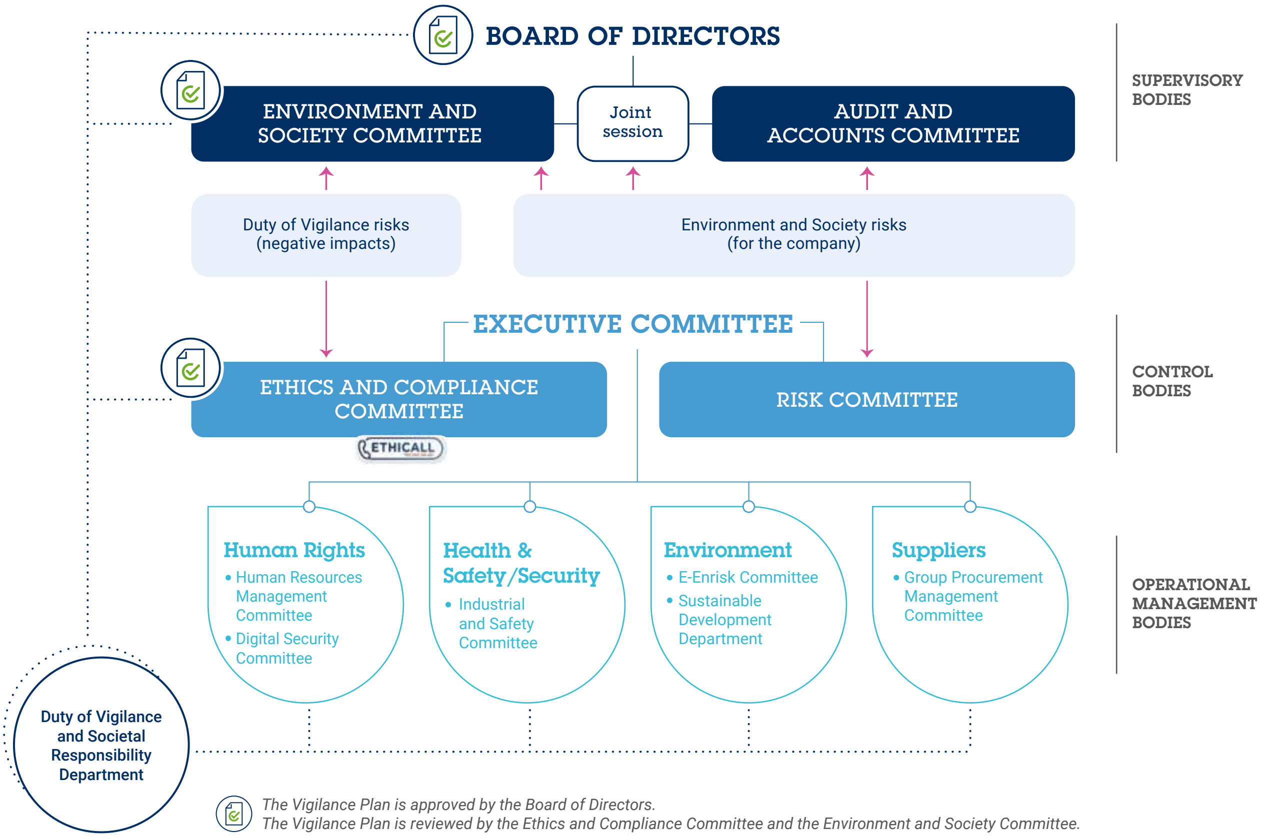
The departments responsible for duty of vigilance stakes (Human Resources, Digital Security, Safety and Industrial System, Sustainable Development, Procurement) have their own internal management bodies, including operational representatives. These bodies meet regularly to monitor the actions implemented and performance through indicators.

The Ethics and Compliance Committee is the internal control body for the duty of vigilance. It brings together the Heads of Group Control and Compliance, Legal, and two members of the Group Executive Committee: the Group Human Resources Vice President and the Group Vice President overseeing Air Liquide operations in Europe, Africa, Middle East and India representing the operational functions. The Group Ethics Officer acts as the Secretariat. The Committee meets at least twice a year and more often if necessary. In 2024, it continued to review the progress of stakes relating to the duty of vigilance.

The Environment and Society Committee is one of the Board of Directors' specialized committees dedicated to societal and environmental responsibility issues. It includes three members and meets at least three times a year. In 2024, it continued to supervise the rollout of the Vigilance Plan.

(1) *Article L. 225-102-1 of the French Commercial Code, amended by Order no. 2023-1142 of December 6, 2023, article 4.*

The Vigilance Plan is reviewed by the Ethics and Compliance Committee and the Environment and Society Committee before its approval by the Board of Directors.



1.3. REFERENCE FRAMEWORK

Air Liquide adheres to the highest standards in conducting its business. These commitments are set out in the Principles of Action and the Group Code of Conduct. This reference framework is described in Chapter 5 of the Universal Registration Document, Sustainability Statement section, paragraph 4.2.1 Business conduct and corporate culture policies – page 353 as well as paragraph 3.1.2 Commitment to employees – page 329, paragraph 3.2.1 Introduction – page 344 and paragraph 3.3.1 Introduction – page 349.

2. Vigilance Plan cross-reference table

Order no. 2023-1142 of December 6, 2023, transposing the Corporate Sustainability Reporting Directive (CSRD) into French Law, amended article L. 225-102-4 of the French Commercial Code, which became article L. 225-102-1. Entered into force on January 1, 2025, this article stipulates that the communication of the Vigilance Plan and the effective implementation report may refer to the Sustainability Statement. In this context, the following cross-reference table is established and enables the location of the different measures of the Vigilance Plan within Chapter 5, section Sustainability Statement of this Universal Registration Document. The information included in the scope of the Vigilance Plan through the references to the Sustainability Statement are limited to those concerning the negative impacts in the sense of the latter. The information relative to positive impacts, risks and opportunities present in the referenced paragraphs are excluded. This cross-reference table also responds to the disclosure requirements of the CSRD relative to Air Liquide's sustainability due diligence process as described in paragraph 1.3.1 Statement on due diligence in the Sustainability Statement [(1)] – page 283.

No.	Headings in Chapter 5 – Extra-financial performance – Sustainability Statement	Pages
Stakeholders engagement		
1.4.4	Stakeholders engagement	285
3.1.2	Commitment to employees – *Social dialogue: engagement with employees and their representatives*	329
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3.3.1	Introduction – *Consultations with patients and processes to remediate negative impacts*	350
Risk mapping		
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1.5.3	Assessment of the materiality of the impacts, risks and opportunities identified	288
1.5.4	Integration of double materiality in internal control and risk and impact management systems	289
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3.1.2	Commitment to employees – *Social dialogue: engagement with employees and their representatives*	329
3.1.4	Diversity, inclusion and harassment prevention – *Topics related to diversity, inclusion and harassment prevention: impacts, risks and opportunities*	336
3.1.5	Employee remuneration and benefits – *Topics related to employee remuneration and benefits: impacts, risks and opportunities*	338
3.1.6	Well-being at work – *Topics related to well-being at work: impacts, risks and opportunities*	340
3.1.8	Personal data protection – *Topics related to personal data protection: impacts, risks and opportunities*	343
3.2.1	Introduction – *Topics related to workers in the value chain: impacts, risks and opportunities*	344
3.3.1	Introduction – *Topics related to patients and customers: impacts, risks and opportunities*	349
HEALTH AND SAFETY/SECURITY		
3.1.3	Health and safety of the Group's employees – *Topics related to employee health and safety: impacts, risks and opportunities*	331
3.2.1	Introduction – *Topics related to workers in the value chain: impacts, risks and opportunities*	344
3.3.1	Introduction – *Topics related to patients and customers: impacts, risks and opportunities*	349
ENVIRONMENT		
2.2.1	Introduction – *Climate topics: impacts, risks and opportunities*	306
2.3.1	Introduction – *Topics related to water management: impacts, risks and opportunities*	319
Regular assessment procedures		
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3.1.2	Commitment to employees – *Commitment to human rights* *Social dialogue: engagement with employees and their representatives*	 329 329
3.1.4	Diversity, inclusion and harassment prevention – *Actions related to diversity, inclusion and harassment prevention* *Indicators related to diversity, inclusion and harassment prevention*	 337 338
3.1.5	Employee remuneration and benefits – *Actions related to employee remuneration and benefits* *Indicators related to employee remuneration and benefits*	 339 340
3.1.6	Well-being at work – *Actions related to well-being at work*	341
3.1.8	Personal data protection – *Actions related to personal data protection*	344

(1) *ESRS 2 GOV-4 §32.*

No.	Headings in Chapter 5 – Extra-financial performance – Sustainability Statement	Pages
3.2.3	Working conditions – *Working conditions policy for workers in the value chain* *Actions related to the working conditions of workers in the value chain*	 347 347
3.2.4	Prevention of forced labor and child labor – *Forced labor and child labor prevention policy* *Actions related to the prevention of forced labor and child labor*	 348 348
3.3.2	Protection of patients' personal data – *Actions related to the protection of patients' personal data*	350
HEALTH AND SAFETY/SECURITY		
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3.3.3	Patient health and safety – *Patient health and safety policy*	350
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MISCELLANEOUS		
3.1.2	Commitment to employees – *Whistleblowing system and processes to remediate negative impacts*	331
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3.3.1	Introduction – *Consultations with patients and processes to remediate negative impacts*	350
4.4.1	Management of relationships with suppliers	355
Appropriate actions to mitigate risks and prevent severe impacts		
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3.1.4	Diversity, inclusion and harassment prevention – *Diversity, inclusion and harassment prevention policy* *Actions related to diversity, inclusion and harassment prevention* *Objectives related to diversity, inclusion and harassment prevention*	 336 337 338
3.1.5	Employee remuneration and benefits – *Employee remuneration and benefits policy* *Actions related to employee remuneration and benefits* *Objectives related to employee remuneration and benefits*	 339 339 339
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3.2.4	Prevention of forced labor and child labor – *Forced labor and child labor prevention policy* *Actions related to the prevention of forced labor and child labor*	 348 348
3.3.1	Introduction – *Human rights commitment for patients*	349
3.3.2	Protection of patients' personal data – *Protection of patients' personal data policy* *Actions related to the protection of patients' personal data*	 350 350
4.4.1	Management of relationships with suppliers	355
HEALTH AND SAFETY/SECURITY		
3.1.3	Health and safety of the Group's employees – *Employee health and safety policy* *Actions related to employee health and safety* *Objectives related to employee health and safety*	 331 332 335
3.2.2	Health and safety of workers in the value chain – *Health and safety policy for workers in the value chain* *Actions related to the health and safety of workers in the value chain*	 346 346

No.	Headings in Chapter 5 – Extra-financial performance – Sustainability Statement	Pages
3.3.3	Patient health and safety – *Patient health and safety policy* *Actions related to patient health and safety* *Objectives related to patient health and safety*	 350 351 351
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3.1.2	Introduction – *Whistleblowing system and processes to remediate negative impacts*	331
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3.3.1	Introduction – *Consultations with patients and processes to remediate negative impacts*	350
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3.1.2	Commitment to employees – *Social dialogue: engagement with employees and their representatives*	329
3.1.4	Diversity, inclusion and harassment prevention – *Objectives related to diversity, inclusion and harassment prevention* *Indicators related to diversity, inclusion and harassment prevention*	 338 338
3.1.5	Employee remuneration and benefits – *Objectives related to employee remuneration and benefits* *Indicators related to employee remuneration and benefits*	 339 340
3.1.6	Well-being at work – *Objectives related to well-being at work*	341
3.1.8	Personal data protection – *Objectives related to personal data protection*	344
3.2.3	Working conditions – *Objectives related to the working conditions of workers in the value chain*	348
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ENVIRONMENT		
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3. Overview of 2024

In 2024, the duty of vigilance risk mapping methodology established by Air Liquide was updated to take into account, in particular, the changes introduced by the CSRD concerning the double materiality assessment as described in paragraph 1.5 Impacts, risks and opportunities of the Sustainability Statement – page 287. In this context, a four-level scale for assessing the severity and probability of risks was constructed. The review of this mapping exercise in 2024 revealed new salient risks for the Group's employees related to remuneration and benefits, diversity, inclusion and harassment prevention, as well as quality of life at work. With regards to Air Liquide's direct suppliers, the Group applied the new mapping methodology. This exercise identified the following salient human rights risks for employees of its suppliers: health and safety, working conditions, as well as forced and child labor. These new risks are prevented and mitigated by the appropriate measures described in the cross-reference table in paragraph 2 of this Vigilance Plan – page 92.

In terms of human rights, Air Liquide achieved in 2024 its objective of providing all its employees with a common basis of care coverage by 2025. The Group employees thus benefit from care coverage which, depending on the geographies, goes beyond local legal requirements. It guarantees the benefit of life insurance, health coverage as well as a minimum of 14 weeks' paid maternity leave. To support its culture of zero tolerance towards all forms of discrimination, numerous global initiatives are engaged and build a framework to ensure an inclusive environment. In 2024, the Group defined new standards to ensure the physical and psychological safety of women, to improve their well-being on industrial sites, as well as to establish principles and requirements relating to maternity leave. Finally, regarding the quality of life at work, a study of the BeActEngage framework was carried out on the ways of working to reinforce and implement in order to enable employees to evolve in an engaging, diverse and inclusive environment.

Safety is one of the fundamental values of Air Liquide. The prevention actions carried out within the Group to ensure workers' safety enabled a -32% reduction in the lost-time accidents frequency rate for Air Liquide employees and temporary workers, which stands at 0.7 in 2024. To maintain this performance in the long term and continue to reduce the number of lost-time accidents, the Group maintains constant vigilance, continues to raise awareness, and takes all preventative measures to improve the safety culture within teams. In terms of road safety, the 2021-2025 program for deploying digital driver assistance and fatigue prevention continues its rollout to improve road transport safety.

Faced with the urgency of climate change, Air Liquide adopted and published in 2024 a transition plan for climate change mitigation in paragraph 2.2.1 Introduction of the Sustainability Statement – page 300 which consolidates and updates its climate strategy in this respect. It describes the transition of the Group towards carbon neutrality, specifying its trajectory for reducing greenhouse gas emissions as well as its main levers for decarbonizing assets and industrial operations. Thus, in 2024, the Group's Scope 1 and 2 CO_2 emissions sharply decreased by -11% based on the 2020 baseline [1]. After two consecutive years of declining CO_2 emissions in absolute terms, the Group has reached the inflection point scheduled for around 2025 in the ADVANCE strategic plan. In addition, Air Liquide's operations in water-stressed areas are required to develop a documented water management plan which includes a water use efficiency assessment and the application of the applicable standards of the Group's industrial management system by 2025.

The prevention actions for the salient risks identified for the employees of direct suppliers are mainly contained in the Supplier Risk and Relationship Management procedure as well as the Sustainable Procurement procedure. In this context, the Sustainability-Critical Suppliers' assessment campaign focuses, among other things, on human rights and the respect of international standards applicable to forced and child labor. In addition, adherence to the Supplier's Code of Conduct is a prerequisite to any commercial relationship for the supply of Air Liquide. This Code explicitly stipulates the prohibition of all forms of forced and compulsory labor as well as the prohibition of child labor by its suppliers.

The Group's ethics whistleblowing system, available for all of Air Liquide's stakeholders, enables a rapid and structured handling of alerts and an independent, objective and confidential treatment by Air Liquide employees. The Group Whistleblowing Policy defines the alerts treatment process and the principles for the protection of whistleblowers. Urgent situations in terms of health, safety or security, or the most serious accidents are treated through an internal reporting process in order to ensure a rapid treatment depending on the severity. For personal data, Air Liquide has deployed specific tools to collect requests for the exercise of rights and to report possible violations of personal data. Within the context of Healthcare activities, specific processes such as pharmacovigilance (for products with medicinal status) and medical device vigilance (for products with medical devices status) are defined to guarantee the reporting of incidents concerning these products by health professionals or patients.

(1) *Emissions are restated to take into account, from 2020 and each subsequent year, asset emissions for the full year, reflecting (both increasing and decreasing) changes in scope that have a significant impact on CO_2 emissions.*

OVERVIEW OF KEY INDICATORS

	Objectives	2022	2023	2024
Human rights and fundamental freedoms				
Social dialogue				
Percentage of total employees covered by collective bargaining agreements [(a)] within the EEA [(b)]	—	—	—	88.4%
Diversity, inclusion & prevention of harassment				
Share of women among Group Managers and Professionals [(c)]	35% in 2025	31.5%	32.0%	33.1%
Share of women at the highest level of responsibility (senior executives)	25% in 2025	24.8%	24.7%	23.7%
Quality of life at work				
Response rate for the annual My Voice survey	—	77%	81%	83%
Remuneration and benefits				
Gender pay gap [(d)]		—	—	6.7%
Share of employees with a common basis of care coverage [(e)]	100% in 2025	42%	78%	100%
Personal data protection				
Maturity assessment for personal data protection [(f)]	—	3.01	3.20	3.48
Health and safety of individuals				
Worker safety				
Lost-time accident frequency rate [(g)] of Air Liquide employees and temporary workers	—	0.9	1.0	0.7
Lost-time accident frequency rate [(g)] of subcontractors	—	1.5	1.3	1.1
Number of fatalities in own workforce as a result of work-related injuries and work-related ill health		—	—	1
Number of fatalities of subcontractors as a result of work-related injuries and work-related ill health		—	—	2
Environment				
Climate				
Gross Scope 1 GHG emissions *(in thousands of metric tonnes of CO_2 eq.)* [(h)]		16,083	15,473	14,868
Gross Scope 2 GHG emissions *("market-based" in thousands of metric tonnes of CO_2 eq.)* [(h)]		22,771	21,504	20,064
Gross Scope 1 and 2 GHG emissions *(in thousands of metric tonnes CO_2 eq.)* [(h)]	-33% in 2035 compared to 2020	38,854	36,977	34,933
(change in %)		-1.1%	-5.9%	-11.1%
Water management				
Total water consumption *(in m^3)*	—	—	—	99,560,000
Consumption in areas at water risk, including areas of high-water stress *(in m^3)*	—	—	—	11,740,000
Suppliers and subcontractors				
Number of Sustainability-Critical Suppliers	—	1,177	1,076	804
Number of Sustainability-Critical Suppliers that have a valid assessment [(i)]	—	922	769	674
Whistleblowing system				
Number of alerts reported in the whistleblowing system	—	287	443	558
Number of these alerts on discrimination, including harassment	—	129	180	310
Number of these alerts on health, safety and environment	—	25	34	28
Number of severe human rights incidents [(j)]	—	—	—	0

(a) The collective agreements considered for the calculation of these percentages are those concluded at the level of an entity, a specific site, an industry and at national level in countries where this practice is in force according to the definition of Convention No. 154 of the International Labor Organization (ILO). Employees covered by collective agreements are those for whom the entity is required to apply the agreements. These may cover specific groups of workers.
(b) In the European Economic Area where Air Liquide operates in 18 countries, namely Austria, Belgium, Bulgaria, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Spain, Sweden and the United Kingdom.
(c) The share of women among "Managers and Professionals" in the Group was rounded off in increments of 0.5% in 2022 and 2023.
(d) Apprentices, expatriates and employees who did not wish to declare their gender or non-binary employees are excluded from the calculation. Gross hourly remuneration comprises basic salary, mandatory indemnities and target variable remuneration. This indicator is based on data not adjusted for any specific characteristics such as seniority, experience, performance or the market. Differences by category are consolidated by entity and then by country and then globally, proportionally to the number of employees.
(e) Share of employees benefiting from three social benefits (life insurance, health coverage, minimum 14 weeks' paid maternity leave).
(f) The maturity of the questionnaire's answers is assessed on a four-point scale and aggregated at Group level.
(g) The number of incidents with at least one day's absence per million of hours worked.
(h) Emissions restated to take into account, from 2020 and each subsequent year, asset emissions for the full year, reflecting (both increasing and decreasing) changes in scope that have a significant impact on CO_2 emissions.
(i) Not all suppliers are reassessed every year because their score is valid for one to five years.
(j) Incidents of forced or child labor in the Group's own workforce.

3 Corporate governance

This chapter includes, in particular, the elements of the Report on Corporate Governance drawn up on the basis of Ordinance No. 2017-1162 of July 12, 2017 by the Board of Directors at its meeting on February 20, 2025, on the recommendation of the Appointments and Governance Committee and the Remuneration Committee.
Those parts constituting this Report have been prepared on the basis of contributions from several of the Company's corporate functional divisions, including, in particular, the Legal, Financial and Human Resources Departments.
This chapter also contains certain information from the Sustainability Statement (included in Chapter 5 of this document) within the meaning of Directive 2022/2464 known as the "CSRD" (Corporate Sustainability Reporting Directive), of Ordinance No. 2023-1142 of December 6, 2023 on the publication and certification of sustainability information and on the environmental, social and governance obligations of commercial companies, and of implementing Decree 2023-1394 of December 30, 2023.

MANAGEMENT AND CONTROL

1. Composition of the Board of Directors

DIRECTORS CURRENTLY IN OFFICE (AS OF DECEMBER 31, 2024) [(1)] [(2)]

Members of the Board	Changes in 2024 [(a)]	Nationality	Age [(b)]	Gender	Year of first appointment	Years of service on the Board [(b)]	End of current term	Independent Director [(c)]
Benoît POTIER Chairman of the Board of Directors		French	67	M	2000	20	2026	No
François JACKOW Chief Executive Officer (CEO)		French	55	M	2022	2	2026	No
Xavier HUILLARD Lead Director		French	70	M	2017	7	2025[(e)]	Yes
Annette WINKLER		German	65	F	2014	10	2026	Yes
Philippe DUBRULLE Director representing the employees		French	52	M	2014	10	2026	No
Kim Ann MINK	April 30, 2024 Renewal: Member BoD; Member RC	American	65	F	2020	4	2028	Yes
Fatima TIGHLALINE Director representing the employees		French	45	F	2020	4	2028	No
Aiman EZZAT		French	63	M	2021	3	2025[(e)]	Yes
Bertrand DUMAZY		French	53	M	2021	3	2025[(e)]	Yes
Catherine GUILLOUARD		French	59	F	2023	1	2027	Yes
Christina LAW		Chinese (Hong Kong)	57	F	2023	1	2027	Yes
Alexis PERAKIS-VALAT		French and Greek	53	M	2023	1	2027	Yes
Michael H. THAMAN		American	60	M	2023	1	2027	Yes
Monica de VIRGILIIS	April 30, 2024 Renewal: Member BoD; Member ESC	Italian and French	57	F	2023	1	2028	Yes

(a) BoD: Board of Directors; LD: Lead Director; AAC: Audit and Accounts Committee; AGC: Appointments and Governance Committee; RC: Remuneration Committee; ESC: Environment and Society Committee.
(b) Number of full years of service as of December 31, 2024. The term of office of Mr Benoît Potier as President of the Management Board (2001-2006) is not taken into account.
(c) Pursuant to the decision of the Board of Directors of February 20, 2025; for information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.

SOCIAL AND ECONOMIC COMMITTEE DELEGATE: The delegate of the Social and Economic Committee is Pierre GAC.

(1) *ESRS 2 GOV-1 §21 (c).*
(2) *ESRS 2 GOV-1 §21 (d).*

Number of shares owned as of December 31, 2024	Board Committees: Audit and Accounts Committee	Board Committees: Appointments and Governance Committee	Board Committees: Remuneration Committee	Board Committees: Environment and Society Committee	Number of directorships in others listed companies [(d)]	Experience and expertise
731,871					1	Chairman of the Board of Directors In-depth knowledge of the Air Liquide Group and its activities in his capacity as former Chairman and Chief Executive Officer
66,742					0	Chief Executive Officer (CEO) In-depth knowledge of the Air Liquide Group and its activities in his capacity as former member of the Executive Committee and Executive Vice President
3,570		Chairman	Chairman		1	Executive officer of a major international group with extensive knowledge in the construction industry, transport infrastructure, service and energy sectors
3,219		Member		Chairwoman	1	Former head of division at a leading German industrial group with international reach, automobile sector
N/A				Member	0	Knowledge of the Air Liquide Group and its activities as an employee
610			Member		2	High-level management at large international chemical groups Extensive knowledge of North American markets
N/A			Member		0	Knowledge of the Air Liquide Group and its activities as an employee
610	Member				1	Executive officer of an international group and a former CFO Extensive knowledge of the digital sector and a wide range of industrial sectors
605	Member	Member			2	Executive officer of an international group Knowledge of the industrial and service sectors, experience of digital transformation and change management
550	Chairwoman				2	Former senior executive of a public transport company and high-level management experience at international groups Experience as Chief Financial Officer
550					1	In-depth knowledge of Asian markets and management experience at major international groups specializing in the healthcare sectors
550					0	Chief Executive Officer of L'Oréal group's main division, extensive knowledge of consumer markets
550					2	Former senior executive of the US-based world leader in construction materials Extensive knowledge of North American industrial markets
550				Member	2	High-level management in the new technologies sector Founder and Chairwoman of the Chapter Zéro France Association whose objective is to raise directors' awareness of climate issues

(d) In accordance with the recommendation of the AFEP/MEDEF Code.
(e) Renewal of term proposed to the General Meeting of May 6, 2025.

2. Executive Management and Executive Committee as of December 31, 2024

François Jackow Chief Executive Officer (CEO) Born in 1969 – French	**Armelle Levieux** Group Vice President Group Vice President Innovation and Technology Oversees the Hydrogen Energy and Electronics World Business Lines as well as the Global Markets & Technologies division and the Engineering & Construction business Born in 1973 – French
François Abrial Senior Vice President and Group General Secretary Oversees General Control & Compliance, Legal, Public & International Affairs and Digital & IT In charge of the Group transformation Born in 1962 – French	**Émilie Mouren-Renouard** Group Vice President Oversees operations in Europe, Africa, Middle East and India Born in 1979 – French
François Venet Senior Vice President Oversees the Large Industries World Business Line, Group Strategy and Group Safety & Industrial Systems* Born in 1962 – French	**Jérôme Pelletan** Group Vice President Group Chief Financial Officer Oversees the Shareholder Services department Born in 1970 – French
Ronnie Chalmers Group Vice President Oversees operations in Asia Pacific Born in 1968 – British	**Adam Peters** Chief Executive Officer, Air Liquide North America Born in 1973 – American
Marcelo Fioranelli Group Vice President Chief Executive Officer of Airgas Oversees the Industrial Merchant World Business Line* Born in 1968 – Brazilian	**David Prinselaar** Group Vice President Group Vice President, Industrial Direction Born in 1974 – Dutch and French
Matthieu Giard Group Vice President Oversees operations in the Americas Born in 1974 – French	**Diana Schillag** Group Vice President Oversees the Global Business Unit “Home Healthcare”, the Healthcare World Business Line, as well as the Group Sustainability and Procurement Born in 1971 – German
Amelia Irion Group Vice President Group Human Resources Vice President Born in 1970 – American and French	

* *As of January 1st, 2025.*

Mr Michael J. Graff and Mr Pascal Vinet have decided to exercise their right to retirement and ceased to be Executive Vice President on June 30, 2024 and on December 31, 2024, respectively.

Furthermore, Mr Jean-Marc de Royere, member of the Executive Committee in charge of societal programs and Chairman of the Air Liquide Foundation, announced his decision to pursue new opportunities outside the Group on January 1st, 2024.

GOVERNANCE – COMPOSITION, FUNCTIONING AND WORK OF THE BOARD OF DIRECTORS AND COMMITTEES

1. Corporate Governance Code

The Board of Directors confirmed that, in keeping with the Group's previous practices, the AFEP/MEDEF Corporate Governance Code for listed companies is the Code to which the Company voluntarily refers. This Code in its updated version is available on the website: https://afep.com/wp-content/uploads/2022/12/Afep_Medef_Code_revision_2022_version_EN_.pdf

The Appointments and Governance Committee and the Remuneration Committee reviewed current practices in the Company with respect to the AFEP/MEDEF Code as amended in December 2022. The Company considers that its practices comply with the recommendations of the AFEP/MEDEF Code and no points appear in the summary table (see below, paragraph "Application of the AFEP/MEDEF Corporate Governance Code: summary table" – page 125) established under the "Apply or Explain" rule provided for by article L. 22-10-10 of the French Commercial Code, and referred to in article 28.1 of the AFEP/MEDEF Code of December 2022.

The Report of the Haut Comité de gouvernement d'entreprise (French High Committee on Corporate Governance) of November 2024 and the French financial market authority (AMF) Report on Corporate Governance and the remuneration of Executive Officers of listed companies published in December 2024 were reviewed by each of the concerned Committees, which then made a report to the Board of Directors.

The principles governing the professional ethics of Directors, the diversity policy which applies to the Board of Directors, together with the composition, role and rules of operation of the Board and its Committees are defined in the internal regulations. The updated version of the internal regulations is published in full on the Company's website: https://www.airliquide.com/sites/airliquide.com/files/2025-02/internal-regulations-of-the-board-of-directors-february-2025.pdf

2. Governance structure: Separation of the functions of Chairman of the Board of Directors and Chief Executive Officer

Air Liquide's governance is historically defined by an effort to remain relevant to the Group's challenges, to respect Shareholders' rights, balance of the powers and best practices.

The governance of L'Air Liquide S.A. is a governance with a Board of Directors with, since June 1, 2022, separation of the functions of Chairman of the Board of Directors from those of Chief Executive Officer.

The Board of Directors' meeting of May 4, 2022, at the close of the General Meeting, acting unanimously and in accordance with the recommendations of the Appointments and Governance Committee, chose to adopt this dissociated mode of governance, effective June 1, 2022, and to appoint Mr François Jackow as the new Chief Executive Officer and renew the duties of Mr Benoît Potier as Chairman of the Board of Directors. On this occasion, the Board of Directors also decided to maintain the position of Lead Director.

2.1. POWERS OF THE CHIEF EXECUTIVE OFFICER

As an Executive Officer, the Chief Executive Officer who alone oversees and manages the operations of the Company, is invested with the broadest powers to act in all circumstances in the Company's name subject to certain decisions to be submitted to prior authorization of the Board of Directors as established in the articles of association and described in the internal regulations (see below).

Mr François Jackow is also a Director of L'Air Liquide S.A. In this capacity, he participates in the discussions and deliberations of the Board of Directors.

Limits on the powers of the Chief Executive Officer

In accordance with article 13 of the articles of association, decisions subject to the prior authorization or information of the Board of Directors are defined in the internal regulations of the Board of Directors as follows:

"In accordance with article 13 of the articles of association, the decisions referred to below are subject to the prior authorization/ information of the Board of Directors.

In addition, concerning the "Subsidiaries" (defined as companies controlled by the Company) of the Group (defined as the Company and all its Subsidiaries), the prior authorization/the information of the Board is required in the cases listed hereinafter expressly concerning the Subsidiaries.

a. Sureties, endorsements and guarantees given by the Company for an individual amount in excess of 100 million euros or for an annual cumulative amount in excess of 500 million euros, subject to the specific resolutions taken by the Board of Directors.

b. External sales or contributions (to companies other than majority-controlled companies) concerning the Company and the Subsidiaries:
   - of real estate assets for an individual amount in excess of 80 million euros or for an annual cumulative amount in excess of 150 million euros,
   - of equity investments, either in whole or in part, for an individual amount in excess of 250 million euros or for an annual cumulative amount in excess of 400 million euros,
   - signing of any merger, demerger agreement or agreement for a partial business transfer, for an individual amount in excess of 250 million euros or for an annual cumulative amount in excess of 400 million euros, subject to the specific provisions applicable to the Company as set out below,
   - of lines of business, for an individual amount in excess of 250 million euros or an annual cumulative amount in excess of 400 million euros.

   With regard to the Company, the authorization of the Board of Directors will be required in order to enter into, in the name of the Company, external contributions in kind or partial business transfers, for an individual amount in excess of 250 million euros or for an annual cumulative amount in excess of 400 million euros; the authorization of the Board of Directors will be required in order to enter into, in the name of the Company, any merger, demerger or comparable transaction subject to the regime applicable to mergers and demergers; it is specified that the Board of Directors may delegate to the Chief Executive Officer (or to the Chairman and Chief Executive Officer, as the case may be) the powers to enter into such transactions under the conditions and for the amounts which it will determine.

c. Creation of pledges or security by the Company for an individual amount in excess of 80 million euros or for an annual cumulative amount in excess of 150 million euros.

d. Concerning the Company and the Subsidiaries: (i) commitments to invest in or (ii) acquire equity investments or assets, consisting of immoveable or moveable property, tangible or intangible, which will be listed under "Fixed Assets" on the balance sheet, or to subscribe to share capital increases for an individual amount in excess of 250 million euros or for an annual cumulative amount in excess of 400 million euros.

   The Board will be informed of operations for an individual amount in excess of 250 million euros, involving (i) purchases relating to items that cannot be listed under "Fixed Assets" on the balance sheet, such as electricity or natural gas purchases, and (ii) the sale to third parties of engineering or construction goods or services, such information being provided if possible ex ante, and in any case ex post.

   Approvals of programs for investments by successive "tier" shall be requested from the Board of Directors.

e. Any financing operation concerning the Company or the Subsidiaries for an amount likely to substantially alter the Group's financial structure.

f. Operations likely to substantially alter the Group strategy as determined by the Board of Directors.

It is specified that when the Board of Directors' authorization is required due to one of the overall annual ceilings set in this paragraph being exceeded, the Board of Directors may, if it considers it appropriate, renew its authorization for all or part of the authorized amount initially granted.

Moreover, in the event of a fundamental modification of the Group's information system leading to an investment exceeding an amount of 250 million euros, the Board of Directors will be given prior information."

2.2. DUTIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors organizes and manages the work of the Board of Directors and reports on such work to the General Meeting. He is responsible for calling meetings of the Board of Directors. He sets the dates and agenda for Board meetings, manages the conduct of the meetings themselves and leads their discussions.

The Chairman of the Board of Directors is in charge of the smooth running of the Company's bodies. His role includes ensuring that Directors are able to accomplish their tasks. As part of this, he makes sure that they have all of the available information necessary to accomplish them effectively.

Within a context of continuity, given Mr Benoît Potier's long experience as head of Air Liquide and his in-depth knowledge of the Group, he has been entrusted in 2022 by the Board of Directors, for the duration of the managerial transition, with specific tasks over and above those legally conferred on the Chairman of the Board of Directors.

The Board of Directors, on the recommendation of the Appointments and Governance Committee, recorded that the management transition period was proceeding in an extremely satisfactory manner. In such circumstances, it is envisaged by the Board that the transition will come to an end on the expiry of the term of office of the Chairman of the Board (2026 General Meeting).

The specific tasks of the Chairman of the Board of Directors, carried out in consultation with the Chief Executive Officer, described in the internal regulations of the Board of Directors, are as follows:

- "the Chairman is involved in major decisions concerning the definition of the Group's overall strategy and organization;
- the Chairman may, at the Chief Executive Officer's request, attend internal meetings with management on these topics in order to shed light on the strategic issues;
- the Chairman may, in close collaboration with the Chief Executive Officer, represent the Group (pursuant to an institutional role) vis-à-vis the public authorities and some strategic partners and/or stakeholders;
- the Chairman may, in close collaboration with the Chief Executive Officer, meet with the principal shareholders on governance matters, in addition to more specific matters, as agreed with the Chief Executive Officer. He shall keep the Chief Executive Officer informed. He monitors the Group's shareholder strategy and continues to chair the Shareholders' Communication Committee;
- the Chairman makes his experience available to the Group and ensures that the Group's values and culture are upheld.

The Chairman attends the meetings of the Appointments and Governance Committee and the Remuneration Committee. He plays an active role in the recruitment of Directors led by the Appointments and Governance Committee. The Chairman reports to the Board on the performance of his responsibilities."

2.3. REPORT ON THE ACTIVITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

As set out in the internal regulations, the Chairman of the Board of Directors reported to the Board on the performance of his duties during the past fiscal year.

During this period and in addition to the traditional duties of a Chairman of the Board of Directors, Mr Benoît Potier notably:

- participated in numerous events organized by public authorities at national, European and global levels in order to represent the Group (as part of its institutional representation missions), such as at the World Economic Forum in Davos and the Franco-British Colloquium in January 2024 and the Franco-German meetings in Evian in September 2024;
- participated in the work of organizations dealing with topics relevant to the Group: the ERT (European Round Table) and the Asia Business Council. In 2024, he also took part in an IEA (International Energy Agency) conference on "Expanding and enhancing the flow of new technologies";
- attended ad hoc meetings with the Chief Executive Officer and certain members of the Executive Committee, particularly on the Hydrogen strategy;
- held discussions with certain foreign Directors during trips to other countries;
- answered questions from Shareholders during the General Meeting of April 30, 2024: this question-and-answer session remains an important opportunity to exchange views between the Shareholders and the Chairman;
- chaired the three meetings of the Shareholders' Communication Committee, the three dedicated afternoons having enabled rich and in-depth discussions with the Committee's 12 Shareholders;
- as part of the meetings with investors that are organized every year, he also met with six major Shareholders in 2024 to discuss governance topics.

3. Composition of the Board of Directors

BOARD OF DIRECTORS as at 12/31/2024

14 members

INDEPENDENT DIRECTORS (a)	DIRECTORS REPRESENTING THE EMPLOYEES	PARITY (a)	NATIONALITIES	AVERAGE LENGTH OF PRESENCE ON THE BOARD
83%	2	W: 42% M: 58%	5	5 years

(a) *Directors representing the employees are not taken into account for the calculation of this percentage - (ESRS 2 GOV-1 §21 (d)).*

As at December 31, 2024, the Board of Directors comprised 14 members: 12 members appointed by the General Meeting, including one executive member (the Chief Executive Officer) and 13 non-executive members [(1)], five of whom are foreign nationals (German, American, Italian and Chinese (Hong Kong)) and two of whom are Directors representing the employees.

Changes to the Board of Directors and its Committees in the 2024 fiscal year:

- the terms of office of Ms Kim Ann Mink, independent Director and member of the Remuneration Committee, and Ms Monica de Virgiliis, independent Director and member of the Environment and Society Committee, expiring at the end of the General Meeting of April 30, 2024, were renewed by the aforementioned Meeting;
- following this Meeting, the Board of Directors reappointed Ms Kim Ann Mink to the Remuneration Committee and Ms Monica de Virgiliis to the Environment and Society Committee.

(1) *ESRS 2 GOV-1 § 21 (a).*

At the General Meeting of April 30, 2024, no appointments were made of any Directors who had held positions as members of a Board of Directors or Management or Supervisory Board in a public administration (including a regulatory body) during the two years preceding the 2024 fiscal year [(1)].

Expertise and skills present on the Board [(2)]

Board members have experience in the fields of industry, services, research and innovation, health, chemicals and construction industry. The Directors also bring cross-functional skills such as sustainability, finance and digital, as well as the vision of senior executive of large international groups.

The expertise and experience provided by each of the Directors making up the Board of Directors can be summarized in the matrix presented below, which is unchanged from 2023. This matrix, resulting from the work of the Appointments and Governance Committee, presents the individual skills of the Directors, distinguishing between functional skills and sectoral skills.

In response to the requests made by certain investors, the Board identified three skills that could be qualified as major within the Board, namely Energy, Sustainability and Digital/IT (in bold within the following matrix). Each criterion included in the Board's diversity policy is nevertheless considered very important by the Board of Directors.

SKILLS MATRIX

		Benoît Potier	François Jackow	Xavier Huillard	Annette Winkler	Kim Ann Mink	Aiman Ezzat	Bertrand Dumazy	Christina Law	Michael H. Thaman	Monica de Virgiliis	Alexis Perakis-Valat	Catherine Guillouard	Philippe Dubrulle	Fatima Tighlaline	
Functional skills	International profile				✓	✓			✓	✓	✓					36%
	Chairman & CEO/ CEO/Senior executives of large international groups	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			86%
	Finance/Audit [(a)]						✓	✓		✓			✓			29%
	Digital/IT	✓	✓				✓	✓				✓	✓			43%
	Cybersecurity						✓	✓								14%
	Sustainability	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		86%
	R&D/Technology/ Innovation	✓	✓			✓				✓	✓			✓		43%
	Marketing				✓	✓		✓	✓			✓				36%
Sectoral skills	Chemicals/ Pharmaceuticals	✓	✓			✓	✓	✓	✓			✓		✓		57%
	Healthcare	✓	✓						✓						✓	29%
	Electronics	✓	✓					✓			✓					29%
	Services			✓			✓	✓					✓		✓	36%
	Construction/ Building & Civil Engineering			✓	✓					✓						21%
	Transport/ Automobile			✓	✓						✓		✓	✓		36%
	Consumer markets				✓				✓			✓				21%
	Energy	✓	✓	✓		✓		✓		✓	✓		✓			57%

(a) *The decision was made to include only those Directors who were former CFOs, given that the Executive Officers of large groups all have financial skills, as a result of their positions.*

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(1) *ESRS G1-5 §30.*
(2) *ESRS 2 GOV-1 §21 (c).*

Description of how the Board determines whether members' skills and expertise on sustainability topics exist or will be developed [(1)]:

1. Annual Needs Assessment: the Board, based on the work and recommendations of the Appointments and Governance Committee, annually reviews the composition of the Board and identifies skills needs, including in regard of sustainability.
2. Recruitment and Training: new members are recruited by applying the criteria of the diversity policy set by the Board, which include sustainability (defined in paragraph 3.1 of this Document). As soon as they are appointed and throughout their term of office, they benefit from training:
   - Internal trainings on the specificities of the Group (activities/ESG), provided by the member of the Executive Committee in charge;
   - External trainings on high-impact subjects (CSRD, sustainability), provided by external experts.

   Thus, in 2023 as in 2024, all members followed a training course provided by an external consultant on the theme of CSR, detailing in particular the changes resulting from new regulations in this area. Training on climate accompanied by a site visit is planned for 2025 [(2)].
3. Skills Monitoring: The Board annually reviews the matrix of individual skills of members, established on the basis of their current and previously held positions (and reflected in the individual summaries appearing on pages 126 to 139). It ensures that these skills remain in line with the Board's diversity policy and Air Liquide's stakes. In terms of the skills targeted in the skills matrix, 86% of members (12 out of 14) had sustainability skills in 2024. The three members sitting on the Environment and Society Committee (dedicated to sustainability issues) are among those with this expertise.
4. Alignment of Directors' Skills and Expertise with material sustainability topics for the Group (and corresponding IRO): The Board ensures that the skills of the Directors correspond to the Group's material sustainability topics, described in Chapter 5 of the Document.

   The skills of the members identified in the matrix correspond in particular to the following sustainability topics:
   - Climate change and energy (E1): A majority of members have the required skills, either because they are senior executives or former senior executives who have initiated or implemented sustainable transformation plans for their group, particularly in the field of energy transition, as well as decarbonation plans, or because they are personally committed to combating climate change, or because they hold positions in this field. The skills of some members in the areas of energy and energy transition also correspond to Issue E1.
   - Social topics (S1 / S2 / S4): The majority of members, due to their responsibilities as senior executives or former senior executives, have skills (particularly due to their expertise in Human Resources) related to social topics (employees of the group and the value chain), in particular those relating to the rights and working conditions of employees, diversity, equality, inclusion, social dialogue and the health and safety of employees. In addition, some members have skills in the health field and in this respect bring their expertise in protecting the interests of patients.
   - Business conduct [(3)] (G1): Given the current or former responsibilities of most members in large international groups, the level of expertise of the Board on topics relating to business conduct (compliance with regulations on ethics and the prevention of corruption and influence peddling) is high. In addition, in order to maintain/develop this expertise, training was provided to all members of the Board regarding the fight against corruption and the payment of bribes (see the details of the training of members – page 112).

3.1. DIVERSITY POLICY – SELECTION OF NEW MEMBERS OF THE BOARD OF DIRECTORS

On the basis of the work carried out by the Appointments and Governance Committee, the Board has reformulated its wording slightly in order to update certain terminology. The internal regulations have been amended accordingly.

The latter specify that:

"The members are chosen for their skills, their integrity, their independence of mind and their determination to take into account the interests of all shareholders."

"**Diversity policy concerning the Board of Directors:** the composition of the Board of Directors, with regard to its members appointed by the General Meeting upon the proposal of the Board of Directors, shall reflect diversity and complementarity of experience, in particular international experience, nationalities, age, gender, cultures and expertise, including a significant number of executive managers or former executive managers; the Board of Directors shall look for persons possessing skills in the following areas: energy, sustainability, digital, services, industry, R&D/Technology, health, finance, and marketing."

The diversity policy which applies to the members of the Board is accompanied by guidelines, which are set forth in the internal regulations which, although not written in stone, also guide the composition of the Board, in particular in terms of the number of Directors appointed by the General Meeting (in principle 10 to 12), the duration of the terms of office (four years, principle of staggering renewals, the proportion of members appointed by the General Meeting in office for more than 12 years cannot exceed one-third), age or the proportion of members who qualify as independent, thus aiming to comply with the recommended principles in terms of good Corporate Governance practices.

(1) *ESRS 2 GOV-1 § 23 (a) and (b).*
(2) *See the details of the training completed by the members of the Board of Directors in paragraph 6 of this Chapter.*
(3) *ESRS G1 GOV-1 §5 (b) and ESRS G1-3 §18 (c).*

The Board of Directors relies upon the work of the Appointments and Governance Committee in order to propose to the General Meeting, any new appointment or renewal of the terms of office of Directors. New independent Directors are appointed according to the steps described below (summarized in the internal regulations of the Board of Directors):

PROFILE	APPLICATIONS	SELECTION	DECISION
Definition of the profile sought by the Appointments and Governance Committee with regard to: ■ sought-after skills and experience in accordance with the Board's diversity policy; ■ sought-after professional and personal qualities; and ■ gender parity.	■ Profile searches carried out by the Committee, as the case may be, with the help of a recruitment firm. ■ In-depth study by the Committee of the profiles identified. ■ Establishment of a list of potential candidates.	■ Discussions within the Committee concerning the candidates: adequacy with the needs identified, verification of the rules of the AFEP/MEDEF Code (multiple offices, independence, etc.). ■ Individual meeting with the Chairman of the Committee, the Chairman of the Board and with each member. ■ Conclusion and recommendation to the Board of Directors.	■ Approval by the Board of the draft resolution relating to the appointment of the new Director to be submitted to the General Meeting.

Changes to the Board for 2025:

In view of its current composition and the diversity of profiles, experience and expertise, on the recommendation of the Appointments and Governance Committee, the Board of Directors decided to maintain the same skills as represented on the Board and thus not to propose any new appointments to the General Meeting of May 6, 2025, but to propose the renewal of the terms of office of three independent Directors, Messrs Xavier Huillard, Aiman Ezzat and Bertrand Dumazy, which expire at the end of the General Meeting.

The composition of the Board, comprising 12 members elected by the General Meeting, complies with the provisions of the internal regulations (which provide for 10 to 12 members excluding Directors representing the employees).

If the General Meeting adopts the resolutions proposed to it, the composition of the Board of Directors will remain the same as the composition as at December 31, 2024 (see table above) with 14 members (including 12 appointed by the General Meeting and two Directors representing the employees).

3.2. INDEPENDENCE OF BOARD MEMBERS

Based on the full definition of independence set out in the AFEP/MEDEF Corporate Governance Code, the internal regulations define the criteria applied within the Company to assess the **independence** of a Board member.

"A member of the Board of Directors is independent when he/she has no relationship of any kind with the Company, its Group or its management which may interfere with his/her freedom to exercise his/her judgment.

In this spirit, the criteria which may provide guidance to the Board in order to classify a member as independent will be as follows:

- he/she is not and has never been an employee or member of the Executive Management of the Company,
- he/she does not hold office as Chairman of the Board of Directors, Chief Executive Officer, Chairman or member of the Management Board of a company in which the Chairman of the Board of Directors, the Chief Executive Officer or a Senior Executive Vice President of Air Liquide is a Director or member of the Supervisory Board,
- he/she must not have any business relations with the Air Liquide Group which represent a significant part of the business activities (i) of the company of which the Director is a member of the Executive Management or (ii) of Air Liquide,
- he/she does not have any close family links with the Chief Executive Officer or a Senior Executive Vice President,
- he/she must not have been an auditor of the Company during the previous five years,
- he/she must not have been a member of the Board of Directors (or Supervisory Board) of the Company for more than 12 years."

Every year, an assessment of the independence of the Directors appointed by the General Meeting and, as the case may be, of the candidates for such a position is included on the agenda of the Board. Thus, at its meeting on February 20, 2025, based on the work of the Appointments and Governance Committee, the Board of Directors reviewed each of the criteria contained in the Board's internal regulations and in the AFEP/MEDEF Code, enabling it to assess the independence of each Director.

The Air Liquide Group is particularly attentive to conflicts of interest and even potential conflicts of interest. To determine whether or not the business relationship is material, for each Director or candidate for these positions, criteria such as the following are examined:

- the percentage of worldwide business volumes between the Air Liquide Group and each group in which an Air Liquide Director (or candidate for the position of Director) holds a corporate office or a management position. The percentage of business volume is assessed for both the Air Liquide Group and each group concerned;
- the economic dependence;
- the exclusivity;
- the participation of the Director in the business relationship;
- the length and continuity of the business relationship.

The Board relies on a summary table of the flows (purchases and sales) that took place during the past fiscal year between the Air Liquide Group and the group within which an Air Liquide Director appointed by the General Meeting (or a candidate proposed for these functions) also holds a corporate office or an executive function (on this point, see the information relating to the positions and functions held by the Directors – pages 126 to 139). Such figures are weighed against the total purchases and sales of each group to measure their significance.

For the 2024 fiscal year, this chart shows that the amounts of sales by the Air Liquide Group to any of the relevant groups, or of its purchases from any such groups, do not exceed 1% of the total sales or purchases by the Air Liquide Group or by any of the relevant groups.

Beyond the quantitative criteria mentioned above, the qualitative review conducted by the Board of Directors led to the conclusion that neither Air Liquide nor the groups concerned are in a relationship of economic dependence or exclusivity, as these are large international groups with very diversified activities.

In addition, given the organization of the Air Liquide Group, its size, the diversity of its businesses and geographical presence, the Directors concerned are not involved in the commercial relationships that are conducted, within the Air Liquide Group, at the level of the subsidiaries concerned and, where applicable, the Clusters and Global Business Units.

After a review of each individual situation, the Board concluded that none of the Directors has to exercise a direct or indirect decision-making power in the contractual negotiations leading to the business affairs discussed. If this were not the case, he/she would have to declare a conflict of interest to the Board. This matter would then be addressed in accordance with the ethical rules provided for in the internal regulations.

As a result of the review carried out, it was concluded that no group in which a Director of Air Liquide holds a corporate office or a management position has a significant business relationship with the Air Liquide Group.

The review by the Board of Directors of the individual situation of each Director in light of the criteria required by the AFEP/MEDEF Code for independent status is shown in the following table (situation as at December 31, 2024):

AFEP/MEDEF Criteria	Benoît Potier (C.BoD)	François Jackow (CEO)	Xavier Huillard (LD)	Bertrand Dumazy	Aiman Ezzat	Catherine Guillouard	Christina Law	Kim Ann Mink	Alexis Perakis-Valat	Michael H. Thaman	Monica de Virgiliis	Annette Winkler	Philippe Dubrulle (Director representing the employees)	Fatima Tighlaline (Director representing the employees)
Criterion 1 Employee corporate officer within the previous 5 years	×	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Criterion 2 Cross-directorships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Criterion 3 Significant business relations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Criterion 4 Family ties	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Criterion 5 Not to have been an auditor of the Company within the previous 5 years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Criterion 6 Term of office in excess of 12 years	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Criterion 7 Status of non-executive corporate officer	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Criterion 8 Major shareholder status	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The Board also reviewed the situation of each Director in light of each of the criteria in the internal regulations as set forth above (page 106 of this Universal Registration Document). The criteria used are very largely inspired by the AFEP/MEDEF Corporate Governance Code. The Board of Directors continues to consider, however, that the Company's former employees or officers **cannot be deemed to be independent even if they ceased to hold office more than five years ago.**

Further to the recommendation made by the AMF, a table showing the list of Directors who are considered to be independent in light of the criterion provided for in the internal regulations and the AFEP/MEDEF Code is set out below.

	As at December 31, 2024 Independence of the Directors appointed by the General Meeting in light of the criteria in the	
	Internal regulations	**AFEP/MEDEF Code**
Benoît Potier – Chairman of the Board of Directors	No	No
François Jackow – Chief Executive Officer	No	No
Xavier Huillard – Lead Director	Yes	Yes
Bertrand Dumazy	Yes	Yes
Aiman Ezzat	Yes	Yes
Catherine Guillouard	Yes	Yes
Christina Law	Yes	Yes
Kim Ann Mink	Yes	Yes
Alexis Perakis-Valat	Yes	Yes
Michael H. Thaman	Yes	Yes
Monica de Virgiliis	Yes	Yes
Annette Winkler	Yes	Yes
Philippe Dubrulle – Director representing the employees	N/A	N/A
Fatima Tighlaline – Director representing the employees	N/A	N/A

The Board therefore deemed that, at the end of the 2024 fiscal year, the following members elected by the General Meeting were independent: Mr Bertrand Dumazy, Mr Aiman Ezzat, Ms Catherine Guillouard, Mr Xavier Huillard, Ms Christina Law, Ms Kim Ann Mink, Mr Alexis Perakis-Valat, Mr Michael H. Thaman, Ms Monica de Virgiliis and Ms Annette Winkler (i.e. **83%** [1] independent Directors). Pursuant to the provisions of the AFEP/MEDEF Code, Mr Philippe Dubrulle and Ms Fatima Tighlaline, Directors representing the employees, were not taken into account when calculating this ratio.

Given the composition of the Board of Directors following the Combined General Meeting of May 6, 2025, subject to the approval of the proposed resolutions concerning the renewal of the terms of office of three independent Directors, the percentage of independent Directors on the Board of Directors would remain 83%.

3.3. LEAD DIRECTOR

Pursuant to the terms of article 13 of the articles of association, the Board of Directors is obliged to appoint a Lead Director, as long as the roles of Chairman and Chief Executive Officer are combined. In the event of separation of the functions of Chairman of the Board and Chief Executive Officer, the Board of Directors may also appoint a Lead Director from among the independent members of the Appointments and Governance Committee. The Lead Director remains in office until the end of his or her term of office on the Appointments and Governance Committee.

Mr Xavier Huillard, independent Director, has been Lead Director since May 2022. As his term of office as Director expires at the General Meeting of May 6, 2025, his reappointment will be proposed to the shareholders for a period of four years. Subject to the renewal of his term of office, the Board of Directors has already decided to reappoint Mr Xavier Huillard as Lead Director.

(1) *ESRS 2 GOV-1 §21 (e).*

3.3.1. Roles, responsibilities and powers of the Lead Director

The internal regulations of the Board of Directors:

A) define the responsibilities and powers of the Lead Director as follows:

"Roles, responsibilities and powers of the Lead Director

The Lead Director has the following roles, responsibilities and powers:

1. He conducts, upon delegation from the Chairman of the Appointments and Governance Committee when he is not the Committee Chairman himself, the work of the Appointments and Governance Committee concerning the governance tasks entrusted to the Committee, notably for the examination of the choice of general management organization, the review of changes in and application of the rules of Corporate Governance, the preparation of the evaluation of the functioning of the Board, the review of ethical issues, the attention paid to the proper functioning of the governance bodies, in particular in the transmission of the information requested by Independent Directors; on all these points, the Lead Director can formulate all proposals and make any suggestions he considers necessary.

   More specifically, the Lead Director coordinates, within the Committee, the implementation of the procedures aimed at identifying and analyzing potential situations of conflicts of interest on the Board; he draws the attention of the Chairman of the Board of Directors (or the Chairman and Chief Executive Officer as the case may be) to potential situations of conflicts of interest identified in this manner.

   He reports on these matters to the Board of Directors.
2. The Lead Director, after receiving the opinion of the Appointments and Governance Committee, may ask the Chairman of the Board of Directors to convene a meeting of the Board of Directors on any specified agenda, at any time and as often as required in the interests of the Company.

   Under the conditions provided for in article IV of these regulations, the Lead Director may also receive a delegation of authority to convene a meeting of the Board of Directors at the request of at least one-third of its members.
3. The Lead Director, after receiving the opinion of the Appointments and Governance Committee, may propose the inclusion of additional points on the agenda for any Board meeting to the Chairman of the Board of Directors.
4. Once a year, the Lead Director calls a meeting of the members of the Board of Directors for a session to be held without the presence of the Group's Executive Directors (or former Executive Directors) or internal Directors and employee representatives. He organizes and leads the discussions of this annual session which he chairs.
5. The Lead Director reviews the requests made by shareholders with regard to governance and makes sure that they are answered.
6. The Lead Director reports on his activities to the Board of Directors every year.
7. The Lead Director makes sure that a report is made to the shareholders on the governance issues falling within the scope of his responsibilities. A report on his activities is made in the Universal Registration Document."

B) also provide, without prejudice to the provisions on convening the Board of Directors, which are set forth in the internal regulations of the Board of Directors, that the Lead Director, after receiving the opinion of the Appointments and Governance Committee, may ask the Chairman of the Board of Directors to convene the Board of Directors on a given agenda; this right may be exercised at any time and as often as the Company's interests may require. The Chairman of the Board of Directors is bound by this request.

The Lead Director may be approached by the other Directors outside of Board of Directors' meetings as often as they deem necessary and the Directors are regularly asked about the level of dialog with the Lead Director.

3.3.2. Report on the activity of the Lead Director

The Lead Director's activities during the 2024 fiscal year related to the following points:

- conducting the work of the Appointments and Governance Committee concerning the governance missions entrusted to it, and in particular:
  - reviewing the Company's practices in light of the recommendations of the AFEP/MEDEF Code, the AMF and the Haut Comité de gouvernement d'entreprise (French High Committee on corporate governance) included in their respective 2024 reports,
  - evaluating the functioning of the Board and presentation to the Board of Directors in February 2025 of the summary of Directors' assessments. For more details on the evaluation, see page 114,
  - monitoring the new legal obligations relating to the CSRD, discussing the organization of the work of the Committees and modifying the missions of the Audit and Accounts Committee and the Environment and Society Committee in application of this new regulation,
  - informing the Board of Directors on the regular contacts between the Chairman of the Board of Directors and/or the Chief Executive Officer and Shareholders;
- chairing and leading the meeting of the Board of Directors held at the end of the last Board of Directors' meeting of the year 2024, bringing together all the Directors without the presence of the Chairman of the Board of Directors, the Chief Executive Officer, the Directors representing the employees or the employee representative. The Lead Director held discussions with the Chairman of the Board of Directors on the matters raised during this executive session – for more details on the executive session, see page 115);
- regular meetings with the Chairman of the Board of Directors and the Directors, in particular on governance issues;
- presenting to Shareholders the work carried out by the Remuneration Committee, which he chairs, at the General Meeting of April 30, 2024;
- reviewing the expectations expressed by Shareholders at the General Meeting on April 30, 2024. The Lead Director also took note of the conclusions of the meetings organized at the end of 2024 with numerous institutional Shareholders to prepare for the General Meeting on May 6, 2025.

He reported to the Board of Directors on his activities in February 2025.

During the 2024 fiscal year, the Lead Director took part in all meetings of the Board (six meetings), the Appointments and Governance Committee (four meetings) and the Remuneration Committee (three meetings), as well as the meeting of the "Shareholder Relations" Working Group.

4. Professional ethics of Directors – Rights and obligations of Directors

The internal regulations summarize the main obligations imposed on Directors. The Director represents all the Shareholders and shall act in all circumstances in the Company's corporate interest.

Each Director undertakes to meet the obligations imposed upon him/her by the articles of association and the various legal, regulatory or internal Company provisions and, more specifically, the internal rules relating to the prevention of market abuse or the obligations to report transactions in the Company's shares. The Directors are regularly informed by the Company of their obligations in this area. The Company also has an internal procedure for managing inside information. As every year, an internal memo on the prevention of market abuse was sent to the Directors at the beginning of 2025 which outlines in greater detail the applicable legal and regulatory obligations by which they are bound pursuant to the European and national provisions.

Each Director is bound by an obligation of secrecy. The members of the Audit Committee are, in particular, bound by an obligation of confidentiality concerning the information relating to the services performed by the Statutory Auditors, under the conditions laid down by the law.

Each Director shall endeavor to take part in all meetings of the Board and the Committees of which he/she is a member, and attend the General Meetings.

The information required by the AFEP/MEDEF Code concerning the level of individual attendance of the members of the Board of Directors is shown in the following table:

	Board of Directors	Audit and Accounts Committee	Appointments and Governance Committee	Remuneration Committee	Environment and Society Committee
Benoît Potier Chairman of the Board of Directors	100%	—	—	—	—
François Jackow Chief Executive Officer	100%	—	—	—	—
Xavier Huillard Lead Director	100%	—	100%	100%	—
Bertrand Dumazy	100%	100%	100%	—	—
Aiman Ezzat	67%	100%	—	—	—
Catherine Guillouard	100%	100%	—	—	—
Christina Law	100%	—	—	—	—
Kim Ann Mink	100%	—	—	100%	—
Alexis Perakis-Valat	100%	—	—	—	—
Michael H. Thaman	100%	—	—	—	—
Monica de Virgiliis	100%	—	—	—	100%
Annette Winkler	100%	—	100%	—	100%
Philippe Dubrulle Director representing the employees	100%	—	—	—	100%
Fatima Tighlaline Director representing the employees	100%	—	—	100%	—
TOTAL	**98%**	**100%**	**100%**	**100%**	**100%**

The members of the Audit and Accounts Committee and the Environment and Society Committee also met three times in 2024 for joint sessions between these two Committees. The attendance rate for these sessions was 94% (see information on the joint session between these two Committees – page 120).

Each Director shall keep him/herself informed and devote the time and attention required to perform his/her duties.

Under the Company's articles of association, each Director must hold at least 500 registered shares in the Company. The Director shall inform the Company of the number of shares which he/she holds. This provision does not apply to the Directors representing the employees.

Under the terms of the internal regulations, the members of the Board of Directors must inform the Board of any situation of conflict of interest, even if it is only potential, with the Company and must refrain from taking part in the discussions and in the vote on the corresponding decision.

This obligation is completed by a formal annual declaration provided to the Company by each Director, attesting the absence of a potential conflict of interest involving him/her.

DECLARATIONS

Pursuant to the declarations made to the Company by each corporate officer, the Company confirms that the corporate officers have no family ties with any other corporate officer and have not been convicted of fraud at any point in at least the last five years.

No official charge and/or public sanction has been pronounced against them by the statutory or regulatory authorities (including any professional bodies) and they have not been barred by a court from serving as a member of a Supervisory Board, Board of Directors or other management body of an issuer or from taking part in the management or conduct of an issuer's business affairs at any point in at least the last five years. They have no conflicts or potential conflicts of interest with regard to L'Air Liquide S.A.

No arrangement or agreement has been entered into with the main Shareholders, customers, suppliers or other persons, pursuant to which L'Air Liquide S.A.'s corporate officers were selected as such. Such persons have not agreed any restriction on the transfer, within a certain period of time, of their holding in the capital of L'Air Liquide S.A. apart from the rules relating to the prevention of market abuse, the statutory obligation for the members of the Board of Directors who are elected by the General Meeting to hold at least 500 registered shares in the Company throughout the period of their term of office and the shareholding obligations which apply to the Company Officers.

The corporate officers have not been linked to any bankruptcy, receivership or liquidation at any point in at least the last five years.

Finally, the Appointments and Governance Committee, under the management of the Lead Director, currently has the task of preventing potential situations of conflict of interest on the Board.

In accordance with the AFEP/MEDEF Code, the internal regulations provide for a maximum of four other terms of office as a Director held within French or foreign listed companies for non-executive Directors. This number is reduced to two other terms of office for Company Officers.

Moreover, an obligation to provide information on the terms of office held in other companies, including their participation on the Board Committees of such companies, is provided for non-executive Directors.

An obligation to ask for the opinion of the Board of Directors (which makes a decision on the recommendation of the Appointments and Governance Committee) before accepting a new corporate office in a listed company is also provided for Company Officers. In this context, the Board approved the appointment of Mr Benoît Potier as a Director of Unilever from January 1, 2025.

All the provisions governing Directors' rights and obligations are included in the manual for members of the Board of Directors which is updated once a year.

5. Role and tasks of the Board of Directors

- The Board of Directors determines the orientations of the Company's activities and ensures their implementation, in line with its corporate interest, taking into account the social and environmental stakes of its activity [(1)]. Accordingly, it examines and approves, based on proposals from the Company's General Management, the main points of the Group's strategy (in principle between three and five year objectives), including the multi-annual strategy orientations concerning Corporate Social Responsibility [(2)]. It reviews the Group's annual objectives. It ensures the implementation of these orientations by the General Management.
- The Board of Directors regularly reviews, in line with its strategic orientations, financial, legal, operational and sustainability opportunities and risks, as well as the measures taken as a result. It ensures that a system has been implemented for the prevention and detection of corruption and influence peddling [(3)]. Subject to the powers attributed to the General Meetings and within the limit of the corporate purpose, the Board deals with any issue concerning the smooth running of the Company and manages corporate business pursuant to its decisions. The Board of Directors may conduct controls and verifications as it deems appropriate.
- The internal regulations stipulate that the specific powers vested in the Board of Directors include, in particular, the choice of Company Officers, the determination of their remuneration and setting of the terms and conditions governing their employment and performance of their duties in accordance with current regulations; the appointment of the Lead Director; the convening of the General Meeting (and determination of the agenda and draft resolutions within this scope); the preparation of the financial statements and Annual Management Report (including in particular the Vigilance Plan and a report on its implementation, as well as a separate section on sustainability information) and the Report on Corporate Governance; the definition of the Group's gender policy for governance bodies; the establishment of its proper rules for functioning (creation of Committees, breakdown of Directors' annual remuneration, and more). In addition, the Board of Directors may also decide or authorize the issuance of straight bonds.
- The Board also exercises the powers delegated to it by the General Meeting, particularly with regard to the granting of stock options or award of performance shares, issues of marketable securities, share buyback or employee savings programs.
- The Board of Directors ensures that the General Management implements a non-discrimination and diversity policy, notably concerning balanced gender representation within the Group's governing bodies. Acting on a proposal by General Management, the Board sets the diversity targets within the Executive Committee. General Management makes a submission to the Board on how the targets will be implemented, together with an action plan and schedule for completion. General Management reports the results to the Board every year.

  In this context, at its meeting in February 2024, on the recommendation of the Appointments and Governance Committee, the Board of Directors noted the changes in 2024 within the framework of the targets set for the Executive Committee for 2026. These are presented in detail on page 338 of this Universal Registration Document.

(1) ESRS GOV-1 §22 (b).
(2) ESRS GOV-1 §22 (b).
(3) ESRS G1 GOV-1 § 5 (a).

6. Functioning of the Board of Directors

Informing the Directors: the internal regulations define the methods for informing the Directors. They specify, in particular, that prior to Board meetings, a file of meeting documentation is sent out to Board members covering the items on the agenda. Files are provided in electronic form on a dedicated platform. The Chief Executive Officer, assisted, if need be, by members of the management teams, presents to the Board of Directors a quarterly report on the Company's management, the draft annual and interim financial statements and the various issues requiring the authorization or opinion of the Board of Directors. For major substantive issues (major projects, M&A, etc.), a very detailed summary is prepared. Any member of the Board of Directors may request any additional information he/she considers necessary. He/she makes such a request to the Chairman of the Board.

Interactions between the non-Executive Directors and the members of the Executive Committee are regular and take place during specific presentations made at meetings of the Board of Directors and at Committee meetings, as well as outside of these meetings. They also meet with them during training sessions on the activities for which the members of the Executive Committee are responsible.

The Directors may ask to meet members of the Executive Committee at any time.

Holding of meetings: in view of the new measures introduced by Law No. 2024-537 of June 13, 2024 aimed at increasing the financing of companies and the attractiveness of France, the articles of association will now provide, if the 22nd resolution proposed to the General Meeting is adopted, that the Board of Directors may take any decision by means of telecommunication. The internal regulations define the frequency and rules for convening meetings of the Board of Directors.

During the meeting, a summary presentation of the items is made, allowing considerable time for exchanges and discussions. The presentations give rise to questions and are followed by discussions. A round-the-table discussion is systematically held concerning the significant points, before moving to vote on the items on the agenda. Detailed written minutes are then sent to the members for their review and comments, before the approval of the Board of Directors at its next meeting.

The Statutory Auditors, who are also responsible for certifying sustainability information, are also heard during the review of the financial statements.

Specialized Committees of the Board: the internal regulations define the tasks and operating procedures for the four Board Committees (a description of the missions of the Committees' tasks is provided – pages 117 to 125).

Training measures: the internal regulations stipulate that training measures are offered to the Directors relating to the Company's businesses and specific features, in particular by means of site visits or meetings with senior executives, and to the Company's Corporate social responsibility aspects (in particular concerning climate issues). In particular, training on the Group's specific accounting, financial, extra-financial and operational aspects, as well as training on aspects related to the Group's risks, are offered to members of the Audit and Accounts Committee.

Each year, the Directors are asked about their training requirements and a training request form is systematically proposed once a year to each Director. Directors may ask to meet members of the Executive Committee, the heads of each major business line and the main corporate functions, visit sites and/or request specific training by business line, activity or geographical area.

A specific training program is systematically offered to new Directors. It is adapted to the skills and individual experience of each new member. In addition, a form is systematically sent each year to all members so that they can request any useful training.

In 2024, the training provided by some members of the Executive Committee to Directors concerned the following topics in particular:

- Research & Development,
- Human Resources,
- Environment / Social / Governance,
- Healthcare (as part of a site visit to Italy),
- Energy Management.

The American Directors were given presentations of the Group's activities in the Americas region by the member of the Executive Committee in charge, as well as visiting an Airgas site.

Moments of discussions were also organized with the Group's Management.

A training session on "Corporate sustainability regulation & Board practices" conducted by an external expert to the Group was attended by all members of the Board of Directors and covered, in particular, the new obligations resulting from the CSRD.

In 2024, all members of the Board also benefited from a digital training module on combatting corruption and the payment of bribes (identical to that followed annually by Group employees potentially exposed on account of their functions [1]).

Further to this, the two Directors representing the employees benefited from specific training, details of which are given below.

(1) *ESRS G1-3 § 18 (c).*

7. Participation of employee representatives on the Board of Directors [1]

7.1. WITH A DELIBERATIVE VOTE

Two Directors representing the employees sit on the Board of Directors: Mr Philippe Dubrulle [2], who is also a member of the Environment and Society Committee, and Ms Fatima Tighlaline [3], who is also a member of the Remuneration Committee.

Mr Philippe Dubrulle and Ms Fatima Tighlaline sit on the Board with a deliberative vote. They are subject to all of the provisions of the internal regulations governing the rights and obligations of the Directors.

Within the scope of the agreement entered into with the various stakeholders and pursuant to the provisions in force within the Group, which apply to all the employees performing duties on Boards of Directors of the Group companies, it was agreed that employee Directors would not receive any remuneration.

Training of Directors representing the employees

Directors representing the employees may benefit from any training adapted to the exercise of their term of office as Directors, in accordance with the regulations in force. This time is considered as actual working time and remunerated as such. The Board of Directors, pursuant to the applicable legal provisions and the agreement concluded between the various stakeholders on December 10, 2021, defined the amount of time allocated to the Directors representing the employees for (i) the preparation of meetings of the Board of Directors (15 hours/meeting) and of the Committees which they are member of (five hours/meeting) as well as (ii) training (40 hours/year on a cumulative basis over the length of the term of office).

In addition to the internal training courses organized in particular with members of the Executive Committee on certain specific Group activities and cross-functional skills, the Directors representing the employees benefited from the following external training:

- As part of his first term of office, Mr Philippe Dubrulle attended the training course provided by the Institute of Political Studies of Paris in partnership with the IFA in 2016 and obtained the Company Director certificate. In 2024, he completed the training course started in late 2023, provided by the Institute of Political Studies of Paris in association with the IDDRI (Institute for Sustainable Development and International Relations) on the ecological transition and the transformation of organizations. This training complements the training on sustainable corporate models (organized by Centrale Supelec Exed) attended by Mr Philippe Dubrulle in 2020.
- Ms Fatima Tighlaline completed the training provided by the Institute of Political Studies of Paris in partnership with the IFA in 2021 and obtained the Company Director certificate. In 2024, Ms Fatima Tighlaline started the “Sustainable Management: Keys to a Sustainable Business Model” Master Class training offered by EcoLearn. She also registered for an internal “Cash Advanced” financial training course.

In 2024, Ms Fatima Tighlaline and Mr Philippe Dubrulle also followed the sustainability training conducted by an external expert, and the digital training on the subject of the fight against corruption and the payment of bribes, attended by all the members of the Board of Directors.

7.2. WITH AN ADVISORY VOTE

Since the appointment in October 2020 of Ms Fatima Tighlaline as the second Director representing the employees, and under the agreement entered into with the various stakeholders, a single member of the Social and Economic Committee, Mr Pierre Gac, continues to attend Board of Directors’ meetings with an advisory vote.

The delegate receives the same documents as those provided to the Directors for these meetings. The delegate is able to express his opinion on the questions discussed during the meetings.

A preparatory meeting, in the presence of a member of the Executive Committee and the Secretary of the Board of Directors, is scheduled before each Board meeting. This preparatory meeting is the opportunity to go through the whole file for the Board meeting with the Directors representing the employees and the Social and Economic Committee delegate and to comment on the items on the agenda. It offers the participants the opportunity to raise their questions and make their initial comments.

(1) *ESRS 2 GOV-1 21 (b).*
(2) *Last reappointed in this position by the France Group Committee on December 16, 2021, for a period of four years expiring at the end of the General Meeting to be called in 2026 to approve the financial statements for the 2025 fiscal year.*
(3) *Last reappointed in this position by the European Works Council on November 9, 2023, for a period of four years expiring at the end of the General Meeting to be called in 2028 to approve the financial statements for the 2027 fiscal year.*

8. Evaluation of the Board of Directors

The internal regulations stipulate that:

"The Board will ensure that an evaluation is carried out periodically of its composition, its organization and its functioning as well as those of its Committees. An update will be made by the Board on this topic once a year and a formal evaluation will be carried out at least every three years. Within the scope of the evaluation of the Board, the Directors will, in particular, be asked to state whether it appears to them to be necessary for the choice of the Company's General Management organization to be re-examined."

Evaluation process

An evaluation of the organization and functioning of the Board and its Specialized Committees is conducted every year under the responsibility of the Chairman of the Appointments and Governance Committee, who also acts as Lead Director. This evaluation is carried out on the basis of a questionnaire sent to the Directors, the wording of which is approved by the Appointments and Governance Committee.

In accordance with the AFEP/MEDEF Code, the internal regulations and the recommendations of the AMF, the assessment is carried out as follows:

- in year n, a formal assessment carried out by an external consultant chosen by the Appointments and Governance Committee, which steers the process, through a comprehensive assessment questionnaire sent to the members of the Board of Directors, followed by individual interviews with each member. A summary document is prepared by the consultant and sent to the Appointments and Governance Committee and the Board, and leads to the adoption of recommendations for action. The last assessment of this type was carried out in late 2022; and
- in years n+1 and n+2, an annual internal follow-up assessment, resulting in the sending of a simplified questionnaire to members, who return written answers, with the aim in particular of assessing the actions implemented in light of the recommendations made since the last comprehensive assessment. These assessments are subject to feedback and give rise to a review and, if necessary, adjustment of the actions in progress.

The procedure used for the annual evaluation guarantees the confidentiality of discussions. The questionnaire is sent to all Directors. Each year, the questionnaire contains a question relating to the assessment of the current method of conducting General Management. In this framework, an assessment is also made regarding the roles and actions of the Chief Executive Officer, the Chairman of the Board of Directors and the Lead Director. The Directors are also asked about the composition of the Board of Directors and the current skills and/or those sought for the future, the interaction between the Board and its Committees, onboarding of new members, training of Directors, etc.) and are invited to add any other comments they may have on the functioning of the Board and its Committees.

The Board's functioning assessment is the subject of a specific agenda item of the Appointments and Governance Committee and of the Board to allow members to debate on this matter.

In light of the collegiate nature of the Board, the assessment questionnaire asks members about the dynamics and collective contribution of members to the Board operation. However, the questionnaire sent annually to Directors also invites them to make an evaluation of the actual, individual contribution of Directors in the work of the Board of Directors. This point is also the subject of a specific question addressed during the individual interviews carried out during the formal assessment. The contribution by each Director is also assessed by the Appointments and Governance Committee and then by the Board of Directors at the time of renewal of the terms of office of Directors and Committee members.

Any useful feedback is made to the members.

2024 evaluation

Under the agenda item on the Board's functioning and the debate on this subject, the Board of Directors reviewed the summary of responses to the simplified questionnaire sent to each member at the end of 2024 as part of the internal follow-up evaluation (n+2), presented by the Chairman of the Appointments and Governance Committee.

This exercise has in particular made it possible to measure the level of satisfaction with (i) the actions implemented concerning the points that had been expressed in 2022 as part of the comprehensive formal evaluation, carried out by an external service provider that is independent (of the Company and its executives), under the responsibility of the Chairman of the Appointments and Governance Committee, also acting as Lead Director, and (ii) requests expressed in 2023 as part of the internal follow-up evaluation (n+1). The overall summary carried out following the 2024 evaluation presented to the Board of Directors highlighted the following points:

- a high degree of satisfaction with (i) the current composition of the Board of Directors (the balance of skills/expertise, the commitment of the members and the wealth of contributions), (ii) the succession to the General Management and the balance of dissociated governance in the transition period, (iii) interactions with the Executive Committee and top managers, and (iv) training.
- recommendations on (i) leaving more room for open discussions at Board meetings, (ii) continuing to use external experts and training Directors on key topics, and (iii) pursuing regular review of issues identified as major in the work of the Board.

In response to requests made by members in 2023, interactions between the Board of Directors and the members of the Executive Committee as well as with top managers were strengthened both during Board presentations and, more informally, during encounters on the fringes of Board meetings. In addition, the Board of Directors' meeting in November, mainly dedicated to strategy, will be held abroad in 2025. Concerning the request to maintain geographical diversity on the Board over time, with the appointments of Directors made in 2023, the Board of Directors now comprises 12 members appointed by the Meeting, of whom five are foreign nationals (42%).

9. Meeting of the Board of Directors without the presence of the Executive Officers

Pursuant to the provisions of the AFEP/MEDEF Code which recommend that at least one meeting per year is organized without the presence of the Executive Officers, the internal regulations stipulate that:

"Once a year, the Lead Director calls a meeting of the members of the Board of Directors for a session to be held without the presence of the Group's Executive Directors (or former Executive Directors) or internal Directors and employee representatives. He organizes and leads the discussions of this annual session which he chairs."

The executive session is held at the close of a Board of Directors' meeting for practical purposes and availability of members. In 2024, and in accordance with previous years, the executive session took place following the last Board of Directors' meeting of the year. During this meeting, members were able in particular to look back at work carried out during the entire fiscal year and discuss the functioning of the Board.

10. The Board of Directors' work in 2024

In 2024, the Board of Directors met six times with an effective attendance rate or telephone attendance rate of 98% of its members.

The work of the Board is organized to cover all the missions assigned to it and takes into account the comments expressed by the members as part of the annual review of the Board's operations. The Board is informed on all the work of the four Committees and the joint session between the Audit and Accounts Committee and the Environment and Society Committee. The Board uses the recommendations of the Committees to make its decisions.

In its discussions, deliberations, and decisions, the Board ensures that it takes into account the Group's **material sustainability topics** (and the corresponding Impacts, Risks, and Opportunities (IROs).

List of material sustainability topics notably addressed by the Board and its Committees during the year (see below description of the work of the Board and work of the Committees reported to the Board) [(1)]:

- E1 (climate change mitigation, energy)
- E3 (water management)
- S1 and S2 (all material topics were reviewed through dedicated thematic presentations, or through the review and approval of the Vigilance Plan and labor relations)
- S4 (patient data protection)
- G1 (corporate culture, prevention of corruption, protection of whistleblowers)

In 2024, the Board of Directors focused specifically on the following topics, notably through presentations by the General Management and certain senior executives:

10.1. ACTIVITY, RESULTS AND STRATEGY

- regularly reviewing the Group's **progress of business**, activity and results, and its quarterly activity reports;
- approving the annual and half-year consolidated and Company financial statements and reviewing the provisional management documents; approving the terms of the management report including a separate section including the required information on sustainability, the Report on Corporate Governance and other reports to shareholders, based on the review and recommendations of each relevant committee;
- presentation by the Statutory Auditors and the sustainability auditors of the conclusions of their work;
- convening and preparing the Annual General Meeting;
- reviewing the Group's **financial position** regularly, and more specifically its financing and debt management strategy and monitoring the bond program;
- **analyzing the Group's financial and extra-financial performance**, including a regular and detailed review of financial and extra-financial indicators and their evolution, reviewing efficiencies and margins; regularly reviewing the competitive environment;
- the share buyback and cancellation policy and monitoring operations in connection with the Company's share buyback program;
- the decision to allocate free shares to shareholders (capital increase by incorporation of reserves) in June 2024;
- the annual review of ongoing regulated agreements within the Company and review of the Audit and Accounts Committee's report on the monitoring conducted during the previous fiscal year regarding the implementation of the appraisal procedure in respect of transactions in the ordinary course of business entered into on arm's length terms;
- reviewing **risk mapping** and any changes; monitoring risk management and prevention systems [(2)], including a more in-depth review of certain risks based on the work of the Audit and Accounts Committee and the Environment and Society Committee, as well as the review by the Board of a specific risk during the end-of-year Board meeting. This risk review includes the risks related to sustainability topics that are material to the Group [(3)];
- ensuring **compliance** tracking and review of the systems implemented for the prevention and detection of corruption, payment of bribes and influence peddling, including in particular training programs and their rollout, based on the work of the Audit and Accounts Committee [(4)];
- regularly reviewing **investments** and the portfolio of opportunities, considering social and environmental issues and the corresponding financing capacities; taking decisions concerning the investments required for the Group's medium-term development, and in particular **investments related to the energy transition in line with the environmental objectives announced by the Group**;

(1) ESRS 2 GOV-2 § 26(c).
(2) The main features of the internal control and risk management procedures implemented by the Company and relating to the processing of accounting and financial information (French Commercial Code, Article L. 22-10-35 2°) are presented in Chapter 2: 2.3.3 Internal Control and 2.3.4 Financial and Accounting Information (page 86).
(3) ESRS 2 GOV-2 § 26 (b).
(4) ESRS G1-3 § 18 (c).

- reviewing, at each meeting, the follow-up of the main transactions: acquisitions, divestitures and major projects, taking into account environmental and societal issues and reviewing the material sustainability topics related to the transactions in question [(1)];
- Group strategy and main orientations:
  - reviewing, at a Board meeting in 2024, the **results obtained in the implementation of the ADVANCE multi-year strategic plan** defining the Group's major strategic orientations for 2025, combining financial and extra-financial performance. This review includes a progress report on the Group's CO_2 trajectory and the impact of the actions carried out to achieve the objectives (decarbonization, investments related to the energy transition) [(2)];
  - reviewing the proposed **simplification of the Group's organization**, its objectives, methods and challenges (including the review and consideration of sustainability topics related to the resulting transformation of the employee work methods and environment [(3)]);
  - the training and workshop session organized with an external expert in the field, covering issues related to the development of **artificial intelligence (AI)** and the challenges of its implementation in companies on the economic, organizational, and human levels;
  - presentation to the Board, by the member of the Executive Committee in charge, of an update on the Group's **energy transition** activities;
  - presentation, by an external expert, of issues related to the global **geopolitical context**, and analysis of the resulting risks and opportunities;
  - the review, based on a presentation by the member of the Executive Committee in charge, of the **Group's ESG objectives and key themes**, in particular those related to material sustainability topics/IROs, and the results obtained [(4)];
  - reviewing the **climate transition plan**, prepared on the basis of elements already approved by the Board and published by the Group [(5)];
- **reviewing material sustainability topics /IRO**s in the context of the reporting of the Environment and Society Committee, which monitors the IROs as part of its missions, and of the Joint session between the Audit Committee and the Environment and Society Committee (see work of the Committees concerned) (in 2024, more than six meetings of the Committee, the Joint session and the Board) [(6)] [(7)]; as part of the reports on the work of the Environment and Society Committee concerning the Vigilance Plan, the review of the implementation of **due diligence** [(8)];
- approving the **Vigilance Plan** and its changes in 2024, monitoring of key indicators for all issues (human rights and fundamental freedoms, health and safety, environment), most of which are related to the Group's material sustainability topics, and the review of progress made on basis for the work of the Ethics and Compliance Committee and the recommendation of the Environment and Society Committee [(9)].

10.2. GOVERNANCE/REMUNERATION

Composition of the Board and Committees

The Board of Directors, on the recommendation of the Appointments and Governance Committee:

- took decisions relating to the composition of the Board of Directors and its Specialized Committees in 2024. See details in the section "Composition of the Board of Directors" – pages 103 to 106 of this Document;
- proposed, for 2025, as part of the work carried out in preparation for the General Meeting of May 6, 2025, the renewal of the terms of office of Messrs Xavier Huillard, Aiman Ezzat and Bertrand Dumazy expiring at the end of this Meeting (see individual Directors' biographies – pages 128, 133 and 134, and the resolutions proposed to the General Meeting, Chapter 6 – pages 393 and 394 of this Document).

Assessment

Details of the Board's work relating to the assessment of the functioning of the Board of Directors and its Committees are presented in section 8. "Evaluation of the Board of Directors" – page 114 of this Universal Registration Document.

Independence

The work of the Board of Directors concerning the assessment of the independence of the members of the Board of Directors is detailed in section 3.2. "Independence of Board members" – page 106 et seq. of this Universal Registration Document.

Remuneration

The Board of Directors, on the recommendation of the Remuneration Committee:

- assessed the performance of the Executive Officer in respect of the 2024 fiscal year and determined the amount of his remuneration in respect of said fiscal year;
- reviewed the satisfaction of the performance conditions in the 2022 LTI plans, for which the three-year review period expired on December 31, 2024;
- set the formula for the distribution of Directors' remuneration for 2024, within the budget of 1.5 million euros per fiscal year authorized by the General Meeting of April 30, 2024);
- took note of the work of the Remuneration Committee and determined the remuneration policy for corporate officers (Chief Executive Officer, Chairman of the Board of Directors and Directors), which will be submitted, in separate resolutions, for the approval of Shareholders at the General Meeting of May 6, 2025 (see details in the section on remuneration – pages 172 et seq.).
- decided to grant performance shares to employees.

(1) *ESRS 2 GOV-2 § 26 (b) (with regard to the transactions reviewed in 2024, the Board examined in particular issues related to the climate transition: the impact of industrial projects, the decarbonization of existing facilities, and major renewable **energy supply contracts**, the implementation of the Group's **climate commitments**; the review of investments in facilities for customers producing elements essential to the energy transition).*

(2) *ESRS 2 GOV-2 § 26 (a) et (b).*

(3) *ESRS 2 GOV-2 § 26 (b).*

(4) *ESRS 2 GOV-1 § 22 (d) and ESRS 2 GOV-2 § 26 (a).*

(5) *ESRS E1-1 § 16 (i).*

(6) *ESRS 2 GOV-1 § 22 (a).*

(7) *ESRS 2GOV-1 § 22 (d).*

(8) *ESRS 2 GOV-2 § 26 (a).*

(9) *ESRS 2 GOV-1 § 22 (d).*

Regulatory changes

The Board of Directors, on the recommendation of the Appointments and Governance Committee:

- in accordance with the provisions of the CSRD, entrusted the Audit and Accounts Committee with the tasks related to the sustainability reporting process, and the Environment and Society Committee with the tasks relating to the preparation and control of the sustainability information contained in the Sustainability Statement, and decided to amend the internal regulations of the Board of Directors accordingly;
- pursuant to the provisions of Law No. 2024-537 of June 13, 2024 aimed at increasing the financing of companies and the attractiveness of France, decided to propose that the General Meeting of May 6, 2025 adapt the articles of association to the provisions of the new law (see details in chapter 6, draft resolution 22 – page 404).

10.3. HUMAN RESOURCES/STAKEHOLDERS

Human Resources

- On the basis of a presentation made by the member of the Executive Committee responsible for this area, the Board reviewed the **Group human resources policy** (talent development, corporate culture, adaptation to changes in the environment and employee expectations);

Stakeholders (1)

In 2024, the Board examined the following points:

- 2023 report on gender equality within the Company;
- review of the gender pay gap assessment system provided for by the law of September 5, 2018;
- review of the social report and update on labor relations;
- review of the results of the annual employee survey (My Voice).

In this context, the Board of Directors is informed of the views and interests of employees.

In addition, the Directors representing the employees and the representative of the Social and Economic Committee (SEC) who sit on the Board take part in the discussions and share the employees' vision. These discussions also make it possible to take into account the interests of the Company's employees in decisions relating to the business and strategy.

11. The Committees of the Board of Directors

The Board of Directors has set up four Board Committees: the Audit and Accounts Committee, the Appointments and Governance Committee, the Remuneration Committee and the Environment and Society Committee.

11.1. THE AUDIT AND ACCOUNTS COMMITTEE

4 MEETINGS IN 2024 100% ATTENDANCE	3 MEMBERS	100% INDEPENDENCE

Members as at 12/31/2024	Individual attendance rate in 2024
Catherine Guillouard (Chairwoman)	100%
Aiman Ezzat	100%
Bertrand Dumazy	100%

The members of the Audit and Accounts Committee have the necessary financial skills to perform their duties due to their expertise in this area and their professional experience:

- Chairwoman of the Committee since May 3, 2023, Ms Catherine Guillouard brings her solid financial expertise acquired throughout her career in the public sector and as Chief Financial Officer in large international groups. She also brings her knowledge of sustainability issues, in particular on the subject of decarbonization;
- Mr Aiman Ezzat has held various management positions within Capgemini's financial services, followed by Group Chief Financial Officer, before being appointed Chief Executive Officer. In addition to his financial expertise, he also has extensive expertise in the fields of digital and cybersecurity, as well as the sustainable transformation of companies;
- Chairman and CEO of Edenred, Mr Bertrand Dumazy has extensive knowledge of digital and cybersecurity, as well as solid financial skills acquired in particular within an investment fund and as Chief Financial Officer in an international group.

The skills of the members are shown in the skills matrix – page 104, and in the Directors' individual biographies – pages 126 to 139.

(1) *ESRS 2-SBM-2 § 45 (d).*

Composition and tasks as defined by the internal regulations

The Committee comprises three to five members of the Board of Directors and at least two-thirds of its members must be independent.

The tasks of the Audit and Accounts Committee as defined by the Board of Directors in the internal regulations are set forth below:

TASKS

"The purpose of the Committee is to prepare the decisions to be taken by the Board of Directors by examining the following issues and reporting on them to the Board:

By receiving reports jointly and separately from:

- the Finance & Management Control and Legal Divisions
- the Group control and Compliance Division
- the external auditors

By comparing and combining the points of view collected and using its business judgment based on its members' professional experience, and by exercising reasonable judgment,

the Committee:

1. Monitors the financial information preparation process and, if applicable, makes recommendations to ensure the integrity of that process, examines the financial statements (their conformity in relation to the reference standards, a fair and complete reflection of the Group's situation, transparency and readability), and reviews the accounting methods used (their relevance and continuity, in particular for processing significant operations).
   The Committee receives the additional report of the statutory auditors in accordance with the provisions of article 11 of Regulation (EU) No. 537/2014 of April 16, 2014 and discusses with them the essential questions resulting from the statutory audit of the financial statements which are set out in the additional report.
2. Verifies the existence and the functioning of control organizations and control procedures adapted to the Group, making it possible to identify and manage the risks incurred, including sustainability risks, relying upon the work of the Environment and Society Committee.
3. Monitors the organization of the internal audit function, the plans for assignments and actions in the internal audit field, the findings of these assignments and actions and the recommendations and ensuing measures taken.
4. Monitors the sustainability information preparation process, including the double materiality review process implemented in order to determine the information to be published in accordance with the applicable sustainability reporting standards. Where applicable, the Committee makes recommendations in order to ensure the integrity of these processes [1].
5. With regard to the statutory auditors and the sustainability auditors:

- Proposes to the Board of Directors, after a tender procedure, if applicable, the renewal or appointment of statutory auditors and sustainability auditors, reviews the proposed fees, is informed of the total fees received with an indication of the fees received for assignments outside the scope of the statutory audit.
- Monitors the performance of tasks concerning the certification of the financial statements and the sustainability information
- Ensures compliance with the conditions of independence of the statutory auditors and the sustainability auditors defined by the applicable regulations and examines with the statutory auditors and the sustainability auditors the risks with regard to their independence, if applicable, and the safeguard measures taken to attenuate these risks.
- Regularly hears the statutory auditors and the sustainability auditors, including outside the presence of the Company's representatives.
- Approves the provision by the statutory auditors or the members of their network, of services other than the certification of the financial statements; approves the provision by the sustainability auditors or the members of their network, of services other than the certification of the sustainability information.

The Committee collects the observations of the Management on these various issues. It hears the Chief Executive Officer or the Senior Executive Vice Presidents at the Committee's request or at the request of the persons concerned.

The Committee reports to the Board of Directors on its work, informing it of any problems that may be encountered, observations made to the Executive Management and progress made in relation to these observations."

The Committee meets, in principle, four times a year, and always before the Board meetings during which the annual or interim financial statements are reviewed.

An initial oral report is given to the Board by the Committee Chairwoman. Written minutes of the meeting are transmitted to the Directors. The Committee may ask to convene Group employees. It may meet with the Statutory Auditors or members of the Group Internal Control Department in person. It may call on external experts for assistance.

The Chief Executive Officer does not attend meetings of the Audit and Accounts Committee.

The Audit and Accounts Committee's work in 2024

- As part of the work carried out on the review of the financial statements and, more generally, the financial position of the Company and the Group and performance:
  - the Committee reviewed the annual and interim Consolidated Financial Statements and the annual Company financial statements; it took due note of the Company's financial position, cash flow position and significant off-balance sheet commitments. During the presentation by the Group Chief Financial Officer, the Committee more particularly analyzed the financial statements (income statement, balance sheet, cash flow), the provisions, the "Other operating income and expenses" items, taxation, the risk exposure (including societal and environmental risks), in

(1) *ESRS GOV-1 §22 (b).*

addition to the outlook and accounting options selected. It reviewed the draft presentations on the financial statements for analysts. The Committee also ensured in particular that the specific climate risks were taken into account when preparing financial statements. The Committee also reviewed the procedures relating to the preparation and processing of the Group's extra-financial information;
  - the Committee analyzed the performance, monitored efficiency programs, the Group's financing policy, debt and liquidity management, and investment and divestiture decisions.
- With regard to the Statutory Auditors, the Committee:
  - heard the presentations of the Statutory Auditors underlining the key points of the results and took note of their conclusions;
  - at the beginning of the year, reviewed the amount of fees paid to the Statutory Auditors in respect of the previous fiscal year;
  - was also informed of the non-audit services which were approved in 2024 within the scope of the approval procedure for the Group's non-audit services, which was validated by the Board of Directors;
  - took due note of the contents of the three draft reports issued by the Statutory Auditors, pursuant to the provisions of European Regulation No. 537/2014. The Reports on the statutory accounts and the Consolidated Financial Statements include a description of the principal audit topics and are included in the Universal Registration Document while the third, more detailed report, is intended for the Audit Committee only.
- With regard to risks, the Committee:
  - monitored the management of the risks identified by the Group as part of the monitoring methodology for each type of risk (including the identification of management and control bodies and procedures) and was informed of the appropriate review schedule (annual review or at regular intervals, depending on the type). The Committee heard regular reports on the main assignments carried out by the Group Control and Compliance Department, the corrective actions taken, as well as the Control and Compliance Department's main assignments for the forthcoming fiscal year. The Committee also regularly monitored the process for the rollout of the risk management procedure within the Group;
  - examined the Group's risk mapping and any changes and ensured, at year-end, that all of the risks identified on the risk map and subject to regular review had been examined by the Audit Committee according to the frequency specified. The work program prepared for the 2025 fiscal year is consistent with this approach. It was presented to the Board for discussion. In addition, the Committee discussed topics specifically presented at the Board of Directors' meeting;
  - reviewed, notably, in the context of the presentations made to it, the risks related in particular to the progress of digital protection actions, including concerning industrial information systems, and cybersecurity (during the presentations made to the Committee on this point, all the required information on the procedures and protective measures implemented within the Group are provided, as well as concerning the management of cyber crises);
  - reviewed the information provided in the Universal Registration Document concerning the internal control and risk management procedures and recommended its approval by the Board of Directors.
- With regard to the obligations related to the CSRD (Corporate Sustainability Reporting Directive), as part of its new missions the Committee monitored the process of preparing sustainability information, including the double materiality assessment process, during the joint session with the Environment and Society Committee for the publication of the Sustainability Statement included in this Universal Registration Document.The Committee also reviewed the risk assessment and internal control procedures relating to sustainability reporting (see details in Chapter 5, paragraph 1.3 "Risk Management and Internal Control", 1.3.2 "Internal Control of the sustainability reporting process"). [(1)]
- The Committee ensured compliance with the regulations on ethics and the prevention of corruption and influence peddling, notably in the context of the review of the procedures in force within the Group and the monitoring of the actions required by the Sapin 2 Law. The Committee also ensured compliance with competition rules [(2)].
- The Audit and Accounts Committee also reviewed the conclusions for 2024 of the application of the assessment procedure for ordinary agreements entered into on arm's length terms. It should be noted that, pursuant to the PACTE Law, this procedure provides a methodology for regularly assessing whether the agreements involving L'Air Liquide S.A. that are not qualified as regulated agreements meet or continue to meet the conditions for ordinary agreements entered into on arm's length terms. Application of this procedure during the past fiscal year did not give rise to any reclassification of an ordinary agreement entered into on arm's length terms as a regulated agreement.
- The Committee also reviews on a regular basis the Group's activities relating to advocacy and lobbying and reports on them to the Board of Directors.

Several days prior to each meeting, a file of meeting documentation, available in electronic form, is provided to Committee members on a dedicated platform. Each Committee meeting is preceded by a preparatory meeting attended by the Committee Chairwoman, assisted by the Committee Secretary, the Group Chief Financial Officer and the Group Control and Compliance Director (who also supervises internal audit). In order to prepare the meetings where financial statements are reviewed, the Committee Chairwoman meets with the Statutory Auditors, without the presence of the Company representatives. During the meeting, each presentation made by the Group Chief Financial Officer, the Director of General Control, the senior executive specializing in the issue dealt with, the Statutory Auditors or the Statutory Auditors in charge of certifying the sustainability information, where applicable, gives rise to a debate.

An oral and then written report of each meeting is prepared for the Board of Directors [(3)].

The Committee Chairwoman receives summaries of significant internal audit reports.

In addition, after presentation meetings for the accounts for the fiscal year, the Committee members can meet alone with the Statutory Auditors, without the presence of the Company representatives.

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(1) ESRS 2 GOV-5 § 36 (e).
(2) ESRS G1 GOV-1 § 5 (a).
(3) ESRS G1 GOV-1 § 5 (a).

As recommended in the AFEP/MEDEF Corporate Governance Code, the following measures are taken so that the time during which the financial statements are available to be reviewed is sufficient: preparatory meeting with the Committee Chairwoman more than one week prior to the meeting, as provided for above; files made available to Committee members five to seven days in advance. These measures enable the members to review the financial statements well in advance of the meeting. When compatible with the schedules of the members traveling from abroad, the Committee meetings relating to the financial statements are held the day before the Board meeting.

Joint session of the Audit and Accounts Committee/Environment and Society Committee

The internal regulations of the Board of Directors provide:

"The members of the Environment and Society Committee and the members of the Audit and Accounts Committee shall meet at a joint session at least once a year. At this session, the members of the two Committees shall, in particular:

- review a summary of the sustainability risks examined over the course of the year by the Environment and Society Committee;
- review the sustainability risk-mapping;
- jointly review certain specific sustainability risks and the associated control procedures;
- discuss the work and conclusions of the Audit and Accounts Committee concerning the sustainability information preparation process, and the certification of information by the sustainability auditors [(1)]."

It should be noted that the first joint session between the Audit Committee and the Environment and Society Committee was held in June 2019, and it has met at least once a year since then. This joint session allows for good interaction between the two Committees, particularly in terms of risk review. The Audit Committee shall review the Group's risks and related control procedures, including sustainability risks, which are examined in detail by the Environment and Society Committee.

The joint session makes it possible for the members to discuss subjects which concern both the Committees.

The joint session also helps ensure a consistent approach, as reflected in the reconciliation of the financial and extra-financial data in the Management Report. It also enables the two Committees, in the context of CSRD-related obligations, to share the conclusions of their respective missions and finally to hear the reports of the Statutory Auditors in charge of certifying sustainability information. It is in this context that the Audit and Environment and Society Committees held three joint sessions in 2024.

At the joint sessions held in February, June and November 2024, the members of the Audit and Accounts Committee and the Environment and Society Committee, in the presence of the Group Chief Financial Officer, the Group General Secretary, who supervises in particular Group Control (including internal audit) and Compliance, and the member of the Executive Committee overseeing sustainable development, paid attention to:

- reviewing the summary of risks reviewed during the fiscal year by the Environment and Society Committee, the mapping of environmental and societal risks (and evolution of the referential) and the procedures for controlling these risks;
- examining in detail certain specific environmental and societal risks and substantive issues, relating this year to personal data protection;
- reviewing the new CSRD ("Corporate Sustainability Reporting Directive") obligations on the publication of sustainability information by companies, the implementation of these obligations within the Group and reviewing the Group's double materiality assessment (at two meetings in 2024) [(2)];
- reviewing the status of the procedures relating to the development and processing of reported sustainability information, including also reviewing the audit approach of the sustainability auditors (at the meeting in November 2024) [(3)];
- reviewing the process for determining sustainability matters and impacts, risks and opportunities, upon presentation by the member of management responsible for this area. This process was previously reviewed and approved by the members of the Executive Committee who oversee the CSRD implementation project [(4)].

11.2. THE APPOINTMENTS AND GOVERNANCE COMMITTEE

4 MEETINGS IN 2024 100% ATTENDANCE	3 MEMBERS	100% INDEPENDENCE

Members as at 12/31/2024	Individual attendance rate in 2024
Xavier Huillard (Chairman)	100%
Annette Winkler	100%
Bertrand Dumazy	100%

(1) ESRS GOV-1 §22 (b).
(2) ESRS 2 GOV-2 § 26 (a).
(3) ESRS 2 GOV-2 § 26 (a).
(4) ESRS 2 GOV-1 § 22 (c)ii.

Composition and tasks as defined by the internal regulations

The Appointments and Governance Committee comprises three to five members of the Board of Directors and the majority of its members must be independent, according to the assessment made by the Board. The Chairman of the Board of Directors participates in the work and attends Committee meetings. The Chief Executive Officer is involved in the Committee's work. However, they do not attend the deliberations made by this Committee with regard to their own personal cases. In principle, the Committee meets three times a year.

TASKS

Pursuant to the internal regulations, the tasks of the Appointments and Governance Committee are as follows:

"1. Concerning the Board of Directors:

- make proposals to the Board of Directors for renewal and appointment of Directors. This Committee looks for new members on the basis of its evaluation of the needs and developments expressed by the Board of Directors, and taking into consideration, in particular, the principle of attempting to achieve a balanced composition of the Board of Directors pursuant to the diversity policy described in article III of these internal regulations. The Committee, as part of the procedure that it has organized, selects future independent directors and carries out its own research into potential candidates before approaching them. The main steps included in this procedure are (i) the definition of the profile(s) sought, (ii) the search conducted by the Committee, with assistance from an external recruitment firm, if applicable, (iii) the review of the candidates and (iv) the final selection, notably after individual meetings with the Committee Chair and each member.
- make proposals to the Board of Directors for the creation and composition of Board Committees.
- periodically evaluate the structure, size and composition of the Board of Directors and submit to it recommendations regarding any potential change.
- the Committee periodically reviews the criteria applied by the Board to classify a Director as independent; once a year, it examines, on a case-by-case basis, the situation of each Director or each candidate for the duties of Director in light of the criteria applied and makes proposals to the Board of Directors.

2. Concerning the Chairman of the Board of Directors and the Chief Executive Officer (or the Chairman and Chief Executive Officer, as the case may be):

- examine, as necessary and, in particular at the time of expiry of the term of office concerned, the renewal of the terms of office of the Chairman of the Board of Directors and the Chief Executive Officer (or the Chairman and Chief Executive Officer, as the case may be).
- examine the changes in these duties and provide for solutions for their renewal, where applicable.
- examine the succession plan for members of the Company Officers applicable in particular in the case of an unforeseen vacancy.
- examine periodically developments with regard to the Senior Executive Vice Presidents, hear the Chief Executive Officer (or the Chairman and Chief Executive Officer, as the case may be) on the needs and the potential proposals for their replacement.
- more generally, ensure that it is kept informed by the Chief Executive Officer (or the Chairman and Chief Executive Officer, as the case may be) of planned changes in Executive Management resources (and, in particular, the Executive Committee).

3. Concerning governance:

- examine, at the time of renewal of the terms of office of the Chairman of the Board of Directors and the Chief Executive Officer (or the Chairman and Chief Executive Officer, as the case may be) or when a request in that respect is made by Directors, notably within the framework of the evaluation of the Board, whether it is appropriate to continue to combine or separate these roles;
- monitor the changes in the rules of Corporate Governance, in particular within the scope of the Code to which the Company refers and inform the Board of Directors of its conclusions; follow up on the application of the rules of Corporate Governance defined by the Board of Directors and make sure of the information given to the shareholders on this topic;
- prepare the evaluation of the way the Board operates provided for by the internal regulations;
- examine issues of ethics that the Audit and Accounts Committee, the Board of Directors or its Chairman may decide to refer to it;
- ensure the proper functioning of the governance bodies and in particular the transmission of information requested by independent Directors;
- assist, at their request, the Chairman of the Board of Directors and the Chief Executive Officer in their dealings with independent Directors, and be the instrument of dialogue aimed at preventing potential situations of conflict on the Board."

The Committee can request the assistance of outside experts if necessary. The Company shall provide the Committee in such a case with the corresponding funding.

The conclusions of Committee meetings are presented by the Committee Chair for discussion and decision-making at the next Board of Directors' meeting.

The Appointments and Governance Committee's work in 2024

Concerning the composition of the Board of Directors, Committees and the "Shareholder Relations" Working Group

Each year, the Committee examines the compliance of the composition of the Board of Directors with the rules provided for in the internal regulations. The Committee considers the needs of the Board in terms of skills, including with regard to the various subjects relating to sustainability. It makes recommendations on the changes in the composition of the Board of Directors that would be desirable in the short and medium term.

- Thus, in 2024, the Committee recommended that the Board ask the General Meeting to renew the terms of office of Ms Kim Ann Mink and Ms Monica de Virgiliis at the General Meeting of April 30, 2024 and to renew their functions on the Committees concerned.

- The Committee's work led it to recommend that the range of skills present on the Board remain unchanged for 2025 (reflected in the matrix presenting the individual skills of the members – see page 104). The Committee considered that the skills represented were appropriate to the Group's challenges, the number of Directors (14 in total) also being in accordance with the provisions of the internal regulations (which stipulate that the number of members is in principle between 10 and 12 excluding Directors representing the employees). As a result, the Committee did not search for new profiles in preparation for the 2025 General Meeting but recommended the renewal of the terms of office expiring at the end of this Meeting, namely the terms of office of Messrs Xavier Huillard, Aiman Ezzat and Bertrand Dumazy.
- The Committee also examined the composition of the Board's Committees and the possibilities for future changes.

The Committee also recommended the reappointment of Mr Xavier Huillard as Lead Director, subject to the continuation of his qualification as an independent Director by the Board and the renewal of his term of office as Director by the General Meeting.

Concerning the Chief Executive Officer, the Chairman of the Board of Directors and the management teams

- The Committee reviewed, as it does each year, the specific procedure and scenario envisaged in the event of replacement of the Chairman of the Board of Directors and the Chief Executive Officer in an emergency situation.
- The Committee examined the evolution of the Group's management teams and talents, particularly in the context of future managerial succession plans. The Chief Executive Officer was involved in this work.

On this occasion, the Committee's discussions on the succession plan for the new Executive Officer, initiated in September 2022, continued. The Committee also continued its work on the succession plan for the Chairman of the Board of Directors.

CSRD

- In accordance with the CSRD, the Committee recommended that the Board of Directors entrust:
  (i) to the Audit and Accounts Committee, the monitoring the process of preparing sustainability information, including the double materiality assessment process implemented to determine the information to be published in accordance with the applicable standards in terms of sustainability reporting; and
  (ii) to the Environment and Society Committee, the monitoring of the Group's material sustainability matters and the associated sustainability Impacts, Risks and Opportunities (IRO) and review the Group's consolidated annual information on sustainability published by the Company.

The Audit and Accounts Committee continues to ensure the existence and functioning of control bodies and procedures adapted to the Group to identify and manage the risks incurred, including in terms of sustainability. drawing on the work of the Environment and Society Committee, which examines sustainability risks in detail.

Other governance missions

As part of its governance missions, the Committee:

- reviewed the business continuity plan aimed at providing a replacement in the event that any of its members are unable to participate in the General Meeting;
- took note of the information provided by the Directors concerning their terms of office as Directors which are external to the Group;
- discussed, as part of the review of the independence of Board members of the personal situation of each member of the Board of Directors, with regard to the independence criteria defined in the internal regulations and in the AFEP/MEDEF Code. In particular, the Committee examined the existing business relationships between the Group and the groups concerned with regard to each Director. Pursuant to the provisions of the AFEP/MEDEF Code, a table presenting the situation of each Director with regard to each independence criterion is provided on page 108;
- reviewed the level of attendance of each Director at the meetings of the Board of Directors and the Committees, which is shown in the table on page 110;
- reviewed the recommendations of the Report of the Haut Comité de gouvernement d'entreprise (French High Committee on corporate governance) and the AMF Annual Report on Corporate Governance, published in November and December 2024, respectively, and made its recommendations concerning the practices followed by the Company;
- examined the potential deviations of the Group's practices as compared to the AFEP/MEDEF Code (see chart on page 125) and found no occurrences;
- updated the content of the simplified evaluation questionnaire for the Board of Directors before sending it to the Directors. For more details on the evaluation of the Board of Directors, see page 114;
- reviewed the progress made in 2024 towards the gender equality objectives within the Executive Committee. The Committee recommended that the Board maintain the objectives for 2026, namely 30% women by March 1, 2026;
- examined the measures taken by the French attractiveness law of June 13, 2024, impacting the procedures for meetings of management bodies of companies (Board of Directors and General Meeting) applicable from September 14, 2024. The Committee recommended the corresponding amendment to the Company's articles of association, followed by the adaptation of the internal regulations of the Board of Directors;
- examined the training courses offered to Directors, particularly in terms of sustainability and Ethics and recommended to the Board that all members benefit from a digital training module to help combat corruption and bribery (identical to that followed annually by Group employees potentially exposed as a result of their functions [1]);
- examined the draft of this section of the Universal Registration Document, incorporating part of the Report on Corporate Governance and the Sustainability Statement, and recommended that it be adopted by the Board of Directors.

11.3. THE REMUNERATION COMMITTEE

3 MEETINGS IN 2024 100% ATTENDANCE	3 MEMBERS including 1 Director representing the employees	100% INDEPENDENCE [(a)]

Members as at 12/31/2024	Individual attendance rate in 2024
Xavier Huillard (Chairman)	100%
Kim Ann Mink	100%
Fatima Tighlaline *(Director representing the employees)*	100%

(a) *The Director representing the employees is not taken into account for the calculation of this percentage.*

[1] *ESRS G1-3 § 18 (c).*

Composition and tasks as defined by the internal regulations

The Remuneration Committee comprises three to five members of the Board of Directors and the majority of its members must be independent. The Chairman of the Board of Directors (or the Chairman and CEO, as the case may be) participates in the work and attends the Committee's meetings. The Chief Executive Officer is involved in the Committee's work, particularly when the latter is informed of the remuneration policy for the main non-corporate officers. However, the Chairman of the Board of Directors and the Chief Executive Officer (or the Chairman and CEO, as the case may be), do not attend the deliberations of this Committee relating to their personal cases. In principle, the Committee meets three times a year.

TASKS

Pursuant to the internal regulations, the tasks of the Remuneration Committee are as follows:

- "Examine the performance and all the components of remuneration for the Corporate Officers and make the corresponding recommendations to the Board of Directors (including, in particular, with regard to the determination of the remuneration policy and its application).
- Propose, where applicable, the remuneration of the Vice Chairman or Vice Chairmen.
- Examine the remuneration and retirement policy applied to Executive Management and in particular to Executive Committee.
- Examine the proposals by the Executive Management concerning the granting of stock options, performance shares, and other incentive systems related to the share price to other Group employees and propose their granting to the Board of Directors.
- Examine and propose to the Board of Directors the allocation of the fixed annual sum awarded to the Directors set by the General Meeting, in compliance with the legislation relating to the remuneration policy for the corporate officers.

The Committee can request the assistance of outside experts if necessary. The Company shall provide the Committee in such a case with the corresponding funding."

The conclusions of the Remuneration Committee meetings are presented by the Committee Chair for discussion and decision-making at the next Board of Directors' meeting.

The Remuneration Committee's work in 2024

Executive remuneration/long-term remuneration components

- Assessment in February 2024 of the performance of the Chief Executive Officer (for the period from January 1 to December 31, 2023) as well as the level of achievement of the targets for the variable portion of his remuneration for the 2023 fiscal year and formulation of recommendations to the Board;
- Review of the draft reports and resolutions submitted to the General Meeting of April 30, 2024, concerning the remuneration of the corporate officers (a report containing information on the remuneration of the Company Officers and the Directors and provided for in article L. 22-10-9 I of the French Commercial Code) and the Executive Officers' individual remuneration for 2023;
- Work related to the allocation of performance shares for 2024, in which the Chief Executive Officer was involved concerning the allocation to Group employees (including the Executive Committee);
- Analysis of the 2024 performance related to the short- and long-term remuneration of the Executive Committee, based on the detailed presentation of the Chief Executive Officer;
- Review in February 2025 of the satisfaction of the performance conditions in the 2022 LTI plans, for which the three-year review period expired on December 31, 2024;
- Review and recommendations to the Board regarding the remuneration policy for corporate officers to be submitted to the General Meeting of May 6, 2025;
- Review and recommendations to the Board regarding the performance conditions applicable to the LTI 2025 plans (adopted by the Board of Directors in February 2025), including performance criteria similar to those defined for the LTI 2024 plans, linked to ROCE, TSR and climate objectives, with an increase in the weight of the latter (from 10% to 15%) and an overhaul of the regulations of the France and World plans into a single plan with a vesting period of three years and no lock-up period;
- Review of the shareholding rules which apply to the Company Officers;
- Preparation of the assessment by the Board of Directors of February 2025 of the level of achievement in 2024 of the performance conditions of the short-term variable remuneration and the pension insurance contract of the Chief Executive Officer;
- Review of the calculation of the remuneration ratios presented in the Universal Registration Document.

Remuneration of the Directors

- Recommendations to the Board regarding the increase of the total annual compensation of the Directors (from 1.3 million euros to 1.5 million euros);
- Recommendations to the Board concerning the remuneration policy for Directors presented to the General Meeting of April 30, 2024 and, following the approval of this policy by the General Meeting, recommendation to the Board relating to the formula for distributing the remuneration of Directors (see pages 159 to 161).

Corporate Governance

As part of its work, the Remuneration Committee takes into account the main Shareholders interviews conducted as part of General Meeting preparations and the results of the votes of the previous General Meeting on resolutions relating to remuneration. It analyzes the reports published by the HCGE and AMF and takes their recommendations into account when drawing up the remuneration policy.

The Committee looked at the measures on transparency and communication and issued its recommendations. It reviewed the section below on remuneration, enclosed in the Report on Corporate Governance, and recommended their approval by the Board of Directors.

11.4. THE ENVIRONMENT AND SOCIETY COMMITTEE

3 MEETINGS 100% (a) ATTENDANCE	3 MEMBERS including 1 Director representing the employees	100% INDEPENDENCE (b)
Members as at 12/31/2024	**Individual attendance rate in 2024**	
Annette Winkler (Chairwoman)	100%	
Philippe Dubrulle *(Director representing the employees)*	100%	
Monica de Virgiliis	100%	

(a) *See table page 110.*
(b) *The Director representing the employees is not taken into account for the calculation of this percentage.*

The Environment and Society Committee, which focuses on Corporate Social Responsibility issues, was formed on May 3, 2017.

Composition and tasks as defined by the internal regulations

The Internal Regulations provide that the Committee comprises three to four members of the Board of Directors.

TASKS

"The tasks of this Committee are as follows:

- Examine, and make recommendations regarding the Group's sustainability strategy and commitments.
- Monitor the Group's sustainability actions and their deployment, as well as the actions engaged by the Foundation.
- Examine the sustainability risks in liaison with the Audit and Accounts Committee.
- Monitor the Group's material sustainability issues and the associated sustainability Impacts, Risks and Opportunities (IRO). [1]
- Examine the Group's annual consolidated sustainability information published by the Company.
  The Committee is in addition, informed of the principal aspects of the sustainability information preparation process monitored by the Audit and Accounts Committee.
- Examine the vigilance plan and monitor its implementation within the Group.
- Make an annual review of a summary of the extra-financial ratings made with regard to the Group."

Regular reports are made to it by the member of the Executive Committee in charge of sustainable development on the Group's sustainability strategy and its implementation.

It can request the assistance of outside experts if necessary. The Company shall provide the Committee in such a case with the corresponding funding.

It reports on its work to the Board of Directors [2]. The conclusions of the meetings of the Environment and Society Committee are presented by the Chairwoman of the Committee for discussion and, where applicable, a decision by the Board of Directors during a meeting of the latest. The Board relies on its analyses to carry out its mission of monitoring the impacts, risks and opportunities of sustainability [3].

In principle, the Committee meets three times a year.

The Environment and Society Committee's work in 2024

In accordance with its missions, the Committee's work in 2024 was as follows:

- reviewing the rollout of the action plans associated with the Group's commitments in terms of sustainability and monitoring of the progress of the various key performance indicators associated with these commitments, in particular those of the Group's ADVANCE program (see Chapter 5, section Sustainability Statement – paragraph 1.4.1 of this Document);
- reviewing the progress of the decarbonization plan of each geography, as well as the update of the governance implemented within the Group for the rollout of its decarbonization plan;
- reviewing the rollout of the Group's Scope 3 commitments and reviewing the Group's Scope 3 roadmap;
- monitoring the setting of objectives related to material sustainability topics and the progress made in achieving them. Senior managers overseeing the various functions that contribute to the determination of sustainability topics and impacts, risks and opportunities regularly check the progress made on this process and its finalization and present this to the Committee; [4]
- reviewing the Group Sustainability Statement published in this Document;
- reviewing the Vigilance Plan published in this Document;
- reviewing the Group's third Sustainability Report prior to its publication in March 2024;
- reviewing the Group's "Just Transition Statement" prior to its publication in June 2024;
- reviewing the Climate Transition Plan prior to its publication in September 2024;
- reviewing progress on water management objectives (details of which can be found in Chapter 5 (see section Sustainability Statement – paragraph 2.3.4 of this Document);
- reviewing the Group's extra-financial ratings on an annual basis [5];
- reviewing the Group's methods for communication on sustainable development topics;
- reviewing the Group's interactions with Non-Governmental Organizations (NGOs) on sustainable development issues [5];
- reviewing risks related to the transformation of the work environment (psychosocial risks) (detailed information on which can be found in Chapter 5 (see section sustainability statement – paragraph 2.3.6 of this Document);

(1) ESRS GOV-1 §22 (b) and *ESRS 2 GOV-1 § 22 (d).*
(2) *ESRS 2 GOV-1 §22 (d).*
(3) *ESRS 2 GOV-1 §22 (a).*
(4) *ESRS 2 GOV-1 § 22 (d).*
(5) *ESRS 2 - SBM 2 - § 45 (d).*

- reviewing the status of the pay gap between women and men within the Group (details of which can be found in Chapter 5 (see section sustainability statement – paragraph 3.1.5 of this Document) [(1)];
- reviewing the progress made in the implementation of diversity objectives [(1)];
- reviewing the Group's approach to supplier sustainability assessment [(1)];
- monitoring regulatory developments relating to CSRD (Corporate Sustainability Reporting Directive).

Meeting documentation is prepared and made available to members in electronic format via a dedicated platform several days before each meeting of the Environment and Society Committee. At the meeting, each presentation made gives rise to discussion. An oral and then written report of each meeting is prepared for the Board of Directors.

Since 2019, in the interests of smooth coordination with the work of the Audit and Accounts Committee, the latter and the Environment and Society Committee meet in joint session once or more per year. See page 120 of this Document for information on the 2024 joint sessions.

12. Application of the AFEP/MEDEF Corporate Governance Code: summary table

L'Air Liquide S.A. applies the AFEP/MEDEF Code and regularly reviews the practices in force in the Company with regard to the provisions of the AFEP/MEDEF Code in order to ensure compliance with it.

The Company considers that its practices comply with the recommendations of the AFEP/MEDEF Code.

AFEP/MEDEF recommendations rejected	L'Air Liquide S.A. practice and justification
None	N/A

13. "Shareholder Relations" Working Group

The "Shareholder Relations" Working Group is currently composed of two members: Mr Benoît Potier, Chairman and Mr Xavier Huillard. During the past fiscal year, the tasks of the "Shareholder Relations" Working Group have essentially focused on the shareholder base, Air Liquide's relations with its Shareholders, market expectations and shareholder strategy.

14. Attendance by Shareholders at the General Meeting

Pursuant to article L. 22-10-10, 5° of the French Commercial Code, it is specified that the specific terms and conditions relating to the attendance of Shareholders at the General Meeting are set out in articles 5 to 10, 18 and 19 of the Company's articles of association (see pages 418 et seq. of this Universal Registration Document).

15. Delegations of Authority granted by the General Meeting

Pursuant to article L. 225-37-4, 3° of the French Commercial Code, it is specified that the summary table of the valid delegations of authority granted by the General Meeting in connection with increases in the share capital is set out on page 416 of this Universal Registration Document.

(1) *ESRS 2 - SBM 2 - § 45 (d).*

INFORMATION CONCERNING MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

(as of December 31,2024)

Benoît POTIER

Chairman of the Board of Directors

Nationality: French
Born on September 3, 1957
Date of first appointment: May 2000
Start of current term: May 2022
End of current term: 2026 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2025)
Number of shares owned as of December 31, 2024: 731,871
Business address: Air Liquide – 75, quai d'Orsay – 75321 Paris Cedex 07 – France

Career

A graduate of École centrale de Paris, Benoît Potier joined Air Liquide in 1981 as a Research and Development engineer. After serving as a Project Manager in the Engineering & Construction Division, he was made Vice President of Energy Development in the Large Industries business line. In 1993, he became Director of Strategy & Organization and, in 1994, was put in charge of the Chemicals, Metal & Steel, Oil and Energy Markets. He was made an Executive Vice President of Air Liquide in 1995 with additional responsibilities over the Engineering & Construction Division and the Large Industries operations in Europe. Benoît Potier was appointed Chief Executive in 1997. He was appointed to the Board of Directors of L'Air Liquide S.A. in 2000 and became Chairman of the Management Board in November 2001. He was Chairman and Chief Executive Officer of L'Air Liquide S.A. from May 2006 to May 2022. Benoît Potier brought about an in-depth transformation of the Air Liquide Group, which more than doubled in size during his term of office, while its capitalization was multiplied by five. He consolidated the Group's international expansion, notably through the acquisition and integration of Airgas in 2016, and positioned it at the heart of tomorrow's markets – healthcare, digital and the energy and environmental transition, including notably hydrogen. Benoît Potier has been Chairman of the Board of Directors since June 1, 2022 and, as part of his duties, supports the management transition. He represents Air Liquide within organizations that work on subjects of particular relevance to the Group, with a focus on sustainable development and the energy transition, and more specifically hydrogen.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Chairman of the Board of Directors:** L'Air Liquide S.A.* (since June 1, 2022)

Positions or activities outside the Air Liquide Group

- **Member of the Supervisory Board:** Siemens AG* (since January 31, 2018) – Member of the Appointments Committee
- **Member**: The Hydrogen Council (from June 2022 to June 2024)
- **Co-Chair**: Conseil National de l'Hydrogène (since January 11, 2021)
- **Member:** European Round Table of Industrialists (ERT)
- **Member:** Asia Business Council
- **Member:** Singapore International Advisory Panel on Energy (since January 1, 2021)
- **Member of the Advisory Board:** Temasek European Advisory Panel (since January 1, 2022)

** Listed company.*
N.B.: As of January 1st, 2025, Mr. Benoît Potier will also hold the mandate of member of the Board of Directors of Unilever PLC (and member of the Audit Committee and the Corporate Responsibility Committee).*

Positions and activities held during the last five years and that have expired

2023

- **Member of the Strategic Orientation Committee:** Paris-Saclay University (until December, 2023)

2022

- **Chairman and Chief Executive Officer:** L'Air Liquide S.A.* (until May 31, 2022)
- **Chairman and Chief Executive Officer:** Air Liquide International (until June 24, 2022), Air Liquide International Corporation (ALIC) (until July 21, 2022)
- **Director:** American Air Liquide Holdings, Inc. (until June 22, 2022)
- **Director:** The Hydrogen Company (until December 31, 2022)
- **Director:** Air Liquide Foundation (until November 17, 2022)
- **Co-Chair:** The Hydrogen Council (until June 1, 2022)

2021

- **Director:** Danone* (Chair of the Engagements Committee; member of the Governance Committee) (until April 29, 2021)

2019

- **Director:** CentraleSupélec (until September 2019), Association nationale des sociétés par actions (ANSA) (until April 2019)
- **Member of the Board:** Association française des entreprises privées (AFEP) (until May 2019)

François JACKOW

Director – Chief Executive Officer

Nationality: French
Born on June 12, 1969
Date of first appointment: May 2022
Start of current term: May 2022
End of current term: 2026 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2025)
Number of shares owned as of December 31, 2024: 66,742
Business address: Air Liquide – 75, quai d'Orsay – 75321 Paris Cedex 07 – France

Career

François Jackow has a dual scientific and managerial education acquired in France and in the United States. A graduate from the École normale supérieure of Paris, he also holds a Master's degree in Chemistry from Harvard University in the United States and an MBA from the Collège des ingénieurs. He joined the Air Liquide Group in 1993. After a very international career started in the United States and in the Netherlands, which led him to successively hold responsibilities in sales, marketing, and engineering & construction, François Jackow worked for two years alongside Benoît Potier, Chief Executive of the Group at that time. In 2002, he was appointed Vice President of Innovation, supervising Research & Development activities as well as Advanced Technologies for the Group. Starting 2007, he undertakes the responsibility of Chief Executive Officer for Air Liquide Japan, based in Tokyo, before being appointed Group Vice President of the Large Industries Business Line in 2011. In 2014, François Jackow joined the Executive Committee and was designated as the Group's Strategy Vice President. In this role, he oversees the development of the NEOS strategic plan and contributes to the Airgas acquisition in 2016. A member of the Executive Committee, François Jackow has been the Group's Executive Vice President supervising notably Europe Industries, Europe Healthcare as well as the Africa, Middle East & India hubs, also in charge of the Healthcare World Business Line, the Innovation & Technologies, Digital & IT functions also reported to him, as well as the Customer Division, which he created in 2014. François Jackow was appointed as a Director by the General Meeting of shareholders of May 4, 2022. Since June 1, 2022, he has been Chief Executive Officer of L'Air Liquide S.A. As such, he leads in particular the ADVANCE strategic plan that is structured around four priorities: (i) delivering a strong financial performance, (ii) decarbonizing the planet and affirming the Group's leading role in the decarbonization of industry and the advent of a low-carbon society, (iii) technological innovation to open up new markets, and (iv) acting for all, by integrating the interests not only of its direct stakeholders, but also those of society as a whole.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* (since May 4, 2022)
- **Chief Executive Officer:** L'Air Liquide S.A.* (since June 1, 2022)
- **Chairman and Chief Executive Officer:** Air Liquide International (since June 24, 2022); Air Liquide International Corporation (since July 21, 2022)
- **Director:** American Air Liquide Holdings (since June 22, 2022); The Hydrogen Company (since June 27, 2022)
- **Director:** Air Liquide Foundation

Positions or activities outside the Air Liquide Group

- **Member**: The Hydrogen Council (since June, 2024)
- **Member of the Management Committee:** Atelier de Constructions Mécaniques de la Marne (ACMM)

Positions and activities held during the last five years and that have expired

2022

- **Executive Vice President**: L'Air Liquide S.A.* (until May 31, 2022)
- **Chairman of the Board of Directors and Director:** Air Liquide Santé International (until October 7, 2022)

* *Listed company.*

Xavier HUILLARD

Lead Director – Independent Director – Chairman of the Remuneration Committee – Chairman of the Appointments and Governance Committee

Nationality: French
Born on June 27, 1954
Date of first appointment: May 2017
Start of current term: May 2021
End of current term: 2025 [(a)] (General Meeting to approve the financial statements for the fiscal year ending December 31, 2024)
Number of shares owned as of December 31, 2024: 3,570 and 16,280 usufruct shares
Business address: VINCI – Bâtiment JAVA – 1973 Boulevard de la Défense CS 10268 – 92757 Nanterre Cedex – France

Career

Xavier Huillard is a graduate of the École polytechnique and the École nationale des ponts et chaussées. He has spent most of his working life in the construction industry in France and abroad. He joined Sogea in December 1996 as Deputy Chief Executive Officer in charge of international activities and specific projects, and then became its Chairman and Chief Executive Officer in 1998. He was appointed Deputy General Manager of VINCI, a world leader in concessions, energy and construction, in March 1998 and was Chairman of VINCI Construction from 2000 to 2002. He was appointed Senior Executive Vice President of VINCI and was Chairman and Chief Executive Officer of VINCI Energies from 2002 to 2004, then Chairman of VINCI Energies from 2004 to 2005. Xavier Huillard became Director and Chief Executive Officer of VINCI in 2006. He has been appointed Chairman of the Board of Directors and Chief Executive Officer of VINCI since May 6, 2010. He was Chairman of the Institut de l'Entreprise from January 2011 to January 2017, of which Xavier Huillard is today Honorary Chairman. Through the VINCI Group's foundations and endowment funds, in collaboration with charitable associations, Xavier Huillard also supports projects that help to strengthen social ties and promote the return to employment of individuals suffering from exclusion.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* – Lead Director (since May 4, 2022); member of the Remuneration Committee (since May 2017) and Chairman of this Committee (since May 2018); member of the Appointments and Governance Committee (since May 2020) and Chairman of this Committee (since May 4, 2022)

Positions or activities outside the Air Liquide Group

- **Chairman and Chief Executive Officer:** VINCI* (since May 6, 2010)
- **Chairman:** VINCI Concessions SAS (until November 7, 2024)
- **Chairman of the Supervisory Board:** VINCI Deutschland GmbH
- **Permanent representative** of VINCI on the Board of Directors of VINCI Energies, and on the endowment fund La Fabrique de la Cité
- **Permanent representative** of Snel on the Board of Directors of ASF
- **Permanent representative** of VINCI Autoroutes on the Board of Directors of Cofiroute
- **Chairman:** Fondation d'entreprise VINCI pour la Cité (supporting social and professional integration initiatives)
- **Director:** Kansai Airports
- **Honorary Chairman:** Institut de l'entreprise
- **Director:** Association Aurore (public interest association against precariousness and exclusion)
- **Director**: Cobra Servicios, Comunicaciones y Energia SLU (Spain – since December 2021 – applied industrial engineering sector and specialized services)
- **Director and Chairman:** Pierre Lamoure Institute (since November, 2019)

Positions and activities held during the last five years and that have expired

2020

- **Permanent representative** of VINCI on the Board of Directors of Aéroports de Paris* (member of the Remuneration, Appointment and Governance Committee – until December 2020)

2019

- **Vice President:** Aurore Association (until December 2019)

(a) Renewal proposed to the Annual General Meeting of May 6, 2025.
** Listed company.*
N.B.: For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.

Annette WINKLER

Independent Director – Environment and Society Committee Chairwoman – Member of the Appointments and Governance Committee

Nationality: German
Born on September 27, 1959
Date of first appointment: May 2014
Start of current term: May 2022
End of current term: 2026 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2025)
Number of shares owned as of December 31, 2024: 3,219
Business address: Villa Kayser – Uhlbacher Strasse 7 – 70329 Stuttgart – Germany

Career

Doctor in Economics from the University of Frankfurt (Germany), Annette Winkler became the Managing Shareholder of a medium-sized construction company. In 1995, she joined the Mercedes-Benz group, where she held a variety of positions and in particular that of Senior Director/Head Public Relations and Communications. After spending two years as Head of the Mercedes-Benz sales and service outlet in Braunschweig, she became Chief Executive Officer of DaimlerChrysler Belgium and Luxembourg (1999-2005), then Vice President of Global Business Management & Wholesale Europe (2006-2010). Vice President of Daimler AG since 2010, she was Chief Executive Officer of Smart (with overall responsibility for the brand, also in charge of the smart factory in Lorraine), until 2018.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* - member of the Remuneration Committee (from May 2015 to May 2020); member of the Appointments and Governance Committee (since May 2017); Chairwoman of the Environment and Society Committee (since May 2020)

Positions or activities outside the Air Liquide Group

- **Director:** Renault S.A.* – Chairwoman of the Strategy and Sustainable Development Committee (since January 2020); Renault S.A.S

Positions and activities held during the last five years and that have expired

2020

- **Member of the Counsel for Foreign Economic Affairs** of the German Ministry for Economics (until March 2020)

2019

- **Member of the Supervisory Board:** Mercedes-Benz South Africa (until June 2019)

* Listed company.
N.B.: *For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

Philippe DUBRULLE

Director representing the employees – Member of the Environment and Society Committee

Nationality: French
Born on June 23, 1972
Date of first appointment by the France Group committee: June 2014
Start of current term: May 2022
End of current term: 2026 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2025)
Business address: Air Liquide Advanced Technologies – 2, rue de Clémencière – 38360 Sassenage – France

Career

An engineering graduate from École Supérieure de l'Énergie et des Matériaux, Philippe Dubrulle has held various positions as an engineer within international companies of the aeronautical sector and as Product Manager and International Sales Manager at European and world level within airflight companies. He joined Air Liquide Group in 2008. Based in Sassenage, he is an employee of the subsidiary Air Liquide Advanced Technologies. After being Transformation Projects Manager of the subsidiary, he has been, since December 1, 2023, its Director of Transformation and Sustainable Development. Philippe Dubrulle was appointed as the Director representing the employees by the France Group committee on June 18, 2014, his office was renewed by that same committee for the second time, at its plenary session on December 16, 2021. A Member of the French Institute of Directors, he has been a Certified Company Director – ASC France since November 2016.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L' Air Liquide S.A.* – Member of the Environment and Society Committee (since May 2017)
- **Director of Transformation and Sustainable Development**: Air Liquide Advanced Technologies

Positions and activities held during the last five years and that have expired

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* *Listed company.*

Kim Ann MINK

Independent Director – Member of the Remuneration Committee

Nationality: American
Born on December 4, 1959
Date of first appointment: May 2020
Start of current term: May 2024
End of current term: 2028 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2027)
Number of shares owned as of December 31, 2024: 610
Business address: 36 Popjoy Lane – Glenmoore PA 19343 – United States

Career

An American citizen, Kim Ann Mink holds a bachelor's degree in Chemistry from Hamilton College and a Ph.D. in Analytical Chemistry from Duke University, and is a graduate of the Executive Management Program at the Wharton School of the University of Pennsylvania. Dr. Mink spent most of her career in leading international groups in the chemical sector, where she held increasing managerial positions (including in particular the responsibility for the Marketing function). She joined Innophos in 2015 as President and CEO and was named Chairman in 2017. Prior to joining Innophos, she served in senior executive positions at the Dow Chemical Company since 2009, most recently as business president of Elastomers, Electrical and Telecommunications. She had previously served for more than 20 years at the Rohm and Haas Company (which was acquired by Dow Chemical) where she held roles of increasing responsibility, including corporate vice president and general manager for the Ion Exchange Resins business.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* – Member of the Remuneration Committee (since September 2021)

Positions or activities outside the Air Liquide Group

- **Director:** Eastman Chemical Company* (since July 2018) – member of the Audit Committee; member of the Finance Committee; Chair of the Environmental, Safety and Sustainability Committee
- **Director:** Avient Corp.* (formerly PolyOne Corp.*) (since March 2017) – Member of the Audit Committee; Member of the Environmental, Health and Safety Committee
- **Director**: Group 14 Technologies (since September 2023)
- **Member**: Board of Advisors, Raj & Kamla Gupta Governance Institute, Drexel University LeBow College of Business (since September 2022)

Positions and activities held during the last five years and that have expired

2020

- **Chairman and Chief Executive Officer:** Innophos* (until February 7, 2020)

*	*Listed company.*
N.B.:	*For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

Fatima TIGHLALINE

Director representing the employees – Member of the Remuneration Committee

Nationality: French

Born on November 14, 1979

Date of the first appointment by the European Work Council: October 2020

Start of current mandate: November 2023

End of current term: 2028 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2027)

Business address: VitalAire France – 10 bis, rue du Moulin Vert – 94400 Vitry-sur-Seine – France

Career

With a technology degree in Business and Administrative Management from Evreux Technology University (IUT) and a degree in Modern Languages from Paris New Sorbonne University, Fatima Tighlaline joined the Group in 2002 as a treasury accountant. She continued her career in the Rare Gases and Helium Department, and then at Air Liquide Santé France in the Procurement Department. In March 2020, she joined VitalAire (a subsidiary specializing in Home Healthcare services) as manager of the Île-de-France planning team. Since January 1, 2025, she has been Program Manager Employee Citizenship at the Air Liquide Foundation. Pursuant to article L. 225-27-1-II of the French Commercial Code and article 11 of the Company's articles of association, Fatima Tighlaline was appointed Director representing the employees and member of L'Air Liquide S.A.'s Board of Directors by the European Works' Council on October 1, 2020. Her office was renewed by that same Committee for the second time, at its plenary session in November 2023, for a new period of four years as from the 2024 General Meeting. She has been a Certified Company Director – IFA Sciences Po since December 2021.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* – Member of the Remuneration Committee (since May 4, 2022)
- **Head of the Île-de-France respiratory planning team:** VitalAire France (until December 31, 2024)

Positions and activities held during the last five years and that have expired

–

* *Listed company.*

Aiman EZZAT

Independent Director – Member of the Audit and Accounts Committee

Nationality: French
Born on May 22, 1961
Date of first appointment: May 2021
Start of current term: May 2021
End of current term: 2025 [(a)] (General Meeting to approve the financial statements for the fiscal year ending December 31, 2024)
Number of shares owned as of December 31, 2024: 610
Business address: CAPGEMINI SE – 11, rue de Tilsitt – 75017 Paris – France

Career

Holder of a MSc (Master of Sciences) in chemical engineering from École Supérieure de Chimie, Physique et Électronique de Lyon (France) and an MBA from the Anderson School of Management (UCLA), Aiman Ezzat joined the Capgemini group in 1991, at Capgemini Consulting (now Capgemini Invent) where, in particular, he held the position of Global Head of Oil & Gas and Chemicals practice. Between 2000 and 2004, he managed the international operations of Genpact Headstrong Capital Markets, a consulting firm specializing in the technology used in the financial services sector, with clients based in Asia, North America and Europe. He then joined Capgemini, where he was appointed Deputy Director of Strategy in 2005, and then held several management positions: Chief Operating Officer (2007-2008) and Chief Executive Officer, Financial Services Global Business Unit (2008-2012), Chief Financial Officer (2012-2018) and then group Chief Operating Officer in 2018. He has been Chief Executive Officer of Capgemini, global leader in consulting, IT services and digital transformation, expert in cybersecurity, since 2020. He manages the strategy of the Capgemini group, based on technology and innovation, and has developed offers for corporate transformation toward sustainability, in particular in the field of energy transition. In September 2021, he was named the "Best European CEO" for the technology and software category in the "2021 All Europe Executive Team" Institutional Investor annual ranking.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* – Member of the Audit and Accounts Committee (since May 4, 2022)

Positions or activities outside the Air Liquide Group

- **Chief Executive Officer and Director:** Capgemini SE* (since May 2020) – Member of the Strategy and CSR Committee
- **Chairman:** Capgemini Service SAS (since May 2020); Capgemini Latin America SAS (since May 2020); Sogeti France 2005 SAS (since May 2018); Capgemini 2023 (since May 2023)
- **Chairman and Chief Executive Officer:** Capgemini North America, Inc. (USA - since May 2020)
- **Chairman of the Board of Directors:** Capgemini America, Inc. (USA - since May 2020)
- **Chairman of the Supervisory Board:** Capgemini NV (Netherlands - since November 2020)
- **Director:** Purpose Global PBC (USA – since April 2020); Capgemini International BV (Netherlands – since May 2020); Capgemini Technology Services India Limited (since January 2021)
- **Member**: European Round Table of industrialists (ERT)

Positions and activities held during the last five years and that have expired

2021

- **Chairman:** Altran Technologies SAS (until June 2021)

2020

- **Senior Executive Vice President:** Capgemini SE.* (until May 2020)
- **Director:** Sogeti UK Ltd. (United Kingdom – until July 2020); Capgemini Espana S.L. (Spain – until July 2020); Capgemini Solutions Canada Inc. (Canada – until June 2020); Capgemini Technologies LLC (United States – until June 2020); Capgemini UK Plc (United Kingdom – until July 2020); Capgemini (Hangzhou) Co. Ltd. (China – until November 2020); Restaurant Application Development International (United States - until June 2020); Radi Holding LLC (United States – until June 2020)
- **Member of the Supervisory Board:** Sogeti Nederland BV (Netherlands) (until November 2020)

2019

- **Director:** Capgemini Singapore PTE Ltd (Singapore – until November 2019); Capgemini Hong Kong Ltd (China – until October 2019); Capgemini Canada Inc. (Canada – until March 2019); Gestion Capgemini Quebec Inc. (Canada – until March 2019); Capgemini Australia PTY Ltd (Australia – until April 2019); Sogeti Sverige AB (Sweden – until June 2019); Sogeti Sverige MITT AB (Sweden – until November 2019); CGS Holding (United Kingdom – until February 2019)

(a) Renewal proposed to the Annual General Meeting of May 6, 2025
** Listed company.*
N.B.: For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.

Bertrand DUMAZY

Independent Director – Member of the Appointments and Governance Committee – Member of the Audit and Accounts Committee

Nationality: French
Born on July 10, 1971
Date of first appointment: May 2021
Start of current term: May 2021
End of current term: 2025 [(a)] (General Meeting to approve the financial statements for the fiscal year ending December 31, 2024)
Number of shares owned as of December 31, 2024: 605
Business address: EDENRED – 14-16, boulevard Garibaldi – 92130 Issy-les-Moulineaux – France

Career

Bertrand Dumazy is a graduate of ESCP Europe and holds an MBA with distinction from Harvard Business School. He started his career in 1994 as a consultant with Bain & Company, first in Paris and later in Los Angeles. He then worked as an Investment Director of BC Partners in 1999. In 2002, he joined the Neopost group. Initially Head of Marketing and Strategy, he was appointed Chairman and Chief Executive Officer (CEO) of Neopost France in 2005 and then Executive Vice President, Finance for the Neopost group in 2008. In 2011, he became President and CEO of Deutsch, a world leader in high-performance connectors, a position held until the group was acquired by TE Connectivity. In 2012, he joined Materis as Executive Vice President then CEO and eventually President and CEO of the group, renamed Cromology (construction specialty materials). Chairman and CEO of the Edenred group since 2015, he has led its digital transformation as well as the restructuring of its client offer, with a key focus on cybersecurity, and led Edenred's “Next Frontier” 2019-2022 strategic plan which received from KPMG/EIM the top prize in the “Responsible Strategic Plan” category.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L’Air Liquide S.A.* – Member of the Appointments and Governance Committee (since May 2022); Member of the Audit and Accounts Committee (since May 2023)

Positions or activities outside the Air Liquide Group

- **Chairman and Chief Executive Officer:** Edenred SE* (since October 2015)
- **Director (permanent representative of Sixto):** Neoen SA* (producer of renewable energy) (since 2018) – Chairman of the governance and CSR Committee [(1)]

Positions and activities held during the last five years and that have expired

2021

- **Director:** Terreal SAS – France (until April 28, 2021)
- **Chairman of the Supervisory Board:** Union Tank Eckstein GmbH & Co. KG – Germany (an Edenred group company – until April 28, 2021)
- **Chairman:** PWCE Participations SAS – France (an Edenred group company)

(a) *Renewal proposed to the Annual General Meeting of May 6, 2025.*
* *Listed company.*
N.B.: *For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

(1) *As of April 2025, following the mandatory squeeze-out of Neoen securities, Mr. Bertrand Dumazy will hold only one mandate in a listed company (L'Air Liquide S.A.) outside of his mandate within Edenred.*

Catherine GUILLOUARD

Independent Director – Audit and Accounts Committee Chairwoman

Nationality: French
Born on January 23,1965
Date of first appointment: May 2023
Start of current term: May 2023
End of current term: 2027 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2026)
Number of shares owned as of December 31, 2024: 550
Business address: Ingenico – 13 rue Pagès – 92150 Suresnes – France

Career

Catherine Guillouard is a graduate of the Institute of Political Studies of Paris and the École Nationale d'Administration (1991/93), and holds a PhD of European laws (Panthéon-Sorbonne). She began her career in 1993 at the Ministry of Economy in the French Treasury, working for the department in charge of the Africa – CFA zone and later in the Banking Affairs Department. She joined Air France in 1997 as IPO Senior Project Manager. She was subsequently appointed Deputy Vice President Finance Controlling in 1999, Senior Vice President of Flight Operations in 2001, Senior Vice President of Human Resources in 2003 and Chief Financial Officer in 2005. In September 2007, she joined Eutelsat as Chief Financial Officer and member of the Group Executive Committee. Catherine Guillouard joined Rexel in 2013 as Chief Financial Officer and between 2014 and 2017 she was Deputy Chief Executive Officer of Rexel. Between 2015 and 2019, she was Director and member of the Strategy, Investment and Technology Committee of Engie. Between August 2017 and September 2022, she was Chairwoman and Chief Executive Officer of RATP Group, one of the leading urban transportation operators in the world, where she launched a major investment and transformation plan and implemented the public transportation decarbonization plan. She was appointed as Chairwoman of Ingenico, a leading electronic payment services company, in October 2022.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* (since May 2023) – Chairwoman of the Audit and Account Committee (since May 2023)

Positions or activities outside the Air Liquide Group

- **Director:** Airbus SE* (since April 2016) – Chairwoman of the Audit Committee (since April 2019); Member of the Ethics, Compliance & Sustainability Committee
- **Director**: Lottomatica* (since October 2022) – Member of the ESG Committee (since May 2023) and Member of the Audit and Risk Committee (since December 2024)
- **Chairwoman**: Ingenico (since October 2022)
- **Director**: Easy Park Group AS (since November 2024)

Positions and activities held during the last five years and that have expired

2023

- **Member of the Supervisory Board**: KPN* (from April 2020 to April 2023) – Chairwoman of the Audit Committee and Member of the Strategy & Organization Committee

2022

- **Chairwoman and CEO:** RATP (from August 2017 to September 2022)
- **Chairwoman of the Supervisory Board:** RATP DEV (from 2017 to September 2022)

2021

- **Vice-Chairwoman of the Supervisory Board:** SYSTRA (from 2017 to 2021)

2019

- **Director:** Engie* (from April 2015 to May 2019) – Member of the Strategy, Investment and Technology Committee

* *Listed company.*
N.B.: *For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

Christina LAW

Independent Director

Nationality: Chinese (Hong Kong)
Born on January 17, 1967
Date of first appointment: May 2023
Start of current term: May 2023
End of current term: 2027 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2026)
Number of shares owned as of December 31, 2024: 550
Business address: 43 Holland Park, Singapore 249487

Career

Christina Law is a graduate of University of Hong Kong with a Bachelor in Social Science, Major in Economics and Political Sciences, and holds a Master of Business Administration from INSEAD. She started her career in 1988 at Shell Hong Kong as an Oil Analyst before being promoted as Manager in the Chemical Division. After completing her Master degree in France, she joined Procter & Gamble where she held various marketing leadership positions first in Switzerland then in Singapore as Marketing Director responsible for the Asia Pacific region. In 2005, she joined Johnson & Johnson, the world's largest and most broadly based healthcare company. Based in Singapore, she held a number of senior executive positions, including Regional Director of Baby Care, Country Manager of Singapore, Vice President Beauty Care Asia Pacific and later as Vice President Neutrogena Worldwide. From 2012 to 2019, she worked in General Mills Inc, a leading global manufacturer and marketer of branded consumer foods, first as Region President for Asia, Middle East, Africa and subsequently as Group President leading all of Asia and Latin America region. Since 2019, she has been CEO of Raintree Group of Companies. Christina Law is a Board Director of Novo Nordisk, a global healthcare company leading in developing medicines against diabetes and other serious chronic diseases, since March 2022.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* (since May 2023)

Positions or activities outside the Air Liquide Group

- **Director:** Novo Nordisk* (since March 2022) – Member of the Audit Committee
- **Director**: Greenfields Dairy (since 2021)
- **Chief Executive Officer and Director:** Raintree Group Limited and Raintree Investment Pte Ltd. (since 2019)
- **Director:** National Gallery Singapore (since July 2024) – Chairwoman of the development Committee
- **Director**: INSEAD Business School (until October 2024) – Member of the Nomination and Remuneration Committee

Positions and activities held during the last five years and that have expired

2019

- **Group President, Asia and Latin America:** General Mills* (until 2019)

* *Listed company.*
N.B.: *For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

Alexis PERAKIS-VALAT

Independent Director

Nationality: French and Greek
Born on July 3, 1971
Date of first appointment: May 2023
Start of current term: May 2023
End of current term: 2027 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2026)
Number of shares owned as of December 31, 2024: 550
Professional address: L'Oréal – 41 rue Martre – 92110 Clichy – France

Career

A graduate of HEC, Alexis Perakis-Valat joined L'Oréal, the world's leading cosmetics group, in 1994 as Product Manager. He became Marketing Director of L'Oréal Paris and then held various strategic positions within the group in Europe and the United States: General Manager Garnier/Maybelline Belgium from 1999 to 2001, General Manager of L'Oréal Paris Spain from 2001 to 2003, General Manager of SoftSheen-Carson in the United States from 2003 to 2005, General Manager of L'Oréal Germany from 2005 to 2009. He took over as General Manager Europe for the Consumer Products Division in 2009, and, in September 2010, he was appointed Chief Executive Officer of L'Oréal in China, based in Shanghai. In 2013, his responsibilities were extended to include the whole of Asia Pacific and he became a member of the group's Executive Committee. Since September 1, 2016, Alexis Perakis-Valat has been President of the Consumer Products Division, a major division of L'Oréal. He is involved in the major transformations that reinforce L'Oréal's leadership, notably in three key areas; digital, environmental & social responsibility, and development of the distribution channels.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* (since May 2023)

Positions or activities outside the Air Liquide Group

- **President of the Consumer Products Division and Member of the Executive Committee** L'Oréal* (since 2016)

Positions and activities held during the last five years and that have expired

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* *Listed company.*
N.B.: *For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

Michael H. THAMAN

Independent Director

Nationality: American
Born on March 5, 1964
Date of first appointment: May 2023
Start of current term: May 2023
End of current term: 2027 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2026)
Number of shares owned as of December 31, 2024: 550
Business address: 6455 Monroe St., Apt 316, Sylvania OH 43560

Career

Michael H. Thaman is a graduate of Princeton University with a Bachelor of Science in Electrical Engineering and Computer Science. He began his career in 1986 with Mercer Management Consulting, where he became Vice President in the New York office. In 1992, Michael H. Thaman began his nearly 30 year career with Owens Corning, a global building and industrial materials leader (manufacturing and selling insulation and roofing products, fiberglass composite materials and innovative and sustainable solutions for construction), where he held a variety of senior leadership positions including VP and President, Engineered Pipe Systems from 1997 to 1998 and Exterior Systems Business from 1999 to 2000, and Senior VP and Chief Financial Officer from 2000 to 2007. From 2007 to 2019, Michael H. Thaman served as Chairman and Chief Executive Officer of Owens Corning, and was Executive Chairman from 2002-2020, a period during which Owens Corning became one of the top-rated US companies on ESG criteria. Michael H. Thaman has been a Director of NextEra Energy, a major US based utility company, from 2003 to 2014, a decade during which the company developed a clean energy growth strategy.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* (since May 2023)

Positions or activities outside the Air Liquide Group

- **Director:** Sherwin-Williams* (since May 2017) – Member of the Audit Committee
- **Director:** UL Solutions Inc* (since May 2021) – Chairman of the Audit Committee
- **Director**: Kohler Co. (since May 2014)

Positions and activities held during the last five years and that have expired

2020

- **Chairman and Chief Executive Officer (from 2007 to 2019) and Executive Chairman (2002-2020)**: Owens Corning*
- **Chief Executive Officer**: UBQ Materials (2020)

* *Listed company.*
N.B.: *For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

Monica de VIRGILIIS

Independent Director – Member of the Environment and Society Committee

Nationality: Italian and French
Born on July 20, 1967
Date of first appointment: May 2023
Start of current term: May 2024
End of current term: 2028 (General Meeting to approve the financial statements for the fiscal year ending December 31, 2027)
Number of shares owned as of December 31, 2024: 550
Business address: SNAM S.p.A. – Piazza Santa Barbara, 7, 20097 San Donato Milanese MI, Italy

Career

Monica de Virgiliis graduated from the Polytechnic University of Turin with a degree in electronic engineering. She started her career in 1993 at Magneti Marelli (Fiat Group) as a production engineer. In 1996, she joined the CEA in Italy, where she was in charge of developing partnerships with Italian companies. In 2001, she began a 15-year career at STMicroelectronics, a leading international semiconductor group based in Geneva, where she held various managerial positions, including General Manager of the wireless multimedia division, and ultimately Corporate Director of Strategy and Development. In 2015-2016, Monica de Virgiliis was Managing Director of the Industrial Microcontroller Division of Infineon, a German semiconductor group based in Munich. Throughout her career in the field of new technologies, Monica de Virgiliis has alternated between operational and strategic positions on a global scale and has played a key role in the transformation of business models in markets highly impacted by digitalization. In 2017, Monica de Virgiliis decided to apply her technological skills to energy transition. She was Director of Strategy at CEA (Commissariat à l'Energie Atomique et aux Energies Alternatives) in Paris from 2017 to 2019. In 2019, in collaboration with the World Economic Forum, she founded Chapter Zero France, a non-profit association aiming to raise awareness of climate issues among non-executive directors, of which she is Chair.

Positions and activities held during the 2024 fiscal year

Functions within the Air Liquide Group

- **Director:** L'Air Liquide S.A.* (since May 2023) – Member of the Environment and Society Committee (since May 2023)

Positions or activities outside the Air Liquide Group

- **Chairwoman:** SNAM* (since April, 2022) – Director (since 2016)
- **Member of the Supervisory Board:** ASM International* (from May 2020 to May 2024) – Member of the Audit Committee
- **Director**: Georg Fischer* (since April 2023) – Member of the Audit Committee

Positions and activities held during the last five years and that have expired

2022

- **Director:** SARAS* (Member of the Audit Committee – from 2021 to 2022)

2021

- **Director:** GEODIS (Member of the Audit Committee – from 2018 to 2021)
- **Director:** Prysmian Group (Chair of the Appointments, Remuneration and Sustainability Committee – from 2015 to 2021)

2019

- **Remuneration Committee Chairwoman**: SNAM* (from 2016 to 2019)

* *Listed company.*
N.B.: *For information regarding independence criteria, please refer to this Universal Registration Document – pages 106 to 108.*

REMUNERATION OF L'AIR LIQUIDE S.A. CORPORATE OFFICERS

This section includes a complete description of the components of remuneration for the corporate officers of L'Air Liquide S.A., including the following components on which the General Meeting of May 6, 2025, is invited to vote:

- with regard to the Chief Executive Officer: the components which make up the total remuneration and the benefits of all kinds paid during 2024 or awarded in respect of 2024. These components are described on pages 162 to 170 of this Universal Registration Document and are the subject of the 9th resolution proposed to the General Meeting [1];
- with regard to the Chairman of the Board of Directors: the components which make up the total remuneration and the benefits of all kinds paid during 2024 or awarded in respect of 2024. These components are described on page 171 of this Universal Registration Document and are the subject of the 10th resolution proposed to the General Meeting [1];
- with regard to the Chief Executive Officer, the Chairman of the Board of Directors and the Directors of L'Air Liquide S.A.: the components of remuneration presented in the Report on Corporate Governance pursuant to article L. 22-10-9 I of the French Commercial Code. These components are described on pages 143 to 161 of this Universal Registration Document and are the subject of the 11th resolution proposed to the General Meeting [2];
- with regard to all the corporate officers of L'Air Liquide S.A.: the remuneration policy applicable to corporate officers, which is presented on pages 172 to 180 of this Universal Registration Document and which is the subject of:
  - the 12th resolution for the part relating to the Chief Executive Officer (concerning Mr François Jackow),
  - the 13th resolution for the part relating to the Chairman of the Board of Directors (concerning Mr Benoît Potier), and
  - the 14th resolution for the part relating to the Directors [3].

The resolutions proposed to the General Meeting of May 6, 2025 are contained in Chapter 6 of this Universal Registration Document.

The information presented in this section also takes into account the provisions of the AFEP/MEDEF Corporate Governance Code for listed companies as interpreted by the Haut Comité de gouvernement d'entreprise (High Committee on corporate governance) (AFEP/MEDEF Code Application Guide (the last updated version of which was published in March 2024); Activity report of the Haut Comité de gouvernement d'entreprise (High Committee on corporate governance) published in November 2024) and the AMF recommendations included in the AMF Guide for preparing universal registration documents and in the AMF report on corporate governance and executive remuneration in listed companies published in December 2024. For a summary of the application of the AFEP/MEDEF Code, see the table in the Report on Corporate Governance – page 125 of this Universal Registration Document.

In accordance with the AFEP/MEDEF Code, the remuneration components of the Company Officers are made public after the Board meeting during which they are approved.

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(1) *Pursuant to article L. 22-10-34 II of the French Commercial Code.*
(2) *Pursuant to article L. 22-10-34 I of the French Commercial Code.*
(3) *Pursuant to article L. 22-10-8 II of the French Commercial Code.*

These remuneration components of the corporate officers are presented below as follows:

1. Summary of the remuneration of Company Officers

Table 1 below presents a summary of all remuneration components paid to the Company Officers with regard to the 2023 and 2024 fiscal years. They are then more fully described in the following tables.

TABLE 1. SUMMARY OF REMUNERATION, OPTIONS AND PERFORMANCE SHARES GRANTED TO COMPANY OFFICERS

(in thousands of euros, rounded off)	2023	2024
François Jackow – Chief Executive Officer:		
Remuneration granted in respect of the fiscal year (see breakdown in Table 2, paragraph 2.1.1) [(a)]	2,589	2,836
Value of stock options granted during the fiscal year (see breakdown in Table 4, paragraph 2.1.2)	—	—
Value of performance shares granted during the fiscal year (see breakdown in Table 6, paragraph 2.1.2)	1,649	1,814
TOTAL	**4,238**	**4,650**

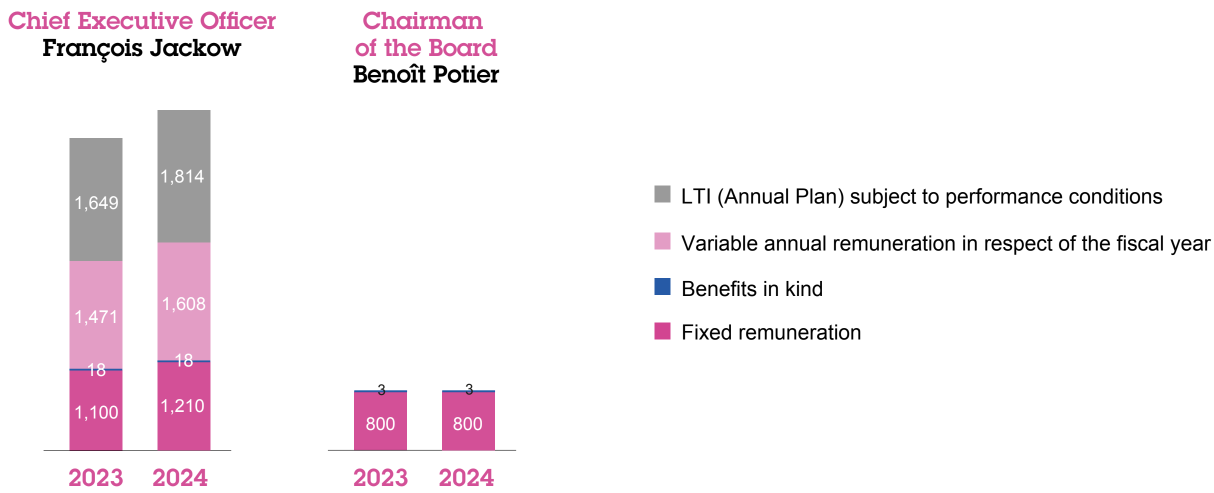
(a) Including benefits in kind.

(in thousands of euros, rounded off)	2023	2024
Benoît Potier – Chairman of the Board:		
Remuneration granted in respect of the fiscal year (see breakdown in Table 2, paragraph 2.2.) [(a)]	803	803
Value of stock options granted during the fiscal year (Table 4, paragraph 2.2.3)	—	—
Value of performance shares granted during the fiscal year (Table 6, paragraph 2.2.3)	—	—
TOTAL	**803**	**803**

(a) Only fixed remuneration and benefits in kind.

BREAKDOWN OF THE REMUNERATION OF COMPANY OFFICERS:

(in thousands of euros, rounded off)



2. Remuneration of Company Officers (including information mentioned in article L. 22-10-9 I of the French Commercial Code)

The **remuneration policy** applicable to the Chief Executive Officer and the Chairman of the Board of Directors in respect of their terms of office as decided by the Board of Directors on February 19, 2024 and presented in the Company's 2023 Universal Registration Document (pages 203 to 211) was **approved by the Ordinary General Meeting of April 30, 2024** (in resolutions 11 to 13). This General Meeting also approved the information relating to the remuneration of the Chief Executive Officer, the Chairman of the Board of Directors and the Directors, presented in the Report on Corporate Governance included in the 2023 Universal Registration Document [(1)] (10th resolution).

In 2024, the structure and principles applicable to the remuneration of Company Officers were in line with the previous fiscal year.

Concerning the Chief Executive Officer:

In accordance with the remuneration policy approved in 2024, the main elements of the **remuneration of the Chief Executive Officer** are as follows:

- in accordance with a recurring practice at Air Liquide, the **fixed remuneration** represents approximately **25%**, the **target variable remuneration** approximately **35%** and the long-term incentive (hereafter "**LTI**") granted approximately **40%** of the total annual remuneration. Accordingly, the weight of the variable remuneration and the LTI, which are subject to performance conditions, represents approximately 75% of this total. In 2024, the percentage of the Chief Executive Officer's target variable annual remuneration that is dependent on sustainability objectives and/or impacts was 10% [(2)]. In addition, 10% of the performance conditions of the LTIs are linked to the Group's climate objectives.

  The collective pension insurance contract with individual and optional subscription and the termination indemnity are also subject to performance conditions.

  The performance conditions, which are described below, reflect **the Group's ambition to achieve profitable growth over the long term** by combining financial and extra-financial performance;
- **variable remuneration:**
  - the variable part is expressed as a **target** variable remuneration and as a **maximum** (as a % of the fixed remuneration). For the quantifiable criteria, the target variable remuneration corresponds to an achievement of 100% of the target objective set at the start of the year. The target objectives fixed are demanding and are completely consistent with the trajectory of the ADVANCE company program,
  - a **greater relative weight is given to the quantifiable criteria** as compared to the qualitative criteria,
  - a **weighting is allocated to each of the qualitative criteria**;
- **LTI (long-term remuneration components):**
  - **all the LTI** (solely performance shares in 2024) **granted to the Executive Officers are subject to performance conditions calculated over a period of three years**. Since 2020, the LTI plans have included a performance condition linked to the Group's climate objectives in addition to the ROCE and TSR criteria,
  - limits on the grants to Executive Officers: in accordance with the authorizations given by the General Meeting on May 4, 2022, the number of performance shares granted to the Executive Officers may not exceed 0.1% of the share capital and the number of stock options, if any, may not exceed 0.2% of the share capital. The Board of Directors also sets annual limits for the grants, which remain well below these sub-limits, it being noted that, as stated above, the LTI must represent approximately 40% of the total target annual remuneration for the Executive Officer,
  - the other principles which apply to the LTI are also unchanged (**proration of the LTI** in the event of the Executive Officer's departure during the period of assessment of the performance conditions, no allocation at the time of departure, the level of requirement of the objectives, the rules which apply to the Executive Officers as described on pages 149 to 150).

The Chief Executive Officer does not receive any remuneration in his capacity as Director.

Concerning the Chairman of the Board of Directors:

The main components of the separate **remuneration** policy **for the Chairman of the Board of Directors**, approved in 2024, are as follows:

- the Chairman of the Board receives only fixed remuneration, to the exclusion of any variable and long-term remuneration (notably LTI) and any exceptional remuneration;
- the Chairman of the Board does not receive any remuneration as a Director.

The elements of remuneration for Company Officers, as determined by the Board of Directors pursuant to the remuneration policy approved by the General Meeting on April 30, 2024, are described below.

(1) *Information listed in article L. 22-10-9 I of the French Commercial Code.*
(2) *ESRS 2 GOV-3 § 29 (d).*

2.1. REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

2.1.1. SHORT-TERM BENEFITS

The gross annual remuneration before tax of the Chief Executive Officer [1], including benefits in kind, is indicated in Table 2 below:

TABLE 2. SUMMARY OF THE REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

	For information, reminder of previous years:			
	2023		2024	
(in thousands of euros, rounded off)	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
François Jackow – Chief Executive Officer [(a)]				
Fixed remuneration	1,100	1,100	1,210	1,210
including remuneration in respect of his term of office as Director	—	—	—	—
Variable annual remuneration	1,471	912	1,608	1,471
Benefits in kind	18	18	18	18
TOTAL	**2,589**	**2,031**	**2,836**	**2,699**

(a) During the 2024 fiscal year, the Company also paid contributions to external organizations for the benefit of Mr François Jackow in respect of defined contribution pension plans (21,016 euros), the collective death and disability benefits plan (10,980 euros) and the collective healthcare cost plan (449 euros), i.e. a total of 32,445 euros. In 2025, the Company will also pay contributions (in respect of the 2024 fiscal year) under the collective pension insurance contract, in the amount of 378,024 euros (split between a payment to the insurer and a payment to Mr François Jackow to cover social security contributions and taxes due on payments made to the insurer). Details of these plans are set forth below.

Within the fixed remuneration and variable remuneration in respect of 2024, after recording by the Board of Directors on February 20, 2025 the achievement of the criteria for the variable remuneration in respect of the 2024 fiscal year, the fixed remuneration represents 43% and the variable remuneration represents 57% [2].

In application of the remuneration policy for the Chief Executive Officer established by the Board of Directors of February 19, 2024 and approved by the Meeting of April 30, 2024, the overall target remuneration of the Chief Executive Officer, unchanged since 2022, was reassessed by +10% in 2024 in order to bring it closer to the market average, this remuneration then remaining stable until the end of the term of office.

The components of the Chief Executive Officer's remuneration for the 2024 fiscal year are detailed below.

A. Fixed remuneration for 2024

In accordance with the remuneration policy established by the Board of Directors on February 19, 2024 and approved by the General Meeting on April 30, 2024, the fixed remuneration for 2024, determined taking into account the level of responsibilities, experience in general management duties and market practices, amounted to **1,210,000 euros.**

B. Variable remuneration for 2024

The principles and criteria for the variable remuneration of the Chief Executive Officer, as decided upon by the Board of Directors on February 19, 2024, on the recommendation of the Remuneration Committee, were approved by the General Meeting on April 30, 2024 (11th resolution) [3].

On the proposal of the Remuneration Committee, the Board of Directors on February 20, 2025 assessed the 2024 performance of the Executive Officer over the period.

The criteria for the variable remuneration, their weighting and their rate of achievement are detailed in the following summary table.

Quantifiable financial criteria

In accordance with the remuneration policy approved by the General Meeting of April 30, 2024, the variable portion for 2024 is based on two financial criteria: increase in recurring net earnings (excluding exceptional and significant transactions which do not impact operating income recurring) excluding currency impact, per share (hereinafter "**recurring EPS**") and comparable growth in consolidated **revenue** (excluding significant scope impact and the impact of currency and energy). Details of these criteria are contained in the summary table below (page 147).

The increase in the recurring EPS criterion makes it possible to take into account all the items in the income statement. The criterion of an increase in sales reflects the momentum of the activity. These two criteria, growth in revenue and the recurring EPS, reflect the Group's ambition to achieve profitable growth. Moreover, the achievement of the efficiency objectives contributes to the increase in the recurring EPS.

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 main objectives of the ADVANCE 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 part 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 variable remuneration corresponding to this criterion is equal to zero.** The achievement of each performance condition is assessed without any set-off between criteria.

(1) The Chief Executive Officer does not receive any remuneration from Group companies other than L'Air Liquide S.A.
(2) At target, the fixed remuneration represents 45% and the variable remuneration 55%.
(3) ESRS 2 GOV-3 § 29 (e).

Furthermore, according to this formula, the **rate of achievement** of each objective is calculated **linearly** as follows:

- an initial linear gradient between the lower limit of the objective, corresponding to the trigger threshold (0% below this threshold) and the target (corresponding to a 100% achievement of the objective);
- a second linear gradient between the target (100%) and the maximum achievement level (125% of the target).

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 on page 147.

The quantifiable criteria objectives were achieved at 107%.

Qualitative personal criteria [(1)]

Pursuant to the remuneration policy approved by the General Meeting on April 30, 2024, the variable remuneration for 2024 is also based on qualitative personal criteria. These are as follows:

- **CSR: ESG objectives forming an integral part of the ADVANCE strategic program [(2)]:**
  - safety and reliability: continue efforts to improve safety (lost-time accident frequency rate, road traffic accidents and job-related accidents),
  - rollout of action plans relating to the Group's sustainable development objectives; progress made on the various key indicators and alignment with the 2025 trajectory linked to these targets [(3)];
- organization/Human Resources (talent development, management succession plans, diversity policy);
- individual performance: this criterion responds to the Board of Directors' desire to keep a part of the variable remuneration subject to the Board's assessment, in order to take account of the unpredictability of the environment. This may be beneficial to the Executive Officer, if the Company is facing an unfavorable environment which was not anticipated at the time the objectives were set, or disadvantageous if the environment ultimately turns out to be more favorable than anticipated.

A target weighting and a maximum weighting are set for each qualitative criterion.

For 2024, 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**

  In 2024, the number of lost time accidents for employees decreased very significantly (85 versus 128 in 2023). This is a historically low level, even lower than in 2020 (the COVID year). The lost-time accident frequency rate for employees was 0.65 in 2024, well below the 2023 level (0.98) and the 2020 level (0.87). This 2024 frequency rate is the lowest ever achieved by the Air Liquide Group.

  The trend was similar for subcontractors, with an -21% decrease in lost-time accidents compared to 2023. The frequency rate was 1.09 in 2024, compared with 1.25 in 2023. This is the best performance ever achieved by the Group for this category.

  60 fewer people (employees and subcontractors) were injured in 2024 compared to 2023.

  However, 2024 was marked by the deaths of a driver (an Air Liquide employee in the Dominican Republic) in a road accident, and two subcontractors, one due to a fall from height while working in Poland and the other following the explosion of a gas cylinder in Brazil. Each accident was reviewed by the Executive Committee, and the lessons learned were rolled out with the strong support of François Jackow.

  François Jackow actively participated in safety actions in the continuity of previously initiated programs, based on the IMS (Industrial Management System). He supervised key programs related to process safety (such as improving the compliance of flat-bottom storage facilities or facilities for unscrewing cylinder valves) and supported the Group Road Safety program. The 2023 initiatives were continued: more than 4,000 sites organized a workshop on the 24 major safety risks, and more than 15 awareness-raising videos were broadcast to the entire Group. These initiatives, strongly supported by François Jackow, will continue in 2025.
- **rollout of action plans linked to the Group's sustainable development objectives; progress made on the various key indicators and alignment with the 2025 trajectory linked to these objectives**

  The Group is continuing its efforts in terms of sustainability, with multi-level supervision and the personal involvement of François Jackow:
  - an internal governance committee, under the leadership of the Chief Executive Officer, validates the strategic orientations in terms of sustainable development. It has notably reviewed the following topics in 2024: Group Climate Transition Plan (published in September 2024), structure and main orientations of CSRD reporting and scope of this reporting, validation of certain options concerning the Group's Scope 3 reporting, avoided emissions (definition of work axes to strengthen the concept and its quantification for the Group), environmental attributes of products sold by the Group.
  - The Resources and Investment Committees (RICs) include, as part of the validation of investment decisions in each region, the criterion of CO_2 emissions by defining the "Carbon Footprints" associated with each project (evolution, 5 years after the decision is taken, in CO_2 emissions related to the assets in question).
  - Annual decarbonization reviews were held with each Cluster to monitor the progress of their carbon trajectory, in line with the Group's objectives: inflection point for CO_2 emissions in absolute value "around 2025", 33% decrease by 2035 compared to 2020.
  - The Executive Committee regularly reviews the action plans associated with the Group's diversity and carbon trajectory objectives, and the progress of the CSRD project.

A dedicated working group has taken ownership of the new CSRD extra-financial reporting framework. As this is the first year of implementation of this new regulation, the Chief Executive Officer has been heavily involved in the reflection and decision-making process regarding the scope of extra-financial reporting.

(1) *ESRS 2 GOV-3 § 29 (a).*
(2) *ESRS 2 GOV-3 § 29 (b).*
(3) *ESRS E1 GOV-3 § 13 and ESRS 2 GOV-3 § 27.*

All key indicators related to the Group's sustainable development objectives within the framework of the Advance plan are progressing in 2024:

CO_2 emissions are down by about 11% compared to 2020, ahead of the target (-33% targeted between 2035 and 2020); carbon intensity is down 41% at the end of 2024 compared to 2015 (target of -30%); the rate of implementation of water management plans for our most water-intensive units located in areas of high water stress reached 47% at the end of 2024 (35 sites out of 75); the percentage of women among executives and managers increased by 1% in 2024 to 33.1%; the Common Care Coverage (health coverage, insurance and maternity leave) and Citizen at Work (possibility given to Group employees to contribute, during their working time, to projects benefiting their local communities) programs cover 100% and 87% of the Group's employees respectively at the end of 2024.

Organization and Human Resources:

Performance was considered excellent.

This assessment is based on three elements: Management succession plans and Group transformation, talents development and diversity and inclusion policy.

- **Management succession plans and Group transformation**

  François Jackow launched a multi-year transformation program to simplify and improve the efficiency of the organization. 30 project meetings of the management team were held in his presence in 2024. This work has already resulted in the implementation of several changes, with a reduction in hierarchical levels, a simplified structure (Operations and Functions interacting directly) and the creation of a single, global Group Industrial Direction.

  Governance was adjusted by François Jackow on September 1, 2024 to reflect the changes in the organization. Within the Executive Committee, Émilie Mouren-Renouard now supervises the Clusters in Europe, Africa, the Middle East and India. Armelle Levieux's scope has been expanded to include Engineering and Construction. Adam Peters (Chief Executive Officer, Air Liquide North America) was appointed to the Executive Committee on May 1, 2024. David Prinselaar joined the Executive Committee on December 2, 2024 as Group Industrial Director. These changes made it possible to support the succession, in 2024, of Michael J. Graff, Group Executive Vice-President, and Pascal Vinet, previously in charge of the Group Industrial Direction, the Group Safety and Security function and the Industrial Merchant World Business Line.

  François Jackow decided to set up a plan to adapt the corporate culture to accompany the structural transformation, with a diagnosis and definition of key performance behaviors. He thus demonstrated his comprehensive vision of a transformation towards growth and performance, by capitalizing on the Group's existing strengths while driving the transformations to sustainably achieve the Group's ambitions.

- **Talents development**

  François Jackow has maintained his commitment to developing the Group's talents, with regular reviews with Operations. They have enabled a detailed review of international talents, international development opportunities, succession plans and the appointment of Technical Talents (TCL "Technical Community Leaders" program). The performance evaluation process has been reviewed to include diversity and prepare new generations of leaders.

- **Diversity and inclusion policy**

  Convinced that diversity drives performance, François Jackow put this subject on the agenda of a one-day Executive Committee meeting. A detailed review of the diversity plans for each region was conducted. This comprehensive review of the action plans under his leadership demonstrates the management team's commitment in this area. During his travels within the Group, François Jackow actively promotes the importance and value of an ambitious inclusion and diversity policy. He communicates regularly on the subject and, on International Women's Day, reaffirmed to the entire organization the importance of the Group's commitments to diversity. Such proactive policy is reflected in the diversity achieved within the Executive Committee, Air Liquide's leadership and high-potential employees. Inclusion is a strong point highlighted by employees in internal engagement surveys.

Individual performance:

The Chief Executive Officer's individual performance was considered excellent. The Board acknowledged that, in a subdued macroeconomic context and an uncertain environment, François Jackow succeeded in steering the Group and motivating the entire organization to deliver a very solid performance, both financially and extra-financially.

SUMMARY TABLE OF THE VARIABLE REMUNERATION FOR 2024

	Approved elements by the General Meeting in 2023:				Achievement [d]			
	Target [a]		Maximum					
Indicator	*As a % of the fixed remuneration*	*As a % based on a 100*	*As a % of the fixed remuneration*	*As a % based on a 100*	*As a % of the target remuneration for this criterion*	*As a % of the fixed remuneration*	*As a % based on 100*	*In thousands of euros*
Quantifiable financial criteria including:	**84**	**70**	**105**	**70**	**107**	**90**	**68**	**1,088**
Increase in recurring net earnings [b] excluding the foreign exchange impact per share (recurring EPS)	60	50	75	50	116	70	53	844
Comparable growth in consolidated revenue [c]	24	20	30	20	84	20	15	244
Qualitative personal criteria including:	**36**	**30**	**45**	**30**	**119**	**43**	**32**	**520**
CSR: ■ 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 sustainable development objectives; progress made concerning the various key indicators [e] and harmonization with the 2025 trajectory for these objectives	12	10	15	10	108	13	10	157
Organization/Human Resources (talents development, management succession plans, diversity policy)	12	10	15	10	125	15	11	182
Individual performance: assessment by the Board of Directors, notably in light of the external environment for the year	12	10	15	10	125	15	11	182
TOTAL (FINANCIAL AND PERSONAL CRITERIA)	**120**	**100**	**150**	**100**	**111**	**133**	**100**	**1,608**

(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 2024 recurring net profit (Group share) excluding the foreign exchange impact (as compared to 2023), reconciled in Chapter 1 – page 64 of this 2024 Universal Registration Document.
(c) Excluding significant scope impact, foreign exchange impact and energy. See reconciliation in Chapter 1 – page 63 of this 2024 Universal Registration Document.
(d) As per decision of the Board of Directors on February 20, 2025. Figures are rounded to nearest unit.
(e) Key indicators including those required to measure CO_2 emissions for the year are reported in the Sustainability Statement (see Chapter 5 of this Universal Registration Document) [1].

In total, the amount of the variable part of the remuneration is above the target and amounts to 1,608,211 euros.

The total amount of the variable remuneration due for the 2024 fiscal year will be paid in 2025, 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 components of remuneration paid during or awarded in respect of the 2024 fiscal year to Mr François Jackow.

C. Total fixed and variable remuneration for 2024

For the reasons set out above, the annual remuneration of Mr François Jackow as Chief Executive Officer is higher compared to his remuneration in 2023.

D. Other components of annual remuneration

By decision of the Board of Directors of February 19, 2024, Mr François Jackow benefits from the components of remuneration defined below, which are included in the remuneration policy approved by the General Meeting of April 30, 2024 (11th resolution), in line with the 2023 remuneration policy:

Death and disability benefits and healthcare cost plans

In 2024, Mr François Jackow continued to benefit from the supplementary "incapacity, invalidity, death" benefits plan, unified as from January 1, 2015, covering all personnel and corporate officers who are duly authorized to benefit from such scheme. Mr François Jackow also benefited from the healthcare cost plan covering all employees.

[1] *ESRS 2 GOV-3 § 29 (c).*

The supplementary "incapacity, invalidity, death" benefits plan provides in particular for:

- the grant to the beneficiaries:
  - of additional daily indemnities in the event of incapacity and a disability annuity set, all benefits combined, at a maximum annual amount of 527,520 euros, and
  - of a death benefit, the maximum amount of which is set at 120 times the PASS (annual social security limit) in the event of an accident.

  The insurance contract entered into with the insurer specifies the limits of the incapacity/disability and death benefits for the same insured party;
- the payment in full, by the Company, of the contributions calculated as a percentage of the Reference Remuneration which is capped at:
  - 16 times the PASS for the incapacity and disability cover, and
  - 24 times the PASS for the death benefit.

The contribution rate for 2024 amounts to 1.07% of the Reference Remuneration up to 16 PASS and to 0.82% between 16 and 24 PASS. These contributions are deductible from the corporate income tax base, are subject to the social levy at a rate of 8%, and are excluded from the basis for assessment of the social security contributions, within the limit of an amount equal to the sum of 6% of the PASS and 1.5% of the remuneration, taken into account within the limit of 12% of the PASS.

The contributions paid by L'Air Liquide S.A. in 2024 for the benefit of Mr François Jackow amounted to 10,980 euros in respect of the death and disability benefits plan and 449 euros in respect of the healthcare cost plan (i.e. a total of 11,429 euros) and are also indicated in the notes to Table 2 (see page 144).

Benefits in kind

The benefits in kind paid to the Executive Officer in 2024 include the use of a company car and contributions in respect of the social security scheme for Company Directors.

2.1.2. LTI: OPTIONS AND PERFORMANCE SHARES

A. 2024 performance share plan (plan dated September 25, 2024)

1. Principles of grant for 2024

For the Chief Executive Officer, the grant for 2024 forms part of the 2024 remuneration policy defined by the Board of Directors on February 19, 2024, on the recommendation of the Remuneration Committee, and approved by the General Meeting on April 30, 2024 [(1)].

The allocation of LTI to Mr François Jackow in 2024 in his capacity as Chief Executive Officer represents an IFRS valuation of **1,814,304 euros**.

The Board of Directors of September 2024 decided, in accordance with the general market trend and in line with its practice since 2019, to grant performance shares only to all beneficiaries, in order to simplify and standardize the LTI scheme.

2. Performance conditions of the 2024 plans [(2)]

All the performance shares granted to any beneficiary are subject to performance conditions which are calculated over three years. The performance conditions were set by the Board of Directors at the start of the year, at the February meeting, in order to comply with a reference period of three full years.

For reasons of confidentiality, the exact targets set for each performance condition will be made public ex-post, following the Board of Directors' meeting at the time the financial statements are adopted for the 2026 fiscal year. The results achieved, the rate of achievement of the performance conditions and the percentage of performance shares vested will also be published following this meeting. The percentage of performance shares definitively awarded may in no event exceed 100% of the initial grant. The achievement of each performance condition will be assessed **without any set-off between criteria.**

In keeping with the Group's responsible growth approach, the 2024 performance share plans incorporate, as they did in 2023, **a performance condition linked to the Group's climate objectives.**

Accordingly, the number of performance shares definitively awarded pursuant to the 2024 Plans will depend:

(i) **for 50% of the performance shares granted**, on the rate of achievement of a target, set by the Board, comprising the after-tax Return on Capital Employed (recurring ROCE) [(3)] recorded at the end of the 2026 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, notably making it possible to take advantage of external growth opportunities.

    The objective was set in line with the ROCE objective announced by the Company, i.e. more than 10%;

(ii) **for 40% of the performance shares granted:**
  - for 50% of the performance shares 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, dividends reinvested, for the 2024, 2025 and 2026 fiscal years ("**AL TSR**"). The objective of an absolute TSR is set in accordance with historic performances. 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;
  - for 50% of the performance shares referred to in sub-paragraph (ii): on the rate of Total Shareholder Return from an investment in Air Liquide shares, dividends reinvested (source: Bloomberg) ("**B TSR**"), as compared to the CAC 40 TSR index, dividends reinvested (source: Bloomberg) for the 2024, 2025 and 2026 fiscal years.

    The rate of achievement will be 0%, if the average of the Air Liquide TSR over three years is lower than the average of the CAC 40 TSR, 50% if it is equal to the average of the CAC 40 TSR and 100%, if it is at least 2% higher than the average of the 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 is impossible.

    The TSR criteria make it possible to align the Company's performance with Shareholders' expectation of steady profits;

(iii) **for 10% of the performance shares granted, on** an objective linked to the **change in the** Group's **CO_2 emissions** in absolute value over the 2024-2026 period, aligned with the Group's CO_2 trajectory (an integral part of the ADVANCE strategic program) [(4) (5)], broken down as follows:

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(1) *ESRS 2 GOV-3 § 29 (e).*
(2) *ESRS 2 GOV-3 § 29 (a).*
(3) *For the purposes hereof, the Return on Capital Employed after tax (ROCE) is calculated as follows: (recurring net profit after tax before deduction of minority interests – cost of net debt after taxes) for the 2026 period)/(average of (shareholders' equity + minority interests + net debt) at the end of the last three half years (H2 2026, H1 2026, H2 2025).*
(4) *ESRS E1 GOV-3 § 13 and ESRS 2 GOV-3 § 27.*
(5) *ESRS 2 GOV-3 § 29 (b).*

Comparison of the Air Liquide Group's CO_2 emissions for the year 2026, expressed in millions of metric tonnes, with those same emissions for the year 2023, the 2023 basis of comparison being adjusted to take account of any possible perimeter impacts (the possible takeover of existing units at the Group's customers or companies, asset or company divestitures over the 2024-2026 period), on a 12-month pro-forma basis, in line with the method used to monitor the carbon trajectory as communicated by the Group.

For the purposes hereof, the greenhouse gas emissions include direct emissions (Scope 1) and indirect emissions (Scope 2). These emissions are accounted for as "market-based" [(1)].

DIAGRAM SHOWING THE PERFORMANCE CONDITIONS APPLICABLE TO THE PERFORMANCE SHARES IN 2024

50% ROCE	40% TSR over 3 years		10% Reduction in CO_2 emissions
	50% AL TSR	50% B TSR (AL TSR/CAC 40 TSR)	—

3. Rules applicable to Executive Officers

In accordance with the remuneration policy, the grant to the Executive Officer is examined by the Remuneration Committee at the same time as the allocation to Group employees and is decided by the Board of Directors.

The grant of performance shares was examined in light of the total amount of the Executive Officer's annual remuneration, taking into account several external market surveys and ensuring that the interests of the Shareholders are respected.

Before the grant, it was verified that the conditions provided for in article L. 22-10-60 of the French Commercial Code, which aims at involving all staff in France in the Company's performance, are satisfied. Therefore, in 2024, over 98% of all the employees in the Company and in the Group's French entities are covered by an incentive plan or a special or voluntary profit-sharing plan.

Limits on the grants to Executive Officers

Within the scope of the sub-limits authorized by the General Meeting for 38 months, the Board of Directors sets lower annual limits for the grants to the Executive Officers, expressed (i) as a percentage of the share capital and (ii) as a multiple of their remuneration, in accordance with the recommendations of the AFEP/MEDEF Code.

The limits set by the Board of Directors for 2024 are identical to those for 2023 and are as follows (no subscription option having been attributed in 2024):

(i) the total number of performance shares granted in 2024 to the Executive Officer cannot give rise to a number of shares exceeding 0.012% of the share capital (it being understood that an allocation sub-limit of 0.1% of the share capital for 38 months was set by the General Meeting on May 4, 2022);

(ii) the total aggregate IFRS value of the performance shares granted to the Executive Officer cannot exceed approximately 1.5 times the amount of the Executive Officer's maximum gross annual remuneration (fixed + variable maximum), it being noted that the performance shares granted represent approximately 40% of the total target annual remuneration.

Maintaining the proration principle

Pursuant to the decision made by the Board on February 19, 2024 and the policy approved by the General Meeting on April 30, 2024, the 2024 grant of LTI to the Executive Officer remains subject to the proration principle.

In practice, if the Executive Officer leaves the Group for a reason other than his resignation or removal from office for serious cause [(2)], the total allocation rate (after applying the performance conditions) would be reduced pro rata for the duration of actual presence of the Executive Officer within the Group during the period of assessment of the performance criteria. Furthermore, no grant is made to the Executive Officer at the time of this departure, in accordance with the AFEP/MEDEF Code.

The Executive Officer will remain subject to all the provisions of the plans and, more specifically, those relating to the duration of the vesting, lock-up and holding periods in respect of the shares and stock options granted.

Shareholding and share ownership obligations

Shareholding obligation pursuant to the French Commercial Code

On the recommendation of the Remuneration Committee, the Board defined the shareholding obligations resulting from articles L. 225-185 and L. 225-197-1 of the French Commercial Code applicable to the shares resulting from the exercise of stock options and performance shares, respectively, as from September 28, 2015, as follows:

For each stock option/performance share plan granted to Company Officers with effect from September 28, 2015, the Company Officers shall hold, in registered form, until the termination of their duties, a minimum quantity of shares corresponding to 50% of the capital gain on acquisition, net of social security charges and tax, resulting from each exercise of stock options/each definitive award of performance shares.

However, this percentage will be lowered to 5%, as soon as the quantity of shares held by the Company Officer resulting from the exercise of stock options or the definitive award of performance shares represents a minimum amount equal to at least three times the Company Officer's gross annual fixed remuneration.

This rule is regularly reviewed by the Board at the time of each grant. In 2024, the Board of Directors decided to maintain this rule in identical form.

(1) *See definition of scopes and methodology for calculating scopes in paragraph 2.2. of the Sustainability Statement of this Universal Registration Document – pages 300 to 319.*

(2) *Situations which will result in the loss of the LTI.*

These lock-up obligations have been applicable to Mr François Jackow in his capacity as Chief Executive Officer since the 2022 performance share plan.

Additional share ownership obligation – Recommendation made by the AFEP/MEDEF Code

The Board of Directors' meeting of February 15, 2022 defined, as an extension of the internal rule defined by the Board since 2008, the shareholding rule according to which the Company Officers must hold, in a registered share account, a number of shares equivalent to twice his gross annual fixed remuneration for the Chief Executive Officer or the Chairman of the Board of Directors and one time the gross annual fixed remuneration for a Senior Executive Vice President. This obligation will remain in force until it is exceeded by the effect of the rules resulting from the French Commercial Code. The number of shares required to be held is assessed as at January 1 and July 1 of each year.

The application of this rule for Mr François Jackow will be assessed within four years of his appointment as Chief Executive Officer, i.e. from July 1, 2026.

Recommendations encouraging the ownership of a minimum number of Company shares equivalent to 0.5 times their gross annual fixed remuneration, have also been made to members of the Executive Committee since 2009.

Other rules applicable to the Company Officers

- Restriction on the exercise of stock options and the transfer of performance shares during the "black-out periods" prior to the publication of the financial statements. These abstention periods open 30 days before the announcement of the annual and half-year consolidated results and 15 calendar days prior to the publication of the quarterly financial information. They end on the date of publication of the information at close of business.
- Commitment not to carry out hedging transactions with regard to the risk concerning the performance shares awarded/shares arising from the exercise of options, throughout the length of their term of office.

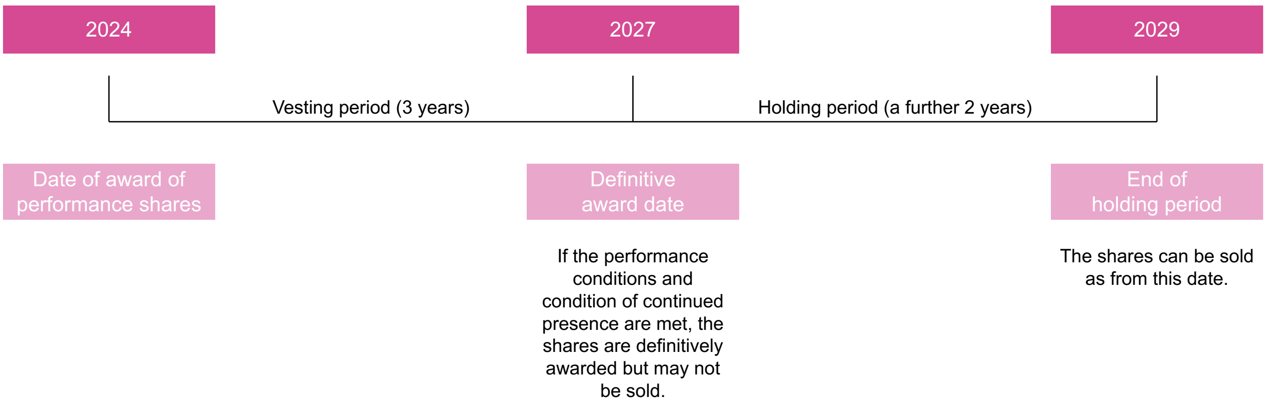
B. Grants to the Chief Executive Officer within the scope of the September 25, 2024 performance share plans

Plan Regulations

The grant to the Chief Executive Officer is governed by the September 25, 2024 "France" performance share plan which applies to all the beneficiaries in France. This plan contains:

- a three-year vesting period;
- followed by a two-year holding period during which the shares cannot be sold.

DIAGRAM OF THE PERFORMANCE SHARE MECHANISM – 2024 PLAN (FRANCE)



Continued presence in the Company is a condition under the plan in order to qualify for performance shares at the end of the vesting period, the loss of rights for the Chief Executive Officer occurring in the event of resignation or removal from office for serious cause.

The Chief Executive Officer is also subject to additional conditions as described above.

Volume

The table below shows the number and value of the performance shares awarded to Mr François Jackow on September 25, 2024 in compliance with the authorization given to the Board of Directors by the General Meeting of May 4, 2022 (21^{st} resolution).

TABLE 6. PERFORMANCE SHARES AWARDED DURING THE 2024 FISCAL YEAR TO THE CHIEF EXECUTIVE OFFICER

	Plan grant date	Number of performance shares awarded	Value of the performance shares (pursuant to IFRS 2) [(a)] *(in euros)*	Definitive award date	Availability date	Performance conditions
François Jackow in his position as Chief Executive Officer	09/25/2024	12,170	1,814,304	09/25/2027	09/25/2029	Three performance conditions calculated over three years: ■ ROCE ■ TSR, including an element of relative comparison ■ Climate Objectives

(a) As at September 25, 2024.

The performance shares awarded to Mr François Jackow on September 25, 2024 as Chief Executive Officer represent 0.0021% of the number of shares comprising the share capital. This award is made by the Company to the exclusion of any other Group company.

C. Options exercised/remaining to be exercised in 2024 by the Chief Executive Officer – Performance shares that became available in 2024 [(1)]

Stock option plan mechanism

As the Board of Directors has not granted share subscription options since 2018, the chart below illustrates previous plans (the 2018 Plan in this example).

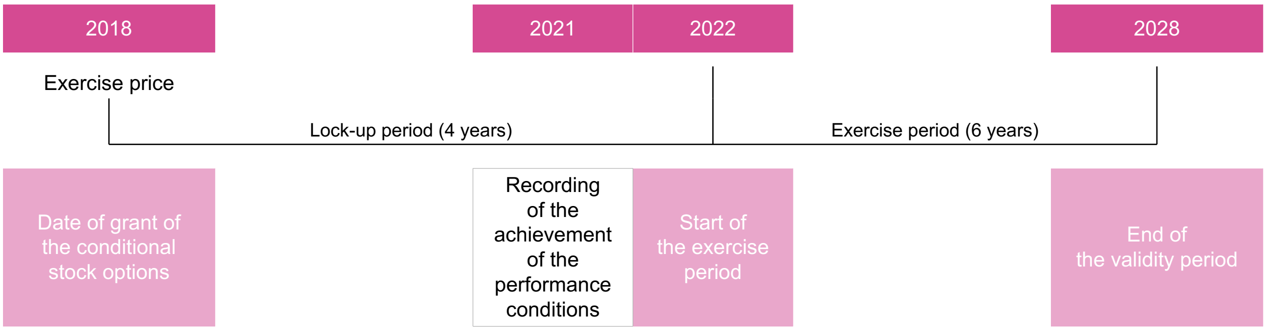


TABLE 4. STOCK OPTIONS GRANTED DURING THE FISCAL YEAR TO THE CHIEF EXECUTIVE OFFICER

Not applicable (no stock options granted in 2024).

TABLE 5. STOCK OPTIONS EXERCISED DURING THE 2024 FISCAL YEAR BY THE CHIEF EXECUTIVE OFFICER

	Plan grant date	Number of options exercised during the fiscal year	Exercise price [(a)] *(in euros)*
François Jackow [(b)]	09/22/2014	121	70.42
	09/28/2015	1,523	76.23

(a) Exercise price on the date of exercise.
(b) Stock options previously granted to Mr François Jackow as an employee.

TOTAL ADJUSTED STOCK OPTIONS REMAINING TO BE EXERCISED BY THE CHIEF EXECUTIVE OFFICER AS AT DECEMBER 31, 2024

	Total number of outstanding adjusted options	Average price *(in euros)*
François Jackow [(a)]	7,721	69.12

(a) Stock options previously granted to Mr François Jackow as an employee.

TABLE 7. PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE 2024 FISCAL YEAR FOR THE CHIEF EXECUTIVE OFFICER

	Plan grant date	Number of shares that became available during the fiscal year
François Jackow [(a)]	09/30/2019	1,329

(a) Performance shares previously granted to Mr François Jackow as an employee.

[(1)] *For informational purposes.*

D. Recording of the achievement of the performance conditions under the September 29, 2022 performance share plans [1] [2]

On the basis of the financial statements for the 2024 fiscal year submitted for the approval of the General Meeting of May 6, 2025, on the recommendation of the Remuneration Committee, the Board of Directors on February 20, 2025 recorded the rate of achievement of the performance conditions, defined by the Board of Directors of February 2022, which apply to the whole of the performance shares awarded to the beneficiaries on September 29, 2022 [3].

As in 2021, the Board decided to grant only performance shares to any beneficiaries, for reasons of simplification and homogenization.

The 2022 annual plans provided that the number of performance shares definitively awarded would depend on the rate of achievement of the following targets:

(i) for 50% of the performance shares granted, on the rate of achievement of a target, set by the Board, comprising the after-tax Return on Capital Employed (ROCE) 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, notably making it possible to take advantage of external growth opportunities.

The objective was set in line with the ROCE announced by the Company of over 10%.

The level of recurring ROCE for the aforementioned period was 10.70%, i.e. an objective achieved at 100%;

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

- for 50% of the performance shares referred to in sub-paragraph (ii): an objective of Total Shareholder Return ("AL TSR") set by the Board, defined as the average annual growth rate of an investment in Air Liquide shares, dividends reinvested, for the 2022, 2023 and 2024 fiscal years. At the objective of AL TSR ≥ 6%, the grant of shares is 100%, and then decreases on a straight-line basis to +2%.
  This growth, over the aforementioned period, amounted to 12.68% per year, i.e. a target achieved at 100%,
- for 50% of the performance shares referred to in sub-paragraph (ii): the rate of Total Shareholder Return from an investment in Air Liquide shares, dividends reinvested (source: Bloomberg) ("B TSR"), as compared to the CAC 40 TSR index, dividends reinvested (source: Bloomberg) for the 2022, 2023 and 2024 fiscal years.
  The applicable formula provided that the rate of achievement of this performance condition was (i) 0% if the three-year 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 10.63%. That of the CAC 40 index over the same period is 4.77%. This gives the difference between the average rate of return for Air Liquide and the average rate of return for the CAC 40 as 5.86%, i.e. an objective achieved at 100%;

(iii) for 10% of the performance shares granted: on the change in the Group's absolute CO_2 emissions over the 2022-2024 period in line with 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) [4], as follows:

Comparison of the Air Liquide Group's CO_2 emissions for 2024, expressed in million metric tonnes, with these same emissions for 2021, the basis of comparison for 2021 being adjusted to take into account any takeovers of existing units of the Group's customers over the 2022-2024 period, on a pro-forma 12-month basis (notably the takeover of Sasol units in South Africa). For the purposes hereof, the greenhouse gas emissions include direct emissions (Scope 1) and indirect emissions (Scope 2). These emissions are accounted for as "market-based" [5].

The rate of achievement set was at 0% if the CO_2 emissions in 2024 were more than 2 million metric tonnes higher than the CO_2 emissions in 2021 and 100% higher if CO_2 emissions in 2024 were less than or equal to CO_2 emissions for 2021, thus reflecting the shift objective,on the basis of a linear change from 0% to 100% between each of these limits.
The difference recorded as at December 31, 2024 was -4,600 million tonnes, i.e. an objective achieved at 100% [6].

Consequently, the Board of Directors recorded that the rate of achievement of the performance conditions for the September 29, 2022 performance share plans amounts to 100%.

2.1.3. LONG-TERM COMMITMENTS

A. Company pension and similar benefit obligations

In accordance with the remuneration policy decided by the Board of Directors of February 19, 2024 and approved by the General Meeting of April 30, 2024 (11th resolution), Mr François Jackow benefits, in addition to the mandatory basic and supplementary pension plans (Agirc-Arrco) to which he is, or has been, affiliated, from various supplementary pension plans set up by L'Air Liquide S.A.

1. Mandatory company retirement savings plan (PERO)

Mr François Jackow continued to benefit in 2024 from the supplementary defined-contribution pension plan (from which he benefited previously as an employee, then as Chief Executive Officer from his appointment in 2022) applicable to all employees and Company Officers duly authorized to benefit from that plan.

This plan is financed by contributions paid equally by the employer and the beneficiary on the portion of remuneration not exceeding eight times the annual social security limit (PASS).

These contributions are assessed on bracket 1 (e.g. bracket A) (the portion of remuneration that is less than one PASS) at a rate of 2.30%, and on bracket 2 (e.g. brackets B and C) (those portions of remuneration amounting, respectively, to between one PASS and eight times the PASS) at a rate of 6.45%, and are distributed in the following manner: 50% borne by the Company and 50% borne by the beneficiary.

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(1) *For informational purposes.*
(2) *ESRS 2 GOV-3 § 29 (a).*
(3) *ESRS 2 GOV-3 § 29 (e).*
(4) *ESRS 2 GOV-3 § 29 (b), ESRS E1 GOV-3 § 13 and ESRS 2 GOV-3 § 27.*
(5) *See definition of scopes and methodology for calculating scopes in paragraph 2.2. of the Sustainability Statement of this Universal Registration Document – pages 300 to 319.*
(6) *I.e. 10% of the actual remuneration of the Chief Executive Officer, in respect of the allocation of LTI 2022, related to climate considerations (ESRS E1 GOV-3 § 13).*

Furthermore, they are deductible from the corporate income tax base, are subject to the social levy at the rate of 16%, and are excluded from the basis for assessment of the social security contributions, within the limit of the higher of the following two values: 5% of the PASS or 5% of the remuneration taken into account within the limit of five times the PASS.

For information purposes, the contributions paid by the Company in 2024 to the third party responsible for managing the aforementioned supplementary defined contribution pension plan, in favor of Mr François Jackow, amounted to 11,001 euros.

Mr François Jackow's pension entitlements under this plan:

- may be applied for, at the earliest, when he has claimed his pension entitlements under the French general social security scheme;
- are estimated, as at December 31, 2024 at 18,502 euros gross per year. This amount takes into account the contributions paid by the Company for the benefit of Mr François Jackow in his capacity as an employee and then as Chief Executive Officer.

2. "Senior executive" defined contribution pension plan

Pursuant to articles L. 911-1 and L. 911-2 of the French Social Security Code, and in accordance with article L. 242-1, paragraphs 6 and 7 of the same Code, L'Air Liquide S.A. set up a defined contribution pension plan for the benefit of the senior executives, defined by reference to a collective bargaining agreement coefficient, and of corporate officers who have at least one year's length of service.

In 2024, Mr François Jackow continued to benefit from this defined contribution pension plan (from which he had already benefited as a senior executive, then as Chief Executive Officer since 2022).

For information purposes, the contributions paid by the Company in 2024 to Mr François Jackow amounted to 10,015 euros.

Mr François Jackow's pension entitlements under this defined contribution plan implemented for the benefit of senior executives:

- may be applied for, at the earliest, when he has claimed his pension entitlements under the French general social security scheme;
- are financed by annual contributions paid in their entirety by the Company. These contributions were set at 2.7% of the portion of remuneration that is lower than eight times the PASS. Furthermore, they are subject to the same tax and social security treatment as those paid under the PERO set up for the benefit of all the staff (see above);
- are estimated, as at December 31, 2024 at 40,890 euros gross per year.

3. Collective pension insurance contract with individual and optional subscription

In 2024, Mr François Jackow continued to benefit from a collective pension insurance contract with individual and optional subscription (known as "article 82 of the French Tax Code") for the portion of his Reference remuneration [fixed portion + target variable portion] exceeding eight PASS. This collective pension insurance contract replaces the supplementary pension plan applicable under certain conditions to the Group's senior executives but not applicable to corporate officers, and from which Mr François Jackow benefited prior to his appointment as Chief Executive Officer.

Application of this mechanism to the Chief Executive Officer was determined taking into account the overall balance of his remuneration and the market conditions, and for the Company represents, for the same efficiency for the beneficiary, 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.

In this scheme, the amount paid by the Company is split between a payment to the insurer and a payment to Mr François Jackow intended to cover the social security contributions and taxes due on the payments made to the insurer. This amount is paid in arrears every year after recording the performance conditions associated with this pension plan, for the period until the end of the executive office. These contributions are deductible from the corporate income tax base and are subject to social security contributions.

Mr François Jackow cannot apply for the entitlements under this pension insurance contract in the form of capital and/or life annuity before the age at which he becomes entitled to claim his pension entitlements under the French general social security scheme.

This supplementary pension plan for the fraction of remuneration exceeding eight PASS is entirely subject to performance conditions. The gross annual amount of payments is approximately 14.20% of the target annual fixed and variable remuneration for 2024, subject to the achievement of performance conditions: the total amount to be paid in respect of a fiscal year depends on the average annual difference (measured on each fiscal year) between the after-tax Return on Capital Employed (ROCE [(1)]) and the Weighted Average Cost of Capital (WACC) (measured on the basis of the book value of equity), calculated (on the basis of the Consolidated Financial Statements certified and approved by the General Meeting) over the last three fiscal years preceding the said fiscal year.

The performance coefficient applied to the nominal amount pursuant to the collective pension insurance contract will be determined as shown in the table below, with a growth of the increase per linear segments between each of the thresholds between 100 bps and 300 bps inclusive:

Average of the annual gaps (ROCE – WACC) over three years in bps [(a)]	Performance coefficient applied to the nominal amount
≥ 300	100%
250	66%
200	50%
100	25%
< 100	0%

(a) bps: basis points.

(1) *In application of the policy approved by the General Meeting of April 30, 2024, this is the recurring ROCE "excluding major acquisitions", i.e. acquisitions representing more than 5% of capital employed.*

Compliance with the conditions set forth above is verified on an annual basis, before the Ordinary General Meeting convened to approve the financial statements for the last completed fiscal year, by the Board of Directors.

In respect of 2024, the Board of Directors on February 20, 2025 took note of the 100% achievement of the performance conditions. Accordingly, the amount to be paid in 2025 in respect of the 2024 fiscal year under the pension scheme with individual and optional subscription, will amount overall to 378,024 euros (split, in accordance with the remuneration policy approved by the General Meeting of April 30, 2024, between a payment of 189,012 euros (gross) to the insurer in the form of an insurance premium, and a payment of 189,012 euros (gross) to Mr François Jackow intended to cover the social security contributions and taxes due on the payments made to the insurer).

Consequently, in respect of this fiscal year, as part of the collective pension insurance contract with individual and optional subscription:

- the total amount paid corresponds to around 14.20% of the target annual fixed and variable remuneration for 2024;
- in the event of a conversion of the capital paid to the insurer into a life annuity, Mr François Jackow's rights under this scheme are estimated, as at December 31, 2024, and including the payment to be made in 2025 in respect of the 2024 fiscal year, at 18,431 euros gross per year.

B. Commitments relating to termination of duties

The commitments related to the termination of duties granted to Mr François Jackow since his appointment as Chief Executive Officer on June 1, 2022, continued in the 2024 fiscal year. The mechanisms described below were included in the remuneration policy for the Chief Executive Officer decided by the Board of Directors on February 19, 2024 and approved by the General Meeting of April 30, 2024 (11th resolution).

1. Termination indemnity

Mr François Jackow, who unilaterally terminated his employment contract as of his appointment as Chief Executive Officer, benefits from a termination indemnity, subject to very strict triggering conditions.

The main terms of the termination indemnity applicable to Mr François Jackow are as follows:

- only 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 24 months of annual gross fixed and variable remuneration actually paid (24 months of fixed remuneration + last two annual variable remuneration amounts actually paid) on the date of termination of his duties (subject to the exceptions described below and in paragraph B.2). As an exception to this rule, in the event of departure during the course of the 2024 fiscal year, for the calculation of the indemnity of 24 months of fixed and variable remuneration, the following will be taken into account: 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 the event of a forced departure in the 24 months preceding the date of departure due to the age limit set by the articles of association, the amount of the indemnity due will be capped at the number of months' gross remuneration separating the date of forced departure from the date when he reaches such age limit; 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, the proportion of the indemnity due decreasing depending on the rate of achievement of such conditions (see below for details of the performance conditions).

Performance conditions applicable to the termination indemnity

The payment of the termination indemnity concerning Mr François Jackow is subject to compliance, duly acknowledged by the Board of Directors at the time of or subsequent to the termination of his duties, with conditions related to the beneficiary's performance assessed in light of the Company's performance, defined as of today as follows:

Entitlement to the indemnity referred to above shall depend on, and the amount of the indemnity paid will be adjusted on the basis of, the average of the annual gap (measured on each fiscal year) between the Return on Capital Employed after tax (ROCE) and the Weighted Average Cost of Capital (WACC) (measured on the basis of the book value of equity), calculated (on the basis of the certified Consolidated Financial Statements, approved by the General Meeting) with respect to the last three fiscal years prior to the fiscal year during which the departure occurs.

Given the fundamental importance, in the highly capital-intensive industrial gas industry, of the management and control of investment processes, this gap makes it possible to measure the regular creation of value over the three years prior to the departure.

The proportion of the indemnity due will be established as indicated in the table below, with an increase in the indemnity by straight-line segments between each of the thresholds between 100 bps and 300 bps inclusive:

Average of the annual gaps (ROCE – WACC) over three years in bps [a]	Proportion of indemnity due
≥ 300	100%
250	66%
200	50%
100	25%
< 100	0%

(a) bps: basis points.

2. Indemnity relating to a non-competition commitment

As Chief Executive Officer, Mr François Jackow benefits from a non-competition indemnity in exchange for his commitment not to serve, directly or indirectly, a business competing with that of the Group, for a period of two years from the date of termination of his term of office.

This mechanism was put in place in 2022, when Mr François Jackow was appointed Chief Executive Officer, in order to protect the Company's legitimate interests.

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.

3. Unemployment insurance for company managers and corporate officers

As a Company Officer and in view of the fact that he decided to terminate his employment contract as from his appointment as Chief Executive Officer, Mr François Jackow benefits from the unemployment insurance for company managers and corporate officers taken out by the Company.

The contributions paid by the Company under this scheme are included in Mr François Jackow's remuneration as benefits in kind.

TABLE 8 (SEE PAGE 182), TABLE 9 (SEE PAGE 183) AND TABLE 10 (SEE PAGE 185)

TABLE 11

The table shown below presents a summary of the commitments relating to the termination of the duties of the Executive Officer, as set out above.

Executive Officer	Employment contract	Supplementary pension plan (see details above)	Indemnities or benefits due or that may be due on termination or a change of duties (see details above)	Indemnity relating to a non-compete clause
François Jackow Chief Executive Officer Start date of term of office: 2022 End date of term of office: May 2026	NO	Collective pension insurance contract with individual and optional subscription: YES Mandatory company pension savings plan (formerly defined contribution pension plan): YES Defined contribution pension plan for senior managers and executives: YES	Termination indemnity: YES ■ Applicable in the event of a forced departure related to a change of strategy or control; ■ Maximum amount of 24 months of gross fixed and variable remuneration; ■ Subject to performance conditions; ■ Reduction as he approaches the age limit in the articles of association, exclusion if the beneficiary claims his pension entitlements on the date of forced departure.	YES ■ Amount equal to one year of gross annual fixed and variable remuneration; ■ Cumulative termination indemnity and non-competition indemnity capped at 24 months of gross annual fixed and variable remuneration at the date of termination of duties; ■ Exclusion if the person concerned claims his/her pension rights. No indemnity may be paid beyond the age of 65; ■ The Board of Directors reserves the right to waive all or part of the non-competition commitment upon the departure of the Chief Executive Officer.

N.B.: The stock options and the performance shares are lost in the event of a resignation or removal from office for serious cause during the vesting period. In other cases of departure, the proration principle applies depending on the Executive Officer's actual presence in the Group during the period of assessment of the performance conditions (see page 149).

2.2. REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The gross annual remuneration before tax of the Chairman of the Board of Directors [(1)], including benefits in kind, is indicated in Table 2 below:

TABLE 2. SUMMARY OF THE REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

	For information, reminder of previous years: 2023		2024	
(in thousands of euros, rounded off)	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Benoît Potier – Chairman of the Board [(a)]				
Fixed remuneration	800	800	800	800
including remuneration in respect of his term of office as Director	—	—	—	—
Variable annual remuneration	—	—	—	—
Benefits in kind	3	3	3	3
TOTAL	**803**	**803**	**803**	**803**

(a) During the 2024 fiscal year, the Company also paid contributions to external organizations for the benefit of Mr Benoît Potier (in his capacity as Chairman of the Board of Directors) in respect of the collective death and disability benefits plan (death benefits) (8,438 euros). This plan is detailed below.

Pursuant to the provisions of the AFEP/MEDEF Code (article 26-2) and in accordance with the policy approved by the General Meeting of April 30, 2024, the Chairman under the separate governance mode was awarded only fixed remuneration, excluding any variable remuneration, LTI or any exceptional remuneration.

2.2.1. Fixed remuneration

The fixed remuneration takes into account in particular the specific role of the Chairman of the Board of Directors in the context of managerial succession and the missions that the Board of Directors wished to entrust to Mr Benoît Potier for the duration of the transition in order to benefit from his experience, in-depth knowledge of the Group and its businesses, its Shareholders and stakeholders and its strategic challenges.

In accordance with the policy approved by the General Meeting of April 30, 2024, the amount of the 2024 annual fixed remuneration of Mr Benoît Potier amounts to 800,000 euros.

2.2.2. Other components of annual remuneration

Mr Benoît Potier exercised his rights to a mandatory pension as from the end of his duties as Chief Executive Officer in 2022, as well as his vested rights under the various supplementary pension schemes set up within the Company. Moreover, no payments were made by the Company in 2024 either under the collective pension insurance contract with individual and optional subscription, or under the life insurance contract (the last remaining payments were made in 2023).

Death and disability benefits plan

In 2024, Mr Benoît Potier continued to benefit from the supplementary "incapacity, invalidity, death" benefits plan, unified as from January 1, 2015, covering all personnel and corporate officers who are duly authorized to benefit from such scheme, solely for the death benefit component. This system was incorporated into the 2024 remuneration policy for the Chairman of the Board of Directors by decision of the Board of Directors of February 19, 2024, which was approved by the General Meeting of April 30, 2024 (12th resolution).

This unified pension plan provides, in particular, for life insurance:

- the granting to beneficiaries of a death benefit, the maximum amount of which is set at 120 times the PASS in the event of an accident.

The life insurance contract entered into with the insurer specifies the limits of the benefits for the same insured party:

- full coverage by the Company of contributions calculated as a percentage of the Reference Remuneration, which is capped at 24 times the PASS for the death benefit.

The contribution rate for 2024 amounts to 1.07% of the Reference Remuneration up to 16 PASS and to 0.82% between 16 and 24 PASS. These contributions are deductible from the corporate income tax base, are subject to the social levy at a rate of 8%, and are excluded from the basis for assessment of the social security contributions, within the limit of an amount equal to the sum of 6% of the PASS and 1.5% of the remuneration taken into account within the limit of 12% of the PASS.

The contribution paid by L'Air Liquide S.A. in 2024 in respect of the death and disability benefits plan (death benefits) for Mr Benoît Potier amounted to 8,438 euros and this amount is also disclosed in the notes to Table 2 above.

Benefits in kind

The Chairman of the Board of Directors has a company car as a benefit in kind.

2.2.3. Options and performance shares previously granted to Mr Benoît Potier in respect of his previous term of office as Chairman and CEO

Pursuant to the provisions of the AFEP/MEDEF Code, due to the end of his term of office as Chairman and CEO in 2022, **Mr Benoît Potier no longer benefits from LTI allocations**.

It should be noted that, in agreement with Mr Benoît Potier and in accordance with best governance practices, the Board, at its meeting of February 15, 2022, had decided to apply the **proration principle** to Mr Benoît Potier on the occasion of the termination of his term of office as Chairman and CEO on May 31, 2022. The **LTI granted to Mr Benoît Potier in 2021** (last grant of which he was a beneficiary) were prorated (as for the 2020 grant), the definitive grant being thus reduced by -52.9%.

(1) The Chairman of the Board of Directors does not receive any remuneration from Group companies other than L'Air Liquide S.A.

Mr Benoît Potier remains subject to the shareholding and share ownership obligations for shares and options resulting from plans prior to 2022, awarded to him in his previous capacity as Chairman and CEO, and remains bound by the other rules applicable to Company Officers relating in particular to hedging transactions.

Shareholding obligation pursuant to the French Commercial Code

The shareholding obligations defined by the Board of Directors in accordance with articles L. 225-185 and L. 225-197-1 of the French Commercial Code continue to apply to Mr Benoît Potier, for subscription options and performance shares granted to him in respect of his previous term of office as Chairman and CEO from September 28, 2015 until the 2021 performance share plan.

Furthermore, the previous obligations to hold shares resulting from the exercise of stock options, decided by the Board of Directors on May 9, 2007, which apply with effect from the grant of stock options on May 9, 2007 for Mr Benoît Potier, remain in force with regard to the relevant stock option plans, up until the September 22, 2014 stock option plan inclusive.

The application of this rule was reported to the Board of Directors on February 20, 2025.

Additional share ownership obligation – Recommendation made by the AFEP/MEDEF Code

Mr Benoît Potier also continues to be subject to the shareholding rule defined by the Board of Directors for Company Officers, in accordance with an internal regulation defined by the Board of February 15, 2022, extending the rule established by the Board since 2008, according to which the Chairman of the Board of Directors must hold in registered form a number of shares equivalent to twice his gross annual fixed remuneration. This obligation will remain in force until it is exceeded by the effect of the rules resulting from the French Commercial Code. The number of shares required to be held is assessed as at January 1 and July 1 of each year. The Board noted that the valuation of the shares held by Mr Benoît Potier as at January 1 and July 1, 2024 was much greater than the amount required and concluded that the shareholding obligation was complied with by the Company Officer.

Other rules applicable to the Company Officers

- Restriction on the exercise of stock options and the transfer of performance shares during the "black-out periods" prior to the publication of the financial statements. These abstention periods open 30 days before the announcement of the annual and half-year consolidated results and 15 calendar days prior to the publication of the quarterly financial information. They end on the date of publication of the information at close of business.
- Commitment not to carry out hedging transactions with regard to the risk concerning the performance shares awarded/shares arising from the exercise of options, throughout the length of their term of office. Mr Benoît Potier remains bound by this commitment for the subscription options and performance shares granted to him under his previous term of office as Chairman and CEO, i.e. until the 2021 performance share plan inclusive.

TABLE 6. PERFORMANCE SHARES GRANTED DURING THE 2024 FISCAL YEAR TO THE CHAIRMAN OF THE BOARD OF DIRECTORS

Not applicable (no performance shares granted in 2024).

Options exercised/remaining to be exercised in 2024 by the Chairman of the Board of Directors – Performance shares that became available in 2024

TABLE 4. OPTIONS GRANTED DURING THE FISCAL YEAR TO THE CHAIRMAN OF THE BOARD OF DIRECTORS

Not applicable (no stock options granted in 2024).

TABLE 5. STOCK OPTIONS EXERCISED DURING THE 2024 FISCAL YEAR BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

	Plan grant date	Number of options exercised during the fiscal year	Exercise price [(a)] *(in euros)*
Benoît Potier	2014	64,412	70.42
	2014	35,000	70.42

(a) Exercise price on the date of exercise.

TOTAL ADJUSTED OPTIONS REMAINING TO BE EXERCISED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS AS AT DECEMBER 31, 2024

	Total number of outstanding adjusted options	Average price *(in euros)*
Benoît Potier	227,250	68.76

For more details on the adjusted number of stock options by plan, see table page 183.

TABLE 8 (SEE PAGE 182) AND TABLE 10 (SEE PAGE 185) [(1)]

(1) For informational purposes.

2.3. REMUNERATION RATIOS – ANNUAL CHANGE IN REMUNERATION, PERFORMANCE AND RATIOS

Pursuant to article L. 22-10-9 of the French Commercial Code, the ratios between the level of remuneration of the Chief Executive Officer, Chairman of the Board of Directors (and of the Chairman and CEO for the period of exercise of this mandate) and the average and median remunerations [(1)] of L'Air Liquide S.A.'s employees are disclosed below, as well as, where applicable, their annual change and the change in the Company's performances and in the average remuneration of the Company's employees over the five most recent fiscal years. To take into account the comments of certain investors along with the AMF and the Haut Comité de gouvernement d'entreprise (French High Committee on corporate governance), the following table includes a comparison (since the 2021 Universal Registration Document) with the "whole of France" consolidated scope. This scope represents more than 95% of the employees present in France.

It should be noted that in order to comply with the spirit of the AFEP guidelines, to allow a relevant comparison with employees, and ensure continuity in the information communicated in successive Universal Registration Documents, the remuneration in respect of the 2022 fiscal year of the Chairman and CEO (who held these positions until May 31, 2022), as well as of the Chief Executive Officer and the Chairman of the Board of Directors (who held these positions from June 1, 2022) have been annualized.

REMUNERATION RATIOS [(a)]

Chairman and Chief Executive Officer (Benoît Potier, from May 10, 2006 to May 31, 2022)	**2019**	**2020 [(g)]**	**2021 [(g)]**	**2022 [(e) (g)]**	**2023**	**2024**
Remuneration ratio compared to the Company employees average [(d)]	50	40	40	29	N/A	N/A
N/N-1 change in %	*0.0%*	*-20.0%*	*-1.4%*	*-27.1%*	*N/A*	*N/A*
Remuneration ratio compared to the Company employees median [(d)]	73	57	58	42	N/A	N/A
N/N-1 change in %	*0.0%*	*-21.9%*	*0.4%*	*-26.3%*	*N/A*	*N/A*
Remuneration ratio compared to the Group employees average in France [(f)]	95	76	77	59	N/A	N/A
N/N-1 change in %	*N/A*	*-20.0%*	*1.7%*	*-24.2%*	*N/A*	*N/A*

Chief Executive Officer (François Jackow)	**2019**	**2020**	**2021**	**2022 [(e) (h)]**	**2023 [(b)]**	**2024 [(c)]**
Remuneration ratio compared to the Company employees average [(d)]	N/A	N/A	N/A	34	32	34
N/N-1 change in %	*N/A*	*N/A*	*N/A*	*N/A*	*-5.2%*	*5.1%*
Remuneration ratio compared to the Company employees median [(d)]	N/A	N/A	N/A	50	45	48
N/N-1 change in %	*N/A*	*N/A*	*N/A*	*N/A*	*-9.1%*	*6.8%*
Remuneration ratio compared to the Group employees average in France [(f)]	N/A	N/A	N/A	68	64	64
N/N-1 change in %	*N/A*	*N/A*	*N/A*	*N/A*	*-7.1%*	*1.1%*

Chairman of the Board (Benoît Potier)	**2019**	**2020**	**2021**	**2022 [(e)]**	**2023 [(b) (c)]**	**2024 [(c)]**
Remuneration ratio compared to the Company employees average [(d)]	N/A	N/A	N/A	6	6	6
N/N-1 change in %	*N/A*	*N/A*	*N/A*	*N/A*	*0.0%*	*-0.5%*
Remuneration ratio compared to the Company employees median [(d)]	N/A	N/A	N/A	9	9	9
N/N-1 change in %	*N/A*	*N/A*	*N/A*	*N/A*	*0.0%*	*1.0%*
Remuneration ratio compared to the Group employees average in France [(f)]	N/A	N/A	N/A	13	12	11
N/N-1 change in %	*N/A*	*N/A*	*N/A*	*N/A*	*-7.7%*	*-8.3%*

(a) *Per the AFEP guidelines, the remuneration is presented in respect of the year in question.*
The remuneration taken into account includes:
For Company Officers and employees:
Base salary, variable remuneration in respect of the year (paid in year N+1), benefits in kind, attribution of performance shares/stock options valued in accordance with IFRS at their attribution date. For the Company Officers, these elements and the corresponding amounts due or awarded in respect of 2024 are contained on pages 162 to 167 and 171 of the Universal Registration Document.
The following items are excluded from the remuneration:
For employees:
Individual bonuses (seniority bonuses, study bursary, vacation, accommodation, transportation, etc.), profit-sharing bonus, incentives, and employer's contribution on profit-sharing/incentives.
For Company Officers and employees, post-employment benefits, and notably the pension and similar commitments have not been taken into account in the calculations. For the Chief Executive Officer, these elements are presented on pages 168 to 170. The only amount that will be paid directly to Mr François Jackow in 2025 in respect of 2024 relates to the collective pension insurance contract. This amount stands at 189,012 euros and is intended to cover the social security contributions and taxes due on the payments made to the insurer pursuant to the collective pension insurance contract. Taking this amount into consideration, the ratios for 2024 for the Company amount to 35 (remuneration ratio compared to the employees average) and 50 (remuneration ratio compared to the employees median), and to 67 for the whole of France scope (remuneration ratio compared to the employees average in France), i.e. a low impact.

(1) *On a full-time equivalent basis.*

(b) The data for 2023, which had been presented as an estimate, based on the nominal/target variable component in the 2023 Universal Registration Document, has been updated.
(c) The data for 2024 are presented as an estimate, based on the nominal/target variable component (value of variable components in respect of 2024 not known for the entire scope of the Company at the date of publication). The final ratios based on the variable remunerations paid in respect of 2024 will be published in the 2025 Universal Registration Document.
(d) L'Air Liquide S.A. is the listed company, which has more than 1,000 employees (Head Office, R&D, Innovation, and European Projects). The calculation takes into account employees continuously in post over two consecutive years from 2019 to 2024.
(e) On an annual basis.
(f) The scope of the Group in France represents more than 95% of the Group's employees present in France (representing more than 12,000 employees). The calculation takes into account employees continuously in post over two consecutive years from 2019 to 2024.
(g) The ratios are presented after taking into account the proration of LTI grants under the 2020 and 2021 plans for Mr Benoît Potier and the absence of grant for Mr Benoît Potier since 2022 (year of departure).
(h) Allocation of LTI to the Chief Executive Officer on an annualized basis in 2022.

COMPARATIVE CHANGES IN REMUNERATION [1] AND PERFORMANCES

						CAGR [e] 5 years
	2020/2019	2021/2020	2022/2021 [a]	2023/2022 [a] [b]	2024/2023 [b] [c]	2019-2024 [b] [c]
Chief Executive Officer	N/A	N/A	N/A	-5.6%	6.0%	N/A
Chairman of the Board of Directors	N/A	N/A	N/A	0.0%	0.0%	N/A
Chairman and CEO	-18.5% [g]	-0.4% [g]	-22.0% [g]	N/A	N/A	N/A
Company employee average	1.9%	1.9%	6.9%	0.0%	3.0%	3.5%

						CAGR [e] 5 years
	2020/2019	2021/2020	2022/2021	2023/2022	2024/2023	2019-2024
Published growth in revenue	-6.5%	13.9%	28.3%	-7.8%	-2.0%	4.3%
Comparable growth in revenue [d]	-1.3%	8.2%	7.0%	3.7%	2.6%	N/A
Published growth in net profit (Group share)	8.6%	5.6%	7.3%	11.6%	7.4%	8.1%
Growth in net profit recurring (Group share) [f]	1.5%	9.9%	22.9%	5.0%	4.4%	9.1%

(a) On an annual basis for 2022.
(b) The data for 2023, which had been presented as an estimate, based on the nominal/target variable component in the 2023 Universal Registration Document, has been updated.
(c) The data for 2024 is presented as an estimate, based on the nominal/target variable component (value of variable components in respect of 2024 not known for the entire scope of the Company at the date of publication).
(d) See page 64 of this 2024 Universal Registration Document.
(e) CAGR: Compound Annual Growth Rate.
(f) See page 64 of this 2024 Universal Registration Document and reconciliations respectively on page 61 of the 2019 Universal Reference Document, page 57 of the 2020 Universal Registration Document, page 58 of the 2021 Universal Registration Document, page 62 of the 2022 Universal Registration Document and page 62 of the 2023 Universal Registration Document.
(g) The ratios are presented after taking into account the proration of LTI grants under the 2020 and 2021 plans for Mr Benoît Potier and the absence of grant for Mr Benoît Potier since 2022 (year of departure).

3. Remuneration of the non-executive Directors (including information mentioned in article L. 22-10-9 I of the French Commercial Code)

The remuneration referred to below is paid to the non-executive Directors pursuant to article L. 22-10-14 of the French Commercial Code. Remuneration of non-Executive Directors in respect of the 2024 fiscal year was calculated according to the remuneration policy approved by the General Meeting on April 30, 2024 (13th resolution) and outlined in the 2023 Universal Registration Document (see pages 210 and 211 of the document for these Directors).

(1) See definition on the preceding page.

3.1. REMUNERATION IN RESPECT OF 2022, 2023 AND 2024

TABLE 3. REMUNERATION RECEIVED BY THE GROUP'S NON-EXECUTIVE AND NON-EMPLOYEE CORPORATE OFFICERS

(in euros)	Amounts paid in 2023 in respect of 2022	Amounts paid in 2024 in respect of 2023	Amounts paid in 2025 in respect of 2024
Jean-Paul Agon [(a) (b)] **Total**	**60,167**	**—**	**—**
% fixed remuneration	*44*	—	—
% variable remuneration	*56*	—	—
Siân Herbert-Jones [(c) (d)] **Total**	**90,000**	**28,833**	**—**
% fixed remuneration	*44*	*46*	—
% variable remuneration	*56*	*54*	—
Sin Leng Low [(b)] **Total**	**29,833**	**—**	**—**
% fixed remuneration	*28*	—	—
% variable remuneration	*72*	—	—
Annette Winkler [(e)] **Total**	**136,500**	**130,500**	**145,500**
% fixed remuneration	*29*	*31*	*27*
% variable remuneration	*71*	*69*	*73*
Geneviève Berger [(d)] **Total**	**83,500**	**29,833**	**—**
% fixed remuneration	*24*	*28*	—
% variable remuneration	*76*	*72*	—
Xavier Huillard [(f)] **Total**	**124,833**	**122,500**	**122,500**
% fixed remuneration	*43*	*49*	*49*
% variable remuneration	*57*	*51*	*51*
Anette Bronder [(g)] **Total**	**88,000**	**—**	**—**
% fixed remuneration	*23*	—	—
% variable remuneration	*77*	—	—
Kim Ann Mink **Total**	**91,000**	**101,000**	**111,000**
% fixed remuneration	*22*	*20*	*18*
% variable remuneration	*78*	*80*	*82*
Bertrand Dumazy **Total**	**61,000**	**83,500**	**97,000**
% fixed remuneration	*33*	*24*	*21*
% variable remuneration	*67*	*76*	*79*
Aiman Ezzat **Total**	**65,500**	**70,000**	**73,500**
% fixed remuneration	*31*	*29*	*27*
% variable remuneration	*69*	*71*	*73*
Monica de Virgiliis [(h)] **Total**	**—**	**49,333**	**74,500**
% fixed remuneration	—	*37*	*27*
% variable remuneration	—	*63*	*73*
Catherine Guillouard [(i) (j)] **Total**	**—**	**57,333**	**99,000**
% fixed remuneration	—	*49*	*40*
% variable remuneration	—	*51*	*60*
Christina Law [(i)] **Total**	**—**	**59,833**	**97,500**
% fixed remuneration	—	*22*	*21*
% variable remuneration	—	*78*	*79*
Alexis Perakis-Valat [(i)] **Total**	**—**	**29,833**	**47,500**
% fixed remuneration	—	*45*	*42*
% variable remuneration	—	*55*	*58*
Michael H. Thaman [(i)] **Total**	**—**	**59,833**	**87,500**
% fixed remuneration	—	*22*	*23*
% variable remuneration	—	*78*	*77*
TOTAL	**830,333**	**822,331**	**955,500**

(a) The indicated amounts include additional remuneration of 20,000 euros (calculated pro rata in 2022 for the period January to May 2022) for acting as Lead Director.
(b) Term of office ended on May 4, 2022.
(c) The indicated amounts include additional remuneration of 20,000 euros for acting as Chair of the Audit and Accounts Committee (calculated pro rata for the period January to May 2023).
(d) Term of office ended on May 3, 2023.
(e) The indicated amounts include additional remuneration of 20,000 euros for acting as Chair of the Environment and Society Committee since May 2020.
(f) The indicated amounts include additional remuneration of 20,000 euros for acting as Chair of the Remuneration Committee and additional remuneration of 20,000 euros (calculated pro rata for the period May to December 2022) for acting as Lead Director since May 2022.
(g) Term of office ended (by resignation) on January 3, 2023.
(h) Term of office started on February 15, 2023 following the co-option by the Board of Directors.
(i) Term of office started on May 3, 2023.
(j) The indicated amounts include additional remuneration of 20,000 euros for acting as Chair of the Audit and Accounts Committee (calculated pro rata for the period May to December 2023).

The non-executive Directors did not receive any remuneration other than that mentioned in the above table.

In accordance with the remuneration policy last approved by the General Meeting of April 30, 2024, the Chief Executive Officer and the Chairman of the Board of Directors did not receive any remuneration in respect of their office as Directors.

Within the scope of the agreement entered into with the various stakeholders and pursuant to the provisions in force at the Group, which apply to all employees who serve on the Boards of Directors of Group companies, it was agreed that the employee Directors would not receive any remuneration for their office as Director [(1)].

3.2. CRITERIA

The maximum amount of the sum to be allocated in total to the members of the Board of Directors was set by the General Meeting on April 30, 2024 at 1.5 million euros per fiscal year (14th resolution).

As per the remuneration policy approved by the General Meeting on April 30, 2024, the formula for allocating Directors' remuneration seeks to ensure pay is competitive with international peers to attract the best and most suitable talent and expertise, in accordance with the Board's diversity policy.

It comprises fixed remuneration and variable remuneration based on lump-sum amounts per meeting, thereby taking into account the actual participation of each Director in the work of the Board and its Committees/working group, as well as a fixed amount per trip for Directors traveling from abroad. The variable remuneration for participation at the Board and Committee meetings is more important than the fixed remuneration.

Remote participation in meetings is remunerated in the same way as face-to-face attendance in order to take into account the quality of the means of communication which allows members connecting by videoconference to participate in meetings and take part in discussions under qualitative conditions equivalent to physical meetings. While it does not alter the preference of the Board and its members to attend meetings in person where possible, it recognizes the advances in communication technologies.

For **2024**, the amounts used break down as follows:

3.2.1. Fixed remuneration (for an entire fiscal year)

- Each member receives annual fixed remuneration set at 20,000 euros.
- The Chairs of the Audit and Accounts Committee, the Appointments and Governance Committee, the Remuneration Committee and the Environment and Society Committee receive additional annual fixed remuneration of 20,000 euros.
- The Lead Director receives additional annual fixed remuneration of 20,000 euros.

3.2.2. Variable remuneration

Attendance at the various meetings is remunerated as follows:

■ a meeting of the Board of Directors	5,500 euros
■ a meeting of the Audit and Accounts Committee	4,500 euros
■ a meeting of the Appointments and Governance Committee	4,500 euros
■ a meeting of the Remuneration Committee	4,500 euros
■ a meeting of the Environment and Society Committee	4,500 euros
■ a joint session of the Audit Committee and the Environment and Society Committee	4,500 euros
■ a meeting of the "Shareholder Relations" Working Group	3,500 euros
■ one trip for a non-resident:	
– in Europe	3,000 euros
– Intercontinental	10,000 euros

Travel expenses incurred by non-French residents at the time of their trips to meetings are reimbursed by the Company.

(1) *Mr Philippe Dubrulle received remuneration pursuant to his employment contract with Air Liquide Advanced Technologies. Ms Fatima Tighlaline received remuneration pursuant to her employment contract with VitalAire.*

4. Elements of the 2024 remuneration of the Company Officers on which the General Meeting of May 6, 2025 is invited to vote (pursuant to article L. 22-10-34 II of the French Commercial Code)

4.1. ELEMENTS OF THE CHIEF EXECUTIVE OFFICER'S REMUNERATION FOR 2024

ELEMENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING OR AWARDED IN RESPECT OF THE 2024 FISCAL YEAR TO MR FRANÇOIS JACKOW AND ON WHICH THE GENERAL MEETING OF MAY 6, 2025 IS INVITED TO VOTE:

	Amounts in respect of the past fiscal year or accounting valuation	Comments
Fixed remuneration	**€ 1,210,000**	In accordance with the remuneration policy established by the Board of Directors on February 19, 2024 and approved by the General Meeting on April 30, 2024, the fixed remuneration for 2024, determined taking into account the level of responsibilities, experience in general management duties and market practices, amounted to **1,210,000 euros.**
Annual variable remuneration	**€ 1,608,211**	**Variable remuneration in respect of 2024:** The target variable remuneration is equal to 120% of the fixed remuneration. The variable remuneration is limited to 150% of the fixed remuneration. The target variable remuneration is linked in 2024: ■ for 84% of the fixed remuneration (with a maximum of 105% of the fixed remuneration), to two quantifiable financial criteria which are based on: (i) for 60% (a max. of 75%) of the fixed remuneration, an objective of an increase in recurring net earnings [a] excluding foreign exchange impact per share (hereinafter the "recurring EPS"); (ii) for 24% (a max. of 30%) of the fixed remuneration, an objective of comparable growth in consolidated revenue [b]. 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 main objectives of the 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. The achievement of each performance condition is assessed without any set-off between criteria. 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 hereafter; ■ for 36% of the fixed portion (with a maximum of 45%), to qualitative personal criteria related: (i) for one third, to Corporate Social Responsibility (hereinafter "CSR") (Safety and reliability: continue efforts to improve safety (frequency rate of accidents with lost time, road accidents and job-related accidents)/Rollout of action plans related to the Group's sustainability objectives; progress made on the various key indicators and alignment with the 2025 trajectory linked to these objectives); (ii) for one third, to the Organization/Human Resources (talent development, managerial succession plans, diversity policy); (iii) for one third, to individual performance (this criterion responds to the Board of Directors' desire to keep a part of the variable remuneration subject to the Board's assessment, in order to take account of the unpredictability of the environment. This may be beneficial to the Executive Officer, if the Company is facing an unfavorable environment which was not anticipated at the time the objectives were set, or disadvantageous if the environment ultimately turns out to be more favorable than anticipated.)

(a) Excluding significant and exceptional transactions that do not impact the operating income recurring. The calculation is based on the 2024 recurring net profit (Group share) excluding the foreign exchange impact (compared to 2023).
(b) Excluding significant scope impact, foreign exchange impact and energy.

	Amounts in respect of the past fiscal year or accounting valuation	Comments
		Assessment for 2024: The quantifiable criteria objectives were achieved at 107%. The amount of the variable remuneration relating to the financial criteria is as follows: ■ **Recurring EPS:** 69.8% of the fixed remuneration, representing 116.3% of the target remuneration for this criterion; ■ **Revenue:** 20.2% of the fixed remuneration, representing 84.0% of the target remuneration for this criterion. The amount of the variable remuneration relating to the qualitative criteria is as follows: ■ **CSR:** 13.0% of the fixed remuneration, representing 108.3% of the target remuneration for this criterion; ■ **Organization/Human Resources:** 15.0% of the fixed remuneration, representing 125.0% of the target remuneration for this criterion; ■ **Individual performance:** 15.0% of the fixed remuneration, representing 125.0% of the target remuneration for this criterion. The amount of the variable remuneration relating to the personal objectives is thus 43.0% of the fixed remuneration, representing 119.4% of the target remuneration for the personal objectives. The Board of Directors noted the following elements: **CSR:** Performance was considered very good: ■ **Safety and reliability:** In 2024, the number of lost time accidents for employees decreased very significantly (85 versus 128 in 2023). This is a historically low level, even lower than in 2020 (the COVID year). The lost-time accident frequency rate for employees was 0.65 in 2024, well below the 2023 level (0.98) and the 2020 level (0.87). This 2024 frequency rate is the lowest ever achieved by the Air Liquide Group. The trend was similar for subcontractors, with an -21% decrease in lost-time accidents compared to 2023. The frequency rate was 1.09 in 2024, compared with 1.25 in 2023. This is the best performance ever achieved by the Group for this category. 60 fewer people (employees and subcontractors) were injured in 2024 compared to 2023. However, 2024 was marked by the deaths of a driver (an Air Liquide employee in the Dominican Republic) in a road accident, and two subcontractors, one due to a fall from height while working in Poland and the other following the explosion of a gas cylinder in Brazil. Each accident was reviewed by the Executive Committee, and the lessons learned were rolled out with the strong support of François Jackow. François Jackow actively participated in safety actions in the continuity of previously initiated programs, based on the IMS (Industrial Management System). He supervised key programs related to process safety (such as improving the compliance of flat-bottom storage facilities or facilities for unscrewing cylinder valves) and supported the Group Road Safety program. The 2023 initiatives were continued: more than 4,000 sites organized a workshop on the 24 major safety risks, and more than 15 awareness-raising videos were broadcast to the entire Group. These initiatives, strongly supported by François Jackow, will continue in 2025.

	Amounts in respect of the past fiscal year or accounting valuation	Comments
		■ **Rollout of action plans relating to the Group's sustainability objectives; Progress made on the various key indicators and alignment with the 2025 trajectory linked to these objectives** The Group is continuing its efforts in terms of sustainability, with multi-level supervision and the personal involvement of François Jackow: – an internal governance committee, under the leadership of the Chief Executive Officer, validates the strategic orientations in terms of sustainable development. It has notably reviewed the following topics in 2024: Group Climate Transition Plan (published in September 2024), structure and main orientations of CSRD reporting and scope of this reporting, validation of certain options concerning the Group's Scope 3 reporting, avoided emissions (definition of work axes to strengthen the concept and its quantification for the Group), environmental attributes of products sold by the Group. – The Resources and Investment Committees (RICs) include, as part of the validation of investment decisions in each region, the criterion of CO_2 emissions by defining the “Carbon Footprints” associated with each project (evolution, 5 years after the decision is taken, in CO_2 emissions related to the assets in question). – Annual decarbonization reviews were held with each Cluster to monitor the progress of their carbon trajectory, in line with the Group's objectives: inflection point for CO_2 emissions in absolute value “around 2025”, 33% decrease by 2035 compared to 2020. – The Executive Committee regularly reviews the action plans associated with the Group's diversity and carbon trajectory objectives, and the progress of the CSRD project. A dedicated working group has taken ownership of the new CSRD extra-financial reporting framework. As this is the first year of implementation of this new regulation, the Chief Executive Officer has been heavily involved in the reflection and decision-making process regarding the scope of extra-financial reporting. All key indicators related to the Group's sustainable development objectives within the framework of the Advance plan are progressing in 2024: CO_2 emissions are down by about 11% compared to 2020, ahead of the target (-33% targeted between 2035 and 2020); carbon intensity is down 41% at the end of 2024 compared to 2015 (target of -30%); the rate of implementation of water management plans for our most water-intensive units located in areas of high water stress reached 47% at the end of 2024 (35 sites out of 75); the percentage of women among executives and managers increased by 1% in 2024 to 33.1%; the Common Care Coverage (health coverage, insurance and maternity leave) and Citizen at Work (possibility given to Group employees to contribute, during their working time, to projects benefiting their local communities) programs cover 100% and 87% of the Group's employees respectively at the end of 2024.

	Amounts in respect of the past fiscal year or accounting valuation	Comments
		Organization and Human Resources: Performance was considered excellent: This assessment is based on three elements: Management succession plans and Group transformation, Talents development, Diversity and inclusion policy. ■ **Management succession plans and Group transformation** François Jackow launched a multi-year transformation program to simplify and improve the efficiency of the organization. 30 project meetings of the management team were held in his presence in 2024. This work has already resulted in the implementation of several changes, with a reduction in hierarchical levels, a simplified structure (Operations and Functions interacting directly) and the creation of a single, global Group Industrial Direction. Governance was adjusted by François Jackow on September 1, 2024 to reflect the changes in the organization. Within the Executive Committee, Émilie Mouren-Renouard now supervises the Clusters in Europe, Africa, the Middle East and India. Armelle Levieux's scope has been expanded to include Engineering and Construction. Adam Peters (Chief Executive Officer, Air Liquide North America) was appointed to the Executive Committee on May 1, 2024. David Prinselaar joined the Executive Committee on December 2, 2024 as Group Industrial Director. These changes made it possible to support the succession, in 2024, of Michael J. Graff, Group Executive Vice-President, and Pascal Vinet, previously in charge of the Group Industrial Direction, the Group Safety and Security function and the Industrial Merchant World Business Line. François Jackow decided to set up a plan to adapt the corporate culture to accompany the structural transformation, with a diagnosis and definition of key performance behaviors. He thus demonstrated his comprehensive vision of a transformation towards growth and performance, by capitalizing on the Group's existing strengths while driving the transformations to sustainably achieve the Group's ambitions. ■ **Talents development** François Jackow has maintained his commitment to developing the Group's talents, with regular reviews with Operations. They have enabled a detailed review of international talents, international development opportunities, succession plans and the appointment of Technical Talents (TCL "Technical Community Leaders" program). The performance evaluation process has been reviewed to include diversity and prepare new generations of leaders. ■ **Diversity and inclusion policy** Convinced that diversity drives performance, François Jackow put this subject on the agenda of a one-day Executive Committee meeting. A detailed review of the diversity plans for each region was conducted. This comprehensive review of the action plans under his leadership demonstrates the management team's commitment in this area. During his travels within the Group, François Jackow actively promotes the importance and value of an ambitious inclusion and diversity policy. He communicates regularly on the subject and, on International Women's Day, reaffirmed to the entire organization the importance of the Group's commitments to diversity. Such proactive policy is reflected in the diversity achieved within the Executive Committee, Air Liquide's leadership and high-potential employees. Inclusion is a strong point highlighted by employees in internal engagement surveys. **Individual performance:** The Chief Executive Officer's individual performance is considered excellent. The Board acknowledged that, in a subdued macroeconomic context and an uncertain environment, François Jackow succeeded in steering the Group and motivating the entire organization to deliver a very solid performance, both financially and extra-financially. In total, the amount of the variable part of the remuneration is above the target and amounts to 1,608,211 euros. The total amount of the variable remuneration due for the 2024 fiscal year will be paid in 2025, 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 components of remuneration paid during or awarded in respect of the 2024 fiscal year to Mr François Jackow, as Chief Executive Officer.
There is no deferred variable annual remuneration mechanism, multi-annual variable remuneration mechanism or exceptional remuneration.		

	Amounts in respect of the past fiscal year or accounting valuation	Comments
Stock options, performance shares or any other long-term incentive	0 stock option 12,170 performance shares Accounting valuation of the performance shares (pursuant to IFRS 2 norm): € 1,814,304	**September 25, 2024 plan (performance shares)** **Principles of grant for 2024** For the Chief Executive Officer, the grant for 2024 forms part of the 2024 remuneration policy defined by the Board of Directors on February 19, 2024 and approved by the General Meeting on April 30, 2024. The allocation of LTI to Mr François Jackow in 2024 in his capacity as Chief Executive Officer represents an IFRS valuation of 1,814,304 euros. The Board of Directors of September 2024 decided, in accordance with the general market trend and in line with its practice since 2019, to grant performance shares only to all beneficiaries, in order to simplify and standardize the LTI scheme. **Limits on the grants to Executive Officers** Within the scope of the sub-limits authorized by the General Meeting for 38 months, the Board of Directors sets lower annual limits for the grants to the Executive Officers, expressed (i) as a percentage of the share capital and (ii) as a multiple of their remuneration, in accordance with the recommendations of the AFEP/MEDEF Code. The limits set by the Board of Directors for 2024 are identical to those for 2023 and are as follows (no subscription option having been attributed in 2024): ■ the total number of performance shares granted in 2024 to the Executive Officer cannot give rise to a number of shares exceeding 0.012% of the share capital (it being understood that an allocation sub-limit of 0.1% of the share capital for 38 months was set by the General Meeting on May 4, 2022); ■ the total aggregate IFRS value of the performance shares granted to the Executive Officer cannot exceed approximately 1.5 times the amount of the Executive Officer's maximum gross annual remuneration (fixed + variable maximum), it being noted that the performance shares granted represent approximately 40% of the total target annual remuneration. **Maintaining the proration principle** Pursuant to the decision made by the Board on February 19, 2024 and the policy approved by the General Meeting on April 30, 2024, the 2024 grant of LTI to the Executive Officer remains subject to the principle of a pro-rata calculation. In practice, if the Executive Officer leaves the Group for a reason other than his resignation or removal from office for serious cause, the total allocation rate (after applying the performance conditions) would be reduced pro rata for the duration of actual presence of the Executive Officer within the Group during the period of assessment of the performance criteria. Furthermore, no grant is made to the Executive Officer at the time of this departure, in accordance with the AFEP/MEDEF Code. The Executive Officer will remain subject to all the provisions of the plans and, more specifically, those relating to the duration of the vesting, lock-up and holding periods in respect of the shares and stock options granted. **Performance conditions** The performance shares awarded are all accompanied by performance conditions calculated over three years. They are calculated: (i) **for 50% of the performance shares granted**, on the rate of achievement of a target, set by the Board, comprising the after-tax Return on Capital Employed (recurring **ROCE**) [(c)] recorded at the end of the 2026 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, notably making it possible to take advantage of external growth opportunities. The objective was set in line with the ROCE objective announced by the Company, i.e. more than 10%.

(c) For the purposes hereof, the Return on Capital Employed after tax (ROCE) is calculated as follows: (recurring net profit after tax before deduction of minority interests – cost of net debt after taxes) for the period 2026)/(average of (shareholders' equity + minority interests + net debt) at the end of the last three half years (H2 2026, H1 2026, H2 2025).

	Amounts in respect of the past fiscal year or accounting valuation	Comments
		(ii) **for 40% of the performance shares granted:** – for 50% of the performance shares 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, dividends reinvested, for the 2024, 2025 and 2026 fiscal years ("**AL TSR**"). The objective of an absolute TSR is set in accordance with historic performances. 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; – for 50% of the performance shares referred to in sub-paragraph (ii): on the rate of Total Shareholder Return from an investment in Air Liquide shares, dividends reinvested – source: Bloomberg ("**B TSR**"), as compared to the CAC 40 TSR index, dividends reinvested (source: Bloomberg) for the 2024, 2025 and 2026 fiscal years. The rate of achievement will be 0%, if the average of the Air Liquide TSR over three years is lower than the average of the CAC 40 TSR, 50% if it is equal to the average of the CAC 40 TSR and 100%, if it is at least 2% higher than the average of the 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 is impossible; (iii) **for 10% of the performance shares granted**, on the change in the Group's absolute **CO_2 emissions** over the period 2024-2026 aligned with the Group's CO_2 trajectory (an integral part of the ADVANCE strategic program), as follows: Comparison of the Air Liquide Group's CO_2 emissions for the year 2026, expressed in millions of metric tonnes, with those same emissions for the year 2023, the 2023 basis of comparison being adjusted to take account of any possible perimeter impacts (the possible takeover of existing units at the Group's customers or companies, asset or company divestitures over the 2024-2026 period), on a 12-month pro-forma basis, in line with the method used to monitor the carbon trajectory as communicated by the Group. The greenhouse gas emissions include direct emissions (Scope 1) and indirect emissions (Scope 2). These emissions are accounted for as "market-based".
Other elements	N/A	No allocation
Remuneration as a Director	N/A	Mr François Jackow does not receive any remuneration in respect of his term of office as Director.
Other benefits	€ 17,870	Benefits in kind (accounting valuation) include the use of a company car and the contributions paid in 2024 to an external organization in respect of unemployment insurance for company managers and corporate officers.

	Amounts in respect of the past fiscal year or accounting valuation	Comments
Termination indemnity	€ 0 received	The main terms of the undertaking are as follows: (i) only cases of forced departure related to a change in strategy or change of control may give rise to an indemnity; (ii) the amount of the indemnity is set at 24 months of gross fixed and variable remuneration [d]; (iii) it gradually decreases as the statutory age limit approaches; (iv) the right to the indemnity is subject to performance conditions: the amount of the indemnity paid is based on the average of the annual difference between the return, after tax, on capital employed (ROCE) and the weighted average cost of capital (WACC) (measured on the basis of the book value of equity), over the last three fiscal years preceding departure. This gap, in a highly capital-intensive business activity, makes it possible to measure the regular creation of value. An average gap of 300 basis points between ROCE and WACC over three years is required to be able to benefit from the total indemnity. The proportion of the indemnity due shall be established as follows, with an increase by straight-line segments between each of the thresholds inclusive: **Average of the annual gaps (ROCE – WACC) over three years in bps [a]** — **Proportion of indemnity due** ≥ 300 — 100% 250 — 66% 200 — 50% 100 — 25% < 100 — 0% *(a) bps: basis points.* This mechanism was integrated into the remuneration policy for the Chief Executive Officer as decided by the Board of Directors on February 19, 2024 and approved by the General Meeting of April 30, 2024 (pursuant to the extension of the remuneration policy for 2023).
Non-competition indemnity	€ 0 received	The terms of the commitment not to serve, directly or indirectly, a business competing with that of the Group for a period of two years from the termination of the term of office of Mr François Jackow as Chief Executive Officer are as follows: ■ 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. This mechanism was integrated into the remuneration policy for the Chief Executive Officer as decided by the Board of Directors on February 19, 2024 and approved by the General Meeting of April 30, 2024 (pursuant to the extension of the remuneration policy for 2023).

(d) As an exception to this rule, in the event of departure during the course of the 2024 fiscal year, for the calculation of the indemnity of 24 months of fixed and variable remuneration, the following will be taken into account: for 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.

	Amounts in respect of the past fiscal year or accounting valuation	Comments
Supplementary pension plans	€ 189,012 received (i.e. 50% of the amounts due under this plan – see comments opposite)	**Collective pension insurance contract** In 2024, Mr François Jackow continued to benefit (in accordance with the remuneration policy decided by the Board of Directors on February 19, 2024 and approved by the General Meeting of April 30, 2024), from a collective pension insurance contract with individual and optional subscription (known as "article 82 of the French Tax Code") for the fraction of the reference remuneration (fixed portion + target variable portion) exceeding eight PASS. This collective pension insurance contract replaces the supplementary pension plan applicable under certain conditions to the Group's senior executives but not applicable to corporate officers, and from which Mr François Jackow benefited prior to his appointment as Chief Executive Officer. In this scheme, the amount paid by the Company is split between a payment to the insurer and a payment to Mr François Jackow intended to cover the social security contributions and taxes due on the payments made to the insurer. This amount will be paid in arrears every year for the period until the end of the executive office. These contributions are deductible from the corporate income tax base and are subject to social security contributions. Mr François Jackow cannot apply for the entitlements under this pension insurance contract in the form of capital and/or life annuity before the age at which he becomes entitled to claim his pension entitlements under the French general social security scheme. This supplementary pension plan for the fraction of remuneration exceeding eight PASS is entirely subject to performance conditions. The total amount of contributions for a fiscal year depends on the average annual gap (measured on each fiscal year) between the Return on Capital Employed after tax (ROCE [e]) and the Weighted Average Cost of Capital (WACC) (measured on the basis of the book value of equity), 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 performance coefficient applied to the nominal amount pursuant to the collective pension insurance contract is determined as shown in the table below, with a growth of the increase per linear segment between each of the thresholds between 100 bps and 300 bps inclusive:

Average of the annual gaps (ROCE – WACC) over three years in bps [a]	Performance coefficient applied to the nominal amount
≥ 300	100%
250	66%
200	50%
100	25%
< 100	0%

(a) bps: basis points.

In respect of 2024, the Board of Directors on February 20, 2025 took note of the 100% achievement of the performance conditions.

Accordingly, the amount to be paid in 2025 in respect of fiscal year 2024 under the pension scheme with individual and optional subscription, will amount overall to 378,024 euros (split, in accordance with the remuneration policy approved by the General Meeting of April 30, 2024, between a payment of 189,012 euros (gross) to the insurer in the form of an insurance premium, and a payment of 189,012 euros (gross) to Mr François Jackow intended to cover the social security contributions and taxes due on the payments made to the insurer).

Pension commitment pursuant to a defined contribution pension plan (PERO)

In 2024, Mr François Jackow continued to benefit (in accordance with the remuneration policy decided by the Board of Directors on February 19, 2024 and approved by the General Meeting of April 30, 2024) from the supplementary defined contribution pension plan (he previously benefited from this as an employee, then as Chief Executive Officer from his appointment in 2022).

This plan, applicable to all employees and Company Officers duly authorized to benefit from that plan, is financed by contributions paid equally by the employer and the beneficiary on the portion of remuneration not exceeding eight times the annual social security limit (PASS).

The amount of the contributions paid in 2024 under this supplementary defined contribution pension plan for the benefit of Mr François Jackow amounts to 11,001 euros.

(e) Recurring ROCE excluding major acquisitions (acquisitions representing more than 5% of capital employed).

	Amounts in respect of the past fiscal year or accounting valuation	Comments
		Pension commitment pursuant to a "senior executives" defined contribution pension plan L'Air Liquide S.A. set up a defined-contribution pension plan for senior executives defined by reference to an agreed coefficient and corporate officers who have acquired one year of seniority. In 2024, Mr François Jackow continued to benefit from this defined contribution pension plan (from which he had previously benefited as a senior executive, then as Chief Executive Officer since 2022), in accordance with the remuneration policy decided by the Board of Directors of February 19, 2024 and approved by the General Meeting of April 30, 2024 (11th resolution). Mr François Jackow's pension entitlements under this defined contribution plan implemented for the benefit of senior executives: ■ may be applied for, at the earliest, when he has claimed his pension entitlements under the French general social security scheme; ■ are financed by annual contributions paid in their entirety by the Company. These contributions were set at 2.7% of the portion of remuneration that is lower than eight times the PASS. Furthermore, they are subject to the same tax and social security treatment as those paid under the PERO set up for the benefit of all the staff (see above). **The contributions paid by the Company in 2024 amounted to 10,015 euros.**
Collective death and disability benefits and healthcare cost plan	€ 0 received	In 2024, Mr François Jackow continued to benefit, in accordance with the remuneration policy decided by the Board of Directors on February 19, 2024 and approved by the General Meeting of April 30, 2024 (11th resolution), from (i) the supplementary "incapacity, invalidity, death" benefits plan, unified as of January 1, 2015, covering all personnel and corporate officers who are duly authorized to benefit from such scheme and (ii) the healthcare cost plan covering all personnel. Under this plan, (a) the remuneration taken into account for the calculation of contributions is capped at (i) 16 times the annual social security limit for incapacity and invalidity cover, (ii) 24 times the annual social security limit for the death benefit; and (b) the employer contribution rate in 2024 amounted to 1.07% up to 16 PASS and 0.82% between 16 and 24 PASS. **Contributions paid by the Company in 2024 for the benefit of Mr François Jackow amounted to 10,980 euros for the death and disability benefits plan and 449 euros for the healthcare cost plan (i.e. a total of 11,429 euros).**

4.2. ELEMENTS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS' REMUNERATION FOR 2024

ELEMENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING OR AWARDED IN RESPECT OF THE 2024 FISCAL YEAR TO MR BENOÎT POTIER AND ON WHICH THE GENERAL MEETING OF MAY 6, 2025 IS INVITED TO VOTE:

	Amounts in respect of the past fiscal year or accounting valuation	Comments
Fixed remuneration	**€ 800,000**	The fixed remuneration takes into account in particular the specific role of the Chairman of the Board of Directors in the context of managerial succession and the missions that the Board of Directors wished to entrust to Mr Benoît Potier for the duration of the transition in order to benefit from his experience, in-depth knowledge of the Group and its businesses, its Shareholders and stakeholders and its strategic challenges. In accordance with the policy approved by the General Meeting of April 30, 2024, the amount of the 2024 annual fixed remuneration of Mr Benoît Potier amounts to 800,000 euros.
Annual variable remuneration	N/A	The Chairman does not benefit from any annual variable remuneration.
There is no deferred annual variable remuneration mechanism, multi-annual variable remuneration mechanism or exceptional remuneration.		
Stock options, performance shares or any other long-term incentive	N/A	The Chairman does not receive any items of long-term remuneration.
Other elements	N/A	No allocation.
Remuneration as a Director	N/A	Mr Benoît Potier does not receive any remuneration in respect of his term of office as Director.
Other benefits	**€ 2,793**	Benefits in kind (book value) include the use of a company car.
Termination indemnity	N/A	The Chairman does not receive any termination indemnity.
Non-competition indemnity	N/A	The Chairman does not receive any non-competition indemnity.
Supplementary pension plans	N/A	The Chairman does not benefit from any supplementary pension plan.
Collective life insurance plan	N/A	The Chairman does not benefit from any collective life insurance plan.
Collective death and disability benefits plan (death benefit)	€ 0 received	In 2024, Mr Benoît Potier continued to benefit from the collective death and disability benefits plan (death benefits only), in accordance with the remuneration policy decided by the Board of Directors on February 19, 2024 and approved by the General Meeting of April 30, 2024 (12th resolution). Under this plan, (a) the remuneration taken into account for the calculation of contributions is capped at 24 times the annual social security limit for the death benefit; and (b) the employer contribution rate in 2023 amounts to 1.07% up to 16 PASS and 0.82% between 16 and 24 PASS. **The contribution paid by the Company in 2024 in respect of the death benefits plan for Mr Benoît Potier amounted to 8,438 euros.**

5. Remuneration policy applicable to corporate officers

(submitted for the approval of the General Meeting pursuant to article L. 22-10-8 II of the French Commercial Code)

In accordance with article L. 22-10-8 II of the French Commercial Code, the remuneration policy applicable to corporate officers of L’Air Liquide S.A., as established by the Board of Directors on February 20, 2025 and described in this section, is submitted for approval by the General Meeting on May 6, 2025, in the 12th resolution and the 13th resolution for Company Officers (paragraph 5.1 below) and in the 14th resolution for Directors (paragraph 5.2 below).

5.1. REMUNERATION POLICY APPLICABLE TO COMPANY OFFICERS

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 for the Chief Executive Officer (applicable, in 2025, to Mr François Jackow); and
- the remuneration policy for the Chairman of the Board of Directors (applicable, in 2025, to Mr Benoît Potier).

This remuneration policy for Company Officers was established by the Board of Directors on February 20, 2025, on the recommendation of the Remuneration Committee.

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 AFEP/MEDEF Corporate Governance Code.

This policy is in line with that approved by the General Meeting of April 30, 2024.

Both in terms of structure and level, the remuneration policy for Company Officers was therefore established in accordance with Group practices, its governance context and market practices. It is competitive and aligned with the Group’s strategy and medium- and long-term objectives.

5.1.1. Remuneration policy applicable to Executive Officers

A. General principles

The remuneration policy applicable to Executive Officers determined by the Board of Directors includes incentive elements reflecting the Group’s strategy, which is steered toward profitable long-term growth by acting on behalf of a sustainable future, with regard to the corporate interest and the interests of all the stakeholders. In a highly capital-intensive industry, profitable long-term growth requires constant attention to be paid to each investment decision and to the competitiveness of every operation, while maintaining an ongoing effort over time in favor, in particular, of safety and security, innovation, employee development and sustainability matters. It incorporates, both in the short-term variable element and in the long-term incentive elements, criteria aligned with the ADVANCE strategic plan combining financial and extra-financial performance. It is tailored to the Group’s specific situation, reflects the level of responsibility of Group executives and remains competitive. In this context, the elements taken into account for the determination of the remuneration of the Executive Officers are as follows:

- an annual short-term component, comprising a fixed remuneration and a variable remuneration;
- a long-term incentive (hereafter “LTI”) through the grant of performance shares and/or stock options, both subject in full to performance conditions calculated over three years;
- other benefits attached to the performance of the Executive Officer’s term of office, specifically including:
  - a supplementary pension scheme,
  - additional social coverage in terms of death and disability benefits and healthcare cost,
  - benefits in kind (including unemployment insurance for company managers and corporate officers),
  - commitments in the event of termination of duties (indemnity in the event of cessation of functions at the Company’s initiative in certain very limited circumstances, subject to performance conditions calculated over three years and, as the case may be, a non-competition indemnity).

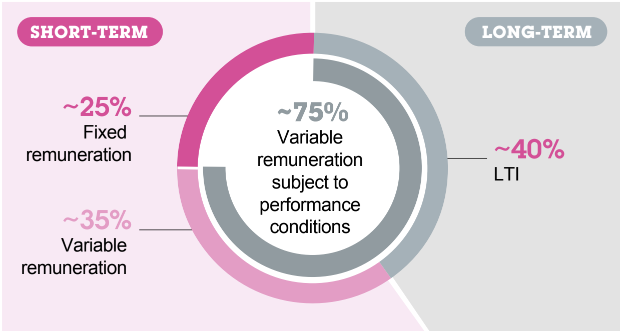
There are no employment contracts between the Executive Officer and any of the Group’s companies [(1)].

Furthermore, if such a situation were to arise, the remuneration applicable to a Deputy Chief Executive Officer would be determined on the basis of the policy applicable to the Chief Executive Officer of the Company, after taking into account, however, the difference in profile, experience, and level of responsibility, consistent with the earlier practices applied at the Company for this type of Company Officer.

(1) Mr François Jackow unilaterally terminated his employment contract by resignation when his term of office as Chief Executive Officer took effect on June 1, 2022.

B. Structure and main characteristics common to the general remuneration of Executive Officers

A. The structure and principles applicable to the remuneration are in line with previous years and with the policy approved in 2024.



- The remuneration policy 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 approximately 35% and the LTI approximately 40% of the total target annual remuneration. The **elements subject to performance conditions** represent in principle approximately **75%** of this total target remuneration. The achievement of each performance condition is assessed without any set-off between criteria.
  - (ii) The **variable remuneration** continues to be expressed as a **target** variable remuneration (as a percentage of the fixed remuneration) with a **maximum**. The total target variable remuneration set represents approximately 80% of the Executive Officer's total maximum variable remuneration, for a very good performance.
- The **annual variable remuneration** includes quantifiable and qualitative criteria.

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

The target weighting and the maximum weighting are made public ex-ante and appear below (paragraph 5.1.2); 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, expressed as a percentage of the fixed remuneration and as a percentage of the target variable remuneration allocated to the criterion, will be made public ex-post.

The **quantifiable elements of the annual variable remuneration** include, as in 2024:

- a criterion of an increase in the recurring net earnings (excluding exceptional and significant transactions which do not impact the operating income recurring) excluding currency 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 currency and energy impacts), which reflects the momentum of the activity.

The two criteria of the recurring EPS and the revenue reflect the Group's strategy to achieve profitable growth taking into account medium and long-term objectives. The efficiency objective contributes to the increase in the recurring EPS.

Each quantifiable criterion is assigned a target weighting (expressed as a percentage of the fixed remuneration) corresponding to a 100% achievement of the target objective set at the beginning of the year, and a maximum weighting (also expressed as a percentage of the fixed remuneration). For each quantifiable criterion, the Board of Directors has defined an exacting target objective, which is not made public for confidentiality reasons. Nonetheless, 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 allocated to that criterion is made public ex-post.

For each quantifiable criterion, a formula adopted by the Board of Directors 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 part 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 variable remuneration corresponding to this criterion is equal to zero.

The qualitative elements of the annual variable remuneration continue to be based, for two-thirds, on several categories or sub-categories of objectives which are defined each year. For 2025, these include, for one-third each, (i) **CSR** objectives [(1)] (safety, rollout of action plans linked to the Group's sustainability objectives as part of the ADVANCE strategic program) and (ii) **organization and Human Resources targets**. All of these objectives contribute to the development and sustainability of the Company and reflect its extra-financial performance objectives. One third of the qualitative components is based on an assessment of the executive's individual performance in light of the context of the year.

The grant of LTI to the Executive Officers is examined by the Remuneration Committee at the same time as the allocation to Group employees and is decided by the Board of Directors. It is made within the scope of plans, adopted by the Board of Directors in the fall, in the form of performance shares and/or stock options granted without any discount. It is examined in light of the total amount of the Executive Officer's annual remuneration, adopted taking into account external market surveys and ensuring that the interests of Shareholders are respected.

(1) *ESRS 2 GOV-3 § 29 (a).*

According to the principle that has been adopted since 2016, the award of LTI to the Executive Officer and its evolution over time are assessed in terms of the IFRS value (and not in terms of the volumes granted), for all stock option and performance share plans combined.

Within the scope of the sub-limits authorized by the General Meeting, the Board of Directors sets lower annual limits for the grants to the Company Officers, expressed (i) as a percentage of the share capital and for each Company Officer (ii) as a multiple of their remuneration, in accordance with the recommendations of the AFEP/MEDEF Code.

The total aggregate IFRS value of the LTI granted cannot exceed 1.5 times the amount of the Executive Officer's maximum gross annual remuneration (maximum annual fixed + variable), it being noted moreover that, in accordance with the relative proportion of various components of remuneration referred to above, the grant of LTI represents approximately 40% of the Executive Officer's total annual remuneration.

LTI grants to Executive Officers are subject to the proration principle on the basis of the actual presence of the Executive Officer: in the event of a departure from the Group of the Executive Officer for a reason other than resignation or removal from office for serious cause [(1)], the total allocation rate (after applying the performance conditions) would be reduced pro rata for the duration of actual presence of the Executive Officer within the Group during the period of assessment of the performance criteria.

In addition, no grant of LTI will be made to the Executive Officer at the time of his departure, in accordance with the AFEP/MEDEF Code.

Company Officers are also subject to the following **specific obligations**:

- **Obligation to retain shares** defined by the Board of Directors pursuant to articles L. 225-185 and L. 225-197-1 of the French Commercial Code. They lead to the obligation, for the Company Officer, to hold, in registered form, until the termination of his duties, a minimum quantity of shares corresponding to 50% of the capital gain on acquisition, net of social security charges and tax, resulting from each exercise of stock options/each definitive award of performance shares. However, this percentage will be lowered to 5%, as soon as the quantity of shares held by the Company Officer resulting from the exercise of stock options or the definitive award of performance shares represents a minimum amount equal to at least three times the Company Officer's gross annual fixed remuneration. Compliance with this obligation is verified annually by the Board of Directors.
- **Additional shareholding obligation** defined by the Board in accordance with the AFEP/MEDEF Code: each Company Officer must also hold in a registered account a minimum number of shares based on his or her gross annual fixed remuneration (equivalent to twice his or her gross annual fixed remuneration for the Chief Executive Officer and the Chairman of the Board of Directors and once his or her gross annual fixed remuneration for a Senior Executive Vice President). The number of shares required to be held is assessed as at January 1 and July 1 of each year. Newly appointed Company Officers must comply within four years of their first appointment.
- Lastly, the Company Officers are subject to the requirement restricting the exercise of stock options and the transfer of performance shares during the "**black-out periods**" prior to the publication of the financial statements and undertake not to use risk hedging transactions on options/shares resulting from the exercise of options and on performance shares granted, throughout their term of office.

  As with all beneficiaries, **all the LTI granted to the Executive Officers are subject to demanding performance conditions** calculated over a period of three years. The performance conditions, which apply to the plans decided upon in the fall, are set by the Board of Directors at the start of the year, at the February meeting, in order to comply with a reference period of three full years.

  For each performance condition, a formula adopted by the Board of Directors makes it possible to determine, following the end of the three fiscal years during which the performance has to be achieved, the percentage of performance shares definitively awarded/stock options that can be exercised.

The demanding objectives set for each performance condition are made public ex-post, following the Board meeting in the month of February following the end of the three fiscal years during which the performance has to be achieved. The rate of achievement of the performance conditions and the percentage of LTI definitively awarded/that can be exercised are also published following this Board meeting.

Subject to the approval of the 19th resolution by the General Meeting on May 6, 2025, **in order to make performance share plans more attractive to employees (beneficiaries), particularly internationally, and to simplify their management, the "France" and "World" regulations will be reworked** into a single plan from 2025, with a minimum vesting period of three years and no minimum holding period. The stock options are in principle subject to a four-year lock-up period, followed by a six-year exercise period. Added to this is a condition of presence which stipulates the loss of the stock options/rights to the performance shares in the process of being acquired, in the event of resignation or removal from office for serious cause.

On the recommendation of the Remuneration Committee, the Board has retained for 2025, for all LTI beneficiaries (Executive Officers and employees) the ROCE, Total Shareholder Return (AL TSR and relative TSR) and an objective related to the evolution of the Group's carbon emissions.

- The ROCE, which makes it possible to measure the Return on Capital Employed, is relevant in a highly capital-intensive industry.
- The Total Shareholder Return (TSR) in turn makes it possible to align the Company's performance with the regular profits expected by its Shareholders.
- Moreover, consistent with the Group's responsible growth approach, since 2020 the LTI plans incorporate a performance condition linked to the Group's climate objectives [(2)].

[(1)] *Situations which will result in the loss of the LTI.*
[(2)] *ESRS 2 GOV-3 § 29 (a).*

In total, all the performance criteria for the variable remuneration and LTI, both financial (growth in recurring EPS and comparable revenue, ROCE, shareholder return – TSR) and extra-financial [1] (CSR and HR objectives for the qualitative portion of variable remuneration, and LTI criterion aligned with the Group's climate objectives), reflect the Group's overall performance objectives as announced in its ADVANCE strategic plan aimed at achieving a solid financial performance while developing an ambitious decarbonization plan and taking into account the interests of all its stakeholders.

During the annual process of determining the components of the remuneration for Executive Officers, the Remuneration Committee ensures that the choices made **take into account the remuneration and employment conditions of the Company's employees**. The attendance of the Director representing the employees, who is a member of the Committee, helps to ensure that all aspects of these remuneration and employment conditions, and more generally the interests of the Group's employees, are taken into account in this work, which give rise to a recommendation to the Board at its meeting in February. The policy presented for approval by the General Meeting reflects this consideration. Concerning the conditions of remuneration, the quantifiable and qualitative elements of the variable remuneration of the Company's Executive Officer and senior executives are therefore convergent. Moreover, the LTI performance conditions are identical for all the employee beneficiaries (approximately 2,000 Group employees in 2020 and 2021, approximately 2,600 employees in 2022 and 2023, and approximately 2,800 employees in 2024) and for the Executive Officers. These alignments provide for greater coherence of efforts in achieving the Company's performance objectives. With regard to taking the employment conditions of employees into account, the importance given to safety objectives in the qualitative components of variable remuneration contributes to the establishment of a quality work environment for employees, which has a direct impact on their commitment and performance. The variable remuneration also incorporates objectives of talent development, the achievement of which requires in particular the implementation of varied, relevant programs for the training and development of employees throughout their career, the implementation of new ways of working within the entire Group, and an objective relating to the implementation of the Group's diversity policy and, more generally, the promotion of a culture of inclusion.

Executive Officers also benefit from long-term commitments and commitments related to the termination of their duties described below, as well as other components of annual remuneration (benefits in kind, supplementary social protection schemes) which may be terminated under ordinary law conditions.

5.1.2. Implementation for the determination of the Chief Executive Officer's remuneration for 2025

The Board of Directors, at its meeting of February 20, 2025, on the recommendation of the Remuneration Committee, defined the criteria for determining, distributing and allocating the elements comprising the total remuneration of the Chief Executive Officer which are submitted for the approval of the General Meeting of May 6, 2025 [2]. These are in line with the continuity of the 2024 remuneration policy, the Board taking into account Mr François Jackow's level of responsibility and experience, the Group's context and market practices. It should be noted that Mr François Jackow decided to unilaterally terminate his employment contract at the start of his corporate mandate in June 2022, in accordance with the recommendations of the AFEP/MEDEF Code and best governance practices.

The structure of remuneration, as well as its amount, remain unchanged from those approved by the General Meeting of April 30, 2024.

Furthermore, Mr François Jackow will not receive any remuneration for his office as Director.

A. Fixed remuneration

The fixed remuneration is determined on the basis of the level of responsibility, the experience in the general management duties and market practices.

The annual fixed remuneration proposed for Mr François Jackow in 2025 amounts, in accordance with the aforementioned principles, to an annual amount of 1,210,000 euros, identical to 2024.

B. Variable remuneration

Pursuant to the principles set forth above ("Structure and main characteristics common to the general remuneration of Executive Officers"), the Board of Directors of February 20, 2025, on the recommendation of the Remuneration Committee, defined the components of the variable remuneration of the Chief Executive Officer for 2025 in line with those of the previous fiscal year. A target and maximum weighting is defined for each criterion, and an allocation key between quantifiable criteria (majority) and qualitative criteria is set in line with market practices, as indicated in the table below [3].

(1) *ESRS 2 GOV-3 § 29 (a).*
(2) *ESRS 2 GOV-3 § 29 (e).*
(3) *ESRS 2 GOV-3 § 29 (a).*

Indicator	Target [(a)] As a % of the fixed remuneration	Target [(a)] As a % based on a 100	Maximum As a % of the fixed remuneration	Maximum As a % based on a 100
Quantifiable financial criteria 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
Qualitative personal criteria including:	**36**	**30**	**45**	**30**
CSR [(d)]: ■ Safety: 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 sustainable development objectives [(e)]; progress made concerning the various key indicators [(f)] and harmonization with the 2025 trajectory for these objectives	12	10	15	10
Organization/Human Resources (talents development, management succession plans, organizing and implementing the Group's transformation program)	12	10	15	10
Individual performance [(g)]: 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** [(h)]	**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 2025 recurring net profit (Group share) excluding the foreign exchange impact (compared to 2024).
(c) Excluding significant scope impact, foreign exchange impact and energy.
(d) ESRS 2 GOV-3 § 29 (b).
(e) ESG objectives forming an integral part of the ADVANCE strategic program.
(f) Key indicators including those required to measure CO_2 emissions for the year are disclosed in the Sustainability Statement (see Chapter 5 of this Universal Registration Document) [(1)].
(g) This criterion responds to the Board of Directors' desire to keep a part of the variable remuneration subject to the Board's assessment, in order to take account of the unpredictability of the environment. This may be beneficial to the Executive Officer, if the Company is facing an unfavorable environment which was not anticipated at the time the objectives were set, or disadvantageous if the environment ultimately turns out to be more favorable than anticipated.
(h) This represents variable remuneration of approximately 1,452,000 euros at target for Mr François Jackow (on a full-year basis).

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

The percentage of the Chief Executive Officer's variable annual remuneration that is dependent on sustainability objectives and/or impacts is 10% [(2)]. In addition, in 2025, the performance condition of the LTIs linked to the Group's climate objectives has been increased from 10% to 15% (see "Long-term remuneration components" below).

The total amount of the variable remuneration due for the 2025 fiscal year will be paid in 2026, after approval of the financial statements by the General Meeting, it being noted that its payment is conditional on approval by a General Meeting of the components of the Executive Officer's remuneration, under the conditions provided for in article L. 22-10-34 II of the French Commercial Code.

C. Other components of annual remuneration

Mr François Jackow will continue to benefit from the **following other items**:

Benefits in kind

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, subscribed to by the Company. The contributions paid by the Company are included in Mr François Jackow's remuneration as benefits in kind. By way of information, these benefits amount to around 17,870 euros on an annual basis, around 14,600 euros of which is for the unemployment insurance for company managers and corporate officers.

Death and disability benefits and healthcare cost plan

- The supplementary "incapacity, invalidity, death" benefits plan, unified as at January 1, 2015, covering all personnel and corporate officers who are duly authorized to benefit from such scheme, in which the remuneration taken into account for the calculation of the contributions is capped at (i) 16 times the annual social security limit for the incapacity and invalidity cover, (ii) 24 times the annual social security limit for the death benefit;
- The healthcare cost plan covering all employees.

The estimates for the 2025 fiscal year are as follows:

- employer's contribution to Healthcare Costs: 449 euros;
- employer's contribution to death and disability benefits plan: 11,153 euros.

D. Long-term remuneration components

At its meeting of February 20, 2025, on the recommendation of the Remuneration Committee, the Board of Directors provided for the allocation of performance shares to Mr François Jackow, in respect of his office as Chief Executive Officer for the 2025 fiscal year, in an annual amount of 1,815,000 euros (based on an IFRS valuation), unchanged from 2024.

Pursuant to the principles of the remuneration policy applicable to Executive Officers, the LTIs continue to represent 41% of the total target remuneration (fixed remuneration, target variable remuneration and LTI), and **the remuneration components subject to performance conditions (variable remuneration + LTI) represent approximately three quarters of the total target remuneration**.

(1) ESRS E1 GOV-3 § 13 and ESRS 2 GOV-3 § 27 (for more details see paragraph 2.2.of the Sustainability Statement of this Universal Registration Document, pages 300 to 319).
(2) ESRS 2 GOV-3 § 29 (d).

The performance conditions which apply to the Chief Executive Officer (and to all the beneficiaries of the LTI Plans which will be allocated in 2025) were determined by the Board of Directors on February 20, 2025. The Board of Directors has decided, subject to the approval of this policy by the General Meeting, to **increase the weighting of the climate criterion** to 15% (instead of 10% previously) by reducing each of the two TSR criteria to 17.5% (instead of 20% each previously).

Thus, the number of LTI definitively granted/exercisable under the 2025 plans will depend on the achievement of the following performance conditions (identical to those defined in 2024):

(i) **for 50% of the LTI granted**, the rate of achievement of an objective, set by the Board, consisting of the recurring ROCE recorded at the end of the 2027 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, notably making it possible to take advantage of external growth opportunities.

The objective was set in line with the ROCE objective announced by the Company, i.e. a level maintained at more than 10% (in a period of strong increase in investments that have a dilutive impact on ROCE);

(ii) **for 35% of the LTI granted:**

- for 50% of the LTI referred to in sub-paragraph (ii): an objective of Total Shareholder Return set by the Board, defined as the average annual growth rate from an investment in Air Liquide shares, dividends reinvested, for the 2025, 2026 and 2027 fiscal years ("**AL TSR**"). The objective of an absolute TSR is set in accordance with historic performances. 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;
- for 50% of the LTI referred to in sub-paragraph (ii): the rate of Total Shareholder Return from an investment in Air Liquide shares, dividends reinvested (source: Bloomberg) ("**B TSR**"), as compared to the **CAC 40 TSR** index, dividends reinvested (source: Bloomberg) for the 2025, 2026 and 2027 fiscal years. The rate of achievement will be 0%, if the average of the Air Liquide TSR is lower than the average of the CAC 40 TSR, 50% if it is equal to the average of the CAC 40 TSR and 100%, if it is at least 2% higher than the average of the 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 is impossible;

(iii) **for 15% of the LTI granted** [(1)]: an objective linked to the change in the Group's CO_2 emissions in absolute value over the 2025-2027 period, aligned with the Group's CO_2 trajectory (an integral part of the ADVANCE strategic program) [(2) (3)], broken down as follows:

Comparison of the Air Liquide Group's CO_2 emissions for the year 2027, expressed in millions of metric tonnes, with those same emissions for the year 2024, the 2024 basis of comparison being adjusted to take account of any possible perimeter impacts (possible takeovers of existing units at the Group's customers or companies, asset or company divestitures) over the 2025-2027 period, on a 12-month pro-forma basis, in line with the method used to monitor the carbon trajectory as communicated by the Group.

For the purposes hereof, the greenhouse gas emissions include direct emissions (Scope 1) and indirect emissions (Scope 2). These emissions are accounted for as "market-based" [(4)].

The rate of achievement of the performance conditions will be recorded in 2028 by the Board at the time when the financial statements are approved for the 2027 fiscal year.

All of the rules and conditions applying to LTI grants to the Executive Officers described above (limits on volume and value, condition of presence, proration, shareholding and share ownership obligations [(5)] and other specific regulations) apply to the allocation of performance shares in 2025 to Mr François Jackow in his capacity as Chief Executive Officer.

E. Long-term commitments

The Board of Directors on February 20, 2025, on the recommendation of the Remuneration Committee, maintained without change the elements of the pension schemes from which Mr François Jackow will benefit for the duration of his term of office as Chief Executive Officer. These elements, including, in particular, a supplementary pension plan, were initially defined in 2022 when Mr François Jackow was appointed as Chief Executive Officer, taking into account the results of a detailed benchmark formed from a panel of CAC 40 companies and European companies with separated governance, the plan applicable to the Group's senior executives, the overall balance of the remuneration of the Chief Executive Officer, and an effort to outline a plan ensuring competitive coverage at the best cost for the Company.

All of these components are, as with other remuneration components, subject to the approval of the General Meeting voting on the remuneration policy applicable to the Chief Executive Officer.

The overall amount of the Company's contributions to the supplementary pension plans detailed below represents approximately 15% of the target annual Reference Remuneration (fixed remuneration + target variable remuneration), as in previous years.

Mandatory company retirement savings plan (PERO) [(6)]

This plan is financed by monthly contributions based on remuneration not exceeding eight PASS and equally distributed between the employer and the beneficiary. They are deductible from the corporate income tax, are subject to the social levy at the rate of 16%, and are excluded from the basis for assessment of the social security contributions, within the limit of the higher of the following two values: 5% of the PASS or 5% of the remuneration taken into account within the limit of five times the PASS.

The amount of the employer's contribution to this plan, for the 2025 fiscal year, is estimated at 11,174 euros.

"Senior executive" defined contribution pension plan

This "article 83" defined contribution pension plan is financed by annual contributions paid in their entirety by the company on the remuneration fraction below eight PASS and subject to the same tax and social security treatment as those paid under the PERO.

(1) *ESRS 2 GOV-3 § 29 (a).*
(2) *ESRS E1 GOV-3 § 13 and ESRS 2 GOV-3 § 27 (for more details see paragraph 2.2.of the Sustainability Statement of this Universal Registration Document, pages 300 to 319).*
(3) *ESRS 2 GOV-3 § 29 (b).*
(4) *See definition of scopes and methodology for calculating scopes in paragraph 2.2.5 of the Sustainability Statement of this Universal Registration Document – pages 300 to 319.*
(5) *The additional shareholding obligation will apply to Mr François Jackow within four years of his appointment as Chief Executive Officer, i.e. on June 1, 2026.*
(6) *Mandatory company retirement savings plan (PERO) set up on January 1, 2021, which succeeded the supplementary defined contribution pension plan applicable to all employees and Company Officers on that date.*

1 2 3 4 5 6 7

The amount of the employer's contribution to this plan for the 2025 fiscal year is estimated at 10,174 euros.

Collective pension insurance contract with individual and optional subscription

It should be noted that this collective pension insurance contract with individual and optional subscription replaced the pension plan from which Mr François Jackow benefitted prior to his appointment as Chief Executive Officer. This collective pension insurance contract with individual and optional subscription (known as "article 82 of the French Tax Code") is applicable for the portion of his Reference remuneration (fixed portion + target variable portion) exceeding eight PASS. The amount paid by the Company is 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 is 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.

Mr François Jackow cannot apply for the entitlements under this pension insurance contract before the age at which he becomes entitled to claim his pension entitlements under the French general social security scheme.

Application of this mechanism to the Chief Executive Officer was determined taking into account the overall balance of his remuneration and the market conditions, and for the Company represents, for the same efficiency for the beneficiary, a markedly 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.

This supplementary pension plan for the fraction of remuneration exceeding eight PASS is entirely subject to performance conditions. The gross annual amount of payments totals approximately 378,000 euros, subject to the achievement of the performance conditions described below.

Thus, the total amount of contributions for a fiscal year will depend on the average annual gap (measured on each fiscal year) between the Return on Capital Employed after tax (ROCE), determined as set out below, and the Weighted Average Cost of Capital (WACC) (measured on the basis of the book value of equity), calculated (on the basis of the certified Consolidated Financial Statements, approved by the General Meeting) with respect to the last three fiscal years prior to the said fiscal year.

In order not to penalize the calculation in the event of a major transaction, the ROCE used is, as in 2024, recurring ROCE "excluding major acquisitions". Acquisitions representing more than 5% of capital employed are considered to be major for the purposes of this definition [(1)]. The performance coefficient applied to the nominal amount pursuant to the collective pension insurance contract will be determined as shown in the table below, with a growth of the increase per linear segments between each of the thresholds between 100 bps and 300 bps inclusive:

Average of the annual gaps (ROCE – WACC) over three years in bps [(a)]	Proportion of indemnity due
≥ 300	100%
250	66%
200	50%
100	25%
< 100	0%

(a) bps: basis points.

The amount of the 2026 payments in respect of 2025 is estimated at approximately 378,000 euros, subject to performance conditions.

F. Commitments relating to termination of duties

Termination indemnities

The Board of Directors, on the recommendation of the Remuneration Committee, decided that Mr François Jackow (who unilaterally ended his employment contract as of his appointment as Chief Executive Officer with effect from June 1, 2022) would continue to benefit from a termination indemnity, subject to very strict triggering conditions. The main terms are as follows:

- only 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 + two previous annual variable remunerations actually paid) on the date of termination of his duties (subject to the paragraph relating to the non-competition commitment);
- 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 the event of a forced departure in the 24 months preceding the date of departure due to the age limit set by the articles of association, the amount of the indemnity due will be capped at the number of months' gross remuneration separating the date of forced departure from the date when he reaches such age limit; 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, the proportion of the indemnity due decreasing depending on the rate of achievement of such conditions (see below for details of the performance conditions).

Performance conditions applicable to the termination indemnity

The Board of Directors decided that the payment of the termination indemnity concerning Mr François Jackow is subject to compliance, duly acknowledged by the Board of Directors at the time of or subsequent to the termination of his duties, with conditions related to the beneficiary's performance assessed in light of the Company's performance (unchanged compared to the conditions included in the policy approved in April 2024), defined as of today as follows:

(1) It is specified that only two to three acquisitions have exceeded this level during the last 30 years.

Entitlement to the indemnity referred to above shall depend on, and the amount of the indemnity paid will be adjusted on the basis of, the average of the annual gap (measured on each fiscal year) between the recurring Return on Capital Employed after tax (ROCE) and the Weighted Average Cost of Capital (WACC) (measured on the basis of the book value of equity), calculated (on the basis of the certified Consolidated Financial Statements, approved by the General Meeting) with respect to the last three fiscal years prior to the fiscal year during which the departure occurs.

The proportion of the indemnity due will be established as indicated in the table below, with an increase in the indemnity by straight-line segments between each of the thresholds between 100 bps and 300 bps inclusive:

Average of the annual gaps (ROCE – WACC) over three years in bps [a]	Proportion of indemnity due
≥ 300	100%
250	66%
200	50%
100	25%
< 100	0%

(a) bps: basis points.

Indemnity relating to a non-competition commitment

To safeguard the legitimate interests of the Company, the Board of Directors 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 a business competing with that of the Group, 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.

5.1.3. Remuneration policy applicable to the Chairman of the Board of Directors

A. Remuneration principles and structure

This remuneration policy for the Chairman of the Board of Directors is unchanged from that approved by the General Meeting on April 30, 2024.

Thus, in accordance with the recommendation of the AFEP/MEDEF Code (article 26.2), the Chairman is only awarded fixed remuneration, to the exclusion of any variable remuneration, LTI or exceptional remuneration.

Depending on the circumstances, the Chairman may receive remuneration in respect of his duties as a Director (section 5.2 "Remuneration policy applicable to Directors"). Nevertheless, in the case of Mr Benoît Potier, it has been decided that he will not receive any remuneration as a Director.

The Chairman of the Board of Directors has all of the material means to fulfill his mission.

Depending on the circumstances, the Chairman may be authorized to benefit from the death and disability plan covering all personnel in addition to corporate officers authorized to benefit therefrom.

B. 2025 Remuneration of the Chairman of the Board of Directors

In accordance with the principles set out above, the Board of Directors' meeting of February 20, 2025, on the recommendation of the Remuneration Committee, defined the components of remuneration applicable to Mr Benoît Potier, unchanged from those defined in 2024.

It should be noted that the positioning of the remuneration had been drafted at the time of the separation of duties in 2022 based on an in-depth study of industry practices, including a benchmark of remunerations of Board Chairs at a representative panel of companies with a separated governance mode within the CAC 40, and European companies [1], with the assistance of an outside firm. The remuneration takes into account the specific role of the Chairman of the Board in the particular context of managerial succession and the missions that the Board of Directors wished to entrust to Mr Benoît Potier for the duration of the transition in order to benefit from his experience, in-depth knowledge of the Group and its businesses, its Shareholders and stakeholders, and its strategic challenges (see Chapter 3, section 2.2, paragraph "Duties of the Chairman of the Board of Directors").

In this context, the amount of the annual fixed remuneration of Mr Benoît Potier remains set at 800,000 euros, excluding any variable and long-term remuneration (notably LTI) and any exceptional remuneration. Mr Benoît Potier will not receive any additional remuneration in his capacity as a Director.

Furthermore, Mr Benoît Potier will benefit from the use of a company car, representing benefits in kind which amount to around 2,793 euros per year.

In line with 2024, Mr Benoît Potier continues to benefit from the death and disability benefits plan (death benefits only) covering all employees as well as corporate officers duly authorized to benefit from them.

The amount of the 2025 contribution to this plan is estimated at 8,438 euros.

(1) A European panel comprising 14 groups with eight different nationalities, in the Chemical, Petrochemical, Healthcare, Engineering and Manufacturing industries, with revenue of between 7 and 150 billion euros (an average of 44 billion euros and a median of 22 billion euros).

5.2. REMUNERATION POLICY APPLICABLE TO DIRECTORS

The remuneration policy applicable to Directors was determined by the Board of Directors on February 20, 2025 on the basis of a recommendation from the Remuneration Committee. The decision-making process followed to determine the policy is also applicable when said policy is reviewed and implemented.

The remuneration policy applicable to Directors is submitted to the vote of the General Meeting. Its principles and structure are in line with the policy decided by the Board of Directors in February 2024 and approved by the General Meeting of April 30, 2024.

The remuneration policy for Directors seeks to ensure, within the framework of the overall pay package voted by the Ordinary General Meeting, that pay is competitive with international peers to attract the best and most suitable talent and expertise, in accordance with the Board's diversity policy and aligned with the Group's challenges and their development.

The maximum annual global pay package amounts to 1.5 million euros per fiscal year, in accordance with the 14th resolution of the Combined General Meeting of April 30, 2024.

This policy, unchanged from the 2024 policy, provides for fixed remuneration (prorated if the term of office commences or comes to an end during the course of the year) allocated to the Directors. This remuneration is increased for the Lead Director, and an additional fixed remuneration is allocated to the Chairs of the four Board Committees, to take account of the level of responsibilities incurred and the work involved as a result of these duties.

It also includes a variable remuneration, which is the highest part, on the basis of each Director's attendance at the meetings of the Board and the Committees/working group, pursuant to the provisions of the AFEP/MEDEF Code, in the form of the allocation of a fixed amount for each attendance at a meeting.

The fixed remuneration allocated to Committee Chairmen is harmonized, along with the amount of remuneration allocated for attendance at each Committee meeting, and remote participation in meetings is remunerated in the same way as face-to-face attendance in order to take into account the quality of the means of communication which allows members connecting by videoconference to participate in meetings and take part in discussions under qualitative conditions equivalent to physical meetings. While it does not alter the preference of the Board and its members to attend meetings in person where possible, it recognizes the advances in communication technologies.

In order to take account of the distance for Directors coming from abroad, a fixed amount per trip is added to the variable remuneration for such Directors if attending in person (the remuneration for intercontinental travel being higher than that provided for intracontinental travel; it may be readjusted to remain competitive at the international level).

This policy promotes attendance and effective participation by the Directors in the work of the Board and Committees, which fosters dialog between the Directors and with the executive management team, and, more generally, a complete understanding by members of the Group's businesses and stakes (including sustainability), which ensures solid governance for the Company's long-term future.

The recognition of the role of the Lead Director, who receives additional remuneration in this regard, reflects the importance accorded by the Company to its governance tasks, in connection with the meetings of the Board and the Appointments and Governance Committee, and in an informal manner between such meetings, thus promoting best governance practices. The consideration, in the remuneration policy, of the work of the four Specialized Committees is evidence of the importance accorded to the preparation of the principal Board decisions, whether in terms of the proper running of the governing bodies, the review of the financial statements and the financial position, the risk analysis, the consideration of sustainability matters across all the Group's businesses or the determination of an incentivizing remuneration policy for the Executive Officers, including objectives in line with those of the Company.

Accordingly, the remuneration policy for Directors, which is balanced and incentivizing, contributes to the quality of the Board's work, the latter being thus able to determine the orientations of the Company's activity and its strategy in the best interests of the Company, its employees and all the stakeholders.

The Company Officers do not receive remuneration in respect of their office as Director or as Chairman of a Committee/working group while they perform executive duties at L'Air Liquide S.A. Moreover, pursuant to the provisions in force at the Group which apply to all the employees who perform duties on the Group companies' Boards of Directors, and pursuant to the applicable agreements with the stakeholders, the employee Directors do not receive remuneration in respect of their office as Director. Travel expenses are refunded by the Company.

DESCRIPTION OF THE STOCK OPTION AND PERFORMANCE SHARE PLANS

1. Attribution policy

The Company attributes annually, in principle, performance shares and/or stock options (hereinafter referred to as "LTI") in favor of its Executive Officers and its employees. Performance share plans for its employees have been in place since 2008, and have been open to the Executive Officers and the members of the Executive Committee since 2015.

These attributions are decided upon by the Board of Directors pursuant to the authorizations granted by the General Meeting, and most recently by the Combined General Meeting of May 4, 2022 for a period of 38 months. The General Meeting of May 6, 2025 is asked to renew the resolutions relating to the allocation of stock options and performance shares (see details in Chapter 6 of this Document).

Since 2019, the Board of Directors has decided, in accordance with the general market trend, to grant performance shares only (instead of a mix of stock options and performance shares) to all beneficiaries, in order to simplify and standardize the scheme.

The system for the LTI plans is aimed at three sets of beneficiaries:

- the Company's Executive Officer, for whom the attribution of LTI and its evolution over time continue to be valued in terms of the IFRS valuation (and not as attributed volumes), all stock option and performance share plans included;
- the members of the Executive Committee and the Group's managers who hold positions with a high level of responsibility or who make special contributions to the Group, all of whom benefit, beginning in 2015 for the Executive Committee and since 2019/2020 for the other beneficiaries, from attribution exclusively in the form of performance shares;
- the specific contributors, such as those employees distinguished by the quality of their conduct in exceptional situations, the inventors and innovators, the middle managers, as well as an expanded category of new employee beneficiaries.

The criteria used to draw up the lists of the beneficiary employees reflect the jobs and the geographical areas in which the Group carries out its activities and the specific contribution, the particular potential, or the individual or collective conduct of the persons concerned, which has been noted in exceptional situations. The lists of beneficiary employees are also drawn up with the desire to ensure a certain rotation and an expansion of the beneficiary population. Accordingly, approximately one-third of the beneficiaries of the plans dated September 25, 2024 are employees who had not been awarded performance shares during the last five years.

ATTRIBUTIONS OF PERFORMANCE SHARES ON SEPTEMBER 25, 2024

Total number of performance shares	**318,931**
% of the share capital	0.06%
Number of grants [(a)]	2,846
% of employees	4.16%

(a) Including 2,760 distinct beneficiaries.

Performance conditions apply to all the performance shares which are awarded to all the beneficiaries. They are described on pages 148 to 149.

As at December 31, 2024, the aggregate total of outstanding performance shares for which the definitive grant date has not yet occurred and the outstanding stock options not yet exercised corresponds to the number of shares representing 0.32% of the share capital on this date.

2. Stock option plans (information to be regarded as the Special Report of the Board of Directors within the meaning of article L. 225-184 of the French Commercial Code)

Pursuant to the decisions of the Board of Directors, following the authorizations of the General Meeting and on the recommendation of the Remuneration Committee, the Company has adopted plans granting a certain number of stock options to certain employees of the Company and its subsidiaries worldwide, including the Executive Officer.

Stock options are granted for a minimum price which cannot be lower than the average opening market price over the 20 trading days preceding the grant date. The maximum exercise period is 10 years since the stock option plan dated October 14, 2011.

The stock options cannot be exercised before a minimum period of four years after they are awarded. The Board of Directors has the power to terminate this lock-in period if there is a takeover bid for the Company's shares or a merger or takeover of the Company.

As at December 31, 2024, the number of outstanding share options granted by the Board of Directors under the plans approved by General Meetings amounted to 494,684 options after adjustment (average price of 69.22 euros), or 0.09% of share capital.

Of the total stock options authorized for issue by the General Meeting of May 4, 2022, there was still a potential attribution of 11,565,185 stock options as at December 31, 2024 (no stock options were attributed since 2019, as the Board of Directors decided to only attribute performance shares).

TABLE 8. SUMMARY OF THE ONGOING STOCK OPTION PLANS IN 2024

	2014	2015	2016	2017	2018	Total
Date of authorization by the EGM	05/07/13	05/07/13	05/12/16	05/12/16	05/12/16	
Date of Board meeting	09/22/14	09/28/15	11/29/16	09/20/17	09/25/18	
Total number of share subscription options granted [d]	868,385	467,194	143,240	73,540	73,380	
Benoît Potier [a]	*100,000*	*70,000*	*60,000*	*23,100*	*23,690*	
Pierre Dufour [a]	*57,000*	*39,900*	—	—	—	
Of which the top ten employee beneficiaries (excluding Executive Officers)	*212,000*	*92,090*	*23,160*	*7,160*	*6,540*	
Number of beneficiaries	863	399	243	204	217	
% of share capital represented by each grant	0.25%	0.14%	0.04%	0.02%	0.02%	
Rate of achievement of performance conditions	83.38%	82.50%	82.87%	100%	100%	
Option exercise period start date	09/22/18	09/28/19	11/29/20	09/29/21	09/25/22	
Expiration date	09/21/24	09/27/25	11/28/26	09/19/27	09/24/28	
Subscription price in euros	97.00	105.00	93.00	104.00	107.00	
As of 12/31/24, subscription price in euros [b]	63.85	69.12	62.86	70.30	79.76	
As of 12/31/24, adjusted number of stock options [b]	1,083,326	626,943	193,048	102,578	95,310	
As of 12/31/24, number of shares subscribed [d]	877,144	253,397	43,139	31,273	23,627	
Number of stock options cancelled [b] [c]	206,182	121,961	35,433	7,363	7,002	
NUMBER OF STOCK OPTIONS REMAINING [b]	**0**	**251,585**	**114,476**	**63,942**	**64,681**	**494,684**
			As of % of the share capital			**0.09%**
						578,259,263

(a) Stock options granted (historical data).
(b) Adjusted for share capital increases by attributions of free shares (2024, 2022, 2019, 2017) and for the share capital increase in cash of October 11, 2016.
(c) Loss of exercise rights.
(d) Number of shares or stock options (historical data).

The total number of options remaining to be exercised by Mr François Jackow as at December 31, 2024 is shown in the table on page 151.

DETAIL OF THE ONGOING OPTION PLANS IN 2024 FOR Mr BENOÎT POTIER

	2013	2014	2015	2016	2017	2018
Number of stock options granted [a]	100,000	100,000	70,000	60,000	23,100	23,690
Adjusted number of stock options granted **before** applying the rate of achievement of the performance conditions [b]	110,283	102,700	79,263	66,161	28,092	26,127
Rate of achievement of the performance conditions	94.90%	83.38%	82.50%	82.87%	100.00%	100.00%
Number of stock options after applying the rate of achievement of the performance conditions	**104,659**	**85,631**	**65,391**	**54,827**	**28,092**	**26,127**
Adjustments impact after applying the rate of achievement of the performance conditions	26,048	27,781	14,155	11,871	2,892	2,688
Adjusted total number of stock options granted **after** applying the rate of achievement of the performance conditions	130,707	113,412	79,546	66,698	30,984	28,815

(a) *Stock options granted (historical data).*
(b) *To take into account, if applicable, capital increase through free share issues (2024, 2022, 2019, 2017, 2014) and the capital increase in cash on October 11, 2016.*

N.B.: See page 157 for the adjusted number of stock options remaining to be exercised by Mr Benoît Potier as at December 31, 2024.

2.1. STOCK OPTIONS GRANTED IN 2024

No stock options were granted in 2024. As from 2019, the Board of Directors' meeting of September 25, 2024, decided, in accordance with the general market trend, to award only performance shares (instead of a mix of stock options and performance shares) to all beneficiaries, in order to simplify and standardize the LTI scheme.

Table 9

TABLE 9.1. OPTIONS GRANTED TO THE 10 EMPLOYEES (EXCLUDING CORPORATE OFFICERS) WHO WERE GRANTED THE HIGHEST NUMBER OF STOCK OPTIONS

Not applicable (no stock options granted in 2024).

2.2. STOCK OPTIONS EXERCISED IN 2024

Part of the stock options granted between 2014 and 2018 by the Board of Directors was exercised during the 2024 fiscal year for a total of 457,512 shares at an average price of 69.19 euros.

TABLE 9.2. OPTIONS EXERCISED BY THE 10 EMPLOYEES OF L'AIR LIQUIDE S.A. AND ITS SUBSIDIARIES, NOT CORPORATE OFFICERS, WITH THE HIGHEST NUMBER OF OPTIONS EXERCISED

Grant date	Number of options exercised	Average price *(in euros)* [a]
09/22/2014	186,262	69.67
09/28/2015	28,742	69.25
11/29/2016	49	69.33
09/25/2018	910	87.25
TOTAL	**215,963**	**69.69**

(a) *Historical data.*

TABLE 9.3. STOCK OPTIONS EXERCISED BY THE 10 EMPLOYEES OF L'AIR LIQUIDE S.A (EXCLUDING CORPORATE OFFICERS) WHO EXERCISED THE HIGHEST NUMBER OF OPTIONS

Grant date	Number of options exercised	Average price *(in euros)* [a]
09/22/2014	157,269	70.34
09/28/2015	18,377	69.44
11/29/2016	1,141	69.33
09/25/2018	129	82.88
TOTAL	**176,916**	**70.24**

(a) *Historical data.*

3. Performance share plans (information to be regarded as the Special Report of the Board of Directors within the meaning of article L. 225-197-4 of the French Commercial Code)

3.1. DESCRIPTION

Since 2008, performance share attributions have been designed to retain and motivate talented employees dynamically and to reward performance over the medium term.

The Extraordinary General Meeting of May 4, 2022 authorized the Board to attribute performance shares to the Group's employees, within an upper attribution limit equal to 0.5% of the share capital over 38 months; pursuant to this upper limit, it fixed the limit on the number of shares that can be attributed to the Executive Officers over the same period, which amounts to 0.1% of the share capital. A new resolution proposing this authorization was presented to the General Meeting of May 6, 2025.

For each attribution, the Board determines two different plan regulations (the "France" Plan and the "World" Plan) which govern the attribution of performance shares to the beneficiaries determined by the Board of Directors. The "France" and "World" Plans mainly differ in the number of years of presence required, and to the correlative absence of any holding requirement for the "World" Plan as described below.

Performance shares are subject to:

- a continued service requirement during the vesting period: the shares granted to a beneficiary shall only finally vest if he or she has been an employee or corporate officer of a Group company during a vesting period, calculated as from the grant date, of three years for "France" Plan beneficiaries and four years for "World" Plan beneficiaries. In the event of retirement, the beneficiary retains his rights, being no longer required to satisfy the continued service requirement;
- performance conditions which relate, since the first attribution in 2008, to all performance shares awarded to any beneficiary; see the performance conditions in the summary table for attribution of performance shares below;
- a holding obligation: with effect from the definitive attribution date, the beneficiaries of the "France" Plan have an obligation to hold the shares for an additional two years during which the said shares cannot be transferred (other than in the event of a death or disability).

To date, the performance shares delivered have been treasury shares issued as part of the Company's buyback program (see page 384).

The outstanding performance shares attributed by the Board of Directors pursuant to the authorizations voted by the General Meetings, for which the definitive attribution has not yet occurred, amounted, after adjustment, to 1,364,532 shares as at December 31, 2024, i.e. 0.24% of the shares that make up the share capital.

Out of the total performance shares whose award was authorized by the General Meeting of May 4, 2022 for 38 months, 1,770,521 performance shares remained potentially available for award as at December 31, 2024.

TABLE 10. SUMMARY OF THE ONGOING PERFORMANCE SHARE PLANS IN 2024

	Performance shares 2019	Performance shares 2020	Performance shares 2021	Performance shares 2022	Performance shares 2023	Performance shares 2024	Total
Date of authorization by the EGM	05/07/2019	05/07/2019	05/07/2019	05/04/2022	05/04/2022	05/04/2022	
Date of award by the Board meeting	09/30/2019	09/29/2020	09/29/2021	09/29/2022	09/28/2023	09/25/2024	
Total number of performance shares awarded [(a)]	349,173	345,923	376,435	460,415	341,249	318,931	
François Jackow	—	—	—	*9,790*	*12,050*	*12,170*	
Benoît Potier	*18,650*	*17,640* [(e)]	*18,800* [(e)]	—	—	—	
of which the top ten employee beneficiaries (excluding Executive Officers) receiving the highest number of shares	*57,120*	*54,150*	*65,570*	*74,700*	*52,650*	*42,510*	
Share capital represented by each award	0.07%	0.07%	0.08%	0.09%	0.07%	0,06%	
Number of grants	1,812	2,294	2,154	2,635	2,679	2,846	
Performance conditions ("France" and "World" Plans), over a period of three years	▪ ROCE ▪ TSR, including an element of relative comparison	▪ ROCE ▪ TSR, including an element of relative comparison ▪ change in CO_2 emissions	▪ ROCE ▪ TSR, including an element of relative comparison ▪ change in CO_2 emissions	▪ ROCE ▪ TSR, including an element of relative comparison ▪ change in CO_2 emissions	▪ ROCE ▪ TSR, including an element of relative comparison ▪ change in CO_2 emissions	▪ ROCE ▪ TSR, including an element of relative comparison ▪ change in CO_2 emissions	
Number of performance shares cancelled before definitive award	159,656	67,199	67,254	32,442	14,620	2,320	
Rate of achievement of the performance conditions [(b) (d)]	65.30%	93.02%	95.61%	100 %	To be recorded in 2026	To be recorded in 2027	
"France" Plan							
Definitive award date	09/30/2022	09/29/2023	09/29/2024	09/29/2025	09/28/2026	09/25/2027	
End of holding period	09/30/2024	09/29/2025	09/29/2026	09/29/2027	09/28/2028	09/25/2029	
Number of performance shares after definitive award	86,458	124,182	141,759	75	—	—	
Adjusted number of performance shares after definitive award [(c)]	105,793	136,213	172,387	75	—	—	
Adjusted number of performance shares in acquisition period [(c)]	—	—	—	**188,568**	**144,865**	**132,194**	
"World" Plan							
Definitive award date (no additional holding period)	09/30/2023	09/29/2024	09/29/2025	09/29/2026	09/28/2027	09/25/2028	
Number of performance shares after definitive award	118,516	160,676	710	835	585	—	
Adjusted number of performance shares after definitive award [(c)]	145,068	197,098	824	921	646	—	
Adjusted number of performance shares in acquisition period [(c)]	—	—	**213,028**	**284,994**	**216,466**	**184,417**	
ADJUSTED NUMBER OF PERFORMANCE SHARES DEFINITIVELY AWARDED ("FRANCE" AND "WORLD") [(c)]	**250,861**	**333,311**	**173,211**	**996**	**646**	—	
ADJUSTED NUMBER OF PERFORMANCE SHARES IN ACQUISITION PERIOD ("FRANCE" AND "WORLD") [(c)]	—	—	**213,028**	**473,562**	**361,331**	**316,611**	**1,364,532***

(a) *Number of shares (historical data).*
(b) *The objectives set are made public ex-post. For the 2022 plans, the objectives are described on page 152.*
(c) *Adjusted for share capital increases by attributions of free shares (2024,2022, 2019).*
(d) *The number of performance shares definitively awarded depends upon rate of achievement of the performance conditions which ranges from 0% to 100%. If the objective set is achieved or exceeded, the award is 100% (no additional award in the event of an overperformance).*
(e) *In view of the proration rules applying to Mr Benoît Potier, as recalled on page 156, the maximum number of shares delivered, after recording of the performance criteria, were prorated in the following proportion for the 2020 plan: 80.5% (i.e. a reduction of -19.5%) and for the 2021 plan: 47.1% (i.e. a reduction of -52.9%).*
* *Number of performance shares after applying the rate of achievement of the performance conditions recorded by the Board on February 20, 2025 (2022 plans). As of December 31, 2024 the outstanding performance shares which have not yet been definitively awarded amounted to 1,364,532 shares; after applying the rate of achievement of the performance conditions, it amounts to 1,364,532 shares.*

DETAIL OF THE PERFORMANCE SHARE PLANS UNDERWAY IN 2024 FOR Mr BENOÎT POTIER

	Performance shares 2019	Performance shares 2020	Performance shares 2021	Performance shares 2022	Performance shares 2023	Performance shares 2024
Number of performance shares awarded [(a)]	18,650	17,640	18,800	N/A	N/A	N/A
Adjusted number of performance shares awarded, before applying the rate of achievement of the performance conditions [(b)]	20,569	19,455	20,734	N/A	N/A	N/A
Rate of achievement of performance conditions	65.3%	74.88%	45.03 %	N/A	N/A	N/A
Adjusted number of performance shares on the definitive award date	14,813	14,568	10,297	N/A	N/A	N/A

(a) Number of shares (historical data).
(b) In order to take into account share capital increases through free share issues (2024, 2022, 2019).

DETAIL OF THE PERFORMANCE SHARE PLANS UNDERWAY IN 2024 FOR Mr FRANÇOIS JACKOW

	Performance shares 2022	Performance shares 2023	Performance shares 2024
Number of performance shares awarded [(a)]	9,790	12,050	12,170
Adjusted number of performance shares awarded, before applying the rate of achievement of the performance conditions [(b)]	10,797	13,290	12,170
Rate of achievement of performance conditions	100.00%	To be recorded in February 2026	To be recorded in February 2027
Adjusted number of performance shares on the definitive award date	—	—	—

(a) Number of shares (historical data).
(b) In order to take into account share capital increases through free share issues (2024).

3.2. SEPTEMBER 25, 2024 PERFORMANCE SHARE PLANS

Pursuant to the authorization of the Combined General Meeting of May 4, 2022, in connection with the “France” and “World” Plans dated September 25, 2024, the Board of Directors made a conditional allocation of a total of 318,931 shares representing 0.06% of the share capital in terms of the number of shares to 2,760 distinct beneficiaries (132,569 shares allocated to the beneficiaries of the “France” Plan and 186,362 shares allocated to the beneficiaries of the “World” Plan).

The IFRS individual fair value for these performance shares amounts to 149.08 euros for the “France” Plan and to 148.12 euros for the “World” Plan – see details of this IFRS value in Note 21.5 “Share-based payments” in the Consolidated Financial Statements.

Subject to the satisfaction of the presence and performance conditions, these shares will be fully vested for the beneficiaries on September 25, 2027 for the “France” Plan (but cannot be sold until September 25, 2029) and September 25, 2028 for the “World” Plan.

For this award, the Board adopted performance conditions calculated over three fiscal years (for a full description, see pages 148 and 149).

The rate of achievement of the performance conditions will be recorded by the Board of Directors at its meeting to approve the financial statements for the 2026 fiscal year.

SEPTEMBER 25, 2024 PERFORMANCE SHARE PLAN – DISTRIBUTION BETWEEN THE VARIOUS CATEGORIES OF BENEFICIARIES

	Number of beneficiaries	Number of shares
Executive Officers of L'Air Liquide S.A.	1	12,170
Senior executives (who are not corporate officers of L’Air Liquide S.A.), managers and special contributors	96	92,686
Other employees, new beneficiaries	2,663	214,075

SEPTEMBER 25, 2024 PERFORMANCE SHARE PLAN – SHARES GRANTED TO THE 10 NON-CORPORATE OFFICER EMPLOYEES OF L’AIR LIQUIDE S.A. WITH THE HIGHEST NUMBER OF SHARES GRANTED

	Number of shares
For L’Air Liquide S.A.	31,985
For L’Air Liquide S.A. and its subsidiaries	42,510

3.3. RATE OF ACHIEVEMENT OF THE PERFORMANCE CONDITIONS FOR THE AWARD OF SEPTEMBER 29, 2022

Based on the financial statements adopted for the 2024 fiscal year, subject to the approval of the next General Meeting, the Board of Directors’ meeting of February 20, 2025 recorded the rate of achievement of the performance conditions defined at the time of the award of the performance share grant dated September 29, 2022. Consequently, the total proportion of shares subject to conditions which are fully vested for the beneficiaries is 100% (for more details, see page 152).

EMPLOYEE SAVINGS AND SHARE OWNERSHIP

For many years, Air Liquide has pursued an active policy promoting employee profit-sharing and incentive schemes in connection with the Group's growth and the development of employee share ownership in the Company's capital.

1. Profit-sharing

Profit-sharing and incentive schemes have been organized for many years in Group companies in France and paid almost 71.0 million euros for 2023 performance. This year these schemes cover over 98% of employees.

Under the Company Savings Plans, Group employees in France can make payments to dedicated and diversified investment funds, on a voluntary basis or based on profit-sharing, incentives and, where applicable, Company contributions and thus benefit from the preferential tax regime applicable in consideration for locking-in their assets over a period of five years.

In 2024, L'Air Liquide S.A. distributed 9.9 million euros gross (excluding Company contributions) in respect of profit-sharing and incentives. Some 1,278 employees benefited from these schemes. Company contributions to the Company Savings Plan are negotiated every year and amounted to nearly 1.3 million euros gross in 2024. These payments correspond to an average amount of 7,732 euros gross per employee excluding Company contribution.

Since 2021, the employees of L'Air Liquide S.A. may invest their incentive and profit-sharing (excluding Company contributions) in the Air Liquide Supplementary Retirement Savings Plan. In 2024, 597 thousand euros were invested in this plan.

In 2024, L'Air Liquide S.A. employees invested 91.3% of their profit-sharing and incentives in savings plans (excluding Company contributions), respectively in bond-weighted assets (25.5%) and equity-weighted assets (34%) (excluding the AL SAVINGS fund).

A total of 40.5% of these employee savings was invested in corporate mutual funds holding only Air Liquide shares (AL SAVINGS fund) compared with 50% in 2023.

2. Employee shareholding

The Group is keen to involve its employees in its development. These employee share ownership offers contribute significantly to increasing employee motivation and a sense of belonging to the Group.

Since 1986, the Company has regularly performed share capital increases reserved for Group employees, for which subscription is offered at a preferential rate. The most recent capital increase, conducted in November 2023, resulted in the subscription of 746,401 shares by 22,093 Group employees and retirees, representing 32.49% of the eligible population in 57 countries.

In France, the shares subscribed in these capital increases are also eligible for the preferential tax regime applicable provided that they are blocked over a period of five years, while those held abroad are governed by the legal regulations prevailing in each relevant country.

At the end of 2024, the share of capital held by Group employees and former employees was estimated at 2.9%, of which 2.1% corresponded (within the meaning of article L. 225-102 of the French Commercial Code) to shares subscribed by employees under employee-reserved capital increases or held through mutual funds. The percentage of Group employees holding L'Air Liquide S.A. shares totaled around 49% of the workforce.

Air Liquide wishes to pursue this strategy and further the development of its employee share ownership, by regularly offering share capital increases to employees.

TRANSACTIONS INVOLVING COMPANY SHARES PERFORMED BY COMPANY OFFICERS IN ACCORDANCE WITH ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

In 2024, the following transactions involving Company shares were performed by corporate officers and members of General Management, pursuant to article L. 621-18-2 of the French Monetary and Financial Code:

	Nature of the transactions	Date of transaction	Average price *(in euros)*
Jérôme Pelletan	Sale of 450 shares of L'AIR LIQUIDE S.A.	January 4, 2024	171.70
François Jackow	Exercise of 1,523 options of L'AIR LIQUIDE S.A.	February 22, 2024	76.23
François Jackow	Exercise of 121 options of L'AIR LIQUIDE S.A.	February 22, 2024	70.42
François Jackow	Sale of 1,523 shares of L'AIR LIQUIDE S.A.	February 22, 2024	186.00
François Jackow	Sale of 121 shares of L'AIR LIQUIDE S.A.	February 22, 2024	186.24
Jérôme Pelletan	Sale of 1,200 shares of L'AIR LIQUIDE S.A.	February 26, 2024	189.50
Annette Winkler	Purchase of 60 shares of L'AIR LIQUIDE S.A.	February 26, 2024	189.84
Annette Winkler	Gift of use of 60 AIR LIQUIDE S.A. shares	February 29, 2024	171.00
Jérôme Pelletan	Exercise of 966 AIR LIQUIDE S.A. options	March 11, 2024	70.42
Jérôme Pelletan	Sale of 966 AIR LIQUIDE S.A. shares	March 11, 2024	192.88
Benoît Potier	Exercise of 64,412 options of L'AIR LIQUIDE S.A.	March 14, 2024	70.42
Benoît Potier	Sale of 64,412 shares of L'AIR LIQUIDE S.A.	March 14, 2024	195.30
Benoît Potier	Exercise of 35,000 options of L'AIR LIQUIDE S.A.	March 21, 2024	70.42
Benoît Potier	Final allocation of 10,297 shares of L'AIR LIQUIDE S.A.	September 30, 2024	175.40
Jérôme Pelletan	Final allocation of 2,908 shares of L'AIR LIQUIDE S.A.	September 30, 2024	175.40
François Jackow	Final allocation of 9,710 shares of L'AIR LIQUIDE S.A.	September 30, 2024	175.40
François Jackow	Sale of 2,251 shares of L'AIR LIQUIDE S.A.	December 23, 2024	154.68

FACTORS THAT MAY HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID

Pursuant to article L. 22-10-11 of the French Commercial Code, the factors that may have an impact in the event of a takeover bid are set forth below.

1. Powers of the Board of Directors

The share buyback authorization currently granted to the Company excludes any buybacks during a period of bidding on the Company's shares.

Furthermore, the following delegations of authority granted to the Board of Directors are suspended during periods of takeover bids:

- the delegation of authority granted to the Board of Directors by the Combined General Meeting of April 30, 2024 in its 18th resolution to increase the share capital by incorporating additional paid-in capital, reserves, profits or other;
- the delegation of authority granted to the Board of Directors by the Combined General Meeting of May 3, 2023 in its 19th resolution to increase the share capital by the issue of ordinary shares or marketable securities and the delegation that will replace this, subject to approval by the Combined General Meeting on May 6, 2025;

Some provisions relating to the regulations of the stock options plans are also applicable in the event of a takeover bid launched on the Company's shares (see page 182 of this Universal Registration Document).

2. Agreements by the Company that may be modified or terminated in the event of a change of control of the Company

Several bond issues under the Group's EMTN program include a clause providing that, under certain circumstances, the early repayment of such bonds may be requested in the event of a change of control of the Company:

- private placement issued in January 2008 maturing in January 2038 (15 billion yen, or 92 million euros equivalent [1]);
- private placement issued in January 2014 maturing in January 2026 (150 million euros);
- private placement issued in March 2014 maturing in March 2029 (100 million euros);
- bond issued in June 2015 maturing in June 2025 (500 million euros);
- bond issued in June 2016 maturing in June 2028 (1,000 million euros);
- bond issued in March 2017 maturing in March 2027 (600 million euros);
- bond issued in June 2019 maturing in June 2030 (600 million euros);
- private placement issued in March 2020 maturing in March 2025 (100 million euros);
- bond issued in April 2020 maturing in April 2025 (371.6 million euros), maturing in April 2030 (500 million euros);
- green bond issued in May 2021 maturing in May 2031 (500 million euros);
- bond issued in September 2021 maturing in September 2033 (500 million euros);
- bond issued in September 2022 maturing in September 2032 (500 million euros); and
- green bond issued in May 2024 maturing in May 2034 (500 million euros).

Three bonds (or private placements) issued outside of the Group's EMTN program include a clause providing that, under certain circumstances, the early repayment of such bonds may be requested in the event of a change of control of the Company:

- US private placement issued in September 2012 maturing in September 2027 (100 million US dollars, i.e. 96.2 million euros equivalent [2]);
- US public bond (144a format) issued in September 2016 maturing in September 2026 (934 million US dollars, or 899 million euros equivalent [2]) and September 2046 (682 million US dollars, or 656.5 million euros equivalent [2]); and
- US public bond (144a format) issued in September 2019 maturing in September 2029 (500 million US dollars, or 481.3 million euros equivalent [2]).

Some credit agreements of the Group include a clause providing that, under certain circumstances, the early repayment of the advances made under those credit agreements may be requested in the event of a change of control of the Company.

(1) *Converted at closing rates as at December 31, 2024, with 1 EUR = 163.06 JPY.*
(2) *Converted at closing rates as at December 31, 2024, with 1 EUR = 1.0389 USD.*

3. Agreements providing indemnities for Board members or employees if they resign or are dismissed without good and sufficient cause or if their employment ends due to a takeover bid

The indemnities granted to the Company's corporate officers in the event of a termination of their office are detailed on pages 154 and 155 of this Universal Registration Document.

4 Financial Statements

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

For the year ended December 31

(in millions of euros)	Notes	2023	2024
Revenue	**(3)**	**27,607.6**	**27,057.8**
Other income	(4)	233.9	234.0
Purchases	(4)	(11,146.8)	(10,008.2)
Personnel expenses	(4)	(5,099.5)	(5,165.7)
Other expenses	(4)	(4,045.2)	(4,221.4)
Operating income recurring before depreciation and amortization		**7,550.0**	**7,896.5**
Depreciation and amortization expense	(4)	(2,482.0)	(2,505.1)
Operating income recurring		**5,068.0**	**5,391.4**
Other non-recurring operating income	(5)	242.3	64.8
Other non-recurring operating expenses	(5)	(738.8)	(510.6)
Operating income		**4,571.5**	**4,945.6**
Net finance costs	(6)	(265.5)	(258.4)
Other financial income	(6)	15.4	8.5
Other financial expenses	(6)	(166.1)	(168.5)
Income taxes	(7)	(971.8)	(1,086.5)
Share of profit of equity affiliates	(14)	4.9	(0.7)
PROFIT FOR THE PERIOD		**3,188.4**	**3,440.0**
■ Minority interests		110.4	133.9
■ Net profit (Group share)		3,078.0	3,306.1
Basic earnings per share *(in euros)*	**(8)**	**5.35**	**5.74**
Diluted earnings per share *(in euros)*	**(8)**	**5.33**	**5.72**

Accounting principles and notes to the Financial Statements begin on page 199.

Statement of net income and gains and losses recognized directly in equity

For the year ended December 31

(in millions of euros)	**2023**	**2024**
Profit for the period	**3,188.4**	**3,440.0**
Items recognized in equity		
Change in fair value of financial instruments	(47.9)	25.9
Change in foreign currency translation reserve	(1,118.4)	912.4
Items that may be subsequently reclassified to profit	**(1,166.3)**	**938.3**
Actuarial gains/(losses)	(26.4)	2.4
Items that may not be subsequently reclassified to profit	**(26.4)**	**2.4**
Items recognized in equity, net of taxes	**(1,192.7)**	**940.7**
Net income and gains and losses recognized directly in equity	**1,995.7**	**4,380.7**
■ Attributable to minority interests	66.6	150.7
■ Attributable to equity holders of the parent	1,929.1	4,230.0

Consolidated balance sheet

For the year ended December 31

ASSETS *(in millions of euros)*	**Notes**	**December 31, 2023**	**December 31, 2024**
Goodwill	(10)	14,194.2	14,977.4
Other intangible assets	(11)	1,631.3	1,691.5
Property, plant and equipment	(12)	23,652.2	25,538.7
Non-current assets		**39,477.7**	**42,207.6**
Non-current financial assets	(13)	696.7	746.3
Investments in equity affiliates	(14)	180.1	198.3
Deferred tax assets	(15)	225.2	335.0
Fair value of non-current derivatives (assets)	(25)	35.1	32.9
Other non-current assets		**1,137.1**	**1,312.5**
TOTAL NON-CURRENT ASSETS		**40,614.8**	**43,520.1**
Inventories and work-in progress	(16)	2,027.6	2,189.6
Trade receivables	(17)	2,993.7	2,996.7
Other current assets	(19)	862.7	1,068.2
Current tax assets		42.9	96.7
Fair value of current derivatives (assets)	(25)	70.7	77.3
Cash and cash equivalents	(20)	1,624.9	1,915.3
TOTAL CURRENT ASSETS		**7,622.5**	**8,343.8**
ASSETS HELD FOR SALE		**95.1**	**3.6**
TOTAL ASSETS		**48,332.4**	**51,867.5**

EQUITY AND LIABILITIES *(in millions of euros)*	**Notes**	**December 31, 2023**	**December 31, 2024**
Share capital		2,884.8	3,180.4
Additional paid-in capital		2,447.7	2,064.1
Retained earnings		16,063.7	18,534.2
Treasury shares		(152.7)	(224.8)
Net profit (Group share)		3,078.0	3,306.1
Shareholders' equity		**24,321.5**	**26,860.0**
Minority interests		**721.6**	**761.3**
TOTAL EQUITY [(a)]	**(21)**	**25,043.1**	**27,621.3**
Provisions, pensions and other employee benefits	(22, 23)	2,004.8	2,025.6
Deferred tax liabilities	(15)	2,329.0	2,527.1
Non-current borrowings	(24)	8,560.5	8,403.1
Non-current lease liabilities	(12)	1,046.3	1,133.8
Other non-current liabilities	(26)	454.7	642.8
Fair value of non-current derivatives (liabilities)	(25)	48.0	29.7
TOTAL NON-CURRENT LIABILITIES		**14,443.3**	**14,762.1**
Provisions, pensions and other employee benefits	(22, 23)	363.8	418.9
Trade payables	(27)	3,310.5	3,319.0
Other current liabilities	(26)	2,310.1	2,483.7
Current tax payables		236.4	273.1
Current borrowings	(24)	2,285.3	2,671.4
Current lease liabilities	(12)	219.7	239.8
Fair value of current derivatives (liabilities)	(25)	76.2	76.9
TOTAL CURRENT LIABILITIES		**8,802.0**	**9,482.8**
LIABILITIES HELD FOR SALE		**44.0**	**1.3**
TOTAL EQUITY AND LIABILITIES		**48,332.4**	**51,867.5**

(a) A breakdown of changes in shareholders' equity and minority interests is presented on pages 197 and 198.

Consolidated cash flow statement

For the year ended December 31

(in millions of euros)	Notes	2023	2024
Operating activities			
Net profit (Group share)		**3,078.0**	**3,306.1**
Minority interests		**110.4**	**133.9**
Adjustments:			
■ Depreciation and amortization expense	(4)	2,482.0	2,505.1
■ Changes in deferred taxes	(7)	(59.8)	(42.3)
■ Changes in provisions		471.2	304.0
■ Share of profit of equity affiliates	(14)	(4.9)	0.7
■ Profit/loss on disposal of assets [(a)]		(126.9)	(7.0)
■ Net finance costs [(a)]	(24)	192.9	178.2
■ Other non cash items [(b)]		214.4	160.6
Cash flows from operating activities before changes in working capital [(a)]		**6,357.3**	**6,539.3**
Changes in working capital	(18)	(154.4)	(155.1)
Other cash items		60.1	(62.0)
Net cash flows from operating activities		**6,263.0**	**6,322.2**
Investing activities			
Purchase of property, plant and equipment and intangible assets [(c)]	(11,12)	(3,393.4)	(3,525.1)
Acquisition of consolidated companies and financial assets		(103.0)	(269.0)
Proceeds from sale of property, plant and equipment and intangible assets [(a)]		63.2	80.1
Proceeds from the sale of subsidiaries, net of net debt sold and from the sale of financial assets		339.7	113.0
Dividends received from equity affiliates	(14)	14.5	17.6
Net cash flows used in investing activities		**(3,079.0)**	**(3,583.4)**
Financing activities			
Dividends paid [(d)]			
■ L'Air Liquide S.A.		(1,581.2)	(1,718.1)
■ Minority interests		(85.4)	(90.3)
Proceeds from issues of share capital [(d)]		128.8	34.4
Purchase of treasury shares [(d)]		(81.9)	(230.8)
Net financial interests paid [(a)]		(222.5)	(218.2)
Increase (decrease) in borrowings [(e)]		(1,215.6)	(266.8)
Lease liabilities repayments		(240.1)	(239.1)
Net interests paid on lease liabilities		(39.8)	(45.3)
Transactions with minority shareholders		(142.0)	(33.4)
Net cash flows from (used in) financing activities		**(3,479.7)**	**(2,807.6)**
Effect of exchange rate changes and change in scope of consolidation		(61.6)	(32.4)
Net increase (decrease) in net cash and cash equivalents		**(357.3)**	**(101.2)**
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**1,760.9**	**1,403.6**
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**1,403.6**	**1,302.4**

(a) In accordance with IAS 7.35, the Group classifies cash flows from income taxes as operating flows, unless they can be specifically attributed to financing and investing activities. Consequently, the Group presents the cost of net debt, proceeds from disposals, capital gains or losses on asset disposals and interest paid net of tax.
(b) This item includes net non-cash charges relating to IAS 19, IFRS 16 unwinding of discounting, IFRS 2 charge.
(c) This item includes in particular the increase in tangible and intangible assets (excluding right of use assets) and the change in supplier debts for fixed assets for 15.7 million euros in 2024 (56.3 million euros in 2023).
(d) A breakdown of dividends paid, share capital increases and treasury share purchases is provided on pages 197 and 198.
(e) This item includes in particular the change in other non current and current financial assets.

The analysis of net cash and cash equivalents at the end of the period is as follows:

(in millions of euros)	Notes	December 31, 2023	December 31, 2024
Cash and cash equivalents	(20)	1,624.9	1,915.3
Bank overdrafts (included in current borrowings)		(221.3)	(612.9)
NET CASH AND CASH EQUIVALENTS		**1,403.6**	**1,302.4**

Consolidated statement of changes in equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM JANUARY 1, 2024 TO DECEMBER 31, 2024

(in millions of euros)	Notes	Share capital	Additional paid-in capital	Retained earnings (including net profit)	Fair value of financial instruments	Translation reserves	Treasury shares	Shareholders' equity	Minority interests	Total equity
Equity and minority interests as of January 1, 2024		**2,884.8**	**2,447.7**	**20,495.4**	**(217.3)**	**(1,136.4)**	**(152.7)**	**24,321.5**	**721.6**	**25,043.1**
Profit for the period				**3,306.1**				**3,306.1**	**133.9**	**3,440.0**
Items recognized directly in equity				2.4	25.9	895.6		923.9	16.8	940.7
Net income and gains and losses recognized directly in equity [(a)]				**3,308.5**	**25.9**	**895.6**		**4,230.0**	**150.7**	**4,380.7**
Increase (decrease) in share capital		2.5	27.6					30.1	4.2	34.3
Free shares attribution [(b) (c)]		296.5	(296.5)						—	
Distribution	(9)			(1,719.6)				(1,719.6)	(90.3)	(1,809.9)
Cancellation of treasury shares [(c)]		(3.4)	(114.7)				118.1	—		—
Purchase/Sale of treasury shares [(c)]							(230.4)	(230.4)		(230.4)
Share-based payments				(0.4)			40.2	39.8		39.8
Transactions with minority shareholders recognized directly in equity				(10.3)				(10.3)	(24.9)	(35.2)
Others [(d)]				198.9				198.9		198.9
EQUITY AND MINORITY INTERESTS AS OF DECEMBER 31, 2024		**3,180.4** [(b)]	**2,064.1**	**22,272.5**	**(191.4)**	**(240.8)**	**(224.8)** [(c)]	**26,860.0**	**761.3**	**27,621.3**

(a) The statement of net income and gains and losses recognized directly in equity is presented on page 194.

(b) Share capital as of December 31, 2024 was made up of 578,259,263 shares at a par value of 5.50 euros. During the fiscal year, movements affecting share capital were as follows:
- *on June 12, 2024, share capital increase by capitalizing share premiums, and attribution of 53,911,973 free shares at an exchange rate of one new share for 10 existing shares and one new share for 100 existing registered shares held continuously from December 31, 2021 to June 11, 2024 inclusive*
- *creation of 301,422 shares in cash with a par value of 5.50 euros resulting from the exercise of options before the attribution of free shares;*
- *creation of 156,090 shares in cash with a par value of 5.50 euros resulting from the exercise of options after the attribution of free shares;*
- *share capital decrease by canceling 627,000 shares bought under the approval of the Combined Shareholders' Meeting on April 30, 2024;*

(c) The number of treasury shares as of December 31, 2024 totaled 1,815,681 (including 1,526,236 held by L'Air Liquide S.A.). During the fiscal year, movements affecting treasury shares were as follows:
- *acquisitions, net of disposals, of 926,379 shares before the attribution of free shares;*
- *acquisitions, net of disposals, of 352,771 shares after the attribution of free shares;*
- *cancellation of 627,000 shares by capital decrease;*
- *allocation of 371,826 shares as part of performance shares;*
- *creation of 171,663 shares related to the attribution of free shares*

(d) Including the effects of hyperinflation in Argentina and Türkiye.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM JANUARY 1, 2023 TO DECEMBER 31, 2023

(in millions of euros)	Share capital	Additional paid-in capital	Retained earnings (including net profit)	Fair value of financial instruments	Translation reserves	Treasury shares	Shareholders' equity	Minority interests	Total equity
Equity and minority interests as of January 1, 2023	**2,879.0**	**2,349.0**	**18,858.0**	**(169.4)**	**(61.8)**	**(118.4)**	**23,736.4**	**835.6**	**24,572.0**
Profit for the period			**3,078.0**				**3,078.0**	**110.4**	**3,188.4**
Items recognized directly in equity			(26.4)	(47.9)	(1,074.6)		(1,148.9)	(43.8)	(1,192.7)
Net income and gains and losses recognized directly in equity [(a)]			**3,051.6**	**(47.9)**	**(1,074.6)**		**1,929.1**	**66.6**	**1,995.7**
Increase (decrease) in share capital	6.5	116.2					122.7	6.2	128.9
Distribution			(1,582.8)				(1,582.8)	(85.4)	(1,668.2)
Cancellation of treasury shares	(0.7)	(17.5)				18.2	—		—
Purchase/Sale of treasury shares						(82.0)	(82.0)		(82.0)
Share-based payments			37.4			29.5	66.9		66.9
Transactions with minority shareholders recognized directly in equity			(36.5)				(36.5)	(101.4)	(137.9)
Others [(b)]			167.7		—		167.7		167.7
EQUITY AND MINORITY INTERESTS AS OF DECEMBER 31, 2023	**2,884.8**	**2,447.7**	**20,495.4**	**(217.3)**	**(1,136.4)**	**(152.7)**	**24,321.5**	**721.6**	**25,043.1**

(a) The statement of net income and gains and losses recognized directly in equity is presented on page 194.
(b) Including the effects of hyperinflation in Argentina and Türkiye.

Accounting principles

BASIS FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Due to its listing on the Paris Stock Exchange and pursuant to EC Regulation No. 1606/2002 of July 19, 2002, the Consolidated Financial Statements of the Air Liquide Group for the year ended December 31, 2024 have been prepared in accordance with IFRS (International Financial Reporting Standards), as endorsed by the European Union as of December 31, 2024. The IFRS standards and interpretations as adopted by the European Union are available at the following website:

https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/international-accounting-standards-regulation_en

The Group has not anticipated any new standards, amendments to existing standards or new interpretations published by the IASB but not yet approved or not yet mandatory in the European Union, as of December 31, 2024.

The Financial Statements are presented in millions of euros. They were approved by the Board of Directors on February 20, 2025. They will be submitted for approval to the Shareholders' Meeting on May 6, 2025.

NEW IFRS AND INTERPRETATIONS

1. Standards, interpretations and amendments endorsed by the European Union whose application is mandatory as of January 1, 2024

The following texts have no significant impact for the Group:

- amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures: Supplier Finance Arrangements", issued on May 25, 2023;
- amendments to IAS 1 "Presentation of Financial Statements: Classification of Liabilities as Current or Non-current", "Presentation of Financial Statements: Classification of Liabilities as Current or Non-current – Deferral of Effective Date" and "Presentation of Financial Statements: Non-current Liabilities with Covenants", issued on January 23, 2020, July 15, 2020 and October 31, 2022 respectively;
- amendments to IFRS 16 "Lease Liability in a Sale and Leaseback", issued on September 22, 2022.

2. Standards, interpretations and amendments endorsed by the European Union whose application is optional in 2024

The Group Financial Statements for the year ended December 31, 2024 do not include any potential impacts from the standards, interpretations and amendments endorsed by the European Union as of December 31, 2024, for which adoption is only mandatory as of fiscal years beginning after January 1, 2024. These texts are as follows:

- amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability" issued on August 15, 2023.

3. Standards, interpretations and amendments not yet endorsed by the European Union

The impacts on the Financial Statements of texts published by the IASB as of December 31, 2024 and not yet endorsed by the European Union are currently being analyzed. These texts are as follows:

- IFRS 18 "Presentation and Disclosure in Financial Statements" issued on April 9, 2024;
- amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments" issued on May 30, 2024;
- annual improvements Volume 11 issued on July 18, 2024;
- amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity" issued on December 18, 2024

In addition, the following texts are not applicable to the Group:

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" issued on May 9, 2024.

USE OF ESTIMATES AND ASSUMPTIONS

The preparation of the Financial Statements requires Group or subsidiary management to make estimates and use certain assumptions which have a significant impact on the carrying amounts of assets and liabilities recorded in the consolidated balance sheet, the notes related to these assets and liabilities, the profit and expense items in the income statement and the commitments relating to the period-end. Balance sheet, income statement and cash flow statement line items could differ should the subsequent actual results differ from the estimates. The most significant estimates and assumptions concern namely:

- the estimated useful life of property, plant and equipment used for calculation of depreciation and amortization: these estimates are described in section 5.e of the accounting policies;
- the assumptions used to determine provisions for employee retirement benefit obligations: the actuarial assumptions used (employee turnover, mortality, retirement age, salary increase, etc.), and the discount rates used to determine the present value of obligations, as described in section 9.b of the accounting policies and in note 23.3;
- the estimates and assumptions concerning assets' impairment tests, as described in section 5.f of the accounting policies and in note 10.2;
- the methods used to recover deferred tax assets on the balance sheet disclosed in note 15.1;
- the risk assessment to determine the amount of provisions for contingencies and losses on the balance sheet disclosed in note 22;
- the accounting methods for the margin of the Engineering & Construction contracts that are set out in section 3.b of the accounting policies;
- the assumptions retained to evaluate the lease liability (IFRS 16): lease term and discount rate. They are described in section 5.g of the accounting principles.

In addition, the Group considers that climate risks are material, even though their quantified impact on the Consolidated Financial Statements of the Group is not material. The Group takes into account these risks in its closing assumptions and incorporates their potential impact in its Financial Statements. In particular, climate risks are taken into account when carrying out closing procedures, in particular the analysis of the useful lives of property, plant and equipment used for calculation of depreciation and amortization, the review of the estimates and assumptions concerning assets' impairment tests, and the risk assessment to determine the amount of provisions for contingencies and losses. The consideration of climate risks by the Group is described in particular in note 31.

ACCOUNTING POLICIES

The Consolidated Financial Statements were prepared under the historical cost convention, except for financial assets and liabilities measured at fair value through profit or loss or through other comprehensive income in accordance with IAS 32/IFRS 9. The carrying amount of other assets and liabilities hedged against fair value risk is adjusted to take into account the changes in fair value attributable to the hedged risks. In addition, the principles of fairness, going concern, and consistency were applied.

1. CONSOLIDATION METHODS

The consolidation methods used are:

- full consolidation method for subsidiaries;
- assets, liabilities, expenses and revenue of joint operations are recognized in relation to the Group's interest in these entities;
- equity method for joint ventures and associates.

a. Subsidiaries

All the subsidiaries or companies in which the Air Liquide Group exercises exclusive control are fully consolidated. Control exists when all the following conditions are met:

- the Group has existing rights that give it the current ability to direct the relevant activities;
- the Group is exposed, or has rights, to variable returns from its involvement with the entity;
- the Group has the ability to use its power over the entity so that it affects the amount of the returns.

Companies are fully consolidated from the date on which the Group obtains control and until the date on which control is transferred outside the Group.

b. Joint operations

Joint operations are joint arrangements whereby the Air Liquide Group has joint control with one or several parties through a contractual agreement, which gives it rights to the assets and obligations for the liabilities of the entity.

Assets, liabilities, expenses and revenue of joint operations are recognized in relation to the Group's interest in these entities. These amounts are recorded on each relevant line of the Financial Statements as for the consolidated entities.

c. Joint ventures

Joint ventures are joint arrangements whereby the Air Liquide Group has joint control with one or several parties through a contractual agreement, which gives it rights to the net assets of the entity.

Joint ventures are consolidated using the equity method. Under this one, the net assets and net profit of a company are recognized pro rata to the interest held by the Group in the share capital.

On acquisition of an investment in a joint venture, goodwill relating to the joint venture is included in the carrying amount of the investment.

d. Associates

Associates are investments over which the Air Liquide Group has significant influence (generally when the Group has more than a 20% interest), but no control.

Associates are consolidated using the equity method. Under this one, the net assets and net profit of a company are recognized pro rata to the interest held by the Group in the share capital.

On acquisition of an investment in an associate, the goodwill relating to the associate is included in the carrying amount of the investment.

The financial statements of subsidiaries, joint arrangements and associates are prepared as of December 31.

2. FOREIGN CURRENCY TRANSACTIONS AND BALANCES AND TRANSLATION OF THE FINANCIAL STATEMENTS OF COMPANIES WHOSE FUNCTIONAL CURRENCY IS NOT THE EURO

The functional currency of an entity is the currency of the primary economic environment in which it carries out its operations. In the majority of cases, the functional currency corresponds to the local currency. However, a functional currency other than the local currency can be retained for certain entities, provided that it represents the currency of the main transactions carried out by the entity and that it ensures faithful representation of its economic environment. Foreign currency transactions are recognized according to the following principles:

- foreign currency transactions are translated by each company into its functional currency at the exchange rate prevailing on the date of the transaction;
- at year-end, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate.

Exchange differences relating to commercial transactions are recognized in operating profit. For financial transactions, exchange differences are recognized in financial income and expenses except for differences resulting from the hedge of a net investment in a foreign entity that are directly recognized in equity until the net investment is removed from the consolidation scope.

The presentation currency of the Group's Consolidated Financial Statements is the euro. At the balance sheet date, the financial statements of companies whose functional currency is not the euro are translated into euros as follows:

- balance sheet items, at the official year-end exchange rates;
- income statement and cash flow statement items, using the average exchange rate over the period for each currency.

Exchange differences are recognized under a separate item "Translation reserves" in gains and losses recognized directly in equity.

Cumulative foreign exchange gains and losses as of January 1, 2004 arising from the translation into euros of the financial statements of subsidiaries whose functional currency is not the euro have been maintained as a separate component of equity.

On removal from the scope of consolidation, the cumulative exchange differences of a company whose functional currency is not the euro are recognized in the income statement.

3. REVENUE RECOGNITION

The analysis of revenue recognition is based on the Group's activities, as follow:

a. Gas & Services

The supply of gas involves local production in order to limit transport costs. Therefore, Air Liquide gas production units are located throughout the world and can supply several types of customers and industries, with the relevant volumes and services required:

Large Industries

This business is characterized by the supply of large quantities of gas contracted for a period of 15 years or longer with a limited number of customers. The Group guarantees a high level of reliability and availability of gas supply with continued service, over the long-term. In return, these contracts include guaranteed minimum volumes through firm purchase clauses (take-or-pay). Due to the volume of gas to be supplied, Air Liquide supplies its Large Industries customers directly by pipelines, from a dedicated plant or different plants connected by a network.

These plants represent significant investments that are generally made in a way to share the production assets with the other business lines of the Group, particularly the Industrial Merchant business, or intended to serve the customers in an industrial basin that is connected on a pipeline network. In these cases, the assets are not identified under the meaning of IFRS 16 "Leases" and no lease contract is contained in the contracts with customers. When the customer's gas supply comes from a dedicated plant, the Group may decide on the use of these plants under the meaning of IFRS 16 "Leases". Consequently, the gas supply contracts for the Large Industries business do not contain leases.

Customers of the Large Industries business simultaneously receive and consume the benefits granted by the gas supply service or its availability. As a result, the revenue recognition related to these contracts occurs when the gas is supplied or when the reserved capacity is made available.

Industrial Merchant, Healthcare and Electronics

The Industrial Merchant business relies mainly on the gas production capacity of Large Industries and thereafter develops its own distribution logistics. This business is characterized by a wide range of customers and markets. The contract terms can be up to five years for cylinders and liquid gas supply and up to 15 years for small on-site gas generators.

Healthcare business supplies medical gases, services as well as medical devices to hospitals and patients in their homes. It also produces and distributes healthcare specialty ingredients for the cosmetics, pharmaceutical and vaccine markets.

The Electronics business supplies its customers with (i) carrier gases with a business model based on long-term contracts and on guaranteed minimum volumes with take-or-pay type clauses, (ii) electronics specialty materials in the form of pure or mixed gases, (iii) advanced materials, (iv) equipment and installations and (v) services notably on-site quality control and fluid management services.

For safety and quality reasons, Air Liquide supplies gas with its own equipment (small generators, storage tank, cylinders). Customers have no right of control on the identified assets under the meaning of IFRS 16 "Leases".

Consequently, the gas supply contracts for these businesses do not contain leases and the revenue recognition occurs as follows:

- gas supply: the revenue recognition occurs when the gas is supplied or when the reserved capacity is made available;
- sale of standard equipment and materials: the revenue recognition occurs when the control of these equipment and materials is transferred, which generally takes place at their delivery;
- specific equipment and installations: the transfer of control occurs over the time, together with their construction. Consequently, the revenue recognition occurs based on the stage of completion of the contracts at the balance sheet date;
- service: the revenue recognition occurs when the service is provided.

b. Engineering & Construction

Air Liquide enters into contracts to design and build production units worldwide for the Group's own account and for third-party customers.

The control of installations is transferred progressively with their design/construction. Consequently, the revenue recognition is based on the stage of completion of the contracts at the balance sheet date. The costs associated are recognized as an expense in the period when incurred. The stage of completion is assessed by using the ratio of contract costs incurred at the balance sheet date versus total estimated contract costs.

The margin realized at the stage of completion is recognized only when it can be reliably measured. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately recognized as a provision for onerous contracts.

c. Global Markets & Technologies

The Global Markets & Technologies business focuses on new markets requiring a global approach. This business is growing mainly within the following markets:

- new markets relating to the energy transition, as well as space, and extreme cryogenics markets. As a consequence of its nature, the analysis of the revenue recognition on this market is done on a case-by-case basis depending on the nature of performance obligations;
- gas usages by the actors in the maritime sector, namely offshore oil and gas platforms, offshore wind turbines, or cryogenic transportation by sea. The analysis carried out for Industrial Merchant is applicable to this market.

4. TAXES

a. Income tax expense

The tax rate is calculated on the basis of the fiscal regulations enacted or substantively enacted at the fiscal year closing date in each of the countries where the Group's companies carry out their business.

The Group's applicable tax rate corresponds to the average of the theoretical tax rates in force in each of the countries, weighted according to profit obtained in each of these countries.

The average effective tax rate is calculated as follows: (current and deferred income tax expense)/(net profit before tax less share of profit of equity affiliates, dividends received and net profit from discontinued operations).

b. Deferred taxes

Deferred taxes are recognized for all temporary differences between the carrying amount of assets and liabilities and their tax base (excluding non-deductible goodwill and the other exceptions provided in IAS 12), the tax loss carryforwards and the unused tax credits. Deferred tax assets are recognized on all deductible temporary differences provided that it is highly probable that the tax benefits will be realized in future years.

Deferred taxes are calculated at the tax rate applicable when the temporary difference is reversed and allowed under local regulations at the period-end date. The liability method is applied and any changes to the tax rates are recognized in the income statement, except those related to items directly recognized in equity.

Deferred tax assets and liabilities are offset if the entities have a legally enforceable right to offset and if they relate to income tax levied by the same taxation authority. Deferred taxes are not discounted.

Deferred taxes are mainly due to temporary differences between the tax and economic depreciation of assets, the carryforward of tax losses and provisions not immediately deductible for tax purposes, such as employee benefit provisions.

When the Group decides not to distribute profits retained by the subsidiary within the foreseeable future, no deferred tax liability is recognized.

5. NON-CURRENT ASSETS

a. Goodwill and business combinations

The Group has prospectively applied IFRS 3 revised since January 1, 2010.

When the Group obtains control of an acquiree, the business combination is accounted for by applying the acquisition method on the acquisition date, in accordance with IFRS 3 revised:

- the identifiable assets acquired and the liabilities and contingent liabilities assumed are measured at fair value;
- any minority interests in an acquiree are measured as the minority interest's proportionate share of the acquiree's net identifiable assets or at fair value. This option is applied on a case-by-case basis;
- the consideration transferred and any contingent consideration are measured at fair value;
- acquisition-related costs are recorded as other operating expenses in the periods in which they are incurred.

For a business combination achieved in stages, any previously held equity interests in the acquiree are measured at the acquisition-date fair value. Any resulting gains or losses are recognized in profit or loss.

The measurement period of a business combination shall not exceed 12 months as of the acquisition date. Any adjustments, after the measurement period, of the consideration transferred and the fair values of acquired assets and assumed liabilities are recorded in the income statement.

On the acquisition date, goodwill is recognized in the consolidated balance sheet as the difference between:

- the consideration transferred plus the amount of minority interests in the acquiree and the fair value of the previously held equity interest; and,
- the fair value of the identifiable assets acquired and the liabilities and contingent liabilities assumed.

Negative goodwill is recognized immediately through profit or loss.

Goodwill is allocated to cash-generating units (CGUs) or groups of CGUs that benefit from business combination synergies. Subsequently, goodwill is not amortized but is tested for impairment annually or more frequently if there are any indications of impairment, in accordance with the method described in section 5.f.

In addition, at the time of the transition to IFRS and in accordance with the exemption offered by IFRS 1, the Group decided not to apply IFRS 3 "Business combinations" retrospectively for acquisitions that took place prior to January 1, 2004.

b. Research and Development expenditures

Research and Development expenditures include all costs related to the scientific and technical activities, patent work, education and training necessary to ensure the development, manufacturing, start-up, and commercialization of new or improved products or processes.

According to IAS 38, development costs shall be capitalized if, and only if, the Group can meet all of the following criteria:

- the project is clearly identified and the related costs are itemized and reliably monitored;
- the technical and industrial feasibility of completing the project is demonstrated;
- there is a clear intention to complete the project and to use or sell the intangible asset arising from it;
- the Group has the ability to use or sell the intangible asset arising from the project;
- the Group can demonstrate how the intangible asset will generate probable future economic benefits;
- the Group has adequate technical, financial and other resources to complete the project and to use or sell the intangible asset.

When these conditions are not satisfied, development costs generated by the Group are recognized as an expense when incurred.

Research expenditure is recognized as an expense when incurred.

c. Internally generated intangible assets

Internally generated intangible assets primarily include the development costs of information management systems. These costs are capitalized only if they satisfy the criteria as defined by IAS 38 and described above.

Internal and external development costs on management information systems arising from the development phase are capitalized. Significant maintenance and improvement costs are added to the initial cost of assets if they specifically meet the capitalization criteria.

Internally generated intangible assets are amortized over their useful lives.

d. Other intangible assets

Other intangible assets include separately acquired intangible assets such as software, licenses, and intellectual property rights. They also include the technology, brands and customer contracts valued upon the acquisition of companies in accordance with IFRS 3 "Business Combinations".

With the exception of certain brands, intangible assets are amortized using the straight-line method over their useful lives. Information management systems are generally amortized over a period comprised between five and eight years and customer contracts over a maximum period of 25 years, considering the probabilities of renewal.

e. Property, plant and equipment

Land, buildings and equipment are carried at their acquisition cost less any accumulated depreciation and impairment losses. In the event of mandatory dismantling or asset removals, related costs are added to the initial cost of the relevant assets and provisions are recognized to cover these costs.

Interest costs on borrowings to finance the construction of property, plant, and equipment are capitalized during the period of construction when they relate to the financing of industrial projects over a twelve-month construction period, or longer.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted separately and depreciated over their own useful lives.

Repair and maintenance costs are recognized as expenses when incurred. The costs of major inspections and overhauls are recognized as a separate component of the asset and are depreciated over the period between two major overhauls.

Depreciation is calculated according to the straight-line method over the estimated useful lives as follows:

- buildings: 20 to 30 years;
- cylinders: 10 to 40 years;
- production units: 15 to 20 years;
- pipelines: 15 to 35 years;
- other equipment: 5 to 30 years.

The estimated useful lives are reviewed regularly and changes in the estimates are recorded prospectively from the date of change.

Land is not depreciated.

f. Impairment of assets

The Group regularly assesses whether there are any indications of asset impairment. If such indications exist, an impairment test is performed to assess whether the carrying amount of the asset is greater than its recoverable amount, defined as the higher of the fair value less costs to sell (net fair value) and the value in use.

Impairment tests are performed systematically once a year for goodwill and intangible assets with indefinite useful lives.

Assets that do not generate largely independent cash flows are grouped according to the cash-generating units (CGUs) to which they belong. A cash-generating unit is an identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. They are mainly determined on a geographical basis and by reference to the markets in which the Group operates.

In practice, the Group performs impairment tests at various levels pursuant to these principles:

- dedicated and on-site plants are tested individually;
- pipelines and plants that provide these pipelines are tested at the network level;
- liquid gas and hydrogen/CO plants are grouped together according to the plants' customer market;
- other assets are allocated to cash-generating units or groups of cash-generating units.

The cash-generating units of the Gas & Services activities are determined on a geographical basis. The other activities are managed at a worldwide level (Engineering & Construction and Global Markets & Technologies).

Goodwill is allocated to cash-generating units or groups of cash-generating units that benefit from business combination synergies and which represent the levels at which goodwill is monitored by the Group.

When performing impairment tests on cash-generating units or groups of cash-generating units comprising goodwill, the Group uses the market multiples approach. The multiples of revenue and operating income recurring before depreciation and amortization are based on the Air Liquide Group's stock market valuation. They are comparable with those of companies whose business is similar to that of the Group. The resulting multiples are applied to aggregates (revenue and operating income recurring before depreciation and amortization) of each CGU. Where the fair value obtained using the multiples method is not significantly greater than the net carrying amount of the cash-generating unit or group of cash-generating units, the Group confirms the recoverable amount of the cash-generating unit or group of cash-generating units using the estimated future cash flow approach (value in use).

For cash-generating units or groups of cash-generating units not including goodwill, and assets whose value is tested on an individual basis, the Group determines the recoverable amount using the estimated future cash flow approach (value in use).

The growth rates, taken into account with respect to the cash flow estimates for future cash-generating units or groups of cash-generating units, are determined based on the activity and geographical location of the CGU considered.

The Group takes into account climate risk and the challenges and opportunities presented by the energy transition when carrying out all impairment tests (including goodwill or individually tested assets).

In assessing value in use for property, plant and equipment, the estimated future cash flows are discounted to their present value. Cash flows are measured over the asset's estimated period of use, taking into account customer contract terms and technical obsolescence.

The discount rate depends on the nature, the location of the asset and the customer market. It is determined according to the minimum level of profitability expected from the investment considering industrial and commercial risks and credit terms.

When the recoverable amount of an asset, a cash-generating unit or a group of cash-generating units is lower than its carrying amount, an impairment loss is recognized immediately through profit and loss. An impairment loss of a cash-generating unit is first allocated to goodwill.

When the recoverable amount exceeds the carrying amount again, the previously recognized impairment loss is reversed to the income statement, with the exception of impairment losses on goodwill, which cannot be reversed.

g. Leases

In the course of its activity, the Group enters as a lessee in contracts mainly for the following types of assets:

- land, buildings and offices;
- transportation equipment, in particular for Industrial Merchant and Healthcare business lines;
- other equipment.

According to IFRS 16, any contract (apart from exceptions mentioned below) containing a lease leads to recognition on the lessee's balance sheet of a right-of-use of the leased asset and a lease liability related to the present value of the commitments for future lease payments (lease liability).

A contract is, or contains, a lease if it conveys to the Group the right to control the use of an identified asset for a period of time in exchange of consideration. In particular, the Group has concluded that transportation contracts which confer to the supplier the substantive right to substitute the vehicle throughout the period of use and/or the control on the choice of the route, the driver and maintenance policy, are service contracts and do not meet the definition of a lease under IFRS 16.

In addition, the Group has chosen to use the following exemptions and not to apply IFRS 16:

- to the lease contracts having a lease terms of 12 months or less;
- to the lease contracts for which the underlying asset is of low value, in particular, office and telephony equipment, computers and small IT equipment. Lease contracts for data centers are analyzed on a case-by-case basis.

The main assumptions used to measure the right-of-use and the lease liability are:

- lease term. It corresponds to the non-cancellable period for which a lessee has the right to use an underlying asset, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise (for options to extend) or not to exercise (for options to terminate) such options. The probability to exercise or not an option is determined by type of contracts or on a case-by-case basis according to contractual terms, regulatory environment and the nature of the underlying asset (in particular, its technical specificity and strategic location);
- the discount rate used for evaluation of the lease liability. The discount rate retained is the lessee's incremental borrowing rate. Due to the centralized financing in the Group, it corresponds for each subsidiary to the interest rate for intragroup borrowings determined according to the currency of the lease contract, the country and the lease term taking into account the repayment profile (linear amortization of the lease liability).

Deferred taxes relating to the right of use asset and lease liability arising from a single transaction are recognized on a net basis.

6. FINANCIAL INSTRUMENTS

a. Non-consolidated investments

Investments in non-consolidated companies that are not accounted for using the equity method are classified as assets measured at fair value. These investments are not held for trading, consequently, at initial recognition, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. In this case, changes in fair value are not reclassified to net result upon disposal of these investments.

Dividends from these investments are recognized in other financial income.

b. Trade and other receivables

Trade and other receivables are measured at their transaction price upon initial recognition and then at amortized cost less any impairment losses based on expected credit losses model.

Expected credit losses are estimated on the basis of a matrix consisting in using historical loss rates adjusted depending on actual observable conditions. Expected credit losses are estimated at each closing date in the following manner:

- segregating trade receivables into appropriate groups, in particular depending on the activities of the Group, type and size of client and its market segment;
- within each group of trade receivables, determining of age-bands;
- for each age-band identification of losses realized in previous financial year;
- adjusting if necessary historical loss rate depending on actual observable conditions in order to take into account, in particular, current market conditions, type of client, credit management practices of the Group as well as specific information concerning individual customers;
- application of loss rates estimated in this way to each age-band of trade receivables.

For all construction contracts in progress at the year-end, the gross amounts payable by and to customers represent the sum of costs incurred plus profits recognized using the percentage of completion method, equivalent to total revenue recorded using the percentage of completion method, less the amount of advances received.

Amounts payable by customers are presented in trade receivables. Amounts due to customers are presented in other current liabilities.

Assignments of trade receivables

Assignments of trade receivables are derecognized from the balance sheet when:

- the Group transfers the contractual rights to receive the cash flows related to these receivables to the assignee; or
- the Group retains the contractual rights to receive the cash flows related to these receivables, but assumes a contractual obligation to pay the cash flows to the assignee in an arrangement that cumulatively meets the following three conditions:
  - the Group has no obligation to pay to the assignee unless it collects the equivalent amount,
  - the Group is prohibited from selling or pledging the receivables other than as security for the obligation to pay cash flows to the assignee,
  - the Group has an obligation to remit any cash flows it collects on behalf of the assignee without material delay;
- and the Group transfers substantially all the risks and awards of ownership of the receivables, in particular credit risk and risk of late payment.

c. Cash and cash equivalents

Cash and cash equivalents include cash balances, current bank accounts, and short-term highly liquid investments that are readily convertible into cash and which are exposed to a negligible risk of change in value.

Short-term investments include temporary cash investments maturing in less than three months (commercial paper, certificates of deposit and money market funds) whose minimum long-term rating is A (S&P) or A2 (Moody's).

As cash investments maturing in less than three months are exposed to a negligible risk of a change in value, they are recognized at historical cost (including accrued interest) which is considered to approximate fair value.

d. Trade payables

The Group sets up supplier paying services agreements with partner banks to facilitate the processing of supplier invoices payments. The Group analyzes the main contract features that enable to keep the trade payables qualification. In particular, the Group ensures that the following characteristics are met:

- no deviation of the payment terms of the underlying payable between the financing party and the original supplier. In other words, the Group must pay to the bank no later than the payment term of invoice;
- payment terms negotiations between Air Liquide and supplier must be conducted independently of any negotiation on paying service agreement. In particular, payment terms shall not be subject to the supplier's success in selling invoices to the bank;
- the terms of contract with the supplier shall not be explicitly linked to any payment term extension. Payment term with a particular supplier must be homogenous, independently of the participation of a particular invoice in the program or not;
- payment terms should stay within the ordinary industry/sector norms and local regulation, and should not be tied to the participation in the paying services agreement;
- program structures should avoid debt-like features such as interest and fees paid by Air Liquide to the bank or supplier;
- tri-party agreements between Air Liquide, the supplier and the bank that pre-arrange the financing of the invoices owed by Air Liquide to the supplier shall be avoided.

e. Current and non-current borrowings

Borrowings include bonds and other bank borrowings (including the put options granted to minority shareholders).

At inception, borrowings are recognized at fair value corresponding to the net proceeds collected. At each balance sheet date, except for put options granted to minority shareholders, they are measured at amortized cost using the effective interest rate (EIR) method. Under this method, the borrowing cost includes the redemption premiums and issuance costs initially deducted from the nominal amount of the borrowing in liabilities.

Borrowings maturing in less than one year are classified as current borrowings.

Borrowings hedged by interest rate swaps are recognized on a hedge accounting basis.

Put options granted to minority shareholders

Put options granted to minority shareholders are recorded as borrowings at the option's estimated strike price. The share in the net assets of subsidiaries is reclassified from "Minority interests" to "Borrowings". Due to the absence of any specific IFRS guidance, the Group has elected to recognize the consideration for the difference between the strike price of the option granted and the value of the minority interests reclassified as borrowings in shareholders' equity – Group share. Minority interests in profit and loss do not change and still reflect present ownership interests.

f. Derivative assets and liabilities

Derivative financial instruments are used to manage exposures to foreign exchange, interest rate and commodity risks relating to the Group's financial and operating activities. For all these transactions, the Group applies hedge accounting and documents, at the inception of the transaction, the type of hedging relationship, the hedging instruments, and the nature and term of the hedged item.

Applying hedge accounting has the following consequences:

- fair value hedges for existing assets and liabilities: the hedged portion of the item is carried at fair value in the balance sheet. Any changes in fair value are recognized in the income statement, where they are offset by the corresponding changes in fair value of the hedging instruments (except for the impact of premiums/discounts);
- future cash flow hedges: the effective portion of the change in fair value of the hedging instrument is recorded directly in equity (items that may be subsequently reclassified to income statement), while the change in the fair value of the hedged item is not recognized in the balance sheet. The change in fair value of the ineffective portion is recognized in other financial income or expenses. When the hedged transactions occur and are recorded, amounts recorded in other comprehensive income are reclassified in the income statement;
- hedges of net investments in a foreign entity: the effective portion of the changes in fair value of the derivative instrument is recognized in gains and losses recognized directly in equity under "Translation reserves". The ineffective portion of changes in fair value is recognized in "Other financial income and expenses". Once the foreign entity subject to the net investment hedge is sold, the loss or profit initially recognized in translation reserves is recognized in profit or loss, within the gain or loss generated.

However, in limited circumstances, certain types of derivatives do not qualify for hedge accounting; they are carried at fair value through "Other financial income and expenses" with an offsetting entry in financial assets and financial liabilities.

The fair value of assets, liabilities and derivatives is based on the inputs observable on the market at the balance sheet date.

7. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

a. Assets classified as held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This classification occurs when the Group takes the decision to sell them and that the sale is considered highly probable.

The assets and liabilities held for sale are presented on different lines of the balance sheet. They are measured at the lower of their carrying amount or fair value less costs to sell. Assets classified as held for sale are no longer depreciated (amortized) as of the date they are classified as assets or disposal groups held for sale.

When a sale involving the loss of control of the subsidiary is considered highly probable, all the assets and liabilities of this subsidiary are classified as being held for sale, independently of whether or not the Group retains a residual interest in the entity after its sale.

b. Discontinued operations

A discontinued operation is a clearly identifiable component that the Group either has abandoned or that is classified as held for sale:

- representing a separate major line of business or geographical area of operations;
- being part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or,
- being a subsidiary acquired exclusively with a view to resale.

Once the criteria are met, the profit and loss and the cash flow from discontinued operations are presented separately in the income statement and the consolidated cash flow statement for each period.

8. SHARE CAPITAL, RESERVES AND TREASURY SHARES

Air Liquide's share capital is composed of ordinary shares.

Retained earnings include the following items:

- translation reserves: exchange differences arising from the translation into euros of financial statements prepared by foreign subsidiaries whose functional currency is not the euro are recorded in translation reserves. Fair value changes in net investment hedges of these foreign subsidiaries are also recorded in this reserve;
- fair value of financial instruments: this item records accumulated fair value changes in the effective portion of cash flow hedge derivatives (transactions not yet recognized in the accounts);
- actuarial gains and losses: all actuarial gains and losses and adjustments arising from the asset ceiling, net of deferred taxes, are recognized in consolidated reserves in the period in which they occur.

When the Group buys back its own shares, they are classified as treasury shares at the purchase price and presented as a deduction from equity for the consideration paid. The profit or loss from the sale of treasury shares is recognized directly in equity, net of tax.

Furthermore, acquisitions or disposals of minority interests, without change in control, are considered as transactions with the Group's shareholders. Thus, the difference between the price paid to increase the percentage of interest in entities that are already controlled and the additional share of equity thus acquired is recognized in Shareholders' equity. Similarly, a decrease in the Group's percentage interest in a controlled entity is accounted for as an equity transaction with no impact on profit or loss.

Disposals of shares with loss of control give rise to the recognition in disposal gains or losses of the change in fair value calculated for the total investment at the date of disposal. Any investments retained, where applicable, will be measured at fair value at the date when control is lost.

9. PROVISIONS

a. Provisions

Provisions are recognized when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

Restructuring provisions include only the direct costs arising from the restructuring and are recognized in the period in which the Group has approved a detailed and formal restructuring plan and the restructuring has either begun or been announced. When these plans involve termination benefits, the resulting provisions are recognized at the earlier of the following dates:

- when the Group can no longer withdraw the offer of those benefits;
- when the provision of the related restructuring is recognized.

A provision for losses on contracts is recognized when the expected benefits from the contract are lower than the cost of satisfying the obligations under the contract.

b. Pensions and employee benefits

The Group provides its employees with various pension plans, termination benefits, jubilees and other post-employment benefits for both active and retired employees. The characteristics of each plan vary according to the laws and regulations applicable in each country as well as each subsidiary policy.

These benefits are covered by two types of plan:

- defined contribution plans;
- defined benefit plans.

The Group grants both defined benefit and defined contribution plans.

Defined contribution plans are plans under which the employer's sole obligation is to pay regular contributions. The employer's obligation is limited to payment of the planned contributions. The employer does not grant any guarantees on the future level of benefits paid to the employee or retiree (means-based obligation). The annual pension expense is equal to the contribution paid during the fiscal year which relieves the employer from any further obligation. It is recognized in "Personnel expenses".

Defined benefit plans are those by which the employer guarantees the future level of benefits defined in the agreement, most often depending on the employee's salary and seniority ("result-based obligation"). Defined benefit plans can be:

- either financed by contributions to a fund specialized in managing the amounts received;
- or managed internally.

In the case of defined benefit plans, retirement and similar obligations are measured by independent actuaries, according to the projected unit credit method. The actuarial calculations mainly take into account the following assumptions: salary increases, employee turnover, retirement date, life expectancy, inflation and appropriate discount rates for each country.

Defined benefit plans are covered by external pension funds in certain cases. The assets of these plans are mostly invested in bonds or equities carried at their fair value.

All actuarial gains and losses as well as any adjustment arising from the asset ceiling are recognized in the period in which they occur.

Actuarial assumptions used vary according to the demographic and economic conditions prevailing in each country where the Group has pension plans.

Discount rates used to measure the present value of the Company's obligations and the net interest cost are determined by reference to market yields on High-Quality corporate bonds. Where there is no deep market in such bonds, the market yields on government bonds with the same maturity at the valuation date shall be used. In the Euro zone, the United States, the United Kingdom and Canada, discount rates were determined using tools designed by independent actuaries. Their database uses several hundred different corporate bonds with a minimum AA-rating and maturities ranging from one to 30 years. Cash flows of expected benefits are subsequently discounted using rates associated to each maturity.

Valuations are carried out annually by independent actuaries for significant plans and every three years for other plans unless there are material changes in assumptions or major events that require a new calculation. Impacts related to defined benefit plans are registered as follows:

- the service cost, the gain relating to curtailments and settlements, and the actuarial gains and losses from other long-term benefits and recognized in "Personnel expenses". In addition, the service cost of defined benefit plans which are capped, linked to length of service and require the presence of the beneficiary in the company at the time of retirement is spread over the period between the date on which the services rendered began to generate rights and the date on which the additional services cease to generate rights;
- net interest cost for defined benefits is registered in "Other financial income and expenses";
- past service cost is recorded in profit or loss according to the nature of the change to the plan that generated it (i.e. either in "Personnel expenses" or in "Other operating income and expenses");
- actuarial gains and losses from defined benefit plans, retirement termination payments, and medical plans are recorded in "Gains and losses recognized directly in equity".

10. GOVERNMENT GRANTS

Government grants received are initially recognized in "Other non-current liabilities". They are then recognized as income in the income statement for the period:

- on the same basis as the subsidized assets are depreciated in the case of government grants related to assets;
- deducted from the costs intended to be compensated in the case of government grants other than those related to assets.

The Group analyzes the substance of government incentives delivered through the tax system and selects an accounting treatment consistent with such substance.

11. SHARE-BASED PAYMENTS

The Group grants stock options and performance shares to Executive Officers and some employees.

Stock options and performance shares are measured at fair value on the grant date. Their fair value is recognized as a "Personnel expense" in the income statement with a corresponding increase in equity, and amortized on a straight-line basis over the vesting period.

The valuation is performed by an independent expert, using mathematical models appropriate to the characteristics of each plan. It takes into account the market vesting conditions associated to each one. The fair value measured at the grant date is not subject to re-evaluation due to changes in market conditions.

Vesting conditions, other than market ones, have no impact on the fair value measurement of services received but adjust the expense that is recognized according to the number of equity instruments actually granted.

The dilution effect of non-vested stock option plans and performance share allocations is reflected in the calculation of diluted earnings per share.

Share subscription option plans

Options are valued using the following main underlying assumptions:

- volatility: implicit;
- risk-free interest rate: zero-coupon benchmark rate at the plan issue date and matching the various maturities retained;
- dividend growth rate: based on the historical average annual growth rate;
- employee resignation rate: that of individuals belonging to the same age group as the plan beneficiaries. The resignation rate is used to extrapolate the number of options which will not be exercised due to the resignation of beneficiaries;
- the probability of achieving the market vesting conditions.

Performance shares allocation plans

Performance shares are measured at fair value, taking into account a discount on non-transferable shares. The cost of non-transferability is measured as the cost of a two-step strategy consisting in the forward sale of shares being non-transferable for four years (or five years depending on the plan) and the purchase on the spot market of the same number of shares funded by an amortizable loan with an in fine capital repayment.

Valuation is based upon the following main underlying assumptions:

- risk-free interest rate: four-year zero-coupon benchmark rate (or five-year depending on the plan) at the plan issue date plus a credit margin that would be proposed to employees;
- dividend growth rate: based on the historical average annual growth rate;
- employee resignation rate: that of individuals belonging to the same age group as the plan beneficiaries. This resignation rate is used to extrapolate the shares which will not be allocated due to the resignation of beneficiaries;
- the probability of achieving the market vesting conditions.

12. GREENHOUSE GAS EMISSION QUOTAS

In certain countries, the Group is subject to greenhouse gas emission quota systems.

In the absence of any specific IFRS guidance, the Group has elected to apply the ANC Regulation No. 2014-03. The Group does not buy CO_2 quotas for the purpose of generating profits from fluctuations in price; therefore, at each closing date:

- a liability is recognized if the greenhouse gas emissions are higher than the CO_2 quotas held by the Group. It corresponds to the cost of CO_2 quotas in shortfall to cover the greenhouse gas already emitted; or,
- an asset is recognized if the greenhouse gas emissions are lower than the CO_2 quotas held by the entity. It corresponds to the CO_2 quotas available to cover the future greenhouse gas emissions, valued at historical cost.

13. RENEWABLE POWER PURCHASE AGREEMENTS

In order to reduce its indirect emissions related to energy purchases (Scope 2 emissions), the Air Liquide Group signs long-term renewable energy purchase agreements (Power Purchase Agreements or PPAs). The Group analyzes the main features of these contracts, in particular verifying that:

- regarding IFRS 10/11:
  - Air Liquide neither has the right nor is exposed to variable returns from the entity supplying the energy,
  - Air Liquide has no power over the activities of the entity supplying the energy;
- regarding IFRS 16: the volume to be purchased by Air Liquide under these contracts represents a portion of the sites' electricity production that does not represent substantially all of their capacity or, if this is the case, the Group has neither participated in its design nor has the right to control the use of the asset;
- regarding IFRS 9:
  - site/basin cumulative consumption exceeds the volume of renewable energy contracted over the duration of the contract,
  - the Group does not resell with a view to generate a profit resulting from market price variations,
  - the terms of the contracts do not allow for net settlement in cash, in other financial instruments or by exchanging financial instruments, and Air Liquide's has no practice, for similar contracts, of such net settlements,
  - the PPA price structure is closely linked to the economic characteristics and risks of the energy supply contract.

Consequently, PPAs are classified as purchase contracts for own use, and are presented as off-balance sheet commitments.

Considerations for Virtual Power Purchase Agreements (or VPPAs)

VPPAs are financial instruments (derivatives) to be recognized at fair value at inception. The Group qualifies them as cash flow hedges by verifying:

- the highly probable nature of the underlying, i.e. electricity purchases over the entire term of the contract;
- the expected effectiveness of the hedge.

Basis for presentation of financial information

1. SEGMENT INFORMATION

The Group is structured according to the following activities: Gas & Services, Engineering & Construction and Global Markets & Technologies.

The Group's main operational decision-making body is the Executive Management assisted by the Executive Committee.

The Gas & Services activities are organized by geographical area, which is the responsible level for operations management and performance monitoring. These geographical areas are as follows:

- Europe, Middle East & Africa;
- Americas;
- Asia Pacific.

Within the Gas & Services segment, the geographical areas determine sales policies and development projects in liaison with the four business lines (Large Industries, Industrial Merchant, Healthcare and Electronics).

The Engineering & Construction segment is managed separately on a worldwide scale. The segment designs, develops and builds industrial gas production plants for the Group and third parties. It also designs and manufactures plants in the traditional, renewable and alternative energy sectors.

The Global Markets & Technologies segment is also managed separately on a worldwide scale. It focuses on new markets which require a global approach, drawing on science, technologies, development models, and usages related to digital transformation.

Research and Development and corporate activities do not meet the operating segments definition and are thus presented within reconciliation.

The information communicated in the tables covering segment information is presented according to the same accounting principles as those used for the Group Consolidated Financial Statements.

Revenue is analyzed by geographical area of production (country of origin).

Inter-segment revenue between Gas & Services, Engineering & Construction and Global Markets & Technologies activities corresponds to the sales between these operating segments.

The Group operating performance is assessed on the basis of each segment's Operating income recurring.

Segment assets include non-current assets, with the exception of "Deferred tax assets", "Investments in associates", "Fair value of non-current derivatives (assets)", as well as "Inventories and work-in-progress", "Trade receivables" and "Other current assets".

Segment liabilities correspond to "Provisions, pensions and other employee benefits", "Trade payables", "Other current liabilities" and "Other non-current liabilities".

Segment profits, assets and liabilities consist of amounts directly attributable to each segment, provided they can be allocated to the segment on a reasonable basis.

2. NET DEBT

The net debt includes:

- current and non-current borrowings, as defined in section 6.e of accounting policies;

reduced by:

- cash and cash equivalents, as defined in section 6.c of accounting policies.

The net debt does not include the lease liabilities as defined in section 5.g of accounting policies.

3. INFORMATION ON INTERESTS IN JOINT ARRANGEMENTS OR ASSOCIATES

The materiality of the interests in joint arrangements or associates is assessed according to the following criteria:

- contribution of the entity to the Group's Operating income recurring;
- share of these interests in the Group's net assets;
- dividends paid to these interests.

4. INFORMATION ON MINORITY INTERESTS

The materiality of the minority interests is assessed according to an analysis of:

- the minority interests' share in the Group's net assets;
- the contribution to the Group's Operating income recurring of the subsidiary having minority interests;
- dividends paid to minority interests.

5. OPERATING INCOME RECURRING

The Group's operating performance is measured based on Operating income or loss recurring determined in accordance with ANC recommendation No. 2020-01.

6. OTHER NON-RECURRING OPERATING INCOME AND EXPENSES

Material non-recurring operations that could affect operating performance readability are classified under "Other non-recurring operating income" and "Other non-recurring operating expenses". They may include:

- gains or losses on the disposal of activities or groups of assets;
- acquisition-related and integration-related costs relating to business combinations;
- restructuring costs resulting from plans whose unusual and material nature distort the readability of the Operating income recurring;
- significant provisions and impairment losses for property, plant and equipment and intangible assets;
- incurred or estimated costs relating to significant political risks or litigations;
- costs relating to capital increases reserved for employees;
- costs of projects to comply with regulatory changes impacting several geographical areas and for significant amounts.

7. NET EARNINGS PER SHARE

a. Basic earnings per share

Basic earnings per share is calculated by dividing net profit (Group share) attributable to ordinary shareholders of Air Liquide by the weighted average number of shares outstanding during the year, excluding ordinary shares purchased by Air Liquide and recognized in equity.

b. Diluted earnings per share

Diluted earnings per share take into account share subscription options and performance shares allocated to employees and Executive Officers if:

- the issue price, adjusted for unrecognized expenses at the year-end pursuant to IFRS 2, is lower than the Air Liquide annual average share price;
- the performance requirements meet the criteria set out in IAS 33 § 52.

Notes to the consolidated financial statements for the year ended December 31, 2024

Note 1 Significant events

There were no significant events during fiscal year 2024.

Note 2 Segment information

Following an organizational change in 2024, performance monitoring for Europe, the Middle East and Africa is now carried out within a single operating segment. 2023 data has been restated accordingly.

2.1. INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

	Gas & Services							
(in millions of euros)	**Europe, Middle East and Africa**	**Americas**	**Asia Pacific**	**Sub-total**	**Engineering & Construction**	**Global Markets & Technologies**	**Reconciliation**	**Total**
Revenue	**10,186.1**	**10,321.3**	**5,302.7**	**25,810.1**	**412.1**	**835.5**		**27,057.8**
Inter-segment revenue					*702.1*	*792.3*	*(1,494.4)*	
Operating income recurring	**2,037.8**	**2,334.0**	**1,183.5**	**5,555.3**	**61.8**	**173.1**	**(398.8)**	**5,391.4**
incl. depreciation and amortization	*(880.7)*	*(983.2)*	*(478.1)*	*(2,342.0)*	*(25.7)*	*(84.0)*	*(53.5)*	*(2,505.1)*
Other non-recurring operating income								64.8
Other non-recurring operating expenses								(510.6)
Net finance costs								(258.4)
Other financial income								8.5
Other financial expenses								(168.5)
Income taxes								(1,086.5)
Share of profit of equity affiliates								(0.7)
Profit for the period								**3,440.0**
Purchase of property, plant and equipment and intangible assets	(1,464.7)	(1,167.7)	(779.9)	(3,412.3)	(14.9)	(132.2)	34.3	(3,525.1)

The Research and Development and Holdings activities (corporate) are presented in the "Reconciliation" column.

2.2. INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2023

	Gas & Services							
(in millions of euros)	**Europe, Middle East and Africa**	**Americas**	**Asia Pacific**	**Sub-total**	**Engineering & Construction**	**Global Markets & Technologies**	**Reconciliation**	**Total**
Revenue	**10,781.5**	**10,168.7**	**5,409.7**	**26,359.9**	**389.9**	**857.8**		**27,607.6**
Inter-segment revenue					*578.1*	*763.9*	*(1,341.9)*	—
Operating income recurring	**1,932.0**	**2,124.5**	**1,214.1**	**5,270.6**	**43.1**	**143.3**	**(389.0)**	**5,068.0**
incl. depreciation and amortization	*(868.6)*	*(958.4)*	*(503.1)*	*(2,330.1)*	*(25.5)*	*(76.7)*	*(49.7)*	*(2,482.0)*
Other non-recurring operating income								242.3
Other non-recurring operating expenses								(738.8)
Net finance costs								(265.5)
Other financial income								15.4
Other financial expenses								(166.1)
Income taxes								(971.8)
Share of profit of equity affiliates								4.9
Profit for the period								**3,188.4**
Purchase of property, plant and equipment and intangible assets	(1,256.9)	(1,051.5)	(836.0)	(3,144.4)	(8.7)	(181.5)	(58.8)	(3,393.4)

2.3. BALANCE SHEET AS OF DECEMBER 31, 2024

(in millions of euros)	Gas & Services				Engineering & Construction	Global Markets & Technologies	Reconciliation	Total
	Europe, Middle East and Africa	Americas	Asia Pacific	Sub-total				
Segment assets	**14,039.4**	**22,769.0**	**8,870.7**	**45,679.1**	**757.0**	**2,349.3**	**423.0**	**49,208.4**
Goodwill	3,344.2	9,787.7	1,454.3	14,586.2	249.9	140.7	0.6	14,977.4
Intangible assets and property, plant and equipment, net	8,154.2	11,301.3	6,108.2	25,563.7	194.1	1,112.4	359.9	27,230.2
Other segment assets	2,540.9	1,680.0	1,308.2	5,529.2	313.0	1,096.2	62.4	7,000.8
Non-segment assets								2,655.5
Assets held for sale								3.6
Total assets								**51,867.5**
Segment liabilities	**3,579.1**	**1,828.1**	**1,062.6**	**6,469.8**	**1,230.2**	**804.2**	**385.8**	**8,890.0**
Non-segment liabilities								15,354.9
Equity including minority interests								27,621.3
Liabilities held for sale								1.3
Total equity and liabilities								**51,867.5**

2.4. BALANCE SHEET AS OF DECEMBER 31, 2023

(in millions of euros)	Gas & Services				Engineering & Construction	Global Markets & Technologies	Reconciliation	Total
	Europe, Middle East and Africa	Americas	Asia Pacific	Sub-total				
Segment assets	**13,385.6**	**21,020.8**	**8,271.4**	**42,677.8**	**723.3**	**2,280.3**	**376.9**	**46,058.3**
Goodwill	3,334.0	9,141.5	1,346.7	13,822.2	236.7	135.3	—	14,194.2
Intangible assets and property, plant and equipment, net	7,564.8	10,371.3	5,660.2	23,596.3	185.6	1,104.8	396.8	25,283.5
Other segment assets	2,486.8	1,508.0	1,264.5	5,259.3	301.0	1,040.2	(19.9)	6,580.6
Non-segment assets								2,179.0
Assets held for sale								95.1
Total assets								**48,332.4**
Segment liabilities	**3,520.6**	**1,668.7**	**1,020.8**	**6,210.1**	**1,172.0**	**662.9**	**399.0**	**8,444.0**
Non-segment liabilities								14,801.3
Equity including minority interests								25,043.1
Liabilities held for sale								44.0
Total equity and liabilities								**48,332.4**

2.5. OTHER INFORMATION ON GEOGRAPHICAL AREAS

2024 *(in millions of euros)*	France	Europe, Middle East and Africa excl. France	United States	Americas excl. United States	Asia Pacific	Total
Revenue	3,249.3	7,745.2	9,045.8	1,590.2	5,427.3	27,057.8
Non-current assets [(a)]	3,708.6	9,147.0	20,064.1	1,742.6	7,743.6	42,405.9
incl. Investments in equity affiliates	*39.7*	*126.4*	*4.0*	*—*	*28.2*	*198.3*

(a) Excluding non-current financial assets, deferred taxes and non-current derivative assets.

2023 *(in millions of euros)*	France	Europe, Middle East and Africa excl. France	United States	Americas excl. United States	Asia Pacific	Total
Revenue	3,427.8	8,202.5	8,912.1	1,535.2	5,530.0	27,607.6
Non-current assets [(a)]	3,416.2	8,864.6	18,554.4	1,643.7	7,178.9	39,657.8
incl. Investments in equity affiliates	*24.5*	*118.9*	*5.5*		*31.2*	*180.1*

(a) Excluding non-current financial assets, deferred taxes and non-current derivative assets.

Due to the substantial number of customers served by the Group (more than two million worldwide), to their significant diversity in multiple sectors and to their wide geographical dispersion, the Group's main customer represents only 2.1% of Air Liquide's revenue.

Note 3 Revenue

In 2024, consolidated revenue amounted to 27,057.8 million euros, down -2.0% compared to 2023.

3.1. REVENUE BY GEOGRAPHY AND BUSINESS LINE FOR THE YEAR ENDED DECEMBER 31, 2024

(in millions of euros)	Europe, Middle East and Africa	Americas	Asia Pacific	Total
Industrial Merchant	3,209.0	7,199.7	1,497.7	11,906.4
Large Industries	3,815.9	1,497.4	1,806.6	7,120.0
Healthcare	2,965.5	1,118.0	190.3	4,273.8
Electronics	195.7	506.1	1,808.2	2,510.0
Gas & Services Revenue	**10,186.1**	**10,321.3**	**5,302.7**	**25,810.2**
Engineering & Construction				412.1
Global Markets & Technologies				835.5
TOTAL REVENUE				**27,057.8**

3.2. REVENUE BY GEOGRAPHY AND BUSINESS LINE FOR THE YEAR ENDED DECEMBER 31, 2023

(in millions of euros)	Europe, Middle East and Africa	Americas	Asia Pacific	Total
Industrial Merchant	3,356.2	7,060.0	1,559.0	11,975.2
Large Industries	4,365.2	1,607.6	1,851.8	7,824.6
Healthcare	2,846.8	1,033.2	197.5	4,077.5
Electronics	213.3	467.9	1,801.4	2,482.6
Gas & Services Revenue	**10,781.5**	**10,168.7**	**5,409.7**	**26,359.9**
Engineering & Construction				389.9
Global Markets & Technologies				857.7
TOTAL REVENUE				**27,607.6**

Note 4 Operating income recurring

Operating income recurring includes purchases, personnel expenses, depreciation and amortization, other recurring income and other recurring expenses.

The Group purchases mainly consist of electricity, natural gas as well as industrial and medical products.

4.1. OTHER INCOME

Other income is primarily made up of net proceeds from the sale of property, plant, and equipment and intangible assets and various indemnities.

4.2. PERSONNEL EXPENSES

(in millions of euros)	2023	2024
Wages and social security charges	(4,923.2)	(4,943.6)
Defined contribution pension plans	(109.7)	(150.7)
Defined benefit plans	(27.0)	(31.6)
Share-based payments	(39.6)	(39.8)
TOTAL	**(5,099.5)**	**(5,165.7)**

Fully consolidated companies employed 66,657 individuals as of December 31, 2024 (67,778 individuals as of December 31, 2023).

4.3. OTHER OPERATING EXPENSES

Other operating expenses primarily include transport, maintenance, distribution costs and sub-contracting costs.

The operating leases costs included in other operating expenses are not significant and correspond to the contracts that do not fall within the scope of IFRS 16 (cf. paragraph 5.g. of the Accounting principles).

4.4. RESEARCH AND DEVELOPMENT EXPENDITURES

In 2024, innovation costs amounted to 309 million euros as in 2023 including Research and Development costs of 205 million euros stable compared to 2023.

4.5. DEPRECIATION AND AMORTIZATION EXPENSES

(in millions of euros)	**2023**	**2024**
Intangible assets	(204.4)	(203.1)
Property, plant and equipment [(a)]	(2,277.6)	(2,302.0)
TOTAL	**(2,482.0)**	**(2,505.1)**

(a) Including the depreciation expense after deduction of investment grants released to profit.

Note 5 Other non-recurring operating income and expenses

(in millions of euros)	**2023**	**2024**
Income		
Net gain on the disposals of activities or group of assets	212.8	34.4
Political risks and legal procedures	26.3	22.7
Others	3.2	7.7
TOTAL OTHER NON-RECURRING OPERATING INCOME	**242.3**	**64.8**
Expenses		
Reorganization, restructuring and realignment programs costs	(152.8)	(223.3)
Acquisition costs	(11.0)	(2.8)
Political risks and legal procedures	(45.9)	(23.7)
Net loss on the disposals of activities or group of assets and impairments of assets	(488.5)	(243.5)
Others	(40.6)	(17.3)
TOTAL OTHER NON-RECURRING OPERATING EXPENSES	**(738.8)**	**(510.5)**
TOTAL	**(496.5)**	**(445.7)**

In 2024, the Group recognized:

- Net loss on the disposals of activities or group of assets and impairments of assets amounting to -243.5 million euros including -215.7 million euros following the impairment of certain tangible assets;
- Restructuring costs corresponding to realignment programs primarily in Gas & Services activities mainly on South Europe (France, Iberia and Italy) activities;

In 2023, the Group recognized:

- Net gain on the disposals of activities or group of assets amounting to 212.8 million euros including 173.3 million euros related to the disposal of non-consolidated investments;
- Net loss on the disposals of activities or group of assets and impairments of assets amounting to -488.5 million euros including -344.9 million euros following a strategic review that led to the impairment of some tangible and intangible assets in several countries and -129.9 million euros related to another intangible asset and assets held for sale;
- Income and expenses related to political risks and legal procedures, including a 21 million euros payment related to the equalization charge procedure. Indeed, in March 2023, Council of State “Conseil d'Etat” partially questioned the favorable judgment from the European Court of Justice of May 12, 2022 by referring the case to an Administrative Court of Appeal;
- Restructuring costs corresponding to realignment programs primarily in Gas & Services, especially in the Healthcare activity;
- Costs related to the capital increase reserved for employees, included in the “Others” line of the other non-recurring operating expenses.

Note 6 Net finance costs and other financial income and expenses

6.1. NET FINANCE COSTS

(in millions of euros)	2023	2024
Gross finance costs	(334.9)	(333.4)
Financial income from short-term investments and loans	69.4	75.0
TOTAL	**(265.5)**	**(258.4)**

The average cost of net debt, excluding capitalized finance costs of +67.0 million euros (+48.7 million euros in 2023), stood at 3.4% in 2024, stable compared to 2023 (excluding impact related to the early repayment of bonds denominated in US dollars and euros).

6.2. OTHER FINANCIAL INCOME AND EXPENSES

(in millions of euros)	2023	2024
Other financial income	15.4	8.5
TOTAL OTHER FINANCIAL INCOME	**15.4**	**8.5**
Other financial expenses	(93.0)	(89.6)
Interest expense on the net defined benefit liability	(35.1)	(33.4)
Interest on lease liabilities	(38.0)	(45.5)
TOTAL OTHER FINANCIAL EXPENSES	**(166.1)**	**(168.5)**

Note 7 Income taxes

7.1. INCOME TAX EXPENSES

(in millions of euros)	2023	2024
Current income tax expenses	(1,022.2)	(1,128.9)
TOTAL CURRENT TAX	**(1,022.2)**	**(1,128.9)**
Temporary differences	46.7	42.4
Impact of tax rate changes	3.7	—
TOTAL DEFERRED TAX	**50.4**	**42.4**
TOTAL	**(971.8)**	**(1,086.5)**

7.2. RECONCILIATION BETWEEN THE STANDARD TAX RATE AND THE GROUP EFFECTIVE TAX RATE

(in %)	2023	2024
Standard tax rate	**25.0**	**24.8**
Impact of transactions taxed at reduced rates	(2.3)	(1.9)
Impact of tax exemptions and others	0.7	1.1
Average effective tax rate	**23.4**	**24.0**

The enforcement of Pillar 2 rules has no significant impact on the Group's average effective tax rate.

In France, L'Air Liquide S.A. has elected to determine French income taxes on a consolidated basis. This scheme applies to all French subsidiaries complying with the legal requirements.

Foreign subsidiaries have elected to apply for similar rules wherever this is allowed under local regulations.

Note 8 Net earnings per share

8.1. BASIC EARNINGS PER SHARE

	2023	2024
Net profit (Group share) attributable to ordinary shareholders of the parent *(in millions of euros)*	3,078.0	3,306.1
Weighted average number of ordinary shares outstanding	575,808,001	576,457,564
Basic earnings per share *(in euros)*	**5.35**	**5.74**

The average number of outstanding ordinary shares and net earnings per share for December 31, 2023 include the impact of the free share attribution performed by L' Air Liquide S.A. on June 12, 2024.

8.2. DILUTED EARNINGS PER SHARE

	2023	2024
Net profit used to calculate diluted earnings per share *(in millions of euros)*	**3,078.0**	**3,306.1**
Weighted average number of ordinary shares outstanding	575,808,001	576,457,564
Adjustment for dilutive impact of share subscription options	669,840	376,963
Adjustment for dilutive impact of performance shares	1,452,901	1,377,985
Adjusted weighted average number of shares outstanding used to calculate diluted earnings per share	**577,930,742**	**578,212,512**
Diluted earnings per share *(in euros)*	**5.33**	**5.72**

All instruments that could dilute net profit – Group share, are included in the calculation of diluted earnings per share.

The Group has not issued any other financial instruments that may result in further dilution of net earnings per share.

Note 9 Dividend per share

The 2023 dividend on ordinary shares declared and paid on May 22, 2024 to the Group Shareholders was 1,719.5 million euros (including fidelity premium) and amounted to 3.20 euros per share and a fidelity premium of 0.32 euro per share.

A dividend payment of 3.30 euros per ordinary share and a fidelity premium of 0.33 euros per share amounting to 1,962.2 million euros (estimated amount taking into account share buybacks and cancellations) will be proposed to the Annual General Meeting in respect of the financial year ended December 31, 2024.

Note 10 Goodwill

10.1. MOVEMENTS DURING THE PERIOD

(in millions of euros)	As of January 1	Goodwill recognized during the period	Goodwill removed during the period	Foreign exchange differences	Other movements	As of December 31
2023	14,587.2	43.3	(30.7)	(405.6)	—	14,194.2
2024	**14,194.2**	**209.3**	**(9.2)**	**582.6**	**0.5**	**14,977.4**

10.2. SIGNIFICANT GOODWILL

	2023	2024		
(in millions of euros)	Net carrying amount	Gross carrying amount	Impairment losses	Net carrying amount
Gas & Services	13,822.2	14,586.9		14,586.9
Europe, Middle East and Africa	*3,334.0*	*3,344.9*	—	*3,344.9*
Americas [(a)]	*9,141.5*	*9,787.7*		*9,787.7*
Asia Pacific	*1,346.7*	*1,454.3*		*1,454.3*
Engineering & Construction	236.7	249.9		249.9
Global Markets & Technologies	135.3	142.0	(1.4)	140.6
TOTAL GOODWILL	**14,194.2**	**14,978.8**	**(1.4)**	**14,977.4**

(a) Goodwill recognized within Gas & Services Americas mainly comes from the United States contributing up to 9,557.5 million euros as of December 31, 2024.

Following the organizational change that occurred in 2024 (see note 2), goodwill relating to Europe, the Middle East and Africa are tested within the same group of cash-generating units.

In the last two fiscal years, the Group has not recorded any goodwill impairment losses.

Impairment tests were carried out using the methods detailed in note 5.f of the accounting policies.

As of December 31, 2024, the recoverable amounts of each cash-generating unit or groups of cash-generating units, calculated using market multiples, significantly exceeded their net carrying amounts. Consequently, as stated in note 5.f of the accounting policies, the method of future estimated cash flow was not used to determine the recoverable amount of cash-generating units.

Considering the activity of the Air Liquide Group, no reasonably possible change in key assumptions would result in an impairment loss. The Gas & Services activities favor synergies between the different business lines by pooling assets for a given geographical area. The geographical development of an activity is generally based on local industrial investments and external growth operations through the Large Industries business line. The supply of gas to clients of the Large Industries business is contracted for a minimum duration of 15 years. These customer contracts provide a good visibility and guarantee of future income.

Note 11 Other intangible assets

11.1. GROSS CARRYING AMOUNTS

2024 *(in millions of euros)*	As of January 1	Additions	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Internally generated intangible assets	889.4	111.9	(131.2)	16.3	—	(13.9)	872.5
Other intangible assets	3,031.4	88.3	(25.7)	96.4	11.5	(46.3)	3,155.6
TOTAL GROSS INTANGIBLE ASSETS	**3,920.8**	**200.2**	**(156.9)**	**112.7**	**11.5**	**(60.2)**	**4,028.1**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.

2023 *(in millions of euros)*	As of January 1	Additions	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Internally generated intangible assets	814.0	107.0	(2.2)	(9.9)	—	(19.5)	889.4
Other intangible assets	3,037.2	86.0	(20.3)	(81.2)	0.7	9.0	3,031.4
TOTAL GROSS INTANGIBLE ASSETS	**3,851.2**	**193.0**	**(22.5)**	**(91.1)**	**0.7**	**(10.5)**	**3,920.8**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.

11.2. AMORTIZATION AND IMPAIRMENT LOSSES

2024 *(in millions of euros)*	As of January 1	Charge for the period	Impairment losses	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Internally generated intangible assets	(630.2)	(61.4)	—	128.0	(11.2)	—	78.9	(495.9)
Other intangible assets	(1,659.3)	(141.7)	(2.9)	17.2	(43.6)	—	(10.4)	(1,840.7)
TOTAL INTANGIBLE ASSET AMORTIZATION	**(2,289.5)**	**(203.1)**	**(2.9)**	**145.2**	**(54.8)**	**—**	**68.5**	**(2,336.6)**
TOTAL NET INTANGIBLE ASSETS [(b)]	**1,631.3**	**(2.9) [(c)]**	**(2.9)**	**(11.7)**	**57.9**	**11.5**	**8.3**	**1,691.5**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.
(b) Other intangible assets mainly include trademarks and customer relationship valuation as part of business combination.
(c) This amount is the net of additions and charges for the period.

2023 *(in millions of euros)*	As of January 1	Charge for the period	Impairmen t losses	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Internally generated intangible assets	(577.6)	(53.7)	(4.5)	2.7	6.8	—	(3.9)	(630.2)
Other intangible assets	(1,462.2)	(150.7)	(90.0)	13.3	26.6	—	3.7	(1,659.3)
TOTAL INTANGIBLE ASSET AMORTIZATION	**(2,039.8)**	**(204.4)**	**(94.5)**	**16.0**	**33.4**	**—**	**(0.2)**	**(2,289.5)**
TOTAL NET INTANGIBLE ASSETS [(b)]	**1,811.4**	**(11.4) [(c)]**	**(94.5)**	**(6.5)**	**(57.7)**	**0.7**	**(10.7)**	**1,631.3**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.
(b) Other intangible assets mainly include trademarks and customer relationship valuation as part of business combination.
(c) This amount is the net of additions and charges for the period.

As of December 31, 2024, the Group had no material commitment to acquire intangible assets and was not subject to any restrictions over the use of existing intangible assets.

Note 12 Property, plant and equipment

12.1. GROSS CARRYING AMOUNTS

2024 *(in millions of euros)*	As of January 1	Additions	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Land	463.3	0.1	(1.5)	8.4	0.2	16.6	487.1
Buildings	2,685.2	20.7	(22.5)	64.9	2.9	145.9	2,897.1
Equipment, cylinders, installations	42,671.5	391.1	(539.8)	852.6	40.6	2,665.6	46,081.6
Rights of use	2,077.2	166.8	(16.6)	62.9	2.6	(4.4)	2,288.5
TOTAL PROPERTY, PLANT AND EQUIPMENT IN SERVICE	**47,897.2**	**578.7**	**(580.4)**	**988.8**	**46.3**	**2,823.7**	**51,754.3**
Construction in progress	3,797.7	2,970.9	—	48.0	—	(2,784.7)	4,031.9
TOTAL PROPERTY, PLANT AND EQUIPMENT	**51,694.9**	**3,549.6**	**(580.4)**	**1,036.8**	**46.3**	**39.0**	**55,786.2**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.

2023 *(in millions of euros)*	As of January 1	Additions	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Land	474.0	—	(1.9)	(18.7)	0.1	9.8	463.3
Buildings	2,491.6	21.2	(32.0)	(75.7)	0.9	279.2	2,685.2
Equipment, cylinders, installations	42,138.2	382.8	(660.1)	(1,273.3)	4.5	2,079.4	42,671.5
Rights of use	1,954.1	180.3	(25.5)	(53.4)	0.9	20.8	2,077.2
TOTAL PROPERTY, PLANT AND EQUIPMENT IN SERVICE	**47,057.9**	**584.3**	**(719.5)**	**(1,421.1)**	**6.4**	**2,389.2**	**47,897.2**
Construction in progress	3,395.5	2,879.5		(149.0)	—	(2,328.3)	3,797.7
TOTAL PROPERTY, PLANT AND EQUIPMENT	**50,453.4**	**3,463.8**	**(719.5)**	**(1,570.1)**	**6.4**	**60.9**	**51,694.9**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.

Purchases of property, plant and equipment and intangible assets presented in the consolidated statement of cash flows relate to the increase in property, plant and equipment and intangible assets (excluding right of use) adjusted in particular for the change in the fixed asset suppliers' balance during one year.

12.2. DEPRECIATION AND IMPAIRMENT LOSSES

2024 *(in millions of euros)*	As of January 1	Charge for the period	Impairment losses	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Buildings	(1,298.5)	(115.1)	—	11.9	(22.8)	—	31.3	(1,393.2)
Equipment, cylinders, installations	(25,829.9)	(1,956.1)	(148.3)	404.5	(378.0)	—	92.2	(27,815.6)
Rights of use	(914.3)	(239.7)	(3.9)	14.3	(22.9)	—	127.8	(1,038.7)
TOTAL PROPERTY, PLANT AND EQUIPMENT DEPRECIATION	**(28,042.7)**	**(2,310.9)**	**(152.2)**	**430.7**	**(423.7)**	**—**	**251.3**	**(30,247.5)**
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	**23,652.2**	**1,238.7** [(b)]	**(152.2)**	**(149.7)**	**613.1**	**46.3**	**290.3**	**25,538.7**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.
(b) This amount is the net of additions and charges for the period.

2023 *(in millions of euros)*	As of January 1	Charge for the period	Impairment losses	Disposals	Foreign exchange differences	Acquisitions related to business combinations	Other movements [(a)]	As of December 31
Buildings	(1,280.2)	(98.9)		33.1	33.2	—	14.3	(1,298.5)
Equipment, cylinders, installations	(24,756.7)	(1,948.1)	(296.1)	548.3	592.0	—	30.7	(25,829.9)
Rights of use	(769.6)	(239.3)	(1.9)	24.7	19.8	—	52.0	(914.3)
TOTAL PROPERTY, PLANT AND EQUIPMENT DEPRECIATION	**(26,806.5)**	**(2,286.3)**	**(298.0)**	**606.1**	**645.0**	**—**	**97.0**	**(28,042.7)**
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	**23,646.9**	**1,177.5** [(b)]	**(298.0)**	**(113.4)**	**(925.1)**	**6.4**	**157.9**	**23,652.2**

(a) Other movements primarily include account reclassifications and changes in the scope of consolidation.
(b) This amount is the net of additions and charges for the period.

The charge for the period corresponds to the increase in depreciation, net of investment grants released to the income statement.

12.3. MATURITY OF LEASE LIABILITY

The maturity of the lease liabilities related to rights-of-use is as follows:

2024	Carrying amount	Maturity								
			≥ 1 year and ≤ 5 years				> 5 years			
(in millions of euros)		< 1 year	2025	2026	2027	2028	2029	2030	2031	> 2031
Non-current lease liabilities	1,133.8		242.5	175.7	148.6	122.2	90.9	76.9	53.0	224.0
Current lease liabilities	239.8	239.8								
TOTAL LEASE LIABILITIES	**1,373.6**	**239.8**	**242.5**	**175.7**	**148.6**	**122.2**	**90.9**	**76.9**	**53.0**	**224.0**

2023	Carrying amount	Maturity								
			≥ 1 year and ≤ 5 years				> 5 years			
(in millions of euros)		< 1 year	2024	2025	2026	2027	2028	2029	2030	> 2030
Non-current lease liabilities	1,046.3	—	226.5	156.8	129.5	103.3	88.6	80.4	45.9	215.3
Current lease liabilities	219.7	219.7	—	—	—	—	—	—	—	—
TOTAL LEASE LIABILITIES	**1,266.0**	**219.7**	**226.5**	**156.8**	**129.5**	**103.3**	**88.6**	**80.4**	**45.9**	**215.3**

Note 13 Non-current financial assets

(in millions of euros)	2023	2024
Non-consolidated investments	335.2	326.3
Loans	44.7	39.9
Other long-term receivables	246.8	296.1
Employee benefits	70.0	83.9
NON-CURRENT FINANCIAL ASSETS	**696.7**	**746.3**

Non-consolidated investments include fully-depreciated shares in Russian entities. As of December 31, 2024, given the geopolitical context and reinforced sanctions and counter-sanctions, the Group continues to consider that it no longer has control of its activities in Russia since September 1, 2022.

Note 14 Investments in equity affiliates

14.1. FINANCIAL INFORMATION RELATED TO JOINT VENTURES AND ASSOCIATES

Group share of associates and joint ventures as of December 31, 2024 *(in millions of euros)*	Share of profit for the period	Share of equity [(a)]	Share of net income and gains and losses recognized directly in equity [(b)]
Joint ventures and associates	(0.7)	198.3	27.7

(a) Including goodwill relating to associates and joint ventures.
(b) The share of net income and gains and losses recognized directly in equity primarily comprises the translation reserves.

Group share of associates and joint ventures as of December 31, 2023 *(in millions of euros)*	Share of profit for the period	Share of equity [(a)]	Share of net income and gains and losses recognized directly in equity [(b)]
Joint ventures and associates	4.9	180.1	22.3

(a) Including goodwill relating to associates and joint ventures.
(b) The share of net income and gains and losses recognized directly in equity primarily comprises the translation reserves.

14.2. MOVEMENTS DURING THE YEAR

(in millions of euros)	As of January 1	Share of profit for the period	Dividend distribution	Foreign exchange differences	Other movements	As of December 31
2023	185.7	4.9	(14.5)	(6.8)	10.8	180.1
2024	**180.1**	**(0.7)**	**(17.6)**	**5.5**	**31.0**	**198.3**

No company consolidated under equity method is individually significant.

Note 15 Deferred taxes

15.1. DEFERRED TAX ASSETS

The change in deferred tax assets over the fiscal year is as follows:

(in millions of euros)	2023	2024
AS OF JANUARY 1	**232.3**	**225.2**
Income (charge) to the income statement	25.1	84.3
Income (charge) to equity	1.0	(18.8)
Changes related to scope	0.4	(5.4)
Foreign exchange differences	(0.4)	(3.6)
Others [a]	(33.2)	53.3
AS OF DECEMBER 31	**225.2**	**335.0**

(a) Other movements primarily include reclassifications between accounts.

As of December 31, 2024, unrecognized deferred tax assets amounted to 67.8 million euros (54.2 million euros as of December 31, 2023).

15.2. DEFERRED TAX LIABILITIES

The change in deferred tax liabilities over the fiscal year is as follows:

(in millions of euros)	2023	2024
AS OF JANUARY 1	**2,465.4**	**2,329.0**
Charge (income) to the income statement	(25.3)	42.1
Charge (income) to equity	(16.8)	(16.9)
Changes related to scope	(0.3)	1.6
Foreign exchange differences	(74.1)	131.1
Others [a]	(19.9)	40.2
AS OF DECEMBER 31	**2,329.0**	**2,527.1**

(a) Other movements primarily include reclassifications between accounts.

15.3. DEFERRED TAXES BY NATURE

The net deferred taxes are broken down as follows:

(in millions of euros)	2023	2024
Amortization/depreciation	(2,418.9)	(2,584.7)
Provisions, pensions and other employee benefits	162.1	213.4
Other provisions	332.5	428.9
Tax loss carryforwards	114.4	129.4
Other	(293.9)	(379.1)
TOTAL	**(2,103.8)**	**(2,192.1)**

Note 16 Inventories and work-in-progress

(in millions of euros)	2023	2024
Raw materials and supplies	614.4	607.0
Finished and semi-finished goods	1,242.9	1,410.7
Work-in-progress	170.3	171.9
NET INVENTORIES	**2,027.6**	**2,189.6**

(in millions of euros)	2023	2024
Write-down of inventories	(20.2)	(24.4)
Reversals of write-down	24.6	11.7
NET WRITE-DOWN RECOGNIZED IN THE INCOME STATEMENT	**4.4**	**(12.7)**

Note 17 Trade receivables and other operating receivables

(in millions of euros)	2023	2024
Trade and other operating receivables	3,225.5	3,231.1
Provisions for impairment	(231.8)	(234.4)
TRADE RECEIVABLES	**2,993.7**	**2,996.7**

Trade and other operating receivables include gross amounts relating to Engineering & Construction contracts for 101.9 million euros (104.6 million euros as of December 31, 2023).

As of December 31, 2024, cumulative revenue recognized using the percentage of completion method and cumulative cash in since the beginning of the ongoing projects amounted respectively to 2,203.7 million euros (1,992.7 million euros as of December 31, 2023) and 2,286.1 million euros (2,076.9 million euros as of December 31,2023).

17.1. BREAKDOWN OF TRADE AND OTHER OPERATING RECEIVABLES

As of December 31, 2024, the breakdown of receivables and associated impairment is as follows:

			Overdue					
2024 *(in millions of euros)*	Total	Not yet due	0-1 month	1-3 months	3-6 months	6-12 months	> 12 months	Total
Trade and other operating receivables	3,231.1	2,462.7	257.9	152.9	100.3	76.3	181.0	768.4
Provisions for impairment	(234.4)	(2.6)	(14.1)	(10.0)	(12.0)	(22.1)	(173.6)	(231.8)
TRADE RECEIVABLES	**2,996.7**	**2,460.1**	**243.8**	**142.9**	**88.3**	**54.2**	**7.4**	**536.6**

As of December 31,2023, the breakdown of receivables and associated impairment is as follows:

			Overdue					
2023 *(in millions of euros)*	Total	Not yet due	0-1 month	1-3 months	3-6 months	6-12 months	> 12 months	Total
Trade and other operating receivables	3,225.5	2,432.9	253.4	148.0	117.4	88.1	185.7	792.6
Provisions for impairment	(231.8)	(6.1)	(11.9)	(8.3)	(12.4)	(16.9)	(176.2)	(225.7)
TRADE RECEIVABLES	**2,993.7**	**2,426.8**	**241.5**	**139.7**	**105.0**	**71.2**	**9.5**	**566.9**

The accounting principles relating to trade receivables impairment (expected credit losses) are described in section 6.b of the accounting principles.

17.2. PROVISION FOR IMPAIRMENT

(in millions of euros)	As of January 1	Charges	Reversals	Foreign exchange differences	Other movements	As of December 31
2023	(223.7)	(65.2)	49.6	2.3	5.2	(231.8)
2024	**(231.8)**	**(80.2)**	**74.5**	**1.3**	**1.8**	**(234.4)**

17.3. INFORMATION RELATING TO NON-RECOURSE ASSIGNMENTS OF TRADE RECEIVABLES

Non-recourse factored receivables in Europe, in Asia and in the Americas, amounted to 1,340 million euros in 2024 compared to 1,393 million euros at the end of 2023.

The European program, set up in 2015 and renewed in 2020 was amended in March 2024 to change its coverage to 540 million euros (593 million euros including 9% of deferred purchase price). Its maturity is February 28, 2026. The assigned receivables, in the amount of 447 million euros, were derecognized as of December 31, 2024 (572 million euros as of December 31, 2023).

The American program held by Airgas and set up in December 2018, was amended in December 2024 to extend its maturity to March 2026. As of December 31, 2024, the program covers 800 million US dollars (770 million euros) and 677 million US dollars (652 million euros) were derecognized.

Other non-recourse factoring programs exist in various countries and activities, mainly in Asia and Healthcare.

The Group has analyzed the main characteristics of these programs according to the principles described in section 6.b of the accounting principles and concluded that almost all the risks and rewards were transferred to the assignees.

Note 18 Working capital requirement

2024 *(in millions of euros)*	As of January 1	Changes with cash impact	Others changes [b]	As of December 31
Inventories and work-in progress	2,027.6	145.5	16.5	2,189.6
Trade receivables	2,993.7	32.9	(29.9)	2,996.7
Trade payables	(3,310.5)	92.5	(101.0)	(3,319.0)
Others [a]	(1,646.5)	(115.8)	170.8	(1,591.5)
Working capital requirement	**64.3**	**155.1**	**56.4**	**275.8**

(a) The Others items accounts mainly for the others current assets and liabilities as well as current tax balances.
(b) The Others changes account include reclassifications from one item to another, the impact of exchange rates and changes in the scope of consolidation.

Note 19 Other current assets

(in millions of euros)	2023	2024
Advances and down-payments made	162.3	133.2
Prepaid expenses	165.9	183.2
Other sundry current assets	534.5	751.8
OTHER CURRENT ASSETS	**862.7**	**1,068.2**

Other sundry current assets mainly include tax receivables and subsidies to received.

Note 20 Cash and cash equivalents

(in millions of euros)	2023	2024
Short-term loans	26.1	32.4
Short-term marketable securities	200.7	329.5
Cash in bank	1,398.1	1,553.4
CASH AND CASH EQUIVALENTS	**1,624.9**	**1,915.3**

As of December 31, 2024, cash and cash equivalents include 148 million euros subject to restrictions mainly in Argentina and Luxembourg (regulatory restrictions within the framework of the Group's captive reinsurance company).

Furthermore, 49 million euros of cash and cash equivalents are held in countries in which a prior authorization is necessary to transfer funds abroad. These liquidities are at the Group’s disposal within a reasonable time period, if preliminary formalities are respected.

Note 21 Shareholders' equity

21.1. SHARES

Number of shares

	2023	2024
NUMBER OF SHARES AS OF JANUARY 1	523,450,271	524,516,778
Free share attribution	—	53,911,973
Capital increase reserved for employees	746,401	—
Options exercised during the period	440,106	457,512
Cancellation of treasury shares	(120,000)	(627,000)
NUMBER OF SHARES AS OF DECEMBER 31	524,516,778	578,259,263

Shares have a par value of 5.50 euros each and are all issued and fully paid-up.

In 2024, a total of 1,279,150 shares were repurchased (net of disposals), of which net repurchase for 926,379 shares before the free shares attribution and net repurchase for 352,771 share after the free shares attribution.

21.2. FREE SHARES ATTRIBUTION

François Jackow as Chief Executive Officer and under the authority conferred to him by the Board of Directors of April 30, 2024, decided, on June 4, 2024, to create 52,419,120 new shares at a par value of 5.50 euros and ranking for dividends as of January 1, 2024. These shares were freely attributed on June 12, 2024 to Shareholders by capitalization of premiums, at a rate of one new share for ten existing shares.

In addition, pursuant to article 21 of the articles of the association, 1,492,853 new shares were created at a par value of 5.50 euros and ranking for dividends as of January 1, 2024. These shares were granted on June 12, 2024 as free shares to Shareholders at the parity of one share for one hundred existing shares, by capitalization of premiums. The shares subject to this additional free share attribution are the shares held in registered form continuously from December 31, 2021 to June 11, 2024 inclusive.

21.3. CAPITAL DECREASE

Under the authority of the 18th resolution adopted by the Annual General Meeting held on May 3, 2023, the Board of Directors of April 30, 2024, carried out the capital decrease of 3,448,500.00 euros to bring the capital back from 2,884,842,279.00 euros to 2,881,393,779.00 euros by cancelling 627,000 shares.

21.4. COMPANY TREASURY SHARES

Treasury shares are Air Liquide shares held by the Group, including shares which are part of the liquidity contract, compliant with an Ethics Charter recognized by the French financial markets authority (Autorité des marchés financiers). As of December 31, 2024, the Group held 1,815,681 treasury shares (1,363,694 as of December 31, 2023) including 25,250 treasury shares under a liquidity contract (2,100 as of December 31, 2023). Changes in the number of treasury shares are explained in the consolidated statement of changes in equity.

21.5. SHARE-BASED PAYMENTS

Share subscription option plans

Pursuant to the decisions of the Board of Directors, following the approval by the Annual General Meeting and based on the recommendations of the Remuneration Committee, the Company had adopted share subscription option plans for some of the senior executives of the Company and its subsidiaries worldwide, as well as corporate officers.

Stock options are granted for a minimum price which cannot be lower than the average closing market price over the 20 trading days preceding the grant date. Options granted since October 14, 2011 must be exercised within 10 years. A four-year vesting period applies to stock options granted.

As of December 31, 2024, the number of outstanding share options granted by the Board of Directors under the plans approved by Annual General Meetings amounted to 494,684 options after adjustment (average price of 69.22 euros), or 0.09% of share capital.

Out of the total number of options issued pursuant to the approval by the Annual General Meeting on May 4, 2022, 11,565,185 options were retained for possible grant by the Board of Directors as of December 31, 2024.

Performance shares plans

An additional compensation system involving performance shares was set up in 2008 as a way to reward best employees and associate their medium-term performance with the Company's objectives.

The 21st resolution adopted by the Extraordinary Annual General Meeting held on May 4, 2022 authorizes the Board of Directors to grant free shares to Group employees, up to a maximum of 0.5% of the Company's share capital over a 38-month period. As part of this maximum attribution, free shares representing up to 0.1% of the Group's share capital can be granted to corporate officers over the same period.

Under this authority, the Board of Directors adopted two different general regulations on September 25, 2024 ("France" Plan and "World" Plan) governing the attribution of performance shares to beneficiaries determined by the Board of Directors. The differences between the "France" and "World" Plans mainly refer to the number of years of service required – paragraph a) below, and to the correlative absence of any holding requirement for the "World" Plan – paragraph c) below.

The granted shares shall be either shares issued through a capital increase performed by the Company by no later than the definitive vesting date or shares bought back by the Company on the market prior to such date.

To date, performance shares granted are treasury shares bought back as part of the Company's shares buyback program.

The granted shares shall be of the same nature and category as those making up the Company's share capital at the date on which the plans are approved by the Board of Directors.

On September 25, 2024, the Board of Directors decided to grant 318,931 performance shares to employees (2,760 beneficiaries).

Performance shares are subject to:

a) a continued service requirement during the vesting period: the shares granted to a beneficiary shall only finally vest if he or she has been an employee or corporate officer of a Group company during a vesting period, calculated as from the grant date, of three years for "France" Plan beneficiaries and four years for "World" Plan beneficiaries. In the event of retirement, the beneficiary retains his rights, being no longer required to satisfy the continued service requirement;
b) performance requirements for all performance shares allocated to all beneficiaries;
c) a holding requirement for performance shares: as from the final grant date, the beneficiaries of the "France" Plan are required to hold their shares for two additional years during which such shares may not be transferred (except in the event of disability or death).

Options granted to the ten employees of the Company and its subsidiaries (excluding corporate officers) who were attributed the highest number of options

In 2024, no options have been granted.

Options exercised in 2024 by the ten employees of the Company and its subsidiaries (excluding corporate officers) with the highest number of options exercised

Grant date	Number of options exercised	Average price *(in euros)* [(a)]
09/22/2014	188,262	69.67
09/28/2015	28,742	69.25
11/29/2016	49	69.33
09/25/2018	910	87.25
TOTAL	**215,963**	**69.69**

(a) Historical data adjusted of the past attribution of free shares.

Options exercised in 2023 by the ten employees of the Company and its subsidiaries (excluding corporate officers) with the highest number of options exercised

Grant date	Number of options exercised	Average price *(in euros)* [(a)]
09/26/2013	103,640	67.15
09/22/2014	35,122	70.42
09/28/2015	10,229	76.23
11/29/2016	891	69.33
TOTAL	**149,882**	**68.55**

(a) Historical data.

Number of share subscription options and weighted average strike price

	2023		2024	
	Options [(a)]	Weighted average strike price *(in euros)*	Options	Weighted average strike price *(in euros)*
Total number of options outstanding as of January 1 (adjusted number and price)	**1,417,704**	**67.06**	**956,176**	**67.10**
Options exercised during the period (adjusted number and price)	455,339	66.96	457,512	69.19
Options canceled during the period (adjusted number and price)	6,189	67.44	3,980	66.68
Total number of options as of December 31 (adjusted number and price)	**956,176**	**67.10**	**494,684**	**69.22**
Of which total number of options eligible for exercise	***956,176***	***67.10***	***494,684***	***69.22***

(a) The total number of outstanding options at the beginning of the period was adjusted following the capital increase with free shares attribution in 2024.

Information on the fair value of share subscription options and attribution of performance shares

Share subscription options

No options have been granted in 2023 and 2024.

Attribution of performance shares

The fair value of performance shares attributed to employees depends for 50% on performance conditions linked to the Group's results, 40% on Shareholder's return and 10% on the reduction of carbon emissions in absolute value of Air Liquide.

The achievement of performance conditions linked with Group result together with the achievement of performance condition linked to the reduction of carbon emissions in absolute value are not considered as underlying assumptions and were deemed to have been fully achieved at the valuation date.

	2023		2024	
	Plan 1 [(a)]		Plan 1 [(a)]	
	09/28/2023		09/25/2024	
	France	Outside of France	France	Outside of France
Duration of performance shares	5 years	4 years	5 years	4 years
Fair value of performance shares *(in euros)*	136.87	135.26	149.08	148.12

(a) *Fair value at the attribution date, not restated for the effect of the later share capital increase with preferential subscription rights in the market and attributions of free shares.*

An expense of 39.8 million euros (excluding taxes) relating to the attribution of performance shares was recognized in the income statement in 2024 compared to 39.6 million euros in 2023. The corresponding entry is recorded in equity.

Note 22 Provisions, pensions and other employee benefits

2024 *(in millions of euros)*	**As of January 1**	**Increase**	**Utilized**	**Other reversals**	**Discounting**	**Foreign exchange differences**	**Acquisitions related to business combination**	**Other movements [a]**	**As of December 31**
Pensions and other employee benefits	1,129.8	64.7	(94.1)		(4.4)	5.7	25.9		1,127.6
Restructuring plans	83.7	82.4	(40.5)	(0.4)		0.1		1.8	127.1
Guarantees and other provisions related to engineering contracts	178.4	55.6	(37.0)	(15.5)		1.1		(2.9)	179.7
Dismantling	273.5		(7.8)		9.1	1.2		9.8	285.8
Provisions and contingent liabilities as part of a business combination	130.1	4.8	(11.5)	(7.5)	1.5	6.3	8.9	0.6	133.2
Other provisions	573.1	147.8	(124.0)	(21.2)	1.7	4.0	0.4	9.3	591.1
TOTAL PROVISIONS	**2,368.6**	**355.3**	**(314.9)**	**(44.6)**	**7.9**	**18.3**	**35.2**	**18.6**	**2,444.5**

(a) Other movements correspond to account reclassifications, changes in scope of consolidation and provisions for dismantling, with no impact on the consolidated cash flow statement.

2023 *(in millions of euros)*	**As of January 1**	**Increase**	**Utilized**	**Other reversals**	**Discounting**	**Foreign exchange differences**	**Acquisitions related to business combination**	**Other movements [a]**	**As of December 31**
Pensions and other employee benefits	1,091.4	61.5	(96.5)		98.0	(7.9)		(16.7)	1,129.8
Restructuring plans	15.8	73.1	(8.9)	(0.4)		(0.8)		4.9	83.7
Guarantees and other provisions related to engineering contracts	185.6	52.5	(41.9)	(12.8)	0.1	(1.6)		(3.5)	178.4
Dismantling	259.9	1.0	(8.5)	(1.4)	7.7	(5.8)		20.6	273.5
Provisions and contingent liabilities as part of a business combination	164.9	14.0	(13.6)	(24.0)	1.6	(5.5)	0.5	(7.8)	130.1
Other provisions	555.9	190.5	(115.2)	(45.7)	1.6	(3.3)	0.2	(10.9)	573.1
TOTAL PROVISIONS	**2,273.5**	**392.6**	**(284.6)**	**(84.3)**	**109.0**	**(24.9)**	**0.7**	**(13.4)**	**2,368.6**

(a) Other movements correspond to account reclassifications, changes in scope of consolidation and provisions for dismantling, with no impact on the consolidated cash flow statement.

In the normal course of its operations, the Group is party to arbitration, judicial or administrative proceedings. The potential costs of such proceedings are provided for, when they are probable, only if the amount can be quantified or estimated within a reasonable range. In the latter case, the amount provided for represents the best estimate of the Group's management. Provisions are determined based on a case-by-case risk assessment and events occurring during ongoing proceedings may result in a risk reappraisal at any time. These litigations are by nature diverse and involve various Group subsidiaries. Provisions recorded with respect to all Group litigations amounted to 151.4 million euros as of December 31, 2024 (138 million euros as of December 31, 2023) and are presented in "Other provisions". They include provisions for industrial disputes and for tax risks, excluding income taxes, respectively for 109.6 and 41.8 million euros.

The Group does not provide the detail of these provisions, considering that disclosing the amount provided for each individual litigation could be prejudicial to the Group. Nevertheless, no single litigation is likely to have a material effect on the Group's financial position or its profitability.

Note 23 Employee benefit obligations

23.1. PENSION PLANS

The most significant pension plans relate to France, Germany and the United States.

In France, Air Liquide provides an additional retirement benefit based on the final salary which is paid in addition to other normal pension plans. On December 31, 1995, this plan was closed to employees under age 45 or with less than 20 years of service as of January 1, 1996; the latter being covered by a defined contribution plan. This plan is unfunded. The annual amounts paid with regards to additional benefits cannot exceed a threshold set originally at 12% of total payroll or 12% of pre-tax profits of companies involved. This 12% threshold will be proportionately reduced by comparing the number of plan beneficiaries for the year to the number of plan beneficiaries for the previous year. In 2017, this additional benefit was funded subsequently to the Article 50 of the law of January 20, 2014 securing the future and fairness of pensions plans.

IAS 19 “Employee Benefits” provides a very restrictive definition of defined contribution plans; any plans not complying fully with the conditions required are defined benefit plans by default.

This restrictive definition of defined contribution plans requires Air Liquide to account for these additional benefits as a defined benefit plan in spite of the limited obligations for the Company and the nature of the obligations not being stable or continuous.

The qualification as a defined benefit plan results in the recognition of a provision with regards to the future obligations.

With the Company’s obligations being limited, the valuation of what will actually be paid to retirees is uncertain. Since the effect of this threshold cannot be measured reliably, the provision recognized represents the actuarial value of the amounts to be paid out to retirees until the plan is closed, excluding any potential threshold effect. The additional retirement benefit paid by Air Liquide is aligned with the indexation of French statutory and supplementary pension plans up to a maximum annuity. Any additional annuity will not be subject to any indexation.

In Germany, there are two main Air Liquide pension plans.

The first plan provides the retirees of Lurgi (Engineering & Construction activity) with a lifetime annuity, based on the income and length of service vested in the plan at the time of retirement, the normal retirement age being 65. The plan also provides disability and widowhood pensions. This plan is now closed to new entrants, the latter benefiting from a defined contribution plan.

The second plan is an old plan covering employees of the Gas & Services activities. The plan provides a lifetime annuity, based on the average income earned over the employee’s career and the length of service vested at the time of retirement, the normal retirement age being 65. The plan also provides disability, pre-retirement and widowhood pensions. It is now closed to new entrants, with new employees benefiting from another defined benefit plan. Providing a minimum length of service of ten years, the plan provides a lifetime annuity based on the average income earned over the employee’s career and the length of service vested at the time of retirement, the normal retirement age being 65. The plan also provides disability, pre-retirement and widowhood pensions.

In accordance with common market practice in Germany, limited funding contributions are made to pension funds as both plans are mainly managed internally.

In the United States, Air Liquide grants retirees supplemental benefits in addition to the normal pension plans. The US plan provides a traditional final average pay benefit to those who continue to accrue benefits. A retiring employee may elect to receive their pension benefit as a lump sum or a lifetime annuity. This plan was closed to new participants in 2004 and was frozen in 2016. Therefore, employees who joined the Company before 2004 are no longer acquiring new rights on this defined benefit plan, but benefit from the defined contribution plan that has been opened since 2004 to new employees.

A new plan was implemented on January 1, 2017 (Supplemental Saving plan). This plan comes on top of the basic savings plan offering additional retirement benefits beyond the tax limit of the basic plan. It represents an annual cost of around 6 million US dollars.

23.2. OBLIGATIONS

Group obligations related to pension plans and similar benefits as of December 31, 2024 are shown below:

2024 *(in millions of euros)*	Defined benefit plans	Retirement termination payments	Other long term benefits	Medical Plans	Total
A. Change in net liabilities					
Net liabilities at the beginning of the period	(856.0)	(158.7)	(19.7)	(25.3)	(1,059.7)
(Acquisition) divestiture/transfer	(2.5)	0.7	0.1		(1.7)
(Expense) income recognized	(41.6)	(14.6)	(3.4)	(0.9)	(60.5)
Employer contributions	74.9	8.9	4.0	2.0	89.8
Gains (losses) for the period	(5.6)	0.2		(0.1)	(5.5)
Exchange rate movements	(6.4)		0.3		(6.1)
Net liabilities at the end of the period	**(837.2)**	**(163.5)**	**(18.7)**	**(24.3)**	**(1,043.7)**
B. Expense recorded in 2024					
Service cost	15.4	10.3	2.6	0.1	28.4
Interest expense on the net defined benefit liability	26.5	5.5	0.7	0.8	33.5
Actuarial (gains) losses			0.1		0.1
Curtailment/settlement	(0.3)	(1.2)	(0.1)		(1.6)
Expense (income) recognized	**41.6**	**14.6**	**3.4**	**0.9**	**60.5**
C. Change in present value of obligations in 2024					
DBO at the beginning of the period	1,870.0	158.9	21.6	25.5	2,076.0
Acquisition (divestiture)/transfer	2.5	(0.7)	(0.1)		1.7
Service cost	15.4	10.3	2.6	0.1	28.4
Interest cost	64.7	5.5	0.8	0.8	71.8
Employee contributions	2.3				2.3
Curtailment/settlement	(0.3)	(1.2)	(0.1)		(1.6)
Benefit payments	(144.8)	(8.8)	(3.1)	(2.0)	(158.7)
Actuarial (gains) losses	(10.7)	(0.2)	(0.2)	0.2	(10.9)
Exchange rate movements	27.3			(0.1)	27.2
Obligations at the end of the period	**1,826.4**	**163.8**	**21.6**	**24.5**	**2,036.3**
D. Change in plan assets in 2024					
Fair value of assets at the beginning of the period	1,014.3	0.2	1.9	0.2	1,016.6
Acquisition (divestiture)/transfer					
Actual return on plan assets	21.8		0.1		21.9
Employer contributions	7.2		1.0		8.2
Employee contributions	2.3				2.3
Benefit payments	(77.0)				(77.0)
Exchange rate movements	20.8				20.8
Fair value of assets at the end of the period	**989.4**	**0.2**	**3.0**	**0.2**	**992.8**
E. Funded status at the end of 2024					
Present value of obligations	(1,826.4)	(163.8)	(21.6)	(24.5)	(2,036.3)
Fair value of plan assets	989.4	0.2	3.0	0.2	992.8
Surplus management reserve	(0.2)				(0.2)
Net liabilities	**(837.2)**	**(163.6)**	**(18.6)**	**(24.3)**	**(1,043.7)**
F. Actuarial (gains) and losses recognized directly in equity					
(Gains) and losses at the beginning of the period	975.9	3.5	0.1	(1.5)	978.0
(Gains) and losses on obligations	(10.7)	(0.2)	(0.2)	0.2	(10.9)
(Gains) and losses on plan assets	16.4				16.4
Acquisition (divestiture)/transfer	0.3	(0.4)			(0.1)
Exchange rate movements	22.0	0.1		0.1	22.2
(Gains) and losses at the end of the period [(a)]	**1,003.9**	**3.0**	**(0.1)**	**(1.2)**	**1,005.6**

(a) Losses (gains), net of tax, recognized in equity, amounted to 740 million euros as of December 31, 2024.

Group obligations related to pension plans and similar benefits as of December 31, 2023 are shown below:

2023 *(in millions of euros)*	**Defined benefit plans**	**Retirement termination payments**	**Other long term benefits**	**Medical Plans**	**Total**
A. Change in net liabilities					
Net liabilities at the beginning of the period	(839.8)	(145.4)	(18.2)	(27.1)	(1,030.5)
(Acquisition) divestiture/transfer	(3.2)	(2.8)			(6.0)
(Expense) income recognized	(48.1)	(1.8)	(4.8)	(0.9)	(55.6)
Employer contributions	82.4	3.5	3.6	2.2	91.7
Gains (losses) for the period	(53.3)	(15.6)		0.1	(68.8)
Exchange rate movements	6.0	3.4	(0.3)	0.4	9.5
Net liabilities at the end of the period	**(856.0)**	**(158.7)**	**(19.7)**	**(25.3)**	**(1,059.7)**
B. Expense recorded in 2023					
Service cost	20.1	2.8	2.7	0.1	25.7
Interest expense on the net defined benefit liability	28.0	5.5	0.8	0.8	35.1
Actuarial (gains) losses			1.3		1.3
Curtailment/settlement	—	(6.5)	—	—	(6.5) (a)
Expense (income) recognized	**48.1**	**1.8**	**4.8**	**0.9**	**55.6**
C. Change in present value of obligations in 2023					
DBO at the beginning of the period	1,824.5	145.6	18.7	27.2	2,016.0
Acquisition (divestiture)/transfer	3.2	2.8			6.0
Service cost	20.1	2.8	2.7	0.1	25.7
Interest cost	69.7	5.5	0.8	0.8	76.8
Employee contributions	2.1				2.1
Curtailment/settlement		(6.5)			(6.5) (a)
Benefit payments	(148.5)	(3.4)	(2.1)	(2.2)	(156.2)
Actuarial (gains) losses	112.7	15.6	1.3	(0.1)	129.5
Exchange rate movements	(13.8)	(3.5)	0.2	(0.3)	(17.4)
Obligations at the end of the period	**1,870.0**	**158.9**	**21.6**	**25.5**	**2,076.0**
D. Change in plan assets in 2023					
Fair value of assets at the beginning of the period	1,031.9	0.2	0.4	0.2	1,032.7
Actual return on plan assets	54.7	(0.1)			54.6
Employer contributions	5.3	0.2	1.4		6.9
Employee contributions	2.1				2.1
Benefit payments	(71.5)	(0.1)			(71.6)
Exchange rate movements	(8.2)		0.1		(8.1)
Fair value of assets at the end of the period	**1,014.3**	**0.2**	**1.9**	**0.2**	**1,016.6**
E. Funded status at the end of 2023					
Present value of obligations	(1,870.0)	(158.9)	(21.6)	(25.5)	(2,076.0)
Fair value of plan assets	1,014.3	0.2	1.9	0.2	1,016.6
Surplus management reserve	(0.3)				(0.3)
Net liabilities	**(856.0)**	**(158.7)**	**(19.7)**	**(25.3)**	**(1,059.7)**
F. Actuarial (gains) and losses recognized directly in equity					
(Gains) and losses at the beginning of the period	934.6	(9.4)	0.1	(1.5)	923.8
(Gains) and losses on obligations	112.7	15.6		(0.1)	128.2
(Gains) and losses on plan assets	(13.0)	0.1			(12.9)
Change in surplus management reserve	(46.4)				(46.4)
Exchange rate movements	(12.0)	(2.8)		0.1	(14.7)
(Gains) and losses at the end of the period (b)	**975.9**	**3.5**	**0.1**	**(1.5)**	**977.9**

(a) Past service costs and plan amendments mainly relate to pension plans in France.
(b) Losses (gains), net of tax, recognized in equity, amounted to 726 million euros as of December 31, 2023.

The amounts mentioned above can be broken down as follows by geographical area as of December 31, 2024:

2024 *(in millions of euros)*	Obligations	Plan assets	Provisions in the balance sheet	Surplus management reserve
Europe/Africa	(1,262)	335	(927)	—
Americas	(733)	622	(111)	—
Asia Pacific	(41)	36	(6)	—
TOTAL	**(2,036)**	**993**	**(1,044)**	**—**

The amounts mentioned above can be broken down as follows by geographical area as of December 31, 2023:

2023 *(in millions of euros)*	Obligations	Plan assets	Provisions in the balance sheet	Surplus management reserve
Europe/Africa	(1,304)	349	(955)	—
Americas	(725)	630	(95)	—
Asia Pacific	(47)	37	(10)	—
TOTAL	**(2,076)**	**1,016**	**(1,060)**	**—**

23.3. MAIN ASSUMPTIONS

The main discount rates used are as follows:

	2023	2024
Euro zone	3.2%	3.4%
Canada	4.7%	4.6%
Japan	1.5%	1.7%
Switzerland	1.4%	0.9%
United States	5.0%	5.5%
United Kingdom	4.5%	5.4%

Differences between expected returns on plan assets and the main discount rates are as follows:

2024	Expected return on assets [(a)]	Discount rate 2023	Impact *(in bp)*
Euro zone	0.3%	3.2%	290
Canada	13.9%	4.7%	(920)
Japan	9.9%	1.5%	(840)
Switzerland	16.9%	1.4%	(1,550)
United States	0.8%	5.0%	420
United Kingdom	0.4%	4.5%	410

(a) The expected return on long-term assets was determined by taking into account, in each country, the asset allocation in the portfolio.

2023	Expected return on assets [(a)]	Discount rate 2022	Impact *(in bp)*
Euro zone	2.5%	3.8%	130
Canada	6.5%	5.0%	(150)
Japan	2.3%	1.4%	(90)
Switzerland	5.3%	2.2%	(310)
United States	5.6%	5.4%	(20)
United Kingdom	4.9%	4.8%	(10)

(a) The expected return on long-term assets was determined by taking into account, in each country, the asset allocation in the portfolio.

23.4. BREAKDOWN OF GAINS AND LOSSES FOR THE PERIOD

(in millions of euros)	2023	2024
Experience gains and losses on present value of the obligation	31	15
Gains and losses on present value related to changes in assumptions	(161)	(4)
Experience gains and losses on fair value of assets	13	(16)

Breakdown of experience gains and losses on financial assets

2024 *(in millions of euros)*	Interest income on financial assets	Actual return on assets	Gains and losses on assets
Europe/Africa	8.1	(3.8)	(11.9)
Americas	29.6	24.9	(4.7)
Asia Pacific	0.6	0.8	0.2
TOTAL	**38.3**	**21.9**	**(16.4)**

2023 *(in millions of euros)*	Interest income on financial assets	Actual return on assets	Gains and losses on assets
Europe/Africa	10.2	8.4	(1.9)
Americas	30.8	48.0	17.3
Asia Pacific	0.7	(1.8)	(2.5)
TOTAL	**41.7**	**54.6**	**12.9**

23.5. PENSION PLAN RISK ANALYSIS

Sensitivity to movements in discount rates and other variables

The present value of obligations related to defined benefit plans is measured by discounting estimated future cash flows. Discount rates are determined based on Government bonds rates or, when the financial markets are sufficiently liquid, on “high-quality” corporate bond rates, which can vary from one period to another.

Changes in discount rates can materially change the present value of the Group’s obligations and the expense recorded in the year.

The amount of obligations is affected to a lesser extent by revised wages and inflation indexes, as well as legal changes regarding retirement age or official mortality tables.

Impact of a -0.25% decrease in discount rates

	Impact on obligations as of December 31, 2024 *(in millions of euros)*	% of total obligations as of December 31, 2024
Europe/Africa	33	2.6%
Americas	14	1.9%
Asia Pacific	1	1.3%
TOTAL	**48**	**2.4%**

	Impact on obligations as of December 31, 2023 *(in millions of euros)*	% of total obligations as of December 31, 2023
Europe/Africa	35	2.6%
Americas	16	2.3%
Asia Pacific	2	3.2%
TOTAL	**53**	**2.5%**

Impact of a +0.25% increase in discount rates

	Impact on obligations as of December 31, 2024 *(in millions of euros)*	% of total obligations as of December 31, 2024
Europe/Africa	(32)	-2.5%
Americas	(14)	-1.9%
Asia Pacific	(2)	-4.2%
TOTAL	**(48)**	**-2.3%**

	Impact on obligations as of December 31, 2023 *(in millions of euros)*	% of total obligations as of December 31, 2023
Europe/Africa	(34)	-2.5%
Americas	(16)	-2.3%
Asia Pacific	(1)	-3.0%
TOTAL	**(51)**	**-2.4%**

Sensitivity of the value of plan assets to market conditions

For the Group's defined benefit plans subject to funding requirements, the fair value of plan assets is primarily dependent on interest rates, the performance of plan assets and amendments to local regulations. Any adverse change on these variables would require additional Group contributions to the pension funds on a timely basis.

Plan assets consist of shares, bonds and other assets whose value is generally subject to market fluctuations. A downturn in the financial markets would increase the net liabilities of defined benefit plans. The plans' coverage ratios would decrease accordingly, requiring additional Group contributions on a timely basis.

Within the Group, plan assets are piloted and managed at local level, especially through investment committees and monitoring of performance and allocations based on the social liabilities covered.

2024	Shares		Bonds		Real estate		Cash		Others		TOTAL	
(in millions euros)	Amounts	%	Amounts	%	Amounts	%	Amounts	%	Amounts	%	Amounts	%
Europe/Africa	81	24.2%	15	4.6%	98	29.1%	10	3.0%	131	39.1%	335	100.0%
Americas	135	21.7%	373	59.9%	28	4.5%	7	1.1%	79	12.8%	622	100.0%
Asia Pacific	4	12.3%	26	73.3%	1	1.4%	4	10.0%	1	3.1%	36	100.0%
TOTAL	**220**		**414**		**127**		**21**		**211**		**993**	

2023	Shares		Bonds		Real estate		Cash		Others		TOTAL	
(in millions euros)	Amounts	%	Amounts	%	Amounts	%	Amounts	%	Amounts	%	Amounts	%
Europe/Africa	87	24.9%	60	17.2%	99	28.4%	5	1.4%	98	28.1%	349	100.0%
Americas	171	27.1%	406	64.4%	34	5.4%	10	1.6%	9	1.5%	630	100.0%
Asia Pacific	5	13.5%	28	75.7%	—	0.0%	3	8.1%	1	2.7%	37	100.0%
TOTAL	**263**		**494**		**133**		**18**		**108**		**1,016**	

Note 24 Borrowings

This note provides information on the breakdown of the Group's borrowings by instrument. For further information on financial instruments and the exposure to foreign exchange and interest rate risks, please refer to note 25.

Net debt calculation

(in millions of euros)	December 31, 2023	December 31, 2024
Non-current borrowings	(8,560.5)	(8,403.1)
Current borrowings	(2,285.3)	(2,671.4)
TOTAL GROSS DEBT	**(10,845.8)**	**(11,074.5)**
Cash and cash equivalents	**1,624.9**	**1,915.3**
TOTAL NET DEBT AT THE END OF THE PERIOD	**(9,220.9)**	**(9,159.2)**

Statement of changes in net debt

(in millions of euros)	2023	2024
Net debt at the beginning of the period	**(10,261.3)**	**(9,220.9)**
Net cash flows from operating activities	6,263.0	6,322.2
Net cash flows used in investing activities	(3,079.0)	(3,583.4)
Net cash flows from (used in) financing activities excluding changes in borrowings	(2,041.6)	(2,322.6)
Total net cash flows	**1,142.4**	**416.2**
Effect of exchange rate changes, opening net debt of newly acquired companies and others	150.7	(134.2)
Adjustment of costs and expenses related to net debt	(252.7)	(220.3)
Change in net debt	**1,040.4**	**61.7**
TOTAL NET DEBT AT THE END OF THE PERIOD	**(9,220.9)**	**(9,159.2)**

The Air Liquide Group net debt breaks down as follows:

	2023			2024		
	Carrying amount			Carrying amount		
(in millions of euros)	Non-current	Current	Total	Non-current	Current	Total
Bonds and private placements	7,713.1	1,151.2	8,864.3	7,362.1	1,049.1	8,411.2
Commercial paper programs		398.8	398.8		352.6	352.6
Bank debt and other financial debt	813.4	695.1	1,508.5	1,006.2	1,250.0	2,256.2
Put options granted to minority shareholders	34.0	40.2	74.2	34.8	19.7	54.5
TOTAL BORROWINGS (A)	**8,560.5**	**2,285.3**	**10,845.8**	**8,403.1**	**2,671.4**	**11,074.5**
Short-term loans		26.1	26.1		32.4	32.4
Short-term marketable securities		200.7	200.7		329.5	329.5
Cash in bank		1,398.1	1,398.1		1,553.4	1,553.4
TOTAL CASH AND CASH EQUIVALENTS (B)		**1,624.9**	**1,624.9**		**1,915.3**	**1,915.3**
NET DEBT (A) - (B)	**8,560.5**	**660.4**	**9,220.9**	**8,403.1**	**756.1**	**9,159.2**

In accordance with the Group's policy to diversify funding sources, long-term bonds and private placements are the primary sources of funding and represent 76% of gross debt as of December 31, 2024. Outstanding notes under these sources amounted to 8.4 billion euros at the end of 2024.

The carrying amount of commercial paper amounted to 0.4 billion euros as of December 31, 2024, stable compared to December 31, 2023.

Gross debt increased by 0.2 billion euros. Bond debt decreased by 0.5 billion euros. Indeed, bond issues matured in 2024 or early redempted were only partially renewed. In addition, bank debt increased by 0.7 billion euros, notably in China and Taiwan.

In 2024, one bond was issued by Air Liquide Finance, guaranteed by L'Air Liquide S.A.: a 500 million euros Green Bond to finance the energy transition, maturity May 29, 2034, at a reorder yield of 3.466% (3.375% coupon).

In consideration thereof, Air Liquide Finance repaid:

- a bond issue issued in 2014 and maturing June 5, 2024, initially for 500 million euros and whose nominal value had been reduced to 441 million euros following an early redemption carried out in 2023;
- a bond issue issued in 2016 and maturing June 13, 2024, initially for 500 million euros and whose nominal value had been reduced to 451 million euros following an early redemption carried out in 2023.
- a US Private Placement issue issued in 2012 and maturing on September 13, 2024 for 200 million US dollars (181 million euros equivalent).

The carrying amount of borrowings in the balance sheet is as follows:

	2023	2024		
(in millions of euros)	**Carrying amount**	**Amount issued [(a)]**	**Amortized cost ajustments [(b)]**	**Carrying amount [(a)+(b)]**
Bonds in the EMTN program	6,087.2	5,671.6	24.4	5,696.0
Bonds not in the EMTN program	1,919.3	2,038.0	5.8	2,043.8
Private placements in the EMTN program	583.7	564.6	9.5	574.1
Private placements not in the EMTN program	274.1	96.3	1.0	97.3
TOTAL BONDS AND PRIVATE PLACEMENTS	**8,864.3**	**8,370.5**	**40.7**	**8,411.2**
Commercial paper programs	398.8	354.4	(1.8)	352.6
Bank debt and other financial debt	1,508.5	2,242.8	13.4	2,256.2
Put options granted to minority shareholders	74.2	54.5		54.5
LONG-TERM BORROWINGS	**10,845.8**	**11,022.2**	**52.3**	**11,074.5**

(a) Nominal amount.
(b) Amortized cost including accrued interest.

24.1. CARRYING AMOUNT AND FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Financial assets or liabilities with a carrying amount differing from their fair value are unhedged fixed-rate borrowings.

	2023		2024	
(in millions of euros)	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
FINANCIAL LIABILITIES				
Non-current borrowings	8,560.5	9,287.5	8,403.1	7,797.2

The fair value of the Group's financial instruments is calculated using financial market data, which allows a relevant estimate of their market value from a non-liquidation perspective. This valuation technique is level 1 according to IFRS 13 (prices quoted on an active market).

Given their short maturity, the other components of the debt, as well as supplier debts and trade receivables, have a fair value close to their book value.

24.2. MATURITY OF BORROWINGS

It is the Group policy to spread over time the maturity of long-term debt (bonds, private placements and bank credit facilities) in order to limit the annual refinancing needs.

2024 *(in millions of euros)*	Nominal amount	Carrying amount	Maturity									
			On demand	< 1 year	≥ 1 year and ≤ 5 years				> 5 years			
					2026	2027	2028	2029	2030	2031	2032	> 2032
Bonds and private placements	8,370.5	8,411.2		1,049.1	1,048.6	694.5	997.0	577.9	1,093.2	618.9	594.4	1,737.7
Commercial paper programs	354.4	352.6		352.6								
Bank debt, overdraft and other financial debt	2,242.8	2,256.2		1,250.0	256.5	302.6	183.7	127.4	77.3	54.7	2.5	1.6
Put options granted to minority shareholders	54.5	54.5	34.8	19.7								
TOTAL BORROWINGS	**11,022.2**	**11,074.5**	**34.8**	**2,671.4**	**1,305.1**	**997.1**	**1,180.7**	**705.3**	**1,170.5**	**673.6**	**596.9**	**1,739.3**

2023 *(in millions of euros)*	Nominal amount	Carrying amount	Maturity									
			On demand	< 1 year	≥ 1 year et ≤ 5 years				> 5 years			
					2025	2026	2027	2028	2029	2030	2031	> 2031
Bonds and private placements	8,825.3	8,864.3		1,151.2	970.9	993.9	687.9	996.2	548.3	1,092.0	623.5	1,800.4
Commercial paper programs	405.6	398.8		398.8								
Bank debt, overdraft and other financial debt	1,492.9	1,508.5		695.1	219.9	266.7	165.8	72.9	59.0	20.3	2.2	6.6
Put options granted to minority shareholders	74.2	74.2	21.6	40.2	12.4							
TOTAL BORROWINGS	**10,798.0**	**10,845.8**	**21.6**	**2,285.3**	**1,203.2**	**1,260.6**	**853.7**	**1,069.1**	**607.3**	**1,112.3**	**625.7**	**1,807.0**

24.3. FIXED-RATE PORTION OF GROSS DEBT

Portion of fixed-rate gross debt *(as % of total debt)*	2023	2024
EUR debt	100%	97%
USD debt	79%	80%
CNY debt	100%	79%
JPY debt	100%	100%
TWD debt	93%	88%
Total debt	**93%**	**88%**

As of December 31, 2024, fixed-rate debt represented 88% of the total debt.

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24.4. DETAIL OF BOND DEBT

The table below details the main characteristics of the Group's bond issues in progress as of December 31, 2024. They represent 76% of the Group's debt (82% as of December 31, 2023).

Currency	Nominal value still due *(in millions)*	Issue date	Maturity	Issuer	Coupon
EUR	500	2024	2034	AL Finance	3.375%
EUR	600	2022	2032	AL Finance	2.875%
EUR	500	2021	2033	AL Finance	0.375%
EUR	500	2021	2031	AL Finance	0.375%
EUR	500	2020	2030	AL Finance	1.375%
EUR	372	2020	2025	AL Finance	1.000%
EUR	100	2020	2025	AL Finance	1.081%
EUR	600	2019	2030	AL Finance	0.625%
EUR	600	2017	2027	AL Finance	1.000%
EUR	1,000	2016	2028	AL Finance	1.250%
EUR	500	2015	2025	AL Finance	1.250%
EUR	100	2014	2029	AL Finance	3.000%
EUR	150	2014	2026	AL Finance	3.000%
USD	500	2019	2029	AL Finance	2.250%
USD	682	2016	2046	AL Finance	3.500%
USD	935	2016	2026	AL Finance	2.500%
USD	100	2012	2027	AL Finance	3.460%
JPY	20,000	2023	2031	AL Finance	0.829 %
JPY	15,000	2008	2038	AL Finance	3.160%

24.5. NET DEBT BY CURRENCY

The Group ensures a natural hedge and reduces its exposure to currency fluctuations by raising debt mainly in the currency of the cash flows that are generated to repay the debt. In most countries, and especially outside the euro, US dollar, Japanese yen and Chinese renminbi zones, financing is raised in either local or foreign currency (EUR or USD) when sales contracts are indexed to foreign currency. Debt in other currencies is mainly denominated in Taiwan dollar, South African Rand and in Canadian dollar.

As part of intra-group multi-currency financing, the Central Treasury Department converts the debt raised in financial markets into various currencies to finance subsidiaries in their functional currencies or their cash flow currencies. The breakdown of this hedging portfolio is shown in the table below.

Accordingly, a portion of the euro debt raised was converted (1,365.6 million euros) to other currencies to finance foreign subsidiaries. As an example, 2,511.5 million euros equivalent were raised initially in US dollar, and 520.7 million euros equivalent were raised in euros and converted in US dollar using currency swap contracts. 270.2 million euros were in cash or cash equivalent, leading to an adjusted net debt in US dollars of 2,762.0 million euros equivalent.

2024 *(in millions of euros)*	**Gross debt – original issue**	**Interest rate and currency swaps**	**Cash and cash equivalents**	**Adjusted net debt**
EUR	6,700.1	(1,365.6)	(661.3)	4,673.2
USD	2,511.5	520.7	(270.2)	2,762.0
JPY	217.2	67.3	(12.0)	272.5
CNY	569.7	(5.9)	(455.2)	108.6
TWD	548.7	—	(27.8)	520.9
Other currencies	527.3	783.5	(488.8)	822.0
TOTAL	**11,074.5**	**—**	**(1,915.3)**	**9,159.2**

2023 *(in millions of euros)*	**Gross debt – original issue**	**Interest rate and currency swaps**	**Cash and cash equivalents**	**Adjusted net debt**
EUR	6,885.1	(1,443.0)	(642.2)	4,799.9
USD	2,498.3	512.1	(244.5)	2,765.9
JPY	226.2	107.9	(18.6)	315.5
CNY	310.8	3.6	(263.5)	50.9
TWD	453.7	—	(30.1)	423.6
Other currencies	471.7	819.4	(426.0)	865.1
TOTAL	**10,845.8**	**—**	**(1,624.9)**	**9,220.9**

24.6. BREAKDOWN OF AVERAGE NET FINANCE COSTS

Net debt depends on the original gross debt raised on the financial markets, on the swap of this debt into foreign currencies to finance the subsidiaries, and on surplus cash positions. The average cost of net debt presented in the following table takes into account these various components, i.e. financing expenses, amortization and commission fees, income and expenses related to foreign currency translation and income or expenses related to cash surpluses.

	2023			**2024**		
(in millions of euros)	**Average outstanding debt**	**Net interests**	**Average net finance costs**	**Average outstanding debt**	**Net interests**	**Average net finance costs**
EUR	4,830.9	104.5	2.2%	4,660.8	107.1	2.3%
USD	3,641.8	162.8	4.5%	2,777.9	140.2	5.0%
JPY	311.2	4.0	1.3%	319.8	3.5	1.1%
CNY	184.0	12.1	6.6%	273.8	17.4	6.4%
TWD	376.5	8.8	2.3%	483.0	12.1	2.5%
Other currencies	758.5	49.1	6.5%	1,012.8	45.1	4.5%
TOTAL	**10,102.9**	**341.3**	**3.4%**	**9,528.1**	**325.4**	**3.4%**
Non-recuring costs		(27.1)				
Capitalized interests		(48.7)			(67.0)	
TOTAL COST OF DEBT		**265.5**			**258.4**	

The net finance costs, excluding capitalized interests and non-recurring costs decreased by 15.9 million euros. They stand at 3.4% of the average outstanding debt in 2024. The total cost of debt, including exceptional elements and capitalized finance costs, stands at 258.4 million euros, decreasing by 7.1 million euros.

The cost of net debt in the cash flow statement in accordance with IAS 7.35 is presented net of tax.

24.7. OTHER FINANCING INFORMATION

Four financial covenants are associated to bank debt facilities exceeding 50 million euros: they are long term loans used by Air Liquide Large Industries South Africa (South Africa) for two of them, AL China (China), AL Arabia (Arabia) for a total outstanding amount of 331 million euros as of December 31, 2024. Financial covenants were all met as of December 31, 2024.

The total amount of bank credit facilities subject to financial covenants represents around 4.2% of the Group's gross debt as of December 31, 2024.

Bonds issued by Air Liquide Finance, and making up the carrying amount of bonds as of December 31, 2024, include a change of control clause, with the exception of the 20 billion Japanese yen (128 million euros equivalent) private placement maturing in September 2031.

Note 25 Financial risk policy and management

25.1. FINANCIAL RISK MANAGEMENT

Risk management is a priority for the Group. Consequently, the Finance Department governance relies on Strategic Finance Committees and Operational Finance Committees.

The Finance Department centrally manages the main financial risks, in accordance with decisions taken by the Strategic Finance Committee to which it reports on a regular basis. The Finance Department also performs country and customer risks analyses associated with investment decisions and attends Investment Committee meetings.

The financial policy adopted by Air Liquide, the purpose of which is to minimize the risks incurred by the Group and its subsidiaries, enables the Group to ensure sustainable funding sources. To minimize the refinancing risk related to debt maturity schedules, the Group diversifies financing sources and spreads maturities over several years. In 2024, the average debt maturity was 5.2 years. As of December 31, 2024, the long-term debt (gross debt maturing in more than one year) represented 76% of the overall Group debt, compared to 79% as of December 31, 2023.

Interest rate, commodities and foreign currency hedging strategies validated by the Operational Finance Committee are set up depending on market opportunities, while complying with prudence and risk limitation principles. Negotiated market operations can be governed by Fédération Bancaire Française ("FBF") contracts or by International Swaps and Derivatives Associates ("ISDA") contracts. These do not include collateralization commitments or margin calls.

The Group also pays continuous attention to its bank and customer counterparty risks by regularly monitoring ratings issued by main international rating agencies and the level of risk associated with these counterparties. An internal ratings system, set-up in 2018, is used for the most important clients when no leading credit ratings agency information is available.

a) Foreign exchange risk

Principles

Financial instruments are only used to hedge transaction-based foreign exchange risk. The risk is attached on the one hand to financial cash flows arising from royalties, dividends, intra-group loans and borrowings denominated in foreign currencies and on the other hand to foreign currency commercial cash flows from operating entities in foreign currencies other than their functional currency. Although in slight increase, commercial cash flows denominated in foreign currencies do not represent significant amounts compared to consolidated revenue.

Foreign exchange risk related to royalties, dividend flows and intra-group loans and borrowings in foreign currencies is hedged by the Central Treasury Department using currency forwards or options with an overall term of less than 18 months.

Foreign currency commercial cash flows from operating entities are hedged either as part of the annual budgetary process for subsidiaries with recurring flows in foreign currency or at the signing date of a sale or purchase contract for non-recurring flows for the Engineering & Construction business line. Around a hundred subsidiaries are exposed to foreign exchange risk. These subsidiaries mainly use currency forwards set up by Air Liquide Finance (internal counterparty for hedging transactions) except in countries where it is prohibited by local regulations. The majority of these contracts have short maturities (three to twelve months) and market transactions are regulated by master agreements of the French Banking Federation ("FBF") or by master agreements of the International Swaps and Derivative Association ("ISDA") for local hedging operations. These do not include collateralization commitments or margin calls.

When preparing their budget at the year-end, subsidiaries report their foreign exchange risk exposure to the Central Treasury Department in order to hedge the commercial cash flows expected in the following year. In each case, the Central Treasury Department monitors the adequacy of the hedges with the identified risks and performs a full revaluation of all hedges, every six months.

The foreign exchange translation risk (consolidation in euros of the assets and liabilities in currencies) is not subject to hedging. Indeed, investments are essentially funded in the currency in which the cash flows are generated, thus creating a natural currency hedging.

Sensitivity of derivatives and their underlying hedged items to foreign currency fluctuations

The table below shows the effect of a 10% fluctuation in hedging currency exchange rates on the recognition of the foreign exchange derivatives portfolio in the Group's net profit and equity as of December 31, 2024. The sensitivity of net profit and equity primarily reflects the effect of foreign exchange swaps relating to the intragroup financing activity of the subsidiary Air Liquide Finance, and currency forward hedging instruments contracted at head office level.

	Foreign exchange risk			
	+10%		-10%	
(in millions of euros)	P&L impact	Equity impact	P&L impact	Equity impact
Foreign exchange derivatives and their hedged underlying items	(0.5)	57.3	0.5	(57.3)

b) Interest rate risk

Principles

Air Liquide centrally manages interest rate risk on the main currencies: euro, US dollar and Japanese yen which represented 84% of the Group's total net debt as of December 31, 2024. Regarding other currencies, the Finance Department provides subsidiaries with advice as to the different types of bank loans and/or hedging transactions to enter into according to the characteristics of local financial markets.

The Group policy is to maintain the major portion of total debt at fixed rates and to protect the residual balance using optional hedging instruments. This approach enables the Group to limit the effect of interest rate fluctuations on financial expenses.

Consequently, at the 2024 year-end, 88% of the total debt was fixed-rate debt. The fixed-rate/floating-rate breakdown is reviewed on a regular basis by the Finance Committees, depending on interest rate fluctuations and the level of Group debt.

Sensitivity to interest rate fluctuations on cost of floating-rate debt

The Group net debt exposed to interest rate fluctuations amounted to around 541 million equivalent euros as of December 31, 2024, for an average outstanding amount over the year of 0.7 billion equivalent euros (total debt adjusted for interest rate hedging instruments and short-term securities) increasing compared to December 31, 2023 (0.6 billion equivalent euros).

An increase or decrease in interest rates by 100 basis points (±1%) on all yield curves would have an effect of approximately ±7 million euros on the Group's annual cost of debt (accounted in financial charges) before tax, assuming outstanding floating debt remains constant.

Sensitivity to interest rate fluctuations on derivatives and their underlying hedged items

The table below shows the effect of a 1% fluctuation of interest rates in all foreign currencies on the interest rate derivatives portfolio in the Group's net profit and equity, as of December 31, 2024.

	Interest rate risk			
	+1.0%		-1.0%	
(in millions of euros)	P&L impact	Equity impact	P&L impact	Equity impact
Interest rate derivatives and their hedged underlying items	(4.5)	74.1	4.5	80.5

To protect the Group against the increase of variable rates in 2024 applicable to short-term financing (commercial papers) and to other exposure to variable rates, Air Liquide Finance set up six firm hedges for 400 million euros and 250 million US dollar. They were completed by optional hedges for a total amount of 200 million euros and 200 million US dollar.

To protect the Group against new rate increases in 2025 applicable to short-term financing (commercial papers) and to other exposure to variable rates, Air Liquide Finance set up firm hedges for a total amount of 700 million euros and 450 million US dollar.

All hedging instruments used for interest rate or foreign exchange risk management purposes relate to identified risks and were set up to comply with the Group's financial policy. The effect on equity primarily stems from the fixed-rate hedging instruments contracted by the subsidiary Air Liquide Finance.

c) Counterparty risk

Counterparty risks for Air Liquide potentially include customers and bank counterparties.

The Group's subsidiaries serve a large number of customers (more than two million worldwide) located in extremely diverse markets: chemicals, steel, refining, food, pharmaceuticals, metals, automotive, manufacturing, healthcare, research laboratories, electronics, etc. In 2024, the Group's main customer represents around 2% of revenue, the Group's 10 main customers around 12% of sales, and the Group's 50 main customers around 28% of sales. The geographical risk is limited by the Group's sustainable coverage in 60 countries [(1)] on all continents. This diversity reduces customer and market risk.

To better assess its exposure, the Group has implemented procedures to regularly monitor the financial situation of its major customers as well as a monthly reporting for the Group's 162 main transnational customers in order to monitor the related consolidated risk.

(1) *Excluding Russia, where the entities are no longer consolidated following the loss of control on September 1, 2022.*

Moreover, customer risk assessment and in particular the quality of the customer's site is an important component of the investment decision process.

Bank counterparty risk relates to the outstanding amounts of deposits, current accounts, market values of derivatives and to the credit lines contracted with each bank. Pursuant to its financial policy, in the majority of cases, the Group requires a long-term Standard & Poor's "A" credit rating or a Moody's "A2" rating from its counterparties to accept commitments on financial instruments. The Group's credit lines are also spread among several banks from various geographical areas to avoid the risk of concentration while complying with the same credit rating requirements. The Operational Finance Committee regularly reviews and approves the list of bank counterparties related to investments and the list of financial instruments. With regards to short-term investments, outstandings are subject to strict limits per counterparty and are monitored daily.

IFRS 13 Fair Value Measurement specifies that the valuation of currency, interest rate and commodity hedging instruments must take into account the counterparty credit risk attached to these transactions. Considering the aforementioned counterparty selection criteria, the effect on the periodic valuations, by applying the secondary bonds spread method is immaterial.

d) Liquidity risk

It is Group financial policy to spread over time the maturity of long-term debt in order to avoid concentration of annual refinancing needs. Liquidity risk is also reduced by the stability of cash flows generated from operations as well as by having confirmed credit lines in place. The financial covenants attached to the current financing arrangements described in note 24.7 do not affect the Group's access to liquidity.

The carrying nominal amount of short-term financing in the form of commercial paper amounted to 354.4 million euros as of December 31, 2024, a decrease by 46.6 million euros compared to the end of 2023. The average amount of commercial paper amounted to 1,025 million euros in 2024, compared to 617 million euros in 2023.

The Group policy requires that commercial paper in issue be backed by confirmed long-term credit lines. In 2024, this requirement was met, with an amount of confirmed credit lines of 4,000 million euros largely exceeding maximum outstanding commercial paper.

The table below presents the maturities of the bilateral and syndicated credit lines:

(in millions of euros)	2025	2026	2027	2028	2029	2030	Total
Bilateral lines and syndicated credit lines	80	300	470	150	3,000		4,000

When the Group makes short-term financial investments other than bank deposits, it systematically favors monetary instruments with a short-term maturity in order to limit the risk of non-liquidity or high volatility.

The following tables represent the future cash flows related to the main balance sheet items and to the derivative financial instruments recognized at the end of the last two periods. Interest flows are calculated in accordance with IFRS 7 and represent the interest payable for each relevant period. Interest flows related to floating interest rate or foreign currency instruments were calculated using the closing interest and exchange rates as of December 31, 2023 and 2024. The flows related to debt repayment obligations differ from the amounts recognized in the Group's balance sheet due to the accounting treatment applied to borrowings and the exclusion of hedging instruments.

2024 *(in millions of euros)*	Book value as of December 31, 2024	Cash Flow < 1 year		Cash flow ≥ 1 year and ≤ 5 years		Cash Flow > 5 year	
		Interest	Capital refund	Interest	Capital refund	Interest	Capital refund
Derivative instruments							
Assets							
Fair value of derivatives (assets)	110.2	173.3	261.3	40.5	630.7	5.4	103.2
Liabilities							
Fair value of derivatives (liabilities)	(106.6)	(178.1)	(257.4)	(66.9)	(628.6)	(5.9)	(98.3)
SUB-TOTAL DERIVATIVE INSTRUMENTS		**(4.8)**	**3.9**	**(26.4)**	**2.1**	**(0.5)**	**4.9**
Assets							
Loans and other non-current receivables					—		
Trade receivables	2,996.7		2,996.7				
Cash and cash equivalents	1,915.3	7.3	1,908.0				
SUB-TOTAL ASSETS		**7.3**	**4,904.7**		**—**		
Liabilities							
Non-current borrowings	(8,403.1)	(149.6)		(495.2)	(4,168.5)	(549.3)	(4,199.9)
Other non-current liabilities	(642.8)				(642.8)		
Trade payables	(3,319.0)		(3,319.0)				
Current borrowings	(2,671.4)	(55.4)	(2,463.9)				
SUB-TOTAL LIABILITIES		**(205.0)**	**(5,782.9)**	**(495.2)**	**(4,811.3)**	**(549.3)**	**(4,199.9)**

2023 *(in millions of euros)*	Book value as of December 31, 2023	Cash Flow < 1 year		Cash flow ≥ 1 year and ≤ 5 years		Cash Flow > 5 year	
		Interest	Capital refund	Interest	Capital refund	Interest	Capital refund
Derivative instruments							
Assets							
Fair value of derivatives (assets)	105.8	145.9	204.4	42.0	719.1	7.7	143.8
Liabilities							
Fair value of derivatives (liabilities)	(124.2)	(127.2)	(196.9)	(84.1)	(720.5)	(9.1)	(134.6)
SUB-TOTAL DERIVATIVE INSTRUMENTS		**18.7**	**7.5**	**(42.1)**	**(1.4)**	**(1.4)**	**9.2**
Assets							
Loans and other non-current receivables					—		
Trade receivables	2,993.7		2,971.2		22.5		
Cash and cash equivalents	1,624.9	5.0	1,619.9				
SUB-TOTAL ASSETS		**5.0**	**4,591.1**		**22.5**		
Liabilities							
Non-current borrowings	(8,560.5)	(135.8)		(551.8)	(4,370.1)	(516.2)	(4,156.2)
Other non-current liabilities	(454.7)				(454.7)		
Trade payables	(3,310.5)		(3,245.9)		(64.6)		
Current borrowings	(2,285.3)	(46.8)	(2,157.3)				
SUB-TOTAL LIABILITIES		**(182.6)**	**(5,403.2)**	**(551.8)**	**(4,889.4)**	**(516.2)**	**(4,156.2)**

e) Hierarchy of financial instruments fair value

(in millions of euros)	2023	2024
Level 1	**70.2**	**46.6**
Non-consolidated shares (listed shares)	70.2	46.6
Level 2	**230.0**	**216.8**
Derivative instruments	230.0	216.8
Level 3	**74.2**	**54.5**
Put options granted to minority shareholders	74.2	54.5

f) Commodity risk (energy contracts)

A portion of Air Liquide's energy supplies, with limited volume commitments, is obtained through forward purchase contracts, at a fixed or indexed price.

IFRS 9 provides for the inclusion within its scope of forward purchases and sales of non-financial assets as soon as these transactions are deemed similar to derivative instruments.

However, IFRS 9 considers that forward contracts for non-financial assets should not be considered as derivatives when they have been entered into to meet the Company's "normal" business requirements, resulting in the delivery upon maturity of the underlying item for use in the Company's industrial process. As Air Liquide does not purchase electricity or natural gas for speculation or arbitrage on commodity price trends purposes, no forward contracts relating to energy meet the definition of a derivative instrument. The contracts enter into as part of the Company's normal business to be used in the industrial process and do not meet the definition of a derivative instrument.

Furthermore, in a global context of highly volatile electricity and natural gas market prices, Air Liquide continues to index long-term customer contracts to hedge these risks. For natural gas and electricity prices, the opening of some markets led the Group, under these circumstances, to replace the regulated tariffs by local market indices.

Nonetheless, a few contracts remain for which price indexation alone cannot guarantee a total and effective hedge against the risk of energy prices fluctuations. These risks are therefore hedged by Air Liquide, particularly by Air Liquide Finance, using adequate commodity derivatives, which are mainly swaps with maturities of generally less than two years.

For contracts for the supply of industrial gas produced from renewable energy, new risks to be taken into account (long-term commitment, fixed price, intermittency, management of environmental certificates, etc.) can lead the Group to make greater use of appropriate hedging instruments. Furthermore, the Group analyses the main characteristics of long-term renewable energy purchase agreements (PPAs) as described in paragraph 13 of the accounting policies in order to qualify them as purchase contracts for own-use. Virtual renewable energy purchase agreements (VPPAs) are derivative instruments that the Group designates in a hedging relationship in accordance with the principles described in paragraph 13 of the accounting policies.

The fair value recognition of these derivative instruments had no material impact on Group equity or profits as of December 31, 2024.

25.2. INFORMATION ON DERIVATIVE INSTRUMENTS

The Group policy consists in using financial derivatives only when hedging actual financial flows. As a result, the majority of derivative financial instruments used by the Group benefit from hedge accounting. Derivative instruments that do not benefit from hedge accounting are not used for speculative purposes.

Impact of the fair value recognition of derivative instruments on the balance sheet:

		Assets					Liabilities						
				Fair value of derivatives (assets)							Fair value of derivatives (liabilities)		
2024 *(in millions of euros)*	**IFRS classification**	**Deferred tax assets**	**Trade receivables**	**Assets - non current**	**Assets - current**	**Total**	**Net income recognized in equity**	**Profit for the period**	**Borrowings**	**Trade payables**	**Assets - non current**	**Assets - current**	**Total**
Foreign exchange risk													
Forwards hedging future cash flows	CFH [a]	(0.6)		2.6	53.5	55.5	1.9				5.3	48.3	55.5
Currency forwards hedging transactions recorded in the accounts and Cross Currency Swaps	FVH [b]	0.5	7.4	32.6	23.6	64.1		(1.5)	14.8	2.8	23.7	24.3	64.1
Other derivatives	[c]												
Interest rate risk													
Interest rate swaps	FVH [b]												
Swaps, options and Cross Currency Swaps	CFH [a] and NIH [d]	1.2		(2.3)	0.3	(0.8)	(3.3)				2.4	0.1	(0.8)
Commodity risk (Energy)													
Forwards hedging future cash flows	CFH [a]	0.6				0.6	(1.9)				(1.7)	4.2	0.6
TOTAL		**1.7**	**7.4**	**32.9**	**77.4**	**119.4**	**(3.3)**	**(1.5)**	**14.8**	**2.8**	**29.7**	**76.9**	**119.4**

(a) CFH: Cash Flow Hedge.
(b) FVH: Fair Value Hedge.
(c) Derivative instruments not benefiting from hedge accounting.
(d) NIH: Net Investment Hedge.

		Assets					Liabilities						
				Fair value of derivatives (assets)							Fair value of derivatives (liabilities)		
2023 *(in millions of euros)*	**IFRS classification**	**Deferred tax assets**	**Trade receivables**	**Assets - non current**	**Assets - current**	**Total**	**Net income recognized in equity**	**Profit for the period**	**Borrowings**	**Trade payables**	**Assets - non current**	**Assets - current**	**Total**
Foreign exchange risk													
Forwards hedging future cash flows	CFH [a]	6.0		(1.1)	37.1	42.0	(16.9)				5.7	53.2	42.0
Currency forwards hedging transactions recorded in the accounts and Cross Currency Swaps	FVH [b]	0.8	1.6	37.4	33.8	73.6		(2.3)	33.7	4.2	24.7	13.3	73.6
Other derivatives	[c]												
Interest rate risk													
Interest rate swaps	FVH [b]												
Swaps, options and Cross Currency Swaps	CFH [a] and NIH [d]	4.7		(1.2)	(0.2)	3.3	(12.8)	(0.7)			16.8		3.3
Commodity risk (Energy)													
Forwards hedging future cash flows	CFH [a]	2.6				2.6	(7.9)				0.8	9.7	2.6
TOTAL		**14.1**	**1.6**	**35.1**	**70.7**	**121.5**	**(37.6)**	**(3.0)**	**33.7**	**4.2**	**48.0**	**76.2**	**121.5**

(a) CFH: Cash Flow Hedge.
(b) FVH: Fair Value Hedge.
(c) Derivative instruments not benefiting from hedge accounting.
(d) NIH: Net Investment Hedge.

Note 26 Other liabilities (non-current/current)

26.1. OTHER NON-CURRENT LIABILITIES

(in millions of euros)	2023	2024
Investment grants	187.0	334.2
Advances and deposits received from customers	28.4	44.0
Other non-current liabilities	239.3	264.6
TOTAL OTHER NON-CURRENT LIABILITIES	**454.7**	**642.8**

26.2. OTHER CURRENT LIABILITIES

(in millions of euros)	2023	2024
Advances received	560.2	639.4
Deposits received from customers	70.7	69.2
Other payables	1,395.4	1,556.2
Accruals and deferred income	283.8	218.9
TOTAL OTHER CURRENT LIABILITIES	**2,310.1**	**2,483.7**

Amounts payable to customers under Engineering & Construction contracts amount to 184,3 million euros and are included in other current liabilities as of December 31, 2024 (188.8 million euros in 2023).

Other payables mainly include tax and employment-related liabilities.

Note 27 Trade payables

(in millions of euros)	2023	2024
Operating suppliers	2,807.0	2,799.3
Property, plant and equipment and intangible assets suppliers	503.5	519.7
TOTAL TRADE PAYABLES	**3,310.5**	**3,319.0**

A suppliers payment platform which aims at facilitating the payment process of suppliers trade payables has been set up in the United States in 2020.The Group has analyzed the main features of the contract according to the principles described in paragraph 6.d of the accounting principles and has concluded that the qualification of trade payables should not be challenged as the contract does not constitute a reverse factoring contract.

Note 28 Related party disclosures

28.1. TRANSACTIONS WITH COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION

The Consolidated Financial Statements include the Financial Statements of L'Air Liquide S.A. and all the subsidiaries listed on pages 252 to 253. L'Air Liquide S.A. is the ultimate parent company.

Due to the activities and legal organization of the Group, only executives, associates and joint ventures are considered to be related parties to the Group. Transactions performed between these individuals or these companies and Group subsidiaries are not material.

Information related to associates and joint ventures is disclosed in note 14.

28.2. REMUNERATION ALLOCATED TO MEMBERS OF THE BOARD OF DIRECTORS AND MANAGEMENT BODIES

The remuneration of Group executives includes the remuneration allocated to the Board of Directors and the Company's management bodies as compensation for their duties within the entire Group as employees and corporate officers for the respective fiscal years. The Company's management bodies include all the members of Executive Management and the Executive Committee. The amounts expensed in this respect are as follows:

(in thousands of euros)	2023	2024
Short-term benefits	20,480	20,714
Post-employment benefits: retirement and non-competition clauses	2,683	2,403
Termination benefits paid in case of retirement	—	—
Share-based payments	9,762	9,017
TOTAL	**32,925**	**32,134**

Short-term benefits

Short-term benefits include fixed remuneration, variable remuneration, benefits in kind and attendance fees. The entire variable remuneration portion due for any given year is paid the following year after the Financial Statements have been approved.

The remuneration policy for members of the executive team takes into account market practices. It includes a substantial variable portion depending on the achievement of earnings and individual performance objectives.

Post-employment benefits

Post-employment benefits mainly include the contributions paid to external pension funds. Retirement commitments amounted to 5,156 thousand euros in 2024 and 5,331 thousand euros in 2023.

Share-based payments

Stock options and performance shares granted to Executive Management and to the Executive Committee have the following expiry dates and strike prices:

Year of Stock option Plan	Expiry date	Strike price [(a)] *(in euros)*	Number of rights 2023	Strike price [(b)] *(in euros)*	Number of rights 2024
2015 (September 28)	09/27/2025	76.23	34,120	69.12	14,065
2016 (November 29)	11/28/2026	69.33	5,561	62.86	5,397
2017 (September 20)	09/19/2027	77.54	1,075	70.30	1,186
2018 (September 25)	09/24/2028	87.97	902	79.76	995

(a) Adjusted for share capital increases by attributions of free shares (2022, 2019, 2017) and for the share capital increase in cash of October 11, 2016.
(b) 2024 data adjusted for the share capital increase by attribution of free shares in 2024.

Year of Performance Shares Plan	Number of rights 2023	Number of rights 2024
2020 (September 29)	29,269	-
2021 (September 29)	71,918	15,878
2022 (September 29)	87,150	66,193
2023 (September 28)	72,200	58,435
2024 (September 25)	-	51,480

The fair value of performance shares granted in 2024 is disclosed in note 21. These amounts are expensed over the lock-in period of the option and performance shares. The amounts that will be recognized in future periods in respect of the granted stock options and performance shares amount to 15,759 thousand euros as of December 31, 2024 (17,117 thousand euros as of December 31, 2023.

The 2024 plan performance shares granted to corporate officers and Executive Committee members are definitely acquired subject to the achievement of certain performance conditions.

No stock options or performance shares were granted to other non-executive Directors under these plans.

Note 29 Commitments

29.1. DETAILED COMMITMENTS

Commitments are given in the normal course of the Group's business.

(in millions of euros)	2023	2024
Firm purchase orders for fixed assets	1,661.1	1,876.7
Other commitments related to operating activities [(a)]	7,624.4	6,533.1
Commitments relating to operating activities	**9,285.5**	**8,409.8**
Commitments relating to financing operations and consolidation scope	**198.1**	**340.9**
TOTAL	**9,483.6**	**8,750.7**

(a) A contract contains an exit clause at the hands of Air Liquide which can be exercised until June 2027.

Commitments to purchase molecules as part of take-or-pay contracts amounted to 5,235.9 million euros as of December 31, 2024 (6,348.9 as of December 31, 2023), and are reported in other commitments related to operating activities. These amounts include in particular Helium purchase commitments.

Air Liquide owns a 13.7% stake in Exeltium S.A.S. amounting to 24.5 million euros. On March 24, 2010, Exeltium and EDF entered into an industrial partnership agreement under which Exeltium can acquire rights on a portion of EDF's electronuclear production. In consideration, Exeltium and its shareholder clients signed long-term electricity supply contracts. This project was approved by the European Commission. The contract signed by Air Liquide has a 20-year term and can be suspended by Air Liquide after 10 years. This contract provides long-term visibility over the price of the electricity to be supplied.

The Group's energy purchase commitments amounted to 2,167.9 million euros as of December 31, 2024 (2,464.2 million euros as of December 31, 2023). This amount includes the energy purchase commitments relating to the Exeltium contract. Almost all of these commitments are covered by mutual commitments received from clients in connection with long-term gas supply contracts. As a consequence, these commitments are not disclosed in the table above.

29.2. DETAILED COMMITMENTS LINKED TO POWER PURCHASE AGREEMENTS

In addition, as of December 31, 2024, the Group holds power purchase agreements (PPA), summarized below:

December 31, 2024	Number of contracts	Start-up dates	Average duration *(in years)*	Production [a] *(in GWh/year)*	Amount *(in millions of euros)*
Europe, Middle East and Africa [b]	16	2021-2026	15	2,977.6	3,014.8
Americas	7	2021-2024	11	621.8	102.4
Asia Pacific	7	2022-2025	6	2,231.5	474.7
TOTAL PPAs	**30**			**5,831.0**	**3,591.9**

(a) Estimated production volume on the date of signature of the contract (full year amount after the start-up of the renewable production units).
(b) One contract contains an exit clause at Air Liquide's discretion which can be exercised until June 2025.

December 31, 2023	Number of contracts	Start-up dates	Average duration *(in years)*	Production *(in GWh/year)*	Amount *(in millions of euros)*
Europe, Middle East and Africa	12	2021-2026	15	2,682.0	2,317.7
Americas	5	2021-2024	11	342.0	86.2
Asia Pacific	3	2022-2024	9	212.0	108.5
TOTAL PPAs	**20**			**3,236.0**	**2,512.4**

Note 30 Contingent liabilities

To the best of the Group's knowledge, there is no exceptional event or litigation which has affected in the recent past or which is likely to materially affect its financial situation or profitability.

Note 31 Climate risks consideration [1]

31.1. BUSINESS MODEL

Air Liquide offers to its customers in the metals, chemicals, refining and energy industries gas and energy solutions essential to their own core businesses, enabling them to improve the efficiency of their processes and to make their plants more environmentally friendly.

Air Liquide's business model is based on the outsourcing of the industrial gas needs of its customers who often emit greenhouse gases themselves, in particular in the metals, chemicals and refining industries. This outsourcing is justified by Air Liquide's expertise which grants them access to state of the art technologies, optimized energy consumption of production tools, while ensuring the reliability of the supply in the long term. However, it leads to the transfer of a portion of the customer's greenhouse gas emissions to the Group.

Industrial gases are used in most industries today and they will be even more so during the energy transition because they are at the heart of industry decarbonization solutions. Indeed, these production units also provide essential products for industry and health, in particular to reduce emissions and the energy and resource consumption of the Group's customers. In a scenario of limiting global warming to the level targeted by the Paris Agreement (at a level well below 2 °C, and ideally at a level of 1.5 °C compared to the pre-industrial level), demand will increasingly turn to low-carbon gases and solutions, in line with changing regulations.

For the Large Industries activity, which bears most of the assets described below, the supply of gas is contracted for 15 years or more. Such assets are depreciated over the term of the contract, which significantly reduces the risk of impairment. Within these contracts, the Group guarantees long-term service continuity and a high level of reliability with respect to the gas supply via a high-performing industrial solution. In return, long-term gas supply contracts include guaranteed minimum volumes through take-or-pay clauses, as well as the indexation to variable costs (mainly electricity and natural gas), including any CO_2 cost (for example ETS schema in Europe), and inflation.

31.2. GROUP'S ASSETS AND CO_2 EMISSIONS

The main Group assets that impact the CO_2 balance are:

- Air Separation Units (ASU), producing oxygen and nitrogen in particular, which do not use any combustion processes, and therefore do not emit CO_2 directly. These units use air as their only raw material, while the energy required for the separation of the air is consumed almost exclusively in the form of electricity. The electricity used by the Group to operate these units generates CO_2 emissions, known as indirect emissions or Scope 2. The CO_2 emissions reductions can be in this case done mostly through renewable electricity purchases and improvements in energy efficiency;
- hydrogen production units by hydrocarbon reforming, which generate CO_2 emissions from natural gas consumption; these emissions are classified as direct emissions (Scope 1). Several levers for reducing CO_2 emissions are possible for these assets: first, carbon capture and sequestration (Carbon Capture and Sequestration – CCS), using technologies owned by the Group, but also the use of biomethane. In addition, the Group is developing the use of low-carbon or renewable ammonia, which also helps to reduce the emissions of these units;

(1) *ESRS 2 SBM-3 §48 (d).*

- steam and electricity production units (cogeneration plants), which generate CO_2 emissions from the consumption of natural gas; these emissions are classified as direct emissions (Scope 1). Several levers for reducing CO_2 emissions are possible for these assets, in particular making the plants more flexible with the use of boilers powered by electricity and low-carbon alternative fuels.

Air Liquide carries out a complete inventory of its greenhouse gas emissions, which are reported in different categories based on recognized standards such as the greenhouse gas (GHG) Protocol.

Thus, in 2024, the Group's direct reported emissions (Scope 1) and indirect reported emissions (Scope 2) amount respectively to 14.9 million tonnes and 20.1 million tonnes in CO_2-equivalent.

31.3. GROUP'S CLIMATE OBJECTIVES

Air Liquide acknowledges the importance and urgency of climate issues. The Group intends to play an active role in achieving the targets set out in the Paris Agreement, which defines a global framework to avoid dangerous climate change by limiting global warming to well below 2 °C compared with the pre-industrial level, and by continuing efforts to limit it to 1.5 °C.

In this regard, the Group has committed to contributing to achieving carbon neutrality by 2050. This long-term objective is based primarily on a massive reduction in CO_2 emissions, with two major intermediate milestones:

- the start of reduction of absolute CO_2 emissions around 2025;
- followed by a -33% reduction in Scope 1 and Scope 2 emissions in 2035 compared with a 2020 baseline [(1)].

Moreover, the Group has maintained the objective set in 2018 to reduce its carbon intensity by -30% by 2025 compared with 2015 [(2)]. Carbon intensity amounts to 4.3 kg of CO_2-equivalent/ euro of operating income recurring before depreciation and amortization in 2024, down -12% compared to 2023 and -41% compared to 2015.

31.4. TRANSITION RISK – GREENHOUSE GAS EMISSIONS

The main climate risk identified by the Group at the 2024 closing period relates to greenhouse gas emissions.

The climate transition risk (greenhouse gas emissions) is closely linked to the need to reduce greenhouse gas emissions, particularly through implementation by public authorities of binding greenhouse gas emission reduction policies such as, for example, the introduction of a carbon price or more stringent product regulations, that may impact:

- either the Group's plants (direct impact on the operational scope), resulting in increased production costs, which by contract would be transferred to the customers, and the need for new investments;
- or those of its suppliers, resulting in suppliers price increases;
- or customers (indirect impact on the value chain), impacting for instance their market, processes and industrial gases needs.

Air Liquide's main production units can be competitively decarbonized in a 1.5 °C transition scenario. This requires the rollout of infrastructure, in particular energy, provided for by these scenarios (electricity networks, massive availability of renewable energy in particular, access to carbon storage sinks), as well as the necessary evolution of regulatory and political frameworks, supporting the emergence of new low-carbon value chains.

The Group's Scopes 1 and 2 CO_2 emissions come from a limited number of assets and countries. Indeed, 60% of direct Scope 1 emissions come from less than 15 production units and 80% of indirect Scope 2 emissions related to electricity consumption come from six countries. Emission reduction targets therefore require the activation of a few carefully-identified levers, which are closely linked to global actions to mitigate climate change.

The following governance and actions have been implemented to limit the risk on the Group's assets:

- for all its projects, for all geographies, even those without a current price for CO_2, Air Liquide integrates a sensitivity analysis around the carbon price into its investment decision process to assess the project's viability for the client. This sensitivity analysis is done with the local current price and a value of 100 euros or more per tonne, chosen in function of the geography and context. As a reminder, any CO_2 cost is contractually passed through to the customer, significantly reducing any impairment risk on the related asset;
- in cases where the public carbon price exceeds a certain cap, contracts with some customers contemplate additional investment to decarbonize the facility (for example by using carbon capture and sequestration solutions – CCS) and the corresponding additional revenue for the Group;
- the Group's electricity procurement initiatives have been reinforced, in particular the procurement of renewable electricity, in order to reduce the Scope 2 emissions figures (see note 29.2);
- the trajectory of the climate objectives is centrally managed via a carbon budget allocated to the regions which is revisited every year, in line with intermediary objectives. The Environment and Society Committee of the Board of Directors meets three times a year and at least once more in a joint session with the Audit and Accounts Committee. The trajectory of climate objectives and associated risks are reviewed during these sessions. The implementation of these climate objectives is part of the criteria for the Long Term Incentive plans for the CEO and for more than 2,000 beneficiaries.

Air Liquide's actions to limit transition risk impacts include:

Scope 2 reduction:

- related to the large air gas production units or ASUs, mainly by using renewable electricity. Since 2018, Air Liquide has already signed 30 long-term renewable energy supply contracts (PPA) for an estimated annual quantity of 5,831 GWh/y (in a full year after start-up of renewable production units), as well as a Virtual Power Purchase Agreement (VPPA).

(1) In tonnes of CO_2-equivalent for Scopes 1 and 2, in a "market-based" methodology, restated, from 2020 and each subsequent year, to include the emissions of the assets for the full year, taking into account (upwards and downwards) changes in scope having a significant impact on CO_2 emissions.

(2) In kg CO_2-equivalent/euro of operating income recurring before depreciation and amortization and excluding IFRS 16 at 2015 exchange rates on Scopes 1 and 2 of greenhouse gas emissions in a "market-based" methodology.

As the ASUs are almost all electrified, they do not require any significant specific investment for the transition, because emission reduction will be managed by the purchase of renewable energy depending on access to these sources (see note 29.2). For the few steam-driven air gas production assets, the Group has started their electrification, which will allow them to be completely decarbonized via the supply of renewable electricity;

- **energy costs, including renewable energy costs do not represent a significant financial risk** as they are reflected in the prices charged to customers according to the terms of the 15 years or more contracts.

***Scope 1 reduction*:**

- related to the large hydrogen production units, by mobilizing various levers, in particular by capturing CO_2. Air Liquide masters a complete portfolio of proprietary technologies for capturing CO_2. For example, an advanced Cryocap™ system has been in industrial operation since 2015 on a hydrogen production unit in France. For cogeneration units, Air Liquide seeks to make them more flexible with the use of boilers powered by electricity and low-carbon alternative fuels. The future of these assets and their emission trajectory is analyzed in the decarbonization plans developed for each cluster (group of countries), taking into account technology, unit capacity, products, customers served, and the decarbonization policies of the countries and sectors served. The most suitable reduction levers are identified and give rise to targeted studies and, in the most advanced cases, the development and implementation of reduction projects, such as CO_2 capture projects;
- the innovation capacity and technological know-how of Air Liquide's teams enable the Group to offer cleaner and more sustainable solutions to reduce its own emissions and those of its industrial customers. The Group focuses on technologies for climate solutions and energy transition. In 2024, Air Liquide had more than 500 patent families on hydrogen.The Group's Innovation expenses amounted to 309 million euros in 2024;
- in a scenario of limiting global warming to a level significantly below 2 °C compared to the pre-industrial level, the demand for low-carbon industrial gas at a higher price is growing and makes it possible to remunerate the Group's investment in low-carbon assets, in particular for the production of hydrogen, as well as any additional costs linked to the supply of renewable electricity for developing energy transition markets. In addition, financing programs in the form of subsidies or tax credits are also implemented, in particular in Europe, in order to support, during a transition period, the decarbonization of existing industrial assets and new units of production. For example, the Group has recently been selected for financing via European grants for a project for the production, liquefaction and distribution of low-carbon and renewable hydrogen from ammonia, a carbon capture project with a customer and a CO_2 infrastructure project;
- **costs related to CO_2 emissions** (ex ETS scheme in Europe) **are passed-through to the customers** according to the terms of the 15 years or more contracts. The Group also applies this business model to the supply of low carbon industrial gas, therefore, **Air Liquide does not bear significant risks associated with energy and CO_2 costs.**

At the end of 2024, no significant impact has been identified, either on the useful life or on the value of the assets, on the client portfolio or on the cash flows generated by existing activities or on provisions for risks and charges.

31.5. PHYSICAL RISKS

Air Liquide operates in certain regions of the world exposed to changes (in amplitude or frequency) in exceptional meteorological phenomena due to climate change. These phenomena can slow down or interrupt the Group's operations or make them more expensive. Its suppliers and customers are also confronted with this same issue.

These can be broken down into:

- acute risks triggered by events such as natural disasters, the frequency and severity of which are increasing: storms, hurricanes, flooding, etc. These risks may relate to Air Liquide sites located near the coast for example, or in regions affected by hurricanes (the US Gulf Coast, South Asia, etc.);
- chronic risks related to more long-term changes in climate models and rising temperatures: rising sea levels, chronic heat waves in certain regions, changes in rainfall patterns and an increase in their variability, the disappearance of certain resources, etc.

Air Liquide's actions to limit physical impacts include:

- physical risks (water availability, frequency of extreme events, etc.) are appraised during the review of investment requests, in the same way as financial criteria, to ensure that the associated risk management measures are adapted, for example in the design of equipment;
- Group operations which are regularly exposed to the acute risks described above have risk management systems in place aimed at adopting suitable preventive operational measures, and at managing these crises by, first and foremost, protecting individuals and the production facilities in close cooperation with customers. These systems are regularly updated and improved;
- chronic risks are taken into account, in particular in the design of production units, in the same way and to the same extent as their energy efficiency and carbon footprint;
- losses caused by natural disasters are covered by the Group property and business interruption program;
- in 2023, Air Liquide initiated a study to identify the perils linked to the physical impacts of climate change according to 2 high-emission scenarios (SSP2-4.5 used as "business as usual" leading to +2.7 °C by 2100 and the SSP5-8.5 scenario or "worst case scenario" leading to +4.4 °C by 2100) and to consolidate and improve the physical risk management process. This study is continuing to refine the understanding of the issues at the level of the Group's different types of assets, with a refocusing on the main industrial basins.

At the end of 2024, no significant impact has been identified, either on the useful life or on the value of the assets, on the client portfolio or on the cash flows generated by existing activities or on provisions for risks and charges.

To be noted for both transition risks and physical risks, there is no impact on the dismantling provision, as this is an obligation provisioned from the date of the Large Industries contract signature.

Note 32 Post-balance sheet events

There are no significant post-balance sheet events.

Foreign exchange rates and main consolidated companies

FOREIGN EXCHANGE RATES

Main foreign exchange rates used

Average rates

Euros for 1 currency	2023	2024
CAD	0.69	0.67
CNY	0.13	0.13
JPY (1,000)	6.60	6.11
SGD	0.69	0.69
TWD	0.03	0.03
USD	0.92	0.92

Closing rates

Euros for 1 currency	2023	2024
CAD	0.68	0.67
CNY	0.13	0.13
JPY (1,000)	6.40	6.13
SGD	0.69	0.71
TWD	0.03	0.03
USD	0.90	0.96

MAIN CONSOLIDATED COMPANIES

Companies marked with JO are consolidated by joint operation and those marked with E by the equity method. Other companies are fully consolidated.

The total Group interest is given after the name of each company.

Main consolidated companies	Country	Integration	% interest
GAS AND SERVICES			
EUROPE, MIDDLE EAST AND AFRICA			
Air Liquide Austria GmbH	AUT		100.00%
L'Air Liquide Belge S.A.	BEL		100.00%
Air Liquide Homecare Belgium SRL	BEL		100.00%
Air Liquide Industries Belgium S.A.	BEL		100.00%
Air Liquide Large Industry S.A.	BEL		100.00%
Air Liquide Medical S.A.	BEL		100.00%
Société Européenne de Gestion de l'Energie	BEL		100.00%
Air Liquide Bulgaria EOOD	BGR		100.00%
Carbagas AG	CHE		100.00%
Air Liquide Deutschland GmbH	DEU		100.00%
Air Liquide Electronics GmbH	DEU		100.00%
Air Liquide Industriegase GmbH & Co. KG	DEU		100.00%
VitalAire GmbH	DEU		100.00%
Air Liquide Danmark A/S	DNK		100.00%
Air Liquide España S.A.	ESP		99.90%
Air Liquide Ibérica de Gases S.L.U.	ESP		100.00%
Air Liquide Healthcare España, S.L.U.	ESP		100.00%
Air Liquide Finland Oy.	FIN		100.00%
Air Liquide Eastern Europe S.A.	FRA		100.00%
Air Liquide France Industrie S.A	FRA		100.00%
Air Liquide Medical Systems S.A.	FRA		100.00%
Air Liquide Réunion S.A.	FRA		98.49%
Air Liquide Santé (International) S.A.	FRA		100.00%
Air Liquide Santé France S.A.	FRA		100.00%
Air Liquide Santé Domicile France S.A.	FRA		100.00%
Air Liquide Spatial Guyane S.A.	FRA		99.06%
Air Liquide Ukraine S.A.	FRA		100.00%
Pharma Dom S.A.	FRA		100.00%
Société d'Exploitation de Produits pour les Industries Chimiques S.A.	FRA		99.99%
Air Liquide Antilles Guyane	FRA		96.76%
VitalAire S.A.	FRA		100.00%
Air Liquide Ltd	GBR		100.00%
Air Liquide Healthcare Limited	GBR		100.00%
Air Liquide UK Ltd	GBR		100.00%
Energas Ltd	GBR		100.00%
Air Liquide Italia S.p.A.	ITA		99.77%
Air Liquide Italia Service S.r.l	ITA		99.77%
Air Liquide Sanità Service S.p.A.	ITA		99.77%
Air Liquide Italia Produzione S.r.l	ITA		99.77%
Medicasa Italia S.p.A.	ITA		99.77%
VitalAire Italia S.p.A.	ITA		99.77%
Supra Cali S.R.L	ITA		51.00%
Air Liquide Healthcare Ireland Limited	IRL		100.00%
Air Liquide Munay Tech Gases	KAZ		75.00%

Main consolidated companies	Country	Integration	% interest
L'Air Liquide Luxembourg S.A.	LUX		100.00%
Air Liquide Acetylene B.V.	NLD		100.00%
Air Liquide B.V.	NLD		100.00%
Air Liquide Homecare Netherlands BV	NLD		100.00%
Air Liquide Industrie B.V.	NLD		100.00%
Air Liquide Nederland B.V.	NLD		100.00%
Scott Specialty Gases Netherlands B.V.	NLD		100.00%
Hatek Lastechniek NH B.V.	NLD		100.00%
Handelsonderneming Hatek B.V.	NLD		100.00%
Air Liquide Norway A.S.	NOR		100.00%
BetaMed S.A.	POL		80.00%
Air Liquide Katowice Sp.z.o.o.	POL		79.25%
Air Liquide Polska Sp.z.o.o.	POL		100.00%
Air Liquide Medicinal S.A.	PRT		99.85%
Sociedade Portuguesa do Ar Liquido Lda	PRT		99.93%
Air Liquide Romania S.r.l	ROM		100.00%
Air Liquide Gas A.B.	SWE		100.00%
NordicInfu Care A.B	SWE		100.00%
Air Liquide Gaz San. Ve Tic. A.S.	TUR		100.00%
Air Liquide Afrique S.A.	FRA		100.00%
Air Liquide Middle East & North Africa FZCO	ARE		100.00%
Air Liquide Gulf FZE	ARE		100.00%
Air Liquide Botswana Proprietary Ltd	BWA		99.96%
Air Liquide Alexandria for Medical & Industrial Gases S.A.E.	EGY		100.00%
Air Liquide El Soukhna for Industrial Gases S.A.E.	EGY		100.00%
Air Liquide Misr S.A.E.	EGY		100.00%
Air Liquide Middle East S.A.	FRA		100.00%
Air Liquide India Holding Pvt. Ltd	IND		100.00%
Air Liquide India Speciality Gases Pvt. Ltd.	IND		100.00%
Shuaiba Oxygen Company K.S.C.C. [(a)]	KWT		49.81%
Air Liquide Maroc S.A.	MAR		98.93%
Air Liquide Namibia Proprietary Ltd	NAM		100.00%
Air Liquide Nigeria Plc	NGA		87.31%
Air Liquide Sohar Industrial Gases LLC	OMN		50.10%
Gasal Q.S.C.	QAT	E	40.00%
Vitalaire Arabia LLC.	SAU		60.00%
Air Liquide Arabia LLC	SAU		100.00%
Air Liquide Tunisie S.A.	TUN		59.17%
Air Liquide Large Industries (Pty) Ltd	ZAF		100.00%
Air Liquide Large Industries South Africa (Pty) Ltd	ZAF		75.00%
Air Liquide Proprietary Ltd	ZAF		99.96%

(a) Consolidation method differs from percentage of shares due to a contractual agreement.

Main consolidated companies	Country	Integration	% interest
AMERICAS			
Air Liquide Argentina S.A.	ARG		100.00%
Air Liquide Brasil Ltda	BRA		100.00%
Air Liquide Canada, Inc.	CAN		100.00%
Barry Hamel Equipment Ltd.	CAN		100.00%
Air Liquide Home Healthcare Canada Inc.	CAN		100.00%
Air Liquide Chile S.A.	CHL		100.00%
Air Liquide Colombia S.A.S	COL		100.00%
Air Liquide Dominicana S.A.S	DOM		100.00%
La Oxigena Paraguaya S.A.	PRY		87.96%
Air Liquide Uruguay S.A.	URY		96.68%
Airgas USA, LLC	USA		100.00%
Airgas Specialty Products	USA		100.00%
Red-D-Arc, Inc.	USA		100.00%
Airgas Safety, Inc.	USA		100.00%
Air Liquide Electronics U.S. LP	USA		100.00%
Air Liquide Large Industries U.S. LP	USA		100.00%
Air Liquide Advanced Materials, Inc.	USA		100.00%
ASIA PACIFIC			
Air Liquide Australia Ltd	AUS		100.00%
Air Liquide Healthcare Pty Limited	AUS		100.00%
Air Liquide W.A. Pty Ltd	AUS		100.00%
Brunei Oxygen SDN [(a)]	BHD		50.00%
Air Liquide Cangzhou Co., Ltd	CHN		100.00%
Air Liquide China Holding Co., Ltd	CHN		100.00%
Air Liquide Shanghai Co., Ltd	CHN		100.00%
Air Liquide Shanghai International Trading Co. Ltd	CHN		100.00%
Air Liquide Tianjin Co., Ltd	CHN		100.00%
Air Liquide Yongli Tianjin Co., Ltd	CHN		55.00%
Air Liquide Zhangjiagang Industrial Gases Co., Ltd	CHN		100.00%
Shanghai Chemical Industry Park Industrial Gases Co., Ltd	CHN		51.00%
Hangzhou Best Gas Co., Ltd	CHN		100.00%
Société d'Oxygène et d'Acétylène d'Extrême-Orient S.A.	FRA		100.00%
Celki International Ltd	HKG		100.00%
P.T. Air Liquide Indonesia	IDN		100.00%
Air Liquide Japan G.K.	JPN		100.00%
Toshiba Nano Analysis K.K.	JPN		51.00%
VitalAire Japan K.K.	JPN		94.13%
Air Liquide Korea Co., Ltd	KOR		100.00%
VitalAire Korea Inc.	KOR		100.00%
Southern Industrial Gas Sdn Bhd	MYS		100.00%
Air Liquide Malaysia Sdn Bhd	MYS		100.00%
Air Liquide New Zealand Ltd	NZL		100.00%
Air Liquide Phils Inc.	PHL		100.00%

Main consolidated companies	Country	Integration	% interest
Air Liquide Singapore Pte Ltd	SGP		100.00%
Air Liquide Thailand Ltd	THA		100.00%
Air Liquide Electronics Systems Asia Ltd	TWN		100.00%
Air Liquide Far Eastern Ltd	TWN		65.00%
Air Liquide Vietnam Co., Ltd	VNM		100.00%
ENGINEERING & CONSTRUCTION			
Air Liquide Global E&C Solutions Canada LP	CAN		100.00%
Air Liquide Global E&C Solutions Hangzhou Co., Ltd	CHN		100.00%
Air Liquide Global E&C Solutions (Yantai) Co., Ltd.	CHN		100.00%
Air Liquide Global E&C Solutions Germany GmbH	DEU		100.00%
Air Liquide Global E&C Solutions France S.A.	FRA		100.00%
Air Liquide Global E&C Solutions Japan K.K	JPN		100.00%
JJ-Lurgi Engineering Sdn. Bhd.	MYS	E	50.00%
Air Liquide Global E&C Solutions Singapore Pte. Ltd	SGP		100.00%
Air Liquide Global E&C Solutions US, Inc.	USA		100.00%
GLOBAL MARKETS & TECHNOLOGIES			
Air Liquide Advanced Technologies US LLC	USA		100.00%
Alizent France S.A.	FRA		100.00%
Air Liquide Advanced Technologies S.A.	FRA		100.00%
Cryolor S.A.	FRA		100.00%
Air Liquide Electronics Systems S.A.	FRA		100.00%
FerdinandsGas Sverige AB	FRA		100.00%
Air Liquide Maritime SAS	FRA		100.00%
The Hydrogen Company	FRA		100.00%
Offshore Hire and Services	GBR		100.00%
HOLDING COMPANIES AND R&D ACTIVITIES			
Air Liquide Finance S.A.	FRA		100.00%
Air Liquide International S.A.	FRA		100.00%
L'Air Liquide S.A.	FRA		100.00%
Orsay-Re S.A.	LUX		100.00%
Air Liquide International Corp.	USA		100.00%
American Air Liquide, Inc.	USA		100.00%
American Air Liquide Holdings, Inc	USA		100.00%

(a) Consolidation method differs from percentage of shares due to a contractual agreement.

The extended list of consolidated companies is available on:

https://www.airliquide.com/consolidation-scope-2024

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Statutory Auditors' offices and fees

STATUTORY AUDITORS' OFFICES

KPMG S.A.

Principal Statutory Auditor

KPMG S.A. is represented by

Valérie Besson and Laurent Genin
Tour Eqho – 2, avenue Gambetta – CS60055
92066 Paris-La Défense

PricewaterhouseCoopers Audit

Principal Statutory Auditor

PricewaterhouseCoopers Audit is represented by

Olivier Lotz and Cédric Le Gal
63, rue de Villiers
92200 Neuilly-sur-Seine

STATUTORY AUDITORS' FEES

	2024							
(in thousands of euros)	KPMG S.A.		PricewaterhouseCoopers Audit		Others		Total	
Audit, certification, review of individual and consolidated financial statements	5,704	95.0%	7,896	95.2%	403	96.4%	14,003	95.2%
■ Issuer	651		972		—		1,623	
■ Fully consolidated subsidiaries	5,053		6,924		403		12,380	
Services required by law	41	0.7%	52	0.6%	—	0.0%	93	0.6%
Total of certification missions and services required by law	**5,745**	**95.7%**	**7,948**	**95.8%**	**403**	**96.4%**	**14,096**	**95.8%**
Services related to Corporate Social Responsibility (CSR)	—	—		0.0%	—	—	—	0.0%
Other services [(a)]	257	4.3%	347	4.2%	15	3.6%	619	4.2%
Total of non-audit services	**257**	**4.3%**	**347**	**4.2%**	**15**	**3.6%**	**619**	**4.2%**
TOTAL	6,002	100%	8,295	100%	418	100%	14,715	100%
Sustainability statement certification	**460**		**690**		—		**1,150**	

(a) *The other services cover services provided at the request of Air Liquide and its subsidiaries including in particular non-mandatory financial statement audits, tax compliance reviews, agreed-upon procedures and various attestations.*

	2023							
(in thousands of euros)	KPMG S.A.		PricewaterhouseCoopers Audit		Others		Total	
Audit, certification, review of individual and consolidated financial statements	5,486	85.5%	7,207	92.6%	532	77.3%	13,225	88.8%
■ Issuer	651		906		—		1,557	
■ Fully consolidated subsidiaries	4,931		6,301		532		11,764	
Services required by law	42	0.7%	39	0.5%	—	0.0%	81	0.5%
Total of certification missions and services required by law	**5,528**	**86.1%**	**7,246**	**93.1%**	**532**	**77.3%**	**13,306**	**89.4%**
Services related to Corporate Social Responsibility (CSR)	—	—	135	1.7%	—	—	135	0.9%
Other services	892	13.9%	399	5.1%	156	22.7%	1,447	9.7%
Total of non-audit services	**892**	**13.9%**	**534**	**6.9%**	**156**	**22.7%**	**1,582**	**10.6%**
TOTAL	6,420	100%	7,780	100%	688	100%	14,888	100%

Statutory Auditors' report on the Consolidated Financial Statements

This is a translation into English of the Statutory Auditors' report on the Consolidated Financial Statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the Management Report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of L'Air Liquide ("the Group") for the year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Accounts Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Large Industries activity: qualification of the contracts and related revenue recognition method

Risk identified

The gas supply of the Large Industries activity is based on long term contracts with a limited number of customers and requires significant industrial investments.

As described in note "3.a. Revenue recognition – Gas & Services" of the accounting principles section of the consolidated financial statements, these investments are usually made to share production capacity with the other business lines of the Group, particularly the Industrial Merchant business or to serve customers connected to pipelines in an industrial region. In such cases, Group management considers that those assets are not identified as defined in the standard IFRS 16 "Leases".

When assets used for the long term supply agreements are dedicated to a customer, the Group considers that it retains the right to direct the use of these assets as defined in the standard IFRS 16. Accordingly, gas supply agreements linked to those assets are not considered as leases. These industrial investments continue to be controlled by the Group and are recorded as property, plant and equipment, the full amounts received for the contracts being, otherwise, recognized as revenue.

Customers of the Large Industries business simultaneously receive and consume the benefits granted by the gas supply service or its availability. As a result, the revenue recognition related to these contracts occurs when the gas is supplied or when the reserved capacity is made available.

As described in note 31 "Climate risk consideration" to the consolidated financial statements, long term gas supply contracts include guaranteed minimum volumes through take-or-pay clauses, as well as the indexation to variable costs (mainly electricity and natural gas), including any CO_2 cost, and inflation.

Due to the complexity of those contracts and the impact on the Group's consolidated financial statements of the judgments made when the contract is signed or in case of subsequent significant modifications, and of the execution of contractual clauses such as indexation clauses to variable costs, we have considered the qualification of Large Industries long term contracts and related revenue recognition criteria as a key audit matter.

Our response

Our procedures consisted notably in:

- understanding the criteria to qualify the Large Industries long term contracts applied by the Group, considering in particular the specific nature of the underlying assets;
- understanding internal control procedures implemented by the Group to confirm the compliance of the accounting treatment applied to these contracts with IFRS 15 “Revenue from Contracts with Customers” and IFRS 16 “Leases”;
- verifying the compliance of the accounting treatment applied to Large Industries long term contracts with IFRS 15 and IFRS 16;
- assessing the application of existing contractual indexation clauses, through an understanding of the Revenue process, including relevant controls, and performing substantive testing on a sample of revenue transactions;
- assessing the appropriateness of the disclosure included in note “3.a. Revenue recognition – Gas Services” of the accounting principles and methods in the notes to the consolidated financial statements.

Large Industries activity: useful lives of production units and measurement of their recoverable value

Risk identified

As at December 31, 2024, the net book value of property, plant and equipment amounts to 25,539 million euros, or 49,2% of the Group total assets, that include the significant industrial investments to execute the customer agreements of the Large Industries activity. As disclosed in note “5.e. Property, plant and equipment” of the accounting principles section of the consolidated financial statements, Large Industries production units are depreciated on a straight-line basis over their estimated useful life, usually 15 to 20 years. The estimated useful lives are reassessed on a regular basis and the resulting change in estimates, if any, are recorded on a prospective basis.

In addition, the Group can be exposed to certain risks specific to industrial investments. Expected returns on investment and their recoverable value can, for example, be adversely impacted by events such as the economic context, overruns and construction delays, start-up conditions, technology changes, geographical location or the counterparty risk. New investments may also be required to meet the Group objectives and commitments to achieve carbon neutrality.

As disclosed in note “5.f. Impairment of assets” of the accounting principles section of the consolidated financial statements, Group management determines on a regular basis whether asset impairment indicators exist. If a triggering event is identified, an impairment test is performed to confirm whether the net book value of the asset exceeds its recoverable value. These principles lead the Group to test production assets (either individually or within the cash generating unit to which they are attached), in particular in case of significant start-up delays, project termination, significant decrease in expected business volumes, early termination or non-renewal of related customer contracts, obsolescence of assets in the context of the energy transition.

The measurement of the recoverable value of the equipment relies on significant estimates relating to the Group’s capacity to generate future cash-flows, re-use certain equipment for other internal or external customers, to sell the assets, or to obtain indemnification, notably from customers, or subsidies

The Group has identified certain triggering events and thus performed impairment tests, which resulted in an impairment charge of LI assets recognized as part of the total amount of assets impairment (216 million euros) disclosed in note “5. Other non-recurring operating income and expenses” to the consolidated financial statements as at December 31, 2024.

Due to the significant value of each production asset and the cumulative value of these assets, the key assumptions used to assess their useful life, their re-use or the compensation to be received, we have considered the useful life and measurement of the recoverable value of Large Industries production assets as a key audit matter.

Our response

Our procedures consisted notably in:

- understanding the procedures performed by the Group to assess and update the depreciation period of the equipment;
- assessing the consistency of their useful lives with contractual terms and available internal technical studies;
- analyzing the Group’s process to identify impairment indicators;
- understanding the work carried out by the Group to determine the recoverable values of the plants, including key assumptions and estimates used to determine the future cash flows;
- assessing the accounting translation of impairment losses resulting from the determination of recoverable values;
- assessing, with the assistance of our experts in climate change and energy transition, the impact of climate change and energy transition on the financial statements, in order to corroborate the Group's assessment that its climate strategy has not resulted in any material impact, neither on the useful life nor on the recoverable value of Large Industries production assets;
- assessing the absence of obvious inconsistencies between the consolidated financial statements and the Group’s other publications addressing the issues related to climate change, in particular the sustainability statement;
- verifying the appropriateness of the disclosure included in note “5.e. Property, plant and equipment” and note “5.f. Impairment of assets” of the accounting principles section of the consolidated financial statements and note 31 “Climate risk consideration" to the consolidated financial statements.

Impairment test of goodwill

Risk identified

In connection with its external growth strategy, the Group monitors the related goodwill at the level of group of cash generating units. For the Gas & Services activity, goodwill are mostly allocated on a geographical basis. For the world business units Engineering & Construction and Global Markets & Technologies, goodwill is monitored at the business unit level. As at December 31, 2024, goodwill amounts to a net book value of 14,977 million euros (28,9% of the Group total assets).

The Group performs annually, an impairment test, by reference to market values. Insofar as the fair value is not significantly greater than the net carrying amount of the cash-generating unit or group of cash-generating units, the Group confirms the recoverable amount of the cash-generating unit or group of cash-generating units using the estimated cash flow approach (value in use) as described in note “5.f. Impairment of assets” of the accounting principles section of the consolidated financial statements.

The determination of fair value and recoverable value, and the sensitivity to the fluctuation of market multiples and key data and assumptions used, require significant judgement and management estimates, in particular in the context of climate change and energy transition.

We have therefore considered the impairment test of goodwill as a key audit matter.

Our response

Our procedures consisted notably in:

- understanding and assessing the principles used to determine the groups of cash generating units;
- analyzing, with the assistance of our valuation experts, principles and methods used to determine the market value and their measurement based on multiples of market capitalization;
- corroborate, on the basis of external data:
  - the results of the Group's impairment tests as of December 31, 2024, and
  - the consideration of both climate risk and challenges and opportunities relating to the energy transition;
- assessing the sensitivity of the result of the impairment tests performed by the Group as at December 31, 2024;
- assessing the appropriateness of the information included in notes “5.f. Impairment of assets” and “10. Goodwill” to the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group’s information given in the Group’s Management Report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of the presentation of the Consolidated Financial Statements included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements included in the Annual Financial Report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Chief Executive Officer (Directeur Général), complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of L’Air Liquide by the Annual General Meeting held on May 12, 2016 for PricewaterhouseCoopers Audit and on May 4, 2022 for KPMG S.A.

As at December 31, 2024, PricewaterhouseCoopers Audit was in its ninth year of uninterrupted engagement and KPMG S.A.in its third year.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Accounts Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Accounts Committee

We submit a report to the Audit and Accounts Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Accounts Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Accounts Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit and Accounts Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

STATUTORY ACCOUNTS ON THE PARENT COMPANY

Income statement

For the year ended December 31

(in millions of euros)	Notes	2023	2024
Revenue	(2)	105.4	100.6
Royalties and other operating income	(3)	838.3	846.6
Total operating income (I)		**943.7**	**947.2**
Purchases		(46.9)	(39.3)
Duties and taxes other than corporate income tax		(21.5)	(18.0)
Personnel expenses		(270.4)	(269.0)
Depreciation, amortization and provision expenses	(5)	(59.6)	(49.9)
Other operating expenses	(4)	(334.7)	(352.3)
Total operating expenses (II)		**(733.1)**	**(728.5)**
Net operating profit (loss) (I + II)		**210.6**	**218.7**
Financial income from equity affiliates	(6)	804.9	1,783.9
Interests, similar income and expenses	(6)	(76.4)	(108.8)
Other financial income and expenses	(6)	(17.2)	3.2
Financial income and expenses (III)		**711.3**	**1,678.3**
Net profit / (loss) from ordinary activities before tax (I + II + III)		**921.9**	**1,897.0**
Exceptional income and expenses	**(7)**	**79.5**	**123.1**
Statutory employee profit-sharing		(4.3)	(4.4)
Corporate income tax	(8)	(19.9)	(27.3)
NET PROFIT FOR THE YEAR		**977.2**	**1,988.4**

Balance sheet

For the year ended December 31

(in millions of euros)	Notes	December 31, 2023 Net	December 31, 2024 Gross carrying amounts	December 31, 2024 Amortization, depreciation and provisions	December 31, 2024 Net
ASSETS					
Intangible assets	(9) & (11)	27.2	181.1	(158.2)	22.9
Tangible assets	(9) & (11)	86.2	200.2	(89.7)	110.5
Financial assets	(10) & (11)	13,050.4	13,077.6	(8.4)	13,069.2
TOTAL NON-CURRENT ASSETS		**13,163.8**	**13,458.9**	**(256.3)**	**13,202.6**
Inventories and work-in-progress	(11)	0.7	0.4	—	0.4
Operating receivables	(11) & (14)	729.5	769.2	(18.4)	750.8
Current account loans with subsidiaries	(11) & (14)	267.6	477.2	—	477.2
Short-term financial investments	(12)	150.6	204.4	—	204.4
Cash and financial instruments		12.1	5.2	—	5.2
Prepaid expenses		3.9	3.7	—	3.7
TOTAL CURRENT ASSETS		**1,164.4**	**1,460.1**	**(18.4)**	**1,441.7**
Bond redemption premiums		—	—	—	—
Unrealized foreign exchange losses		8.3	8.3	—	8.3
TOTAL ASSETS		**14,336.5**	**14,927.3**	**(274.7)**	**14,652.6**
EQUITY AND LIABILITIES					
Share capital		2,884.8			3,180.4
Additional paid-in capital		2,447.7			2,064.1
Revaluation reserve		23.9			23.9
Legal reserve		287.8			288.4
Other reserves		388.5			388.5
Retained earnings		3,671.8			2,928.3
Net profit for the year		977.2			1,988.4
Tax-driven provisions		3.1			3.5
TOTAL SHAREHOLDERS' EQUITY	**(13)**	**10,684.8**			**10,865.5**
PROVISIONS	**(11)**	**88.2**			**90.6**
Other bonds	(14)	—			—
Bank borrowings	(14)	—			5.8
Other borrowings	(14)	251.9			252.0
Operating payables	(14)	687.1			673.0
Current account borrowings with subsidiaries	(14)	2,619.6			2,762.4
Deferred income		0.7			0.4
TOTAL LIABILITIES		**3,559.3**			**3,693.6**
Unrealized foreign exchange gains		4.2			2.9
TOTAL EQUITY AND LIABILITIES		**14,336.5**			**14,652.6**

Notes to the statutory accounts

ACCOUNTING POLICIES

1. General principles

The statutory accounts of the Company L'Air Liquide S.A. have been prepared in accordance with the accounting rules and principles generally accepted in France according to the provisions of the French Chart of Accounts *(Plan Comptable Général)*.

The accounting policies for the establishment and presentation of the statutory accounts have been applied in accordance with the principle of prudence and with the following basic assumptions:

- going concern;
- consistency of accounting methods from one accounting period to another;
- separation of each accounting periods.

The method used for the valuation of recorded items is the historical cost method.

Only material information is disclosed.

2. Non-current assets

A. Intangible assets

Internally generated intangible assets primarily include the development costs of information management systems. They are capitalized only if they generate probable future economic benefits and whether there is available appropriate resources (technical, financial and others) to complete the development and use or sell the intangible asset. Internal and external costs corresponding to detailed application design, programming, the performance of tests and the drafting of technical documentation intended for internal or external use are capitalized.

Significant upgrade and improvement costs are added to the initial cost of assets if they specifically meet the capitalization criteria.

Other intangible assets include separately acquired intangible assets such as software, licenses and intellectual property rights and are measured at acquisition cost.

Intangible assets are amortized according to the straight-line method over their estimated useful lives.

B. Tangible assets

Lands, buildings and equipments are recognized at historical cost. Interim interest expense is not included in the cost.

Where components of a tangible asset have different useful lives, they are accounted separately and depreciated over their own useful lives.

Depreciation is computed according to the straight-line method over their estimated useful lives as follows:

- buildings: 10 to 30 years;
- equipments: 5 to 20 years.

Lands are not depreciated.

C. Impairment of intangible and tangible assets

The Company assesses at each closing date whether there is any indication of impairment loss of intangible and tangible assets. If such indications exist, an impairment test is performed to assess whether the carrying amount of the asset exceeds its present value, which is defined as the greater of its market value and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value as this would be done for an investment decision.

When the present amount of an asset is lower than its net carrying amount, an impairment loss is recognized in the income statement. When the present value exceeds the carrying amount, the previously recognized impairment is reversed to the income statement.

D. Equity investments

Equity investments are recognized at their initial amount on the entry date, with the exception of those subject to a revaluation as provided by Law 76-1232 of December 29, 1976. Acquisition costs that are not representative of market value are expensed.

When the carrying amount, determined using the criteria normally adopted for the measurement of equity investments (market multiples method based on the Air Liquide Group market valuation, estimated cash flow approach, and net asset value remeasured at fair value), is lower than the book value, an impairment loss is recognized for the difference.

E. Treasury shares

When the Company purchases its own shares, they are recognized at cost as treasury shares in other long-term investment securities. The gains or losses on disposals of treasury shares contribute to the net profit for the year.

However, shares allocated for the purpose of implementing plans for free grants of shares are reclassified to a "Short-term financial investments – Company treasury shares" caption at the balance sheet value on the date of allotment.

A provision is recorded over the rights vesting period to cover the future charge of employees and members of Executive Management of the Company relating to the remittance of current shares when the performance criteria can be determined with reliability.

When the purchase cost of shares is higher than their valuation based on the average share price during the last month of the fiscal year, treasury shares earmarked for cancellation or allocated for the purpose of implementing plans for free grants of shares are not impaired.

3. Inventories and work-in-progress

Raw materials, supplies and goods are primarily measured at weighted average cost.

An impairment loss is recognized for inventories and work-in-progress when the estimated realizable amount is lower than cost.

4. Trade receivables and other operating assets

Trade receivables and other operating assets are measured at historical cost.

An impairment loss for receivables is recognized when it becomes probable that the amount due will not be collected and the loss can be reasonably estimated.

5. Foreign currency transactions

Foreign currency transactions are translated at the exchange rate prevailing on the transaction date.

At year-end, the difference arising from the translation of receivables and payables denominated in a foreign currency, are recognized in suspense accounts in assets and liabilities ("Unrealized foreign currency gains or losses").

Where applicable, unrealized foreign exchange losses associated with non-hedged transactions are subject to a contingency provision.

6. Provisions

Provisions are recognized when:

- the Company has a present obligation towards a third party as a result of a past event or an ongoing one;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

7. Financial instruments

L'Air Liquide S.A. applies the ANC regulation no. 2015-05 of July 2, 2015 related to financial forward and hedging instruments.

In accordance with its risk management policy, L'Air Liquide S.A. enters into forward currency purchases or sales in order to hedge the exposure to foreign exchange risk associated with transactions carried out in foreign currencies.

By symmetry, the foreign exchange gains or losses on forward currency purchases or sales is presented at the same time and in the same income statement caption as the hedged item.

Likewise, the unrealized gain from the hedging is presented within the unrealized foreign currency gains or losses statement caption, to offset the exchange differentials related to the revaluation of underlying receivables and debts. When the forward currency purchases or sales hedge future transactions not yet recorded on the balance sheet, the fair value of these instruments represents an off balance sheet commitment.

Where applicable, when the financial instruments used do not constitute hedging transactions ("isolated open position"), the losses resulting from their year-end market value are provided for in the income statement. In accordance with the principle of prudence, unrealized gains are not recognized in the income statement.

8. Post-employment benefits

The Company applies the ANC recommendation no. 2013-02 of November 7, 2013 amended on November 5, 2021 (2nd method) related to the recognition and measurement of retirement benefits and similar obligations

The Company provides its employees with various pension plans, termination benefits, jubilees (awards based on years of service) and other post-employment benefits for both active employees and retirees. These benefits are covered in two ways:

- by so-called defined contribution plans;
- by so-called defined benefit plans.

The Company grants both defined benefit and defined contribution plans.

Defined contribution plans are plans under which the employer's sole obligation is to pay regular contributions. The employer does not grant any guarantee on the future level of benefits paid to the employee or retiree ("means-based obligation"). The annual pension expense is equal to the contribution paid during the fiscal year which relieves the employer from any further obligation.

Defined benefit plans are those by which the employer guarantees the future level of benefits defined in the agreement, most often depending on the employee's salary and seniority ("result-based obligation"). Defined benefit plans can be:

- either financed by contributions to a fund specialized in managing the contributions paid;
- or managed internally.

In the case of defined benefit plans, retirement and similar obligations are measured by independent actuaries, according to the projected unit credit method. The actuarial calculations mainly take into account the following assumptions: salary increases, employee turnover, retirement date, mortality, inflation and appropriate discount rates.

Actuarial gains and losses exceeding the greater of 10% of the obligations or the fair value of plan assets at the beginning of the reporting period are amortized over the expected average working lives of the plan participants.

In accordance with article L. 123-13 of the French Commercial Code (Code de Commerce), the Company maintained its previous practices: obligations related to retirement termination payments and jubilees are provided whereas other retirement obligations related to defined benefit plans are not provided but are disclosed in the notes.

9. Revenue recognition

Revenue from the sale of goods is recognized when the risks and rewards of ownership have been transferred to the buyer.

Revenue associated with delivery of services is booked when delivery is completed.

10. Tax consolidation

L'Air Liquide S.A. has set up a tax consolidation group with the French subsidiaries in which it holds a direct or indirect interest exceeding 95%, as defined by article 223-A of the French Tax Code.

Each company calculates its tax provision as if it was taxed separately. L'Air Liquide S.A., as head of the tax consolidation group, recognizes as an expense the tax corresponding to its own profits. L'Air Liquide S.A. booked in exceptional income and expenses according to the Opinion 2005-G of the Emergency Committee of the C.N.C the impact of restatements and eliminations when determining taxable profit as a whole. Tax deferrals of companies with losses are recognized in tax liabilities.

11. Research and Development expenditures

Development costs shall be recognized as assets if and only if the Company can demonstrate all of the following:

- the project is clearly identified and the related costs are individualized and reliably monitored;
- the technical and industrial feasibility of the project is demonstrated;
- there is a clear intention to complete the project and use or sell the products arising from it;
- it is probable that the project will generate future economic benefits for the Company.

When these conditions are not satisfied, the work carried out does not systematically result in the completion of an intangible asset that will be available for use or sale, development costs generated are recognized as an expense when incurred.

ADDITIONAL NOTES ON THE BALANCE SHEET AND INCOME STATEMENTS

1. Significant events

Following the decision of the Council of State ("Conseil d'état") in March 2023 which partially questioned the favorable judgment of May 12, 2022 of the European Court of Justice (CJEU) by referring the case to an Administrative Court of Appeal, the Company paid 36 million euros in 2023 related to the equalization charge (see note 6 and 7). On December 23, 2024, the Council of State definitely ruled in favor of the Company for 4.8 million euros related to the equalization charge. 3.9 million euros have also been recorded in regards to the interest on arrears.

2. Revenue breakdown by geographical area

(in millions of euros)	2023	2024
France	62.0	59.6
Abroad	43.4	41.0
REVENUE	**105.4**	**100.6**

By the nature of its activities, the revenue of L'Air Liquide S.A. mainly corresponds to services and pension expenses recharged to its subsidiaries (see note 16.A).

3. Royalties and other operating income

In 2024, royalties (brand, technology and assistance royalties received from subsidiaries) and other operating income show stability.

Other operating income mainly includes change in inventories of goods and services, production of assets capitalized, operating subsidies, operating expense reclassifications, as well as operating provisions and impairment reversals.

4. Other operating expenses

Other operating expenses primarily consist of research and development costs and other external expenses such as subcontracting and maintenance costs, fees, travel expenses, telecommunication costs and rental expenses.

5. Depreciation, amortization and provision expenses

Depreciation, amortization and provision expenses break down as follows:

(in millions of euros)	2023	2024
Depreciation and amortization expenses	(15.0)	(14.5)
Provision expenses	(44.6)	(35.4)
DEPRECIATION, AMORTIZATION AND PROVISION EXPENSES	**(59.6)**	**(49.9)**

6. Financial income and expenses

- Financial income from equity affiliates amounts to 1,783.9 million euros in 2024 (804.9 million euros in 2023). In 2024, Air Liquide International made an exceptional reserve distribution of 999.9 million euros (399.1 million euros in 2023).
- Interests, similar income and expenses break down as follows:

(in millions of euros)	2023	2024
Revenues from long-term loans and other financial revenues	22.6	20.2
Other interest and similar income and expenses	(99.0)	(129.0)
INTERESTS, SIMILAR INCOME AND EXPENSES	**(76.4)**	**(108.8)**

- Increase of other interest and similar income and expenses is explained by higher level of average indebtedness and increase of interest rates.
- Other financial income and expenses amount to 3.2 million euros in 2024 versus -17.2 million euros in 2023. In 2023, it included a provision for the interest on arrears calculated on the equalization charge (-15 million euros) following the decision of the Council of State ("Conseil d'état") in March 2023 (see note 1). Following the decision of the Council of State on December 23, 2024, the provision was reversed and an income of 3.9 million euros was accounted corresponding to interest on arrears (see note 1).

7. Exceptional income and expenses

As part of the tax consolidation of L'Air Liquide S.A. and its tax consolidated French subsidiaries, an exceptional income of 75.9 million euros was booked in 2024 (87.4 million euros in 2023).

Exceptional income and expenses also include the impact of eliminations related to the tax consolidation regime in the amount of 29.0 million euros in 2024 (15.3 million euros in 2023).

Following the favorable decision of the Council of State ("Conseil d'état") in December 2024, an income of 4.8 million euros has been recorded. As a reminder, in 2023, an amount of -21 million euros had been paid on the equalization charge following the decision of the Council of State in March 2023 (see note 1).

An income of 12.5 million euros was recognized as a result of patent sales.

8. Corporate income tax

The total tax expense amounts to 27.3 million euros in 2024, compared to 19.9 million euros in 2023.

It breaks down as follows:

(in millions of euros)	2023	2024
Net profit from ordinary activities before tax	(18.1)	(21.2)
Additional contributions on earnings [(a)]	(1.8)	(1.8)
Other		(4.3)
TOTAL	**(19.9)**	**(27.3)**

(a) *Social security contribution on earnings of 3.3%.*

9. Intangible and tangible assets

Changes in gross value break down as follows:

(in millions of euros)	Gross value as of January 1, 2024	Additions	Disposals	Gross value as of December 31, 2024
Concessions, patents, licenses	125.5	0.2	(5.8)	119.9
Other intangible assets	184.4	7.4	(130.6)	61.2
INTANGIBLE ASSETS	**309.9**	**7.6**	**(136.4)**	**181.1**
Land and buildings	111.5	1.6	(0.2)	112.9
Plant, machinery and equipment	33.6	4.3	(2.6)	35.3
Other tangible assets	18.0	0.5	(0.1)	18.4
Tangible assets under construction and payments on account – tangible assets	7.4	30.3	(4.1)	33.6
TANGIBLE ASSETS	**170.5**	**36.7**	**(7.0)**	**200.2**
TOTAL	**480.4**	**44.3**	**(143.4)**	**381.3**

The decrease of other intangible assets is mainly due to the scrapping of a fully depreciated ERP system.

Changes in amortization, depreciation and impairment losses break down as follows:

(in millions of euros)	Amortization, depreciation, and impairment losses as of January 1, 2024	Amortization and depreciation	Decreases, disposals, scrappings	Amortization, depreciation and impairment losses as of December 31, 2024
Intangible assets	(282.7)	(6.8)	131.3	(158.2)
Tangible assets	(84.3)	(7.7)	2.3	(89.7)
Tangible assets	**(367.0)**	**(14.5)**	**133.6**	**(247.9)**

The decrease of the amortizations of other intangible assets is mainly due to the scrapping of the ERP system.

10. Financial assets

Changes in gross value break down as follows:

(in millions of euros)	Gross value as of January 1, 2024	Increases	Decreases	Gross value as of December 31, 2024
Equity investments	12,419.3	—	—	12,419.3
Other long-term investment securities [(a)]	8.7	262.6	(244.3)	27.0 [(b)]
Long-term loans	629.7	0.5	—	630.2
Other long-term financial assets	1.1	—	—	1.1
FINANCIAL ASSETS	**13,058.8**	**263.1**	**(244.3)**	**13,077.6**

(a) *The change in other long-term investment securities mainly corresponds to:*
- *the acquisition and sale of Company treasury shares under the liquidity contract for 129.7 million euros and -126.1 million euros respectively;*
- *the acquisition of 719,000 of the Company treasury shares (for the purpose of cancellation) for 132.9 million euros and the cancellation of 627,000 treasury shares for 118.2 million euros on April 30, 2024.*

At the 2024 year-end:

(b) *"Other long-term investment securities" includes in particular 92,000 treasury shares meant to be cancelled and 25,250 shares held under the liquidity contract.*

11. Impairment, allowances and provisions

A. Impairment and allowances

Impairment are recognized when the asset's carrying amount is lower than its book value.

They break down as follows:

(in millions of euros)		2023	Charges/Increase	Reversals	2024
Intangible and tangible assets		(6.2)	—	—	(6.2)
Equity investments		—	—	—	—
Other long-term investment securities		(8.4)	—	—	(8.4)
Inventories and work-in-progress		—	—	—	—
Operating receivables		(46.3)	(8.2)	36.1	(18.4)
IMPAIRMENT		**(60.9)**	**(8.2)**	**36.1**	**(33.0)**
Whose charges and reversals:	*operating items*		*(8.2)*	*0.4*	
	financial items		—	*15.0*	
	exceptional items		—	*20.7*	

B. Provisions

Provisions mainly include:

- foreign exchange provisions;
- third party or employee contingency and litigation provisions;
- provisions to cover the future charge of the delivery of performance shares;
- jubilee awards and vested rights with regard to retirement benefits (51.4 million euros in 2024 and 49.1 million euros in 2023).

(in millions of euros)		2023	Charges	Reversals	2024
Provisions for contingencies		17.1	8.9	(11.6)	14.4
Provisions for losses		71.1	18.3	(13.2)	76.2
PROVISIONS		**88.2**	**27.2**	**(24.8)**	**90.6**
Whose charges and reversals:	*operating items*		*27.2*	*(21.3)*	
	financial items				
	exceptional items			*(3.5)*	

Charges mainly relate to foreign exchange loss provisions for 8.2 million euros, provisions for jubilee awards and vested rights with regard to retirement termination payments for 4.0 million euros and provisions to cover the future charge of the delivery of performance shares for 14.3 million euros.

The reversals mainly represent the use of the provision for expenses related to the delivery of performance shares for -11.0 million euros and the reversal of the foreign exchange loss provision for -8.3 million euros.

12. Short-term financial investments

The item breaks down as follows:

(in millions of euros)	Gross value as of December 31, 2023	Gross value as of December 31, 2024
Company treasury shares	150.6	204.4
Other short-term financial investments	—	—
SHORT-TERM FINANCIAL INVESTMENTS	**150.6**	**204.4**

At the end of 2024, "Company treasury shares" consisted in 1,408,986 shares (1,100,477 shares in 2023) allocated to the objective of distribution of performance shares plans to employees.

During the year 2024, the Company bought 538,000 shares (for an amount of 93.9 million euros) allocated to the distribution of performance shares plans to employees and the Company distributed to employees 371,826 performance shares, allocated to this objective, for -40.1 million euros.

13. Shareholders' equity

As of December 31, 2024, the share capital is made of 578,259,263 shares with a par value of 5.50 euros.

The portion of share capital arising from the special revaluation reserve amounts to 71.4 million euros.

(in millions of euros)	As of December 31, 2023 (before appropriation of earnings)	Appropriation of 2023 net profit	Capital increases	Capital decrease	Other changes	As of December 31, 2024 (before appropriation of earnings)
Share capital [b]	2,884.8	—	299.0	(3.4)	—	3,180.4
Additional paid-in capital [b]	2,447.7	—	(268.8)	(114.8)	—	2,064.1
Revaluation reserve	23.9	—	—	—	—	23.9
Reserves:						
■ Legal reserve	287.8	0.6	—	—	—	288.4
■ Tax-driven reserves	307.8	—	—	—	—	307.8
■ Translation reserve	7.7	—	—	—	—	7.7
■ Other reserves	73.0	—	—	—	—	73.0
Retained earnings	3,671.8	(748.3)	—	—	4.8 [c]	2,928.3
Net profit for the year	977.2	(977.2)	—	—	1,988.4	1,988.4
Investment grants	0.2	—	—	—	0.2	0.4
Accelerated depreciation [d]	2.9	—	—	—	0.2	3.1
SHAREHOLDERS' EQUITY	**10,684.8**	**(1,724.9)** [a]	**30.2**	**(118.2)**	**1,993.6**	**10,865.5**

(a) Following the decision of the Combined Annual Shareholders' Meeting of April 30, 2024.
(b) The change in Share capital and Additional paid-in capital results from the following transactions:
- *capital decrease in the amount of -3.4 million euros by cancelling -627,000 treasury shares, as decided by the Board of Directors on April 30, 2024. The Additional paid-in capital was reduced by the amount of premiums related to these shares, i.e. -114.8 million euros;*
- *capital increase of 296.5 million euros ascertained by the Chief Executive Officer under powers granted by the Board of Director's on April 30, 2024, resulting in the attribution of one free share per 10 previously owned (creation of 52,419,120 new shares) and one share per 100 previously owned with regards to the bonus allocation of 10% (creation of 1,492,853 new shares) by reducing the additional paid-in capital for -296.5 million euros. The additional paid-in capital has been reduced by the costs related to share capital increase for -1.4 million euros;*
- *capital increases of 2.5 million euros resulting from the exercise of 457,512 subscription options. The Additional paid-in capital was increased by the premiums related to these share capital increases, i.e. 29.1 million euros.*

(c) The change in Retained earnings also includes the difference between the estimated loyalty dividend and the loyalty dividend actually paid and the cancellation of the dividend pertaining to treasury shares.
(d) The change in the Accelerated depreciation results from the change of accelerated depreciation in accordance with asset depreciation and amortization policies.

14. Debt maturity analysis

	December 31, 2024		
(in millions of euros)	Gross	<= 1 year	> 1 year
Long-term loans	630.2	0.6	629.6
Other long-term investments	1.1	—	1.1
Operating receivables	769.2	654.9	114.3
Current account loans with subsidiaries [a]	477.2	477.2	—
ASSETS	**1,877.7**	**1,132.7**	**745.0**

(a) Current account loans agreements with subsidiaries are concluded for an indefinite period.

	December 31, 2024			
(in millions of euros)	Gross	<= 1 year	> 1 to <= 5 years	> 5 years
Other bonds	—	—	—	—
Bank borrowings	5.8	5.8	—	—
Other borrowings	252.0	252.0	—	—
Operating payables	673.0	560.0	113.0	—
Current account borrowings with subsidiaries [a]	2,762.4	2,762.4	—	—
DEBTS	**3,693.2**	**3,580.2**	**113.0**	**—**

(a) Current account borrowings agreements with subsidiaries are concluded for an indefinite period.

15. Financial instruments

Unsettled derivatives as of December 31, 2024 break down as follows:

	December 31, 2024	
(in millions of euros)	Carrying value	Fair value
Currency forwards		
■ Buy	75.8	1.7
■ Sell	299.1	(6.0)
TOTAL		**(4.3)**

The fair value of derivative instruments is based on the value of the contract on the market at the closing date.

All of these instruments are allocated to hedged operations. There is therefore no isolated open position whose change in fair value would have a direct impact on the income statement.

16. Retirement and similar plans

A. Group retirement benefit guarantee agreement

In France, Air Liquide grants additional benefits to retirees (2,896 retirees as of December 31, 2024). These benefits provide a supplemental retirement income based on final pay, which is paid in addition to other normal retirement benefits. This plan is closed to employees under the age 45, or with less than 20 years of service as of January 1, 1996. These plans are unfunded. The annual amount paid with regards to additional benefits cannot exceed originally 12% of total payroll or, in some case, 12% of pre-tax profits of companies involved. This 12% threshold will be proportionately reduced by comparing the number of plan beneficiaries for the year to the number of plan beneficiaries for the previous year. The additional benefit granted by Air Liquide is indexed to the pension revaluation rates of normal and supplemental retirement benefits up to a certain annuity threshold without any indexation beyond. This additional benefit was funded subsequently to the article 50 of the law of January 20, 2014 securing the future and fairness of pensions plans.

The contributions amounted to 18.4 million euros after reinvoicing subsidiaries (18.9 million euros in 2023). Excluding the impact of timelines, and until the plan ends, the actuarial value of obligations vis-à-vis retirees and those eligible as of December 31, 2024 amounts to 352.0 million euros.

Based on the assumptions used for the valuation of the retirement obligations, an estimated 185.8 million euros will be recharged to the subsidiaries of L'Air Liquide S.A. as and when benefits are paid to the retirees.

B. Externally funded plan

L'Air Liquide S.A. grants to employees not covered by the preceding plan (1,015 employees as of December 31, 2024) and with at least six months of service, the benefit from an externally funded defined contribution plan. Contributions to this plan are jointly paid by the employer and employee. For 2024, employer contributions amounted to 6.1 million euros (7.2 million euros in 2023).

C. Retirement termination payments and jubilees

The corresponding obligations are provided for an amount of 50.4 million euros and 1.0 million euros, respectively.

D. Calculation of actuarial assumptions and methods

The calculations with respect to the Group's retirement benefit guarantee agreement, retirement termination payments and jubilees are performed by independent actuaries using the projected unit credit method.

Actuarial gains and losses exceeding the greater of 10% of the obligations related to retirement termination payments and unrecognized past service costs are amortized over the expected average working lives of the plan participants. As of December 31, 2024, the amounts stand at -5.7 million euros (-0.5 million euros in 2023).

The actuarial assumptions (turnover, mortality, retirement age, salary increase) vary according to demographic and economic conditions.

The discount rates used to determine the present value of obligations are based on Government bonds or High-quality Corporate bonds, with the same duration as the obligations at the valuation date (3.35% as of December 31, 2024).

E. Change in retirement obligations and similar benefits

Company obligations with respect to pension plans and similar benefits break down as follows:

(in millions of euros)	Defined benefit plan	Retirement indemnities	Jubilees	Total
OBLIGATIONS AS OF JANUARY 1, 2024	**390.9**	**48.1**	**1.0**	**440.0**
Service cost		2.5	—	2.5
Interest cost	11.9	1.5		13.4
Plan amendments				—
Benefit payments	(33.8)	(1.6)		(35.4)
Actuarial (gains) / losses	(17.0)	(4.9)		(21.9)
OBLIGATIONS AS OF DECEMBER 31, 2024	**352.0**	**45.6**	**1.0**	**398.6**

17. Accrued income and accrued expenses

(in millions of euros)	December 31, 2024
Accrued income	
Other long-term financial assets	0.5
Operating receivables	251.4
ACCRUED INCOME	**251.9**
Accrued expenses	
Other bonds	—
Other borrowings	1.9
Operating payables	375.7
ACCRUED EXPENSES	**377.6**

18. Deferred taxes

Deferred taxes arise from timing differences between the tax regime and the accounting treatment of income and expenses. Depending on the nature of the timing differences, these deferred taxes will increase or decrease the future tax expense and are not recorded as per the French Chart of Accounts.

Deferred taxes are estimated as follows:

(in millions of euros)	December 31, 2023	December 31, 2024
Deferred tax assets (decrease in future tax expense)	17.8	19.3
Deferred tax liabilities (increase in future tax expense)	—	—

The deferred taxes were calculated taking into account the 3.3% social security contribution on earnings i.e. a general income tax rate of 25.83%.

OTHER INFORMATIONS

19. Items concerning related companies

The Company conducted related party transactions with its wholly owned subsidiaries or subsidiaries that were directly or indirectly controlled.

	December 31, 2024	
(in millions of euros)	Gross	Including related undertakings
Balance sheet		
Long-term loans	630.2	625.5
Other long-term financial assets	1.1	—
Operating receivables	769.2	717.4
Current account loans with subsidiaries	477.2	477.2
Other borrowings	252.0	251.9
Operating payables	673.0	201.7
Current account borrowings with subsidiaries	2,762.4	2,762.4
Income statement		
Financial income from equity affiliates	1,783.9	1,783.9
Interests, similar income and expenses	(108.8)	(105.6)
Other financial income and expenses	3.2	—

20. Off-balance sheet commitments

Off-balance sheet commitments break down as follows:

(in millions of euros)	December 31, 2023	December 31, 2024
Commitments given		
Endorsements, securities and guarantees given [(a)]	1,455.8	1,612.3
To Air Liquide Finance and Air Liquide US LLC on transactions performed [(b)]	9,546.9	9,041.2
Firm purchase orders for fixed assets	27.1	6.9
COMMITMENTS GIVEN	**11,029.8**	**10,660.4**

(a) Endorsements, securities and guarantees given mainly include the joint and several liability guarantee granted for affiliates linked to the European program of non-recourse assignments of trade receivable in an amount of 477 million euros (517 million euros as of December 31, 2023) and the joint and several liability guarantee of the subsidiaries Société Européenne de Gestion de l'Énergie and Air Liquide France Industrie in connection with energy purchases.

(b) L'Air Liquide S.A. holds 100% of the French subsidiary Air Liquide Finance, which manages the Group's cash position and interest rate risk, as well as financing. In addition, Air Liquide Finance holds 100% of Air Liquide US LLC, which borrows on the US market.
The only activity of Air Liquide Finance and Air Liquide US LLC is to finance the Group. As a consequence, L'Air Liquide S.A. is required to guarantee any issuances performed by these companies.

21. Remuneration paid to members of Executive Management and the Board of Directors

The remuneration (short-term benefits: fixed and variable portions, benefits in kind, retirement termination payments, Directors' attendance fees) paid by the Company to members of Executive Management and the Board of Directors respectively, amounts to:

(in millions of euros)	2024
Remuneration of the Board of Directors	1.0
Remuneration of the Chairman of the Board	0.8
Remuneration of Executive Management	2.9
TOTAL	**4.7**

In 2024, the Company also paid contributions to external organizations for the benefit of Mr Benoît Potier for the year 2024 in respect of the collective death and disability plan (8,438 euros).

During the year 2024, the Company also paid contributions to external organizations for the benefit of Mr François Jackow for the year 2024 in respect of defined contribution pension plans (21,016 euros), the collective death and disability benefits plan (10,980 euros) and the collective healthcare plan (449 euros), i.e. a total of 32,445 euros.

In 2025, the Company will also pay contributions related to the year 2024, under the collective pension insurance contract, for an amount of 378,024 euros (split between a payment to the insurer and a payment to Mr François Jackow to cover social security contributions and taxes due on payments made to the insurer).

22. Average number of employees

The average number of employees is:

	2023	2024
Engineers and executives	929	893
Supervisory staff	177	165
Employees	37	34
Laborers	1	
TOTAL	**1,144**	**1,092**

23. Subsidiaries and affiliates information

(in thousands of euros)	Share capital as of December 31, 2024	Other equity as of December 31, 2024	% share holding	Carrying amount of shares held after the revaluations of 1976, 1978 and 1979			Loans and advances granted by the Company and not repaid	Guarantees and endorsements given by the Company	2023 net revenue [a]	Net profit (or loss) for 2023 [a]	Dividends collected by the Company during 2024
				Gross	Net	Including revaluation difference					
A. Detailed information on affiliates whose carrying amounts exceed 1% of the capital of the Company required to publish its financial statements											
a) Companies operating in France											
Air Liquide International [b] – 75, quai d'Orsay – 75007 Paris	3,151,080	5,460,794	100.00%	9,122,262	9,122,262	20,706	360,088		2,013	825,507	1,300,346
Air Liquide France Industrie – 6, rue Cognacq-Jay – 75007 Paris	72,453	679,576	100.00%	292,872	292,872		—	277,000	1,471,991	91,744	62,865
Air Liquide Finance – 6, rue Cognacq-Jay – 75007 Paris	359,722	460,002	100.00%	284,562	284,562	480	651,838	8,896,838	—	116,765	116,804
Air Liquide Santé (International) – 75, quai d'Orsay – 75007 Paris	38,477	338,434	100.00%	331,728	331,728	6,301	—		—	57,665	88,000
Air Liquide Investissements d'Avenir et de Démonstration – 6, rue Cognacq-Jay – 75007 Paris	85,050	3,249	100.00%	85,050	85,050		39		—	(2,576)	
Air Liquide Biogas International (ex Air Liquide International Participations) – 6, rue Cognacq-Jay – 75007 Paris	59,390	25,147	100.00%	116,011	116,011		7,214		24,194	(8,336)	
b) Companies operating outside of France											
Air Liquide Industriegase GmbH & Co. KG – Hans-Günther-Sohl-Strasse 5 – 40235 Düsseldorf – Allemagne	10	2,628,086	100.00%	2,106,474	2,106,474				91,135	158,829	100,000
B. General information on other subsidiaries and affiliates											
a) French companies (together)				75,949	75,949	16,068	24,841	—	—	—	105,475
b) Foreign companies (together)				3,192	3,192		—	—	—	—	10,373

(a) Most recent year-end accounts approved by the competent decision-making bodies.
(b) Holding company.

Statutory Auditors' report on the annual Financial Statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of L'Air Liquide for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Accounts Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de Commissaire aux comptes) for the period from January 1st, 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Equity investments measurement

Risk identified

As at December 31, 2024, the net book value of the equity investments amounts to 12 419 million euros and represents 84,8% of the total balance sheet. Equity investments are recognized at their initial consideration, excluding acquisition costs and after considering legal reevaluation if any (as provided by Law 76-1232 of December 29, 1976).

As disclosed in note "2.D. Accounting policies – Equity investments" to the statutory financial statements, when the carrying amount (determined applying the market multiples method based on the Group market capitalization or the estimated cash flows method or the method of net asset value re-measured at fair value) is lower than the net book value of the equity investment, an impairment loss is recognized for the difference.

The selection of the method used to determine the carrying amount requires significant judgement of the Company.

Due to the significant equity investments balance and the impact of the method retained to determine the carrying amount, we have considered that the measurement of the equity investments as a key audit matter.

Our response

Our procedures mainly consisted in considering, based on information provided by the Company, the valuation methods applied by the Company, and assessing:

- the assumptions used to determine the re-measured net asset;
- the methodology and the results of the tests performed based on the Group market capitalization;
- the appropriateness of information included in notes "2.D. Accounting policies – Equity investments", "10. Financial assets" and '11. Impairment, allowances and provisions" to the statutory financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the Management Report and in the other documents with respect to the financial position and the Financial Statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (Code de commerce).

Report on Corporate Governance

We attest that the Board of Directors' Report on Corporate Governance sets out the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (Code de commerce) relating to the remuneration and benefits received by the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (Code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of voting rights has been properly disclosed in the Management Report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of preparation of the financial statements included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the Chief Executive Officer's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the preparation of the financial statements included in the Annual Financial Report complies, in all material respects, with the European single electronic format.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of the Annual General Meeting held on May 12, 2016 for PricewaterhouseCoopers Audit and on May 4, 2022 for KPMG SA.

As at December 31, 2024, PricewaterhouseCoopers Audit was in its ninth year of uninterrupted engagement and KPMG SA in its third year.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Accounts Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Accounts Committee

We submit to the Audit and Accounts Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Accounts Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Accounts Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit and Accounts Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2025
The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		KPMG S.A	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

Five-year summary of Company results

(Articles R. 225-83 and R. 225-102 of the French Commercial Code)

	2020	2021	2022	2023	2024
I - Share capital at the end of the year					
a) Share capital *(in euros)* [(a) (b) (c)]	2,605,133,982	2,614,100,704	2,878,976,491	2,884,842,279	3,180,425,947
b) Number of outstanding ordinary shares	473,660,724	475,291,037	523,450,271	524,516,778	578,259,263
c) Number of shares with loyalty dividend entitlement [(d)]	131,753,261	134,993,503	149,161,232	145,320,778	163,473,123
d) Convertible bonds					
II - Operations and results of the year *(in millions of euros)*					
a) Revenue	86.8	96.7	97.5	105.4	100.6
b) Net profit before tax, employee profit-sharing, depreciation, amortization and provisions	1,378.9	1,072.1	998.9	1,100.2	2,071.5
c) Corporate income tax	8.8	16.0	29.9	19.9	27.3
d) Employee profit-sharing for the year	2.8	3.2	3.9	4.3	4.4
e) Net profit after tax, employee profit-sharing, depreciation, amortization and provisions	1,333.8	950.9	924.7	977.2	1,988.4
f) Distributed profit	1,338.1	1,417.5	1,587.4	1,725.0	1,962.2
III - Per share data *(in euros)*					
a) Net profit after tax, employee profit-sharing, but before depreciation, amortization and provisions					
■ over the number of ordinary shares outstanding	2.89	2.22	1.84	2.05	3.53
■ over the adjusted number of shares [(e)]	2.38	1.83	1.68	1.87	3.54
b) Net profit after tax, employee profit-sharing, depreciation, amortization and provisions					
■ over the number of ordinary shares outstanding	2.82	2.00	1.77	1.86	3.44
■ over the adjusted number of shares [(e)]	2.32	1.65	1.61	1.70	3.45
c) Dividend allocated to each share					
■ over the number of ordinary shares outstanding	2.75	2.90	2.95	3.20	3.30
■ over the adjusted number of shares [(f)]	2.27	2.39	2.76	2.99	3.39
d) Loyalty dividend					
■ over the number of ordinary shares outstanding	0.27	0.29	0.29	0.32	0.33
■ over the adjusted number of shares [(f)]	0.22	0.23	0.27	0.29	0.33
IV - Employees working in France					
a) Average number of employees during the year	1,066	1,121	1,134	1,144	1,092
b) Total payroll for the year *(in millions of euros)*	155.3	162.9	171.0	186.1	181.7
c) Amounts paid with respect to employee benefits during the year (social security, staff benefits, etc.) *(in millions of euros)*	80.1	83.4	76.9	78.5	80.8

(a) Using the authorization granted by the 14th resolution of the Combined Annual Shareholders' Meeting of May 4, 2021, the 18th resolution of the Combined Annual Shareholders' Meeting of May 4, 2022 and the 18th resolution of the Combined Annual Shareholders' Meeting of May 3, 2023, the Board of Directors made the following decisions:
- *in its meeting of July 28, 2021, capital decrease by cancellation of 165,000 treasury shares;*
- *in its meeting of July 27, 2022, capital decrease by cancellation of 1,098,900 treasury shares;*
- *in its meeting of September 28, 2023, capital decrease by cancellation of 120,000 treasury shares;*
- *in its meeting of April 30,2024, capital decrease by cancellation of 627,000 treasury shares.*

(b) Using the authorization granted by the 19th resolution of the Combined Annual Shareholders' Meeting of May 4, 2022, the Board of Directors decided in its meeting of May 4th, 2022, the granting of one free share for ten existing shares, and the granting of a 10% bonus for shares held in registered form from December 31, 2019 to June 7, 2022.
Using the authorization granted by the 18th resolution of the Combined Annual Shareholders' Meeting of April 30, 2024, the Board of Directors decided in its meeting of April 30, 2024, the granting of one free share for ten existing shares, and the granting of a 10% bonus for shares held in registered form from December 31, 2021 to June 11, 2024.

(c) Using the authorizations granted by the resolutions of Combined Annual Shareholders' Meetings of May 7, 2013 and May 12, 2016,
- *the Board of Directors noted in its meeting of April 30, 2024 the issuance of 301,422 shares arising from:*
  - *the exercise of 275,792 options subscribed at the price of 70.42 euros;*
  - *the exercise of 17,466 options subscribed at the price of 76.23 euros;*
  - *the exercise of 2,795 options subscribed at the price of 69.33 euros;*
  - *the exercise of 2,215 options subscribed at the price of 77.54 euros;*
  - *the exercise of 3,154 options subscribed at the price of 87.97 euros.*
- *the Board of Directors noted in its meeting of February 20, 2025 the issuance of 156,090 shares arising from:*
  - *the exercise of 104,240 options subscribed at the price of 63.85 euros;*
  - *the exercise of 43,129 options subscribed at the price of 69.12 euros;*
  - *the exercise of 2,666 options subscribed at the price of 62.86 euros;*
  - *the exercise of 2,721 options subscribed at the price of 70.30 euros;*
  - *the exercise of 3,334 options subscribed at the price of 79.76 euros.*

Using the authorization granted by the 17th resolution of the Combined Annual Shareholders' Meeting of May 4, 2021, the Chairman and Chief Executive Officer, pursuant to the delegation granted by the Board of Directors in its meeting of February 9, 2021 with the right to sub-delegate and confirmed on July 28, 2021, has delegated his authority during the Board of Directors meeting hold in July, 28 2021 to the Executive Vice President who noted on December 9, 2021 the employee-reserved issuance of 1,098,738 new shares:
- *984,988 new shares subscribed in cash at a price of 113.23 euros per share, of which 2,760 shares were subscribed as part of the contribution paid by the Company (1 bonus share for 4 shares subscribed with a maximum of 3 bonus shares per employee);*
- *113,750 new shares subscribed in cash at a price of 120.31 euros per share.*

Using the authorization granted by the 21st resolution of the Combined Annual Shareholders' Meeting of May 3, 2023, the Chief Executive Officer, pursuant to the delegation granted by the Board of Directors in its meeting of July 26th, 2023, noted on December 7, 2023 the employee-reserved issuance of 746,401 new shares:
- *675,617 new shares subscribed in cash at a price of 126.49 euros per share, of which 2,865 shares were subscribed as part of the contribution paid by the Company (1 bonus share for 1 shares subscribed, 2 bonus shares for 3 shares subscribed, 3 bonus shares for 6 or more shares subscribed per employee);*
- *70,784 new shares subscribed in cash at a price of 134.40 euros per share.*

(d) Beginning December 31, 1995, shareholders holding their shares in registered form for at least two years at the period-end, and who will retain these shares in this form until the dividend payment date, will receive a dividend with a 10% bonus compared to the dividend paid to other shares. The difference between the loyalty dividend calculated on the number of shares outstanding as of the period-end and the loyalty dividend actually paid shall be allocated to retaining earnings.

(e) Adjusted to take into account, in the weighted average, the capital increases performed via cash subscriptions and treasury shares.

(f) Adjusted to account for share capital movements.

5 Extra-financial performance

SUSTAINABILITY STATEMENT

1. General Disclosures

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1.1. BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENT

1.1.1. Scope of the Sustainability Statement

The Sustainability Statement has been prepared on a consolidated basis. The consolidation scope is the same as that used to prepare the Group's Consolidated Financial Statements (see the list of the main consolidated companies in Chapter 4 – page 252). The subsidiaries included in this consolidation scope have been exempted from the obligation to prepare Sustainability Statements at their level.

As indicated in paragraph 1.4.3 of this Sustainability Statement – page 285, it covers the upstream and downstream value chain where required.

The Group did not make use of the exemption from disclosure permitted in the event of impending developments or matters in the course of negotiation.

1.1.2. Methodological considerations on publications

The Sustainability Statement was established as part of the first application of the legal and regulatory requirements following the transposition of the European Corporate Sustainability Reporting Directive ("CSRD").

This first year of implementation of the CSRD is marked by numerous uncertainties. In addition to those inherent to the state of scientific or economic knowledge as well as the quality of the external data used, several interpretations of the texts remain, for which further clarifications from standard-setters or regulatory bodies are desirable.

In this context, the Group has endeavored to apply the regulatory requirements set by the ESRS, as applicable on the date the Sustainability Statement was drawn up, on the basis of the information available, within the timeframe for drawing up the Sustainability Statement.

The establishment of the Sustainability Statement was also made complex by the lack of reliable comparative data and benchmarks, particularly at the sector level, as well as by data collection difficulties, notably within the value chain.

In some cases, these difficulties in accessing reliable data forced the Group to use estimates which would be refined as the quality of the available data improves.

In particular, the main methodological uncertainties and limitations that the Group faced in establishing the information that it presented are as follows:

- with regard to the Group's transition plan for climate change mitigation, it aims to enable an understanding of the Group's past, current and future mitigation efforts in order to ensure that its strategy and business model are compatible with the transition to a sustainable economy. However it is understood that, to date, there is no consensus on greenhouse gas emissions reduction targets or trajectories at a company level that would guarantee the compatibility of a strategy with a scenario limiting global warming to 1.5 °C (please refer to paragraph 2.2 of this Sustainability Statement – page 300 for more details);
- the methodological limitations in the preparation of certain indicators or the limitations inherent in the Group's current internal reporting systems will lead Air Liquide to continue its work in the years to come to further improve them. For example, the Group is continuing its work on making Scope 3 emissions data more reliable (see paragraph 2.2.5 of this Sustainability Statement – page 313) and on expanding the reporting scope of data relating to the concept of adequate wage, currently limited to the European Economic Area (see paragraph 3.1.5 of this Sustainability Statement – page 340).

As regards the presentation of impacts, risks and opportunities (IRO) material for the Group, the choice was made to present each of them (highlighted in bold) in the sections dealing with the corresponding sustainability topics, in order to better link them with the corresponding policies and actions. Furthermore, they are aggregated by sustainability topic in the cross-cutting part of this Sustainability Statement. As the Group wishes to further analyze the time horizons associated with the impacts, risks and opportunities, this dimension is not systematically provided in their description.

According to the double materiality assessment performed by the Group (see paragraph 1.5 of this Sustainability Statement – page 287), the topics notably related to pollution (E2), biodiversity (E4) and circular economy (E5) were not considered material for the Group. However, as a responsible company, Air Liquide seeks to limit its impact in these areas; a set of action plans are given as examples in the report (see paragraphs 2.4 to 2.6 of this Sustainability Statement – pages 323 to 325).

With regard to forward-looking data, refer to the cautionary note regarding forward-looking statements in this Universal Registration Document – page 440.

Finally, to take into account best practices and recommendations in the industry as well as better understanding of these new regulations and standards, the Group may, if necessary, change certain reporting and communication practices, as part of a continuous improvement process.

Other methodological considerations

Air Liquide has not deviated from the medium- and long-term horizons defined by ESRS 1 section 6.4:

- the short-term time horizon corresponds to the Financial Statement annual reporting period;
- the medium-term time horizon corresponds to a horizon of five years, which is consistent with the duration of the Group's strategic plans, which are generally set for a period of five years;
- the long-term horizon corresponds to a horizon of more than five years, which is partially taken into account in Air Liquide's emerging risks assessment and the Group's study of long-term trends.

Estimates and uncertainties, where applicable, are disclosed at the level of the indicator to which they apply.

Unless otherwise stated, the indicators have not been validated by an external body other than the sustainability auditors.

1.1.3. Incorporations by reference and use of transitional arrangements

The information incorporated by reference is as follows:

ESRS Framework		Location of the information incorporated	Pages
ESRS 2 SBM-1 §40 (a) ESRS 2 SBM-1 §40 (d)	Description of main product/service groups and markets Activities related to fossil fuels, chemicals, controversial weapons and tobacco.	Ch.1: Section Business model, 3. Description of activities	24
ESRS 2 SBM-1 §42	Description of business model and value chain	Ch.1: Section Business model, 2. Description of the business model 3. Description of activities	 22 24
ESRS 2 SBM-1 §42 (a)	Business model – Securing inputs	Ch.2: Section Risk factors and management measures, 1.3. Energy sourcing-related risks 4.1.3. Water management risk	 74 82
ESRS 2 SBM-3 §48 (d)	Current financial impact of material risks and opportunities	Ch.4: Section Note 31 to the Consolidated Financial Statements – Climate risk consideration	248
ESRS 2 SBM-3 §48 (f)	Resilience of strategy and business model	Ch.1: Section Strategy and objectives, 2. Strategic plan and mid-term objectives, 2.2 Decarbonize the planet, inset Asset and climate risks	42
ESRS 2 GOV-1 §21 (a)	Board of Directors – Number of executive and non-executive members	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3. Composition of the Board of Directors	103
ESRS 2 GOV-1 §21 (b)	Board of Directors – Employee representation	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 7. Participation of employee representatives on the Board of Directors	113
ESRS 2 GOV-1 §21 (c)	Board of Directors – Experience of directors	Ch.3: Section Management and control, 1. Composition of the Board of Directors Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3. Composition of the Board of Directors	98 104
ESRS 2 GOV-1 §21 (d)	Board of Directors – Diversity of directors	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3. Composition of the Board of Directors	103
ESRS 2 GOV-1 §21 (e)	Board of Directors – Independent directors	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3.2. Independence of Board members	103
ESRS 2 GOV-1 §22	Board of Directors – Roles and responsibilities in overseeing impacts, risks and opportunities	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 5. Role and tasks of the Board of Directors 10.1. Activity, results and strategy 11.1 The Audit and Accounts Committee 11.4 The Environment and Society Committee	 111 115 117 124
ESRS 2 GOV-1 §23	Board of Directors – Description of skills and expertise to oversee sustainability issues	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3. Composition of the Board of Directors	104
ESRS 2 GOV-2- §26 (a) ESRS 2 GOV-2- §26 (b)	Board of Directors – Information and consideration of impacts, risks and opportunities	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 10.1. Activity, results and strategy 11.1 The Audit and Accounts Committee, part Joint session of the Audit and Accounts Committee/ Environment and Society Committee	 116 120
ESRS 2 GOV-2 §26 (c)	Board of Directors – Material impacts, risks and opportunities dealt with during the year	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 10. The Board of Directors' work in 2024 11.4 The Environment and Society Committee	 115 124
ESRS 2 GOV-3- §29 ESRS E1 related to ESRS 2 GOV-3	Board of Directors – Incentive schemes and compensation policies linked to sustainability issues, in particular climate issues	Ch.3: Section Remuneration of L'Air Liquide S.A. Corporate Officers	145
ESRS 2 GOV-4 §32	Due diligence process	Ch. 2: Section Vigilance plan, 2. Vigilance Plan cross-reference table	92

ESRS Framework		Location of the information incorporated	Pages
ESRS 2 GOV-5 §36 (e)	Board of Directors – Communication of risk analysis and internal control findings relating to the sustainability reporting process	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 11.1 The Audit and Accounts Committee	119
ESRS 2 SBM- 2 §45 (d)	Board of Directors – Information on the views and interests of affected stakeholders regarding sustainability-related impacts	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 10.3. Human Resources/Stakeholders 11.4 The Environment and Society Committee	 117 124
ESRS G1 GOV-1 §5 (a)	Board of Directors – Role in the conduct of business	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 5. Role and tasks of the Board of Directors 11.1 The Audit and Accounts Committee	 111 119
ESRS G1 GOV-1 §5 (b)	Board of Directors – Business expertise	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3. Composition of the Board of Directors 6. Functioning of the Board of Directors 10.1. Activity, results and strategy 11.2. The Appointments and Governance Committee	 104 112 115 122
ESRS G1-3 §18 (c)	Board of Directors – Where applicable, process for reporting incidents of corruption or bribery	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3. Composition of the Board of Directors 6. Functioning of the Board of Directors 10.1. Activity, results and strategy 11.2. The Appointments and Governance Committee	 103 112 115 120
ESRS G1-5 §30	Board of Directors – Appointment of directors who have held public office during the last two years (not applicable to Air Liquide)	Ch.3: Section Governance – Composition, functioning and work of the Board of Directors and Committees, 3. Composition of the Board of Directors	104

As the Air Liquide Group exceeded the threshold of 750 employees at the reporting date, the information requested by ESRS 2 §17 is not applicable.

1.2. GOVERNANCE

Within Air Liquide, the administrative, management and supervisory bodies in the meaning of the Regulations, hereinafter referred to as “management bodies”, include the Board of Directors and the Chief Executive Officer. It should be noted that, depending on the information required, only one or the other may be concerned (the information does not then apply to the other party).

1.2.1. Roles and responsibilities of management bodies

Elements relating to the supervisory role of the Group’s governance bodies are dealt with in Chapter 3 of this Universal Registration Document, particularly:

- section Management and Control, paragraph 1 Composition of the Board of Directors – page 98;
- section Governance – Composition, Functioning and Work of the Board of Directors and Committees, paragraph 3 Composition of the Board of Directors – page 103;
- section Governance – Composition, Functioning and Work of the Board of Directors and Committees, paragraph 7 Participation of employees representatives on the Board of Directors – page 113;
- section Governance – Composition, Functioning and Work of the Board of Directors and Committees, paragraph 11.4 The Environment and Society Committee – page 124.

The integration of environmental and societal issues is an integral part of the Group’s strategy, based on strong governance and processes.

The Sustainable Development department, which reports to a Director who is a member of the Executive Committee, contributes to the strategy and defines the specific measures to be integrated in the Company’s strategic plan.

The Sustainable Development department participates in the E-Enrisk Committee whose mission is to manage the Group’s energy and emissions risks, which brings together each month the member of the Executive Committee overseeing the global Large Industry business line and the Group Strategy function.

The Director in charge of Sustainable Development participates in meetings related to strategy and certain RIC (Resources & Investment Committee), with a particular focus on sustainable development issues.

Finally, the Group’s CO_2 trajectory has been filtered down into local decarbonization plans, developed in close collaboration with the Group’s global business units, while taking into account the specificities of its geographies and customers. A CO_2 budget per entity is defined, monitored on a quarterly basis and integrated into the investment decision-making processes to ensure that the Group remains on its trajectory.

1.2.2. Sustainability matters addressed by the Board of Directors

Elements relating to the supervisory role of the Group’s governance bodies are dealt with in Chapter 3 of this Universal Registration Document, section Governance – Composition, Functioning and Work of the Board of Directors and Committees, particularly:

- paragraph 10. The Board of Directors' work in 2024 – page 115;
- paragraph 10.1 Activity, results and strategy – page 115;
- paragraph 10.3 Human resources/stakeholders – page 117;
- part Joint session of the Audit and Accounts Committee/ Environment and Society Committee paragraph 11.1 The Committees of the Board of Directors – page 120.

1.2.3. Sustainability performance incentives

Elements relating to the incentive mechanisms applied to the Group’s governance bodies are dealt with in Chapter 3 of this Universal Registration Document – section Remuneration of L’Air Liquide S.A. Corporate Officers – page 145.

1.3. RISK MANAGEMENT AND INTERNAL CONTROL

1.3.1. Statement on due diligence

Under the responsibility of the Vice President, Duty of Vigilance and Societal Responsibility, Air Liquide implements a due diligence process covering human rights and fundamental freedoms, the health and safety of persons, and the environment, in accordance with the French law on the Duty of Vigilance. The Group establishes a Vigilance Plan based on the guidelines of international instruments such as the United Nations Guiding Principles on Business and Human Rights and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and its Due Diligence Guidance on Responsible Business Conduct.

Chapter 2, Vigilance Plan section, paragraph 2 Vigilance Plan cross-reference table of this Universal Registration Document – page 92, meets the disclosure requirements relating to its sustainability due diligence process through a cross-reference table referring to the Sustainability Statement.

1.3.2. Internal control of the sustainability reporting process

The Group’s risk management and internal control processes and systems for sustainability reporting cover thematic ESRS and disclosure requirements considered material, as per the double materiality assessment, for the Group. The objective of the internal control system is to provide reasonable coverage of risks relating to the completeness and integrity of the data, the suitability of the results of estimates, the availability of data and the timeframe for making the information available.

The main components of the internal control system are:

- the organization in place to ensure the production of the Sustainability Statement (including roles and responsibilities and functions in charge of validation steps);
- the policies and procedures implemented to ensure, in particular, the homogeneity of the definitions of vocabulary and calculation methods;
- the control activities for consistency checks, reconciliation, completeness and gap analysis;
- IT systems used for automation of controls and proper traceability of validation circuits.

In addition, to supplement these main elements of internal control, regular internal audit reviews are set up within the Group to ensure independent control.

The Group has carried out an assessment of the risks related to sustainability reporting. This assessment, carried out at the level of data points, aimed to assess the level of risk related to:

- inherent risks such as, without being limited to, the complexity of the calculation or processing, the manual processes, the estimated nature of the data or the dependence on third-party data; and
- other risks related to the use of data.

The aim of the risk assessment is to prioritize the internal control assessment guidelines and the associated action plans to be implemented.

Several actions were undertaken in 2024 to strengthen the general internal control environment of the sustainability reporting process:

- training on the internal control process for employees contributing to the processing and consolidation of data was continued;
- the use of information systems, including automated controls, for data collection and consolidation, was strengthened;
- the global writing of the Sustainability Statement was carried out using a single integrated tool, allowing access rights and validation flows to be managed.

To complete this general internal control environment, particular attention was paid to the main potential specific risks, including:

- the heterogeneity of the data in the event of incomplete vocabulary definitions, as 2024 is the first reporting year under the new regulation;
- the integrity of the data in the event of manual collection or consolidation processes or manual interfaces between the various IT systems.

The approach implemented consists of a review of the existing internal control processes and systems that mitigate these potential risks, according to the four main components of internal control mentioned above. This review leads to the definition of internal control action plans when necessary (for example establishing a common definition of a vocabulary term or calculation methodology within the Group, or providing for the automation of controls or interfaces between the various IT systems).

This approach was applied in 2024, with a particular focus on E1 (Climate change), S1 (Own workforce) and E3 (Water and marine resources), and is expected to continue in future years. When deemed necessary, the controls identified are incorporated into the Group's internal policies and procedures.

The risk assessment and internal control reinforcement relating to sustainability reporting were presented to the Audit Committee (see details in paragraph 11.1 The Audit and Accounts Committee of the section Governance – Composition, functioning and work of the Board of Directors and Committees of Chapter 3 of this Universal Registration Document – page 119).

1.4. STRATEGY AND BUSINESS MODEL

1.4.1. Air Liquide's business model

The Group's business model is addressed in Chapter 1 of this Universal Registration Document, section Business model, paragraph 2 Description of the business model – page 22.

Air Liquide's ADVANCE strategic plan places sustainable development at the heart of the Group's strategy combining financial and extra-financial performance.

The plan has four pillars: delivering strong financial performance which prepares for the future, acting as a leader in industry decarbonization, promoting progress through technological innovation, and acting for all.

Air Liquide confirms its leadership role in the decarbonization of industry and in the emergence of a low-carbon society. The Group is committed to achieving carbon neutrality by 2050, with two major intermediate steps in 2025 and 2035. In addition, Air Liquide offers solutions to help its customers to reduce their own emissions, such as the supply of low-carbon industrial gases, the transformation of industrial processes and solutions for CO_2 capture and usage.

Achieving decarbonization objectives involves aligning investment plans with the decarbonization trajectory. For each project, investment decisions are notably based on a review of the following criteria:

- environmental footprint of the customer's site and cost of raw materials;
- greenhouse gas emissions, as well as their economic impact and solutions for reducing emissions;
- adequacy of the project with the Group's environmental objectives;
- other sustainable development criteria, such as water consumption;
- physical risks related to climate change;
- exposure to the risk of corruption.

Further details are provided in this Sustainability Statement, in particular in the transition plan in paragraph 2.2 – page 300.

The innovation capacity and technological know-how of Air Liquide's teams enable the Group to contribute to the development of key sectors of the future, in which it intends to strengthen its positions:

- Healthcare, in which the value-based approach, combining quality of life for the patient with the best cost for the healthcare system, responds to major societal challenges;
- Electronics, where in a context of strong growth in demand, Air Liquide intends to strengthen its positions through new industrial capacities, technological innovation and the development of sustainable offers;
- Industrial Merchant, where growth is notably driven by environmental challenges;
- Hydrogen mobility, especially heavy-duty mobility, in which low-carbon hydrogen will play a key role;
- High-techs.

Safety, ethics and human rights are prerequisites for any action. Besides, the Group takes into account the perspective of its direct Stakeholders, as well as those of Society at large, notably by:

- fostering employee commitment and the development of their skills;
- reinforcing its customer-centric culture;
- maintaining close contact and quality dialogue with shareholders;
- acting as a committed corporate citizen concerned with the general interest.

The current financial effects associated with the material risks and opportunities are addressed in Chapter 4 of this Universal Registration Document – note 31 to the Consolidated Financial Statements on the climate risks consideration – page 248.

The resilience of Air Liquide's strategy and business model is addressed in Chapter 1 of this Universal Registration Document, section Strategy and objectives, paragraph 2 Company program and mid-term objectives, paragraph 2.2 Decarbonize the planet – focus Assets and climate risks – page 42.

Finally, the breakdown of employees by geographical area is presented in paragraph 3.1.1 Introduction of this Sustainability Statement – page 328.

1.4.2. Business sectors

The Group's business sectors are described in Chapter 1 of this Universal Registration Document, section Business model, paragraph 3 Description of activities – page 24.

1.4.3. Value chain

The Group's business model, including elements of its value chain, is presented in Chapter 1 of this Universal Registration Document, section Business model, paragraph 2 Description of the business model – page 22 and paragraph 3 Description of activities – page 24.

As part of the double materiality assessment, Air Liquide defined the scope of its value chain as follows:

- upstream of its operations: up to tier-one suppliers and subcontractors (direct suppliers), unless an impact, risk or opportunity requiring going beyond tier one has been identified. This definition is consistent with the Group's Sustainable Procurement procedure and its duty of vigilance approach;
- downstream of its operations: up to the delivery of products and services to customers and patients.

In line with these principles and in light of the Group's activities, Air Liquide's value chain includes in particular the following elements:

- upstream of its operations: its direct suppliers such as energy or equipment suppliers, or service providers;
- in its own operations: its Gas & Services, Engineering & Construction, Global Markets & Technologies businesses, supported by the Functions, and the distribution channels to serve customers and patients;
- downstream of its operations: its customers and patients, as well as third parties involved in the logistics, distribution and delivery of the Group's products.

The main distribution channels for Air Liquide's products are pipelines and road transport. As mentioned above, they are operated either directly by Air Liquide or by third parties downstream of its operations. Further details are provided in Chapter 1 of this Universal Registration Document, section Business model, paragraph 3 Description of activities – page 24.

Electricity, natural gas and air are the main inputs used by production units. Their availability is thus essential to the Group. More specifically, almost 85% of Air Liquide's large production units are Air Separation Units, which do not use any combustion processes. These units use air as their only raw material, while the energy required to separate air is consumed almost exclusively in the form of electricity. Furthermore, the Group depends on water for its activities. Its water consumption is related to the loss of water by evaporation in the process of cooling rotating machines, particularly for the production of air gases, or its use as a raw material. It should be noted that given the Group's activities and their local presence near its customers, the latter may also supply Air Liquide with water and energy.

The issues related to securing electricity and natural gas are described in Chapter 2 of this Universal Registration Document, section Risk factors and management measures, paragraph 1.3 Energy sourcing-related risks – page 74. The issues related to securing water are described in paragraph 4.1.3 Water management risk, in the same chapter and section – page 82.

1.4.4. Stakeholders engagement

Air Liquide's main stakeholders can be summarized as follows:

Within Air Liquide, stakeholder engagement does not take place via a single channel, but is integrated into many of its operational processes:

	Business relationship	Affected stakeholder	User of the Sustainability Statement	Communication channels	Frequency of communication/ interactions
Employees and their representatives		× ✓	✓	Social dialogue mechanisms (information-consultation, collective bargaining), My Voice internal survey, training, performance reviews.	Continuously
Customers and patients	✓	✓	✓	Satisfaction surveys including "Voice of Customer" surveys, procedures in patients' homes, pharmacovigilance and medical device vigilance, customer relationship managers.	Continuously
Shareholders, investors and financial partners		✓	✓	Dedicated departments (Shareholder Services, Investor Relations team and the Sustainable Development Department's Reporting and Extra-Financial Performance team), Shareholders' Communication Committee, conferences, one-to-one meetings, digital communication materials, newsletters, website.	Continuously
Suppliers and their employees	✓	✓		Supplier's Code of Conduct. The Procurement Department's Sustainable Procurement function conducting the annual assessment of Sustainability-Critical Suppliers. For energy suppliers, departments with expertise in energy management.	Continuously
Local communities and civil society		× ✓	✓	European & International Affairs Department coordinating responses to requests from civil society organizations. Regular monitoring of topics of interest to civil society.	Continuously
Public sphere	✓		✓	European & International Affairs Department, whose mission is to organize interaction with local and/or regional public authorities, either directly or through professional organizations; participation in public works or events.	Continuously

×: Legitimate representative of an affected stakeholder.

Employees and their representatives

Air Liquide strives to create an engaging employee experience based in particular on open, continuous and constructive social dialogue between employees, social partners and Management. Air Liquide's dialogue with its employees and their representatives is detailed in paragraph 3.1.2 of this Sustainability Statement – page 329.

Customers and patients

In line with its Principles of Action, Air Liquide continuously listens to its customers, the patients it serves and the healthcare professionals who look after them. The processes for consulting Air Liquide's customers and patients are detailed in paragraph 3.3.1 of this Sustainability Statement – page 349.

Shareholders, investors and financial partners

Air Liquide maintains close relations with its investors and shareholders and interacts with them in many ways, by providing them with regular monitoring of its performance and progress in terms of sustainability and asking what they expect in terms of publications and development of the sustainable development strategy.

Suppliers

The Group is committed to integrating sustainable development practices into its procurement processes. Air Liquide has around 80,000 tier-one suppliers and subcontractors. The Group Procurement Department is responsible for managing relationships with suppliers, based on two procedures that include sustainability issues. These procedures, as well as the management of supplier relations, are described in paragraph 4.4.1 of this Sustainability Statement – page 355. Processes relating to the consideration of supplier employees' interests and views can be found in paragraph 3.2.1 of this Sustainability Statement – page 344.

Local communities and civil society

Air Liquide has established a process to handle inquiries from civil society organizations. When relevant and necessary, the Group engages in structured dialogue and possibly partnerships with some of these organizations, on climate or human rights matters for instance.

Engagement with non-governmental organizations is coordinated by the European & International Affairs Department with the support of other Functions, where necessary, such as the Sustainable Development Department, the Human Resources Department or the Duty of Vigilance and Societal Responsibility Department.

In line with its Principles of Action, Air Liquide takes part in the economic and social development of the regions where it operates. The Group respects the rights, cultures, customs and values of local communities. Dialogue with communities is engaged locally by the subsidiaries, in accordance with these principles and the regulations in force.

Public sphere

Engaging with public authorities and policymakers plays a part in achieving sustainability objectives. The Group considers that it is important for private actors to contribute to public debate and initiatives by sharing their expertise and analysis on their areas of expertise with public decision-makers. These contributions enrich the understanding of the specific characteristics of an ecosystem and ensure that the decisions taken contribute to the fulfillment of sustainability commitments.

Air Liquide is committed to being transparent in all its interactions with public representatives. The Group thus participates in working groups set up by public authorities or in discussions led by professional associations representing a given sector. Particular attention is paid to ensuring that the stands of the associations, which Air Liquide is a member of, are aligned with those of the Group. On sustainable development, it is essential that each association respects the Paris Agreement. More detailed information on relations with the public sphere can be found in paragraph 4.5 of this Sustainability Statement – page 356.

Assessment of the maturity of stakeholder engagement

Prior to the double materiality assessment, an external consultant conducted interviews with Air Liquide's departments interacting with the key stakeholders listed above. The purpose of these interviews was to assess the maturity of the dialogue on the basis of four criteria: its frequency, dialogue mechanisms, analysis of the information collected, and its sharing with the relevant governance bodies. Stakeholder engagement was deemed sufficiently mature. The expertise of the departments was also deemed sufficient for them to be able to gather and represent the stakeholders' interests and views and thus take them into account in the Group's double materiality assessment. In addition, the Sustainable Development Department and the Duty of Vigilance and Societal Responsibility Department continuously monitor subjects of interest to the Group's stakeholders.

The external consultant also conducted an analysis of the sustainability issues considered important in the Group's value chain, based on a panel of customers, suppliers, partners and competitors. The purpose of this analysis was to inform discussions on the sustainability topics considered material for Air Liquide, by identifying the sustainability issues identified by this panel.

The information collected through the communication channels listed above, as well as the analysis of sustainability issues considered important in the Group's value chain, were taken into account during the double materiality assessment.

Moreover, as shown in the previous summary table, discussions with stakeholders are held continuously and the expectations of stakeholders are taken into account in the definition of Air Liquide's strategy. In 2024, the Group did not identify the need for any major adjustments to the strategy or business model to meet these expectations.

The processes for informing the Board of Directors are covered in Chapter 3 of this Universal Registration Document, in the section Governance – Composition, Functioning and Work of the Board of Directors and Committees, paragraph 10.3 Human Resources/ Stakeholders – page 117.

The processes for informing the Environment and Society Committee are covered in Chapter 3 of this Universal Registration Document, in section Governance – Composition, Functioning and Work of the Board of Directors and Committees, paragraph 11.4 The Environment and Society Committee, part The Environment and Society Committee's work in 2024 – page 124.

1.5. IMPACTS, RISKS AND OPPORTUNITIES

1.5.1. Preliminary work to the double materiality assessment

Air Liquide conducted a double materiality assessment to identify and assess the materiality of its impacts, risks and opportunities (IRO). To do this, the Group relied on its pre-existing internal processes, in particular the duty of vigilance risk mapping process for the materiality of the impact, as well as the Enterprise Risk Management system for financial materiality. Prior to this, the Group conducted a gap analysis between its internal processes and regulatory requirements, with assistance from an external consultant.

The risk mapping methodology for the duty of vigilance is based on that advocated by international standards: the United Nations Guiding Principles on Business and Human Rights (UNGP) and the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance on Responsible Business Conduct.

Air Liquide's risk management system is defined according to the reference framework of the French financial market authority (*Autorité des marchés financiers*) and established by integrating the contributions of several departments (in particular Finance, Sustainable Development, Group Control and Compliance, Legal and Safety and Industrial System). The risk management system, in place since 2010, is described in more detail in Chapter 2, section Risk factors and management measures, of this Universal Registration Document – page 72. This system integrates the Environment and Society risks on the same level as the other risks.

The processes presented above were supplemented to meet the expectations of the CSRD:

- the duty of vigilance risk mapping and the risk management system only concern negative impacts, on the one hand, and risks, on the other. The criteria used for the duty of vigilance risk mapping were therefore adapted to identify and assess positive impacts. Opportunities were identified and analyzed on a case-by-case basis as described in paragraphs 1.5.2 – page 288, and 1.5.3 – page 288, of this Sustainability Statement;
- the scope of these internal procedures covers the Group's activities and the upstream value chain as defined in paragraph 1.4.3 of this Sustainability Statement – page 285. The exercise thus extended this scope to cover the downstream value chain as defined in the same paragraph. The occurrence of each IRO was positioned in the Group's value chain;
- the assessment methodologies for the duty of vigilance risk mapping and the risk management system were refined in order to obtain a higher level of granularity in the double materiality assessment. More details are provided in paragraph 1.5.3 of this Sustainability Statement – page 288.

The double materiality assessment was carried out in two steps:

1. identification of IROs, described in paragraph 1.5.2 of this Sustainability Statement – page 288;
2. assessment of the materiality of the IROs identified, described in paragraph 1.5.3 of this Sustainability Statement – page 288.

The identification and assessment of impacts, risks and opportunities was centralized at Group level by a dedicated working group coordinated by the Group Risk Management Department with support from the Duty of Vigilance and Societal Responsibility Department. This working group conducted the assessment with the support of the functions and businesses experts in the various sustainability matters. The departments that contributed to the double materiality assessment are: Risk Management, Duty of Vigilance and Societal Responsibility, Sustainable Development, Human Resources, Sustainable Procurement, Safety and Industrial System, Ethics, Digital Security, Public Affairs, Finance and Home Healthcare.

The Group plans to carry out a consistency review each year to ensure the absence of any triggering event requiring an update of the double materiality assessment, and a more in-depth review at a frequency that is yet to be defined.

1.5.2. Identification of impacts, risks and opportunities

The identification of IROs is structured around the detailed list of sustainability matters proposed by ESRS 1 AR 16, which is aligned with the universe of sustainability issues existing in Air Liquide's processes. The IROs that apply to Air Liquide and its value chain have been listed under each topic, sub-topic and sub-sub-topic (hereinafter, the "topics"). In addition, topics relating to workers in the value chain, proposed in ESRS 1 AR 16, have been grouped and/or broken down to correspond to the themes used in the Sustainable Procurement operational process. In identifying IROs, the Group has taken into account, where applicable, the specificities of its activities and the regions where it operates. The process of identifying IROs is iterative by nature, requiring intermediate reviews between the team dedicated to double materiality and the internal experts involved, until the final results are obtained.

Identification of negative impacts

The identification of actual and potential negative impacts on people and the environment is based on the duty of vigilance risk universe. The latter is built taking into account the internationally recognized human rights in the International Bill of Human Rights, the fundamental conventions of the International Labour Organization (ILO) and environmental resources. To identify environmental impacts, Air Liquide takes into account the environmental data published by stakeholders legitimately representing the interests of Nature, such as the reports of the Intergovernmental Panel on Climate Change (IPCC).

For each impact, different dimensions are characterized:

- affected stakeholders, as presented in paragraph 1.4.4 of this Sustainability Statement – page 285, including vulnerable groups as advised by the UNGP and the OECD Due Diligence Guidance on Responsible Business Conduct. Vulnerable groups include women, children and young people, indigenous peoples, migrant workers, people with disabilities, LGBTQ+ people, and ethnic, religious or cultural minorities;
- their position in the Group's value chain, as defined in paragraph 1.4.3 of this Sustainability Statement – page 285;
- the time horizons of the occurrence of impacts, as described in paragraph 1.1.2 of this Sustainability Statement – page 280.

Identification of risks

Risks are identified based on the Group's risk repository. This repository is reviewed every year, in particular in light of the identification and hypothetical positioning of emerging risks. It includes an assessment of the timeframe on which these risks could materialize and suggests the necessary anticipatory actions. Consequently, the Group's risk repository lists the risks in the context of the financial materiality described by the CSRD.

For each risk, different dimensions are characterized:

- their position in the Group's value chain, as defined in paragraph 1.4.3 of this Sustainability Statement – page 285;
- the time horizons of the occurrence of risks, as described in paragraph 1.1.2 of this Sustainability Statement – page 280.

Air Liquide has specified in the description of the risks, where relevant, whether they result from previously identified impacts or whether they exist due to its dependencies.

Identification of opportunities and positive impacts

As the positive impacts and opportunities are not covered by Air Liquide's pre-existing processes, the working group identifies them on the basis of a review of the Group's strategy and business model. In addition, consultations with the expert functions and businesses for each topic enriched and refined the identification.

As for negative impacts or risks, various dimensions were characterized:

- their position in the Group's value chain, as defined in paragraph 1.4.3 of this Sustainability Statement – page 285;
- the time horizons of the occurrence of positive impacts and opportunities, as described in paragraph 1.1.2 of this Sustainability Statement – page 280;
- in the case of positive impacts, the affected stakeholders, as presented in paragraph 1.4.4 of this Sustainability Statement – page 285.

1.5.3. Assessment of the materiality of the impacts, risks and opportunities identified

Principles of Action

Some of the topics included in ESRS G1 "Business Conduct" correspond to Air Liquide's Principles of Action (available on the Group's website: https://www.airliquide.com/sustainable-development/ethics/groups-principles-action): corporate culture, prevention of corruption and bribery, protection of whistleblowers and management of relationships with suppliers. They are therefore, by nature, material.

Negative impacts

The assessment of the materiality of the negative impacts is based on the process established by Air Liquide for the duty of vigilance and distinguishes between actual and potential negative impacts. The former covers impacts that are currently occurring or that occur continuously. Consequently, their materiality depends on the severity of the impact. Potential negative impacts, on the other hand, relate to impacts that may occur but have not yet done so, particularly those of an incidental or occasional nature. In this case, both the severity and the probability of occurrence are taken into account.

Severity is defined by three criteria:

- the scale;
- the scope;
- the irremediable character of the impact.

In 2024, the risk mapping methodology for the duty of vigilance was updated to bring greater precision to the assessment. Thus, the severity rating scales were changed from two to four levels in order to increase the accuracy of the analysis. Furthermore, qualitative scales for the three severity criteria were defined for each issue defined by French law: human rights, environment, health and safety.

The determination of probability follows a similar approach to severity with a four-point scale. The potential negative impacts are assessed using the impact matrix presented below. This matrix combines the levels of severity and probability with the former taking precedence over the latter.

		Probability			
		1	2	3	4
Severity	4	3	4	4	4
	3	3	3	4	4
	2	2	2	2	3
	1	1	1	2	2

Air Liquide determined the following materiality thresholds:

- an actual negative impact is material when the severity is equal to or greater than 3, the probability of occurrence does not apply;
- a potential negative impact is material when the combination of severity and probability is equal to or greater than 3 in the above matrix.

Positive impacts

The assessment of actual and potential positive impacts is similar to that developed for negative impacts.

The materiality of actual positive impacts depends on the scale and scope, supplemented by the probability in the case of potential impacts. In the same way as for negative impacts, four-point scales were constructed for these three criteria. The scores were then combined using a positive impact matrix:

		Probability			
		1	2	3	4
Scale and scope	4	3	4	4	4
	3	3	3	4	4
	2	2	2	2	3
	1	1	1	2	2

For consistency with the assessment of negative impacts, Air Liquide has determined that the materiality threshold of a positive impact is equal to or greater than 3.

Risks

The materiality of the risks is assessed by considering the magnitude of the financial effects as well as the probability of occurrence. To meet these requirements while relying on its existing operational processes, the assessment conducted by Air Liquide of the materiality of its risks follows three steps:

- each risk identified in the context of double materiality is associated with a family of risks existing in the Group's risk repository;
- the 2024 risk mapping, which is based on a positioning according to the impact (within the meaning of the Group's risk management system) and the probability, is graduated for the purposes of the double materiality assessment according to four levels for each of the two axes, in order to precisely reflect their positioning:
  - the level of impact (within the meaning of the Group's risk management system) is weighted by the level of maturity identified for the said risk in the Group's risk management system according to a coefficient that can range from 0.75 to 1.5 (0.75 - Excellence, 1 - Maturity, 1.25 - Development, 1.5 - Initial), in order to obtain the magnitude of the risk (which can range between 0.75 and 6),
  - the magnitude level is multiplied by the probability level.

  Any risk with a rating equal to or higher than 12 (out of a maximum of 24) is presumed to be material;
- this initial result was reviewed with internal experts who, on the basis of their more detailed knowledge of the topics and their associated risks, confirmed or invalidated the presumption of materiality. This led to certain presumed non-material matters being deemed material during the assessment.

Opportunities

As with risks, the materiality of opportunities is assessed by considering the magnitude of their financial effects and the probability. As the number of opportunities identified is limited, the assessment of their materiality is made on a case-by-case analysis, based on the knowledge of the experts of the topics concerned.

1.5.4. Integration of double materiality in internal control and risk and impact management systems

The identification and assessment of impacts, risks and opportunities were carried out by a dedicated working group, coordinated by the Group Risk Management Department with support from the Duty of Vigilance and Societal Responsibility Department, and including expertise in the various topics. As indicated in paragraph 1.5.1 of this Sustainability Statement – page 287, this assessment capitalized on pre-existing internal processes including the Company's duty of vigilance risk mapping process and risk management system. The results were presented to Executive Management as well as the Board of Directors' specialized committees, which monitor, on the one hand, the process of preparing sustainability information including the double materiality assessment process (Audit and Accounts Committee) and, on the other hand, material sustainability topics and impacts, risks and opportunities (Environment and Society Committee).

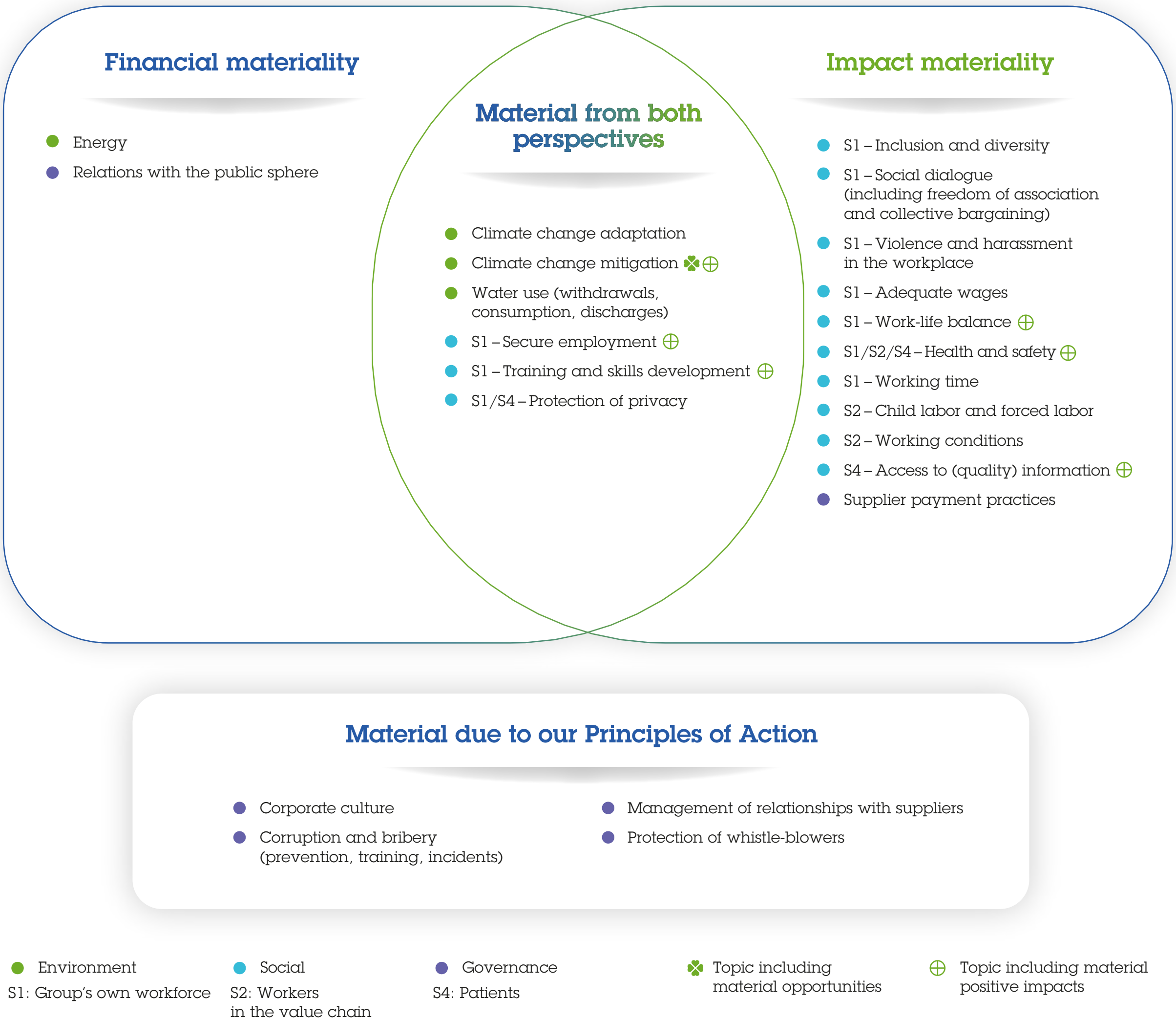
In order to conduct an unbiased assessment, the task was broken down into an identification step followed by an assessment step, so as to ensure the exhaustiveness of the impacts, risks and opportunities without initially taking into account whether or not they are material. In this context, the working group established the following guidelines:

- an IRO should correspond either to an impact (positive or negative), or to a financial effect (risk or opportunity). If an element falls under both aspects, the IRO is then detailed at a finer level to be linked to an impact, a risk or an opportunity;
- a positive impact does not correspond to the compensation or prevention of a negative impact but should provide additional value to affected stakeholders;

- if no IRO can be identified for a topic, then the topic is declared irrelevant;
- the assessment of impacts, risks and opportunities should be based on existing processes as far as possible (mainly the duty of vigilance and the risk management system) in order to ensure the consistency of the double materiality with the Group's operational processes; and
- as soon as an IRO is assessed as material, the sustainability topic to which it relates is considered material.

1.5.5. Results of the double materiality assessment

The double materiality assessment led to the identification of 62 material impacts, risks or opportunities out of a total of 122 impacts, risks or opportunities identified. For the sake of intelligibility, Air Liquide chose to aggregate them by sustainability topic in order to present the results of the double materiality assessment in the infographic below. Besides, the 62 material impacts, risks or opportunities are described (highlighted in bold) in the topical paragraph they relate to.



On the basis of the sustainability topics identified as material, the Group identified the information required by the CSRD. The materiality of the information was assessed at the level of each topic, by the internal expert in charge, taking into account the relevance of this information with regard to the topic to which it is related, as well as the usefulness of this information in the decision-making of a user of the Sustainability Statement.

A small amount of information related to material topics was deemed non-material from an information point of view. Such information relates to the following subjects:

- renewable electricity production;
- carbon credits and carbon elimination;
- the percentage of GHG emissions covered by the internal carbon pricing mechanism;
- stored water;
- non-guaranteed hours employees;
- the annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees [1];
- the amount of fines and penalties resulting from work-related incidents.

(1) *Information relating to the Group's total annual remuneration ratio is considered non-material within the meaning of the CSRD. Independently from this subject, the Company is obliged to disclose remuneration ratios between the level of remuneration of its employees and the one of its executive corporate officers, pursuant to Article L.22-10-9 of the French Commercial Code; these are given in Chapter 3, section Remuneration of L'Air Liquide S.A. Corporate Officers.*

1.6. LIST OF DATA DERIVING FROM OTHER EU LEGISLATION

The table below is aimed to meet the regulatory obligation of the European Union CSRD, ESRS 2, Appendix B, which contains a list of sustainability-related data points from other European Union legislation (SFDR, Pillar 3, Benchmark Regulation, EU Climate Reference), as well as a concordance table between these data points and their equivalent in the CSRD. This obligation requires issuers to identify, within their Sustainability Statement, the paragraphs where the data points listed in Appendix B are located or, where applicable, the indication that these data points are not material.

Disclosure requirement and relative data point	Reference of the corresponding DP
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Chapter 3, section Governance – Composition, functioning and work of the Board of Directors and Committees, paragraph 3 Composition of the Board of Directors – p. 103
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)	Chapter 3, section Governance – Composition, functioning and work of the Board of Directors and Committees, paragraph 3 Composition of the Board of Directors – p. 103
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Chapter 5, paragraph 1.3.1 – p. 283
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Chapter 1, section Business model, paragraph 3 Description of activities – p. 24
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Chapter 1, section Business model, paragraph 3 Description of activities – p. 24
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Chapter 1, section Business model, paragraph 3 Description of activities – p. 24
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv	Chapter 1, section Business model, paragraph 3 Description of activities – p. 24
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	Chapter 5, paragraph 2.2.1 – p. 300
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)	Chapter 5, paragraph 2.2.1 – p. 300
ESRS E1-4 GHG emission reduction targets, paragraph 34	Chapter 5, paragraph 2.2.4 – p. 312
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Chapter 5, paragraph 2.2.5 – p. 313
ESRS E1-5 Energy consumption and mix, paragraph 37	Chapter 5, paragraph 2.2.5 – p. 313
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Chapter 5, paragraph 2.2.5 – p. 313
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions, paragraph 44	Chapter 5, paragraph 2.2.5 – p. 313
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Chapter 5, paragraph 2.2.5 – p. 313
ESRS E1-7 GHG removals and carbon credits, paragraph 56	Chapter 5, paragraph 2.2.2 – p. 310
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	Phased-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)	Phased-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)	Phased-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	Phased-in

Disclosure requirement and relative data point	Reference of the corresponding DP
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Non-material
ESRS E3-1 Water and marine resources, paragraph 9	Chapter 5, paragraph 2.3.2 – p. 320
ESRS E3-1 Water and marine resources policy, paragraph 13	Chapter 5, paragraph 2.3.2 – p. 320
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Non-material
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Chapter 5, paragraph 2.3.5 – p. 323
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations, paragraph 29	Chapter 5, paragraph 2.3.5 – p. 323
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Non-material
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Non-material
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Non-material
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Non-material
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Non-material
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Non-material
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Non-material
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Non-material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour, paragraph 14 (f)	Chapter 5, paragraph 3.1.2 – p. 329 Chapter 5, paragraph 3.2.1 – p. 344
ESRS 2- SBM3 - S1 Risk of incidents of child labour, paragraph 14 (g)	Chapter 5, paragraph 3.1.2 – p. 329 Chapter 5, paragraph 3.2.1 – p. 344
ESRS S1-1 Human rights policy commitments, paragraph 20	Chapter 5, paragraph 3.1.2 – p. 329
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21	Chapter 5, paragraph 3.1.2 – p. 329
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Chapter 5, paragraph 3.1.2 – p. 329
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Chapter 5, paragraph 3.1.3 – p. 331
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Chapter 5, paragraph 3.1.2 – p. 329
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) (c)	Chapter 5, paragraph 3.1.3 – p. 331
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Chapter 5, paragraph 3.1.2 – p. 329
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Chapter 5, paragraph 3.1.4 – p. 336
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Chapter 5, paragraph 3.1.2 – p. 329

Disclosure requirement and relative data point	Reference of the corresponding DP
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 104 (a)	Chapter 5, paragraph 3.1.2 – p. 329
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Chapter 5, paragraph 3.2.1 – p. 344
ESRS S2-1 Human rights policy commitments, paragraph 17	Chapter 5, paragraph 3.2.2 – p. 346 Chapter 5, paragraph 3.2.3 – p. 347
ESRS S2-1 Policies related to value chain workers, paragraph 18	Chapter 5, paragraph 3.2.2 – p. 346 Chapter 5, paragraph 3.2.3 – p. 347
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Chapter 5, paragraph 3.2.2 – p. 346 Chapter 5, paragraph 3.2.3 – p. 347
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Chapter 5, paragraph 3.2.2 – p. 346
ESRS S3-1 Human rights policy commitments, paragraph 16	Non-material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Non-material
ESRS S3-4 Human rights issues and incidents, paragraph 36	Non-material
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Chapter 5, paragraph 3.3.2 – p. 350
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17	Chapter 5, paragraph 3.3.2 – p. 350
ESRS S4-4 Human rights issues and incidents, paragraph 35	Chapter 5, paragraph 3.3.2 – p. 350
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Not applicable
ESRS G1-1 Protection of whistle-blowers, paragraph 10 (d)	Not applicable
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Chapter 5, paragraph 4.3.3 – p. 355
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Chapter 5, paragraph 4.3.3 – p. 355

2. Environmental information

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2.1. EUROPEAN TAXONOMY

2.1.1. Taxonomy regulation

The European Union (EU) Taxonomy Regulation (EU Regulation 2020/852 published on June 22, 2020) defined, on a scientific basis, a list of economic activities and the technical criteria that allows said activities to qualify as environmentally sustainable. All the texts constituting the regulation are available on the website https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/taxonomy-regulation_en; the frequently asked questions are available on the website https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en#faqs.

The Taxonomy Regulation has created a classification system which should serve as a common language for investors to identify the projects and conditions that will enable the chosen economic activities to have a significant positive impact on the climate and environment. As such, the regulation is a tool aimed at helping investors and listed companies, financial institutions and EU project sponsors to direct their investments toward environmentally sustainable activities as part of the transition aimed at making the EU climate neutral by 2050.

The initial list of activities was established by focusing on nine macro-sectors that generated more than 93% of the EU's direct greenhouse gas emissions in 2017 (OECD).

The activities listed in the Taxonomy Regulation are referred to as "eligible". While these activities are the major contributors to direct GHG emissions, they also have the potential to be improved from a carbon footprint perspective. **As such, the eligibility percentage of an organization, by itself, is not a measure of its sustainability impact.**

Economic activities are divided into three categories in the Taxonomy Regulation:

- activities for which technical criteria refer to performance levels which comply with climate neutrality and limiting temperature increase to 1.5 °C at a global level (i.e. in line with a net zero carbon economy by 2050);
- transitional activities for which there are no low-carbon alternatives for the moment and for which greenhouse gas emission levels are in line with the best performance in the sector or industry;
- enabling activities which improve carbon efficiency or facilitate a significant decrease in emissions.

KEY ELEMENTS

In 2024, Air Liquide identified 17 eligible activities out of more than 240 activities listed in the delegated acts, with hydrogen manufacturing contributing to the climate change mitigation objective being the most important. They are presented in the tables in the Appendix – pages 358 to 363.

In 2024, turnover eligible under the Taxonomy amounted to 3.2 billion euros (equivalent to 11.8% of total consolidated turnover) compared to 3.7 billion euros (equivalent to 13.4% of total consolidated turnover) in 2023. This change is mainly due to an energy impact, and, to a lesser extent, to a currency impact that is adversely affecting the main eligible activities.

An eligible activity is referred to as "aligned" if it complies with the following three conditions and if the requirements of the Taxonomy Regulation can be documented:

- it contributes substantially to one or more of the environmental objectives;
- it does not significantly harm any of the other five environmental objectives;
- it is carried out in compliance with minimum safeguards.

In 2024, aligned turnover per the Taxonomy totaled 0.1 billion euros (equivalent to 0.5% of total consolidated turnover and 4.3% of eligible turnover), compared to 0.2 billion euros (equivalent to 0.8% of total consolidated turnover and 5.9% of eligible turnover) in 2023. This change is mainly due to the application of a precautionary principle, in particular with regard to CCM 3.2 activity: when alignment cannot be fully documented, the Group considered the activity as not aligned. Therefore, eligible non-aligned activities are either activities that do not meet one of the above-mentioned requirements, or for which such compliance cannot be reasonably documented, mainly due to lack of sufficient guidance for alignment or difficulty to access required data at the requested granularity.

Turnover from activities not covered by the Taxonomy, referred to as "non-eligible", totaled 23.9 billion euros (equivalent to 88.2% of total consolidated turnover) and notably included the production of oxygen and home healthcare.

These ratios related to the turnover capture the situation of the existing production units. However, Air Liquide has drawn up a Climate Transition Plan, presented in paragraph 2.2 of this Sustainability Statement – page 300, which is based on three decarbonization levers. Two of them cannot be fully reflected by the taxonomy indicators. Indeed, **most of the Group's activities are not eligible to the EU Taxonomy, in particular activities derived from the production of air gases and Home Healthcare activity, as these generate virtually no direct greenhouse gas emissions**.

Nevertheless, investments related to the decarbonization of hydrogen units and cogenerations, as well as growth investments in the low-carbon or renewable hydrogen and the Group's investments in the CO_2 capture and transport chain are mostly eligible under the EU Taxonomy, with the aim of meeting the alignment criteria wherever possible. **This path is illustrated by the share of aligned capital expenditure among eligible capital expenditure, which stood at 45.4% in 2024 after 54.8% in 2023.** Nevertheless, it should not be considered as a CapEx plan in the meaning of the EU Taxonomy.

2.1.2. Methodology

Key performance indicators (KPIs)

In accordance with the Consolidated Financial Statements, figures relating to the three KPIs are provided in millions of euros, and the conversion of foreign currencies is carried out according to the same methodology and using the same exchange rates as those used to prepare financial information.

- Turnover: the first Taxonomy KPI is calculated by eligible activity and by facility, based on external turnover (i.e. excluding intra-group sales) as determined and published in the Financial Statements under the "Revenue" line in the income statement. If turnover by facility is not available by activity in the meaning of the EU Taxonomy, the entities apply a ratio based on volumes per product delivered by each facility. Turnover corresponds to revenue from contracts with customers as defined under IFRS 15 standard.
- Capital expenditure (CapEx): the second Taxonomy KPI includes acquisitions of property, plant and equipment and intangible assets completed during the period under consideration, including those stemming from business combinations that result in the acquisition of a company or business consolidated in the Group's Financial Statements. These additions are considered before impairment, depreciation and amortization, and any revaluation. It is calculated based on the internal management of investments. Investment decisions exceeding 3 million euros are monitored individually; every decision exceeding 3 million euros – 5 million euros for Large Industry investments – is subject to a presentation of its Taxonomy characteristics to the Resources and Investment Committee. Capital expenditure related to these investment decisions is monitored on a per-project basis. Capital expenditure of less than 3 million euros is monitored by production site.

  The lines in the Financial Statements that correspond to the CapEx KPI are included in note 11 "Other intangible assets", on the line "Total gross intangible assets" of the columns "Acquisitions" and "Acquisitions related to business combinations"; and in note 12 "Property, plant and equipment" of the "Total property, plant and equipment" line under the "Acquisitions" and "Acquisitions related to business combinations" columns.
- Operating expenditure ("OpEx"): the third KPI of the Taxonomy includes:
  - direct expenses relating to the nature of the following costs that are necessary for the production of products included in the turnover KPI: personnel costs related to maintenance, subcontracted maintenance and installation, rental and leasing of real estate and transportation equipment and purchases of materials related to maintenance. The OpEx KPI is calculated directly or indirectly, by allocating expenses on the basis of the turnover KPI,
  - expenses directly related to activities contributing to the environmental objectives, such as direct non-capitalized expenses for research and development or consulting fees in the context of eligible activities, such as activity 9.3. "Consultancy for physical climate risk management and adaptation" under the climate change adaptation objective.

  Income statement lines relating to the OpEx KPI are "Purchases", "Personnel expenses" and "Other expenses".

Eligibility and alignment criteria

The information presented below takes into consideration the activities identified for the six environmental objectives.

Individual improvement measures are analyzed on a case-by-case basis in order to consider them CapEx or OpEx eligible KPIs.

The Group assessed the alignment criteria based on the following methodology:

- Substantial Contribution: the criterion being specific to each activity, the Group adopted an activity-by-activity approach applied to each facility, relying on internal data collected in the course of its operations.

  For the core eligible activity of manufacture of hydrogen, each facility underwent pre-screening to identify potentially aligned sites, for which an alignment assessment was performed, notably by calculating the carbon footprint of the hydrogen in accordance with the EU Taxonomy Regulation;
- Do No Significant Harm: the assessment was conducted at the level of each potentially aligned facility or investment project that satisfies the Substantial Contribution criterion and relied notably on environmental permits issued by authorities or environmental impact assessments;
- Minimum Safeguards: the assessment covered four dimensions: (i) human rights, including labor law, (ii) prevention of corruption, (iii) taxation, and (iv) fair competition. It relied upon:
  - processes applied by the Group, including but not limited to the Code of Conduct, the EthiCall whistleblowing system, the Group's Sustainable Procurement policy, the Vigilance Plan, the prevention measures relating to corruption and fair competition, and the tax risk management policy. These processes are further described in Chapters 2 and 5 of this Universal Registration Document. Regarding human rights and the prevention of corruption, the assessment encompassed the supply chain,
  - the absence of serious negative impacts or events related to the four dimensions (notably the absence of serious breaches or convictions).

Where the assessment could not be sufficiently evidenced, the Group adopted a conservative approach and did not consider the eligible activity as aligned. This assessment is complex, particularly for activities related to the production of equipment sold to third parties. The Do No Significant Harm assessment depends on the client's use of the equipment and relies on client-specific parameters that are not accessible to the Group due to confidentiality.

In 2024, the Group continued to analyze the scope of the additional delegated acts 2023/2485 and 2023/2486, published on November 21, 2023, defining the economic activities contributing to the objectives of transition to a circular economy and pollution prevention and control, and reached the following conclusions:

- the supply of medical oxygen does not meet the eligibility criteria for the PPC 1.2 "Manufacture of medicinal products" activity. The process of obtaining medical oxygen cannot be deemed a manufacturing process since it is a separation of the components of air and not a physical or chemical transformation of substances or components into a new product; medical oxygen remains the same molecule as that present in air. Moreover, the link to the objective of pollution prevention control does not seem relevant because medical oxygen is, by nature, not substitutable. It should also be noted that industrial uses of oxygen are taxonomy-non-eligible. The review of the alignment criteria also confirmed that they cannot be implemented for medical oxygen;

- activities related to gas cylinders and tanks do not meet the eligibility criteria for the CE 5.5 “Product-as-a-service and other circular use- and result-oriented service models” activity. Air Liquide’s purpose is the sale of gas. The Group does not manufacture cylinders or tanks. The provision of such equipment is never separated from the supply of gas; these items are merely containers for delivering gas to customers.

Besides, no activity has been identified as eligible for the objectives of sustainable use and protection of water and marine resources and protection and restoration of biodiversity and ecosystems.

2.1.3. Taxonomy key performance indicators (KPI)

The detailed tables of Taxonomy key performance indicators are presented in the Appendices of this Sustainability Statement – page 358, and thus cover two of the six environmental objectives: climate change mitigation and pollution prevention and control.

Hereafter a recapitulation of the eligibility and alignment ratios for each of the Taxonomy’s key performance indicators:

Proportion (%)	Turnover	Capital expenditure	Operating expenditure
KPI – Eligible activities	11.8%	15.1%	9.9%
KPI – Aligned activities	0.5%	6.9%	0.8%
Ratio of aligned/eligible activities	*4.3%*	*45.4%*	*7.9%*

Air Liquide’s eligible activities represent a small portion of the Group’s activities, reflecting the fact that **the majority of Air Liquide’s turnover is generated from activities with almost no direct greenhouse gas emissions within the Group’s scope**.

Turnover

The eligible **turnover** per the EU Taxonomy represented 3,194.6 million euros, or 11.8% of total turnover in 2024, compared to 3,694.3 million euros or 13.4% of total turnover in 2023. Aligned turnover per the EU Taxonomy amounted to 138.9 million euros, or 0.5% of total turnover and 4.3% of eligible turnover in 2024. It stood at 217.5 million euros in 2023, or 0.8% of total turnover and 5.9% of eligible turnover. This change is mainly due to an energy impact, and, to a lesser extent, to a currency impact that is adversely affecting the main eligible activities.

Air Liquide’s main eligible activities are related to hydrogen.

Turnover **from hydrogen-related activities** [(1)] represented 8.4% of total turnover in 2024, of which 7.8% came from the hydrogen production activity. Aligned turnover relating to hydrogen is mostly due to manufacturing units with a low carbon footprint and to sales of equipment supporting the development of new usages of hydrogen for the energy transition, in particular in the mobility sector. Excluding the energy impact, aligned hydrogen turnover will increase as demand for low carbon footprint hydrogen increases, supported by the rollout of policy and regulatory frameworks promoting new usages of hydrogen as a key lever to reduce greenhouse gas emissions from sectors such as industry and transport. In 2023, turnover from hydrogen-related activities represented 9.1% of total turnover, of which 8.7% came from the hydrogen production activity.

In second position, **cogeneration activity** represented 2.1% of total turnover in 2024. This activity supplies high grade heat to the chemical and petrochemical industry in an efficient manner and as of today there is no alternative at large scale; this activity is not deemed aligned with respect to the Taxonomy criteria. Air Liquide is assessing the technology options available to decarbonize heat production as part of the rollout of its climate objectives (described in paragraph 2.2 of this Sustainability Statement). In 2023, cogeneration activity represented 2.9% of total turnover.

Activities covering **biomethane production** through the anaerobic digestion of bio-waste, landfill gas capture and utilization and use in the transportation sector represented eligible turnover of 82.3 million euros in 2024, with an alignment-to-eligibility ratio of 31.0%, compared to 93.8 million euros in 2023, with an alignment-to-eligibility ratio of 47.1%. In line with the Group’s Sustainable Development strategy, these projects are developed with clear sustainability criteria applied worldwide; in May 2024, Air Liquide published an internal charter defined in collaboration with various field experts and WWF France, whose criteria are based in particular on those of the EU Taxonomy.

Other Group activities, which are in a growth phase, are also eligible, such as the manufacture of low-carbon technologies with eligible turnover representing 92.8 million euros and an alignment to eligibility ratio of 15.0%. The Engineering & Construction Business Line notably designs and builds treatment plants that are able to reduce the CO_2 emissions of various industries, including:

- carbon capture units which capture and purify CO_2 from off-gas and flue gas from industrial processes (refining, cement, steel, etc.) to supply flow compatible with sequestration;
- plants capable of converting residues (used cooking oil, fats, etc.) into synthetic fuels to replace fossil fuels in motors, and plants capable of transforming sugar waste into substitute chemicals for fossil-based chemicals.

Capital expenditure

Eligible **CapEx** represented 574.9 million euros, or 15.1% of the Group’s total 2024 capital expenditure compared to 562.1 million euros or 15.3% of the Group’s total capital expenditure in 2023. It is defined in paragraph 2.1.2: it relates to capital expenditure incurred on eligible activities during the 2024 fiscal year but stemming from investment decisions made in 2024 or in previous periods. Aligned CapEx represented 261.1 million euros, or 6.9% of total CapEx and 45.4% of eligible CapEx in 2024, compared to 307.9 million euros or 8.4% of total CapEx and 54.8% of eligible CapEx in 2023. It illustrates the path presented by the Group.

[(1)] *These activities include the manufacture of equipment for the production and use of hydrogen (CCM 3.2), the manufacture of hydrogen (CCM 3.10), the storage of hydrogen (CCM 4.12) and the manufacture of hydrogen-charging stations (CCM 6.15).*

Air Liquide has drawn up a decarbonization plan, presented in paragraph 2.2 of this Sustainability Statement on page 300, which is based on three decarbonization levers. At least two of these levers cannot be fully reflected by the taxonomy indicators. Indeed, **most of the Group's activities are not eligible to the Taxonomy, in particular activities derived from the production of air gases and Home Healthcare activity, as these result in almost no direct greenhouse gas emissions**. Nevertheless, investments related to the decarbonization of hydrogen units and cogenerations, as well as growth investments in low-carbon or renewable hydrogen and the Group's investments in the CO_2 capture and transport chain are mostly eligible under the European Taxonomy, with the aim of meeting the alignment criteria wherever possible. Nevertheless, it should not be considered as a CapEx plan in the meaning of the EU Taxonomy.

Operational expenditure

Eligible **OpEx** represented 486.6 million euros, i.e. 9.9% of the Group's operating expenditure. Aligned OpEx represented 38.6 million euros, or 0.8% of total OpEx and 7.9% of eligible OpEx.

Regulatory Information

Activities that may contribute to several objectives

The Group has identified only two activities that may meet several environmental objectives: the biomethane production by anaerobic digestion of bio-waste activity (CCM 5.7/CE 2.5), as well as the renovation of existing buildings activity (CCM 7.2/CE 3.2), may be eligible for both climate change mitigation and the transition to a circular economy.

In line with its double materiality assessment, which resulted in the materiality of ESRS E1 "Climate change"and the non-materiality of ESRS E5 "Resource use and circular economy", the Group included these activities under the climate change mitigation objective in the tables and comments presented above.

The tables below aim to present the indicators if these two activities were included in both objectives at the same time:

	Proportion of turnover / Total turnover	
	Alignment per objective	**Eligibility per objective**
CCM	0.5%	11.8%
CCA	—%	—%
WTR	—%	—%
CE	—%	0.1%
PPC	—%	—%
BIO	—%	—%

CCM: Climate change mitigation; CCA: Climate change adaptation; WTR: Sustainable use and protection of water and marine resources; CE: Transition to a circular economy; PPC: Pollution prevention and control; BIO: Protection and restoration of biodiversity and ecosystems.

	Proportion of CapEx / Total CapEx	
	Alignment per objective	**Eligibility per objective**
CCM	6.9%	15.1%
CCA	—%	—%
WTR	—%	—%
CE	0.1%	0.7%
PPC	—%	—%
BIO	—%	—%

CCM: Climate change mitigation; CCA: Climate change adaptation; WTR: Sustainable use and protection of water and marine resources; CE: Transition to a circular economy; PPC: Pollution prevention and control; BIO: Protection and restoration of biodiversity and ecosystems.

	Proportion of OpEx / Total OpEx	
	Alignment per objective	**Eligibility per objective**
CCM	0.8%	9.9%
CCA	—%	—%
WTR	—%	—%
CE	—%	0.1%
PPC	—%	—%
BIO	—%	—%

CCM: Climate change mitigation; CCA: Climate change adaptation; WTR: Sustainable use and protection of water and marine resources; CE: Transition to a circular economy; PPC: Pollution prevention and control; BIO: Protection and restoration of biodiversity and ecosystems.

Adjusted key performance indicators in the event of a sustainable bond issue

In May 2021, the Group issued its first green bond, for an amount of 500 million euros and with a maturity of 10 years. The 2021 *Sustainable Financing Framework* provides for a period of two calendar years for full allocation of funds, from the issue date, and a refinancing period of up to three calendar years prior to the issue date. 21 projects were financed by this issue, including 14 related to Taxonomy-eligible activities.

In May 2024, the Group issued its second green bond for an amount of 500 million euros and with a maturity of 10 years. The 2024 *Sustainable Financing Framework* provides for a period of two years to achieve the full allocation of funds, from the issue date, as well as a refinancing period of up to two calendar years prior to the issue date. At the time of this Document's preparation, the allocation of funds has been finalized but has not yet been audited. Six projects were financed by this issue, including three related to Taxonomy-eligible activities.

These two issues are described in more detail on the Group's website https://www.airliquide.com/investors/credit-investors/sustainable-finance.

The tables below present the adjusted key performance indicators, by subtracting from the alignment ratios the projects financed by the 2021 and 2024 emissions, in order to not take into account the projects that have been the subject of these funds and thus avoid the double counting at the level of financial companies. The ratios for these two indicators were calculated using the total (A + B) as the denominator as published.

2024	A.1. Environmentally sustainable activities (taxonomy-aligned)			
	Published	**Adjusted**	***of which enabling***	***of which transitional***
Turnover	0.5%	0.4%	0.2%	—%
Capital expenditure	6.9%	1.2%	—%	—%

2023	A.1. Environmentally sustainable activities (taxonomy-aligned)			
	Published	**Adjusted**	***of which enabling***	***of which transitional***
Turnover	0.8%	0.7%	0.4%	—%
Capital expenditure	8.4%	8.4%	0.5%	—%

Nuclear and fossil gas related activities

Table 1 below presents activities related to nuclear and fossil gas, as required by the regulation. Tables 2 to 5 producing the indicators relating to nuclear and fossil gas activities, as required by the regulation, are presented in the Appendices of this Sustainability Statement – page 364.

Table 1 – Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES (CCM 4.29)
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES (CCM 4.30)
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

2.2. CLIMATE: GREENHOUSE GAS EMISSIONS

2.2.1. Introduction

Governance of climate topics

Elements relating to the incentive mechanisms applied to the Group's governance bodies are dealt with in Chapter 3 of this Universal Registration Document – section Remuneration of L'Air Liquide S.A. Corporate Officers – page 140.

Climate strategy

Air Liquide's transition plan for climate change mitigation

Air Liquide first publicly announced its climate strategy at the Sustainable Development Day held in March 2021. On this occasion, the Group presented its climate objectives and the levers mobilized to achieve them, indicating how this climate strategy fits into the Company's strategy. Subsequently, the climate strategy was integrated into the Group's strategic plan (the ADVANCE plan) presented publicly in March 2022.

Progress on the implementation of the climate strategy and related objectives is regularly presented to the Group's management and governance bodies, as well as to external stakeholders in order to obtain their opinions and answer their questions. In 2024, the Group adopted and published a document named "Climate Transition Plan" consolidating and updating the Group's climate strategy in order to communicate it more widely to its stakeholders.

The Group's transition plan, covering the segment "Gas & Services" representing 95% of the 2024 fiscal year turnover, was reviewed and approved by the Group Executive Management. It was reviewed by the Environment and Society Committee, a specialized Committee of the Board of Directors, which presented the main outlines to the Board of Directors during its meeting on July 25, 2024. This Sustainability Statement, containing the transition plan in respect of ESRS E1, Chapter E1-1, was adopted by the Board of Directors during its meeting on February 20, 2025 (see page 122 of Chapter 3).

Air Liquide recognizes the climate emergency and the Group strives to participate in the implementation of the Paris Agreement [(1)]. Since this means reaching a state of zero net CO_2 emissions by around the middle of the century as recommended by the IPCC [(2)], the Group is committed to contributing to achieving this carbon neutrality – understood as a massive CO_2 emissions reduction in the atmosphere in the different sectors of economic activity and different regions – across all value chains in which it operates by 2050, while supporting the decarbonization of its customers, covering Scopes 1, 2 and 3 and integrating the positive impacts of the Group's products and solutions on its customers' emissions. The Group's intention is to minimize the use of offsetting instruments. As of today, the Group does not plan to use carbon credits to achieve its 2035 objective. For example, to date, the Group has not used carbon credits to manage its CO_2 trajectory.

As the world engages in a transition to carbon neutrality, many industries will be profoundly reshaped, generating renewed needs for Air Liquide's historical products: hydrogen, air gases and CO_2. As a result, Air Liquide has a key role to play by providing its operational and technological expertise:

- to support the transition of its existing customers to low-carbon processes, which will require large quantities of low-carbon industrial gases (e.g. low carbon fuels, chemicals, steel, etc.);
- to meet the decarbonization needs of sectors that do not currently consume industrial gases in their main processes (e.g. mobility, cement and lime, etc.),

all this while continuing to bring greater efficiency to the health sector and the many industries that will need the essential small molecules and solutions provided by the Group to reduce their carbon footprint.

To play this role of facilitator, the Group will be able to rely on:

- its proximity to customers and its geographically balanced presence;
- its portfolio of technologies to decarbonize industrial processes, enabling competitive emission reductions on a transition trajectory of 1.5 °C;
- its market knowledge and expertise, with many investment opportunities expected in the energy transition by 2035.

It is important to note that the Group's solutions and business model enable it to decarbonize its existing assets, build a low-carbon asset base – and thus effectively manage transition risk – while seizing growth opportunities. Consequently, investments in decarbonization will fuel the Group's growth; they will bring economic and environmental value to the Group's customers, thus generating additional operating income recurring. The transition plan is an integral part of the Group's strategy, as demonstrated by the integration of the CO_2 emissions reduction objective (Scope 1 and 2) by around 2025 in the ADVANCE strategic plan.

With the Paris Agreement, countries around the world committed to "substantially reduce global greenhouse gas emissions to hold the global temperature increase to well below 2 °C above pre-industrial levels and pursue efforts to limit it to 1.5 °C above pre-industrial levels". This commitment, which concerns States, then resulted in an estimate of a maximum amount of net greenhouse gas emissions to be emitted by 2050 (or carbon budget), at which date the net emissions per year should be zero and gross emissions reduced by at least 90% (in line with the interpretations of the IPCC recommendations). The transposition of "1.5 °C compatible" trajectories for the planet to specific companies is proving complex.

A strong normative approach under which all geographical areas and all sectors follow the same reduction curve is not appropriate. On the contrary, carbon neutrality transition scenarios highlight different trajectories depending on the geographies and sectors of activity. In particular, there are no trajectories of this type adapted to the chemicals sector, and even less so for the industrial gases segment.

Air Liquide's carbon trajectory incorporates two additional features. On the one hand, the Group's growth is partly achieved in heavy industry segments, particularly in emerging economies that have more carbon-intensive 1.5 °C trajectories, notably in the short term. On the other hand, while Air Liquide provides solutions to considerably reduce the emissions of certain industrial activities, the remaining emissions after implementation of reduction projects will sometimes be reported by the Group, which increases the Group's carbon footprint despite a resulting reduction in regards to the planet. The climate benefits provided by the Group are not currently taken into account in the analysis of the compatibility of climate objectives, even though they are an important component. The Group's carbon neutrality objective incorporates these two dynamics. Evaluating it using generic average methodologies therefore tends to underestimate the level of Air Liquide's ambitions and their compatibility with a 1.5 °C trajectory.

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(1) *At the same time as actions aimed at reducing global greenhouse gas emissions, in accordance with this plan, the Group is actively engaged in the pursuit of other sustainability objectives. These actions are not detailed here, but can be found in other sections of this Chapter 5.*

(2) *Special report of the Intergovernmental Panel on Climate Change (IPCC) Global warming of 1.5 °C (SR-15, 2018).*

The trajectory towards carbon neutrality in 2050 is based in the first place on an operational emissions trajectory (Scopes 1 and 2) that includes a turning point in around 2025 and a -33% reduction in Scopes 1 and 2 emissions in 2035 compared to 2020 [(1)]. The objectives having been announced in 2021, 2020 was chosen as the reference year. This year is considered representative, despite a slight decline in the Group's activity due to the covid-19 pandemic. Due to a 2025 (tipping point) and 2035 (-33% reduction in Scope 1 and 2 emissions) target, the Group has not formalized a 2030 crossing point. Given the challenges of decarbonizing the multiple markets served by the Group and the following reasons, Air Liquide believes that this carbon trajectory is compatible with a 1.5 °C trajectory:

- the "hard-to-abate" nature of heavy chemical and industrial activities. It is recognized that these will decarbonize at a slower pace than the global average over a trajectory of 1.5 °C [(2)], as the development and implementation of decarbonization projects in these sectors can take time [(3)], and often depend on the prior decarbonization of other sectors, in particular the electricity sector;
- the Group's activities will continue to develop to meet the needs of the energy transition (as explained above). This development may lead to an increase in residual emissions recognized in the Group's carbon footprint, even though emissions to the planet are decreasing significantly.

Scope 3 "Gas & Services" emissions are covered by the ambition of carbon neutrality and are already the subject of initiatives to reduce them. These emissions are not currently covered by a medium-term quantitative reduction objective. These are emissions over which the Group has limited influence. Thus, priority was given to short-term Scopes 1 and 2 emissions. Furthermore, current accounting methods do not allow the development of monitoring indicators that would enable a global action plan to be rolled out. The first step implemented by the Group is to improve the precision of the emission factors used so that Scope 3 emission reduction actions are adequately reflected in the reporting. In addition, the absence of sectoral guidelines on the level of ambition concerning the reduction of Scope 3 emissions for industrial gas companies does not enable the use of an external benchmark to assess the adequacy of the level of ambition.

Air Liquide's carbon neutrality by 2050 methodology and ambition were the first in its sector to be publicly disclosed.

The Group's 2035 objectives, submitted to the Science Based Targets initiative (SBTi), were validated as being aligned with "well below 2 °C" in 2022, based on the standard cross-sector approach (ACA [(4)]). This approach does not take into account the specificities of the industrial gas segment in the chemicals sector, nor the Group's geographical footprint. There is currently no recognized method to judge the compatibility with a 1.5 °C target of the ambition of a company operating in the chemical sector, especially in the sub-industrial gas sector. Therefore, the Group is not able to demonstrate quantitatively the compatibility of its ambition with a 1.5 °C trajectory given existing methodological limitations.

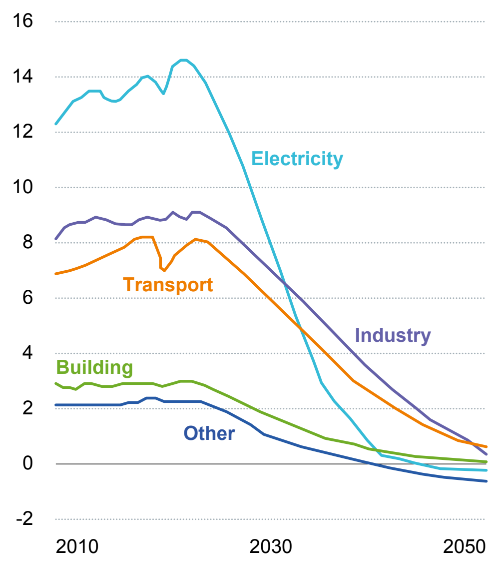
However, the Group believes that the category "well-below 2 °C" of the Group's trajectory does not reflect Air Liquide's ambition to move towards 1.5 °C according to the Group, due to (i) its operations in an industrial sector recognized as "hard to abate", (ii) a development in emerging economies with specific decarbonization trajectories, (iii) activities generating emissions for the Group but allowing significant reductions on a planet scale. Thus, the carbon trajectory pursued by the Group has a similar profile to the 1.5 °C scenarios of the International Energy Agency (IEA) for "hard-to-abate" sectors.

All of these elements support Air Liquide's view that the stated ambition is compatible with a 1.5 °C scenario. Due to methodological limitations, it is not yet possible for Air Liquide to formally demonstrate quantitatively this 1.5 °C compatibility.

The IEA "Net Zero" scenario highlights several elements supporting the Group's analysis:

- a decarbonization of industrial sectors, in particular "hard-to-abate" sectors, that is taking place more slowly than decarbonization of the electricity sector;

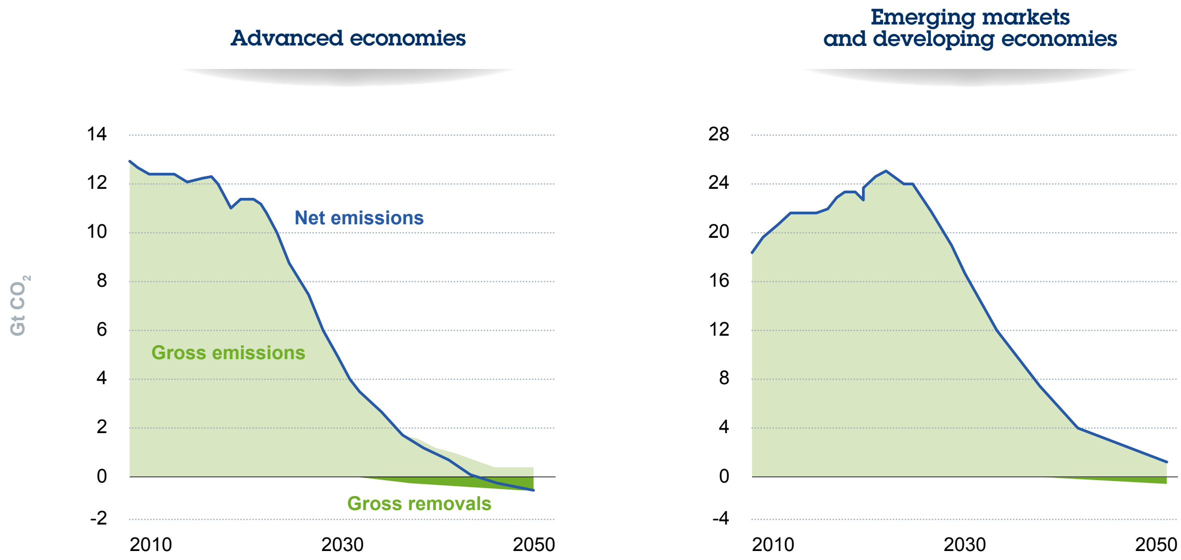
NET EMISSIONS BY SECTOR IN "NET ZERO" SCENARIO



Source: International Energy Agency, Net Zero Roadmap, 2023 Update.

(1) Restated to take into account, from 2020 and each following year, the assets emissions for the full year, taking into account (upwards or downwards) perimeter changes having a significant impact on CO_2 emissions.
(2) International Energy Agency (IEA) Net Zero Roadmap, 2023.
(3) For example, the supply of zero-carbon electricity through a power purchase agreement enabling the development of a major renewable electricity production asset may take four to ten years (such as the identification, development and construction of a solar or wind farm project). Similar lead times can be expected to ensure the supply of substantial volumes of fuel or biogenic raw materials or to establish a carbon capture and storage supply chain.
(4) Absolute Contraction Approach.

- differentiated decarbonization dynamics depending on the geographical areas, in order to take into account different levels of economic and industrial development;



As a group, advanced economies reach net zero emissions before emerging markets and developing economies, and also achieve net negative emissions by 2050.

- the need to scale up a set of technologies, the deployment of which requires rapid and ambitious evolution of regulatory and political frameworks, and in particular internalizing the cost of carbon;
- the visibility and stability of these regulatory and political frameworks, essential for investments in infrastructure or long-life industrial equipment.

The Group's emission reduction levers are consistent with those identified by the IEA as necessary to achieve a 1.5 °C trajectory for global emissions:

- rapid decarbonization of electricity grids, mainly through the development of renewable or nuclear power generation sources, with a massive reduction in coal-fired electricity and steam production;
- development of CO_2 capture and storage, especially for industrial sectors with a limited number of technologically mature levers to achieve carbon neutrality;
- development of the use of low-carbon or renewable hydrogen as an energy vector, especially in the industrial and mobility sectors;
- development of biofuels and renewable raw materials.

These conditions are considered necessary for the implementation of the reduction levers identified by the Group. For example, the Group will only source renewable electricity if the corresponding capacity is effectively built, and if the transportation and distribution networks as well as the electricity market design are adapted to these new sources, particularly intermittent sources. Similarly, the deployment of certain emissions reduction technologies such as CO_2 capture or water electrolysis remains conditional on the implementation of the assumptions underlying "net-zero" scenarios such as the IEA's Net Zero scenario.

The Group's Scope 1 and 2 CO_2 emissions come from a limited number of assets and countries. 60% of direct Scope 1 emissions come from less than 15 production units and 80% of indirect Scope 2 emissions related to electricity consumption come from six countries. Emission reduction targets therefore require the activation of a few carefully identified levers, which are closely linked to global actions to mitigate climate change:

- a supply of renewable or low-carbon electricity to supply both the Group's existing assets and growth, and which will benefit from the decarbonization of electricity grids in the various regions where the Group operates;
- asset management, including the electrification of Air Separation Units (currently using steam as their energy source), industrial efficiency projects, the development of hydrogen production by electrolysis of water, and even the supply of certain Group units with biogas;
- carbon capture, as part of major decarbonization projects for industrial areas around the world, making it possible to decarbonize existing hydrogen production while meeting the growing need for large volumes of low-carbon hydrogen as part of the energy transition.

The actions associated with the three levers described above each contribute approximately one-third of the decarbonization to be achieved to meet the 2035 objectives:

Lever	Action	Key success factor	2035 impact
CCUS	Limited number of SMR shift to CCUS or low-carbon ammonia cracking	Carbon pricing/ carbon sink availability	~ 3-4 Mt
Asset Management	Limited number of SMR shift to low-carbon sourcing	Low-carbon feedstock availability	~ 5-7 Mt
	Cogeneration units shift to low-carbon and/or peak load usage	Competitive low-carbon sourcing	
	Efficiencies (including investment in leakage reduction equipment)	Successful operational excellence deployment	
	Fleet conversion to low or zero-carbon electric vehicles	Local infrastructure and market mechanisms	
	50% electrification of Steam-Driven air separation units	Customer process design update	
Zero-Carbon electricity sourcing	Zero-Carbon electricity sourcing	Renewables availability and market mechanisms	~ 5 Mt

CCUS: Carbon Capture, Utilisation and Storage.
SMR: Steam Methane Reformer.

The 2035 impact of each lever can only be given approximately. Indeed, for each lever, the implementation of specific projects is decided according to local conditions – such as the structure of the electricity market, the access to low-carbon or renewable sources of electricity, the development of CO_2 transport and storage infrastructure, the introduction of CO_2 prices or incentives for the development of markets for low-carbon products. Based on the reference emissions (2020), which are 39.3 million tonnes of CO_2 emitted, the three levers could generate reductions in emissions of 13 to 16 million tonnes of CO_2, that is to say 33% to 41% of 2020 emissions.

As an order of magnitude, when electrifying a large air separation unit, switching from steam to electricity as the source of the driving force enables a CO_2 reduction of up to 350,000 tonnes of CO_2 per year. This figure is doubled when switching to renewable electricity. Installation of a CO_2 capture unit “Cryocap Flue Gas™” on a natural gas reformer hydrogen production unit reduces the unit’s emissions by more than 90%, representing for large capacity units a reduction of over 500,000 tCO_2 per year. The impact, in terms of reducing greenhouse gas emissions, low-carbon or renewable electricity supply for an air separation unit ultimately depends on the local electricity mix. For this reason, the Group focuses its efforts particularly on regions where electricity is still very largely fossil, especially coal, such as South Africa or China.

These decarbonization levers for the Group’s assets and industrial operations also enable the Group to develop new offerings for its customers in order to decarbonize their own products and processes, in particular by developing low-carbon gas offerings such as the Eco-Origin offer or low-carbon or renewable hydrogen offerings for industry and mobility, or by developing CO_2 management offerings (outsourcing to Air Liquide of capture and liquefaction operations for CO_2 emitted by its customers’ industrial processes).

Over the period 2035-2050, the same levers will be used to continue the transition towards an asset base compatible with a “Net Zero” situation of the planet and to provide the industrial gases required by the different industrial sectors and mobility, particularly heavy mobility:

- low-carbon and renewable electricity supply for air gas production units and for hydrogen production via electrolysis, these production routes benefiting from the “Net Zero” scenarios the rapid decarbonisation of electricity mixes and the investments that these scenarios provide in networks and sources of flexibility;
- use of alternative fuels and raw materials (bio-sourced, low carbon or renewable ammonia or hydrogen);
- production of renewable or low-carbon hydrogen through reforming technologies with CO_2 capture, possibly combined with a bio-sourced supply.

These levers will be added to as and when possible innovations in industrial gas production are developed.

Scope 3 emissions significant to the Group’s Gas & Services activities come from various upstream and downstream sources. Although it has little influence on these emissions, the Group has analyzed the various emission sources and identified the main reduction levers that can be implemented in order to support the reduction of these emissions, which are summarized below for the indirect emissions sources reported in Scope 3 that are judged significant (see paragraph 2.2.5 of this Sustainability Statement – page 313).

Significant Indirect Emission Sources	Significant Scope 3 Categories Concerned	Action Levers of the Group	Share of Scope 3
Purchased goods, services, and capital goods	1, 2	"Procure to Neutrality" Roadmap Implementation: • Improvement of emission factors to reduce the use of generic statistical factors • Develop the Procurement community • Prepare a reduction action plan	~20%
Upstream activities of fuel and raw materials, mainly natural gas	1, 3	Dialogue with relevant suppliers to obtain reliable emissions data and reduction commitments; Use of alternative fuels and raw materials, for example utilization of off-gas and biogases	~35%
Upstream electricity and grid losses	3	Increase of renewable and nuclear electricity procurement, actions on energy efficiency	
Outsourced product transportation	4	Dialogue with product transportation service suppliers for fleet conversion	~2%
Utilization of products that are greenhouse gases	11	Increase of biogenic CO_2 sourcing Development of offers aimed at reducing client re-emission of products (abatement technologies, substitution of gases)	~30%
Electricity supplied without charge by clients on industrial platforms	13	Dialogue with clients to influence their increase of low-carbon electricity for their operations and for the units supplied by the Group	~10%

The above figures do not include the share of Use of Product Sold emissions for equipment sales to third parties – corresponding to the Engineering & Construction (E&C) and Global Markets & Technologies (GM&T) businesses. In the period 2025-2050, these emissions will follow the same logic and trajectory as Gas & Services activities (third-party supply of plants for low-carbon or renewable industrial gases to produce the needs of the carbon neutral industry or emission reduction equipment).

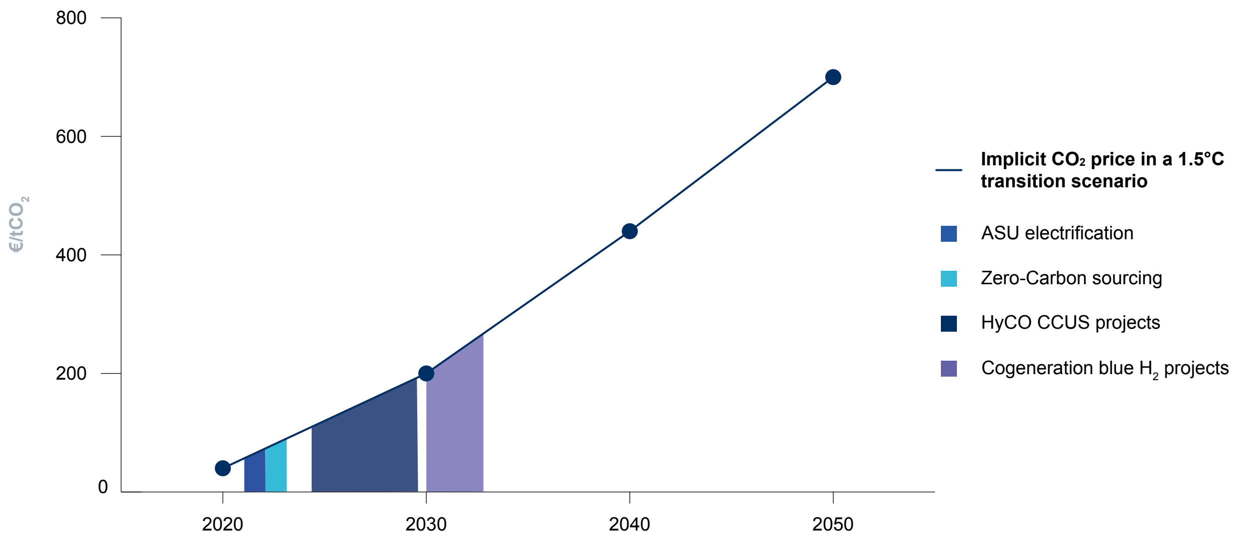
The CO_2 trajectory anticipated by the Group in its transition plan shows the expected evolution of the cumulative emissions of existing assets, firmly planned assets and future assets not yet decided. The locked-in emissions according to the strict definition therefore correspond to the emissions of the Group's assets that contribute significantly to emissions today and until their decarbonization or end of life. As the Group manages its trajectory on a global scale, by adapting each local decarbonization project (specific levers implemented and timing) to regulatory changes and customer requests, the locked-in emissions are not allocated to specific assets. The Group's carbon trajectory until 2050 thus corresponds to the Group's locked-in emissions.

Since the Group's high-emitting assets provide essential products and can be decarbonized at a competitive price over a 1.5 °C trajectory (assuming a consistent change in the cost of implicit or explicit CO_2 emissions): therefore, decarbonization of the asset base is not currently identified as a major risk for Air Liquide.

In addition, based on the actions corresponding to the levers identified, Air Liquide's main production units can be competitively decarbonized in a 1.5 °C transition scenario. This requires the rollout of infrastructure, in particular energy, provided for by these scenarios (electricity networks, massive availability of renewable energy in particular, access to carbon storage sinks). This competitiveness is measured by comparing the decarbonization cost estimates for the various levers with a CO_2 price trajectory forecast by the models in a 1.5 °C scenario. These assets also provide essential products for industry and health, in particular to reduce emissions and the consumption of energy and resources by the Group's customers.

As indicated in paragraph 2.2.5 of this Sustainability Statement – page 313, the equipment sold by the Group is liable to emit CO_2 over its lifetime, in proportions that depend on the uses chosen by customers, as well as the decarbonization of the electricity networks on which they will be operated by the customer, without the Group having any influence over these choices.

IPCC IMPLICIT CARBON PRICE IN 1.5 °C TRANSITION



Legend: Curve positioning, as an indication, the carbon price from which a decarbonization technology can be deployed in a sustainable way (this price may vary by sector and geography depending on market conditions).

The actions to implement the three levers presented above represent investments that are expected to primarily enable the supply of decarbonized gases and services to Air Liquide's customers, particularly when renewing long-term contracts, thus providing growth opportunities with economic value for the Group. As a result, investments to decarbonize the Group's assets, as well as investments to capture growth opportunities in the energy transition, are not subject to separated investment budgets and are fully integrated into the Group's industrial investment policy and processes.

Thus, the financing of the deployment of investments leading to decarbonization of the Group's assets and operations is integrated into the Group's investment envelopes, this investment may be for certain projects completed by public investments, such as support from the Innovation Fund set up by the European Union.

In 2024, the Group updated its Sustainable Investment Framework and issued a green bond of 500 million euros to also finance growth investments enabling the Group's decarbonization, in addition to the first green bond issued in 2021.

Operating expenditure consists mainly of renewable and low-carbon and renewable electricity purchases and is not subject to specific monitoring. A portion of the future expenditure related to renewable electricity purchases can be estimated by the commitments in the renewable energy supply contracts signed by the Group (see page 208 of the Consolidated Financial Statements).

Furthermore, the Group steers its trajectory on a global level, by favoring areas in which the regulatory framework encourages the decarbonization of heavy industry through the development of markets for low-carbon products or by direct inducements for industry decarbonization. Thus, the sequence of decarbonization projects identified by the Group in its neutrality trajectory is not fully determined in advance.

Moreover, the implementation of certain decarbonization levers (e.g. the purchase of renewable electricity) does not require investments.

As indicated in paragraph 2.1 on the European Taxonomy of this Sustainability Statement – page 295, most of the Group's activities are not eligible for the European Taxonomy, in particular activities derived from the production of air gases. Thus, only a limited portion of the investments related to the transition plan are included in the indicators of the European Taxonomy Regulation.

With regard to operating expenditure, purchases of renewable or low-carbon energy are also excluded from the scope of operating expenditure retained by the Taxonomy.

With reference to the three decarbonization levers mentioned above, at least two cannot therefore be fully reflected by the taxonomy indicators. Nevertheless, investments related to the decarbonization of hydrogen units and cogeneration, as well as investments in the growth of low-carbon or renewable hydrogen and the Group's investments in the CO_2 capture and transport chain will mostly be eligible under the European Taxonomy, with the aim of meeting the alignment criteria. These indicators can be consulted in paragraph 2.1.3 of this Sustainability Statement – page 297.

The Group's main eligible activity is hydrogen production. The Group has announced significant ambitions in the field of low-carbon hydrogen, either through growth investments or through investments to decarbonize existing assets. The implementation of these investments is dependent on local hydrogen policies, as there is currently no harmonized definition of "low-carbon" hydrogen at the global level. The Group could thus make investments in low-carbon hydrogen that may prove taxonomy-non-aligned, due to the non-harmonization of thresholds or criteria for the Taxonomy proving too complex to document.

Since the Group's activities are mainly related to the production of industrial gases listed under NACE code 20-11, no significant investment expenditure has been identified under NACE codes B.05, C.19, D.35.1, D.35.3 or G.46.71. Only marginal investment expenditure has been identified for NACE codes D.35.1 and D.35.3, with this being capital expenditure relating to the maintenance of cogeneration units (the CCM 4.30 activity related CapEx representing only 0.4% of the Group's investment expenditure).

This expenditure is mentioned in the European Taxonomy key performance indicators, in the Appendix of this Sustainability Statement – page 360, under activity CCM 4.30 "High-efficiency co-generation of heat/cool and power from fossil gaseous fuels."

Air Liquide is not directly involved in the prospecting, extraction, refining or distribution of liquid or gaseous fuels, with the exception of sales of biomethane (non-fossil) and marginal sales of compressed natural gas for customers in mobility. These sales of products that may be considered as gaseous or liquid fuels are below the thresholds provided for in Regulation (EU) 2020/1818 for these activities and the absence of notification of exclusion by benchmark administrators makes the Group eligible for Paris-aligned benchmarks.

Since the announcement of the climate objectives in March 2021, the Group has been implementing its transition plan by formulating actions at several levels:

- implementation of training courses dedicated to the scientific aspects of climate change and the energy transition. Following a dedicated awareness-raising program in 2021-2022, these training courses have been integrated into the various courses of the World Business Lines and the Air Liquide University and are offered to the Group's employees each year;
- implementation of dedicated processes for monitoring the CO_2 trajectory, the annual review of decarbonization plans at cluster level and the integration of climate issues into the investment process (see Chapter 1 of this Universal Registration Document, section Strategy and objectives, paragraph 3.2 Investment process – page 44) including:
  - the activation of various decarbonization levers to reduce CO_2 emissions related to the Group's operations,
  - the signing of low-carbon or renewable electricity supply contracts,
  - the modernization and improvement of the energy and carbon efficiency of production units, such as the electrification of Air Separation Units in China or South Africa,
  - the development of CO_2 capture projects on existing hydrogen units for sequestration or reuse,
  - the development of offerings and projects supporting the decarbonization of the Group's customers;
- the progress made in relation to the objectives set by the Group is presented in paragraph 2.2.5 of this Sustainability Statement – page 313. Scope 1 and 2 emissions for the 2024 fiscal year are therefore decreasing by -11% regarding comparable emissions for the reference year. See details on variations compared to the previous year and the reference year in paragraph 2.2.5 – page 313.

Climate topics: impacts, risks and opportunities

Climate change mitigation

The impacts, risks and opportunities related to climate change mitigation and energy consumption are identified through several processes.

The **impacts of greenhouse gas emissions**, and of CO_2 in particular, are first identified through an active climate science watch, drawing on scientific assessments, in particular from the Intergovernmental Panel on Climate Change (IPCC) via their Assessment Reports and their Special Reports (including the special report produced with the IPBES [1] to determine the links between climate change and biodiversity). These reports document the expected impacts of climate change on ecosystems, biodiversity and human communities, at different geographic scales. The increase in global temperatures, that will be higher as greenhouse gas emissions are greater, leads to a disruption of the water cycle, an intensification of heavy rains and an increase in the frequency of wet and dry periods and heat waves. Climate change will also lead to increased sea level rise through warming waters and melting of glaciers and polar ice caps.

The materiality of these impacts is assessed in light of the Group's direct greenhouse gas emissions, as well as its indirect emissions associated with its electricity consumption. The Group monitors its greenhouse gas emissions on a quarterly and consolidated basis for Scopes 1 and 2, and calculates its Scope 3 greenhouse gas emissions annually, as well as avoided emissions. All of the Scope 1, 2 and 3 emissions are published annually, detailed in paragraph 2.2.5 of this Sustainability Statement – page 313. These emissions mainly come from the production units of the Group, either in the form of direct emissions for the hydrogen production units by reforming natural gas and cogeneration units, either in the form of indirect emissions from electricity generation consumed by air gas generating units. In the value chain, most of the indirect emissions generated come from the supply of goods and services, energy and raw materials of an energy origin, as well as from the use by customers of certain specific products sold by the Group, in particular when the products sold are themselves greenhouse gases. The Group has established a multi-year trajectory for reducing its greenhouse gas emissions (see decarbonization targets above). This trajectory is broken down by year in the form of a CO_2 budget, monitored by the Group's Operations Control Department. Investment decisions for new projects take into account CO_2 budgets allocated at the regional level, and are validated by the Resources and Investments Committee (RIC). Each cluster is allocated a CO_2 budget for the year. These budgets are built in accordance with emission allocations for the next five years and are established in parallel with the constitution of the annual CAPEX budgets, so that the emissions of the investment decisions being implemented are fully taken into account. They are the result of dialogue between the clusters and the Group Operations Control team in order to ensure compatibility with the Group's objectives and distributed in accordance with local contexts. Accountability at this stage is ensured by the executive oversight of the Resources and Investments Committees.

[1] *Intergovernmental Platform for Biodiversity and Ecosystem Services.*

Impacts are also taken into account in the value chain. Two policies related to sourcing (one general procedure, one dedicated to sustainable sourcing) are applied in the Group and aim to reduce the greenhouse gas emissions induced through its consumption (Scopes 2 and 3). Air Liquide also contributes to the decarbonization of its customers (see below), and translates its impact through the calculation of avoided emissions. Lastly, ongoing dialogue is established with all stakeholders on these topics, governed by specific procedures. These include the My Voice surveys for employees, or dialogue with investors through the Investor Relations team. These programs aim to make the most of Air Liquide's interactions with the Group's stakeholders.

The **positive impacts** are linked in particular to the Group's business model and technology portfolio. The Group provides solutions to increase the efficiency of production processes or decarbonize target markets (in particular, industry and mobility). This involves, among other things, the development of new low-carbon technologies and/or the use of Air Liquide gases and services. The materiality of these positive impacts is measured through several indicators, in particular estimates of the volume of CO_2 that can be avoided thanks to Air Liquide's solutions.

Risks and opportunities, as well as their materiality, are mainly assessed through strategic analyses carried out by various Group entities (subsidiary, business line, geography or at Group level). These climate-related risks and opportunities are assessed using the guide by the Task Force on Climate-Related Financial Disclosures (TCFD) in its report on the publication of climate-related financial disclosures. As explained below, these studies analyzing the Group's resilience against transition risks are integrated into the Group's management processes (review of new investments, performance review of operational entities as well as dedicated reviews of local decarbonization plans).

Climate transition risks refer to the financial, economic and social risks associated with the transition from a carbon-intensive to a low-carbon economy. Given the energy needs of the Group's operations, the transition **risks identified include those related to the supply of energy and raw materials**. Policies and regulations relating to the energy transition may have an impact on their availability and cost, both for fossil and decarbonized energy.

The Group's approach to transition risks follows a three-step pattern: identification of potential sources of risk; establishment of risk assessment procedures and preparation of risk mitigation plans. Two types of processes can also be distinguished: (i) forward-looking control of investments and (ii) reviews of existing activities.

<u>(i) Forward-looking control of investments</u>

To ensure that future investments are compatible with a 1.5 °C transition scenario (as described by the IEA Net Zero Emissions scenario [1]), as well as with the financial and extra-financial commitments to its shareholders, Air Liquide relies on its Resources and Investments Committees (RICs) whose governance and operation are detailed in Chapter 1 of this Universal Registration Document, section Strategy and objectives, paragraph 3.2 Investment process – page 44. For example, among other things, RIC guidelines include the following:

- all projects must incorporate a sensitivity analysis around the carbon price to assess the viability of the project for the client, as the price of CO_2 is contractually transferred to the client [2]. This sensitivity analysis is to be carried out using the current local price and a value of 100 euros per tonne or more, chosen according to geography and context. The Group is currently reviewing its internal policy to adapt this minimum price, in line with changes in CO_2 price projections since this policy was introduced, and to integrate the CO_2 price considered more precisely into a sensitivity analysis in a 1.5 °C scenario, based on the work of the International Energy Agency. This CO_2 price is a "notional" price applied for sensitivity analyses when developing new investments. The level was initially set with reference to the work of the Stern-Stiglitz Commission (2017). Where an explicit carbon price exists, this price (and dedicated projections where necessary) is used. In 2025, the Group will review the way in which the price of carbon is incorporated into analyses during the investment process, in order to strengthen consistency with the 1.5 °C scenario used;
- furthermore, whenever the annual Scope 1 and 2 emissions for the associated investment or the customer's annual emissions exceed specific thresholds, the investments must first go through an Emissions and Energy Risks Committee (E-Enrisk) in which technology, reputation and market risks are taken into account. The results are then transferred to the RIC.

In addition, and in order to ensure any investment compromising the compatibility of the Group's objectives with a 1.5 °C trajectory, the Group's exposure to emissions is managed centrally via an annual carbon budget. This budget is allocated to the various regions and is revised each year, in line with climate objectives. This trajectory is reviewed by the Environment and Society Committee of the Board of Directors [3].

(1) As in the Net Zero Roadmap (2023) and the Global Energy Outlook (2023).
(2) In the Air Liquide business model, contractually re-invoiced to the customer, significantly reducing the risk of impairment of the assets concerned.
(3) The Environment and Society Committee comprises three Directors as described on page 124 of this Universal Registration Document.

(ii) Review of existing activities

Another key dimension in the Group's transition risk management is that of its existing assets and activities. To assess this, Air Liquide has rolled out a dedicated process, covering the four risk dimensions recommended by the Task Force on Climate-Related Financial Disclosures (TCFD): political and legal, technology, market and reputation with time horizons to 2035 and 2050 and the differences stemming from the intensity of the risk factor rather than its nature. A single level of risk is considered covering the different time horizons. The Group carried out an overall assessment when several time horizons applied. However, managing the CO_2 trajectory on different time scales involves taking into account transition risks over multiple time horizons, typically covering the "Year +1" horizon, the strategic plan horizon, and the climate objectives announced for 2035 and 2050. Due to the strong dependence on local conditions (policies and regulations, structure of energy markets), a 1.5 °C transition scenario is used, mainly in a qualitative manner within the framework of a dialogue between internal stakeholders. The main 1.5 °C reference scenario used is the "Net Zero" scenario of the International Energy Agency, which provides relevant elements with regard to the Group's activities: evolution of energy markets, development of renewable electricity sources, evolution of major industrial markets served by the Group such as steel or petrochemicals, as well as technological developments, for different time horizons and different regions of the world. Cross-referencing with a local vision, in particular the policies and regulations implemented and under discussion, allows the Group to have scenarios covering the different dimensions of risks.

- screening and identification of risks: under the direction of the Sustainable Development Department and in collaboration with the Finance teams and the World Business Lines, a review of the transition risk factors in a 1.5 °C transition scenario is conducted. Impacts of the energy transition on the different markets are taken into account during the various sectoral and/or geographic market studies; technological impacts are taken into account in technological watch studies carried out by R&D, and can then be integrated into technological development roadmaps. Monitoring of regulatory developments is coordinated by the Public Affairs teams, liaising with the business lines and operational entities concerned;
- in-depth regional reviews: following the assessment carried out by the central team, in-depth analyses are carried out in the various geographies, with an analysis at asset level where appropriate, taking into account the type of asset, its production capacity, the market served and local decarbonization policies.

The double materiality assessment has revealed four material risks, as well as one material opportunity concerning the topic of climate change mitigation:

(i) a **technological risk**, such as the obsolescence of existing emitting technologies or processes, the cost of new low-carbon technologies, and the risks associated with investments in them;

(ii) a **risk related to the markets** served by the Group, which may themselves be impacted by the need to reduce emissions, particularly impacting the demand for industrial gases in certain markets;

(iii) a **political and legal risk**, which can materialize in several forms such as the implementation of CO_2 pricing systems (tax, quota market), regulations impacting the placing on the market of certain types of products, or reinforcing obligations to reduce greenhouse gas emissions;

(iv) a **reputational risk**, depending on how the Group's emission reduction targets and its performance are viewed by stakeholders.

The **material opportunity** identified includes the **positive developments** that the decarbonization of economies, and in particular of industry and mobility, **induces on the demand for the Group's products and services**, with the development of new market segments, both in existing markets and in new sectors.

These four risks and this material opportunity identified for the topic of climate change mitigation were identified during the double materiality assessment. They were further analyzed in more depth by the Group, based on the work of the TCFD, to provide a more detailed view that takes mitigation measures into account:

Risk factors [(a)]	Importance	Risk assessment	Opportunity assessment
		Political and legal	
CO_2 emission price increase	Higher cost due to CO_2 price	Low – potential costs are subject to contractual pass-through provisions.	High – growth potential in the low-carbon emission manufacturing industry.
Mandates/regulations on existing products and processes	Mandates on low carbon H_2 and CCUS [(b)] regulation	Moderate – IEA scenario alignment and positive regulatory signs.	High – accelerated scale-up of emerging value chains/potential for cost differential reductions.
Strengthened reporting requirements	Cost of an improved reporting process, cost of transparency for reputation	Low – high-precision reporting validated by external auditors and enhanced disclosures under the Corporate Sustainability Reporting Directive (CSRD).	Moderate – improved knowledge and management of climate measures thanks to the requirements of the CSRD.
		Technology	
Substitution of existing products with lower-emissions alternatives	Low-carbon industrial gas production	Low – Air Liquide is positioned as a leader in the low-carbon H_2 value chain, as well as on all new low-carbon industrial gas technologies. No substitute products required for air gases.	High – opportunities increase related to low-carbon hydrogen and industrial gases demand.
Unsuccessful investment in new technologies	Inability to develop new technologies on time, at cost and in line with market demand	Low – technologies development with robust technological roadmaps, with a long track record of success.	High – strong competitive advantage in technology development, with reduced time-to-market and a large technologies proprietaries portfolio.
Costs of transition to lower-emissions technology	Cost of electricity, CCUS [(b)] or low-carbon sourcing	Low – reduction costs lower than implied CO_2 price in price trajectories in 1.5 °C scenarios.	
		Markets	
Change of customer behavior	Customers likely to disappear or who do not need industrial gases for their work	Low – Air Liquide has a diversified customer base, due diligence for projects evaluation (site, customer), a resilient contractual structure and customer proximity to anticipate changes.	High – potential for increased sales of industrial gases and services to meet new demand.
Uncertainty in the market signals	Uncertainty on H_2, CCS and electricity prices (for PPAs [(c)]) outlook	Moderate – risks on the energy price are reflected in the contracts, market signals are monitored, with a strong proximity to customers. Advocacy ensures that market signals are coming in clear and stable regulatory frameworks.	
Increased cost of raw materials	Increased cost of raw materials	Low – relatively low consumption of critical materials.	
		Reputation	
Changes in consumer preferences	Changes in the demand of end products of value chains of the Group	Low – industrial gases are involved in almost all manufacturing processes.	High – sharp increase in industrial use of gas in all geographies and all decarbonization trajectories.
Stigmatization of sector	Stigmatization of chemicals	Low – Air Liquide's advocacy strategy incorporates the use of scientific pedagogy to highlight the industrial gas need for all scenarios.	
Increased stakeholder concern and negative comments	Concerns of coalitions (investors, NGOs)	Low – Air Liquide has specific structures for constructive dialogue with the Group's stakeholders.	High – strong stakeholder alignment capability ensured by specific structures.

(a) Climate-related transition risks were assessed according to the categories and examples of the Task Force on Climate-Related Financial Disclosures (TCFD), Final Report, 2017.
(b) CCUS: Carbon Capture, Utilization, and Storage.
(c) PPA: Power Purchase Agreement.

Climate change adaptation

This issue is one of the Group's environmental risks. Air Liquide operates in certain regions of the world exposed to changes (in severity or frequency) in exceptional weather phenomena due to climate change.

These can be broken down as follows:

- **acute risks**, triggered by events such as natural disasters, the frequency and severity of which are increasing: storms, hurricanes, flooding, etc. These risks may relate to Air Liquide sites located near the coast for example, or in regions affected by hurricanes (the US Gulf Coast, South-East Asia, etc.);
- **chronic risks**, related to longer-term changes in climate models and rising temperatures: rising sea levels, chronic heatwaves in certain regions, changes in rainfall patterns and an increase in their variability, the disappearance of certain resources, etc.

These phenomena can slow down or interrupt the Group's operations or make them more costly. Its suppliers and customers are also faced with these **same risks**, which can indirectly affect the Group by reducing the demand for industrial gases. Some of these climatic phenomena, such as heatwaves, could even have an **impact on working conditions**.

A study was carried out in 2023, together with a consulting firm, involving internal technical experts, in order to identify how the physical risks related to climate change could impact the Group's activities and assets. To this end, assets related to key activities were identified (ASU, HyCO, Cogeneration, Biogas, Industrial Merchant and Electronics, representing more than 75% of sales) and for each of them, the perils induced by the physical risks related to climate change were assessed (drought, temperature, heat, flood, fire, precipitation, cold, extreme weather conditions, geotechnics, soil, weather and oceanographic conditions). Among these, the main perils identified are drought, temperature, heatwaves and fire because they have specific impacts on Air Liquide's activities, particularly in the way they affect industrial processes.

An exposure analysis was then carried out, based on both an absolute approach (how will the assets be exposed to each peril) and a relative approach (how will the assets be exposed compared to the reference period of 1981-2010). Climate-related perils were assessed on the basis of IPCC intermediate (SSP2-4.5) and high (SSP5-8.5) emission scenarios for the long-term horizon of 2040, using the consulting firm's exclusive climate simulation tool. These two scenarios were selected for their scientific basis making it possible to model the evolution of the various perils mentioned above, based on those listed in appendix A "DNSH Adaptation" of the Taxonomy Regulation under two high emissions trajectories. One (SSP2-4.5) is a "business-as-usual" scenario, where the level of emissions corresponds to that of Nationally Determined Contributions and can be considered probable. The second (SSP5-8.5) corresponds to a very pessimistic scenario and serves as a "limit case" for risk analyses. In this tool, for each of the climate scenarios studied, an exposure is calculated for each of the various assets for each type of peril, with the results then being consolidated by activity. Starting with the Group's more than 6,000 assets, the analysis focused on the ~670 industrial assets, of which ~570 belonged to one of the following categories: ASU, HyCO, Cogeneration, Biogas, Industrial Merchant and Electronics. Non-industrial assets were considered to present a risk that was not specific to Air Liquide. A business interruption of these non-industrial assets would not constitute a major risk for Air Liquide as a whole, as they could be relocated if necessary.

Following this first generic mapping, work continues to refine the understanding of the issues at the level of the various types of assets of the Group, with a focus on the main industrial basins.

In 2024, the drafting of a procedure relating to physical climate risks was also started, based on the principles set out above, in order to be able to carry out this assessment more systematically over a horizon compatible with the Group's assets lifetime, again on the basis of the SSP2-4.5 and SSP5-8.5 scenarios. Given the long life of Air Liquide's assets, no shorter-term analysis will be carried out. At this stage, however, value chain risks are only partially assessed (e.g. a cold wave preventing deliveries by truck for the Industrial Merchant business), and may be subject to further analysis in the future.

The identification of climate-related risks was structured to consider physical risks and transition risks separately. A procedure is being drafted to define how climate resilience analysis should be carried out at Cluster level, specifying in particular the climate scenarios to be taken into account (as defined by IPCC experts), the time horizons applied, and the scope of material physical risks to be taken into account.

2.2.2. Climate policy

Climate change mitigation

Air Liquide's climate policy is an integral part of the BlueBook and covers the entire Group. The processes and actions described in it are supervised by the Executive Committee. It recalls in its introduction the impact of greenhouse gas emissions induced by the Group's activities on the environment and society, as evidenced by the regular assessment and special reports of the Intergovernmental Panel on Climate Change. The climate policy defines the way in which Air Liquide assesses climate-related risks, impacts and opportunities on its value chain, both in terms of mitigation and adaptation, and how the Group responds to this through its processes, monitors its performance (in particular by measuring its carbon footprint) and communicates its performance to its stakeholders. It also covers engagement with stakeholders such as customers, employees, suppliers, public bodies or non-governmental organizations, and specifies the roles and responsibilities of the different internal entities. The rollout of renewable energy is addressed through the guiding principles for energy management and the training courses organized by the energy teams.

The climate policy is then rolled out through the other policies of the BlueBook, in particular by integrating, on the one hand, items relating to the management of new capital expenditure and purchases and, on the other hand, emphasizing that the Group mobilizes three main levers, including zero- or low-carbon energy supply to reduce its CO_2 footprint. The supply of renewable and low-carbon energy is governed by the Energy Management policy in the BlueBook, which also covers energy efficiency projects.

The climate policy is made available via the Intranet to all Group employees, and therefore to all interested internal stakeholders, in particular those involved in its implementation.

Transition risk management and carbon neutrality trajectory

The Group addresses transition risks by combining several approaches: ambitious emission trajectory targets to manage the volume of emissions from the existing asset base and new assets (trajectory towards 2050 carbon neutrality including the target of a -33% reduction in Scope 1 and 2 emissions by 2035 compared to the baseline of 2020 [(1)]), regulatory watch, technological development and the development of low-carbon gas markets. The use of an internal carbon price for new investments is one of the tools used by the Group: as the Group's emissions come mainly from production operations, it needs to ensure that new industrial investments are not at risk in a global trajectory compatible with the Paris Agreement.

To this end, the investment process has not only been updated to ensure the detailed analysis of a project's impact on the Group's CO_2 trajectory and inclusion of a decarbonization plan in the event the material impact rises, but all these investments carry out sensitivity studies on the future CO_2 price.

All projects must incorporate a sensitivity analysis around the carbon price to assess the viability of the project for the customer, the CO_2 price being contractually transferred to the customer [(2)]. This sensitivity analysis is to be carried out with the current local price and a value of 100 euros per tonne or more chosen according to geography and context. As this price applies to the Group's new industrial investments, it covers most of the Scope 1 and 2 emissions.

For existing assets, the Group's business model means that the carbon price paid by the Group is contractually re-invoiced to customers, thus significantly reducing the risk of impairment of the assets concerned. In addition, due to the efficiencies that the Group's business models bring to its customers, the overall emissions are lower than if the customers were to produce their own industrial gases.

The Group's climate strategy towards neutrality is based above all on a drastic reduction in CO_2 emissions from operations, as described above. The Group's intention is to minimize the use of offsetting instruments. For example, to date, the Group has not mobilised carbon credits for the steering of its CO_2 trajectory.

These may nevertheless be used from time to time by operational entities, for example in the context of internal seminars, or for the purposes of compliance with regulatory systems such as "quota markets", when such instruments are authorized. These uses are marginal, are not reported at Group level, and are not taken into account in the calculation of the carbon footprint communicated in paragraph 2.2.5 of this Sustainability Statement – page 313, in accordance with best carbon accounting practices.

It is recognized by organizations such as the IPCC and the IEA that the use of offsetting instruments is necessary as part of a global climate trajectory to limit the increase in temperatures below 1.5 °C. Nevertheless, the use of carbon offsetting instruments is controversial. Studies are currently underway, for example as part of the SBTi, or through the GHG Protocol, concerning their role and the type of instruments that can be mobilized, in order to clarify how these instruments can be used by companies within the framework of a "Net Zero" strategy.

For Air Liquide, offsetting should not replace emission reductions in situations where they are possible, but only cover non-reducible residual reductions, in particular via "negative emissions" ("removals"), the quality of which must be guaranteed by recognized standards.

The Group aims to provide decarbonization solutions to its customers based on an outsourced business model. Given the existing accounting methodologies, in the context of projects leading to massive emission reductions for the Group's customers, in particular, and for the planet in general, the residual emissions resulting from these decarbonization projects are recognized in Air Liquide's carbon footprint. The Group anticipates that these residual emissions will ultimately be offset by appropriate instruments, while retaining a strategy based on a compatible reduction trajectory. When the procedures for recognizing the use of different types of offsetting instruments in the carbon accounting standards and defining "Net Zero" objectives are clarified, their role in the climate strategy will be specified.

2.2.3. Climate-related actions

Climate change mitigation

As mentioned in paragraph 2.2.1 of this Sustainability Statement – page 300, the Group has defined actions corresponding to the three decarbonization levers of Air Liquide's Climate Transition Plan. Although each sub-action that contributes to an action can occur at local level, all actions are managed at Group level and include several geographical sub-actions in order to contribute to Air Liquide's Climate objectives. The three decarbonization levers are as follows:

- renewable or low-carbon electricity supply. This first lever is a climate change mitigation lever that combines two types of mitigation actions, the change in fuel type and the use of renewable energy. This lever concerns the Group's electricity consumption, which is the main source of energy for Air Liquide's fixed assets;
- asset management. This second lever is a climate change mitigation lever that brings together several types of mitigation actions such as the electrification of industrial assets or energy efficiency. This lever applies to all of Air Liquide's fixed and mobile assets;
- CO_2 capture for geological storage or use. This third lever is considered to be a lever for climate change adaptation through technological solutions to avoid the emission of CO_2 from industrial units into the atmosphere.

The conditions and hypotheses allowing the implementation of actions corresponding to the different levers are set out in the "Climate strategy – transition plan" (paragraph 2.2 of this Sustainability Statement – page 300).

(1) *Restated to take into account asset emissions for the full year, from 2020 and every year thereafter, taking into account (both upwards and downwards) changes in scope that have a significant impact on CO_2 emissions.*
(2) *In Air Liquide's business model, it is contractually re-invoiced to the customer, significantly reducing the risk of impairment of the assets concerned.*

Key sub-actions that contributed to the Group's achievements this year include:

Low-carbon energy	Asset management	Carbon capture
In 2024, Air Liquide signed several contracts for the supply of low carbon electricity (renewable energy, nuclear, hydroelectric, wind) with a total volume of more than 2,500 GWh per year. The contracts in question cover the following countries: Brazil, China, France, Germany and Spain. These contracts support Air Liquide's commitment to achieve carbon neutrality by 2050.	Air Liquide invested nearly 100 million euros to support the development of its production units serving Aurubis in Europe, including the replacement or modernization of old units in order to improve operational efficiency and reduce CO_2 emissions. The replaced and modernized plants are expected to be operational in 2027.	The Group invested to install a CCS unit using Cryocap™, an innovative technology developed by Air Liquide, in the port of Rotterdam. This unit will be connected to the Porthos infrastructure project in the Netherlands, which will reduce the emissions of an Air Liquide site in Rozenburg in the port of Rotterdam, while it will help emission reductions for the major industrial area of Rotterdam.

The GHG emission reductions expected for each lever are shown in paragraph 2.2.1. of this Sustainability Statement – page 300. The GHG emissions reductions achieved since the reference year are communicated in an aggregated manner in paragraph 2.2.5 of this Sustainability Statement – page 313.

Climate change adaptation

Climate change adaptation actions and resources are managed by a central team whose role is to monitor and coordinate the implementation of the climate risk management process. This team works together with the operational teams and the teams that coordinate new projects to develop the process of identifying, exposing and adapting to climate risks such as members of the Company risk management, HSE, insurance and sustainable development teams. Regular meetings throughout the year are planned to define the Company's strategy and approach and to validate the steps to be followed in order to fully integrate the climate-related physical risks into the Group's Industrial Management System.

2.2.4. Climate objectives

Climate change mitigation

In March 2021, Air Liquide announced its climate objectives, which are defined as follows:

- an ambition to achieve carbon neutrality by 2050, by reducing its emissions throughout its value chain. The precise quantification has not yet been provided, but the illustrative trajectory presented to stakeholders highlights the ambition of a significant reduction. Residual emissions would be neutralized using high-quality carbon credits;
- a clear milestone in 2035 with a -33% reduction in Scope 1 and 2 emissions compared to the baseline of 2020. The objective covers absolute CO_2-eq emissions reported by the Group as Scopes 1 and 2 [(1)], in accordance with the reporting scope of the Group's direct and indirect emissions related to electricity and steam purchased by the Group. The reference year 2020 was chosen because it precedes the announcement of the climate objectives and is considered a representative year; it is only restated to take into account significant changes in the reporting scope or accounting methodologies applied, in accordance with the GHG Protocol guidelines (Corporate Accounting and Reporting Standard, Chapter 11);
- a turning point by 2025.

These targets aim to respond directly to the objective of mitigating Air Liquide's impact on the climate expressed in its climate policy. The set of targets and the corresponding timetable have been set in line with the science-based target of achieving a net zero state for the planet by 2050, as expressed in particular by the IPCC in its special 1.5 °C Report (2018). It takes into account the specificities of the Group's activities and business lines, taking into consideration, notably when setting the target of -33% by 2035:

- dependencies on policies and regulations, in particular with regard to the development of markets for low-carbon products as well as the development of production assets and relevant infrastructure for low-carbon and renewable energy;
- the time required for the industrial scale-up and rollout of new technologies such as electrolysis. The development of the 2035 target compared available scenarios, such as the IEA sustainable development scenario (SDS) available at the time and the IEA "Net Zero" scenario, published for the first time in 2021. By way of illustration, the IEA lists the policies and regulations that governments should put in place to enable the transition to a net zero trajectory.

The 2020-2035 period corresponds to a typical contractual cycle for the Group's new investments; for this reason the target has been defined over a horizon of 15 years. No targets have been set for 2030, given the time required to roll out the identified greenhouse gas emission reduction measures at scale. For example, the supply of zero-carbon electricity through a power purchase agreement enabling the development of a major renewable electricity production asset may take four to 10 years (for the identification, development and construction of a solar or wind farm project). Similar timescales can be expected to ensure the supply of substantial volumes of fuel or biogenic raw materials or to establish a carbon capture and storage supply chain. The reduction levers are well identified, and are closely linked to the climate change mitigation actions of other players, as indicated in paragraph 2.2.1 of this Sustainability Statement – page 300.

Scope 1 and 2 objectives were developed by a dedicated "task force" in order to integrate the expectations of internal and external stakeholders (Sustainable Development Department, Large Industries business line, Group Operations Control, Strategy team, R&D, and Investor Relations teams). Monitoring of the performance achieved is integrated into the process of reviewing the Group's operational performance with an analysis carried out by the Group Operations Control on a half-yearly basis (CO_2 Scope 1 and 2 reporting of the main production units and comparison with the anticipated trajectory in year N-1 when setting objectives for operational entities).

(1) *In Market-Based.*

No quantitative objective for reducing Scope 3 emissions has to date been announced by the Group. Scope 3 emissions are reported and reduction levers have been identified, on which the Group is working.

The Group communicates its performance in relation to its climate objectives and in particular the reduction of Scopes 1 and 2 emissions compared to reference year 2020 to its stakeholders annually, via this Sustainability Statement and through other presentation channels deemed relevant. Progress at December 31, 2024 is presented in paragraph 2.2.5 of this Sustainability Statement – page 313.

Climate change adaptation

Climate-related targets have not yet been set by the Group for climate change adaptation, as the strategy and approach are still being developed by the team of dedicated experts.

2.2.5. Climate indicators

GHG emission indicators

The inventory of greenhouse gas emissions induced by the Group in its value chain and its reporting by scope and category has been prepared according to the principles of the GHG Protocol Corporate Accounting & Reporting Standard, taking into account the specificities of the Group.

Change of scope and inventory covered by the reporting

No significant change in scope occurred during 2024. Compared to 2023, two units impacting on scope 1 emissions of around -500 ktCO_2 have been removed from the Group's consolidation scope. The figures for 2023 and the reference year in the table below have been restated to provide a comparable basis with the performance of 2024.

There has been no significant change in scope for Scope 3 emissions. Nevertheless, emissions concerning goods and services purchased for the Engineering & Construction activity and relating to third-party sales are included in the upstream Scope 3 emissions (categories 1 and 2) for the 2024 fiscal year. In addition, emissions related to the electricity consumption of the Group's On-Site units installed on customers' premises and for which Air Liquide does not pay the energy cost were included in Scope 3 downstream (category 13).

Indirect emissions related to the production of energy-based raw materials such as natural gas are now reported in Scope 3, category 1, in accordance with the recommendations of the GHG Protocol, whereas they were previously in Scope 3, category 3 alongside indirect upstream fuel emissions.

Scopes 1 and 2 reporting scope

The reporting scope of the Group's greenhouse gas emissions is based on the industrial data reporting scope. The industrial reporting scope includes all industrial units in operation during the fiscal year and controlled and operated by Air Liquide. However, a materiality threshold is in place, and operational units below this threshold are excluded from the reporting scope. The materiality thresholds are set so that (1) the Group reports all material sources in accordance with the regulations and recommendations in force, and (2) they minimize the burden on operational teams when these emissions are not significant. An annual review of the reporting scope and applicable thresholds is carried out to ensure that all material sources are correctly reported.

In order to provide comparable data for greenhouse gas emissions, the data from 2020 has been restated to include in the annual emissions the effects of changes in scope or methodology that may have had a significant impact on CO_2 emissions, both upwards and downwards.

	Retrospective			
	Base year – 2020 restated [(a)]	Comparative – 2023 restated [(b)]	2024	%N / N-1
Scope 1 GHG Emissions				
Gross Scope 1 GHG emissions (tCO_2eq)	15,505,000	15,473,000	14,868,470	96.1 %
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	— %	— %	48.4 %	—
Scope 2 GHG Emissions				
Gross location-based Scope 2 GHG emissions (tCO_2eq)	—	20,800,240	20,682,800	99.4%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	23,784,000	21,504,000	20,064,140	93.3%
Significant Scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	19,448,700	22,299,860	23,243,928	104.2%
1 Purchased goods and services	2,835,770	3,057,255	6,526,255	213.5%
2 Capital goods	460,736	1,017,415	909,808	89.4%
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	5,131,150	8,467,149	6,211,500	73.4%
4 Upstream transportation and distribution	70,490	488,609	513,665	105.1%
5 Waste generated in operations	*NS*	*NS*	*NS*	*NS*
6 Business travel	34,303	71,021	30,915	43.5%
7 Employee commuting	70,274	72,760	71,365	98.1%
8 Upstream leased assets	*NS*	*NS*	*NS*	*NS*
9 Downstream transportation	*NA*	*NA*	*NA*	*NA*
10 Processing of sold products	*NA*	*NA*	*NA*	*NA*
11 Use of sold products	9,276,075	7,210,017	6,845,518	94.9 %
12 End-of-life treatment of sold products	*NA*	*NA*	*NA*	*NA*
13 Downstream leased asset	1,569,902	1,915,634	2,134,902	111.4 %
14 Franchises	*NA*	*NA*	*NA*	*NA*
15 Investments	*NS*	*NS*	*NS*	*NS*
Total GHG emissions				
Total GHG emissions location-based (tCO_2eq)	—	—	58,795,198	—%
Total GHG emissions market-based (tCO_2eq)	58,737,700	59,276,860	58,176,538	98.1 %

NA: Not applicable.
NS: Not significant.
(a) Scope 1 and 2 emissions are restated to reflect the perimeter change, while Scope 3 emissions are not restated.
(b) Scope 1 and 2 emissions are restated to reflect the perimeter change; Scope 3 Category 11 emissions are restated to account for product volumes that were omitted from the 2023 publication; remaining Scope 3 emissions are not restated.

Milestones and target years			
2025	2030	2050	Annual % Target / base year
—	—	—	—%
—	—	—	—%
—	—	—	—%
—	—	—	—%
—	—	—	—%
—	—	—	—%
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—	—	—	—%
—	—	—	—%
—	—	—	—%
—	—	—	—%

Scope 1 CO_2 emissions are down by -605 ktCO_2 compared to the comparable emissions for 2023. The decrease mainly comes from the evolution of production volumes (themselves linked to customer demand and maintenance operations) and the project to convert a reforming unit in order to use off-gas of biogenic origin for part of the raw material supply.

Scope 2 CO_2 emissions are down by -1,440 ktCO_2 compared to the comparable emissions for 2023. The decrease comes from the significant increase in the Group's supply of electricity from renewable or nuclear sources (see paragraph 2.2.5 of this Sustainability Statement – page 313), as well as from shutdowns of large-capacity units for maintenance operations.

The Group is not currently committing to individual targets for each Scope, but to Scope 1+2 combined. In 2024, Scope 1+2 emissions (accounted for using the market-based methodology) are 34,933 ktCO_2, i.e. -11% lower than 2020 emissions on a comparable basis, which is in line with the objective of reducing these emissions by -33% in 2035 compared to 2020.

Scope 3 CO_2 emissions from category 1 are increasing mainly due to a reclassification of emissions previously reported in category 3 (explaining the decrease in category 3) as well as improved reporting allowing the inclusion of emissions related to purchases made for the Engineering & Construction activity as well as those related to purchases of industrial gases from third parties.

Some Air Liquide production units operate within the scope of a carbon quota trading system, such as cogeneration or hydrogen production units in Europe. The share of Scope 1 emissions from units operating within the scope of a quota exchange system represents 48.4% of Scope 1 emissions. Biogenic CO_2 emissions are not included in the table above but are included and reported separately in each scope below.

The following table represents the shares of emissions for each of the Group's geographical areas.

Geographies	Scope 1 (ktCO_2eq)	Scope 2 (ktCO_2eq)
Europe and Africa / Middle East / India	6,839	9,809
Americas	6,894	2,660
Asia Pacific	1,135	7,595

The GHG emissions intensity (total GHG emissions over net revenue) of the Group for this reporting year is 2,150.08 tCO_2eq/m€ using the market-based methodology and 2,172.95 tCO_2eq/m€ using the location-based methodology

Scope 1

The majority of Air Liquide's Scope 1 emissions are from its hydrogen production and cogeneration units. Scope 1 emissions are the difference in carbon content between the raw materials and fuels (primarily natural gas) consumed by these units and the carbon content of their products. This information is reported as part of the Group's industrial reporting. Production units falling below the threshold making them eligible for the Group's industrial reporting are excluded, their consumption and their CO_2 emissions being deemed negligible. Air Liquide also records direct emissions from the combustion of fuel in its truck fleet, as well as gas losses from its CO_2 and nitrous oxide production units.

Direct biogenic CO_2 emissions not included in Scope 1 GHG emissions represent 202 ktCO_2eq. They mainly come from fugitive emissions from production units using biomass or its derivatives.

Regarding the accounting and publication of direct CO_2 emissions from units in a regulated emissions trading system, the same calculation methodology, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, will be applied, rather than the methodologies of the corresponding emissions trading systems, which are not uniform and in some cases do not meet the very definition of direct emissions. The application of these local methodologies introduces distortion and inconsistencies in the accounting of CO_2 emissions induced along the value chain and their reporting between Scopes 1, 2 and 3.

Scope 2

Concerning "market-based" accounting of Scope 2 emissions, emission factors are calculated directly from contractual information. In the absence of reliable information (contractual or concerning the supplier's production mix), when all or part of a site's electricity supply comes from the grid, a residual emission factor is used, in accordance with best practices. In the absence of reliable data on the residual mix, the grid emission factor is used, the latter accounting for approximately 40% of emissions. "Market-based" accounting makes it possible to reflect the Group's initiatives in terms of electricity supply in the Group's Scope 2 emissions, in particular the voluntary supply of renewable electricity. Concerning the accounting of Scope 2 "location-based" emissions, the emission factors are the average emission factors of the national networks as published and regularly updated by the International Energy Agency. Information concerning the volumes of electricity and steam consumed is reported as part of the Group's industrial reporting.

The Scope 2 emissions reported above involve the use of contractual instruments, such as Guarantee of Origin (GO), Renewable Energy Certificates (REC) and other instruments. The following table details the nature of the contractual instruments used within the Group.

Bundled/Unbundled Contractual Instruments	2024 (%)
Percentage of contractual instruments used for sale and purchase of energy bundled with attributes about energy generation in relation to Scope 2 GHG emissions	82
Percentage of contractual instruments used for sale and purchase of unbundled energy attribute claims in relation to Scope 2 GHG emissions	18

Electricity consumption and associated indirect CO_2 emissions are only taken into account in Scope 2 when Air Liquide pays the cost of this energy. When Air Liquide does not pay the cost of the energy, indirect CO_2 emissions are estimated and recognized in Scope 3, category 13. The latter represent 9% of total Scope 3 emissions.

When the Group has cogeneration units in a country where ASUs are available, the indirect emissions from the electricity consumed by these units are adjusted to take self-consumption into account.

Indirect biogenic CO_2 emissions not included in Scope 2 GHG emissions represent 587 ktCO_2eq. They come from electricity consumption using biomass or its derivatives.

Scope 3

Scope 3 emissions cover indirect emissions caused by the Group's activities along its value chain, in particular the most significant sources of emissions in terms of volume and relevance to the Group's activities and business model. Significant sources of emissions are identified and recognized in accordance with the recommendations of the GHG Protocol Corporate Value Chain Standard.

The most significant sources of indirect emissions (excluding Scope 2 emissions) are indirect emissions related to upstream energy-based raw materials (reported in category 3), in particular natural gas, those related to the production of purchased fuels and indirect emissions related to upstream purchased electricity and steam, as well as network losses (reported in category 3), those related to the purchase of goods and services, including fixed assets (reported respectively in categories 1 and 2), and those resulting from the use of products that are themselves greenhouse gases (reported in category 11). Indirect emissions related to the production of electricity consumed in the Group's units for which the Group does not pay the cost of the electricity supplied by the customer are considered significant and reported in category 13. Emissions from the road transportation of products between plants and customers when the transport service is outsourced are recorded in category 4. Reported emissions are calculated on the basis of industrial data from the Group's operational management systems, multiplied by emission factors from various sources (see table below). The Group does not report emissions for categories 5, 8, 9, 10, 12, 14 and 15, either because the Group does not have any indirect emissions covered by its categories, or because the emissions concerned are insignificant and the Group does not have a reliable estimation system.

Concerning emissions linked to purchases of goods and services reported in categories 1, 2, 4 and 6, since part of the purchase amount is not allocated to sufficiently defined items, an average emission factor was assigned to them to complete the estimate of the corresponding CO_2 emissions (included in the Scope 3 emissions total). A minority part of the Group's purchases is reported outside the consolidated system. The emissions corresponding to these expenses, estimated based on an average emission factor, are estimated to represent less than 5% of emissions related to procurement (excluded from the Scope 3 emissions total).

The Group has also identified the need to clarify emissions related to third-party equipment sales made by its Engineering & Construction (E&C) and Global Markets & Technologies (GM&T) divisions. A specific project was launched in the second half of 2024 to better understand how these emissions linked to the use of power plants sold to external customers should be accounted for. Taking into account the complex methodology to be developed, as well as the diversity of situations – for example with very different scopes of intervention by the Group, from engineering studies to turnkey factories or the sale of licenses – and of the need to better understand the use scenarios of the equipment sold, the Group is not able to communicate corresponding emissions in its Scope 3 inventory. Likewise, the Group makes sales of fluorinated gases for different uses. To date, the Group is not able to estimate the portion of these products sold that are likely to be re-issued during the use phase. Methodological work will be launched in 2025 in order to improve the Group's understanding of this subject.

The percentage of Scope 3 emissions obtained from the primary data source represents 71% of Scope 3 emissions. Within the Group, this percentage reflects Scope 3 emissions associated with data that was collected directly and does not include estimates or extrapolations of measurements. The categories or subcategories concerned by direct measurements are category 1 (limited to raw materials for HyCO untis), category 3, category 11 and category 13 (except on-site units).

Indirect biogenic CO_2 emissions not included in Scope 3 GHG emissions represent 566 ktCO_2eq. This data comes from the use of products sold during the production of biomethane and from CO_2 produced from biomass or its derivatives.

Emission factors and global warming potential

Emission factors are used to convert primary industrial data (such as fuel and electricity consumption or fugitive emissions) into CO_2 equivalents. A ranking is applied if the regulations do not explicitly state the source to be used. Preference is given to:

- internationally recognized sources;
- values provided in the relevant ISO standards;
- bodies defining standards at national level / regulatory bodies (e.g. ADEME). Specifically, the following sources are used for the emission scopes and categories in question:

Emission scope/Category	GWP and source of emission factor
Scope 1	
GHG emissions excluding CO_2	IPCC AR6 GWP-100
Transportation	ISO 14083 Tank-to-Wheels values by fuel type
Scope 2	
Electricity	IEA Grid Emission Factor Residual Emission Factors of the AIB (Association of Issuing Bodies) in Europe Residual Emission Factors for Green-E in the US Government of Canada residual emission factors
Electricity and Steam	Specific Emission Factors of energy suppliers
Steam	Emission Factor developed using IEA production mix and ADEME emission factors
Biogenic emissions (not included in Scope 2)	Emission Factor developed using the IEA's World Energy Statistics and the RTE France fossil combustion emission factor
Scope 3	
Categories 1 and 2	CEDA (Comprehensive Environmental Data Archive) factors of Watershed
Categories 1, 2, 4a (Upstream transportation) & 6	ADEME Footprint Base factors
Category 3 – Activity A & B	IEA Upstream Life Cycle Emission Factors for Fuels/Power Generation Technologies
Category 3 – Activity C	Transmission and distribution losses of the World Bank
Category 4b (Upstream distribution)	ISO 14083 Tank-to-Wheels values by fuel type
Category 7	GHG emissions from diesel vehicles of ADEME
Category 11 Use of products without CO_2	IPCC AR6 GWP-100
Category 13 Units of production with electricity supplied by the customer	IEA Grid Emission Factor
Biogenic emissions of biomethane (not included in Scope 3)	ADEME Footprint Base factors

Energy consumption indicators

The energy consumption reporting scope is based on the industrial reporting scope, which is aligned with the Consolidated Financial Statements and similar to the Scope 1 and 2 emission reporting scope. Reported energy consumption figures exclude raw material consumption.

Electricity consumption in very small units, below the threshold set for industrial reporting, is not reported. In total, energy consumed by the Group and not reported is estimated to be less than 0.5% of the Group's energy consumption. Electricity consumed by industrial units for which Air Liquide does not pay the cost of electricity is excluded from the reported electricity (and aggregate energy) consumption figures. It is however reported internally for industrial management purposes and represents 4,816,409 MWh (around 7% of the total energy consumption of the Group). The corresponding indirect CO_2 emissions are reported in Scope 3, category 13. This approach is common practice among companies whose activity is mainly the production and delivery of industrial gases and allows readers to compare figures across the sector.

Regarding energy production, Air Liquide considers non-renewable energy production to be significant and renewable energy production to be non-significant. Although Air Liquide has solar panels in its facilities, the Group does not consider that they contribute significantly to overall electricity consumption. Non-renewable energy production is represented by 24,914,015 MWh (thermal and electrical), which is associated with the production of electricity and steam in HyCO and COGEN production units. A fraction of the steam produced by hydrogen production units is used to drive turbines and produce electricity, and is as such excluded from this total to avoid double counting (1,818,983 thermal MWh).

Due to Air Liquide's main activities under NACE code 20.11 (industrial gas production) and the integrated nature of the Group, the entire Group is considered to be a high climate impact sector and no further disaggregation is provided. All figures on energy consumption and the energy mix therefore concern the entire Group. On this basis, the Group's energy intensity is equivalent to the energy intensity of activities in sectors with a high climate impact (total energy consumption per net revenue). For the reference year 2024, the energy intensity represents 2,423.50 MWh/m€.

The Group's consumption of electricity from renewable sources amounts to 8.9 TWh in 2024, an increase of 18.6% compared to 2023 [(1)] representing 23% of the quantities of electricity purchased by the Group [(2)].

The consumption of electricity from renewable and nuclear sources for 2024 amounts to 15.6 TWh. The supply of electricity from renewable or nuclear sources is a major lever implemented by the Group to reduce its Scope 2 emissions, as detailed in paragraph 2.2.5 of this Sustainability Statement – page 313.

(1) Renewable electricity consumption reported by the Group for 2023: 7.5 TWh.
(2) Incorporating the steam used to drive certain air separation units, excluding consumption of electricity produced by the Group's cogeneration units which is self-consumed.

Energy consumption and mix	Year 2024
Fuel consumption from coal and coal products (MWhth)	NM
Fuel consumption from crude oil and petroleum products (MWhth)	149,421
Fuel consumption from natural gas (MWhth)	24,364,468
Fuel consumption from other fossil sources (MWhth)	2,492,490
Consumption of purchased or acquired electricity, heat, and steam from fossil sources (MWhe)	23,007,494
Total fossil energy consumption (MWh)	**50,013,872**
Share of fossil sources in total energy consumption (%)	*76%*
Energy consumption from nuclear sources (MWhe)	**6,632,957**
Share of consumption from nuclear sources in total energy consumption (%)	*10%*
Fuel consumption for renewable sources, including biomass (MWhth)	288
Consumption of purchased or acquired electricity, heat, and steam from renewable sources (MWhe)	8,927,563
The consumption of self-generated non-fuel renewable energy (MWhe)	NM
Total renewable energy consumption (MWh)	**8,927,851**
Share of renewable sources in total energy consumption (%)	*14%*
Total energy consumption (MWh)	**65,574,681**

NM: Data determined as non-material.
MWhth: Thermal MWh.
MWhe: Electrical MWh.

2.3. WATER MANAGEMENT

2.3.1. Introduction

Topics related to water management: impacts, risks and opportunities

The Group analyzes topics related to water for all of its activities and sites located around the world. None of them are located on seas or oceans. The analysis therefore identifies impacts, risks and opportunities only for water and no impacts, risks and opportunities for marine resources. Water is therefore considered a material issue for the Group and its value chain, while the marine resources are not relevant to its activities, upstream and downstream of its activities. The Sustainable Procurement procedure is implemented based on sustainable development criteria for the most critical suppliers. This procedure aims to monitor the risks of incidents related to the environment – and therefore covers marine resources – and to promote the application of corrective action plans as part of continuous improvement in the value chain.

The way in which the interests of stakeholders in the “water” topic were taken into account is detailed in the double materiality assessment, as described in paragraphs 1.4.4 and 1.5 of this Sustainability Statement – pages 285 and 287 respectively.

The Group is dependent on water for its activities. The water used in the Group has two main purposes: as a raw material (e.g. for the production of steam) or as a cooling system. Its main uses are in the following Group activities:

- Air Separation Units (ASUs), which account for more than 50% of total consumption, where water is used in cooling towers/heat exchangers;
- Hydrogen production units, which account for around 25% of total consumption, where water is used either as a raw material and coolant, or in steam methane reforming (SMR) or electrolysis processes (ELY);
- Cogeneration units, which represent less than 20% of total consumption, where water is used for the production of steam.

The **lack of availability of water**, poor water quality, **regulatory restrictions on its use** or **an increase in its cost** represent a risk to the security of supply of Air Liquide products to customers. These risks may affect the efficiency or reliability of plants and increase direct production costs. Therefore, a minimum requirement, in line with regulations in terms of water quality, is specified in the Group’s standards.

The Group can have a **negative impact** on water resources in two ways:

- related to water withdrawal and consumption on its sites: water withdrawal can have different impacts depending on the specificities of the site concerned. The areas where water is withdrawn to meet various human and ecological demands when there is a risk of scarcity, due to limitations on availability, quality or accessibility, are known as water-stressed areas, and are closely monitored by the Group. In these areas, conflicts for water between different usages and users may arise. In addition, an important local parameter in the assessment of the impact of water withdrawal is the renewal rate of water reserves. Water consumption represents the difference between water withdrawals and water discharges. The Air Liquide Group’s water consumption represents 11% of water withdrawals (89% of the water withdrawn is returned to its source). Furthermore, the Group has initiated a water management plan, prioritizing the regions with water stress to reduce its use of water;
- related to the quality of water returned to ecosystems after use: the quality and specifications of the water returned to ecosystems are important in assessing the impact of the Group’s operations, either because of the presence of pollutants or contaminants, or due to the temperature, which can induce direct or indirect pollution and damage to ecosystems. Since September 2023, a technical standard relating to the sustainable monitoring and control of industrial wastewater has been drafted and communicated to the Group’s entities, and the rollout phase of this standard is underway.

A systematic review of the Group’s activities is carried out on the basis of technological and operational experience, regulations and best industrial practices. Some specific additional studies may be carried out for the purposes of operating authorizations or during engineering studies. In addition, the Group's operations check whether its industrial assets are in a water-stressed area, by referring to the “Aqueduct 3.0 [(1)] Water Risk Atlas” tool proposed by the World Resource Institute (WRI). Air Liquide pays particular

(1) *The Aqueduct 4.0 released will be used to build the water management plan beyond 2025.*

attention to the 75 sites withdrawing more than 50,000 m^3 per year and located in areas with high or very high water stress and arid areas (as defined by the Aqueduct tool, using the "Water Stress" indicator, for the "Baseline" scenario). In this case, a water management plan should be developed by the end of 2025, covering the relevant risks and mitigation measures such as the development of a secondary water source in case of a shortage at the primary source, upgrading water-consuming equipment to optimize consumption, upgrading water treatment equipment, etc. For all subsidiaries, the use, consumption and waste of water should be reduced, while taking into account local specificities. Engagement with local communities and the value chain should take place at subsidiary level to ensure continuous improvement in water management. Water impacts and dependencies should be measured and a number of indicators (specified in the standards developed for reporting) should be reported at Group level.

Air Liquide communicates regularly with shareholders, extra-financial rating agencies and the financial markets on issues related to sustainable development. The investor community is showing growing interest in the Group's position and approach to water management.

Air Liquide conducts internal training on water, in particular for operations departments, business developers, HSE teams, risk managers and purchasing teams, as well as, where applicable, the energy, public affairs and communication teams, in order to raise their awareness and inform them of the latest standards and procedures. Operational risk managers benefit from specific training and support from the Group's industrial experts on water risk assessments in order to respond to requests from all stakeholders.

Engagement with local communities and authorities regarding water resources is managed directly by the entities and sites involved. Where applicable, identified teams are responsible for listening to community expectations/concerns and taking appropriate action to address them.

Air Liquide participates in events organized by water resource management organizations and encourages the adoption of strategies and technologies to minimize water consumption and pollution. More generally, water management is one of the subjects on which Air Liquide engages with NGOs, alongside other environmental and societal issues. Air Liquide is committed to the 10 principles of the United Nations Global Compact.

2.3.2. Water management policy

In 2021, the Group published an internal water management Policy in the BlueBook, accessible to Group employees, which identifies the impacts and dependencies of Air Liquide's activities on water availability and quality, and thus defines the principles of water risk management. The processes related to its implementation are under the supervision of the Executive Committee.

The main water management risk for Air Liquide's activities is represented as the potential unavailability of water, which could result in a slowdown or shutdown of a production unit. The publication of the water management policy indicated in this paragraph describes the method of risk management related to water withdrawal and use. The management of each subsidiary is responsible for its implementation.

This policy identifies the impact of Air Liquide's activities on water availability. The policy defines risk management principles on the basis of a specific assessment of the situation of each site. It describes the actions required, based on key principles, to be implemented to ensure appropriate water management, including a set of indicators to be monitored. Lastly, it details the elements of stakeholder commitment, seeking comprehensive management of water uses by taking into account local constraints and opportunities, and always complying with the most stringent applicable requirements and regulations.

Air Liquide's policy sets out the key principles of water management, aimed at:

- guaranteeing the availability of water that meets adequate specifications for the Group's safe, reliable and efficient operations;
- protecting people and the environment by ensuring sustainable management of water in operations and supply chains.

The policy covers in particular:

- management of the risk of water unavailability: for all activities operated by the subsidiary located in a water-stressed area by strengthening a water management plan covering key actions relating to the reduction of water use, the control and monitoring of relevant parameters, and the water management plan with stakeholders;
- operational excellence, taking into account the best available techniques applicable to water use, and management, notably: water treatment, water withdrawal and consumption, the quality of discharged water, the commitment of stakeholders in the value chain in which the Group operates. In particular, the Group has published a new technical standard to control and monitor the quality of discharged water, integrated into its corporate Industrial Management System, covering all of the Group's activities.

Air Liquide's water management policy specifies that, during discussions with stakeholders, the key principles of the water management policy should be used to illustrate that the Group has:

- a complete understanding of its water footprint;
- mechanisms in place to assess the risk of water scarcity and associated mitigation measures;
- standards guaranteeing that water discharges into the environment do not pollute the ecosystems in which the Group operates.

Air Liquide mainly uses water provided by its customers. Close relationships with customers are therefore essential for effective water management. Whether the water is supplied by the customer or another source, contracts must ensure that the quality of the water supplied is well defined in order to determine the penalties – and, where applicable, Air Liquide's rights of refusal – in the event of insufficient water quality impacting the Group's activities. As part of the due diligence process for new large-scale investment projects, an analysis of the site's exposure to water-related risk should be systematically carried out, particularly if the customer is located in a water-stressed area, mainly for Large Industries plants, as well as for large Industrial Merchant and Electronics plants.

Through the Group's supplier selection process and its commercial relationship with them, Air Liquide assesses water-related risks in collaboration with its suppliers. In particular, the Group expects its suppliers to minimize the impact of their products and services on local water quality. Air Liquide Supplier's Code of Conduct requires suppliers to strive to preserve natural resources and biodiversity, and to structure their activities and their supply chain in such a way as to avoid or minimize negative environmental impacts by continually striving to improve their products, processes and services in order to make them more environmentally friendly. Air Liquide asks suppliers who do not meet its expectations to complete and upload proof of their corrective action plan via the third-party platform through which they are assessed.

Air Liquide respects the human right to water and sanitation as well as existing links with environmental challenges, for example those due to climate change and the impact of human activities on biodiversity. The impact of industries on water is all the more important as climate change threatens current weather conditions. Air Liquide is implementing various initiatives (such as the water management plan) to improve data collection and better direct water management at its production sites in order to reduce water use, particularly in water-stressed areas. Faced with water-related risks, Air Liquide prioritizes sites with very intensive water use; nevertheless, the scope of this continuous improvement in water management concerns all of the Group's operations.

The monitoring of the Group's environmental impacts covers all industrial activities, with the exception of very small plants that do not meet a reporting criterion set in Air Liquide's industrial reporting management system. The reporting scopes for water should be aligned with those used for energy reporting. Consequently, the following activities should monitor and report water-related indicators:

- all plants included in the Large Industries industrial system (cogenerations, HyCO and air gas in particular);
- Industrial Merchant production activities (production of CO_2, production of N_2O, production of C_2H_2);
- pressure testing of Industrial Merchant cylinders (when using the water pressure test method);
- chemical production from the Electronics and Specialty Ingredients businesses;
- manufacturing activities in the Engineering & Construction and Global Markets & Technologies sectors;
- R&D centers;
- other activities if relevant.

The identification, assessment and management of water-related impacts, risks and opportunities are defined at Group level and rolled out locally within subsidiaries to support local facilities and sites that use water. The in-depth analysis of impacts and risks is therefore conducted locally to meet the expectations and challenges of the territory in which the site or activity is located. Opportunities are identified by business developers and are mainly associated with water treatment solutions, using industrial gases.

The identification is carried out using a mapping of the sites where the Group operates with a clear assessment of the relevant water-related risks, as well as a process for updating the mapping and monitoring of relevant risks. The entities annually review this risk assessment for all its activities, with the support and recommendations of the Group. For new investments and major renovation of existing facilities in water-stressed areas, water-related risk is addressed by including it in the due diligence process assessment during the investment process. The internal investment process sets criteria to be assessed according to the nature and scale of the project. This ensures an adequate assessment of water-related risks, particularly in places that are or could be exposed to a risk of water stress under future climate change scenarios, as well as a clear process to ensure that the technology is properly used to minimize impacts on water withdrawal, consumption and quality.

The Group carries out the assessment using relevant technical standards and procedures detailing how the Group manages water-related risks. These also provide the framework to develop specific action plans, including a methodology for assessing water availability. Water risks management is carried out at the subsidiary level. In addition to the monitoring and reporting of water-related operational indicators, as part of their risk management process, subsidiaries are required to maintain a mapping of their facilities located in areas of water stress and with specific local water issues. The facilities and sites that use water are responsible for developing a structured dialogue on water with the affected stakeholders, at local level, and benefit from the technical advice of the Group's experts to support them in improving water management. In addition, the subsidiary must ensure that water-related impacts, risks and opportunities are fully integrated into Sustainable Procurement programs.

2.3.3. Water management actions

At this stage, the Group does not have consolidated monitoring of the action plans undertaken by operational entities to reduce their water usage in their own operations nor of the commitments made locally with stakeholders in the value chain. The corresponding financial resources are not specifically monitored by the Group and are part of the resources allocated for maintenance operations and continuous improvement of the industrial tool. In the future, the Group plans to set up reporting and monitoring of the most significant projects.

The assessment of suppliers and business partners through the Supplier's Code of Conduct, a public document drawn up internally, is regularly updated to reflect the alignment with the Group's water management policy and objectives.

As mentioned above, the Group's policy is thus continuously improved and sets key principles of operational excellence and responsible management to be followed in each subsidiary:

- monitoring and reporting on impacts and dependencies related to water. For facilities that do not comply with this policy, provide for the installation of the appropriate meters, analysis and water treatment equipment necessary to achieve compliance;
- conducting a water leak assessment and developing improvement plans, as required;
- minimizing freshwater withdrawal and consumption as much as possible, while ensuring safe and efficient production, optimizing process operation and reducing water loss;
- when planning an overhaul or major renovation of a facility, assessing the need to modify the equipment to reduce the intake and consumption of freshwater, or improve the quality of water returned;
- minimizing wastewater discharges and maximizing the recovered water that can be made available for other uses;
- carrying out measurements and analyses of returned water, to assess the quality of the water returned by the Group's operations, at a frequency in accordance with local regulations;
- minimizing contaminants in the returned water and ensure that the returned water complies with relevant local standards and the expectations of other local stakeholders, in particular those who depend on water for their daily life or business activity.

In water-stressed areas, Air Liquide implements the targeted actions detailed below.

For each facility or site, its manager is responsible for monitoring and controlling water-related indicators and directing corrective actions when they are identified. Efficiency measures are part of the corrective actions and are fully integrated into the role and responsibilities of the manager, with the support of technical experts from the Cluster's Industrial Direction. The facility or site manager is assisted by a water quality manager, appointed with the following responsibilities:

- to ensure that:
  - a plan is in place to monitor and control water quality,
  - the organization and responsibilities for implementing the plan are defined,
  - sufficient resources are available (people, tools, training, etc.) and, in particular, subject matter expertise is assigned to the definition of the measurement plan,
  - the customer communication team collects relevant detailed water specifications and requirements (for facilities that withdraw and/or discharge water from or to the customer),
  - the water quality plan is reviewed regularly to identify opportunities for improvement;
- to tell the site manager(s) to take corrective measures, if the water quality plan does not meet the requirements.

In water-stressed areas (including areas at risk of seasonal water stress), the subsidiary is required to draw up a documented water management plan, taking into account the risks of water withdrawal or use and covering all relevant risks and mitigation actions, such as the development of a secondary water source in case of a shortage in the primary source, the upgrade of water-consuming equipment to minimize water use and consumption, upgrading of water treatment equipment, etc.

The industrial water management plan includes the following elements:

- on the one hand, conducting an assessment of water use efficiency, aimed at reducing the risks of water withdrawal for operations with intensive water use in areas of high water stress and at implementing improvement measures identified;
- on the other hand, ensuring compliance with the applicable water standards of the Group's Industrial Management System, in particular concerning the quality control of discharged water.

The Group facilities regularly carry out assessments of water use efficiency, i.e. on-site audits that cover the water system – circuits, equipment, instruments, etc. – as well as the systems and sub-systems concerned.

This assessment:

- is led by one or more technical water management experts;
- relies on a team able to cover the different areas of expertise for equipment and processes (including operators, maintenance specialists, process owners, etc.);
- includes a field audit that covers the water system – circuits, equipment, instruments, etc. – as well as the systems and sub-systems of the plant or facility concerned;
- addresses risks related to water stress (impact on operations of water scarcity and water quality problems);
- takes into account the risks and tools defined and communicated at Group level.

Where a water risk assessment and an industrial audit have been carried out in the previous three years, no additional assessment is required, provided that the risks and actions identified have been addressed.

2.3.4. Water management objectives

In accordance with the key principles set out above, the following two water management objectives, requiring specific actions to ensure their implementation, are established at Group level:

- for operations in water-stressed areas: a documented water management plan that addresses the risks related to water withdrawal or use should be put in place. Progress on this objective, set voluntarily at the end of 2021 by the Group, is monitored annually until the selected date of the end of 2025, with the completion of 100% of the water management plans for the 75 sites identified in 2021. Although the Group has not quantified its objective of reducing water needs, it is nevertheless anticipated that all significant sites will have such an action plan in the future. The Group is working to set its quantitative objectives for the period beyond 2025. The water management plan covers the assessment of the site, the identification of actions of water use reduction, and the compliance with the technical standards used by the Group in accordance with local regulations and the aim is to broaden the scope of actions by developing a business continuity plan and a stakeholder engagement plan (see above);
- for all operations: documented processes and procedures should be put in place to ensure that the quality parameters of discharged water are the same as those of withdrawn water, while meeting or exceeding applicable local standards. Since 2023, Air Liquide's technical standards for water management have been strengthened and apply to all of the Group's activities. The ambition is to roll out these standards across all of the Group's activities, prioritizing locations in water-stressed areas. The entities are responsible for monitoring the progress towards this target on an annual basis. The quality of discharged water is a key parameter for the Group's businesses and operating permits.

These objectives that Air Liquide has set itself therefore concern the prioritization of water-risk areas, as well as the Group's material impacts in terms of water management, respectively, through the following actions:

- ensuring the rollout of the best technical standards available for all activities relating to the control and monitoring of the quality of discharged water guaranteeing thus that the risks of water pollution are avoided;
- strengthening the minimum technical requirements for facilities and sites located in water-risk areas, by rolling out the water management plan for these priority locations.

All of the objectives defined in Air Liquide's policy are aligned with the strictest applicable requirements, taking into account the Group's regulations and technical standards.

2.3.5. Water management indicators

The indicators relating to water management are summarized in the table below:

Metrics	2024
Total water consumption (m^3)	99,560,000
Consumption in areas at water risk, including areas of high-water stress (m^3)	11,740,000
Total water recycled and reused (m^3)	398,940,000
Water intensity ratio (m^3/M€)	3,680
Share of volumes consumed obtained by direct measurement (%)	23%

Total water consumption is a calculation of the difference between the total water withdrawal and total water discharge, carried out by the Group during the consolidation phase of the reported data. The source of the data (direct measurement, sampling measurement, extrapolation, best estimate) of water withdrawal and discharge is indicated by the site in the reporting tool, following an internal Group procedure.

2.4. POLLUTION

2.4.1. Impacts, risks and opportunities

According to the double materiality assessment, described in paragraph 1.5 of this Sustainability Statement – page 287, pollution is non-material for the Group's activities and on its value chain. Some specific aspects of pollution such as pollution of water or pollution associated with energy consumption are covered in paragraphs 2.3 and 2.2 of this Sustainability Statement – pages 300 and 319 respectively. Besides, and even if this topic is not material, the Group acts as a responsible company to limit the pollution impact associated with its operations.

Air pollution comes mainly from the combustion processes (HyCO, cogeneration) and the electronics activities, but the impact of these emissions is mainly related to the greenhouse effect of these gases, already reported in the ESRS E1. Water pollution is addressed in paragraphs 2.3.2 and 2.3.3 of this Sustainability Statement – pages 320 and 321, dedicated respectively to Water management policy and Water management actions. Soil pollution did not emerge as a material issue for the Group.

The process of assessing sites and commercial activities with a view to identifying actual and potential impacts and pollution-related risks by Air Liquide's operations is formalized in a Group environmental procedure. The content of this procedure is managed by the Health, Safety and Environment (HSE) manager at each site or subsidiary.

An initial assessment of pollution risks is carried out through an inventory of the regulations applicable to each site and subsidiary. A register of environmental regulations must be kept up to date and identifies the regional scope of application for each applicable regulation, its latest update, the regulated environmental aspects, the regulated plant equipment, the performance objective or required technique, and finally the current level of compliance of the production plant with the environmental procedure as well as any regulations that will soon come into force. In some cases, an operating permit issued by the local authorities requires that the significant pollution aspects of the site's location be listed. This approach complements the industrial regulatory watch described in another Group procedure, and for which 100% of the subsidiaries have a designated manager.

A second stage of assessment of the impacts and risks of pollution is carried out for certain key activities (acetylene, ASU, CO_2, cogeneration, HyCO, N_2O, Electronics, Engineering & Construction, representing more than 75% of revenue) thanks to the recommendations of international professional associations such as the European Industrial Gases Association (EIGA). For each of these technologies, the main risks and impacts are listed and should be monitored by the subsidiaries.

Finally, the assessment is carried out at subsidiary level through the preparation of an HSE policy and its associated action plan. The minimization and mitigation of environmental risks is a key principle of such a policy, aiming firstly at proactive compliance with regulations, and then at the prevention of pollution, reduction of incidents, non-compliance and regulatory violations. For existing operations, the analysis, to be carried out at least every five years, should be conducted by an operations support team whose functions are listed and defined in an internal procedure and must be based on site observations. This procedure provides a list of the minimum set of environmental issues that should be taken into account when performing the environmental analysis. For new projects, the analysis should also be carried out, based on references to existing environmental aspects of similarly designed plants and any available project documentation. The internal procedure specifies that the environmental analysis is to be carried out by an internal cross-functional team (the specific functions are listed in the procedure) to ensure a multidisciplinary perspective on pollution risks. The consultation is based on documentary information on the plant and an on-site assessment. A similar process exists for new plants.

Opportunities related to pollution consist in the rollout of innovative offerings enabling the Group's customers to reduce their impacts in terms of pollution. These are analyzed by market managers through market studies. When significant opportunities arise, they may lead to a development project to further assess their potential or develop the product for commercialization. There was no systematic analysis of the opportunities related to pollution in the Group's own operations.

The process of reviewing impacts, risks and opportunities upstream and downstream of the value chain is conducted through a stakeholder consultation, as described in paragraph 1.4.4. of this Sustainability Statement – page 285. Air Liquide promotes the regular engagement of all external stakeholders on environmental issues and applies the same consultation process regardless of the environmental matter in question.

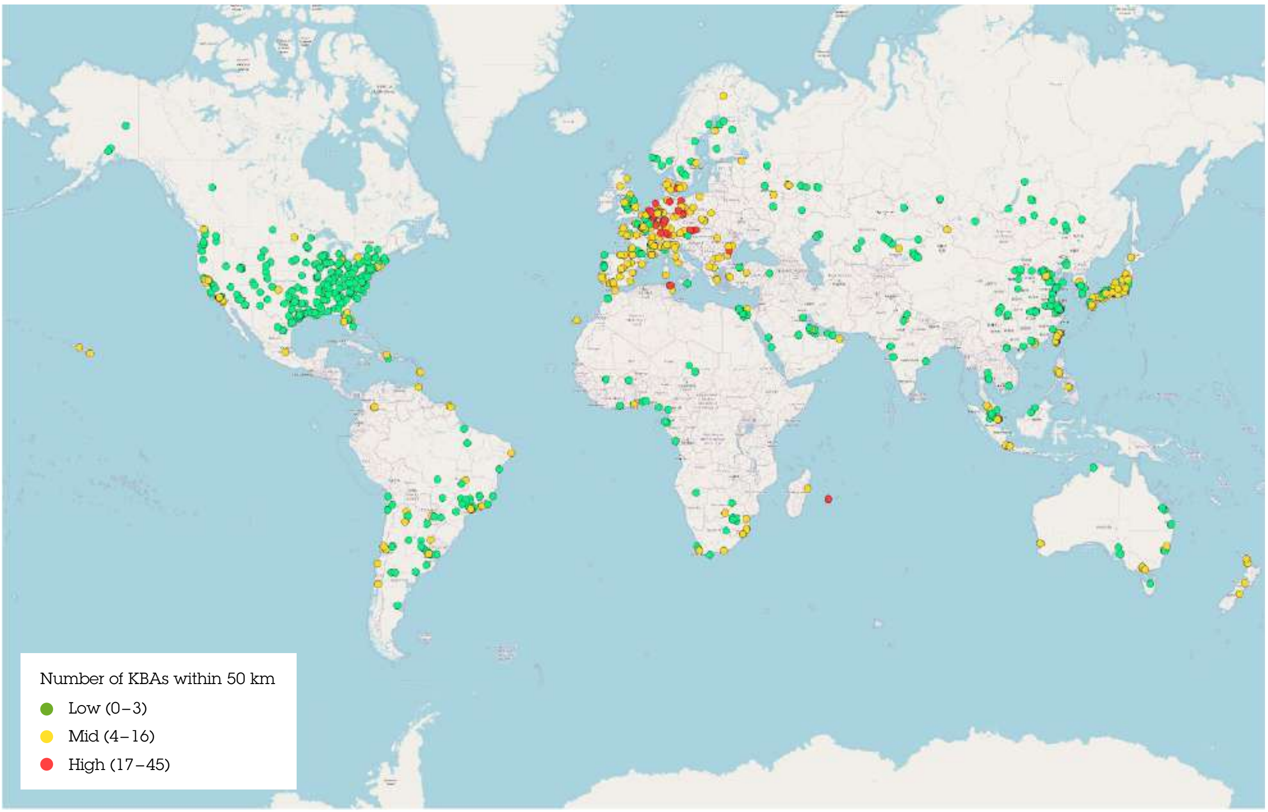
2.5. BIODIVERSITY AND ECOSYSTEMS

2.5.1. Impacts, risks and opportunities

According to the double materiality assessment, described in paragraph 1.5 of this Sustainability Statement – page 287, the issue of biodiversity is not material for Air Liquide. However, as a responsible company, the Group seeks to limit its impacts on biodiversity, in particular through its policies and procedures for managing gaseous, liquid and solid discharges, its water management policy and its commitment to carbon neutrality and the reduction of greenhouse gas emissions.

In 2022, together with the I Care & Consult Group (a consulting firm that specializes in the area of biodiversity), the Group carried out an assessment of the impacts and dependencies (both direct and indirect), and the risks and opportunities related to biodiversity throughout the value chain. This analysis is based on the five biodiversity impact factors considered by IPBES (climate change, habitat change, pollution, overexploitation of species and invasive alien species). It concluded that most of the Group's impact on biodiversity was through its impact on the climate.

As part of this study, the proximity of the Group's assets to areas sensitive to biodiversity was assessed in particular. For this, the number of biodiversity-sensitive areas located within a radius of less than 50 km was assessed using the IBAT (Integrated Biodiversity Assessment Tool), concluding that the main exposure areas were mainly located in Europe and Japan, where there are many such areas listed as sensitive. It should be noted that this radius of 50 km is extremely conservative, with IBAT considering in 2024 that for the type of industry to which Air Liquide belongs, no influence on biodiversity is noted beyond 10 km. The potential impact of activities on key biodiversity areas is addressed directly by subsidiaries, without a consolidated centralization at Group level, in particular through respect of local regulation with, if necessary, the deployment of attenuation measures. To date, the discussions established between the Group and operational entities to identify the impacts of operations on biodiversity have not detected any material negative impact on these sensitive areas in terms of biodiversity.



This same analysis identified only two activities that are directly dependent on biodiversity: Seppic and Biogas. These businesses have implemented policies that respond more specifically to their own challenges. However, given the size of the Biogas and Seppic businesses, these topics are not material for the Group. Seppic manufactures specialty ingredients and, as such, depends on agricultural supplies (raw materials made from palm, coco, rapeseed, olives, etc.), and implements sustainable sourcing policies for these products. Biogas production is highly dependent on the supply mix of biogenic inputs. In order to limit the impact on biodiversity, a charter was drawn up with the WWF to set the conditions for a biodiversity conservation project, and a set of eight criteria (validated by the Investment Committee) must now be met to launch a new biogas project.

This analysis of the Group's impact on biodiversity was supplemented by an internal life cycle analysis conducted by the Group's R&D in 2024, based on several recognized methodologies. It was confirmed that the vast majority of the Group's impacts on biodiversity are through effects on climate change.

More systematically, the internal procedures specify that all subsidiaries are required to carry out an audit of both existing and future sites, in order to assess their impact on biodiversity. In particular, it is necessary to analyze the local fauna (wild animals, livestock, protected species) and flora (protected species, woods, crops, wetlands and agricultural areas) in order to assess whether the potential impact of the activity is low, medium or high.

The Group is also committed to protecting biodiversity through the following actions, validated by Act4nature International:

- strengthening the criteria for assessing biodiversity in investment projects;
- developing and implementing a global biodiversity indicator;
- raising employee awareness of biodiversity issues;
- reaffirming its climate and water ambitions.

Given the non-material nature of biodiversity for the Group:

- transition risks and physical risks are assessed using the climate risk procedure;
- no material physical or transition risks or opportunities related to biodiversity and ecosystems have been identified;
- no systemic risk generated by biodiversity for the Group's business model was taken into account;
- no systemic risk for society was taken into account in the assessment of risks related to biodiversity and ecosystems;
- the consultation mechanisms on biodiversity are similar to those described in paragraph 1.4.4 of this Sustainability Statement – page 285;
- no specific site, production or supply of raw materials with negative or potentially negative impacts on the affected communities has been identified;
- communities were not involved in the assessment of the relative importance;
- except for Seppic and Biogas activities, those analyses did not conclude the necessity of implementing specific mitigation measures for the impact on biodiversity. These two subsidiaries, which are directly dependent on biodiversity, have identified actions to be implemented and established procedures aimed at maintaining the value and functionality of the priority services provided by biodiversity;
- no scenario was used for the trajectories of biodiversity and ecosystems because they seem to be of little relevance to the Group's activities.

2.6. RESOURCE USE AND CIRCULAR ECONOMY

2.6.1. Impacts, risks and opportunities

The double materiality process concluded that resource management and the circular economy were not material for the Group's activities and on its value chain. The first pillar of the circular economy is waste reduction, in which the Group acts continuously. Procedures covering all subsidiaries set the objective that waste should be minimized and adequately treated. All hazardous waste should be covered and at least 90% of the total volume of waste should be tracked. To achieve these objectives, the procedures require that, in order of preference, waste should be avoided (including by implementing eco-design principles in products), reused, recycled, treated or recovered into energy and that, when no other alternative is possible, it should be disposed of using appropriate facilities. A waste management plan is drawn up and managed on an annual basis, and should be reviewed every five years. A due diligence procedure, supported by a checklist, is specified for the choice of the subcontractor to whom this waste is entrusted. In particular, when there are no local regulations on waste management, subsidiaries are asked to prioritize waste treatment in neighboring countries that have such regulations.

Waste consultation mechanisms are similar to those described for pollution in paragraph 2.4 of this Sustainability Statement – page 323. The use of resources at Group level has not been identified as a material issue. The Group did not perform a specific review of the opportunities related to circular economy in its value chain. Nevertheless, the Group offers certain technologies that enable its customers to facilitate recycling (e.g. gas for battery recycling) or reduce the quantity of waste (e.g. gas for packaging food products in a protective atmosphere). However these are not material. No impact or material risk relating to the transition to a circular economy was identified. The sustainable procurement process was implemented based on sustainable development criteria with respect to the most critical suppliers. This process aims to monitor the risks of incidents linked to the environment – and therefore covers circular economy – and to promote the application of Corrective Action Plans as part of continuous improvement in the value chain.

3. Information related to social matters

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ESRS Standards	DRs	Paragraphs	Pages
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3.1. THE GROUP'S EMPLOYEES

3.1.1. Introduction

Between 2021 and 2024, Air Liquide rolled out most of the Group's first single integrated HR information system (Workday). It is the source of the Company's HR data, covering 98% of employees as at December 31, 2024, and makes it possible to optimize HR processes and consolidate data. However, some Group entities are not in the Workday scope, either because of their recent acquisition, or because of their very small number of employees. HR data from these entities is thus collected manually, using a spreadsheet, and then aggregated with data from Workday. All the quantitative indicators characterizing the Group's employees are calculated on the basis of this aggregated HR data.

The indicators relating to Air Liquide employees in this Sustainability Statement are communicated:

- in terms of headcount;
- at the end of the period, i.e. as at December 31, 2024.

Characteristics of the Group's employees [1]

All Air Liquide employees [2], thanks to their commitment and skills, are the Group's most important resource in the performance of its day-to-day operations.

Breakdown of total employees by geography

	Europe, Middle East and Africa	Americas	Asia Pacific	Total Group employees
Number of employees	26,843	26,089	13,725	66,657

The Group's total employee stands at 66,657 [3] people as of December 31, 2024 (67,778 people as of December 31, 2023).

Breakdown of total employees by type of contract (permanent or temporary) and gender

	Women	Men	Not disclosed/Other	Total
Number of permanent employees*	18,419	45,658	47	64,124
Number of temporary employees**	1,056	1,477	—	2,533
Total number of Group employees	19,475	47,135	47	66,657

* *Permanent employees are employees whose employment contract does not include an end date, including employees who are expatriated for a fixed period.*
** *Temporary employees are employees whose employment contract includes an end date, including apprentices.*

Employee turnover rate and number of employees who left the Group

In 2024, 8,995 employees left the Group (through resignation, dismissal, mutually agreed termination, retirement or death), which represents a employee turnover rate [4] of 13.5%.

(1) *The breakdown of Group employees by gender is published under the indicators in paragraph 3.1.4 of this Sustainability Statement – page 336.*
(2) *The employees included in the Air Liquide headcount are as follows:*
- *people linked to an Air Liquide Group company by a permanent or temporary employment contract, who perform full-time or part-time work in return for remuneration; and*
- *who are placed under the hierarchical and/or functional authority of a manager who gives instructions, sets objectives and reviews their performance. In this respect, employees are subject to the Group's Human Resources (HR) policies and processes.*

This definition excludes trainees and includes apprentices.
(3) *Presented in note 4.2 of the Group's consolidated financial statements, in Chapter 4 of this Universal Registration Document – page 213.*
(4) *The employee turnover rate is calculated by dividing the number of employees who left the Group over the period, by the total headcount at end of period.*

Topics related to employees: impacts, risks and opportunities

According to the double materiality assessment, described in paragraph 1.5 of this Sustainability Statement – page 287, several topics relating to Air Liquide employees are material. The topics identified as material have been grouped as follows and the related impacts, risks and opportunities are described in the paragraphs cited of this Sustainability Statement:

- social dialogue, in paragraph 3.1.2 – page 329;
- health and safety of the Group's employees, in paragraph 3.1.3 – page 331;
- diversity, inclusion and harassment prevention, in paragraph 3.1.4 – page 336;
- employee remuneration and benefits, in paragraph 3.1.5 – page 338;
- well-being at work, in paragraph 3.1.6 – page 340;
- employability, talent and skills management, in paragraph 3.1.7 – page 341; and
- personal data protection, in paragraph 3.1.8 – page 343.

To achieve these results, all Group employees were taken into account in the assessment. Particular attention was paid to employees belonging to so-called vulnerable groups as described in paragraph 1.5.2 of this Sustainability Statement – page 288.

3.1.2. Commitment to employees

Commitment to human rights

Air Liquide respects and promotes human rights in its operations around the world. The Group fully supports the protection of human rights, which includes, among others, health, safety, non-discrimination, freedom of opinion, expression and association, working under decent and fair conditions, the prohibition of child labor and all forms of modern slavery. These commitments to human rights are included in Air Liquide's Principles of Action and Code of Conduct and are available on its website (https://www.airliquide.com/sustainable-development/human-rights). Information related to the Principles of Action and the Code of Conduct is described in paragraph 4.2.1 of the present Sustainability Statement – page 353.

The Group shares the principles laid down in the International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations (UN) Guiding Principles on Business and Human Rights.

Air Liquide is also a signatory of the UN Global Compact and its Ten Principles relating to human rights, labor, the environment and the fight against corruption. Each year, Air Liquide issues a letter of commitment, signed by its Chief Executive Officer, as well as a Communication on the Progress of the strategic and operational implementation of these Ten Principles, accessible on the Global Compact website.

Under the responsibility of the Vice President, Duty of Vigilance and Societal Responsibility, the Group implements a human rights due diligence process based on the approach advocated by the international standards mentioned above. Air Liquide's approach to dialogue with employees and for the remediation of impacts on human rights are described respectively in the corresponding paragraphs below.

Social dialogue: engagement with employees and their representatives

Topics related to social dialogue: impacts, risks and opportunities

Air Liquide operates in 60 countries [1] through its technical, industrial, medical and economic activities. Aware of the disparities in legislation and situations related to social dialogue between these countries, the Group considers that Air Liquide employees and their representatives may be negatively affected by the **absence or an insufficient level of social dialogue**. Inherent in the national and regional legal and contractual framework, social dialogue is a topic under the responsibility of the Human Resources function.

Air Liquide strives to create an engaging employee experience based in particular on open, continuous and constructive social dialogue between employees, social partners and Management. The engagement is made with employees or their representatives.

Dialogue with employees through regular feedback

With the My Voice engagement measurement program, Air Liquide ensures that every employee has the opportunity to express themselves and be heard. Each year, Air Liquide submits a questionnaire to them, asking them about their experience within the Group, in order to better identify their expectations. This program is based on a simple concept: listen, understand and act. The Vice President, Group Human Resources Deputy, is responsible for this program.

Since 2023, it has been rolled out in a two-year cycle, alternating between a full questionnaire one year and a reduced version the following year, mainly focused on the employee's team. This new pace makes it possible to allocate more time to actions whose effects are longer term.

The questionnaire addresses around 20 topics and allows comments to be made. The questions relate to several dimensions of the employee experience, both at the personal level (e.g. work-life balance, inclusion, respect, empowerment, career and development opportunities) and the functioning of the organization (e.g. safety, continuous improvement, procedures, decision-making and team collaboration). The responses are anonymized to ensure that employees are free to express their thoughts. Results are collected in real time, aggregated and analyzed by means of a shared system for the entire Group. Once the survey is completed, each manager has access to their team's results – if the thresholds guaranteeing the confidentiality of the responses are reached – to help them in their mission and enable them to share the results with their team.

The results are studied in order to define and implement appropriate action plans at the various levels of the organization: at team, entity and Group level. It is recommended that these action plans are communicated to the employees concerned and that the actions are monitored. The effectiveness of an action can be monitored by a quantified indicator or measured by the change in the score of the associated theme in the following edition of the My Voice survey.

As part of the 2024 My Voice program, 83% of eligible employees expressed their views, i.e. more than 53,000 employees leaving over 63,000 unsolicited comments.

Dialogue with employee representative bodies

In light of local regulations, situation and needs, each Group entity defines, in agreement with the employee representative bodies, where they exist, the work organization that will promote engagement and performance.

[1] *Excluding Russia, where the entities are no longer controlled nor consolidated since September 1, 2022.*

In Europe

The European Works Council of Air Liquide has 29 employee representatives from 12 countries. It was renewed in 2021 for a term of four years. In 2024, four plenary meetings of the European Works Council were held under the chairwomanship of a member of the Executive Committee. In addition, the Council Board, composed of five members elected in plenary session, met five times to be informed of and discuss several transnational projects and topics of interest to employees in Europe, in accordance with the founding agreement of the European Works Council.

In 2024, the Board was extended to the representatives of the European Works Council in the countries where specific projects were to be presented. The purpose of these meetings was to illustrate the projects and enable employee representatives to express their opinions as part of the information-consultation process.

Following the consultation process on these projects, the European Works Council issued opinions on transformation projects specific to Clusters in Europe, while dialogue continued at local level in accordance with applicable laws. For a better understanding of certain projects, the European Works Council called on the help of experts.

In 2024, several topics were addressed with the support and direct participation of the internal parties concerned, including:

- the Group's transformation program with a session dedicated to performance culture;
- R&D results and vision;
- the Human Resources transformation project, in particular training and qualification tools and processes;
- the ethics program;
- results of the My Voice engagement survey;
- the IT and digital development strategy;
- the duty of vigilance and training on the CSRD;
- Digital Security.

Every year, the Chairwoman of the European Works Council issues a report on various topics relating to the Group's businesses. The Group's annual results, and more specifically those in Europe and the results related to extra-financial performance (e.g. safety, reliability, employee turnover rate, training, diversity), have been presented to and discussed with the European Works Council.

In France

The France Group committee brings together 25 employee representatives from companies present in France. It was renewed in 2024 for a term of two years.

In 2024, two plenary meetings were held (in June and December). During these meetings, topics related to the Group's current strategic, financial, environmental and social issues were presented and discussed.

For example, at the June France Group committee, the following topics in particular were discussed:

- the Group's transformation program, in the presence of a member of the Executive Committee;
- employment and social policy;
- presentation of the Financial Statements;
- the Vigilance Plan;
- sustainable development action programs.

This dialogue then continued at local level within the Social and Economic Committees of the Group's various French companies. These monthly committees discuss topical issues specific to each business.

Lastly, negotiations are held with the Representative Trade Unions within the Group's legal companies, on issues related to social policy.

Collective bargaining and social dialogue coverage

In 2024, in the European Economic Area where Air Liquide operates in 18 countries [(1)], more than 88% of employees were covered by a collective bargaining agreement.

Employee coverage rate (within the EEA)	Coverage by collective bargaining agreement [(a)]	Social dialogue Workers' representation [(b)]
0-19%		
20-39%		
40-59%		
60-79%		
80-100%	France*	France*

* *The only country in the European Economic Area where the Group operates, with a number of employees representing at least 10% of the total number of employees, is France.*

(a) *The collective agreements considered for the calculation of these percentages are those concluded at the level of an entity, a specific site, an industry and at national level in countries where this practice is in force according to the definition of Convention No. 154 of the International Labor Organization (ILO): "all negotiations which take place between an employer, a group of employers or one or more employers' organizations, on the one hand, and one or more workers' organizations, on the other, for:*
- *determining working conditions and terms of employment; and/or*
- *regulating relations between employers and workers; and/or*
- *regulating relations between employers or their organizations and a workers' organization or workers' organizations."*

Employees covered by collective agreements are those for whom the entity is required to apply the agreements. These may cover specific groups of workers.

(b) *Employees represented by an employee representative are those who work in establishments where employees are represented by employee representatives. "Establishment" is defined as any place of operations where Air Liquide carries out a non-transitory economic activity with human and material resources.*

(1) *Namely Austria, Belgium, Bulgaria, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Spain, Sweden and the United Kingdom.*

Whistleblowing system and processes to remediate negative impacts

The Whistleblowing Policy is one of the main processes through which employees can raise concerns and/or complaints. The Policy, the ethics whistleblowing system and the subsequent remedial approach are described in paragraph 4.2.1 of this Sustainability Statement – page 353. In 2023, Air Liquide included a question related to the Group's whistleblowing system in the My Voice full survey described above, thus enabling the measurement of employees' level of trust in the system. This system is not intended to serve as a platform for routine Human Resources issues (e.g. remuneration, career development), which should be brought directly to the attention of Human Resources Departments.

Number of work-related incidents and complaints

The numbers of incidents or complaints presented in the table below refer to the number of alerts in the Group's ethics whistleblowing system concerning its employees reported in 2024, irrespective of their processing status and the conclusions after investigations.

	2024
Incidents of discrimination, including harassment	310
Work-related complaints other than those related to discrimination [(a)]	137
Severe human rights incidents [(b)]	0

(a) Alerts related to Human Resources, with the exception of those related to discrimination, and to health and safety reported in the whistleblowing system.
(b) Incidents of forced or child labor.

As of December 31, 2024, Air Liquide is not involved in any complaint to the OECD National Contact Points for Responsible Business Conduct.

With regard to two material topics, health and safety and the protection of personal data, Air Liquide has specific alert mechanisms to identify and report incidents and employee concerns.

Urgent situations in terms of health, safety or security, or the most serious accidents cannot be processed by the ethics whistleblowing system. The Safety and Industrial System Department has an internal reporting process for safety and security incidents, which makes it possible to inform the management chain and the relevant safety or security managers of the subsidiary, Cluster (group of countries) and Group very quickly, depending on the severity. A crisis management and incident monitoring process is implemented, when necessary, to ensure the best care for any victims, secure the situation and establish an investigation team which is both qualified and adapted to the incident.

For personal data, Air Liquide has deployed specific tools to collect requests for the exercise of rights and to report possible violations of personal data. A form is available on the Air Liquide website (https://contactprivacy.airliquide.com/) for contacting the services in charge of personal data protection. Air Liquide employees can also contact their Information Protection Coordinator. In addition, Air Liquide has signed a contract with a company responsible for finding and reporting personal data that is illegitimately accessible via the Internet. These requests and alerts are recorded in a dedicated register. Alleged violations of personal data are systematically analyzed and, if necessary, give rise to changes in management processes.

3.1.3. Health and safety of the Group's employees

Topics related to employee health and safety: impacts, risks and opportunities

Safety and security refer to the measures and practices implemented to preserve the life, health and physical integrity of individuals. Safety is achieved by controlling industrial process, road, occupational and product risks. Security is achieved by protecting sites and operations, notably against malicious acts, and by controlling business travel.

Due to the nature of the Group's activities, the health and safety of Air Liquide's employees is a major issue. The handling of various products, industrial processes and distribution methods implemented by the Group can lead to **endogenous negative impacts** for the Group's employees as well as other workers on site. Products such as the industrial and medical gases manufactured, transformed or packaged by the Group constitute hazardous materials. Their use is safe, provided that best practices and recommendations are complied with. Accidents related to the Group's industrial processes can occur unexpectedly with an immediate impact due to exposure to energy sources, fluids and hazardous emissions such as electricity, pressure, steam, hot water, high or very low temperatures, fires resulting from flammable products and materials or electrical installations and exposure of people to dust and hazardous chemicals through inhalation, ingestion or skin contact. In addition, industrial sites use numerous motorized lifting devices which present specific handling risks (collision, falling packages, etc.) and require training and qualification to operate them.

In addition, road transport, a major activity for transporting products to customers, exposes drivers (employees and subcontractors) and third parties to the risk of road accidents. Each year, delivery vehicles, sales staff and technicians travel hundreds of millions of kilometers in the course of Air Liquide's activities. Non-compliance with traffic regulations, lack of regular maintenance of vehicles or fatigue would expose drivers and third parties to increased risks of accidents.

Security is an exogenous issue for the Group's employees and other people present on its sites. Politico-security incidents, terrorism and criminality can expose these stakeholders to **negative impacts**: threats, verbal or physical assault, theft.

Employee health and safety policy

Safety and security are an integral part of Air Liquide's operational excellence and culture, and the "zero accidents, on every site, in every region, in every entity" ambition remains a key priority. The Group, as a responsible industry player, is therefore committed to efficiently and under all circumstances reducing the exposure of its employees including temporary workers to professional, industrial and health risks. Commitment to safety is total, visible and accompanied by unshakable vigilance. This commitment is reiterated in the General Statement of Air Liquide's Principles of Action and its Code of Conduct. Information relating to the Principles of Action and the Code of Conduct is described in paragraph 4.2.1 of this Sustainability Statement – page 353.

The safety results for the past 30-plus years illustrate the long-term effectiveness of the Group's actions in this area.

The industrial risks are distributed over a large number of local production sites. To assess and manage them, the Group has an Industrial Management System (IMS) that covers all Air Liquide's businesses and all its entities. The IMS relies on the accountability of the Departments of the various Group entities for the implementation of this system and on the issuance of key organizational and management procedures regarding, respectively:

- compliance with standards and regulations;
- competence management (training, qualifications if necessary, and more);
- process risk management;
- occupational health, safety and environmental management;
- road safety management;
- industrial emergency management;
- change management;
- maintenance management;
- control of products and services from providers;
- management of installation projects;
- management of product development;
- management of production and service provision;
- incident reporting and investigation;
- management of industrial audits;
- integration of shared technical standards within the Group subsidiaries.

The IMS institutionalizes the methodical "Plan – Do – Check – Act" approach which is essential for process safety. The efforts made to carry out risk assessments are bearing fruit and the lessons learned from incidents are being used to strengthen the safety barriers of the installations, thus preventing the recurrence of incidents.

The IMS is fueled by years of experience and designed with a constant concern for the safety of the Group's employees. The IMS document library aims to document the Group's knowledge and requirements to ensure the safe and reliable operation of its industrial processes. It is continuously updated and enriched.

The Safety and Industrial System Department and the Industrial Department, under the supervision of a member of the Executive Committee, supervise and control the implementation of the IMS, by notably relying on:

- various dashboards designed to monitor performance in terms of safety;
- process audits to verify the implementation conditions and compliance of operations with IMS requirements;
- thorough safety reviews prior to the start-up of any new production unit to prevent any accidents due to a construction defect;
- technical audits to ensure the compliance of operations with Group rules.

The Industrial and Safety Committee is composed of the Industrial Department, the Group Head of Safety, as well as a representative of the Engineering & Construction and Global Markets & Technologies World Business Units. Its purpose is to examine industrial risks and safety performance, as well as monitor the progress of the main improvement measures, in particular those relating to the greatest risks and/or cross-divisional measures. The Committee meets six to eight times a year and is chaired by a member of the Group's Executive Committee.

The evolution of the safety performance of operations and their level of compliance with IMS requirements are regularly monitored by the Executive Committee.

Security of individuals

The security of individuals is one of the Group's priorities. It embodies the Group's fundamental principle of responsibility. The security teams have a duty to relay this principle.

The Security function at Air Liquide is fundamentally part of a logic of goodwill through its positioning of anticipation, prevention and protection. The Group Security Department acts as a player aware of the duty of vigilance and respect for the Group's values in its day-to-day work. A corpus of reference documents relating to security is used to guide the entities in the implementation of the necessary measures.

Actions related to employee health and safety

A Job Hazard Analysis ensures a safe workplace for all, with the implementation of prevention measures adapted to the configuration of the work environment and the needs of employees. Thus, each job was subject to risk analysis in accordance with the following steps:

- identification of risks related to the tasks to be performed;
- assessment of their severity and the probability of occurrence;
- identification of critical points;
- identification and implementation of prevention measures.

Work habits, poor posture, access routes, etc., are also taken into account in these analyses.

Subsidiaries regularly report all safety and security events in the Group's reporting tool. Each month, every event reported is reviewed by a team of experts. The most serious events are analyzed in detail and presented to the Industrial and Safety Committee (paragraph 5 of Control environment section on Chapter 2 of this Universal Registration Document – page 87), the corrective action plan is implemented and lessons learned are shared with Group entities that could be potentially affected by similar situations.

Safety of individuals

Air Liquide relies on continuous actions to raise the awareness of its teams through specific training related to the knowledge and the mitigation of industrial risks that may affect individuals. Each employee working on an industrial site receives training and qualification courses specific to their job and is equipped with personal protective equipment allowing them to perform their tasks in the best conditions. Collective protective equipment is also installed in the various workshops, if necessary.

Safety is a collective commitment and the responsibility of each individual. Being aware of hazards and risks, applying the rules and taking care of others – all this contributes to reducing the risk of accidents and strengthening the Group's safety culture. The involvement of Air Liquide managers is an important lever contributing to the improvement of safety. Safety leadership training sessions are therefore organized regularly to encourage managers to support safety efforts, show their commitment in the field and reward best practices.

The Group has drawn up and rolled out Life-Saving Rules. Everyone working for Air Liquide, whether an employee or subcontractor, must be aware of these rules, follow them and always intervene if there is a risk of dangerous behavior or unsafe conditions. The interpretation and meaning of each rule is widely shared within the Group and with subcontractors. The Safety and Industrial System Department provides entities with various communication, awareness-raising and training materials on Life-Saving Rules. Given their importance, non-compliance with any of these rules by anyone working on an Air Liquide site is a serious act that can lead to a warning, or even penalties up to and including suspension. These Life-Saving Rules, translated into at least 10 languages and in force in all countries where the Group operates, are as follows:

1. I do not work under the influence of drugs and/or alcohol.
2. I do not smoke outside the designated smoking areas.
3. I wear the Personal Protective Equipment (PPE) required for the job.
4. I wear an ambient gas detector when required.
5. I never enter a confined space without authorization.
6. I work with a valid Safe Work Permit.
7. I apply isolation procedures before working on potentially energized systems.
8. I do not disable an Element Important for Safety (EIS) without an authorization and compensatory measures.
9. I wear fall-prevention equipment when working at heights.
10. I do not walk under suspended loads.
11. I secure the load on vehicles.
12. I always wear a seat belt when I am in a moving vehicle.

Process safety

Process safety addresses risks relating to industrial facilities from production to product implementation. It draws on Air Liquide's Industrial Management System (IMS), which applies to all activities, and requires:

- the identification of specific industrial risks for each business;
- the knowledge of scenarios and their potential consequences;
- the implementation of appropriate preventive and protective safety measures;
- the monitoring and analysis of risks relating to new technologies and events arising within the profession;
- the feedback to facilitate learning, awareness-raising and the promotion of a safety culture, and to improve prevention.

Risks related to process safety are analyzed using various methods, in particular the HAZOP (HAZard and OPerability analysis) methodology. A multidisciplinary team contributes to the comprehensiveness of the identification of credible scenarios that could lead to a critical situation, taking into account the unwanted events identified through the analyses of process and HSE (Health Safety Environment) risks. On this basis, each Group subsidiary is required to implement measures to prevent the risks identified at each of its industrial sites.

In addition to generic risks, each subsidiary, under the supervision of its Managing Director, regularly identifies specific risks related to its production and packaging activities. The objective is to identify the hazards globally and for each facility, in order to assess the risks and implement the necessary preventive measures.

In order to ensure that operations efficiently take this risk into account, Air Liquide has introduced specific action plans, the purpose of which is to control the most serious risks relating to industrial processes.

The progress of specific action plans aimed at bringing the most serious risks related to industrial processes under control is regularly monitored by the Group's Executive Management and the Industrial and Safety Committee.

The industrial process risk management process is subject to regular audits by the Group's Industrial Audit Department. The IMS defines the industrial audit process, its governance and its implementation. This audit process makes it possible to periodically analyze and assess the compliance of the activities of each subsidiary with its own industrial management system, the effectiveness of this system and its compliance with the Group's Industrial Management System. Following an industrial audit, action plans are implemented based on the opportunities for improvement identified, and best practices are shared.

A regular assessment of industrial risks that may affect individuals covers all Group activities in all geographies. The frequency of these assessments is adapted to each subject: for example, monthly safety performance reviews or an annual review of technical audits. Other topics require assessments at an ad hoc pace.

Management of industrial emergencies

In the event of an emergency, the primary responsibility of the entity's Managing Director is to analyze its nature, assess both the severity of the situation and the potential impacts on the basis of the risks previously identified, and take all necessary measures to ensure the safety of people. A 24/7 on-call system receives emergency calls and contacts the people responsible for setting up an appropriate response at local level.

A business continuity plan adapted to each entity describes the previously defined sequence of actions that will allow the continuation or restoration of operational functions, IT resources, networks and facilities in the event of an unexpected disruption to the service. The aim of this plan is to protect people and property and to limit the impact of the disruption on the entity's activities.

Exercises are regularly carried out on a variety of scenarios, and the results and lessons learned are documented, thus informing the business continuity plan.

Road safety

The Group's objective is to permanently reduce the frequency and severity of road accidents, for its employees and subcontractors as well as for third parties. It uses the following leverages to achieve this objective:

- implementation of the Group's safety rules by all subsidiaries and service providers;
- replacing the fleet with safer vehicles;
- improving the safety of drivers and third parties by introducing the necessary behavioral changes through the implementation of digital alert and support technologies;
- systematically incorporating feedback from the most serious events, and sharing best practices with all of the Group's subsidiaries and partners;
- monitoring the implementation and effectiveness of measures implemented by subsidiaries through dedicated audits.

Air Liquide relies on a structured program to mitigate risks on the road, based on a repository of internal requirements included in the IMS. Operations are assessed and audited regularly to ensure compliance with this framework.

Depending on the geographies, context, current legislation and practices, the 2024 road safety priorities focused on the implementation of all or some of the following measures:

- the installation of onboard technologies such as cameras, which can detect driver fatigue and distractions, or reversing cameras to reduce blind spots, in order to help change driver behavior or provide visibility of the vehicle's surroundings;
- increased dialogue on road safety both internally as well as with service providers and other organizations specialized in this subject, both locally and on an international scale. Air Liquide regularly holds transport safety discussions and knowledge-building events with its partners;
- regular awareness-raising among professional and occasional drivers on safe behavior on the road;
- development of the role of master drivers (in driving and loading/unloading operations) who mentor new drivers and serve as role models within their organization. Identified on the basis of technical criteria, these master drivers actively contribute to forging the driver's safety mindset and participate in improving training and qualification processes.

Product safety

The IMS procedure on the management of product development includes the analysis of associated risks, from the moment the products are designed, including the need for them to be used safely.

The regulatory watch process integrated in the Industrial Management System (IMS) in place in each Air Liquide subsidiary ensures product compliance with any regulatory changes applicable to them.

In compliance with regulations in force, each gas storage device is equipped with a label showing, among other things, the name of the product and the associated risks.

In the particular case of gas cylinders, the color of the shoulder is different depending on the main risk of the gas it contains. The safety data sheets present the risks of each of these gases. The cylinders are fitted with a cap protecting the valve which must be operated by hand and whose connections differ depending on the gas in order to avoid any incorrect connection. Their storage is regulated and must be done in a dedicated place.

Security of individuals

The Group is attentive to the geopolitical environment of the countries in which it operates. This is an important criterion in investment decisions. A good understanding of the environments in which the Group operates enables it to adopt a security posture in accordance with its requirements and its duty to protect. Therefore, it is essential for Air Liquide to properly identify the risks and threats, to analyze and understand them and to put in place security systems that protect employees, whether they are at their usual workplace or they are traveling to a high-risk country.

The generic mapping of risks related to the security of individuals is based on three types:

- political and security risk;
- risk related to terrorism;
- risk related to criminality.

The Group Security Department establishes a classification of security risks for the countries in which its employees work and travel. It is based in particular on the official rating of five countries (France, the United Kingdom, Canada, the United States and Australia), coupled with an assessment by the global security service provider for the Group. On a scale of four risk levels, it enables the Group to determine and implement the appropriate level of security measures corresponding to the level of threat identified. The occurrence of serious or repetitive events results in the review of a country's risk level. The country manager must approve the level of security risk determined for the country.

In 2024, for the countries in which Air Liquide is present, two are classified as very high risk (Nigeria and Ukraine) and seven are high risk. The others are split between moderate and low risk.

Based on the risk assessment, the Group Security Department defines and coordinates the implementation of appropriate measures to limit employee exposure to potential negative impacts during a crisis or incident. It has a range of measures that can be deployed, depending on the level of risk identified, in all subsidiaries to protect employees and the external stakeholders listed above:

- active and passive security systems across all sites. The fundamentals of site protection policy of the Group include secure fencing, a controlled access process, an adapted security and surveillance system, and finally, the means to intervene and respond in the event of an intrusion;
- security reviews systematically carried out by the Security Officers to ensure the proper level of protection of employees and sites;
- crisis management and business continuity processes to deal with crisis environments and limit the impact on both employees and organizations;
- an analysis of the most serious incidents carried out by the Group Security Department in collaboration with the local entities to adapt the security rules. Surveillance camera systems are set up to record the most critical points of a site and the recordings are viewed after the event in order to understand the origin of potential intrusions;

- a series of measures intended to protect travelers, throughout their travel:
  - security awareness training for employees traveling to the riskiest countries in order to inform them of potential threats and the measures to be applied,
  - all travel reservations to very high-risk or high-risk country are subject to a validation process by an employee's manager, then by the Security Officer of the geography in question, who may even prohibit the trip,
  - sending of alerts to travelers to make them aware of the most important incidents when they are away,
  - a dedicated application available to travelers to inform them of imminent threats and thus be rescued as quickly as possible;
- e-learning training in collaboration with Human Resources to familiarize employees with new environments. Socio-cultural differences are important elements of integration that must be understood and assimilated and which allow for better multicultural integration.

In parallel with the country risk classification, Air Liquide sets up threat monitoring. The ability to collect, sort and analyze information makes it possible to understand the specific environments in which employees work by identifying threats and anticipating possible incidents, crises or changes in the structural or economic environment of the countries in which the Group operates. Where necessary, Air Liquide updates the security and travel rules to limit the exposure of its employees and adopts conservative security postures to protect those most exposed.

In certain unavoidable circumstances, employees may be witnesses or victims of illegal or criminal acts. It is important to detect, analyze and understand these in order to better protect employees and reduce the risk of occurrence. The Group has an incident reporting system which, depending on the level of severity, triggers a review and analysis process for these incidents. The Group conducts a systematic review of incidents in order to better understand the type, frequency and level of impact on its operations. This system makes it possible to understand the origin of malicious acts and to act locally on the security rules in place to protect employees and third parties.

In all its subsidiaries, the Group has security officers who are regularly trained to adopt the appropriate security posture and implement the security measures that protect employees. A security review system enables assessment of the level of protection of a subsidiary in terms of security according to the level of threat in a country and its sensitivity level. This classification makes it possible to assess whether the security systems are properly deployed in the subsidiaries in order to guarantee the appropriate level of protection for employees and subcontractors.

These systems are monitored by the Regional Security Officers and the Group Security Director. They make it possible to adapt the security posture according to specific events or crises.

In very high-risk countries, these security measures are strengthened. More generally and as part of a responsible approach, the Group interacts with some of the most disadvantaged surrounding communities by implementing actions to benefit them. In some townships, such as in Brazil or South Africa, local jobs are offered to help integrate these communities and reduce the risk of malicious acts.

Objectives related to employee health and safety

The actions undertaken by the Group are intended to contribute to the UN Sustainable Development Goals (SDGs) 3 "Good health and well-being" and 8 "Decent work and economic growth".

The Group has not formalized quantitative targets for health and safety indicators. However, all Air Liquide subsidiaries share the aim of achieving "zero accidents" and the objective of continuously improving their safety performance. As set out below, the Group also measures the effectiveness of the actions and policies it implements through specific indicators and programs.

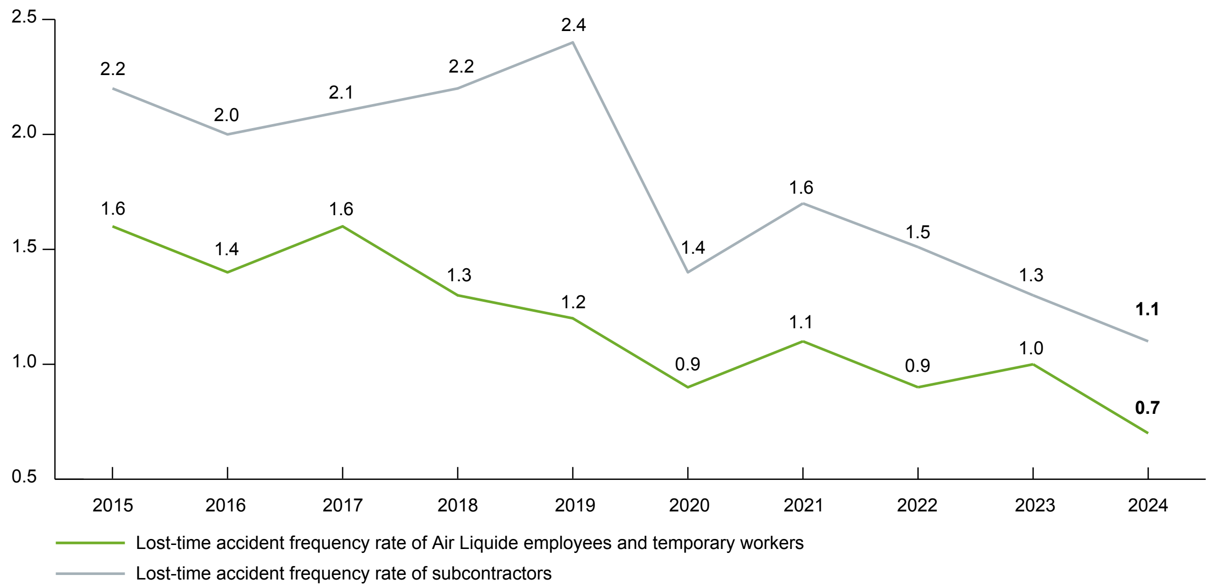
Indicators related to employee health and safety

	2024
Number of fatalities as a result of work-related injuries and work-related ill health among Group employees and temporary workers	1
Number of fatalities as a result of work-related injuries and work-related ill health among subcontractors	2
Number of recordable work-related accidents among Group employees and temporary workers	319
Rate of recordable work-related accidents for Group employees and temporary workers	2.42
Number of cases of recordable work-related ill health among Group employees	2
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to Group employees and temporary workers	4,001

2024 was marked by the fatalities of a driver (an Air Liquide employee in the Dominican Republic) in a road accident, and of two subcontractors, one following a fall while working at height in Poland and the other following the bursting of a gas cylinder in Brazil. The Group has made and will continue to make every effort to avoid such accidents, notably by analyzing the causes and deploying Group-wide action plans.

The lost-time accident frequency rate is one of the safety performance review indicators. As illustrated in the chart below, this frequency rate has steadily improved over the years for Air Liquide employees and subcontractors.

LOST-TIME ACCIDENT FREQUENCY RATE trend (a) AMONG Air Liquide EMPLOYEES AND SUBCONTRACTORS



(a) *Number of accidents with at least one day's absence per million hours worked.*

The lost-time accident frequency rate for Air Liquide employees, including temporary workers, has significantly improved (-32%) to 0.7 at the end of 2024, compared to 1.0 at the end of 2023.

Similarly, the lost-time accident frequency rate for subcontractors continued to improve in 2024, dropping to 1.1 at the end of 2024, compared to 1.3 at the end of 2023.

To maintain this performance over the long term and continue to reduce the number of lost-time accidents, the Group must remain vigilant at all times and continue to raise awareness and take all preventive measures to further improve the safety culture within teams.

3.1.4. Diversity, inclusion and harassment prevention

Topics related to diversity, inclusion and harassment prevention: impacts, risks and opportunities

The Group's employees may be **adversely affected by incidents of discrimination or violence and harassment** in the workplace. Employees belonging to so-called vulnerable groups such as women, young people, people with disabilities, LGBTQ+ people, ethnic, religious or cultural minorities are more exposed to such impacts.

In addition to incidents of violence and harassment, cognitive biases in recruitment and talent management processes can result in **negative impacts related to indirect discrimination** such as unequal opportunities and denial of access to employment, promotion or salary reviews.

Diversity, inclusion and harassment prevention policy

According to its Principles of Action, Air Liquide is committed to respecting human rights and ensures all its employees working conditions based in particular on the absence of any discrimination as well as promoting an inclusive culture and diversity.

In this spirit, in its Code of Conduct, the Group undertakes to promote diversity and equal opportunities in career development, regardless of any considerations, in particular of ethnic origin, gender, nationality, religion or beliefs, age, disability or sexual orientation, and does not tolerate any form of harassment or discrimination. Air Liquide therefore:

- provides all its employees with the same opportunities to develop and make the most of their talents;
- is committed to promoting the inclusion of people with disabilities;
- supports and promotes a workplace free from all forms of harassment.

Information relating to the Principles of Action and the Code of Conduct is described in paragraph 4.2.1 of this Sustainability Statement – page 353.

Equal opportunities for all

As part of its Human Resources policy, Air Liquide focuses on the career path of employees: from their recruitment to career management, including their remuneration and benefits, and their personal development.

This career path is built around the performance and potential of each individual, regardless of any other considerations.

Particular attention is paid to gender diversity and it is integrated into internal and external recruitment processes.

Diversity – a source of dynamism, innovation, attractiveness and talent retention – is a priority of the Group's Human Resources strategy and policy. It is a fundamental element of the organization, in terms of both businesses and employees, and drives the Group's long-term performance.

Inclusion of people with disabilities

Convinced that the wealth and strength of a company come from the singularities of each of its employees, Air Liquide has been committed for many years, alongside all stakeholders, to meeting the challenges of inclusion of people with disabilities.

Preventing harassment

As part of its Human Resources policy, Air Liquide pays particular attention to preventing all forms of harassment, whether intimidation, sexual harassment, violence or any act contributing to a climate of threat in the work environment, in order to ensure better mental health at work for all its employees.

The Vice President, Group Human Resources Deputy, is responsible for the Group's HR policy in terms of diversity, inclusion and harassment prevention, as well as its rollout.

Actions related to diversity, inclusion and harassment prevention

To facilitate the implementation of these principles and prevent all forms of discrimination and harassment, Air Liquide has drawn up its Inclusion & Diversity roadmap based on three pillars:

- setting and monitoring objectives for all entities;
- mitigating bias in discussions and improving Human Resources processes;
- promoting a culture of inclusion.

It is reviewed once a year at a meeting of the Executive Committee and is adjusted locally in its subsidiaries to reflect the culture in which the Group operates.

Tracking objectives for all entities

As Air Liquide's activities are based on technical and expert occupations, in which there are disparities between women and men, the Group decided to define objectives for gender diversity.

In this respect, local entities carried out an assessment of the current situation to define an objective at the Cluster (group of countries) level and thus contribute to the overall objective (see paragraph 3.1.4 of this Sustainability Statement – page 336).

In order to monitor changes in this objective and regularly measure its progress, a monthly dashboard (HR Monthly Headcount & Diversity) was set up in 2024, based on data from the Workday HR information system, allowing the different levels of the organization to monitor their results on their scope, from month to month. It is accompanied by a summary note at Group level.

Mitigating bias in discussions and improving Human Resources processes

Reducing prejudices and preventing harassment and discrimination

The Human Resources functions analyze processes and practices to identify potential biases. They implement corrective "nudges" to limit these prejudices and increase diversity, particularly among the managerial population, so that it reflects society in the countries where the Group operates. Thus, during the regular reviews of talents with high potential, Air Liquide takes the diversity of profiles into account, with the aim of continuing to increase diversity in the Group's key positions.

In addition, as part of its Code of Conduct (see paragraph 4.2.1 of this Sustainability Statement – page 353), Air Liquide sets up a new training module for all employees each year, in order to remind them of the Group's ethics approach. The prevention of discrimination and harassment is one of the themes of this module and is illustrated by case studies. This module, which is available online, is mandatory and must be taken by all employees (including part-time staff) each year. A test is completed at the end of the module to assess the participant's level of attainment and validate participation in the training. In addition, individual employee compliance with the Code of Conduct is required. Thus, each employee undertakes annually to comply with the rules of conduct presented in the Code, through an online signature process.

Numerous initiatives are carried out locally. For example, at least one contact person has been appointed within each of the Digital & IT entities for the prevention of harassment, discrimination and sexist behavior. These people are a point of contact and support for anyone who considers themselves to be a witness or a victim of such behavior. They communicate and organize awareness-raising actions, and in this context, in 2024, they provided a virtual café on the meaning of the terms "harassment", "discrimination" and "sexist behavior".

Implementation of a dedicated Human Resources Intranet site to improve processes

Launched in 2021, the HR Intranet site dedicated to process management brings together the Group's HR standards, enabling standardized management of talent and thus limiting the risks of discrimination. In this respect, a new standard for departure interviews was put in place in 2024. This is a discussion between Human Resources and the employee who has chosen to leave the Company in order to understand the reasons. Consolidating the reasons for leaving will enable the Group to identify the factors behind attrition, and then implement the appropriate action plans to improve employee commitment and loyalty, as well as to remedy causes that may be seen as discrimination or harassment.

Promoting a culture of inclusion

Supported by Human Resources, numerous global and local initiatives are undertaken to promote inclusion at Air Liquide. Thus, each business and entity, while taking into account their local and regulatory context, implements its own Inclusion & Diversity roadmap and the associated action plans.

Minimum workplace requirements for women in operations

As part of the HR Intranet site dedicated to resource management, a new standard published in 2024 provides a framework to guarantee physical and psychological safety for women and improve their well-being on industrial sites. It promotes an open-mindedness and a culture of respect in the workplace to prevent sexual harassment, among other things.

Maternity leave standard

A standard on maternity leave, which came into force in October 2024, covers a set of principles and requirements applicable to all sites, both before and during maternity leave or when mothers return to work. Thanks to this new standard, Air Liquide is fully committed to providing an inclusive environment and supporting women in the workplace.

A leadership program for women

In 2024, a pilot leadership program for women was conducted within the Group to address the development needs of women and equip them with essential skills and keys to advance their careers. At the end of this six-month process, they draw up their action plan. 123 women took part in this first session, which ended in November. This program will be renewed in 2025.

Promoting the inclusion of people with disabilities

In response to two areas of work highlighted and communicated (in Europe) by Executive Management at the end of 2022, namely recruitment and career planning for people with disabilities, actions are carried out in each country, in compliance with local regulations and taking into account the specificities of their businesses.

The signing of a 6th company agreement in favor of the recruitment, retention in employment and career development of people with disabilities in France for the 2023-2025 period (covering approximately 6,000 employees) is one example. The objective, set jointly with the social partners, is to increase the direct employment rate of people with disabilities from 4.46% in 2022 (calculated in April 2023) to 6% by the end of 2025. It stood at 4.69% in 2023 (calculated in April 2024).

Objectives related to diversity, inclusion and harassment prevention

Gender equality

The Group has set several gender diversity objectives, which are part of its ADVANCE program.

2025 Objectives		2024 Results	
35%	women among Group Managers and Professionals.	33.1%	women among Group Managers and Professionals.
25%	women at the highest level of responsibility (senior executives).	23.7%	women at the highest level of responsibility (senior executives).

In 2020, the reference year, the share of women "Managers and Professionals" in the Group was 30% [1] (32% [1] in 2023).

In 2020, the reference year, the share of women at the highest levels of responsibility was 21% (24.7% in 2023).

Indicators related to diversity, inclusion and harassment prevention

Breakdown of total employees by gender

	Women	Men	Not disclosed	Other	Total number of employees
Total number of Group employees	19,475	47,135	24	23	**66,657**
including France	*4,831*	*7,101*	*1*	*7*	*11,940*
including the United States	*3,791*	*16,222*	*19*	*11*	*20,043*

The countries where the Group operates, with a number of employees representing at least 10% of the total number of employees, are France and the United States.

Breakdown of senior executives [2] by gender in number and percentage

	In number	Percentage
Women	88	23.7%
Men	283	76.3%
Not disclosed/Others	—	—%

The Group's objective is to strengthen gender balance, with a particular focus on the Group's commitment to increasing the share of women in management positions. This objective is pursued by an action plan consisting of the identification of "high potential" talents, who constitute a pool of talent to ensure the balanced representation of women and men, particularly within the Executive Committee, where the objective is to maintain a rate of 30% of women by 2026 according to the provisions of the Rixain Law.

In 2024, the percentage of women on the Executive Committee was 30.7% (4 women among its 13 members). The Executive Committee changed at the end of the year with the announcement of the departure of one of its members on December 31 and a new appointment effective from December 2, which temporarily brought the number of its members to 14.

Breakdown of total employees by age group

Age group	In number	Percentage
Under 30 years old	8,100	12.2%
Between 30 and 50 years old	38,427	57.6%
Over 50 years old	20,130	30.2%

3.1.5. Employee remuneration and benefits

Topics related to employee remuneration and benefits: impacts, risks and opportunities

While all Air Liquide employees have remuneration and care coverage in accordance with local regulations, disparities may exist between the countries where the Group operates, in particular if these regulations are insufficient to cover the basic needs of employees and their families such as food, water, accommodation, transport, health and education. These inequitable situations in terms of **remuneration** on the one hand, and **care coverage** on the other hand, can have **negative impacts** on the Group's employees.

Air Liquide has a **positive impact** by offering to all its employees access to a common basis of **care coverage,** as described below and that, for some of them, goes beyond their local regulations.

In certain countries where the Group operates, a **pay gap** between women and men may also be observed and constitute a **negative impact** by creating inequalities in terms of remuneration between the Group's employees.

(1) *Rounded off in increments of 0.5%*
(2) *Air Liquide defines the concept of senior executives as employees with the highest levels of responsibility in the Group, including the members of the Executive Committee.*

Employee remuneration and benefits policy

Air Liquide strives to offer adequate and competitive remuneration and benefits, with a view to ensuring equity, particularly between women and men.

To meet the specific expectations of employees and candidates in terms of remuneration (greater transparency and fairness, and social protection schemes for themselves and their families), Air Liquide bases its remuneration structure on local market practices, internal equity and compliance with applicable regulations. Remuneration packages are typically composed of a base salary, together with social benefits, consisting in particular of the Group's common basis of care coverage [(1)].

In general, an employee's base salary is determined by comparing salaries for similar positions in the local market. This comparison is based on independent studies carried out on a regular basis.

Air Liquide's annual remuneration increases (base salary and variable portion where applicable) are based on the level of inflation observed in the region concerned, the individual performance of employees and their position in the market.

Every year, Human Resources conduct a wage increase operation. This process is transparent, thanks to a global information system, and involves line managers proposing increases for their direct teams, based on the rules communicated to all employees and discussed with labor representatives where applicable. In addition to this campaign, wage adjustments may be made, particularly when there is a job change in the event of a promotion.

Most of the Group's employees in management positions are also eligible for a variable portion, designed to reward the achievement of specific objectives set at individual, team and Group levels. This remuneration for collective and individual performance aims to promote cooperation, a sense of belonging to the Air Liquide Group and collective responsibility for results.

In addition, profit-sharing and participation apply to all employees in France and are an element of the remuneration and of sharing the value of the Air Liquide Group with its employees.

It is also important to highlight that the Group offers its employees pension savings schemes, in accordance with local regulations and practices. These schemes are managed by the entities and may benefit from a financial contribution from Air Liquide.

Most executives, as well as employees recognized for their long-term performance in key functions, are also eligible for long-term incentives such as performance shares, whose allocation is managed at Group level.

Lastly, in countries where regulations allow it, employees are regularly able to subscribe to Air Liquide shares at a preferential price as part of employee stock purchase plans (ESPP).

The Vice President, Group Total Rewards and International Mobility, is responsible for Air Liquide's remuneration policy, overseen by the Group Human Resources Vice President.

Actions related to employee remuneration and benefits

As part of the ADVANCE plan and with the aim of being recognized as an employer of choice, Air Liquide strives to offer its employees fair, equitable and competitive total remuneration in a transparent manner, by placing performance recognition at the heart of its processes.

In particular, Air Liquide monitors the pay gap between women and men, in order to be able to remedy it. Thus, the following took place in 2024:

- annual salary reviews taking into account pay gaps;
- awareness-raising sessions for HR teams.

Fair remuneration ensures that employees are remunerated appropriately for their skills, experience and involvement, in order to promote their motivation and loyalty. In implementing such a remuneration, Air Liquide adheres to best practices on the market in terms of ethics, recognizes the intrinsic value of employees' contributions and acts as a socially responsible organization.

With this in mind, pay for performance at Air Liquide is based on a balanced global approach spread across three pillars:

- reconciling attractiveness and competitiveness through annual assessments of the market positioning of all salaries;
- implementing mechanisms that promote procedural equality;
- promoting transparency and equality with the rollout of common guidelines and policies.

In addition to the actions carried out on remuneration, the implementation for all its employees (excluding apprentices) of a common basis of care coverage, has tangible impacts on their quality of life and that of their families. It provides compensation of at least one year's salary in the event of death, access to inpatient and outpatient medical care, as well as maternity leave of at least 14 weeks paid at 100% of the base salary, and goes beyond certain local regulations.

Objectives related to employee remuneration and benefits

As part of its sustainability objectives announced in 2021 and its ADVANCE strategic plan, Air Liquide has committed to offering common basis of care coverage to all its employees by 2025.

2025 Objectives		2024 Results	
100%	of employees with common basis of care coverage including compensation in case of death, inpatient and outpatient medical care and a minimum of 14 weeks of paid maternity leave.	100%	of employees with common basis of care coverage including compensation in case of death, inpatient and outpatient medical care and a minimum of 14 weeks of paid maternity leave.

(1) *This care coverage guarantees:*
- *a life insurance policy with compensation equivalent to one year's salary;*
- *health coverage that includes inpatient and outpatient care;*
- *a minimum of 14 weeks' paid maternity leave.*

A special team was set up within the Human Resources Department to oversee the plan's rollout and measure progress. In 2022, the reference year, 34% of the Group's employees (excluding apprentices) were covered (78% at the end of 2023).

Throughout 2024, the teams worked so that 100% of the Group's entities could offer their employees these three common basis of care guarantees by the end of 2024.

Indicators related to employee remuneration and benefits

Adequate wages

Air Liquide strives to ensure that all of its employees receive a remuneration at least equal to the legal minimum wages in countries where they apply.

For all its employees (excluding apprentices) in the countries of the European Economic Area (EEA), Air Liquide compared their base salaries [(1)] with the following references:

- local legal minimum wages in the countries where they exist;
- 50% of the average gross salary in the country, in countries where there is no legal minimum wage.

It showed that 100% of the employees concerned received a remuneration at least equal to these reference thresholds.

In a continuous improvement process, the Group has consolidated the remuneration data available in its HR Information System, which entered its first year of operation in 2024.

In addition, the adequate wage does not benefit from an established benchmark. Air Liquide wishes to define a calculation methodology that is consistent and homogeneous with that of its peers in order to ensure the comparability of this indicator and to take into account the diversity of situations of all its employees spread across 60 countries [(2)].

Also, in order to constantly improve its knowledge of the markets and be able to compare the remuneration of its employees with benchmarks relating to local minimum and adequate wages, at the end of 2024 Air Liquide established a partnership with Fair Wage Network (FWN), a recognized non-governmental organization. This partnership will also enable the Group to refine its analysis from 2025.

Gender pay gap

In 2024, the gender pay gap was 6.7%.

This indicator is based on data not adjusted for any specific characteristics such as seniority, experience, performance or the market.

It is calculated [(3)] for the Group, by country and by entity (for entities deployed under the Workday HR information system) and for four job categories according to the following formula, as defined by European sustainability reporting standards:

$$\frac{\text{(Average level of gross hourly remuneration of male employees - average level of gross hourly remuneration of female employees)}}{\text{Average level of gross hourly remuneration of male employees}} \times 100$$

The Human Resources Department regularly conducts in-depth analyses of pay equity across all Group entities in order to identify gaps that require adjustments. Actions are then taken to reduce these gaps.

This global indicator is calculated differently from the one that Air Liquide has been publishing since 2019.

3.1.6. Well-being at work

Topics related to well-being at work: impacts, risks and opportunities

Working time and work-life balance are material issues that may temporarily or permanently **affect negatively** the Group's employees in the following ways: **excessive working hours, intense workload**, **insufficient rest** on one hand, **psychosocial risks or work-related ill health** on the other hand.

In addition, the **digitalization of the work environment** has transformed operating methods. The Group offers its employees new ways of working which can change their work-life balance. The integration of new digital resources into working practices can lead, on the one hand, to difficulties of adaptation, and, on the other, to greater flexibility. Remote working, offered for positions that allow it, facilitates the reconciliation of professional and private life. These new technologies are used carefully in order to **minimize their negative effects and maximize their positive effects**.

Well-being at work policy

In 2020, Air Liquide rolled out its BeActEngage procedure, which describes the way of working at Air Liquide and specifies what is expected of employees, in order to enable them to develop in an engaging, diverse and inclusive environment:

- Be: live our fundamental principles, namely safety, ethics and long-term performance;
- Act: act for our success by keeping our promises with discipline and making effective decisions;
- Engage: be a single team and perform in the common interest, by empowering and delegating at the right level.

In 2024, a study of the BeActEngage framework was carried out to determine the ways of working to be strengthened and the new ones to be implemented in order to:

- enable all employees to flourish and give the best of themselves;
- reward performance based on results and behaviors.

The evolution of this reference framework has been published and made available to all Group employees. Its deployment is underway in two stages:

- conducting workshops in December 2024 for the 400 key leaders to present changes and prepare them to lead similar workshops;
- gradual rollout until June 2025, to encourage the adoption of new behaviors on a daily basis,

all illustrated in a BeActEngage Playbook, "The way we perform and care as one Air Liquide".

The responsibility and rollout of the BeActEngage procedure is the responsibility of the Group Human Resources Vice President, who is the guardian of the Group's culture.

(1) *Including fixed allowances where applicable.*
(2) *Excluding Russia, where the entities are no longer controlled nor consolidated since September 1, 2022.*
(3) *Apprentices, expatriates and employees who did not wish to declare their gender or non-binary employees are excluded from the calculation. Gross hourly remuneration comprises basic salary, mandatory indemnities and target variable remuneration. Differences by category are consolidated by entity and then by country and then globally, proportionally to the number of employees.*

Actions related to well-being at work

One of the pillars of Air Liquide's Human Resources strategy, applicable to the Group as a whole, is to create an engaging and inclusive employee experience.

This close attention paid to the experience and well-being is a key factor in attracting, retaining and developing employees.

With the My Voice program (see paragraph 3.1.2 above of this Sustainability Statement – page 329), Air Liquide strives to offer each employee a successful experience, by prioritizing listening and dialogue, at all stages of their career within the Group.

At the end of 2024, with the survey having taken place in October, the process of identifying and rolling out actions based on the results of the survey was still ongoing, both at the level of team managers and at higher levels within the Group.

Analysis of the feedback shared by employees in 2023 made it possible, for example, to roll out the following actions in 2024:

- at Group level, the rollout of "Career Discussions" accelerated to formalize regular discussions on career paths and development opportunities and thus give employees better visibility on career opportunities;
- at entity level, many actions aimed at making everyday life easier for employees were carried out;
- and many action plans were also decided together at team level.

In addition, as part of BeActEngage, all employees are encouraged to give their feedback on a regular basis, whether to their line manager, their colleagues or their employees where applicable, in a constructive spirit of mutual assistance to enable everyone to thrive in an engaging environment.

To meet specific needs, regional initiatives were rolled out:

- in 2019, the Group partnered with the European Works Council to develop the "Care & Perform" initiative, whose purpose is to prevent psychosocial risks. This led to the creation of a charter based on principles of action related to improvements in work scheduling, workloads and work-life balance. In several European countries, agreements on the right to disconnect and work remotely have been concluded to support the transition toward new working conditions;
- in the United States, Canada, Germany and France, among others, and several countries in Asia Pacific (China, Australia, New Zealand and Singapore), employee assistance programs have been set up to provide employees with a confidential assistance service to help them manage a wide range of personal situations related to life's difficulties, stress or professional or financial issues, for example. Employees and their immediate family members can benefit from this;
- in October – World Mental Health Awareness Month – various events (such as webinars, safety moments or round-table discussions) were organized in North America to raise awareness among employees, fight stigma and promote mental well-being for all.

Moreover, in 2020, the Group launched the global "Next Normal" project to support new ways of working (a new working environment including team management; a supervised remote working policy; a reorganization of workspaces; a framework for rethinking interactions with customers and patients; a new framework for a responsible travel policy within Air Liquide).

Employee adjustment to remote working was facilitated by the existence of a digital and collaborative environment that had already been rolled out within the Group several years ago, as well as the development of virtual training courses covering remote working and managing teams remotely. As part of this project, in 2022, the European Works Council also prepared a reference guide sharing key points during the renovation of workspaces. Initially designed for team leaders, the guide helps entities set up new working methods based on the first global experiences.

Objectives related to well-being at work

Air Liquide has not set measurable objectives in terms of results for its actions carried out for the well-being at work of its employees, but nevertheless measures the effectiveness of its roadmap through its My Voice program (for more details, see paragraph 3.1.2 of this Sustainability Statement – page 329) and regular dialogue in place within the teams.

Indicators related to well-being at work

Being qualified as phased-in by the CSRD, indicators related to well-being at work are not published in 2024.

3.1.7. Employability, talent and skills management

Topics related to employability, talent and skills management: impacts, risks and opportunities

Air Liquide depends on its employees and their technical skills, necessary for its activities, for the performance of its operations. A **too high turnover rate** on the one hand or a **lack of employee qualifications** on the other hand can affect the availability of talent and **could thus disrupt operations**.

As part of its plan to transition to a carbon neutral economy (described in paragraph 2.2.1 of this Sustainability Statement – page 300), Air Liquide **encourages the development of** employee **skills towards more sustainable jobs**. The Group's employees most affected by this transition are those from the Engineering & Construction (E&C) and Large Industries business lines.

Employability, talent and skills management policy

The performance of the Air Liquide Group's operations is driven, in particular, by the quality of all its employees, their skills and their commitment, which also determine the Group's performance. Developing employees according to their aspirations and the needs of the organization is an integral part of Air Liquide's HR policy to preserve their employability and is based on two main principles:

- career reviews during which employees discuss their career plans with their line manager and/or HR;

1 2 3 4 5 6 7

- the 70-20-10 learning model, which is based on the assumption that 70% of what we learn is done by practicing a new activity, 20% is done by observation or interactions with others, and 10% is done through formal training. These development needs are discussed and recorded during annual performance reviews.

This policy is visible to all employees on the HR pages of the Group's Intranet and on the Air Liquide University Intranet, dedicated to training and skills development. The Vice President, Group Human Resources Deputy is responsible for the Group's HR policy in terms of employability, training and employee development, as well as its rollout.

Linked to its carbon neutrality by 2050 objectives, the Group has published a Just Transition Statement on its website: https://www.airliquide.com/sites/airliquide.com/files/2024-06/just-transition-en-06-2024.pdf. It describes the principles of change management and the development of skills towards more sustainable jobs, in particular in the Engineering & Construction (E&C) business line – where new technologies need to be mastered – and the Large Industries business line – where these technologies will be rolled out and operated. Part of Air Liquide's DNA, cross-functional mobility remains the preferred means of developing productive career paths and reinforcing the skills and employability of employees.

Actions related to employability, talent and skills management

One of the pillars of Air Liquide's Human Resources strategy is to promote career-long learning and accelerate the development of its employees in three areas:

- career path;
- enhancing employability, leveraging all learning methods;
- maintaining and developing technical expertise.

Career path

Career development reviews are conducted regularly by line managers and HR to support each employee in their career. This means having an open discussion about their current role, their professional interests and the actions to be undertaken to develop their careers, including skills enhancement, where necessary.

Career reviews are planned according to the key stages of the career path of an employee:

- during the 1st or 2nd year in the Group;
- after three to five years in the same position;
- on returning from a long period of leave;
- more generally, when the employee so requests.

Strengthen employability

Air Liquide's involvement in the energy transition and the digitalization of its activities is giving rise to needs in new disciplines (data science, artificial intelligence, etc.) and new business lines (hydrogen, decarbonization, etc.), opening up new employment prospects for its employees. Air Liquide supports its employees by enabling them to develop their professional skills and know-how throughout their career, so that they can maintain their employability.

Specific actions have been rolled out to meet the precise needs of the business units most exposed to the need to preserve their employability in the context of the energy transition, in particular Engineering & Construction (E&C) and Large Industries. After an assessment of the specific technical skills and expertise to be strengthened to meet the challenges of the energy transition, the operational and HR teams of these businesses developed action plans to respond to them (see Just Transition Statement: https://www.airliquide.com/sites/airliquide.com/files/2024-06/just-transition-en-06-2024.pdf).

The 70-20-10 learning model used by Air Liquide encourages employees to play an active role in their own development and offers a wide range of practices:

- trying out new activities through contributions to cross-functional projects or short-term assignments that may or may not involve geographical mobility;
- learning from others and sharing knowledge through activities such as mentoring, coaching, participation in communities of practice, networking;
- training:
  - implementing on-site training courses to support the digitalization of industrial processes,
  - availability of a wide range of training courses managed by Air Liquide University and being enriched year on year to cover many topics such as:
    - digital and artificial intelligence with the "AI readiness" program to raise awareness of issues (particularly ethics) and develop artificial intelligence skills within the Group,
    - climate change, the energy transition, the Group's sustainability objectives and decarbonization strategy and its operational rollout to support all its employees,
    - energy management to support the need to improve skills in six key areas.

    In 2024, the University once again launched two virtual events open to the entire Group, based on nine themes supporting the Group's strategic challenges,
  - Individual training needs are managed by the Learning and Development Centers of Expertise in collaboration with managers and local HR teams.

Maintaining and developing technical expertise

The Technical Community Leaders (TCL) program enables talents in technical domains to access career paths that offer them both recognition of their technical expertise and opportunities to develop and evolve in their field.

Today, Air Liquide has more than 5,200 technical experts, playing a driving role in sharing expertise and technical excellence, serving its customers and patients. This community of the Group's technology experts contributes to the transfer of the know-how that Air Liquide will need in the future.

As part of this TCL program to identify talent through annual appointment campaigns, 155 new international technical experts were appointed in 2024, in nine areas (Large Industries, Industrial Merchant, Healthcare, Electronics, Engineering & Construction, Innovation & Development Division, Industrial Operations & Security, Digital & IT, Hydrogen Mobility).

The TCL program is a key driver of innovation that contributes significantly to ensuring the long-term safety of its products and the performance of the Group's operations.

Objectives related to employability, talent and skills management

Air Liquide has not set measurable objectives in terms of results for the actions it takes for the employability, training and development of its employees, but nevertheless measures the effectiveness of its roadmap thanks to its My Voice program (for more details, see paragraph 3.1.2 of this Sustainability Statement – page 329) and the regular dialogue established between employees, their manager and their HR contact, including annual reviews, among others.

Indicators related to employability, talent and skills management

Percentage of employees who participated in an annual review, by gender

	% of employees participating in performance and career development reviews
Among all employees	**97.9%**
Among women	97.1%
Among men	98.3%
Gender not disclosed/other	96.9%

The percentage is calculated on the basis of the total number of employees eligible for these reviews, taking into account local legislation in force, i.e. 60,091 employees at the beginning of the campaign.

The objective of the performance and career development review is to: on the one hand, to assess the performance in terms of the employee's achievements and contributions, as well as their behavior, and on the other hand, to assess their strengths, areas of development and associated actions – to improve their performance, support their commitment and promote their career progression.

To encourage these reviews, the Group conducts an annual campaign from the beginning of December to the end of February. The figures reported here relate to the 2023 campaign (at the end of 2024, the campaign for the period was still ongoing).

3.1.8. Personal data protection

Topics related to personal data protection: impacts, risks and opportunities

The dishonest use of personal data can violate the privacy, rights and property of individuals, or serve for purposes of discrimination. The people most likely to be exposed to these risks in the context of Air Liquide's activities are the 66,657 Group employees and the 2.1 million home healthcare patients treated by Air Liquide. A breach of personal data security is characterized by the destruction, loss, alteration or unauthorized disclosure of personal data transmitted, stored or processed in another way, or unauthorized access to such data, whether accidental or unlawful. The **negative consequences of a breach** vary according to the nature, sensitivity and extent of the personal data entrusted to Air Liquide and necessary in the context of its activities and having been the subject of a breach.

Leaks of employee personal data, whether or not due to a cyberattack on the Group's IT systems, **may expose it to legal consequences** such as litigation, sanctions and penalties, as well as reputational consequences.

Personal data protection policy

In May 2018, Air Liquide adopted and had the European data protection authorities approve Binding Corporate Rules (BCR) which embody the Group's commitment to the protection of personal data. Considering European regulations to be among the most protective in the world, Air Liquide, through the BCRs, provides the same level of protection in all of its operating entities. These binding corporate rules provide in particular for the adoption of a personal data protection policy accessible to all on the Group's website (https://www.airliquide.com/sites/airliquide.com/files/2018/05/23/air_liquide_bcr_global_privacy_policy.pdf) and on the Group's Intranet site dedicated to Digital Security and data protection.

The Policy defines:

- global rules to be followed by the Air Liquide Group for the collection, use and disclosure of personal data:
  - Rule No. 1 – Personal data must be collected for specific, explicit and legitimate purposes;
  - Rule No. 2 – Ensure that there is a legal ground for the processing of personal data;
  - Rule No. 3 – Ensure that only adequate, relevant and limited personal data is collected and retained for a limited period of time;
  - Rule No. 4 – Be transparent to individuals whose personal data is collected and how their personal data will be used;
  - Rule No. 5 – Ensure that the processing of sensitive personal data is allowed;
  - Rule No. 6 – Uphold the rights of individuals;
  - Rule No. 7 – Ensure that individuals are able to object to direct marketing communications;
  - Rule No. 8 – Prevent solely automated individual decision-making, including profiling;
  - Rule No. 9 – Ensure security and confidentiality of personal data;
  - Rule No. 10 – Implement appropriate measures for transfers;

- complaints and requests in relation to the Policy;
- third-party beneficiaries rights;
- guarantees provided by the BCRs.

In its Code of Conduct, Air Liquide translates its commitments expressed in the Policy into rules of good conduct applicable to employees. Information relating to the Code of Conduct is provided in paragraph 4.2.1 of this Sustainability Statement – page 353.

Actions related to personal data protection

The actions resulting from the implementation of the BCRs are:

- the appointment of a Data Protection Officer (DPO) who relies on a network of more than 150 regional or local Information Protection Coordinators (IPC) spread throughout the Group (whether operations or functions) to steer and coordinate actions to protect personal data;
- the signing of contracts between L'Air Liquide S.A. and its subsidiaries which formalize the commitment of the subsidiaries to the BCRs;
- and the rollout of tools such as:
  - records of personal data processing activities,
  - initial employee training accompanied every two years by a reminder during training sessions on the Code of Conduct,
  - consideration of the protection of personal data by default and from the design stage of the processing,
  - risk analyses regarding the protection of personal data,
  - various means available to contact the DPO and IPC to allow internal or external natural persons to make a request to exercise their rights as specified in the Group's personal data protection policy (Rule No. 6) or to report any personal data protection breaches (paragraph 3.1.2 of this Sustainability Statement – page 331).

Operating entities describe the personal data they own or use and the appropriate protection measures. The assessment of this risk and the corresponding security measures are validated during the creation of or implementation of major changes to the processing of personal data (in particular when revising the operational processes or IT tools supporting them). The points assessed include in particular:

- the nature of the personal data (e.g. patient health data, asset and financial data of Shareholders, family or financial data of employees);
- the purposes of personal data processing activities;
- the functions that process personal data within Air Liquide;
- third parties to whom personal data may be entrusted or transferred outside the Group;
- the possible transfer of personal data outside the European Union.

This information as well as the protective measures are grouped together in the record of personal data processing activities.

Personal data processing identified as having the greatest impact on people (for example, processing of patients' personal data) are reviewed annually by internal experts. Regular processes measure the volume of requests to exercise rights and of possible personal data violations and the contractual adherence of Group entities to the Binding Corporate Rules (BCRs). In order to measure the level of maturity of the Group's entities with regard to the protection of personal data, a self-assessment questionnaire is completed by each Group entity employing more than four people. This questionnaire covers:

- the existence of a BCR adherence contract;
- the presence of a local representative of the Data Protection Officer – DPO (the local Information Protection Coordinator – IPC – or another person in case of a specific obligation deriving from a country's legislation);
- the existence of the records of personal data processing activities;
- employee training;
- analyses of protection by design and by default and risk analyses;
- the process for exercising rights and reporting possible data violations;
- contractual clauses with third parties (in particular with subcontractors to which Air Liquide entrusts the processing of personal data on its behalf);
- requests for access to personal data by State authorities or security services.

The questionnaires are reviewed and checked by the regional IPC and the DPO. The level of maturity of entities is assessed on a four-point scale and aggregated at Group level. Activities related to the protection of personal data as well as the results of these various measures are presented internally to the Digital Security Committee, and the Ethics and Compliance Committee, as well as to the Audit and Accounts Committee of the Board of Directors. Lastly, the Group's Internal Audit Department includes the protection of personal data in the planned audits of entities or conducts audits specific to the protection of personal data as part of the internal audit plan or at the request of the DPO.

Objectives related to personal data protection

Air Liquide measures the effectiveness of its actions relating to the protection of personal data through the assessment of the maturity of the entities described in the previous paragraph. In 2024, the maturity of entities for the protection of personal data was 3.48 out of 4.

3.2. WORKERS IN THE VALUE CHAIN

3.2.1. Introduction

Topics related to workers in the value chain: impacts, risks and opportunities

According to the definition of value chain in paragraph 1.4.3 of this Sustainability Statement – page 285, workers in the Group's value chain included in the scope of the double materiality assessment are as follows:

- upstream of its operations:
  - employees of its tier-one suppliers and subcontractors (direct suppliers),
  - employees of their own suppliers and subcontractors if an impact, risk or opportunity has been identified concerning them;
- in its operations, employees of its direct suppliers present on its sites and not covered by ESRS S1 – Own workforce;
- downstream of its operations:
  - employees of companies involved in the logistics, distribution and delivery of Air Liquide products to its customers and patients. These companies are considered and managed by Air Liquide as direct suppliers in the same way as those upstream of its operations,
  - its customers' employees.

According to the double materiality assessment described in paragraph 1.5 of this Sustainability Statement – page 287, the following issues relating to workers in the value chain are material:

- health and safety;
- working conditions; and
- child labor and forced labor.

Health and safety is a material issue for workers in the Group's value chain. Upstream, employees of the Group's industrial **suppliers** or those present on Air Liquide sites have been identified as being exposed to health risks, potential loss of income due to workplace accidents, occupational illness or, in the worst case, death. Downstream, **customer** employees could be affected by the delivery of defective products or equipment.

Issues relating to the working conditions of employees of Air Liquide's suppliers are also material. **Job insecurity** can be accentuated by certain purchasing practices, such as seasonal demand, or temporary peaks, as well as by restructuring plans organized by suppliers. The absence of working time regulations in the Group's sourcing countries may lead to cases of **abuse of overtime** without appropriate remuneration for workers in the supply chain. Furthermore, the payment of **inadequate remuneration** to suppliers' workers should also be taken into account. Lastly, **psychosocial risks**, **as well as occupational disease** related to the work-life balance, may affect employees of the Group's suppliers.

Child labor and forced labor could occur in Air Liquide's upstream value chain. **Forced labor** consists of any work done against a person's will and under the threat of any penalty, including restrictions on movement, withholding of identity documents or wages, and debt bondage. **Child labor** is similar to forced labor that endangers the health, moral or intellectual development of children who are victims of this impact. Migrant workers and children are particularly vulnerable to these impacts due to the lack of protection resulting from their illegal status.

The Group identifies the geographies as well as the nature of the activities of Sustainability-Critical Suppliers that represent a higher probability of forced labor or child labor. Each country in which the Group's suppliers are located is assessed on the basis of a weighting of public indicators using a three-level scale (severe, high, low). This assessment, produced by the Group's Sustainable Procurement Department, identified the four highest-risk countries where Sustainability-Critical Suppliers are located for forced labor or child labor: China, India, Egypt and Türkiye. With regard to the nature of the activities of the suppliers, each supplier is linked to a procurement category to which a level of sustainability criticality is assigned based on the international standard industrial classification using a three-level scale (severe, high, low). Procurement categories classified as "severe criticality" for forced labor and child labor are combustible gases, fuels and lubricants, waste treatment and disposal, and Digital & IT.

In addition, the **partial or complete inaccessibility of whistleblowing channels** can exacerbate these negative impacts and prevent the remedy and implementation of preventive measures.

The double materiality assessment concerning workers in the value chain was based on the annual campaign to assess Sustainability-Critical Suppliers in line with the Sustainable Procurement procedure. It makes it possible to identify and assess the impacts related to sustainability among the Group's direct suppliers. The assessment campaign is rolled out annually by local procurement teams. It is coordinated at Group level by the Sustainable Procurement Department. This assessment campaign has a broader scope than the social issues covered by the standard for workers in the value chain and also covers other human rights issues, as well as environmental and ethics issues. More information on the Sustainable Procurement procedure as a whole is available in paragraph 4.4.1 of this Sustainability Statement – page 355.

A Sustainability-Critical Supplier is identified using three criteria:

- annual spend, which is used to prioritize suppliers and systematically include in the identification of Sustainability-Critical Suppliers those with whom the Group spends more than 200,000 euros per year;
- risk related to the nature of a supplier's activity, which depends on its allocation to one of 17 procurement categories, which are subdivided into more than 600 procurement sub-categories. Each procurement sub-category is allocated a global sustainability risk level, which includes in particular human rights and working conditions, using a three-level scale (severe, high, low);
- risk relating to the supplier's country of operation, which is assessed based on a weighting of recognized public indicators in particular in terms of the health and social situation (e.g. Human Development Index, HDI) and human rights (e.g. Global Slavery Index, ITUC Global Rights Index), using a three-level scale (severe, high, low).

Human rights commitment for workers in the value chain

Air Liquide respects and promotes human rights in its operations around the world. Air Liquide shares the principles laid down in the International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations (UN) Guiding Principles on Business and Human Rights.

The Air Liquide Supplier's Code of Conduct, available on its website (https://www.airliquide.com/sustainable-development/sustainable-procurement) aims to promote and ensure that all its suppliers respect, among other things, human rights, health, safety and security. It is based on the Group's Code of Conduct. The adherence of suppliers to the principles inscribed in the Supplier's Code of Conduct is a prerequisite for any commercial relationship relating to the supply of goods and/or services to Air Liquide. Suppliers commit, in particular, to support and respect human rights and not to be complicit in abuses of these rights. The Code then describes, in more detail, the obligations incumbent on suppliers in terms of human rights.

Under the responsibility of the Vice President, Duty of Vigilance and Societal Responsibility, the Group implements a human rights due diligence process for its supply chain based on the approach recommended by the international standards mentioned above. Air Liquide's approach for dialogue with workers on the value chain and to remedy impacts on human rights is described below.

The Group's policy in respect of child labor and forced labor is described in paragraph 3.2.4 of this Sustainability Statement – page 348.

Consultations with workers in the value chain and processes to remediate negative impacts

The Group Procurement Department engages with its suppliers about their potential impacts on their own workers through various channels:

- when qualifying suppliers, Air Liquide communicates its requirements and requires them to adhere to its Supplier's Code of Conduct and its Code of Conduct in the contractualization of its business relationships;
- during the annual assessment campaign for its Sustainability-Critical Suppliers, as explained in paragraph 3.2.3 of this Sustainability Statement – page 347, the Group engages with them to assess their performance and, where necessary, establish and implement corrective action plans.

The Group also uses monitoring mechanisms to collect the interests and views of workers in the value chain through their legitimate representatives, such as international trade unions, or credible proxies such as civil society organizations or third-party assessment companies:

- the supplier relationship and risk management procedure requires that a new supplier is subject to preliminary checks before its qualification, particularly in terms of respect for human rights. These checks are based on the use of Dow Jones databases including in particular international sanction lists and any existing adverse media articles on a supplier. This media watch makes it possible to report the claims and grievances of workers in the value chain. Moreover, the assessment of Sustainability-Critical Suppliers also includes a controversy component;
- the perspectives of the legitimate representatives of workers in the value chain are also taken into account when identifying Sustainability-Critical Suppliers and more specifically for the assessment of country risk, particularly through the International Trade Union Confederation's Global Rights Index;
- the Procurement Department and the Duty of Vigilance and Societal Responsibility Department continuously monitor countries and subjects of interest to civil society concerning the value chain as part of their responsibilities.

With regard to the Group's customers, paragraph 3.3.1 of this Sustainability Statement – page 349, explains the measures by which the Group engages with its customers.

Finally, the Group whistleblowing system is accessible to all workers in the value chain in order to prevent the occurrence of negative impacts and implement the necessary remedies. Suppliers are informed of this possibility through the Supplier's Code of Conduct, which includes a section on the ethics whistleblowing system. Air Liquide's Whistleblowing Policy and system, to which workers in the value chain have access, are described in paragraph 4.2.1 of this Sustainability Statement – page 353.

3.2.2. Health and safety of workers in the value chain

Health and safety policy for workers in the value chain

In accordance with Air Liquide's safety rules, the Group requires its suppliers to implement and maintain robust health and safety management systems. Its Sustainable Procurement procedure and Supplier's Code of Conduct (described in paragraph 4.4.1 of this Sustainability Statement – page 355) require suppliers to comply with international health and safety standards. The latter states that suppliers shall:

- enforce laws and regulations aimed at protecting the health, safety and security of their employees and contractors;
- ensure the health, safety and security of Air Liquide employees at their facilities;
- comply with Air Liquide's Life-Saving Rules.

The Group thus ensures that the level of safety and rigor as regards suppliers is equivalent to that expected for the Group's employees. This includes ensuring that work is not carried out if it cannot be performed in complete safety, monitoring accidents and complying with regulations aimed at protecting the physical integrity of workers. A safe work environment ensures that personal well-being is a priority, minimizes production interruptions and is aligned with Air Liquide's values of efficient and sustainable operation. Air Liquide manages the impacts on the health and safety of workers in the value chain through its framework for safe and reliable operations (described in paragraph 3.1.3 of this Sustainability Statement – page 331).

Actions related to the health and safety of workers in the value chain

In order to improve the safety performance of suppliers and its subcontractors, the Group has identified various levers according to the types of subcontractors (types of contracts, business lines, geographies, etc.), and improvement actions are gradually implemented.

First, the contracts signed with suppliers and subcontractors include clauses relating to safety. This has the effect of anchoring the obligation of suppliers and subcontractors to respect a certain level of safety in their operations. Moreover, new suppliers are subject to a technical assessment covering, in particular, safety and reliability issues.

In addition, the Group communicates to its suppliers and subcontractors on its sites the values, standards and safety standards in force that they must comply with. Safety instructions are widely shared, understandable and detailed in the organization of work with subcontractors, who are supervised during the execution of services. Finally, Air Liquide assesses the safety performance of subcontractors once the task has been completed and encourages sharing in the form of feedback. This practice makes it possible to improve processes for managing safety impacts.

The Safety and Industrial System Department has an internal process for reporting safety or security incidents, open to workers of the Group's suppliers and subcontractors present on its sites. It makes it possible to inform the management line and the relevant security or safety managers of the subsidiary, the group of countries (Cluster) and the Global Business Units (GBUs) very quickly, depending on the severity. A crisis management and incident monitoring process is implemented, when necessary, to ensure the best care for any victims, secure the situation and establish an investigation team which is both qualified and appropriate to the incident. This Group's reporting tool is described in more detail in paragraph 3.1.3 of this Sustainability Statement – page 332.

Objectives related to the health and safety of workers in the value chain

The Group has not formalized quantitative targets for health and safety indicators. However, Air Liquide assesses the effectiveness of the actions implemented for the health and safety of the workers of its suppliers through the assessment of Sustainability-Critical Suppliers provided for in the Sustainable Procurement procedure (paragraph 3.2.3 of this Sustainability Statement – page 347) and some indicators related to the health and safety of workers of its value chain on its sites (paragraph 3.1.3 of this Sustainability Statement – page 335).

3.2.3. Working conditions

Working conditions policy for workers in the value chain

Air Liquide uses a Sustainable Procurement procedure to promote and ensure that suppliers comply with the sustainable development standards to which Air Liquide adheres in its activities and operations. Covering broader areas than social matters relating to workers in the value chain, this procedure and its main components are described in paragraph 4.4.1 of this Sustainability Statement – page 355.

With regard to issues relating to working conditions, the Supplier's Code of Conduct explicitly states that suppliers shall in particular:

- comply with applicable laws and sector-specific labor regulations concerning working time, including overtime laws;
- provide wages and benefits at least as prescribed by the respective national laws, including minimum wage legislation, in line with existing practices in the industry and local labor markets and ensure fair compensation according to local living conditions;
- work with certified recruitment agencies with fair and ethical recruitment methods.

Adherence to the Supplier's Code of Conduct is a prerequisite to any business relationship with Air Liquide.

Actions related to the working conditions of workers in the value chain

Two levels of the organization are involved in Air Liquide's procurement activities. The Procurement Department and the corresponding functions in the Clusters (groups of countries) and Global Business Units (GBUs) are responsible for the procurement categories, with the exception of energy purchasing. The latter is managed by departments specialized in energy management. The Procurement Department defines the Sustainable Procurement strategy and procedure. The Sustainable Procurement Department coordinates its rollout through the network of Sustainable Procurement correspondents in each Cluster (group of countries) and GBU.

The annual assessment campaign for Sustainability-Critical Suppliers provides for support to these suppliers in the implementation of sustainability risk management systems within their operations.

A supplier identified as being Sustainability-Critical undertakes to be assessed on its sustainability performance. The assessment takes the form of two types of questionnaire:

- from a mandated third party, EcoVadis in 2024, specializing in the assessment of CSR (Corporate Social Responsibility) performance, which uses an online questionnaire based on international standards (e.g. ISO 26000, Global Compact, ISO 20400, ISO 31000). The questionnaire assesses suppliers on four main themes: the environment, human rights and working conditions, ethics and the sustainable procurement procedures implemented by suppliers;
- from Air Liquide, which has created an internal questionnaire, as an alternative to the solution offered by the mandated third party. This questionnaire is sent to Sustainability-Critical Suppliers selected for the assessment campaign who refused to reply to the questionnaire sent by the mandated third party. It includes 10 questions on the four themes used by the EcoVadis platform.

According to the assessment's results, suppliers can be considered as a:

- responsible supplier: if the global score is equal to or greater than 45/100 and no theme is rated less than or equal to 20/100, the supplier meets the Air Liquide Sustainable Procurement procedure requirements. Validity of the score: five years or upon renewal of the contract (whichever comes first);
- supplier needing improvement: global score between 25/100 and 44/100 or when the global score is equal to or greater than 45/100 but one theme is rated less than or equal to 20/100. Validity of the score: three years, during which the supplier will implement a corrective action plan;
- non-compliant supplier: overall score less than or equal to 24/100 or refusal by the supplier to complete the assessment. Validity of the score: one year. A corrective action plan is required in the month following its rating and must be implemented before the supplier's reassessment 12 months after its rating.

For non-compliant suppliers and those needing improvement, an on-site environmental/social audit may be decided on to help define the action plan.

The Group's Sustainable Procurement manager and the network of Sustainable Procurement correspondents coordinate the implementation of the corrective action plans related to the assessment campaign. In accordance with the assessment procedure for Sustainability-Critical Suppliers, suppliers needing improvement and non-compliant suppliers must establish a corrective action plan. Air Liquide asks these suppliers to complete and upload proof of their corrective action plan via the third-party platform.

Depending on the size of the company or the type of actions to be rolled out, these plans can be established in different ways, for example:

- on the basis of the improvement areas identified during the assessment on the third-party platform or in the internal questionnaire;
- by the participation of suppliers in training sessions organized by the Sustainable Procurement correspondents on topics related to sustainable development.

In some cases, despite all the efforts made by the Procurement teams with the suppliers concerned, the corrective action plans requested are not carried out. When constraints specific to the Group's business so require (e.g. public energy suppliers), the Procurement teams draw up ad hoc due diligence measures. Subsequently, the decision to continue with the suppliers concerned is made by local management. These decisions are formalized and monitored.

Following the results of the assessment and the review of the corrective action plans, Air Liquide may decide to suspend its commercial relationships with non-compliant suppliers.

In addition, the Group may verify compliance with the rules set out in the Code of Conduct through a questionnaire or an audit carried out by itself or by a third party. In the event of non-compliance by a supplier with the terms of the Supplier's Code of Conduct, Air Liquide reserves the right, at its sole discretion, to terminate any commercial relationship with the supplier.

Finally, the Group whistleblowing system is available to all Group stakeholders, including workers in the value chain, and provides a means to remedy a situation. The Group whistleblowing system is described in paragraph 4.2.1 of this Sustainability Statement – page 353.

Objectives related to the working conditions of workers in the value chain

The implementation of the Sustainable Procurement procedure is monitored by the Procurement Department.

In 2024, among the 804 Sustainability-Critical Suppliers, the assessment campaign and action plans addressed 626 of them:

- 516 suppliers were invited to complete a questionnaire; 426 of them (83%) were assessed (37% using the third-party platform and 63% by Air Liquide using the internal questionnaire);
- 102 suppliers needing improvement were invited to set up corrective action plans. 101 of them have prepared action plans;
- 8 non-compliant suppliers were invited to set up corrective action plans. All of them prepared and completed action plans.

At the end of the 2024 campaign, 674 of the Sustainability-Critical Suppliers have a valid assessment (see paragraph 3.2.3 of this Sustainability Statement – page 347). Other suppliers are being monitored.

The results of the assessment using the external platform show that the average current score is 56/100 for Sustainability-Critical Suppliers. The two themes with the highest scores are human rights and working conditions and the environment, with an average of 57/100. The lowest score concerns the sustainable procurement procedures implemented by suppliers with an average of 49/100.

The annual assessment campaign of Sustainability-Critical Suppliers is monitored using three key performance indicators to ensure its effective rollout, promote continuous improvement in sustainable practices among Air Liquide supplier panel and enhance supplier compliance. Specifically, these indicators help the Group track participation in the campaign, progress on supplier action plans and ensure that non-compliant suppliers address critical issues, with a target of 100% for the third indicator reflecting the Group's commitment to zero tolerance towards these suppliers. For the first two indicators, targets are set equal to or higher than the previous year's level to drive year-on-year improvements.

Key indicators	2024 objectives	2024 results
Share of Sustainability-Critical Suppliers addressed by the annual assessment campaign that responded	80%	83%
Share of suppliers needing improvement that prepared a corrective action plan (annual assessment campaign)	96%	99%
Share of non-compliant suppliers that prepared and implemented a corrective action plan	100%	100%

These key performance indicators and their progress are regularly presented to the Global Procurement Management Committee, which brings together the Procurement Directors of Clusters (groups of countries) of the Global Business Units (GBUs). They are also sent to the Duty of Vigilance and Ethics supervisory bodies.

3.2.4. Prevention of forced labor and child labor

Forced labor and child labor prevention policy

Air Liquide expects its business partners to respect these fundamental human rights by requiring suppliers to comply with the CSR clause, the Supplier's Code of Conduct and the Sustainable Procurement procedure, described in paragraph 4.4.1 of this Sustainability Statement – page 355. The Supplier's Code of Conduct explicitly states that suppliers shall:

- prohibit all forms of forced and compulsory labor, including involuntary prison labor and any form of modern slavery;
- prohibit child labor:
  - the minimum working age shall not be lower than the legal minimum age, under applicable laws, or the age of 15 years, whichever is higher,
  - workers engaging in hazardous work, i.e. any work that is likely to jeopardize a worker's health, safety or morals, shall not be less than 18 years of age.

Actions related to the prevention of forced labor and child labor

The Sustainability-Critical Supplier assessment campaign notably includes the respect for human rights and for international standards applicable to forced labor and child labor.

At the same time, Air Liquide carries out a preliminary check of new suppliers by monitoring negative press articles on human rights and labor rights issues. If a new supplier is exposed to risks related to these categories, the relationship cannot be initiated or continued without an in-depth verification of the controversies and the agreement of the Group's Vice President, Duty of Vigilance and Societal Responsibility.

Finally, the Group whistleblowing system is available to all Group stakeholders, including workers in the value chain, and provides a means to remedy the situation. The Group whistleblowing system is described in paragraph 4.2.1 of this Sustainability Statement – page 353.

Objectives related to the prevention of forced labor and child labor

With the exception of the objectives related to working conditions described above, Air Liquide does not have additional human rights due diligence objectives for workers in the value chain.

3.3. PATIENTS AND CUSTOMERS

3.3.1. Introduction

Topics related to patients and customers: impacts, risks and opportunities

In an increasingly dynamic and competitive environment, the satisfaction of its customers and patients is an essential driver of the Air Liquide Group's long-term performance. To affirm this priority, the Group's Customer Department is overseen by the Group's Chief Executive Officer. Air Liquide's "Customer Experience" program is based on three pillars: knowledge of its customers, empowerment of teams and continuous improvement.

Since 2017, the Group has been directed toward a customer-centric transformation, boosted by a customer experience management tool called "Voice of Customer" (VoC). This solution allows all entities to regularly poll an unlimited number of customers and patients, analyze their comments in real time, identify people who are dissatisfied, contact them and take the necessary steps to address the reasons for their dissatisfaction. Thanks to the broad sharing of feedback at every level of the Group, appropriate action plans have been identified and implemented to improve their experience. To date, VoC has already been rolled out on a large scope covering 88% of the Group's sales worldwide.

The VoC survey is now available in two formats: an annual survey that covers all stages of the customer experience and a more frequent transactional survey that measures satisfaction at a particular stage: offer, order, delivery, invoicing, technical service, etc. Their feedback indicates that the Group's customers particularly appreciate the quality of its products and services, its safety and the professionalism and efficiency of the teams they are in contact with.

The annual survey also enables the Group to monitor a common KPI at Group level, the NPS (Net Promoter Score®). The NPS measures customers' intention to recommend using a simple question: "On a scale of 0 to 10, how likely are you to recommend Air Liquide as a supplier?". Since the launch of the VoC surveys, a steady improvement in this score has been observed across all business lines. In 2024, 90% of Air Liquide's customers and patients were satisfied.

As the ESRS-S4 focuses on individuals, its application to the Group's activities means that it is mainly aimed at patients who benefit from the services provided by Air Liquide as part of its Home Healthcare activity.

In its Home Healthcare activity, Air Liquide covers 2.1 million patients suffering from chronic diseases. Among the main chronic diseases covered by Air Liquide's Home Healthcare services are chronic obstructive pulmonary disease, obstructive sleep apnea, chronic respiratory failure, type 1 diabetes, pulmonary arterial hypertension and Parkinson's disease.

Once the diagnosis and treatment have been established by the prescriber, the service provided to patients by Air Liquide consists of distributing the medical devices essential for the treatment of their pathology, as well as providing them with associated services for long-term monitoring (awareness-raising of patients, assistance in the implementation of therapy and ongoing support through the involvement of nurses or qualified technicians, either in person or remotely, and in particular through the increased use of digital solutions).

According to the double materiality assessment, the following matters relating to the Group's Home Healthcare business are material for patients: protection of privacy, health and safety and access to quality information.

The **impacts related to privacy relate to personal and health data** from patients to which the Group's subsidiaries have access (data considered sensitive) and their possible leakage (due to internal misuse of this data or an attack perpetrated by an external entity). The risk related to this data and its leakage is significant and systemic, and concerns all end-users referred to in this section, without distinction. The dishonest use of personal data can violate the privacy, rights and property of individuals, or for purposes of discrimination. In addition, this impact has a strong irremediable character because once the data has been leaked, there is no going back. This type of incident can have **legal consequences for the Group** such as sanctions, litigation or penalties.

Access to (quality) information on products and services in the field of healthcare is necessary to ensure the proper use of these products and services by end-users. In the field of chronic diseases, quality information can also help improve patient adherence to treatment over the long term. The **impacts related to access to quality information** are therefore **positive** for the end-user and Air Liquide is working on this in two main ways in its strategy:

- by providing precise information on the use of its products, through various media (brochures, web pages, educational sessions). The purpose of this type of information is to optimize the effectiveness of the treatment over the long term as well as to avoid any harmful effects. In particular, this concerns patients on long-term oxygen therapy treated with liquid oxygen, a treatment that presents the risks inherent to the intrinsic properties of flammable gases;
- by providing information on lifestyle habits and behaviors to be adopted in order to cope better with their pathology.

The actions implemented to ensure access to quality information are described in more detail in paragraph 3.3.4 of this Sustainability Statement – page 351.

Air Liquide supplies medical devices and medical gases to the patient's home (in particular for the treatment of chronic respiratory diseases). Their use is safe, subject to compliance with best practices and recommendations for use, explained through quality information provided to the patient. However, it remains necessary to ensure the monitoring, assessment and management of the risk of adverse effects in order to limit **any negative impacts** resulting from the use of these drugs and medical devices. Even if incidents are rare, Air Liquide has implemented specific procedures described in paragraph 3.3.3 of this Sustainability Statement – page 350.

Human rights commitment for patients

Air Liquide respects and promotes human rights in its operations. The Group shares the principles enshrined in the International Bill of Human Rights, the Guiding Principles for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD) and the United Nations (UN) Guiding Principles on Business and Human Rights.

Air Liquide adheres to the highest standards in conducting its business. The Group's Principles of Action set out Air Liquide's commitments to its patients. The Group aims to protect vulnerable lives by offering effective healthcare products and services and by providing careful support to its patients. Information on the Principles of Action is provided in paragraph 4.2.1 of this Sustainability Statement – page 353.

Under the responsibility of the Vice President, Duty of Vigilance and Societal Responsibility, the Group implements a human rights due diligence process for its stakeholders based on the approach recommended by the international standards mentioned above. Air Liquide's approach for dialogue with its patients and to remedy impacts on human rights is described respectively in the following paragraphs.

Consultations with patients and processes to remediate negative impacts

The interests, views and rights of patients are taken into account in the Group's strategy in two different ways:

- some Home Healthcare subsidiaries (e.g. in France) intervene directly in patients' homes (several times a year during the first year of treatment, then as needed in subsequent years). This proximity to patients makes it possible to regularly collect patient opinions on their treatment. These opinions inform the way in which the subsidiaries adapt their care to the needs of patients. In addition, when necessary, home care providers report the needs expressed by patients to prescribers in order to adapt treatment and enable better patient adherence to the treatment;
- if the data protection regulations put in place by the country's healthcare system allow it, Air Liquide's Home Healthcare subsidiaries send patients regular satisfaction surveys (at least once a year) to gather patient feedback on the service provided by Air Liquide. Following these surveys, each subsidiary sets up an action plan to address the factors leading to the dissatisfaction reported by patients.

In addition to these methods for collecting opinions, the Whistleblowing Policy is one of the main processes by which Air Liquide collects complaints. The Policy, the ethics whistleblowing system and the subsequent approach to finding a remedy are described in paragraph 4.2.1. of this Sustainability Statement – page 353. This whistleblowing system is open to everyone, including patients. For patients, there is no specific communication to inform them of the existence of this Whistleblowing Policy. This is an area of reflection to be considered for the coming years.

With regard to two material topics, personal data protection and patient health and safety, Air Liquide has specific alert mechanisms to identify and report incidents and patient concerns as effectively as possible:

- the tools for collecting requests to exercise rights and alerts regarding any personal data breaches described in paragraph 3.1.2 of this Sustainability Statement – page 329;
- the pharmacovigilance and medical device vigilance processes described in paragraph 3.3.3 below.

3.3.2. Protection of patients' personal data

Protection of patients' personal data policy

As described in paragraph 3.1.8 of this Sustainability Statement – page 343, Air Liquide has put in place robust governance and policies to ensure data protection that applies to its employees as well as to its patients.

Actions related to the protection of patients' personal data

Actions to protect the data of Air Liquide employees and patients are described in paragraph 3.1.8 of this Sustainability Statement – page 343.

Objectives related to the protection of patients' personal data

The objectives relating to the data protection of Air Liquide employees and patients are described in paragraph 3.1.8 of this Sustainability Statement – page 343.

3.3.3. Patient health and safety

Patient health and safety policy

The Group strives to reduce the exposure of its customers and patients to occupational and industrial risks under all circumstances. To manage these risks, the Group has an Industrial Management System (IMS) that covers all Air Liquide's businesses. The IMS is based on:

- the accountability of the departments of the various Group entities for the implementation of this system;
- issuance of key organizational and management procedures to ensure, among other things, occupational health, safety and environmental management, change management, maintenance management, control of products and services from providers, product development management, incident and accident analysis and processing. The IMS document base is continuously updated and enriched.

The elements relating to the IMS are described in detail in paragraph 3.1.3 of this Sustainability Statement – page 331.

In the context of Healthcare activities, specific processes such as pharmacovigilance (for products with drug status) and medical device vigilance (for products with Medical Device status) are defined to ensure the reporting of incidents concerning these products from healthcare professionals or patients:

- the purpose of pharmacovigilance is to monitor, assess, prevent and manage the risk of adverse effects resulting from the use of drugs. The system implemented at Air Liquide Santé International is managed by the Vigilance Director, within the Pharmaceutical Affairs Department. It has global coverage and thus makes it possible to monitor and assess the benefit/risk ratio for medical gases, with the aim of ensuring that the benefits for the patient outweigh the risks throughout the health product life cycle. Pharmacovigilance is a science that is heavily regulated by health authorities. Thus, Air Liquide Santé International has a quality system that enables the implementation of various processes such as regulatory monitoring, case management and reporting to the authorities. This ensures that operations are carried out in accordance with defined standards. In order to ensure compliance with the operations mentioned above, the pharmacovigilance system is audited at least every three years and quality control actions are carried out;
- the purpose of medical device vigilance is to avoid the (re)occurrence of incidents and risks of serious incidents involving medical devices, by taking appropriate preventive and/or corrective measures. Air Liquide has specialized teams in its subsidiaries to analyze and deal with any event or risk of incident occurring during the use of medical devices or reported by manufacturers or health authorities. These specialists assess the risk and systematically inform the supplier and health authorities when necessary, while remaining in contact with the various stakeholders until the closure of the alert.

A system for reporting the adverse effects of medical gases supplied and medical equipment distributed by Air Liquide has been set up in accordance with European and local regulations, in order to take into account patient feedback and implement the necessary corrective actions.

Actions related to patient health and safety

Pharmacovigilance is the subject of an online training module that all exposed employees of the health activities are required to follow annually. This training module is mandatory and its completion by all employees was added as a profit-sharing criterion in 2024. Taking this module enables these employees to learn about the main principles of pharmacovigilance, and to test their understanding using a quiz. If a score of at least 80% is obtained, an individual certificate of completion of the module is issued.

Objectives related to patient health and safety

Air Liquide's objective is to train 100% of eligible employees in the main principles of pharmacovigilance each year. The results of each annual training campaign are documented and managed, and may be communicated to the health authorities during pharmacovigilance inspections.

3.3.4. Access to (quality) information

Access to (quality) information policy

The medical gases and medical devices supplied by Air Liquide as part of its Home Healthcare business can be complex to use and handle, which makes it necessary to train patients in their use. Air Liquide's subsidiaries endeavor to provide accurate information on the use of its products in several ways (which differ from one subsidiary to another):

- through written information made available to the patient (brochures, user guides, pages on institutional websites);
- through verbal information from the technical staff employed by Air Liquide (technicians, nurses). This verbal information is transmitted during individual visits to the patient's home, through collective training sessions (in the form of webinars, for example) or through video materials available on the Internet or sent to patients.

In addition to information on the use of products, Air Liquide's subsidiaries strive to provide patients with information that goes beyond the scope of the product and concerns topics regarding how to live with the pathology and treatment over the long-term, as well as advice on lifestyle habits and behaviors to adopt.

For centrally developed informational content, a dedicated team within the Regulatory Affairs Department ensures that the assertions made are supported by references, that the discourse is balanced and credible and that the content avoids promotional rhetoric. There is also an internal procedure that applies at central level for all external communications, including in particular a review committee composed of representatives of the marketing, communications, medical and regulatory teams. Once the content has been validated at central level, each country that uses it with its patients must then adapt this content to the regulations of the country in question (there is no common regulation at European level, each health authority has its own rules in this field).

For content developed by the subsidiaries themselves, there is an equivalent network of regulatory contacts who undertake this review.

The procedure for validating content related to the use of medical products and devices is considered sufficiently robust, there is no specific policy or channel for patients to report any misuse of an Air Liquide product related to incorrect or inaccurate information, or any associated corrective procedures.

Actions related to access to (quality) information

As part of a program dedicated to the topic of patient-focused orientation (Patient Centricity) set up in 2024 for the European subsidiaries, a quality-of-information indicator is monitored for all European subsidiaries in Home Healthcare. This indicator helps monitor actions implemented locally on this topic by each subsidiary.

Objectives related to access to (quality) information

As part of a new internal policy for measuring the patient experience launched in 2024, all subsidiaries must measure several variables related to the service provided by Air Liquide.

One of these variables concerns the subsidiaries' ability to understand patients' needs and to convey information in a clear and understandable manner ("Are you satisfied with the quality and relevance of the information and explanations provided?"). This indicator will be monitored annually.

No objective is currently associated with this metric or any other metric concerning access to quality information for patients. A reflection will be initiated in 2025 on a potential objective that would be associated with this metric if the results of the first year of implementation of this metric indicate areas for improvement.

4. Governance-related information

Table of contents

4.1. INTRODUCTION

4.1.1. Governance of business conduct

The role and expertise of the Board of Directors with regard to business conduct are addressed in Chapter 3, section Governance – Composition, functioning and work of the Board of Directors and Committees of this Universal Registration Document, particularly:

- paragraph 3 Composition of the Board of Directors, part related to the “Description of how the Board determines whether members' skills and expertise on sustainability topics exist or will be developed” – page 104;
- paragraph 5 Roles and tasks of the Board of Directors – page 111;
- paragraph 6 Functioning of the Board of Directors – page 112;
- paragraph 10.1 Activity, results and strategy – page 115;
- paragraph 11.1 The Audit and Accounts Committee, part The Audit and Accounts Committee's work in 2024 – page 118 and page 120.

4.1.2. Topics related to business conduct: impacts, risks and opportunities

Air Liquide’s Principles of Action and Code of Conduct reaffirm the Group’s values. They are shared with all employees and are available on the Group’s website (https://www.airliquide.com/sustainable-development/ethics). Consequently, the following topics are considered material:

- corporate culture: **failure by Air Liquide employees to comply with the Principles of Action and the Code of Conduct** could have negative effects on the Group's reputation or lead to a violation of applicable laws;
- protection of whistleblowers: the **absence or failure of protection measures** for whistleblowers in the alert handling process, or the **exercise of retaliation**, could have a negative impact on whistleblowers and would constitute a **breach by the Group of its legal obligations**. In addition to the **adverse effects on Air Liquide's reputation**, a failure to protect whistleblowers could lead future whistleblowers to stop using the Group's whistleblowing system;
- corruption and bribery (prevention, training, incidents): the absence or failure to prevent or detect corruption could constitute a **violation of applicable anti-corruption laws** on one hand, or expose the Group to **legal proceedings or sanctions that could damage its reputation** on the other hand;
- management of relationships with suppliers: social aspects, described in paragraph 3.2 of this Sustainability Statement – page 344, are not the only ones likely to produce negative impacts; Air Liquide also considers the **negative impacts of its suppliers on ethical and environmental aspects**. If Air Liquide were to cease a business relationship with a strategic or critical supplier due to a violation of these principles, this could expose the Group to a **risk of disruption in its supply chain** or a potential **legal risk**.

In addition, the double materiality assessment, described in paragraph 1.5 of this Sustainability Statement – page 287, concluded that the topics of supplier payment practices and lobbying activities are material. **Supplier payment practices** are an essential component of the relationships with the suppliers and are **all the more important for the viability of small and medium-sized enterprises**. In terms of lobbying activities, Air Liquide drafted and issued a Public Affairs Charter in 2021 governing the Group’s interactions with public authorities at the national, regional/European and international levels in order to stay ahead of **risks related to regulatory changes**, identify growth opportunities, and involve Air Liquide in the public debate on sectors in which the Group has a legitimate interest. Air Liquide ensures that its actions to represent its interests are guided by the principles of transparency set out in its Charter, in order to avoid any practice that could **undermine the Group's values of integrity**.

4.2. BUSINESS CONDUCT AND CORPORATE CULTURE

4.2.1. Business conduct and corporate culture policies

Air Liquide's Principles of Action and Code of Conduct

Air Liquide adheres to the highest standards in conducting business. The Group's Principles of Action and Code of Conduct affirm Air Liquide's values and its commitment to safety, transparency, respect, rigorous management, continuous improvement and building a trustworthy relationship with its stakeholders.

The Principles of Action, under the supervision of the Chief Executive Officer of Air Liquide, express the Group's commitments in the conduct of its business towards its internal and external stakeholders such as its customers and patients, Shareholders, employees, local communities, suppliers and business partners and for the protection of the environment. They are shared with all employees and are available on the Group's website (https://www.airliquide.com/sustainable-development/ethics/groups-principles-action).

The Group has also adopted a Code of Conduct, illustrating the ethics rules that Air Liquide must comply with. The Code's main areas of focus are covered in the following three chapters:

- "Acting with Care", which deals with the themes of protection of people and assets (e.g. safety and security, equality, diversity and the prevention of harassment and the protection of personal data);
- "Acting with Integrity and Transparency", which illustrates the expected behavior in terms of prevention of corruption, respect for fair competition rules and transparency of information communicated to the public;
- "Acting Responsibly", which affirms the commitments of the Group and its employees to protect the environment and human rights and about their contribution to the community.

The Code of Conduct applies to all Group employees, officers and Directors. Air Liquide also expects its business partners to comply with the principles of this Code. The rollout of the ethics program, of which the Code of Conduct is an integral part, is the responsibility of the Group Ethics Officer and is supervised by the Ethics and Compliance Committee, which meets twice a year. This Committee is made up of the Directors of Group Control and Compliance, Legal, and two members of the Group's Executive Committee: the Group Human Resources Vice President and the Group Vice President overseeing Air Liquide operations in Europe, Africa, Middle East and India. The Group Ethics Officer acts as the Secretariat.

The Code of Conduct, available in 28 languages, provides employees with a framework for reflection and resources to help in adopting the expected behaviors. It is shared internally using various means of communication (information meetings, posters, articles, etc.) and is available on the Air Liquide website (https://www.airliquide.com/sustainable-development/ethics). An e-learning module is dedicated to the Code of Conduct to explain the Group's ethics approach and present each subject through scenario simulations. This module is mandatory for all Group employees each year. The topics addressed are renewed. In 2024, the module dealt with topics relating to cybersecurity and digital protection, conflicts of interest, and a reminder about the whistleblowing system. 97% of employees took part in this training in 2024. During the e-learning, each employee renews their adherence to the Code of Conduct and their commitment to comply with its provisions on an annual basis after testing their knowledge to validate their participation in the e-learning.

The BlueBook, a global reference manual, accessible to all employees on the Group Intranet, translates the Principles of Action and the Code of Conduct into policies, codes and operational procedures. The BlueBook thus forms the basis of the risk management and internal control system in order to ensure that the Group's activities and the behaviors of its employees comply with applicable laws and regulations as well as standards and best practices for consistent business conduct.

Air Liquide's Whistleblowing Policy

Air Liquide's Whistleblowing Policy defines the various channels that the whistleblower can use to report a possible violation of the Group's ethics commitments and rules and the process for handling alerts by Air Liquide. Available for all employees in the BlueBook, it is accessible on the Group's website for external stakeholders (https://www.airliquide.com/sustainable-development/ethics). The implementation of this policy through local policies in the Group's entities is nearing completion.

EthiCall (https://safecall.co.uk/en/clients/ethicall/) is available for all Group entities and, after consultation with employee representative bodies in France in 2021, for all of its internal and external stakeholders (customers, patients, suppliers, subcontractors and their staff, local communities, facilitators, etc.). In 2024, Airgas and its subsidiaries also have a similar platform, EthicsPoint (https://secure.ethicspoint.com/domain/media/en/gui/28723/index.html). Air Liquide communicates regularly on these systems to its employees (e.g. via posters, Intranet, reminder in the annual and mandatory e-learning relating to the Code of Conduct, managerial communication, induction training for new hires).

Anyone can lodge an alert in their own language by telephone or via dedicated websites accessible from the Group's website and Intranet (alerts are collected by service providers). For employees, these systems come in addition to the usual channels for reporting potential incidents within the entities (line management, Human Resources Department, Ethics Correspondent, Group Ethics Officer). Third parties can also raise their concerns to their contact person within the Group.

Alerts may notably relate to allegations of breaches of the Group's Code of Conduct, of internal policies and procedures or applicable laws, and to any incidents related to human rights, health and safety, or the environment.

The whistleblowing system enables a rapid and structured response to alerts received as well as objective, independent and confidential handling by Air Liquide employees. Once an alert has been registered, the treatment procedure provides that an acknowledgment of receipt be sent to the whistleblower within seven days of the initial receipt. Within Air Liquide, the alert coordinator in charge of the geography or Global Business Unit concerned by the alert assesses its admissibility in accordance with internal procedures and appoints an investigator, if necessary, depending on the category of alert and outside the management line in question. The service providers have a routing table, provided by Air Liquide, to send the alert to the relevant alert coordinator and are instructed not to notify anyone named in the alert. The investigator conducts an investigation to determine whether the reported facts are substantiated. They may call on external resources for this investigation. A new training module for investigators was created in 2023, with the help of alert coordinators, and has been gradually rolled out since 2024. Upon appointment, each investigator is provided with a kit containing the procedures and documentation necessary for their mission.

If the facts are substantiated, appropriate corrective measures and remedies are implemented. These measures may include:

- the strengthening of Group policies, controls and processes;
- Human Resources or other type of assistance to the whistleblower;
- individual or collective awareness-raising;
- disciplinary sanctions, up to and including dismissal, in accordance with applicable regulations or legal proceedings where appropriate.

Follow-up and feedback should be provided to the whistleblower during processing and no later than three months from the acknowledgment of receipt of the alert (but as far as possible within two months). In certain justified cases and in certain jurisdictions (for example, due to the nature or complexity of the alert), a longer period may be necessary (but this period should not exceed three additional months).

The principles concerning the protection granted to whistleblowers and to any person lodging an alert (anonymity, respect for the confidentiality of the alert processing, prohibition of any form of retaliation) are stated in the Code of Conduct and the Group Whistleblowing Policy. The Group guarantees that any whistleblower who has in good faith reported an ethical breach or misconduct will not be subject to any disciplinary or discriminatory measures or retaliation of any kind. The whistleblowing system thus complies with the applicable legislation transposing Directive (EU) 2019/1937 of the European Parliament and of the Council.

The Group Ethics Officer is responsible for the whistleblowing system and ensures it is compliant in its implementation, and in particular that it is properly disseminated throughout the Group, that alerts are handled appropriately, and that whistleblowers are protected. The most severe cases are reviewed by the Group's Ethics and Compliance Committee.

The Policy as well as the processes described above relating to the Air Liquide whistleblowing system meet the effectiveness criteria defined by the United Nations Guiding Principles on Business and Human Rights, such as accessibility, predictability and transparency.

Breakdown of alerts by nature

The following table shows the number of alerts, broken down by nature, reported in the Group's ethics whistleblowing system during 2024, irrespective of their processing status and the conclusions after investigations.

	2024
Human Resources	422
Health, safety and environment	28
Fraud	55
Other (Compliance)	53
TOTAL	**558**

As of December 31, 2024, 125 alerts were still being processed. Of the 433 closed ones, 38.6% were considered to be substantiated or partially substantiated, and led to corrective measures and remedies.

4.3. PREVENTION OF CORRUPTION

4.3.1. Prevention, detection and combating corruption

Air Liquide's commitment, included in the introduction to the Principles of Action, to prohibit all forms of corruption is supported by a solid anti-corruption program. In the Code of Conduct, the principles of integrity and transparency are defined and illustrated in a specific chapter. This chapter specifically outlines the laws governing the fight against corruption and influence peddling, and covers relations with intermediaries and the types of payment requiring particular attention. Communication of the Code of Conduct is covered in paragraph 4.2.1 Business conduct and corporate culture policies of this Sustainability Statement – page 353. Moreover, the Group has a Supplier's Code of Conduct, which includes a chapter on the prevention of corruption.

Air Liquide operates a corruption prevention program in which General Management and management are closely involved. This program relies in particular on:

- the mapping of corruption risks;
- the Code of Conduct;
- a complete set of training and awareness-raising actions for those exposed to corruption-related risks;
- a third-party assessment mechanism;
- a whistleblowing system; and
- accounting controls.

This program is regularly updated to take into account new regulatory and legal obligations under the coordination of the Group Ethics Officer, who relies on a network of ethics correspondents, responsible in particular for managing the implementation of the program locally. It also benefits from the support of the Legal and Human Resources Departments and their local correspondents. The anti-corruption program is regularly audited.

The detection of possible incidents of corruption is based on various channels: the whistleblowing system described in paragraph 4.2.1 Business conduct and corporate culture policies of this Sustainability Statement – page 353 or through the controls and audits put in place. In this second scenario, the entities apply an internal fraud management procedure to report and process cases.

The progress of the anti-corruption program and the fraud management system is monitored by the Ethics and Compliance Committee. It is also presented annually to the Audit and Accounts Committee of the Board of Directors.

4.3.2. Training of high-risk functions

Functions exposed and particularly exposed to corruption-related risks are identified on the basis of job profiles and the results of the corruption risk mapping. They are typically in areas related to sales, procurement and administrative management. The distinction between exposed and particularly exposed functions depends on the level of responsibility and proximity to third parties, and more generally on the extent of involvement in the risk scenarios identified by the mapping. Employees in these functions must complete an e-learning module each year. It is supplemented by face-to-face training every three years for particularly exposed functions. A test is completed at the end of these trainings. Other employees are made aware of the prevention of corruption through the annual e-learning on the Code of Conduct described in paragraph 4.2.1 Business conduct and corporate culture policies of this Sustainability Statement – page 353.

The topics covered in the online training courses are renewed each year and may relate to the gift policy, conflicts of interest, detection and whistleblowing procedures or interactions with at-risk third parties. Employees who interact with healthcare professionals in their work also receive specific training in accordance with the regulatory obligations to which they are subject.

The in-class anti-corruption training allows the particularly exposed functions to increase their knowledge by covering the definition of an act of corruption, reminding participants of applicable laws and addressing topics sensitive to risks, in particular through practical cases (e.g. intermediaries, gifts and invitations, facilitation payments and conflicts of interest).

Anti-corruption training

The table below shows the nature, frequency and eligible populations for anti-corruption training. For the total number of people concerned by each training course, it also specifies the completion rate in 2024.

	Anti-corruption e-learning (30 minutes)	Anti-corruption classroom training (1h30)	Code of Conduct e-learning (40 minutes)
Eligible populations			
Exposed functions	Annual		Annual
Particularly exposed functions	Annual	Once every three years	Annual
Directors	Completed in 2024		
Other employees			Annual
Training coverage			
Number of of people concerned [(a)]	20,110	11,578	64,123
Completion rate	95%	23% [(b)]	97%

(a) Excluding employees recruited after November 30, 2024 and employees on long-term leave.
(b) The anti-corruption classroom training is carried out on a three-year rotation; not all employees concerned are trained every year.

4.3.3. Corruption incidents

In 2024, Air Liquide has not been convicted for violation of anti-corruption and anti-bribery laws.

4.4. RELATIONS WITH SUPPLIERS

4.4.1. Management of relationships with suppliers

Management of relationships with suppliers is based on:

- the supplier risk and relationship management procedure, which aims to maximize the value and minimize the risks of Air Liquide's interactions with its suppliers while optimizing use of the Group's resources. It defines in particular the supplier qualification process, enabling associated risks to be identified and ensuring that the supplier is able to meet Air Liquide's requirements;
- the Sustainable Procurement procedure, which defines guidelines to enable the Procurement Function to integrate ethical, social and environmental aspects into the procurement process and the process for identifying and preventing impacts on sustainability issues. It is described in more detail in paragraph 3.2 of this Sustainability Statement – page 344 on topics relating to workers in the value chain and applies in the same way to environmental and ethical issues.

In addition, the Procurement Function communicates its sustainability requirements to its suppliers through two instruments:

- the Supplier's Code of Conduct, which aims to promote and ensure that all suppliers respect notably human rights, ethics, environmental protection and safety. It is based on the Group's Code of Conduct. The adherence of suppliers to the principles inscribed in the Supplier's Code of Conduct is a prerequisite to all commercial relations for the supply of Air Liquide. The revision of this Code in 2023 aimed at aligning it with new regulatory expectations and changes in practices. In particular, it included additional articles on conflict minerals and the whistleblowing system. This Code of Conduct is available on the Air Liquide website (https://www.airliquide.com/sustainable-development/sustainable-procurement);
- a sustainability clause, which is included in the templates for contracts with suppliers, including those for framework agreements.

The Procurement Function may require sustainability specifications, for example to address specific impacts or strategy at local or category level. These specifications must be defined in collaboration with the specialist functions and activities. They may relate to the goods or services themselves, the associated production and delivery process and/or the associated supplier organization.

4.4.2. Air Liquide's payment policies and practices

Air Liquide's Procure-to-Pay (P2P) procedure provides a framework for all Group employees involved in the procure-to-pay activities, from the purchase request to the payment of suppliers. The procedure aims to harmonize and automate the P2P process within Air Liquide in order to maximize efficiency and reduce manual errors, thus ensuring timely payment of suppliers. Among the recommended indicators, the procedure includes the monitoring of the Days Payable Outstanding and the percentage of invoices paid on time. The procedure is jointly owned by the Procurement and Finance Departments, which, together with the Managing Directors of the entities, are responsible for its implementation.

The Sustainable Procurement procedure, described in paragraph 3.2 of this Sustainability Statement – page 344, indicates that special attention must be paid to payment terms and late payments vis-à-vis small and medium-sized enterprises, their cash flow being a key topic. At the request of the supplier, these conditions may be adapted, after a joint decision by the Procurement and Finance Functions, to facilitate the business.

Many contractual payment terms are applied by the Group, since they vary depending on the country and the supplier's activities. The contractual payment terms applied by the Group must comply with local laws. The main payment terms applied by the Group, based on the payment terms indicated on invoices received from suppliers, can be summarized as follows:

Payment term	Proportion of 2024 expenditure (%)
Immediate	24.9%
Net 20 days	5.2%
Net 30 days	22.4%
Net 45 days	7.3%
Net 60 days	13.1%
Other	27.1%
TOTAL	**100.0%**

The income statement lines relating to these expenses are "Purchases" and "Other expenses".

Air Liquide does not distinguish between suppliers in its payment practices, whether they are small or medium-sized companies or large companies. The first item of expenditure relates to energy (electricity and natural gas); in 2024, 54.6% of these expenses had to be paid immediately, 14.9% at 20 days net and 14.2% at 30 days net.

The average Days Payable Outstanding was 63.5 days in 2024. This indicator was calculated on the basis of operating suppliers' trade payables as at December 31, 2024 as determined and published in the note 27 "Trade payables" of the Consolidated Financial Statements, divided by the cost per day (on a 360-day basis). The cost per day corresponds to the cost of sales and overheads (included in the line "Other expenses" of the Income statement) from which personnel expenses (included in the line "Personnel expenses" of the Income statement) are deducted.

93.6% of trade payables were aligned with the contractual payment terms. This ratio was estimated on the basis of the average trade payables due at the end of the first three quarters of 2024 and the 4th quarter of 2023, The analysis at Group level was not available for the 4th quarter of 2024 when drafting this report but the share of trade payables aligned with contractual payment terms remains relatively stable from one quarter to another. Indeed, this share covers a range of 93.0% to 94.3% over the period retained to calculate the ratio.

As at December 31, 2024, the Group had no knowledge of any ongoing legal proceedings concerning late payments. The term "ongoing legal proceedings" refers to proceedings handled by judicial institutions, as defined in the national law of each country where the Group is present; as required by Regulation, these are specifically legal proceedings that have not been legally resolved as at December 31, 2024.

4.5. RELATIONS WITH THE PUBLIC SPHERE

4.5.1. Information on representatives

- The Group's Board of Directors, in particular the Audit and Accounts Committee, regularly reviews engagement with public stakeholders activities, coordinated by the European & International Affairs Department (budget, organization, engagement principles, objectives and actions).
- The Group General Secretary, member of Air Liquide's Executive Committee, oversees the Group Control and Compliance, Legal, European & International Affairs, as well as Digital & IT Departments.

There are no members of the Group's Board of Directors and Executive Committee who have held previous functions in national public administrations.

Elements relating to the supervisory role of the Group's governance bodies are dealt with in Chapter 3 of this Universal Registration Document, particularly in paragraph 3 Composition of the Board of Directors, section Governance – Composition, functioning and work of the Board of Directors and Committees – page 103.

4.5.2. Themes, actions and messages to the public sphere

Energy transition:

- raising awareness among public authorities of the specificities of the electricity-intensive sector and the need for manufacturers to be able to source large volumes of renewable and low-carbon energy at a competitive price;
- participating in the implementation of CO_2 emission reduction mechanisms to encourage industries to turn to decarbonization solutions and thus achieve the goal of net zero emissions;

- supporting public authorities in the construction of public policies enabling the decarbonization of industry from existing industrial areas – Carbon Capture and Sequestration, production and use of renewable and low-carbon industrial gases (hydrogen, oxygen, etc.) – and the implementation of the corresponding support mechanisms;
- contributing to discussions on the development of industrial gas networks (hydrogen, CO_2) by having their specificities recognized in the context of industrial uses within local ecosystems;
- contributing to the structuring of the decarbonized hydrogen mobility ecosystem (production, distribution, development of vehicle fleets).

Electronics:

- supporting the development of the semiconductor industry by recognizing the criticality of all players in the value chain and the need to support them to preserve industrial sovereignty in each region.

Healthcare:

- actively contributing, alongside public authorities, patients, healthcare professionals and hospitals, to the construction of more efficient, sustainable and equitable healthcare systems, in a context of an aging population and an increase in chronic diseases;
- encouraging the development of health pathways focused on the value provided to patients, and enabling the development of care pathways to the patient's home, by combining expert human support and the use of the latest digital innovations;
- contributing to changing the management of medical gases to optimize efficiency, improving the quality of service provided to patients and institutions, strengthening the resilience of healthcare systems, achieving carbon neutrality and guaranteeing access to care, including in remote areas.

In the context of interactions with public authorities, representatives chosen by the Group may be invited to participate in working groups, contribute to technical notes or exchange during meetings on subjects related to their expertise. The Group issues its Public Affairs Charter on the public affairs page of its website [(1)], containing its key positions as well as its interest representation activities in the main geographies where the Group operates.

4.5.3. Air Liquide registration in the transparency registers according to geographies

Geography	link to the website
European Union	https://transparency-register.europa.eu/searchregister-or-update/organisation-detail_en?id=94857385769-70
France	https://www.hatvp.fr/fiche-organisation/?organisation=552096281##
USA	https://lda.senate.gov/filings/public/filing/search/?registrant=air+liquide&search

5. Appendix

EUROPEAN TAXONOMY

Taxonomy key performance indicators (KPIs)

(1) *https://www.airliquide.com/sustainable-development/engagement-public-stakeholders*

TURNOVER

Economic activities	Code	Turnover *(in millions of euros)*	Proportion of turnover *(%)*	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
A. TAXONOMY – ELIGIBLE ACTIVITIES		3,194.6	11.8%	11.8%	—%	—%	—%	—%	—%
Activity C: Manufacturing		**62.3**	**0.2%**						
Manufacture of hydrogen	CCM 3.10	48.4	0.2%	Y	N	N/A	N/A	N/A	N/A
Manufacture of other low carbon technologies	CCM 3.6	13.9	—%	Y	N	N/A	N/A	N/A	N/A
Manufacture of low carbon technologies for transport	CCM 3.3	0.0	—%	Y	N	N/A	N/A	N/A	N/A
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0.0	—%	Y	N	N/A	N/A	N/A	N/A
Activity D: Energy		**3.5**	**—%**						
Manufacture of biogas and biofuels for use in transport and of bio-liquids	CCM 4.13	3.5	—%	Y	N	N/A	N/A	N/A	N/A
Activity E: Water supply, sewerage, waste management and remediation		**22.0**	**0.1%**						
Landfill gas capture and utilization	CCM 5.10	14.8	0.1%	Y	N	N/A	N/A	N/A	N/A
Anaerobic digestion of bio-waste	CCM 5.7	7.2	—%	Y	N	N/A	N	N/A	N/A
Activity H: Transport		**51.1**	**0.2%**						
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	51.1	0.2%	Y	N/A	N/A	N/A	N/A	N/A
A.1. Environmentally sustainable activities (Taxonomy-aligned)		**138.9**	**0.5%**	**0.5%**	**—%**	**—%**	**—%**	**—%**	**—%**
Of which Enabling		**65.0**	**0.2%**	**0.2%**	**—%**	**—%**	**—%**	**—%**	**—%**
Of which Transitional		**0.0**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**
Activity C: Manufacturing		**2,400.4**	**8.9%**						
Manufacture of hydrogen	CCM 3.10	2,070.8	7.6%	Y	N	N/A	N/A	N/A	N/A
Manufacture of organic basic chemicals	CCM 3.14	137.9	0.5%	Y	N	N/A	N/A	N/A	N/A
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	98.6	0.4%	Y	N	N/A	N/A	N/A	N/A
Manufacture of other low carbon technologies	CCM 3.6	78.9	0.3%	Y	N	N/A	N/A	N/A	N/A
Manufacture of medicinal products	PPC 1.2	14.2	0.1%	N/A	N/A	N/A	N/A	Y	N/A
Activity D: Energy		**600.9**	**2.2%**						
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	578.3	2.1%	Y	N	N/A	N/A	N/A	N/A
Manufacture of biogas and biofuels for use in transport and of bio-liquids	CCM 4.13	14.4	0.1%	Y	N	N/A	N/A	N/A	N/A
Storage of hydrogen	CCM 4.12	4.9	—%	Y	N	N/A	N/A	N/A	N/A
Electricity generation from fossil gaseous fuels	CCM 4.29	2.7	—%	Y	N	N/A	N/A	N/A	N/A
Electricity generation from renewable non fossil gaseous and liquid fuels	CCM 4.7	0.6	—%	Y	N	N/A	N/A	N/A	N/A
Activity E: Water supply, sewerage, waste management and remediation		**42.4**	**0.2%**						
Landfill gas capture and utilization	CCM 5.10	28.5	0.1%	Y	N	N/A	N/A	N/A	N/A
Anaerobic digestion of bio-waste	CCM 5.7	13.9	0.1%	Y	N	N/A	N	N/A	N/A
Activity H: Transport		**12.0**	**—%**						
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	12.0	—%	Y	N/A	N/A	N/A	N/A	N/A
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		3,055.7	11.3%	11.3%	—%	—%	—%	—%	—%
B. TAXONOMY – NON-ELIGIBLE ACTIVITIES		23,863.2	88.2%						
TOTAL (A + B)		27,057.8	100.0%						

	DNSH criteria								
	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of turnover, year N-1 *(%)*	Category (enabling or transitional activity)
								13.4%	
								0.6%	
		Y	Y	N/A	Y	Y	Y	0.2%	
		Y	Y	Y	Y	Y	Y	0.1%	E
		Y	Y	Y	Y	Y	Y	0.2%	E
		Y	Y	Y	Y	Y	Y	0.1%	E
								—%	
		Y	Y	N/A	Y	Y	Y	—%	
								0.2%	
		Y	N/A	N/A	Y	Y	Y	0.1%	
		Y	Y	N/A	Y	Y	Y	0.1%	
								—%	
		Y	Y	Y	Y	Y	Y	—%	E
		Y	**Y**	**Y**	**Y**	**Y**	**Y**	**0.8%**	
		Y	**Y**	**Y**	**Y**	**Y**	**Y**	**0.4%**	**E**
		Y	Y	Y	Y	Y	Y	**—%**	**T**
								9.4%	
								8.5%	
								0.5%	
								0.2%	
								0.2%	
								—%	
								3.0%	
								2.9%	
								—%	
								0.1%	
								—%	
								—%	
								0.2%	
								0.1%	
								0.1%	
								—%	
								—%	
								12.6%	
								86.6%	
								100.0%	

CAPITAL EXPENDITURE

				Substantial contribution criteria					
Economic activities	Code	CapEx *(in millions of euros)*	Proportion of CapEx *(%)*	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
A. TAXONOMY – ELIGIBLE ACTIVITIES		**574.9**	**15.1%**	**15.1%**	**—%**	**—%**	**—%**	**—%**	**—%**
Activity C: Manufacturing		**258.9**	**6.8%**						
Manufacture of hydrogen	CCM 3.10	258.9	6.8%	Y	N	N/A	N/A	N/A	N/A
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0.0	—%	Y	N	N/A	N/A	N/A	N/A
Activity D: Energy		**0.0**	**—%**						
Storage of hydrogen	CCM 4.12	0.0	—%	Y	N	N/A	N/A	N/A	N/A
Activity E: Water supply, sewerage, waste management and remediation		**2.2**	**0.1%**						
Anaerobic digestion of bio-waste	CCM 5.7	2.2	0.1%	Y	N	N/A	N	N/A	N/A
Activity H: Transport		**0.0**	**—%**						
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.0	—%	Y	N/A	N/A	N/A	N/A	N/A
A.1. Environmentally sustainable activities (Taxonomy-aligned)		**261.1**	**6.9%**	**6.9%**	**—%**	**—%**	**—%**	**—%**	**—%**
Of which Enabling		**0.0**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**
Of which Transitional		**0.0**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**
Activity C: Manufacturing		**223.4**	**5.8%**						
Manufacture of hydrogen	CCM 3.10	204.9	5.4%	Y	N	N/A	N/A	N/A	N/A
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	9.2	0.2%	Y	N	N/A	N/A	N/A	N/A
Manufacture of other low carbon technologies	CCM 3.6	5.8	0.1%	Y	N	N/A	N/A	N/A	N/A
Manufacture of organic basic chemicals	CCM 3.14	3.2	0.1%	Y	N	N/A	N/A	N/A	N/A
Manufacture of medicinal products	PPC 1.2	0.3	—%	N/A	N/A	N/A	N/A	Y	N/A
Activity D: Energy		**22.1**	**0.6%**						
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	14.2	0.4%	Y	N	N/A	N/A	N/A	N/A
Manufacture of biogas and biofuels for use in transport and of bio-liquids	CCM 4.13	7.5	0.2%	Y	N	N/A	N/A	N/A	N/A
Electricity generation using solar photovoltaic technology	CCM 4.1	0.4	—%	Y	N	N/A	N/A	N/A	N/A
Activity E: Water supply, sewerage, waste management and remediation		**29.9**	**0.8%**						
Anaerobic digestion of bio-waste	CCM 5.7	19.6	0.5%	Y	N	N/A	N	N/A	N/A
Landfill gas capture and utilization	CCM 5.10	10.3	0.3%	Y	N	N/A	N/A	N/A	N/A
Activity F: Construction and real estate activities		**3.1**	**0.1%**						
Renovation of existing buildings	CCM 7.2	3.1	0.1%	Y	N	N/A	N	N/A	N/A
Activity H: Transport		**8.5**	**0.2%**						
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	8.5	0.2%	Y	N/A	N/A	N/A	N/A	N/A
Activity J: Information and Communication		**0.3**	**—%**						
Data-driven solutions for GHG emissions reductions	CCM 8.2	0.3	—%	Y	N	N/A	N/A	N/A	N/A
Activity M: Professional, scientific and technical activities		**26.5**	**0.7%**						
Close to market research, development and innovation	CCM 9.1	26.5	0.7%	Y	N	N/A	N/A	N/A	N/A
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**313.8**	**8.2%**	**8.2%**	**—%**	**—%**	**—%**	**—%**	**—%**
B. TAXONOMY – NON-ELIGIBLE ACTIVITIES		**3,232.8**	**84.9%**						
TOTAL (A + B)		**3,807.7**	**100.0%**						

DNSH criteria								
Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of CapEx, year N-1 *(%)*	Category (enabling or transitional activity)
							15.3%	
							8.0%	
	Y	Y	N/A	Y	Y	Y	7.9%	
	Y	Y	Y	Y	Y	Y	0.1%	E
							0.1%	
	Y	N/A	Y	Y	Y	Y	0.1%	E
							—%	
	Y	Y	N/A	Y	Y	Y	—%	
							0.3%	
	Y	Y	Y	Y	Y	Y	0.3%	E
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**8.4%**	
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**0.5%**	**E**
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**—%**	**T**
							5.1%	
							4.9%	
							—%	
							0.2%	
							—%	
							—%	
							0.5%	
							0.3%	
							0.2%	
							—%	
							1.2%	
							0.5%	
							0.7%	
							—%	
							—%	
							—%	
							—%	
							—%	
							—%	
							0.1%	
							0.1%	
							6.9%	
							84.7%	
							100.0%	

OPERATING EXPENDITURE

Economic activities	Code	OpEx (in millions of euros)	Proportion of OpEx (%)	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
A. TAXONOMY – ELIGIBLE ACTIVITIES		**486.6**	**9.9%**	**9.9%**	**—%**	**—%**	**—%**	**—%**	**—%**
Activity C: Manufacturing		**15.9**	**0.3%**						
Manufacture of hydrogen	CCM 3.10	9.6	0.2%	Y	N	N/A	N/A	N/A	N/A
Manufacture of other low carbon technologies	CCM 3.6	6.3	0.1%	Y	N	N/A	N/A	N/A	N/A
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0.0	—%	Y	N	N/A	N/A	N/A	N/A
Manufacture of low carbon technologies for transport	CCM 3.3	0.0	—%	Y	N	N/A	N/A	N/A	N/A
Activity D: Energy		**0.5**	**—%**						
Manufacture of biogas and biofuels for use in transport and of bio-liquids	CCM 4.13	0.5	—%	Y	N	N/A	N/A	N/A	N/A
Activity E: Water supply, sewerage, waste management and remediation		**6.1**	**0.1%**						
Landfill gas capture and utilization	CCM 5.10	5.0	0.1%	Y	N	N/A	N/A	N/A	N/A
Anaerobic digestion of bio-waste	CCM 5.7	1.1	—%	Y	N	N/A	N	N/A	N/A
Activity H: Transport		**16.1**	**0.4%**						
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	16.1	0.4%	Y	N/A	N/A	N/A	N/A	N/A
A.1. Environmentally sustainable activities (Taxonomy-aligned)		**38.6**	**0.8%**	**0.8%**	**—%**	**—%**	**—%**	**—%**	**—%**
Of which Enabling		**22.4**	**0.5%**	**0.5%**	**—%**	**—%**	**—%**	**—%**	**—%**
Of which Transitional		**0.0**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**
Activity C: Manufacturing		**377.6**	**7.7%**						
Manufacture of hydrogen	CCM 3.10	135.6	2.8%	Y	N	N/A	N/A	N/A	N/A
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	132.5	2.7%	Y	N	N/A	N/A	N/A	N/A
Manufacture of other low carbon technologies	CCM 3.6	86.0	1.7%	Y	N	N/A	N/A	N/A	N/A
Manufacture of organic basic chemicals	CCM 3.14	19.7	0.4%	Y	N	N/A	N/A	N/A	N/A
Manufacture of medicinal products	PPC 1.2	3.8	0.1%	N/A	N/A	N/A	N/A	Y	N/A
Manufacture of low carbon technologies for transport	CCM 3.3	0.0	—%	Y	N	N/A	N/A	N/A	N/A
Activity D: Energy		**36.4**	**0.7%**						
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	33.7	0.7%	Y	N	N/A	N/A	N/A	N/A
Manufacture of biogas and biofuels for use in transport and of bio-liquids	CCM 4.13	2.2	—%	Y	N	N/A	N/A	N/A	N/A
Storage of hydrogen	CCM 4.12	0.4	—%	Y	N	N/A	N/A	N/A	N/A
Electricity generation from fossil gaseous fuels	CCM 4.29	0.1	—%	Y	N	N/A	N/A	N/A	N/A
Activity E: Water supply, sewerage, waste management and remediation		**11.9**	**0.2%**						
Landfill gas capture and utilization	CCM 5.10	9.7	0.2%	Y	N	N/A	N/A	N/A	N/A
Anaerobic digestion of bio-waste	CCM 5.7	2.2	—%	Y	N	N/A	N	N/A	N/A
Activity H: Transport		**2.4**	**0.1%**						
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	2.4	0.1%	Y	N/A	N/A	N/A	N/A	N/A
Activity M: Professional, scientific and technical activities		**19.7**	**0.4%**						
Close to market research, development and innovation	CCM 9.1	19.7	0.4%	Y	N	N/A	N/A	N/A	N/A
A.2. Taxonomy – Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**448.0**	**9.1%**	**9.1%**	**—%**	**—%**	**—%**	**—%**	**—%**
B. TAXONOMY – NON-ELIGIBLE ACTIVITIES		**4,449.5**	**90.1%**						
TOTAL (A + B)		**4,936.1**	**100.0%**						

DNSH criteria								
Climate change mitigation	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Proportion of OpEx, year N-1 *(%)***	**Category (enabling or transitional activity)**
							8.1%	
							1.3%	
	Y	Y	N/A	Y	Y	Y	0.2%	
	Y	Y	Y	Y	Y	Y	0.1%	E
	Y	Y	Y	Y	Y	Y	0.8%	E
	Y	Y	Y	Y	Y	Y	0.2%	E
							—%	
	Y	Y	N/A	Y	Y	Y	—%	
							0.1%	
	Y	N/A	N/A	Y	Y	Y	—%	
	Y	Y	N/A	Y	Y	Y	0.1%	
							—%	
	Y	Y	Y	Y	Y	Y	—%	E
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**1.4%**	
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**1.1%**	**E**
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**—%**	**T**
							5.1%	
							2.7%	
							0.7%	
							1.2%	
							0.4%	
							—%	
							0.1%	
							1.0%	
							1.0%	
							—%	
							—%	
							—%	
							0.3%	
							0.3%	
							—%	
							—%	
							—%	
							0.3%	
							0.3%	
							6.7%	
							91.9%	
							100.0%	

Regulatory information

The tables below present the indicators relating to fossil gas and nuclear activities, as required by regulations.

Tables 2 – Taxonomy-aligned economic activities (denominator)

Turnover	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover	0.0	—%	0.0	—%	0.0	—%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover	0.0	—%	0.0	—%	0.0	—%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the turnover**	**138.9**	**0.5%**	**138.9**	**0.5%**	**0.0**	**—%**
8	**Total turnover**	**27,057.8**	**100.0%**				

CCM: Climate change mitigation; CCA: Climate change adaptation.

Capital expenditure	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure	0.0	—%	0.0	—%	0.0	—%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure	0.0	—%	0.0	—%	0.0	—%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the capital expenditure**	**261.1**	**6.9%**	**261.1**	**6.9%**	**0.0**	**—%**
8	**Total capital expenditure**	**3,807.7**	**100.0%**				

CCM: Climate change mitigation; CCA: Climate change adaptation.

Operating expenditure	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenditure	0.0	—%	0.0	—%	0.0	—%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenditure	0.0	—%	0.0	—%	0.0	—%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the operating expenditure**	**38.6**	**0.8%**	**38.6**	**0.8%**	**0.0**	**—%**
8	**Total operating expenditure**	**4,936.1**	**100.0%**				

CCM: Climate change mitigation; CCA: Climate change adaptation.

Tables 3 – Taxonomy-aligned economic activities (numerator)

Turnover	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-aligned economic activity as set out in Section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the turnover	0.0	—%	0.0	—%	0.0	—%
5	Amount and proportion of taxonomy-aligned economic activity as set out in Section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the numerator of the turnover	0.0	—%	0.0	—%	0.0	—%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the turnover**	**138.9**	**100.0%**	**138.9**	**100.0%**	**0.0**	**—%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the turnover**	**138.9**	**100.0%**	**138.9**	**100.0%**	**0.0**	**—%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

Capital expenditure	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the capital expenditure	0.0	—%	0.0	—%	0.0	—%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the capital expenditure	0.0	—%	0.0	—%	0.0	—%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the capital expenditure**	**261.1**	**100.0%**	**261.1**	**100.0%**	**0.0**	**—%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the capital expenditure**	**261.1**	**100.0%**	**261.1**	**100.0%**	**0.0**	**—%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

Operating expenditure	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the operating expenditure	0.0	—%	0.0	—%	0.0	—%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the operating expenditure	0.0	—%	0.0	—%	0.0	—%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the operating expenditure**	**38.6**	**100.0%**	**38.6**	**100.0%**	**0.0**	**—%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the operating expenditure**	**38.6**	**100.0%**	**38.6**	**100.0%**	**0.0**	**—%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

1 2 3 4 5 6 7

Tables 4 – Taxonomy-eligible but not taxonomy-aligned economic activities

		Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Turnover	Economic activities	Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover	2.7	—%	2.7	—%	0.0	—%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover	578.3	2.1%	578.3	2.1%	0.0	—%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the turnover**	**2,474.7**	**9.2%**	**2,474.7**	**9.2%**	**0.0**	**—%**
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the turnover**	**3,055.7**	**11.3%**	**3,055.7**	**11.3%**	**0.0**	**—%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

		Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Capital expenditure	Economic activities	Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure	0.0	—%	0.0	—%	0.0	—%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the capital expenditure	14.2	0.4%	14.2	0.4%	0.0	—%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the capital expenditure**	**299.6**	**7.8%**	**299.6**	**7.8%**	**0.0**	**—%**
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the capital expenditure**	**313.8**	**8.2%**	**313.8**	**8.2%**	**0.0**	**—%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

Operating expenditure	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenditure	0.1	—%	0.1	—%	0.0	—%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenditure	33.7	0.7%	33.7	0.7%	0.0	—%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the operating expenditure**	**414.2**	**8.4%**	**414.2**	**8.4%**	**0.0**	**—%**
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the operating expenditure**	**448.0**	**9.1%**	**448.0**	**9.1%**	**0.0**	**—%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

Tables 5 – Taxonomy non-eligible economic activities

Turnover	Economic activities	Amount	%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover	0.0	—%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover	0.0	—%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the turnover**	**23,863.2**	**88.2%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the turnover**	**23,863.2**	**88.2%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

Capital expenditure	Economic activities	Amount	%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure	0.0	—%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure	0.0	—%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the capital expenditure**	**3,232.8**	**84.9%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the capital expenditure**	**3,232.8**	**84.9%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

Operating expenditure	Economic activities	Amount	%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenditure	0.0	—%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenditure	0.0	—%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the operating expenditure**	**4,449.5**	**90.1%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the operating expenditure**	**4,449.5**	**90.1%**

CCM: Climate change mitigation; CCA: Climate change adaptation.

6. Report on the certification of Sustainability and Taxonomy Information

Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852

This is a translation into English of the Statutory Auditors' report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on "Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".

To the Annual General Meeting,

This report is issued in our capacity as Statutory Auditors of L'Air Liquide. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and included in the Group Management Report and presented in the section "Sustainability Statement" of the Chapter 5 of the Universal Registration Document (hereafter "the sustainability statement").

Pursuant to Article L.233-28-4 of the French Commercial Code, L'Air Liquide is required to include the above mentioned information in a separate section of the Group Management Report. This information has been prepared in the context of the first time application of the aforementioned articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. It enables an understanding of the impact of the activity of the Group on sustainability matters, as well as the way in which these matters influence the development of the business of the Group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L.821-54 paragraph II of the aforementioned Code our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 ter of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by L'Air Liquide to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code;
- compliance of the sustainability information included in the Sustainability Statement of the Group Management Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on "Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by L'Air Liquide in the Group Management Report, we have included an emphasis of matter paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of L'Air Liquide, in particular it does not provide an assessment, of the relevance of the choices made by L'Air Liquide in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the Group's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the Sustainability Statement of the Group Management Report are not covered by our engagement.

1 2 3 4 5 6 7

COMPLIANCE WITH THE ESRS OF THE PROCESS IMPLEMENTED BY L'AIR LIQUIDE TO DETERMINE THE INFORMATION REPORTED, AND COMPLIANCE WITH THE REQUIREMENT TO CONSULT THE SOCIAL AND ECONOMIC COMMITTEE PROVIDED FOR IN THE SIXTH PARAGRAPH OF ARTICLE L. 2312-17 OF THE FRENCH LABOUR CODE

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by L'Air Liquide has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that lead to the publication of information disclosed in the Sustainability Statement of the Group Management Report, and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee..

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by L'Air Liquide with the ESRS.

Concerning the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code we inform you that, as of the date of this report, this consultation has not yet been held.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention in relation to our assessment of compliance with the ESRS of the process implemented by L'Air Liquide to determine the information reported.

Concerning the identification of stakeholders

Information on the identification of stakeholders is set out in section 1.4.4 of the Sustainability Statement of the Group Management Report.

We interviewed management and inspected available documentation.

Our work consisted primarily of assessing the consistency of the primary stakeholders identified by the Group in view of the nature of its activities and its geographical location, taking into account its business relationships and value chain.

Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks and opportunities is provided in section 1.5.2 of the Sustainability Statement of the Group Management Report.

We obtained an understanding of the process implemented by the Group to identify actual or potential impacts – both negative and positive – risks and opportunities (IROs), in relation to the sustainability matters mentioned in paragraph AR 16 of ESRS 1, "Application requirements" as presented in section 1.5.2 of the Sustainability Statement of the Group Management Report.

In particular, we assessed the approach taken by the Group to determine its impacts and dependencies, which may be a source of risks or opportunities.

We obtained an understanding of the Group's identified IROs and assessed their consistency with our knowledge of the Group and, where applicable, with the risk analyses conducted by the Group.

We assessed how the Group has taken into account the list of sustainability matters set out in ESRS 1 (AR 16) in its analysis.

Concerning the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is provided in section 1.5.3 of the Sustainability Statement of the Group Management Report.

Through interviews with management and inspection of available documentation, we obtained an understanding of the process implemented by the Group to assess impact materiality and financial materiality, and assessed its compliance with the criteria defined in ESRS 1.

In particular, we assessed the way in which the Group established and applied the materiality criteria defined in ESRS 1, including those relating to the setting of thresholds, in order to determine the material information reported for metrics relating to material IROs identified in accordance with the relevant ESRS standards.

COMPLIANCE OF THE SUSTAINABILITY INFORMATION INCLUDED IN THE SUSTAINABILITY STATEMENT OF THE GROUP MANAGEMENT REPORT WITH THE REQUIREMENTS OF ARTICLE L.233-28-4 OF THE FRENCH COMMERCIAL CODE, INCLUDING THE ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in the Sustainability Statement of the Group Management Report, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by L'Air Liquide for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability Statement of the Group Management Report, with the requirements of Article L.233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the methodological considerations applied by the Group and described in paragraph 1.1.2 of the Sustainability Statement of the Group Management Report.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention in relation to our assessment of the compliance of the sustainability information included in the Sustainability Statement of the Group Management Report with the requirements of Article L.233-28-4 of the French Commercial Code, including the ESRS.

Information provided in application of environmental standards (ESRS E1 to E5)

Information reported in relation to climate change (ESRS E1) is mentioned in section "2. Environmental information" of the Sustainability Statement of the Group Management Report.

Our work consisted primarily of:

  - assessing, through interviews conducted with management and others in the Group, in particular the Sustainability department, whether the description of the policies, actions and targets implemented by the Group address the following areas: climate change mitigation and climate change adaptation;
  - assessing the appropriateness of the disclosures provided in the notes to the section « 2. Environmental information » of the Sustainability Statement of the Group Management Report and its overall consistency with our knowledge of the Group.

- With regard to the information published on the greenhouse gas (GHG) emissions:
  - we obtained an understanding of the internal control and risk management procedures implemented by the Group to ensure the compliance of the reported information with ESRS requirements;
  - we obtained an understanding of the greenhouse gas emissions inventory protocol used by the Group to draw up its greenhouse gas emissions assessment, and checked its application, for a selection of sites, for Scope 1 and Scope 2;
  - with regard to Scope 3 emissions, we assessed the process of gathering information on which disclosures were based;
  - we assessed the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data;
  - we reconciled physical data (such as energy consumption), on a sample basis, to the underlying data used to draw up the greenhouse gas emissions assessment and traced to supporting documents.
- With regard to our procedures regarding the transition plan for climate change mitigation, our work primarily consisted of assessing whether the information published in the transition plan meets ESRS E1 requirements with an appropriate description of the plan's underlying key assumptions, it being understood that we are not required to express a conclusion on the appropriateness or the level of ambition of the transition plan's objectives.

COMPLIANCE WITH THE REPORTING REQUIREMENTS SET OUT IN ARTICLE 8 OF REGULATION (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by L'Air Liquide to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We determined that there were no such items to report.

Neuilly-sur-Seine and Paris La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Cédric Le Gal	Olivier Lotz	Valérie Besson	Laurent Genin

ADDITIONAL INFORMATION

This section is separate from the Sustainability Statement and includes information that is not material from a CSRD standpoint. It has not been verified by an independent third party. It is provided as complementary information for stakeholders using the GRI framework.

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document
GRI 2: General Disclosures 2021		
	2-1 Organizational details	Chapter 7, 7.2.1 General information – page 417
	2-2 Entities included in the organization's sustainability reporting	Chapter 5, 1.1.1 Scope of the Sustainability Statement – page 280
	2-3 Reporting period, frequency and contact point	Chapter 5, 1.1.1 Scope of the Sustainability Statement – page 280
	2-4 Restatements of information	Chapter 5, 1.1.2 Methodological considerations on publications – page 280
	2-5 External assurance	Chapter 5, 6 Report on the certification of Sustainability and Taxonomy Information – page 369
	2-6 Activities, value chain and other business relationships	Chapter 1, 1.2.2 Description of the business model – page 22
	2-7 Employees	Chapter 5, 3.1 The Group's employees – page 328
	2-9 Governance structure and composition	Chapter 3, 3.1.1 Composition of the Board of Directors – page 98 Chapter 3, 3.2.3 Composition of the Board of Directors – page 103
	2-10 Nomination and selection of the highest governance body	Chapter 3, 3.1.1 Composition of the Board of Directors – page 98 Chapter 3, 3.2.3 Composition of the Board of Directors – page 103
	2-11 Chair of the highest governance body	Chapter 3, 3.2.2 Governance structure: Separation of the functions of Chairman of the Board of Directors and Chief Executive Officer – page 101
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 3, 3.2.11.4 The Environment and Society Committee – page 124
	2-13 Delegation of responsibility for managing impacts	Chapter 3, 3.1.2. Executive Management and Executive Committee as of December 31, 2024 – page 100
	2-14 Role of the highest governance body in sustainability reporting	Chapter 3, 3.2.11.4 The Environment and Society Committee – page 124
	2-15 Conflicts of interest	Chapter 3, 3.2.3.2 Independence of Board Members – page 106
	2-16 Communication of critical concerns	Chapter 3, 3.2.11.4 The Environment and Society Committee – page 124
	2-17 Collective knowledge of the highest governance body	Chapter 3, 3.1.1 Composition of the Board of Directors – page 98 Chapter 3, 3.2.3 Composition of the Board of Directors – page 103
	2-18 Evaluation of the performance of the highest governance body	Chapter 3, 3.2.8 Evaluation of the Board of Directors – page 114
	2-19 Remuneration policies	Chapter 3, 3.4.1 Summary of the remuneration of Company Officers – page 142
	2-20 Process to determine remuneration	Chapter 3, 3.2.11.3 The Remuneration Committee – page 122

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document
	2-21 Annual total compensation ratio	Chapter 3, 3.4.2.3 Remuneration ratios - annual change in remuneration, performance and ratios – page 158
	2-22 Statement on sustainable development strategy	Chapter 1, 1.3.2.2 Decarbonize the planet – page 40
	2-23 Policy commitments	Chapter 5, 2.2.2 Climate policy – page 310 Chapter 5, 2.3.2 Water management policy – page 320 Chapter 5, 3.1.2 Commitment to employees – page 329 Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331 Chapter 5, 3.1.4 Diversity, inclusion and harassment prevention – page 336 Chapter 5, 3.1.5 Employee remuneration and benefits – page 338 Chapter 5, 3.1.6 Well-being at work – page 340 Chapter 5, 3.1.7 Employability, talent and skills management – page 341 Chapter 5, 3.1.8 Personal data protection – page 343 Chapter 5, 3.2.2 Health and safety of workers in the value chain – page 346 Chapter 5, 3.2.3 Working conditions – page 347 Chapter 5, 3.2.4 Prevention of forced labor and child labor – page 348 Chapter 5, 3.3.2 Protection of patients' personal data – page 350 Chapter 5, 3.3.3 Patient health and safety – page 350 Chapter 5, 3.3.4 Access to (quality) information – page 351 Chapter 5, 4.2.1 Business conduct and corporate culture policies – page 353
	2-24 Embedding policy commitments	Chapter 5, 2.2.2 Climate policy – page 310 Chapter 5, 2.3.2 Water management policy – page 320 Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331 Chapter 5, 3.1.4 Diversity, inclusion and harassment prevention – page 336 Chapter 5, 3.1.5 Employee remuneration and benefits – page 338 Chapter 5, 3.1.6 Well-being at work – page 340 Chapter 5, 3.1.7 Employability, talent and skills management – page 341 Chapter 5, 3.1.8 Personal data protection – page 343 Chapter 5, 3.2.2.1 Health and safety policy for workers in the value chain – page 346 Chapter 5, 3.2.3.1 Working conditions policy for workers in the value chain – page 347 Chapter 5, 3.2.4.1 Forced labor and child labor prevention policy – page 348 Chapter 5, 3.3.2.1 Protection of patients' personal data policy – page 350 Chapter 5, 3.3.3.1 Patient health and safety policy – page 350 Chapter 5, 3.3.4.1 Access to (quality) information policy – page 351 Chapter 5, 4.2.1 Business conduct and corporate culture policies – page 353
	2-25 Processes to remediate negative impacts	Chapter 5, 3.1.2 Commitment to employees – page 329 Chapter 5, 3.2.1 Introduction – page 344 Chapter 5, 3.3.1 Introduction – page 349
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 5, 3.2.1 Introduction – page 344 Chapter 5, 3.3.1 Introduction – page 349 Chapter 5, 4.2.1 Business conduct and corporate culture policies – page 353 Chapter 5, 4.3.1 Prevention, detection and combating corruption – page 354
	2-27 Compliance with laws and regulations	Chapter 5, 1.5.5 Results of the double materiality assessment – page 290 Chapter 5, 2.2.1 Introduction – page 300 Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331 Chapter 5, 3.1.4 Diversity, inclusion and harassment prevention – page 336 Chapter 5, 3.1.5 Employee remuneration and benefits – page 338 Chapter 5, 3.1.6 Well-being at work – page 340 Chapter 5, 3.1.7 Employability, talent and skills management – page 341 Chapter 5, 3.1.8 Personal data protection – page 343 Chapter 5, 3.2.1 Introduction – page 344 Chapter 5, 3.3.1.1 Topics related to patients and customers: impacts, risks and opportunities – page 349 Chapter 5, 4.3.3 Corruption incidents – page 355

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document
	2-28 Membership associations	Chapter 5, 4.5.2 Themes, actions and messages to the public sphere – page 356
	2-29 Approach to stakeholder engagement	Chapter 5, 1.4.4 Stakeholders engagement – page 285
	2-30 Collective bargaining agreements	Chapter 5, 3.1.2 Commitment to employees – page 329
GRI 3: Material Topics 2021		
	3-1 Process to determine material topics	Chapter 5, 1.1 Basis for preparation of the Sustainability Statement – page 280 Chapter 5, 1.5.1 Preliminary work to the double materiality assessment – page 287 Chapter 5, 1.5.2 Identification of impacts, risks and opportunities – page 288 Chapter 5, 1.5.4 Integration of double materiality in internal control and risk and impact management systems – page 289 Chapter 5, 2.2.1 Introduction – page 300 Chapter 5, 2.2.3 Climate-related actions – page 311 Chapter 5, 2.4.1 Impacts, risks and opportunities – page 323 Chapter 5, 2.5.1 Impacts, risks and opportunities – page 324 Chapter 5, 2.6.1 Impacts, risks and opportunities – page 325 Chapter 5, 4.1.2 Topics related to business conduct: impacts, risks and opportunities – page 352
	3-2 List of material topics	Chapter 5, 1.4 Strategy and business model – page 284 Chapter 5, 1.5 Impacts, risks and opportunities – page 288
	3-3 Management of material topics	Chapter 5, 1.5 Impacts, risks and opportunities – page 287 Chapter 5, 2 Environmental information – page 294 Chapter 5, 3 Information related to social matters – page 326 Chapter 5, 4 Governance-related information – page 352
GRI 101: Biodiversity 2024		
	101-4 Identification of biodiversity impacts	Chapter 5, 2.5 Biodiversity and ecosystems – page 324
	101-5 Locations with biodiversity impacts	Chapter 5, 2.5 Biodiversity and ecosystems – page 324
	101-6 Direct drivers of biodiversity loss	Chapter 5, 2.5 Biodiversity and ecosystems – page 324
GRI 201: Economic Performance 2016		
	201-1 Direct economic value generated and distributed	Chapter 4, 4.1.1 Consolidated income statement – page 193
	201-2 Financial implications and other risks and opportunities due to climate change	Chapter 4, 4.1.8 Note CC 31 Climate risks consideration – page 248
	201-3 Defined benefit plan obligations and other retirement plans	Chapter 4, 4.1.6.9 Provisions b. Pensions and employee benefits – page 206 Chapter 4, 4.1.8 Note CC 23, 23.1 Pension plans – page 229
	201-4 Financial assistance received from government	Chapter 4, 4.1.6.10 Government grants – page 207
GRI 202: Market Presence 2016		
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Chapter 3, 3.4.2.3 Remuneration ratios - annual change in remuneration, performance and ratios – page 158
GRI 203: Indirect Economic Impacts 2016		
	203-2 Significant indirect economic impacts	Chapter 1, 1.4.4 Extra-financial performance – page 59
GRI 205: Anti-corruption 2016		
	205-1 Operations assessed for risks related to corruption	Chapter 5, 4.3.1 Prevention, detection and combating corruption – page 354
	205-2 Communication and training about anti-corruption policies and procedures	Chapter 5, 4.3.2 Training of high-risk functions – page 354

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document
	205-3 Confirmed incidents of corruption and actions taken	Chapter 5, 4.3.3 Corruption incidents – page 355
GRI 206: Anti-competitive Behavior 2016		
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Chapter 4, 4.1.8 Note CC 30 – Contingent liabilities – page 248
GRI 207: Tax 2019		
	207-1 Approach to tax	Chapter 2, 2.2.2.4 Tax risks – page 79
	207-2 Tax governance, control, and risk management	Chapter 2, 2.2.2.4 Tax risks – page 79
	207-3 Stakeholder engagement and management of concerns related to tax	Chapter 2, 2.2.2.4 Tax risks – page 79
	207-4 Country-by-country reporting	Chapter 2, 2.2.2.4 Tax risks – page 79
GRI 302: Energy 2016		
	302-1 Energy consumption within the organization	Chapter 5, 2.2.5 Climate indicators – page 313 **ISO Certification 2024** — **ISO 14001** Percentage of facilities — 22%
	302-3 Energy intensity	Chapter 5, 2.2.5 Climate indicators – page 313
	302-4 Reduction of energy consumption	Chapter 5, 2.2.5 Climate indicators – page 313
GRI 303: Water and Effluents 2018		
	303-1 Interactions with water as a shared resource	Chapter 5, 1.5.5 Results of the double materiality assessment – page 290 Chapter 5, 2.2.1 Introduction – page 300 Chapter 5, 2.3.1 Introduction – page 319 Chapter 5, 2.3.3 Water management actions – page 321 Chapter 5, 2.3.4 Water management objectives – page 322
	303-2 Management of water discharge-related impacts	Chapter 5, 2.3.2 Water management policy – page 322
	303-3 Water withdrawal	Chapter 5, 2.3.5 Water management indicators – page 323
	303-4 Water discharge	Chapter 5, 2.3.5 Water management indicators – page 323
	303-5 Water consumption	Chapter 5, 2.3.5 Water management indicators – page 323
GRI 305: Emissions 2016		
	305-1 Direct (Scope 1) GHG emissions	Chapter 5, 2.2.4 Climate objectives – page 312 Chapter 5, 2.2.5 Climate indicators – page 313
	305-2 Energy indirect (Scope 2) GHG emissions	Chapter 5, 2.2.4 Climate objectives – page 312 Chapter 5, 2.2.5 Climate indicators – page 313
	305-3 Other indirect (Scope 3) GHG emissions	Chapter 5, 2.2.4 Climate objectives – page 312 Chapter 5, 2.2.5 Climate indicators – page 313
	305-4 GHG emissions intensity	Chapter 5, 2.2.5 Climate indicators – page 313

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document		
	305-5 Reduction of GHG emissions	Chapter 5, 2.2.3 Climate-related actions – page 311 Chapter 5, 2.2.4 Climate objectives – page 312 Chapter 1, 1.4.4 Extra-financial performance – page 59		
		Avoided Emissions	**Units**	**2024**
		Emissions avoided due to the optimization of the assets	tonnes CO_2eq	4,363,578
		Emissions avoided to improve customers' energy footprint	tonnes CO_2eq	8,118,703
		Total Avoided Emissions	**tonnes CO_2eq**	**12,482,281**
		Emissions avoided due to the use of H_2 for desulfurization	tonnes CO_2eq	58,400,000
		Total Avoided Emissions including End Uses	**tonnes CO_2eq**	**70,882,281**
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	**Discharges into Water and Air**	**Units**	**2024**
		Air discharge		
		Discharges into air: NOx (nitrogen oxides)	tonnes	3,090
		Discharges into air: SOx (sulfur oxides)	tonnes	102
		Volatile organic compounds (VOCs) discharged into the atmosphere (estimate)	tonnes	65
		Discharge to water		
		Discharges to water: oxidizable matter	tonnes	450
		Discharges to water: suspended solids	tonnes	635
GRI 306: Waste 2020				
	306-2 Management of significant waste-related impacts	**Main hazardous waste**	**Units**	**2024**
		Top 1 Category		
		Hazardous contaminated water and sluge: % of sites which reported the Hazardous Waste	%	9%
		Hazardous contaminated water and sluge: Treatment mode	description	Incineration with energy recovery
		Hazardous contaminated water and sluge: % of sites applying treatment mode	%	18%
		Top 2 Category		
		Used catalysts and absorbents: % of sites which reported the Hazardous Waste	%	14%
		Used catalysts and absorbents: Treatment mode	description	Recycling – total or partial conversion into reusable material
		Used catalysts and absorbents: % of sites applying treatment mode	%	26%
		Top 3 Category		
		Paints, solvents & flammable chemicals and associate waste: % of sites which reported the Hazardous Waste	%	11%
		Paints, solvents & flammable chemicals and associate waste: Treatment mode	description	Recycling – total or partial conversion into reusable material
		Paints, solvents & flammable chemicals and associate waste: % of sites applying treatment mode	%	31%
		Non-hazardous waste and by-products	**Units**	**2024**
		Annual quantity of lime produced (extracted by dry equivalent) by the acetylene production units	tonnes	29,137
		% of lime recycled	%	83%
		Metal waste	tonnes	9,345
		% of metal waste recycled	%	12%
		Total Non-Hazardous Waste and By-products	**tonnes**	**38,482**

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document
GRI 308: Supplier Environmental Assessment 2016		
	308-1 New suppliers that were screened using environmental criteria	Chapter 5, 3.2. Workers in the value chain – page 344 Chapter 5, 4.4.1 Management of relationships with suppliers – page 355
	308-2 Negative environmental impacts in the supply chain and actions taken	Chapter 5, 3.2.3 Working conditions – page 347
GRI 401: Employment 2016		
	401-1 New employee hires and employee turnover	Chapter 5, 3.1.1 Introduction – page 328
	401-3 Parental leave	Chapter 5, 3.1.4 Diversity, inclusion and harassment prevention – page 336 Chapter 5, 3.1.5 Employee remuneration and benefits – page 338
GRI 403: Occupational Health and Safety 2018		
	403-1 Occupational health and safety management system	Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331
	403-3 Occupational health services	Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331
	403-8 Workers covered by an occupational health and safety management system	Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331
	403-9 Work-related injuries	Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331
	403-10 Work-related ill health	Chapter 5, 3.1.3 Health and safety of the Group's employees – page 331
GRI 404: Training and Education 2016		
	404-1 Average hours of training per year per employee	The average number of training hours per year and per employee in 2024 amounts to: 14.23 hours
	404-2 Programs for upgrading employee skills and transition assistance programs	Chapter 5, 3.1.7 Employability, talent and skills management – page 341
	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter 5, 3.1.7 Employability, talent and skills management – page 341
GRI 405: Diversity and Equal Opportunity 2016		
	405-1 Diversity of governance bodies and employees	Chapter 3, 3.2.3.1 Diversity policy – selection of new members of the Board of Directors – page 105 Chapter 5, 3.1.1 Introduction – page 328 Chapter 5, 3.1.4 Diversity, inclusion and harassment prevention – page 336
	405-2 Ratio of basic salary and remuneration of women to men	Chapter 5, 3.1.5 Employee remuneration and benefits – page 338
GRI 406: Non-discrimination 2016		
	406-1 Incidents of discrimination and corrective actions taken	Chapter 5, 3.1.2 Commitment to employees – page 329

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document
GRI 408: Child Labor 2016		
	408-1 Operations and suppliers at significant risk for incidents of child labor	Chapter 5, 3.2.4 Prevention of forced labor and child labor – page 348
GRI 409: Forced or Compulsory Labor 2016		
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Chapter 5, 3.2.4 Prevention of forced labor and child labor – page 348
GRI 413: Local Communities 2016		
	413-1 Operations with local community engagement, impact assessments, and development programs	(see tables below)
	413-2 Operations with significant actual and potential negative impacts on local communities	Chapter 5, 3.2.3 Working conditions – page 347
GRI 414: Supplier Social Assessment 2016		
	414-1 New suppliers that were screened using social criteria	Chapter 5, 3.2. Workers in the value chain – page 344 Chapter 5, 4.4.1 Management of relationships with suppliers – page 355
	414-2 Negative social impacts in the supply chain and actions taken	Chapter 5, 3.2. Workers in the value chain – page 344 Chapter 5, 4.4.1 Management of relationships with suppliers – page 355
GRI 415: Public Policy 2016		
	415-1 Political contributions	Chapter 5, 4.5 Relations with the public sphere – page 356
GRI 416: Customer Health and Safety 2016		
	416-1 Assessment of the health and safety impacts of product and service categories	Many industrial and medical gas applications protect the environment on the sites of Group's customers, and life of the Group´s patients. These applications account for over 40% of Group revenue in 2024. Chapter 5, 3.3 Patients and customers – page 349

413-1 Operations with local community engagement, impact assessments, and development programs:

"Access Oxygen™" program to facilitate access to oxygen in low- and middle-income countries	2024
Persons in Africa with facilitated access to oxygen	> 2,700,000
Healthcare facilities in South Africa, Senegal, Kenya and Mali benefiting from the Access Oxygen™ program	300

"Citizen at Work" program	2024
Employees having access to volunteering opportunities	87%

GRI Standard	Disclosure	Location of information in the 2024 Universal Registration Document
GRI 417: Marketing and Labeling 2016		
	417-1 Requirements for product and service information and labeling	REACH (Registration, Evaluation, Authorisation and restriction of CHemicals) is a European Union Regulation that governs the registration, notification, restriction and authorisation of chemical substances produced in or imported into the European Union. Air Liquide ensures that the raw materials used and placed on the market comply with the REACH regulation. Air Liquide's main products, such as oxygen, nitrogen, hydrogen, CO_2, helium and rare gases are exempt from registration under REACH. Air Liquide is the lead registrant for several substances, in particular specialty gases from the Electronics activity (NF_3, CF_4, C_4F_8, SiF_4, etc.). Air Liquide is the ordinary registrant for several other substances: carbon monoxide, acetylene, methanol, lime, nitrous oxide, ultra-pure fuels have been registered under this regulation by each subsidiary concerned. In addition, Seppic, a manufacturer of specialty ingredients for health and beauty, is subject to REACH regulations for some of its substances. Seppic ensures that compliance with the REACH regulation is maintained and also ensures compliance with similar regulations outside Europe. In 2024, the Group sales subject to registration under REACH represent less than 1% of the Group turnover. Air Liquide is mainly impacted by restrictions relating to the use of solvents used to distribute acetylene. The solvent DMF is subject to a restriction under a European Regulation of November 2021 that requires occupational exposure during cylinder filling operations to be monitored. NMP, a potential substitute, is also subject to restricted use as of May 2020. Air Liquide does not distribute any SVHC (Substances of Very High Concern). These SVHCs are essentially contained in articles distributed for the commissioning or production of gases. The WFD (Waste Framework Directive) requires distributors of articles containing SVHCs, as defined by REACH, above 0.1% by weight, to fill out a database called SCIP (Substances of Concern In articles as such or in complex objects (Products)), where the article is described and the location of the SVHC substance is designated. There is no threshold limit as for REACH notifications. This SCIP database will be used at the end of the article’s life when it is dismantled by waste treatment or recycling centers as part of the circular economy. Air Liquide now requires its equipment suppliers to inform it of the presence and precise location of all elementary parts containing SVHCs. The Globally Harmonized System of Classification and Labelling of Chemicals, better known as GHS, was created by the United Nations. This system sets out the classification of chemical products according to the types of danger that they represent and provides standardized hazard information, including labeling. This labeling must provide key information concerning health, safety and environmental protection to everyone who handles a hazardous product or who could be exposed to one. In the countries in which GHS is implemented in local regulations, Air Liquide subsidiaries have implemented the principles of GHS in terms of product compliance in accordance with the requirements set out in local regulations.

6 Annual General Meeting 2025

BOARD OF DIRECTORS’ REPORT ON THE RESOLUTIONS PRESENTED TO THE COMBINED GENERAL MEETING – MAY 6, 2025

Results for the fiscal year

The Financial Statements of L’Air Liquide S.A. that have been prepared by applying the methods provided for by law and the standards of the French General Chart of Accounts are attached to this Report – pages 260 to 261.

Revenue for the fiscal year ended December 31, 2024, amounted to 100.6 million euros, compared to 105.4 million euros in 2023, down by -4.6%.

The income from French and foreign equity securities amounted to 1,783.9 million euros, compared to 804.9 million euros in 2023.

Net profit for the fiscal year ended December 31, 2024, amounted to 1,988.4 million euros, compared to 977.2 million euros in 2023.

In 2023 and 2024, L’Air Liquide S.A. net profit was impacted by exceptional items.

Consolidated revenue in 2024 amounted to 27,057.8 million euros, compared to 27,607.6 million euros in 2023, down by -2.0%. After adjusting for the cumulative impact of foreign exchange fluctuations, the increase was +0.4%. These currency impacts were mainly caused by the depreciation of the Argentinian peso against the euro.

Consolidated net profit, after the deduction of minority interests, amounted to 3,306.1 million euros, compared to 3,078.0 million euros in 2023, up by +7.4% (up by +15.0% excluding foreign exchange impact).

These results are detailed in the Management Report and the Financial Statements.

Information on share capital

AMOUNT OF SHARE CAPITAL HELD BY EMPLOYEES

Please refer to the chapter “Additional Information” of this Universal Registration Document – page 413.

CROSSING OF SHARE CAPITAL AND VOTING RIGHTS THRESHOLDS IN 2024

Please refer to the chapter “Additional Information” of this Universal Registration Document – page 413.

Investments and acquisition of controlling interests

Pursuant to the provisions of article L. 233-6 of the French Commercial Code, L’Air Liquide S.A. did not carry out any new shareholding or control transactions during the 2024 fiscal year.

Resolutions within the authority of the Ordinary General Meeting

We ask you, having noted:

- the Reports of the Board of Directors;
- the Company's financial statements, income statement, balance sheet and notes thereto;
- the Group's consolidated financial statements;
- the Reports of the Statutory Auditors,

to approve the Company's financial statements and the consolidated financial statements for the year ended December 31, 2024 as presented, as well as the transactions set out in these Financial Statements or mentioned in these Reports.

Your Company's net profit allows the Board to propose the payment of a dividend of 3.30 euros for each share entitled to a dividend, it being specified that in the event of a change in the number of shares entitled to a dividend compared to the 578,259,263 shares making up the share capital as of December 31, 2024, the overall dividend amount would be adjusted accordingly and the amount appropriated to the retained earnings account would be determined on the basis of the dividends effectively paid.

The proposed dividend amounts to 3.30 euros per share, representing an increase of +13.7% compared to the previous year. The level of this dividend is to be assessed taking into account the allocation of one free share for every 10 held, carried out in June 2024.

The ex-dividend date will be May 19, 2025. The dividend will be paid on May 21, 2025.

In accordance with article 117 quater of the French Tax Code, it is specified that ordinary and loyalty dividends paid to individuals with their tax residence in France are fully subject to the single flat-rate withholding tax of 12.8%. Nonetheless, at the express, irrevocable and global request of the Shareholder, these dividends may be subject to the progressive income tax rate and shall therefore be eligible for the 40% allowance referred to in section 2° of paragraph 3 of article 158 of the French Tax Code, which is applicable under certain conditions. In all cases, these ordinary and loyalty dividends shall also be subject to social contributions at a rate of 17.2%.

In addition, Shareholders who have held their shares in registered form for at least two years as of December 31, 2024, and who retain such shares in registered form up to the dividend payment date, shall be entitled, for such shares (i.e. a total number of 163,473,123 shares at December 31, 2024), to a loyalty dividend of 10% compared with the dividend paid to the other shares, i.e. an additional dividend of 0.33 euros per share.

The difference between the loyalty dividend calculated on the number of shares known to exist at December 31, 2024, and the loyalty dividend actually paid will be allocated to the retained earnings account.

You are also asked to record the distributable profit for the fiscal year, consisting of the profit for the 2024 fiscal year of 1,988,367,232 euros plus retained earnings available at December 31, 2024 of 2,928,304,551 euros, i.e. 4,916,671,783 euros.

We propose to appropriate the distributable earnings for fiscal year 2024, i.e. 4,916,671,783 euros, as follows:

Legal reserve	29,558,367 euros
Retained earnings	2,924,911,718 euros
Dividend (including the loyalty dividend)	1,962,201,698 euros

Distribution

In accordance with French law, we wish to remind you that the distributions made in respect of the last three fiscal years were as follows:

	Total amount distributed [(a)] *(in euros)*	Number of shares concerned [(b)]	Dividend distributed eligible in its entirety for the 40% deduction referred to in article 158-3-2° of the French Tax Code [(c)] *(in euros)*
Fiscal year 2021			
Ordinary dividend	1,378,344,007	475,291,037	2.90
Loyalty dividend	39,148,116	134,993,503	0.29
Fiscal year 2022			
Ordinary dividend	1,544,178,299	523,450,271	2.95
Loyalty dividend	43,256,757	149,161,232	0.29
Fiscal year 2023			
Ordinary dividend	1,678,453,690	524,516,778	3.20
Loyalty dividend	46,502,649	145,320,778	0.32

(a) Theoretical values calculated based on the number of shares as of December 31 for each fiscal year.
(b) Number of shares expressed historically as of December 31 for each fiscal year.
The amounts effectively paid after adjustment were as follows:
– fiscal year 2021 – ordinary dividend: 1,372,465,400 euros for 473,263,931 shares; loyalty dividend: 39,396,398 euros for 135,849,648 shares;
– fiscal year 2022 – ordinary dividend: 1,540,365,457 euros for 522,157,782 shares; loyalty dividend: 42,571,128 euros for 146,796,994 shares;
– fiscal year 2023 – ordinary dividend: 1,672,929,059 euros for 522,790,331 shares; loyalty dividend: 47,719,730 euros for 149,124,155 shares.
The adjustment especially arises from the change in the number of treasury shares, from the final determination of the loyalty dividend taking into account the divestiture of shares between January 1 and the ex-dividend date, from the exercise of options over this same period and the capital increase reserved for employees.
(c) Applicable, under certain conditions, when the progressive income tax rate is chosen.

Buyback by the Company of its own shares

A. Information on the completion in fiscal year 2024 of the Company's share buyback program (pursuant to the provisions of article L. 225-211 of the French Commercial Code)

Reminder of the terms and conditions of the share buyback program authorized by the Combined General Meeting on April 30, 2024

The Combined General Meeting of April 30, 2024 authorized the Board, for a period of 18 months, in accordance with articles L. 22-10-62 *et seq.* of the French Commercial Code and the directly applicable provisions of European Commission Regulation No. 596/2014 of April 16, 2014, to allow the Company to repurchase its own shares in order to:

- cancel them;
- tender them following the exercise of rights attached to marketable securities conferring entitlement to Company shares by redemption, conversion, exchange, presentation of a warrant or any other means;
- implement (i) any share purchase option plans or (ii) plans for free share attributions, or (iii) any employee share ownership transactions reserved for members of a Company Savings Plan, performed through the divestiture of shares acquired previously by the Company, or providing for a free share grant in respect of a contribution in shares by the Company and/or to replace the discount, or (iv) allocation of shares to employees and/or Company Officers and those of affiliated companies, in accordance with the laws and regulations in force;
- maintain an active market in the Company's shares pursuant to a market liquidity contract in accordance with an Ethics Charter recognized by the French financial market authority (*Autorité des marchés financiers*).

The buyback by the Company of its own shares was also intended to enable the implementation of any market practice that may be permitted by the French financial market authority and, more generally, the achievement of any other transaction compliant with the regulations in force.

The maximum purchase price was set at 300 euros per share, and the maximum number of shares that could be bought back was set at 10% of the total number of shares making up the share capital as of December 31, 2023, namely 52,451,677 shares for a maximum total amount of 15,735,503,100.00 euros, subject to the legal limits.

These shares may be purchased at any time, excluding the periods for takeover bids on the Company's share capital, on one or more occasions and by all available means, either on or off a stock exchange, over-the-counter, including the purchase of blocks of shares, or through the use of derivative financial instruments, and, if applicable, by all third parties acting on behalf of the Company, under the conditions stipulated in the provisions of the final paragraph of article L. 225-206 of the French Commercial Code.

Review of the implementation of the share buyback program in 2024

Pursuant to this authorization granted by the Combined General Meeting of April 30, 2024 and the previous delegation granted by the Combined General Meeting of May 3, 2023,

- pursuant to the **liquidity contract**, the following movements occurred during fiscal year 2024:
  - 758,106 shares were purchased for a total price of 129,737,268 euros, i.e. an average purchase price of 171.13 euros,
  - 735,956 shares were sold for a total price of 126,535,357 euros, i.e. an average purchase price of 171.93 euros;
- on February 21, 2024, under the **share buyback program**, 905,000 shares were bought back for a total amount of 170,595,305.50 euros, i.e. an average price of 188.50 euros per share, representing 0.17% of the share capital as of December 31, 2023;
- on December 2, 2024, under the **share buyback program**, 352,000 shares were bought back for a total amount of 56,203,452.80 euros, i.e. an average price of 159.67 euros per share, representing 0.07% of the share capital as of December 31, 2023.

No other shares were bought before the end of fiscal year 2024.

The total cost of the buybacks was thus limited to 226,798,758.30 euros.

The total amount of the **transaction fees** (exclusive of taxes) was 0.2 million euros.

- During the fiscal year, the Company also proceeded to the **tender of treasury shares** to beneficiaries of performance share plans as follows:
  - 197,048 shares definitively vested under the 2020 performance share plan ("World" Plan);
  - 172,387 shares definitively vested under the 2021 performance share plan ("France" Plan);
  - 56 shares delivered following the death of a beneficiary under the 2021 World performance share plan;
  - 39 shares delivered following the death of a beneficiary under the 2023 World performance share plan;
  - 768 shares delivered following the death of a beneficiary under the 2021 World performance share plan;
  - 921 shares delivered following the death of a beneficiary under the 2022 World performance share plan;
  - 607 shares delivered following the death of a beneficiary under the 2023 World performance share plan.
- In addition, the Board of Directors, making use of the authorization granted by the General Meeting of May 3, 2023, proceeded on April 30, 2024 to **cancel** 627,000 shares acquired on February 21, 2024.

Shares registered in the name of the Company as of December 31, 2024

As of December 31, 2024, the Company directly owned 1,500,986 shares valued at an average purchase price of 145.95 euros, i.e. a balance sheet value of 219,067,176 euros. These shares, each with a par value of 5.50 euros, represent 0.26% of the Company's share capital.

Treasury shares thus held are allocated up to 1,408,986 shares for the implementation of any performance share plan and up to 92,000 shares for cancellation.

Under the liquidity contract, as of December 31, 2024, a total of 25,250 shares were on the balance sheet for a net value of 3,977,213 euros.

It is specified that the shares held by the Company were not reallocated during the 2024 fiscal year for purposes other than those initially planned at the time of their buyback.

B. Description of the share buyback program submitted to the General Meeting (pursuant to articles 241-1 *et seq.* of the General Regulation of the French financial market authority) – Draft resolution

As the authorization granted by the Ordinary General Meeting of April 30, 2024 was partially used, the Board proposes to replace it with a new authorization to allow the Company to repurchase its own shares in order to:

- cancel them, subject to the adoption of the 15th resolution;
- tender them following the exercise of rights attached to marketable securities conferring entitlement to Company

shares by redemption, conversion, exchange, presentation of a warrant or any other means;

- implement (i) any share purchase option plans or (ii) plans for free share attributions, or (iii) any employee share ownership transactions reserved for members of a Company Savings Plan, performed under the terms and conditions set forth in articles L. 3331-1 *et seq.* of the French Labor Code through the divestiture of shares bought back previously by the Company under this resolution, or providing for free share attributions in respect of a contribution in shares by the Company and/or to replace the discount, or (iv) share grants to employees and/or Company Officers and those of affiliated companies;
- retain the shares for subsequent delivery (as exchange, payment, or otherwise) in the context of external growth transactions subject to a limit of 5% of the number of shares making up the share capital of the Company;
- maintain an active market in the Company's shares pursuant to a liquidity contract in accordance with the market practice recognized by the French financial market authority.

The buyback by the Company of its own shares shall be also intended to enable the implementation of any market practice that may be permitted by the French financial market authority and, more generally, the achievement of any other transaction which would comply with the regulations in force. In this case, the Company would inform its Shareholders by means of a press release.

The maximum purchase price will be set at 300 euros (excluding acquisition costs) per share with a par value of 5.50 euros, and the maximum number of shares that can be bought back will be set at 10% of the total number of shares making up the share capital as of December 31, 2024, i.e. 57,825,926 shares with a par value of 5.50 euros, for a maximum total amount of 17,347,777,800 euros, subject to the legal limits.

As in previous years, the resolution stipulates that the authorization does not apply during takeover bid periods. These shares may thus be purchased at any time, excluding the periods for takeover bids on the Company's share capital, on one or more occasions and by all available means, either on or off a stock exchange, over-the-counter, including the purchase of blocks of shares, or through the use of derivative financial instruments, and, if applicable, by all third parties acting on behalf of the Company, under the conditions stipulated in the provisions of the final paragraph of article L. 225-206 of the French Commercial Code.

Shares bought back may be commuted, assigned or transferred in any manner on or off a stock exchange or over-the-counter, including the divestiture of blocks of shares, in accordance with the applicable regulations.

As own shares do not confer entitlement to a dividend, the amount of the unpaid dividends will be allocated to retained earnings.

This authorization shall be granted for a period of 18 months starting from the date of this General Meeting. It shall be valid as of the date of the Board of Directors' meeting called to decide on the implementation of the share buyback program and, at the latest, as of October 30, 2025. It supersedes the authorization granted by the Ordinary General Meeting of April 30, 2024, in its 4th resolution with respect to its non-utilized portion.

Pursuant to the provisions of article 241-2 II of the General Regulation of the French financial market authority, during the completion of the buyback program, any change in any of the information listed in this document will be brought to the attention of the public as soon as possible, in accordance with the terms set out in article 221-3 of the General Regulation of the French financial market authority, in particular by posting it on the Air Liquide website: www.airliquide.com.

Renewal of the term of office of three Directors

The Board of Directors currently comprises 14 members: 12 members appointed by the General Meeting, including five foreign nationals (i.e. 42%) and two Directors representing the employees. The gender balance on the Board is 42% women and 58% men. With 10 Directors qualified as independent, the percentage of independent Directors is 83%.

The offices of Messrs Xavier Huillard, Aiman Ezzat and Bertrand Dumazy expire at the end of this Meeting.

In the 5th resolution, you are asked to renew the term of office as Director of Mr Xavier Huillard for a period of four years. Mr Xavier Huillard has been a Director of L'Air Liquide S.A. since May 2017, Chairman of the Remuneration Committee since May 2018 (of which he had already been a member since 2017) and Chairman of the Appointments and Governance Committee since May 2022 (of which he had been also a member since 2020).

Mr Xavier Huillard has been Lead Director since May 2022 and was confirmed in his duties at the time of the separation of duties between the Chief Executive Officer and the Chairman of the Board. In addition to his missions as Lead Director, Mr Xavier Huillard brings to the Board of Directors his experience as a senior executive in a large international company, his in-depth knowledge of the construction, transport infrastructure, service and energy sectors, as well as his skills in the area of sustainability. The Board of Directors has already taken the decision in principle to reappoint Mr Xavier Huillard as Lead Director at the end of the General Meeting, subject to the renewal of his term of office as Director.

The Board has been assured that Mr Xavier Huillard will continue to be available to participate assiduously in the work of the Board. In 2024, Mr Xavier Huillard's attendance rate at meetings of the Board and the two Committees he chairs was 100%. During his current term of office, his overall attendance rate was 100%.

In the 6th resolution, you are asked to renew the term of office as Director of Mr Aiman Ezzat for a period of four years. Mr Aiman Ezzat has been a Director of L'Air Liquide S.A. since May 2021 and a member of the Audit and Accounts Committee since May 2022. In addition to the vision of a senior executive of a large international group, Mr Aiman Ezzat brings to the Board of Directors his in-depth knowledge in the fields of digital and cybersecurity, his financial expertise, and his skills in matters related to sustainability.

The Board has been assured that Mr Aiman Ezzat will continue to be available to participate assiduously in the work of the Board. In 2024, Mr Aiman Ezzat's attendance rate at meetings of the Board and the Committee of which he is a member was 83.5%. During his current term, his overall attendance rate was 96%.

In the 7th resolution, you are also asked to renew the term of office as Director of Mr Bertrand Dumazy for a period of four years. Mr Bertrand Dumazy has been a Director of L'Air Liquide S.A. since May 2021, a member of the Appointments and Governance Committee since May 2022 and a member of the Audit and Accounts Committee since May 2023. Mr Bertrand Dumazy brings to the Board of Directors his expertise in digital transformation, his knowledge in the areas of finance, cybersecurity, sustainability and marketing, as well as his experience as a senior executive in a large international company.

The Board has been assured that Mr Bertrand Dumazy will continue to be available to participate assiduously in the work of the Board. In 2024, Mr Bertrand Dumazy's attendance rate at meetings of the Board and the Committees of which he is a member was 100%. During his current term of office, his overall attendance rate was 100%.

The Board of Directors has qualified Messrs Xavier Huillard, Aiman Ezzat and Bertrand Dumazy as independent Directors.

At the close of this General Meeting, subject to approval by the Meeting of all the proposed resolutions, the composition of the Board would remain unchanged.

Regulated agreements

During the 2024 fiscal year, no new regulated agreements were submitted for the prior approval of the Board of Directors.

As provided by the law, the Board of Directors conducted an annual review of the regulated agreements authorized and concluded during previous fiscal years and noted that no agreements continued during the fiscal year ended December 31, 2024.

In the 8th resolution, you are asked to take note of the fact that the Statutory Auditors' Special Report on regulated agreements does not mention any new agreements.

The Special Report is included in Chapter 6 of the 2024 Universal Registration Document.

Approval of the remuneration of Company Officers paid during or awarded in respect of the 2024 fiscal year

Pursuant to article L. 22-10-34 II of the French Commercial Code, you are asked:

- in the 9th resolution to approve the fixed, variable and exceptional elements of the total remuneration and other benefits paid in 2024 or awarded in respect of the 2024 fiscal year to Mr François Jackow as Chief Executive Officer. It is specified that no exceptional remuneration was paid or awarded to him in 2024;
- in the 10th resolution to approve the fixed, variable and exceptional elements of the total remuneration and other benefits paid in 2024 or awarded in respect of the 2024 fiscal year to Mr Benoît Potier as Chairman of the Board of Directors. It is specified that no variable remuneration, LTI or exceptional remuneration were paid or awarded to him in 2024.

These elements of remuneration are described in the Report on Corporate Governance included in Chapter 3 of the 2024 Universal Registration Document. They were paid or awarded in line with the remuneration policy approved by the General Meeting on April 30, 2024.

Approval of information relating to the remuneration of corporate officers included in the Report on Corporate Governance in accordance with article L. 22-10-9 I of the French Commercial Code

In accordance with article L. 22-10-34 I of the French Commercial Code, you are asked to approve the 11th resolution on the information relating to the remuneration of the Company's corporate officers (Chief Executive Officer, Chairman of the Board of Directors and Directors) listed in article L. 22-10-9 I of the French Commercial Code.

This information includes in particular elements which establish the link between the Executive Officer's remuneration and the Company's performance, as well as communication of remuneration ratios, both on the legal scope and on an expanded scope.

This information is described in the Report on Corporate Governance included in Chapter 3 of the 2024 Universal Registration Document.

Approval of the remuneration policy applicable to corporate officers

Pursuant to article L. 22-10-8 II of the French Commercial Code, you are asked to approve the remuneration policy applicable to corporate officers.

The elements of this policy, including the remuneration policy for Executive Officers and non-executive Company Officers, their application to each Company Officer and the policy applicable to Directors, are described in the Report on Corporate Governance in Chapter 3 of the 2024 Universal Registration Document, in the section entitled "Remuneration policy applicable to corporate officers".

The approval of the remuneration policy is the subject of the 12th resolution for the Chief Executive Officer (applicable to Mr François Jackow), the 13th resolution for the Chairman of the Board of Directors (applicable to Mr Benoît Potier) and the 14th resolution for the Company's Directors.

Resolutions within the authority of the Extraordinary General Meeting

Authorization to reduce the share capital by cancellation of treasury shares

In the 15th resolution you are asked, as every year, to authorize the Board of Directors to cancel any or all of the shares purchased in the share buyback program and reduce share capital under certain conditions, particularly in order to fully offset, where necessary, any potential dilution resulting from capital increases relating to employee shareholding transactions.

The difference between the carrying amount of the canceled shares and their nominal amount will be allocated to reserve or additional paid-in capital accounts.

This authorization granted to the Board of Directors will be for a period of 24 months.

Share capital increase through the issue of ordinary shares or marketable securities giving access to the share capital with retention of preferential subscription rights

To ensure the financing of the Group's growth investments, the 16th resolution invites you to renew the delegation allowing the Board of Directors to increase the share capital by a maximum nominal amount of 470 million euros, corresponding to approximately 15% of the share capital as of December 31, 2024, by issuing, on one or more occasions, ordinary shares or dilutive compound marketable securities. Shareholders shall have, in proportion to the number of shares they hold, a preferential subscription right to the shares or the marketable securities thus issued.

The Board of Directors did not make use of the previous authorization granted by the Extraordinary General Meeting of May 3, 2023. This delegation is valid for a period of 26 months.

The total amount of the share capital increases that may be carried out under the 17th resolution below and the resolutions allowing employees and Company Officers to benefit from shares (18th and 19th resolutions of this General Meeting), subject to their approval, and resolutions allowing the implementation of employee shareholding transactions (20th and 21st resolutions submitted to this General Meeting), subject to their approval will also be deducted from this limit of 470 million euros.

As in 2023, in order to provide Shareholders with the right to express an opinion on the issues that are the subject of this delegation during periods of takeover bids, it is proposed that this delegation of authority be suspended during periods of takeover bids.

In the event of oversubscription, the 17th resolution allows the amount of the issue initially provided for to be increased to a maximum of 15% (legal limit), subject to a maximum of 470 million euros.

Grant of share subscription or purchase options and performance shares

The Group has established performance share plans with the aim of involving employees in its performance, beyond profit-sharing and participation. The Board of Directors has not awarded stock options since 2019, but has not ruled out using this remuneration instrument, according to the conditions described above, if changes in circumstances justify doing so. In order to pursue this attribution policy, it is proposed that you renew the existing authorizations that were last granted by the General Meeting of May 2022.

As in the past, the performance conditions apply to all options and performance shares awarded to any beneficiary and are calculated over three years. They are set at the beginning of the year at the February meeting of the Board of Directors, in order to comply with a reference period of three full years.

The criteria used include ROCE (Return on Capital Employed), which is relevant in very capital intensive industry, and TSR (Total Shareholder Return), which enables the Company's performance to be aligned with the regular returns expected by its Shareholders.

Since the 2020 performance share plans, the performance conditions have included a performance condition linked to the Group's climate objectives. The weighting of the climate criterion would be strengthened in the performance share plans from 2025, as proposed in the remuneration policy submitted to you in the 12th resolution.

The proposed resolutions set sub-limits for Company Officers, it being specified that the Board of Directors sets annual limits that are substantially lower than these sub-limits. Attributions to Company Officers are also accompanied by strict shareholding obligations.

It should be noted that, since 2018, the award of long-term incentives (LTIs) to the Company Officer has been subject to the principle of prorating. In practice, if the Company officer leaves for any reason other than resignation or removal from office for serious cause (situations which will result in the loss of the LTI), the overall allocation rate (when the performance conditions have been applied) will be reduced on a prorated basis, according to the number of months of the Company officer's actual presence at the Group during the period of assessment of the performance criteria.

In addition, under the principle applied since 2016, the attribution of performance shares to the Company Officer is assessed according to IFRS.

The 18th resolution is intended to renew, for a period of 38 months, the authorization granted to the Board of Directors by the General Meeting of May 4, 2022, to grant options to subscribe or purchase shares of the Company for the benefit of employees and Company Officers. The draft resolution maintains the total number of options allowed at 2% of the share capital over 38 months, and sets the limit on the number of shares that can be awarded to Company Officers at the same time at 0.2% of the share capital.

The 19th resolution is intended to renew, for a period of 38 months, the authorization granted to the Board of Directors by the General Meeting of May 4, 2022, to grant performance shares of the Company for the benefit of employees and Company Officers. The draft resolution maintains the total number of shares that can be attributed at 0.5% of the share capital over 38 months, and sets the limit on the number of shares that can be awarded to Company Officers at 0.1% of the capital at the same time. In order to make performance share attribution plans more attractive to employees (beneficiaries), particularly internationally, and to simplify their management, the "France" and "World" regulations would now be consolidated into a single plan, together with a minimum vesting period of three years, with no minimum holding period.

Capital increase reserved for employees with cancellation of Shareholder preferential subscription rights

In accordance with legal provisions, these draft resolutions are submitted again to the vote at the General Meeting.

The 20th resolution outlines the conditions of share capital increases reserved for members of a Company or Group Savings Plan; it is accompanied in the 21st resolution by a similar provision for Group employees and corporate officers based abroad who could not benefit from the shareholding mechanism which will be established pursuant to the 20th resolution. The wording of the 21st resolution has been supplemented in order to be able to propose to the Group's employees abroad, where applicable, if the Board of Directors deems it appropriate, shareholding schemes with specific characteristics that may be distinct from plans put in place under the 20th resolution.

The General Meeting, having read the Board of Directors' Report and the Statutory Auditors' Special Report, is therefore asked to authorize the Board of Directors to decide on one or more share capital increases, at the time or times and in the proportions that it deems appropriate, via the issuance of ordinary shares of the Company, as well as other marketable securities granting access to the Company's share capital, reserved for:

- on the one hand, under the 20th resolution, the members, from the Company and the French or foreign companies which are affiliated to it within the meaning of article L. 225-180 of the French Commercial Code and article L. 3344-1 of the French Labor Code, of a Company or Group Savings Plan (directly or through a Company mutual fund or any other structures or entities permitted by applicable legal or regulatory provisions). The delegation shall be valid for a period of 26 months starting from the date of this General Meeting;
- on the other hand, under the 21st resolution, a category of beneficiaries, defined as (i) employees and corporate officers of companies related to the Company under the conditions of article L. 225-180 of the French Commercial Code and article L. 3341-1 of the French Labor Code and having their registered office outside France and/or (ii) any financial institution or subsidiary of such an institution mandated by the Company and which may subscribe for shares or other equity securities issued by the Company pursuant to this resolution, for the sole purpose of allowing employees and corporate officers of foreign companies related to the Company within the meaning of articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code to benefit from a shareholding or investment scheme with an economic profile comparable to an employee shareholding scheme that may be set up as part of a capital increase carried out pursuant to the 20th resolution submitted to the vote of this General Meeting, taking into account the regulatory and tax and/or social framework applicable in the countries of residence of the employees and corporate officers of the aforementioned foreign companies and/or (iii) pooled-investment funds (OPCVM) or other employee shareholding entities, whether or not a legal entity, invested in Company shares whose unit holders or shareholders are made up of the persons mentioned in (i) or allowing these persons to benefit, directly or indirectly, from a system of shareholding or savings in Company shares. The delegation shall be valid for a period of 18 months starting from the date of this General Meeting.

The Board of Directors shall be competent to determine, within those categories, the identity of the beneficiaries of these share capital increases.

The total amount of share capital increases likely to be performed in accordance with these two resolutions may not exceed a maximum nominal amount of 22 million euros, corresponding to the issue of a maximum of 4 million shares. Furthermore, the maximum nominal amount of share capital increases likely to be performed on the basis of these two resolutions shall be deducted from the overall limit stipulated in paragraph 2 of the 16th resolution of this Extraordinary General Meeting. In the event that they are used, the proposed resolutions will automatically result in the cancellation of the Shareholders' preferential subscription rights in favor of the above-mentioned beneficiaries.

Under the 20th resolution, the subscription price may not exceed the average, pursuant to the provisions of article L. 3332-19 of the French Labor Code, of the opening trading prices for the Company's share during the 20 trading days preceding the date of the decision setting the opening date for the subscription period, or be more than 20% lower than such average, bearing in mind that the General Meeting will officially authorize the Board of Directors, if deemed appropriate, to reduce or cancel the aforementioned discount, in view of especially the legal, regulatory and tax constraints under the applicable foreign law, where applicable. In accordance with article L. 3332-21 of the French Labor Code, the Board of Directors may provide for the free share attribution, to the beneficiaries referred to in the 20th resolution, of shares to be issued or already issued or other equity securities or securities granting access to the Company's capital to be issued or already issued, in respect of (i) the contribution that could be paid in accordance with the regulations governing Company or Group Saving Plans, and/or (ii) where appropriate, the discount.

Should the beneficiaries referred to in the 20th resolution not subscribe to the entire share capital increase within the allotted deadlines, the share capital increase would only be performed for the amount of the shares subscribed, and the non-subscribed shares may be offered again to the beneficiaries concerned within the scope of a subsequent share capital increase.

Under the 21st resolution, the unit issue price of the shares to be issued pursuant to this resolution will be set by the Board of Directors (i) on the basis of the Company's share price; this issue price will be equal to the average of the opening listed prices of the Company's shares during the 20 trading sessions preceding the day of the Board of Directors' decision setting the opening date of the subscription to a capital increase carried out on the basis of the twentieth resolution, with the ability to reduce this average by a maximum discount of 20%; the amount of any such discount will be determined by the Board of Directors within the aforementioned limit, and/or (ii) at the same price decided on the basis of the twentieth resolution in the event of a concomitant transaction and/or (iii) in accordance with the terms for setting the subscription price for Company shares, taking into account the specific regime of an offer of Company shares that may be made as part of a shareholding scheme governed by foreign law, in particular under a Share Incentive Plan in the United Kingdom or a plan established pursuant to sections 401 (k) or 423 of the United States Tax Code.

Finally, the General Meeting shall grant full powers to the Board of Directors, with the option of sub-delegation under the conditions determined by law, to set, within the limits described above, the various terms and conditions governing the implementation of the two proposed resolutions.

Proposed modification of the articles of association (in application of Law no. 2024-537 of June 13, 2024 aimed at increasing the financing of businesses and the attractiveness of France)

On the recommendation of the Appointments and Governance Committee, your Board asks you, in the 22nd resolution, to amend the provisions of article 14 of the articles of association in accordance with the new provisions of Law No. 2024-537 of June 13, 2024 aimed at increasing the financing of companies and the attractiveness of France.

This new regulation stipulates in particular that, in principle, members of the Board of Directors who take part in the meeting by telecommunication means are now deemed present for the calculation of quorum and majority and for all decisions, including decisions for which the physical presence of the Directors was, until now, required.

The purpose of the 22nd resolution is to update article 14 of the articles of association, which already provided for this possibility under the conditions of the old text, with the provisions of the regulation that came into force on October 11, 2024.

You are also asked to remove, in the same article, the provisions concerning the use of written consultation for decisions of the Board of Directors. The Board of Directors does not, at this stage, wish to set up a system allowing the use of written consultations under the conditions provided for by the new regulation, nor to use the option of voting by mail at Board meetings.

RESOLUTIONS PRESENTED FOR THE APPROVAL OF THE COMBINED GENERAL MEETING – MAY 6, 2025

Ordinary General Meeting

Resolutions 1 and 2 Approval of the financial statements for the 2024 fiscal year

Purpose

You are asked in the **1st and 2nd resolutions** to approve both the Company and consolidated financial statements of Air Liquide for the fiscal year ended December 31, 2024, as presented in Chapter 4 of the 2024 Universal Registration Document.

First Resolution

(Approval of the Company financial statements for the fiscal year ended December 31, 2024)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted:

- the Reports of the Board of Directors and the Statutory Auditors;
- the Company's financial statements, income statement, balance sheet and notes thereto,

approves the Company financial statements for the year ended December 31, 2024 as presented, and approves the transactions reflected in these Financial Statements or mentioned in these Reports.

The General Meeting determines the amount of net earnings for the fiscal year to be 1,988,367,232 euros.

Second Resolution

(Approval of the consolidated financial statements for the fiscal year ended December 31, 2024)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted:

- the Reports of the Board of Directors and the Statutory Auditors;
- the Group's consolidated financial statements,

approves the consolidated financial statements for the year ended, December 31, 2024, as presented.

Resolution 3 Appropriation of earnings and setting of the dividend

Purpose

In the **3rd resolution**, the Board of Directors asks you to approve the distribution of a dividend of **3.30 euros per share**, representing growth of 13,7% compared to the previous year, in shareholders' remuneration (taking into account the effect of the allocation in 2024 of one free share for 10 shares held).

A loyalty dividend of 10%, i.e. **0.33 euro** per share, is granted to shares which have been held in registered form since December 31, 2022 and which remain held in this form continuously until May 21, 2025, the dividend payment date. As of December 31, 2024, 28.27% of the shares making up the share capital are likely to benefit from this loyalty dividend.

With an estimated pay-out ratio of 59% of the Group's published net profit, the dividend proposed to the Meeting is an integral part of Air Liquide's policy to reward and grow Shareholder portfolios over the long term.

The ex-dividend date will be **May 19, 2025**. The dividend will be paid on **May 21, 2025**.

Third Resolution

(Appropriation of 2024 earnings; setting of the dividend)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted that, considering the fiscal year 2024 earnings of 1,988,367,232 euros and the retained earnings of 2,928,304,551 euros as of December 31, 2024, distributable earnings for the fiscal year amount to a total of 4,916,671,783 euros, approves the proposals of the Board of Directors regarding the appropriation of earnings. The General Meeting hereby decides to appropriate distributable earnings as follows:

Legal reserve	29,558,367 euros
Retained earnings	2,924,911,718 euros
Dividend (including the loyalty dividend)	1,962,201,698 euros

Hence, a dividend of 3.30 euros shall be paid to each of the shares conferring entitlement to a dividend, it being specified that, in the event of a change in the number of shares conferring entitlement to a dividend compared to the 578,259,263 shares making up the share capital as of December 31, 2024, the overall dividend amount would be adjusted accordingly and the amount appropriated to the retained earnings account would be determined on the basis of the dividend effectively paid.

The dividend will be paid on May 21, 2025:

- for direct registered shares: directly by the Company;
- for intermediary registered shares, as well as for bearer shares which are registered in Shareholder accounts: by the authorized intermediaries to which the management of these shares has been entrusted.

The dividend distributions made with respect to the last three fiscal years are as follows:

	Total amount distributed [(a)] *(in euros)*	Number of shares concerned [(b)]	Dividend distributed eligible in its entirety for the 40% deduction referred to in article 158-3-2° of the French Tax Code [(c)] *(in euros)*
Fiscal year 2021			
Ordinary dividend	1,378,344,007	475,291,037	2.90
Loyalty dividend	39,148,116	134,993,503	0.29
Fiscal year 2022			
Ordinary dividend	1,544,178,299	523,450,271	2.95
Loyalty dividend	43,256,757	149,161,232	0.29
Fiscal year 2023			
Ordinary dividend	1,678,453,690	524,516,778	3.20
Loyalty dividend	46,502,649	145,320,778	0.32

(a) Theoretical values calculated based on the number of shares as of December 31 for each fiscal year.

(b) Number of shares expressed historically as of December 31 for each fiscal year.
The amounts effectively paid after adjustment were as follows:
– fiscal year 2021 – ordinary dividend: 1,372,465,400 euros for 473,263,931 shares; loyalty dividend: 39,396,398 euros for 135,849,648 shares;
– fiscal year 2022 – ordinary dividend: 1,540,365,457 euros for 522,157,782 shares; loyalty dividend: 42,571,128 euros for 146,796,994 shares;
– fiscal year 2023 – ordinary dividend: 1,672,929,059 euros for 522,790,331 shares; loyalty dividend: 47,719,730 euros for 149,124,155 shares.
The adjustment especially arises from the change in the number of treasury shares, from the final determination of the loyalty dividend taking into account the divestiture of shares between January 1 and the ex-dividend date, from the exercise of options over this same period and the capital increase reserved for employees.

(c) Applicable, under certain conditions, when the progressive income tax rate is chosen.

Pursuant to the provisions of the articles of association, a loyalty dividend of 10%, i.e. 0.33 euro per share with a par value of 5.50 euros, shall be granted to shares which have been held in registered form since December 31, 2022, and which remain held in this form continuously until May 21, 2025, the dividend payment date.

In accordance with article 117 quater of the French Tax Code, it is specified that ordinary and loyalty dividends paid to individuals with their tax residence in France are fully subject to the single flat-rate withholding tax of 12.8%. Nonetheless, at the express, irrevocable and global request of the Shareholder, these dividends may be subject to the progressive income tax rate and shall therefore be eligible for the 40% allowance referred to in section 2° of paragraph 3 of article 158 of the French Tax Code, which is applicable under certain conditions. In all cases, these ordinary and loyalty dividends shall also be subject to social contributions at a rate of 17.2%.

The total amount of the loyalty dividend for the 163,473,123 shares which have been held in registered form since December 31, 2022, and which remained held in this form continuously until December 31, 2024, amounts to 53,946,131 euros.

The total loyalty dividend corresponding to those of the 163,473,123 shares that cease to be held in registered form between January 1, 2025 and the May 21, 2025 dividend payment date, shall be deducted from the aforementioned amount.

Resolution 4 Buyback by the Company of its own shares

Purpose

The **4th resolution** renews the authorization granted to the Board of Directors, for a period of 18 months, to allow the Company to buy back its own shares (including under a liquidity contract). The objectives of the share buyback program are detailed below in the 4th resolution and the buyback program description included in the 2024 Universal Registration Document available on the Company's website, www.airliquide.com, prior to the General Meeting.

In 2024, the buyback program resulted in the purchase of 1,257,000 shares, representing 0.24% of the share capital at December 31, 2023 and the cancellation of 627,000 shares. Over the past 10 years, share buybacks have represented on average less than 0.5% of the share capital per year.

Additionally, under the liquidity contract, 758,106 shares were purchased and 735,956 were sold in fiscal year 2024. As of December 31, 2024, 25,250 shares were held under the liquidity contract.

As of December 31, 2024, the Company directly owned 1,500,986 shares: 1,408,986 shares for the implementation of any performance share plan and 92,000 shares for cancellation. These shares represent 0.26% of the Company's share capital. They do not have any voting rights and their related dividends are allocated to retained earnings.

The authorization referred to in the **4th resolution** provides that the maximum purchase price is set at 300 euros per share and the maximum number of shares that can be bought back is limited to 10% of the total number of shares comprising the share capital as of December 31, 2024, i.e. 57,825,926 shares, for a maximum total amount of 17,347,777,800 euros.

The share acquisitions carried out under this delegation may be aimed at objectives compatible with the regulations in force, in particular the retention of shares for subsequent delivery (as exchange, payment or otherwise) in the context of external growth transactions subject to a limit of 5% of the number of shares making up the share capital of the Company and, in line with previous practices, for the purpose of employee share ownership transactions, in particular for the purpose of performance share plans in favor of employees and Executive Officers.

Subject to the approval of the 15th resolution, treasury shares may also be canceled to offset, in the long term, the potential dilutive impact resulting from capital increases relating to employee shareholding transactions.

The Board also intends to maintain the liquidity contract in place, in line with the French financial market authority regulations.

As in previous years, the resolution stipulates that the authorization does not apply during takeover bid periods.

Fourth Resolution

(Authorization granted to the Board of Directors for a period of 18 months to allow the Company to trade in its own shares)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted the Board of Directors' Report, in accordance with articles L. 22-10-62 *et seq*. of the French Commercial Code and the directly applicable provisions of European Commission Regulation No. 596/2014 of April 16, 2014, authorizes the Board of Directors to allow the Company to repurchase its own shares in order to:

- cancel them, subject to the adoption of the fifteenth resolution;
- tender them following the exercise of rights attached to marketable securities conferring entitlement to Company shares by redemption, conversion, exchange, presentation of a warrant or any other means;
- implement (i) any share purchase option plans or (ii) plans for free share attributions, or (iii) any employee share ownership transactions reserved for members of a Company Savings Plan, performed under the terms and conditions set forth in articles L. 3331-1 *et seq.* of the French Labor Code through the divestiture of shares bought back previously by the Company under this resolution, or providing for free share attributions in respect of a contribution in shares by the Company and/or to replace the discount, or (iv) share grants to employees and/or Company Officers and those of affiliated companies;
- retain the shares for subsequent delivery (as exchange, payment, or otherwise) in the context of external growth transactions subject to a limit of 5% of the number of shares making up the share capital of the Company;
- maintain an active market in the Company's shares pursuant to a liquidity contract in accordance with the market practice recognized by the French financial market authority.

The buyback by the Company of its own shares shall be also intended to enable the implementation of any market practice that may be permitted by the French financial market authority and, more generally, the achievement of any other transaction which would comply with the regulations in force. In this case, the Company would inform its Shareholders by means of a press release.

The General Meeting sets the maximum purchase price at 300 euros (excluding acquisition costs) per share with a par value of 5.50 euros, and the maximum number of shares that can be bought back at 10% of the total number of shares making up the share capital as of December 31, 2024, i.e. 57,825,926 shares with a par value of 5.50 euros, for a maximum total amount of 17,347,777,800 euros, subject to the legal limits.

These shares may be purchased at any time, excluding the periods for takeover bids on the Company's share capital, on one or more occasions and by all available means, either on or off a stock exchange, over-the-counter, including the purchase of blocks of shares, or through the use of derivative financial instruments, and, if applicable, by all third parties acting on behalf of the Company, under the conditions stipulated in the provisions of the final paragraph of article L. 225-206 of the French Commercial Code.

Shares bought back may be commuted, assigned or transferred in any manner on or off a stock exchange or over-the-counter, including the divestiture of blocks of shares, in accordance with the applicable regulations.

As own shares do not confer entitlement to a dividend, the amount of the unpaid dividends will be allocated to retained earnings.

This authorization is granted for a period of 18 months starting from the date of this Meeting. It shall be valid as of the date of the Board of Directors' meeting called to decide on the implementation of the share buyback program and, at the latest, as of October 30, 2025. With effect from this date, it will supersede the authorization granted by the fourth resolution of the Ordinary General Meeting of April 30, 2024, with respect to the non-utilized portion of such authorization.

The General Meeting gives full powers to the Board of Directors, with the possibility of sub-delegating such powers, to implement this authorization, place orders for trades, enter into all agreements, perform all formalities and make all declarations with regard to all authorities and, generally, do all that is necessary for the execution of any of the Board's decisions made in connection with this authorization.

The Board of Directors shall inform the General Meeting of any transactions performed in light of this authorization in accordance with applicable regulations.

Resolutions 5 to 7 Renewal of the term of office of three Directors

Purpose

The Board of Directors currently comprises 14 members: 12 members appointed by the General Meeting, including five foreign nationals (i.e. 42%) and two Directors representing the employees. The gender balance on the Board is 42% women and 58% men. With 10 Directors qualified as independent, the percentage of independent Directors is 83%.

The offices of Messrs **Xavier Huillard, Aiman Ezzat and Bertrand Dumazy** expire at the end of this Meeting.

In the **5th resolution**, you are asked to renew the term of office as Director of Mr Xavier Huillard for a period of four years. Mr Xavier Huillard has been a Director of L'Air Liquide S.A. since May 2017, Chairman of the Remuneration Committee since May 2018 (of which he had already been a member since 2017) and Chairman of the Appointments and Governance Committee since May 2022 (of which he had been also a member since 2020).

Mr **Xavier Huillard** has been Lead Director since May 2022 and was confirmed in his duties at the time of the separation of duties between the Chief Executive Officer and the Chairman of the Board. In addition to his missions as Lead Director, Mr Xavier Huillard brings to the Board of Directors his experience as a senior executive in a large international company, his in-depth knowledge of the construction, transport infrastructure, service and energy sectors, as well as his skills in the area of sustainability. The Board of Directors has already taken the decision in principle to reappoint Mr Xavier Huillard as Lead Director at the end of the General Meeting, subject to the renewal of his term of office as Director.

The Board has been assured that Mr Xavier Huillard will continue to be available to participate assiduously in the work of the Board. In 2024, Mr Xavier Huillard's attendance rate at meetings of the Board and the two Committees he chairs was 100%. During his current term of office, his overall attendance rate was 100%.

In the **6th resolution**, you are asked to renew the term of office as Director of Mr **Aiman Ezzat** for a period of four years. Mr Aiman Ezzat has been a Director of L'Air Liquide S.A. since May 2021 and a member of the Audit and Accounts Committee since May 2022. In addition to the vision of a senior executive of a large international group, Mr Aiman Ezzat brings to the Board of Directors his in-depth knowledge in the fields of digital and cybersecurity, his financial expertise, and his skills in matters related to sustainability.

The Board has been assured that Mr Aiman Ezzat will continue to be available to participate assiduously in the work of the Board. In 2024, Mr Aiman Ezzat's attendance rate at meetings of the Board and the Committee of which he is a member was 83.5%. During his current term, his overall attendance rate was 96%.

In the **7th resolution**, you are also asked to renew the term of office as Director of Mr **Bertrand Dumazy** for a period of four years. Mr Bertrand Dumazy has been a Director of L'Air Liquide S.A. since May 2021, a member of the Appointments and Governance Committee since May 2022 and a member of the Audit and Accounts Committee since May 2023. Mr Bertrand Dumazy brings to the Board of Directors his expertise in digital transformation, his knowledge in the areas of finance, cybersecurity, sustainability and marketing, as well as his experience as a senior executive in a large international company.

The Board has been assured that Mr Bertrand Dumazy will continue to be available to participate assiduously in the work of the Board. In 2024, Mr Bertrand Dumazy's attendance rate at meetings of the Board and the Committees of which he is a member was 100%. During his current term of office, his overall attendance rate was 100%.

The Board of Directors has qualified **Messrs Xavier Huillard, Aiman Ezzat and Bertrand Dumazy as independent Directors**.

At the close of this General Meeting, subject to approval by the Meeting of all the proposed resolutions, the composition of the Board would remain unchanged.

Fifth Resolution

(Renewal of the term of office of Mr Xavier Huillard as Director of the Company)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted the Board of Directors' Report, decides to renew the term of office as a Director of Mr Xavier Huillard for a period of four years, which will expire at the end of the 2029 General Meeting held to approve the Financial Statements for the fiscal year ending December 31, 2028.

Sixth Resolution

(Renewal of the term of office of Mr Aiman Ezzat as Director of the Company)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted the Board of Directors' Report, decides to renew the term of office as a Director of Mr Aiman Ezzat for a period of four years, which will expire at the end of the 2029 General Meeting held to approve the Financial Statements for the fiscal year ending December 31, 2028.

Seventh Resolution

(Renewal of the term of office of Mr Bertrand Dumazy as Director of the Company)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted the Board of Directors' Report, decides to renew the term of office as a Director of Mr Bertrand Dumazy for a period of four years, which will expire at the end of the 2029 General Meeting held to approve the Financial Statements for the fiscal year ending December 31, 2028.

Resolution 8 Regulated agreements

Purpose

During the 2024 fiscal year, no new regulated agreements were submitted for the prior approval of the Board of Directors.

As provided by the law, the Board of Directors conducted an annual review of the regulated agreements authorized and concluded during previous fiscal years and noted that no agreements continued during the fiscal year ended December 31, 2024.

In the **8th resolution**, you are asked to take note of the fact that the Statutory Auditors' Special Report on regulated agreements does not mention any new agreements.

The Special Report is included in Chapter 6 of the 2024 Universal Registration Document.

Eighth Resolution

(Statutory Auditors' Special Report on agreements covered by the articles L. 225-38 et seq. of the French Commercial Code)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, duly notes that the Statutory Auditors' Special Report on the agreements covered by articles L. 225-38 *et seq.* of the French Commercial Code required by the legal and regulatory provisions in force has been submitted to the General Meeting and that it makes no mention of any new agreement during the fiscal year ended December 31, 2024.

Resolutions 9 and 10 Approval of the remuneration of Company Officers paid during or awarded in respect of the 2024 fiscal year

Purpose

Pursuant to article L. 22-10-34 II of the French Commercial Code, you are asked:

- in the **9th resolution** to approve the fixed, variable and exceptional elements of the total remuneration and other benefits paid in 2024 or awarded in respect of the 2024 fiscal year to Mr François Jackow as Chief Executive Officer. It is specified that no exceptional remuneration was paid or awarded to him in 2024;
- in the **10th resolution** to approve the fixed, variable and exceptional elements of the total remuneration and other benefits paid in 2024 or awarded in respect of the 2024 fiscal year to Mr Benoît Potier as Chairman of the Board of Directors. It is specified that no variable remuneration, LTI or exceptional remuneration were paid or awarded to him in 2024.

These elements of remuneration are described in the Report on Corporate Governance included in Chapter 3 of the 2024 Universal Registration Document. They were paid or awarded in line with the remuneration policy approved by the General Meeting on April 30, 2024.

Ninth Resolution

(Approval of the components of the remuneration paid during or awarded in respect of the fiscal year ended December 31, 2024 to Mr François Jackow, Chief Executive Officer)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, approves, pursuant to article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional elements of the total remuneration and benefits of any kind paid during the fiscal year ended December 31, 2024, or awarded for the same fiscal year to Mr François Jackow, Chief Executive Officer as presented in the Company's 2024 Universal Registration Document, in Chapter 3 "Corporate governance", in the section entitled "Remuneration of L'Air Liquide S.A. corporate officers", in the paragraph headed "Elements of the total remuneration and benefits of any kind paid during or awarded in respect of the 2024 fiscal year, to Mr François Jackow and on which the General Meeting of May 6, 2025, is invited to vote".

Tenth Resolution

(Approval of the components of the remuneration paid during or awarded in respect of the fiscal year ended December 31, 2024 to Mr Benoît Potier, Chairman of the Board of Directors)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, approves, pursuant to article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional elements of the total remuneration and benefits of any kind paid during the fiscal year ended December 31, 2024, or awarded for the same fiscal year to Mr Benoît Potier, Chairman of the Board of Directors, as presented in the Company's 2024 Universal Registration Document, in Chapter 3 "Corporate governance", in the section entitled "Remuneration of L'Air Liquide S.A. corporate officers," in the paragraph headed "Elements of the total remuneration and benefits of any kind paid during or awarded in respect of the 2024 fiscal year, to Mr Benoît Potier and on which the General Meeting of May 6, 2025, is invited to vote".

Resolution 11 Approval of information relating to the remuneration of corporate officers included in the Report on Corporate Governance in accordance with article L. 22-10-9 I of the French Commercial Code

Purpose

In accordance with article L. 22-10-34 I of the French Commercial Code, you are asked to approve the **11th resolution** on the information relating to the remuneration of the Company's corporate officers (Chief Executive Officer, Chairman of the Board of Directors and Directors) listed in article L. 22-10-9 I of the French Commercial Code.

This information includes in particular elements which establish the link between the Executive Officer's remuneration and the Company's performance, as well as communication of remuneration ratios, both on the legal scope and on an expanded scope.

This information is described in the Report on Corporate Governance included in Chapter 3 of the 2024 Universal Registration Document.

Eleventh Resolution

(Approval of information relating to the remuneration of corporate officers stated in article L. 22-10-9 I of the French Commercial Code)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, approves, pursuant to article L. 22-10-34 I of the French Commercial Code, the information mentioned in article L. 22-10-9 I of the same Code, which is included in the Board of Directors' Report on Corporate Governance as presented in the Company's 2024 Universal Registration Document, in Chapter 3 "Corporate governance", in the section entitled "Remuneration of L'Air Liquide S.A. corporate officers" in the paragraphs headed "Remuneration of Company Officers (including information mentioned in article L. 22-10-9 I of the French Commercial Code)" and "Remuneration of the non-Executive Directors (including information mentioned in article L. 22-10-9 I of the French Commercial Code)".

Resolutions 12 to 14 Approval of the remuneration policy applicable to corporate officers

Purpose

Pursuant to article L. 22-10-8 II of the French Commercial Code, you are asked to approve the remuneration policy applicable to corporate officers.

The elements of this policy, including the remuneration policy for Executive Officers and non-executive Company Officers, their application to each Company Officer and the policy applicable to Directors, are described in the Report on Corporate Governance in Chapter 3 of the 2024 Universal Registration Document, in the section entitled "Remuneration policy applicable to corporate officers".

The approval of the remuneration policy is the subject of the **12th resolution** for the **Chief Executive Officer** (applicable to Mr François Jackow), the **13th resolution** for the **Chairman of the Board of Directors** (applicable to Mr Benoît Potier) and the **14th resolution** for the Company's **Directors.**

Twelfth Resolution

(Approval of the remuneration policy applicable to the Chief Executive Officer)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted the Board of Directors' Report on Corporate Governance, approves, pursuant to article L. 22-10-8 II of the French Commercial Code, the elements of the remuneration policy for the Chief Executive Officer as presented in the Company's 2024 Universal Registration Document, in Chapter 3 "Corporate governance", in the section entitled "Remuneration policy applicable to corporate officers," in the paragraph headed "Remuneration policy applicable to Company Officers."

Thirteenth Resolution

(Approval of the remuneration policy applicable to the Chairman of the Board of Directors)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted the Board of Directors' Report on Corporate Governance, approves, pursuant to article L. 22-10-8 II of the French Commercial Code, the remuneration policy for the Chairman of the Board of Directors as presented in the Company's 2024 Universal Registration Document, in Chapter 3 "Corporate governance", in the section entitled "Remuneration policy applicable to corporate officers," in the paragraph headed "Remuneration policy applicable to Company Officers."

Fourteenth Resolution

(Approval of the remuneration policy applicable to Directors)

The General Meeting, deliberating according to the quorum and majority required for Ordinary General Meetings, having noted the Board of Directors' Report on Corporate Governance, approves, pursuant to article L. 22-10-8 II of the French Commercial Code, the remuneration policy for Directors, as presented in the Company's 2024 Universal Registration Document, in Chapter 3 "Corporate governance," in the section entitled "Remuneration policy applicable to corporate officers," in the paragraph headed "Remuneration policy applicable to Directors."

Extraordinary General Meeting

Resolution 15 Authorization to reduce the share capital by cancellation of treasury shares

Purpose

In the **15th resolution** you are asked, as every year, to authorize the Board of Directors to cancel any or all of the shares purchased in the share buyback program and reduce share capital under certain conditions, particularly in order to fully offset, where necessary, any potential dilution resulting from capital increases relating to employee shareholding transactions.

The difference between the carrying amount of the canceled shares and their nominal amount will be allocated to reserve or additional paid-in capital accounts.

This authorization granted to the Board of Directors will be for a period of 24 months.

Fifteenth Resolution

(Authorization granted to the Board of Directors for a period of 24 months to reduce the share capital by cancellation of treasury shares)

The General Meeting, deliberating according to the quorum and majority required for Extraordinary General Meetings, having noted the Board of Directors' Report and the Statutory Auditors' Special Report, authorizes the Board of Directors to cancel, via its decisions alone, on one or more occasions, and within the limit of 10% of the Company's share capital per 24-month period, any or all of the shares bought back by the Company within the scope of the authorization adopted by this Ordinary General Meeting in its fourth resolution and of those shares bought back within the scope of the authorization adopted by the Ordinary General Meeting of April 30, 2024, and to reduce the share capital by this amount.

The difference between the carrying amount of the canceled shares and their nominal amount will be allocated to any reserve or additional paid-in capital accounts.

This authorization is granted for a period of 24 months starting from the date of this Meeting. It supersedes the authorization granted by the Extraordinary General Meeting of April 30, 2024, in its seventeenth resolution with respect to the non-utilized portion of such authorization.

Full powers are granted to the Board of Directors, with the possibility of sub-delegation under the conditions set by law, to implement this authorization, deduct the difference between the carrying amount of the shares canceled and their nominal amount from all reserve and additional paid-in capital accounts and to carry out the necessary formalities to implement the reduction in capital which shall be decided in accordance with this resolution and amend the articles of association accordingly.

Resolutions 16 and 17 Share capital increase through the issue of ordinary shares or marketable securities giving access to the share capital with retention of preferential subscription rights

Purpose

To ensure the financing of the Group's growth investments, the **16th resolution** invites you to renew the delegation allowing the Board of Directors to increase the share capital by a maximum nominal amount of 470 million euros, corresponding to approximately 15% of the share capital as of December 31, 2024, by issuing, on one or more occasions, ordinary shares or dilutive compound marketable securities. Shareholders shall have, in proportion to the number of shares they hold, a preferential subscription right to the shares or the marketable securities thus issued.

The Board of Directors did not make use of the previous authorization granted by the Extraordinary General Meeting of May 3, 2023. This delegation is valid for a period of 26 months.

The total amount of the share capital increases that may be carried out under the 17th resolution below and the resolutions allowing employees and Company Officers to benefit from shares (18th and 19th resolutions of this General Meeting), subject to their approval, and resolutions allowing the implementation of employee shareholding transactions (20th and 21st resolutions submitted to this General Meeting), subject to their approval will also be deducted from this limit of 470 million euros.

As in 2023, in order to provide Shareholders with the right to express an opinion on the issues that are the subject of this delegation during periods of takeover bids, it is proposed that this delegation of authority be suspended during periods of takeover bids.

In the event of oversubscription, the **17th resolution** allows the amount of the issue initially provided for to be increased to a maximum of 15% (legal limit), subject to a maximum of 470 million euros.

Sixteenth Resolution

(Delegation of authority granted to the Board of Directors for a period of 26 months to increase the share capital via the issuance of ordinary shares or marketable securities giving access, immediately and/or in the future, to the Company's share capital with retention of preferential subscription rights for Shareholders for a maximum nominal amount of 470 million euros)

The General Meeting, deliberating according to the quorum and majority required for Extraordinary General Meetings, after having noted the Board of Directors' Report and the Statutory Auditors' Special Report, pursuant to articles L. 225-129 to L. 225-129-6, L. 22-10-49 and L. 228-91 to L. 228-93 of the French Commercial Code:

- delegates to the Board of Directors, with the possibility of sub-delegation under the conditions set by law, the authority to decide, on one or more occasions, in the proportions and at the times it deems fit, with retention of preferential subscription rights, the issue, in France and abroad, in euros, in foreign currencies or in units of account set by reference to several currencies, (i) of ordinary shares of the Company, (ii) of marketable securities governed by articles L. 228-91 et seq. of the French Commercial Code which are equity securities of the Company, giving access to other equity securities of the Company and/or giving entitlement to the allocation of debt securities of the Company and/or (iii) marketable securities representing a claim, whether or not governed by articles L. 228-91 et seq. of the French Commercial Code, giving access to or likely to give access to equity securities of the Company to be issued, with the possibility that these marketable securities may, where applicable, also give access to existing equity securities and/or debt securities of the Company, the subscription of which may be made either in cash or by offsetting against liquid and payable receivables.

  The delegation thereby granted to the Board of Directors is valid for a period of 26 months starting from the date of this General Meeting, it being specified, however, that the Board of Directors will not be authorized to make use of it during periods of takeover bids on the Company's share capital;
- decides that the total amount of share capital increases likely to be carried out, immediately and/or in the future, may not exceed a nominal amount of 470 million euros, from which will be deducted (i) the amount of the issues of shares or marketable securities, in the event of oversubscription, carried out pursuant to the seventeenth resolution below (or any resolution which would replace it at a later date), (ii) the amount of share issues resulting from options or performance shares granted under the eighteenth and nineteenth resolutions of this Extraordinary General Meeting, subject to their approval (or any resolutions which would replace them at a later date), and (iii) the total amount of share capital increases carried out pursuant to the twentieth and twenty-first resolutions of this General Meeting subject to their approval (or any resolutions which would replace them at a later date), this limit being increased by the number of shares necessary for adjustments that may be made in accordance with applicable laws and regulations and, where applicable, contractual provisions providing for other cases of adjustment, to preserve the rights of holders of marketable securities giving entitlement to Company shares; the maximum nominal amount (or its equivalent amount in euros on the issue decision date in the event of an issue in foreign currencies or in units of account set by reference to several currencies) of the marketable debt securities giving access to the Company's share capital issued under this delegation may not exceed a limit of 3 billion euros, from which the issuance amount shall be deducted, where applicable, in the event of oversubscription, carried out pursuant to the seventeenth resolution below (or any resolution that would replace it a later date);
- decides that Shareholders have, in proportion to the amount of their shares, a preferential subscription right to shares or marketable securities giving access, immediately and/or in the future, to Company shares issued pursuant to this resolution;
- decides that if the subscriptions on an irreducible basis and, where applicable, on a reducible basis, where the Board of Directors has authorized such a possibility, have not absorbed the entire issue of shares or marketable securities as defined above, the Board of Directors may use, in the order it deems appropriate, each of the options offered by article L. 225-134 of the French Commercial Code, or only some of them;
- acknowledges and decides, as necessary, that any decision to issue under this delegation of authority shall entail, to the benefit of the holders of issued marketable securities giving access or likely to give access to equity securities to be issued by the Company, the waiver by Company Shareholders of their preferential subscription rights to the shares to be issued to which these marketable securities will give entitlement immediately and/or in the future;
- grants full powers to the Board of Directors, with the option of sub-delegation under the conditions set by law, to implement this delegation and in particular:
  - determine the price, terms and dates of the issues, as well as the form and characteristics of the marketable securities to be created,
  - set the amounts to be issued, suspend, where applicable, the exercise of Company share allotment rights attached to the marketable securities to be issued for a period not exceeding three months, set the terms and conditions under which will be ensured, where applicable, the preservation of the rights of holders of marketable securities giving future entitlement to Company shares, in accordance with legal, regulatory and, where applicable, contractual provisions, and deduct, where applicable, any amounts from the issue premium(s) and in particular, costs arising from issues,
  - proceed, where applicable, with the admission to trading on a regulated market of the marketable securities to be issued, generally take all necessary measures and enter into all agreements to successfully complete the planned issues, record the capital increase(s) resulting from any issue carried out using this delegation and amend the articles of association accordingly;
- acknowledges that this delegation cancels the delegation granted by the Extraordinary General Meeting of May 3, 2023 in its nineteenth resolution.

Seventeenth Resolution

(Authorization granted to the Board of Directors for a period of 26 months to increase, in the event of oversubscription, the issuance amount of shares or marketable securities)

The General Meeting, deliberating according to the quorum and majority required for Extraordinary General Meetings, after having noted the Board of Directors' Report and the Statutory Auditors' Special Report and pursuant to the provisions of article L.225-135-1 of the French Commercial Code, in the event of the issue of shares or marketable securities with retention of preferential subscription rights as referred to in the sixteenth resolution:

- authorizes the Board of Directors, with the possibility of sub-delegation, to increase, under the conditions set by law, the number of shares or marketable securities to be issued with preferential subscription rights for Shareholders at the same price as set for the initial issue, within the deadlines and limits provided for by the applicable regulations, it being specified, however, that the Board of Directors will not be authorized to make use of it during periods of takeover bid on the Company's share capital;
- decides that the nominal amount of the increase in the issue decided under this resolution will be deducted from the first, and, where applicable, in the event of the issue of debt securities, the second limit stated in the sixteenth resolution;
- decides that this delegation of authority granted to the Board of Directors is valid for a period of 26 months starting from the date of this Meeting.

Resolutions 18 and 19 Grant of share subscription or purchase options and performance shares

Purpose

The Group has established performance share plans with the aim of involving employees in its performance, beyond profit-sharing and participation. The Board of Directors has not awarded stock options since 2019, but has not ruled out using this remuneration instrument, according to the conditions described above, if changes in circumstances justify doing so. In order to pursue this attribution policy, it is proposed that you renew the existing authorizations that were last granted by the General Meeting of May 2022.

As in the past, the performance conditions apply to all options and performance shares awarded to any beneficiary and are calculated over three years. They are set at the beginning of the year at the February meeting of the Board of Directors, in order to comply with a reference period of three full years.

The criteria used include ROCE (Return on Capital Employed), which is relevant in very capital intensive industry, and TSR (Total Shareholder Return), which enables the Company's performance to be aligned with the regular returns expected by its Shareholders.

Since the 2020 performance share plans, the performance conditions have included a performance condition linked to the Group's climate objectives. The weighting of the climate criterion would be strengthened in the performance share plans from 2025, as proposed in the remuneration policy submitted to you in the 12th resolution.

The proposed resolutions set sub-limits for Company Officers, it being specified that the Board of Directors sets annual limits that are substantially lower than these sub-limits. Attributions to Company Officers are also accompanied by strict shareholding obligations.

It should be noted that, since 2018, the award of long-term incentives (LTIs) to the Company Officer has been subject to the principle of prorating. In practice, if the Company officer leaves for any reason other than resignation or removal from office for serious cause (situations which will result in the loss of the LTI), the overall allocation rate (when the performance conditions have been applied) will be reduced on a prorated basis, according to the number of months of the Company officer's actual presence at the Group during the period of assessment of the performance criteria.

In addition, under the principle applied since 2016, the attribution of performance shares to the Company Officer is assessed according to IFRS.

The **18th resolution** is intended to renew, for a period of 38 months, the authorization granted to the Board of Directors by the General Meeting of May 4, 2022, to grant options to subscribe or purchase shares of the Company for the benefit of employees and Company Officers. The draft resolution maintains the total number of options allowed at 2% of the share capital over 38 months, and sets the limit on the number of shares that can be awarded to Company Officers at the same time at 0.2% of the share capital.

The **19th resolution** is intended to renew, for a period of 38 months, the authorization granted to the Board of Directors by the General Meeting of May 4, 2022, to grant performance shares of the Company for the benefit of employees and Company Officers. The draft resolution maintains the total number of shares that can be attributed at 0.5% of the share capital over 38 months, and sets the limit on the number of shares that can be awarded to Company Officers at 0.1% of the capital at the same time. In order to make performance share attribution plans more attractive to employees (beneficiaries), particularly internationally, and to simplify their management, the "France" and "World" regulations would now be consolidated into a single plan, together with a minimum vesting period of three years, with no minimum holding period.

Eighteenth Resolution

(Authorization granted to the Board of Directors for a period of 38 months to grant to employees and Company Officers of the Group, or some of such employees and Company Officers, share subscription options or share purchase options resulting in the waiver by Shareholders of their preferential subscription rights to shares to be issued upon exercise of the subscription options)

The Shareholders, deliberating according to the quorum and majority required for Extraordinary General Meetings, after having reviewed the Report of the Board of Directors and the Statutory Auditors' Special Report:

- authorize the Board of Directors within the scope of articles L. 225-177 et seq. and L. 22-10-56 et seq. of the French Commercial Code, to grant, on one or more occasions, to employees and Company Officers of the Company or its French and foreign subsidiaries within the meaning of article L. 225-180 of the French Commercial Code, or some of such employees and Company Officers, options conferring entitlement to subscribe to new shares of the Company to be issued pursuant to a capital increase or options conferring entitlement to the purchase of existing Air Liquide shares bought back by the Company;
- decide that the total number of options thus granted for a period of 38 months may not confer entitlement to a total number of shares exceeding 2% of the Company's share capital on the date the options are granted by the Board of Directors, bearing in mind that the number of options granted to the Company Officers, pursuant to this authorization, may not confer entitlement to a total number of shares exceeding 0.2% of the Company's share capital on the date the options are granted by the Board of Directors; the total numbers of shares thus determined do not take into account any adjustments that could be made in accordance with the applicable legal and regulatory provisions in order to preserve the rights of the beneficiaries of the share subscription or share purchase options;
- decide that the maximum nominal amount of share capital increases performed on the basis of this authorization shall be deducted from the overall limit stipulated in paragraph 2 of the sixteenth resolution of this Extraordinary General Meeting (or any resolution which would replace it at a later date);
- set the period of validity during which the options may be exercised at a maximum of 10 years as from the date of their allocation by the Board of Directors, and grant full powers to the Board of Directors to set a shorter period;
- decide that this authorization is granted for a period of 38 months as from the date hereof. It shall entail an express waiver by the Shareholders of their preferential subscription right to the shares that shall be issued as and when the options are exercised in favor of the share subscription option beneficiaries;
- decide that the Board of Directors, within the limits provided for by law and this resolution, shall set the conditions under which the options will be granted, as well as the list of beneficiaries and the number of options offered, and shall determine the subscription or purchase price of the shares, which may not be lower than the average of the opening trading prices for the 20 trading days prior to the date when the option is granted, rounded down to the nearest euro, nor for share purchase options, the average purchase price of the Company's treasury shares, rounded down to the nearest euro. This price may not be modified unless the Company were to carry out one of the financial or securities transactions provided for by law. In such a case, the Board of Directors would, according to regulatory conditions, adjust the number and price of the shares covered by the options granted, to take account of the impact of the transaction; it may also, in such a case, if it deemed this necessary, temporarily suspend the right to exercise the options during the aforementioned transaction;
- grant full powers to the Board of Directors, with the option of sub-delegation under the conditions set by law, to, where applicable, deduct the share capital increase costs from the amount of additional paid-in capital relating to such increases, complete or have completed all actions and formalities in order to record the share capital increase(s) resulting from the exercise of share subscription options, and amend the articles of association accordingly.

This authorization supersedes the authorization granted by virtue of the twentieth resolution of the Extraordinary General Meeting of May 4, 2022, for its unused portion.

Nineteenth Resolution

(Authorization granted to the Board of Directors for a period of 38 months to grant existing or new shares to employees and Company Officers of the Group, or some of such employees and Company Officers, resulting in the waiver by Shareholders of their preferential subscription rights to the shares to be issued)

The Shareholders, deliberating according to the quorum and majority required for Extraordinary General Meetings, after having reviewed the Report of the Board of Directors and the Statutory Auditors' Special Report:

- authorize the Board of Directors, within the scope of articles L. 225-197-1 et seq., L. 22-10-59 and L. 22-10-60 of the French Commercial Code, to proceed, on one or more occasions, to free share attribution of existing or new shares to beneficiaries, whom it will determine from among the employees and Company Officers of the Company and the entities affiliated with the Company, pursuant to article L. 225-197-2 of the aforementioned Code, under the following conditions;
- decide that the existing or new shares that are granted pursuant to this authorization may not represent more than 0.5% of the share capital on the date of the decision by the Board of Directors to grant them, bearing in mind that the shares granted to Company Officers pursuant to this authorization may not represent more than 0.1% of the share capital on the date of the decision by the Board of Directors to grant them; the total numbers of shares thus determined do not take into account any adjustments that could be made in the event of a transaction involving the Company's share capital;
- decide that the maximum par value amount of share capital increases performed on the basis of this authorization shall be deducted from the overall limit stipulated in paragraph 2 of the sixteenth resolution of this Extraordinary General Meeting (or any resolution which would replace it at a later date);
- decide that the allocation of said shares to their beneficiaries will become definitive at the end of a minimum vesting period of three years and without a minimum holding period following the final grant of the shares, it being understood that the Board of Directors will have the option to extend the vesting period, as well as to set a holding period from the end of the vesting period;

- decide that the grant of such shares to their beneficiaries shall become definitive prior to the end of the above-mentioned vesting period and that such shares shall be freely transferable in the event of the disability of the beneficiary under the conditions provided for by law;
- take due note that, in the event of the free attribution of new shares, this authorization shall entail, as and when such shares are definitely granted, an increase in capital by capitalization of additional paid-in capital, reserves or profits in favor of the beneficiaries of the shares and the correlative waiver by the Shareholders of their preferential rights for such shares in favor of the beneficiaries;
- grant full powers to the Board of Directors with the possibility of sub-delegation under the conditions set by law, to implement this authorization. The Board of Directors shall have full powers in order to, in particular:
  - determine the identity of the beneficiaries or the category or categories of beneficiaries, of the share attribution and the number of shares attributed to each of them,
  - set the conditions and, where applicable, the criteria for the attribution of shares,
  - provide for the possibility to provisionally suspend the rights to the attribution under the conditions provided for by law and the applicable regulations,
  - register the free shares attributed in a registered account in the name of the holder, mentioning, where applicable, the holding period and the duration of such period, and to waive the holding period for the shares in any circumstance in which this resolution or the applicable regulations make it possible to waive such holding period,
  - provide for the possibility, if it deems it necessary, to adjust the number of free shares attributed in order to preserve the rights of the beneficiaries in the event of any transactions on the Company's share capital during the vesting period, as referred to article L. 225-181, paragraph 2, of the French Commercial Code, under conditions which it shall determine,
  - in the event of the issuance of new shares, to deduct, where applicable, from the reserves, profits or additional paid-in capital as it chooses, the amounts required to pay for such shares, to record the completion of the share capital increases carried out under this authorization, to amend the articles of association accordingly and, in general, to carry out all necessary acts and formalities.

This authorization is granted for a period of 38 months as from the date hereof and supersedes the authorization granted by virtue of the twenty-first resolution of the Extraordinary General Meeting of May 4, 2022, for its unused portion.

Resolutions 20 and 21 Capital increase reserved for employees with cancellation of Shareholder preferential subscription rights

Purpose

The resolutions authorizing a capital increase reserved for employees are, as in 2024, submitted to this Meeting. The total nominal amount of share capital increases likely to be performed under these resolutions is 22 million euros, corresponding to the issue of a maximum of 4 million shares, i.e. 0.69% of the share capital as at December 31, 2024. This amount shall be deducted from the nominal limit of 470 million euros, i.e. around 15% of the share capital, as stipulated in the 16th resolution of this Meeting (or any resolution which would replace it at a later date), relating to the overall limit for share capital increases likely to be performed on delegation to the Board of Directors.

The **20th resolution** outlines the conditions of share capital increases reserved for members of a Company or Group Savings Plan; it is accompanied in the **21st resolution** by a similar provision for Group employees and corporate officers based abroad who could not benefit from the shareholding mechanism which will be established pursuant to the **20th resolution**. The wording of the **21st resolution** has been supplemented in order to be able to propose to the Group's employees abroad, where applicable, if the Board of Directors deems it appropriate, shareholding schemes with specific characteristics that may be distinct from plans put in place under the **20th resolution**.

These two delegations will be valid for a period of 26 months for the **20th resolution** and for a period of 18 months for the **21st resolution**. They shall result in the waiver by Shareholders of their preferential subscription rights in favor of the concerned beneficiaries.

The employee shareholding transactions authorized by these resolutions make it possible to involve employees more closely in the Group's development.

At the end of 2024, the share capital held by employees and former employees of the Group is estimated at 2.9%, of which 2.1% corresponds to shares subscribed by employees during capital increases reserved for employees or held through dedicated mutual funds.

Twentieth Resolution

(Delegation of authority granted to the Board of Directors for a period of 26 months to perform share capital increases, with cancellation of preferential subscription rights, reserved for members of a company or group savings plan)

The General Meeting, deliberating according to the quorum and majority required for Extraordinary General Meetings, having noted the Board of Directors' Report and the Statutory Auditors' Special Report, deliberating pursuant to articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code and articles L. 3331-1 et seq. of the French Labor Code:

- delegates to the Board of Directors the authority to decide to increase the Company's share capital, on one or more occasions, at the time or times and in the proportions that it deems appropriate, via the issuance of ordinary shares of the Company as well as other equity securities granting access to the Company's share capital, reserved for members of a Company or Group Savings Plan;
- decides that the total amount of share capital increases likely to be performed under this resolution may not exceed a maximum nominal amount of 22 million euros, corresponding to the issue of a maximum of 4 million shares, it being specified that this amount does not include additional shares to be issued, pursuant to applicable legal and regulatory provisions, and, when relevant, contractual stipulations providing for other adjustments, to preserve the rights of holders of equity securities conferring access to share capital and that the total amount of capital increases to be performed under this resolution and the twenty-first resolution may not exceed the aforementioned nominal amount of 22 million euros;
- decides that the maximum nominal amount of share capital increases to be performed on the basis of this delegation shall be deducted from the overall limit stipulated in paragraph 2 of the sixteenth resolution of this Extraordinary General Meeting (or any resolution which would replace it at a later date);
- decides that the beneficiaries of these capital increases will be, directly or through an intermediary of a Company mutual fund (FCPE) or all other structures or entities permitted by applicable legal or regulatory provisions, the members, within the Company and the French or foreign companies affiliated to it within the meaning of article L. 225-180 of the French Commercial Code and article L. 3344-1 of the French Labor Code, of a Company or Group Savings Plan;
- decides to cancel the preferential subscription rights of Shareholders to the new shares or other equity securities, and equity securities to which the latter would confer entitlement, which shall be issued in favor of the aforementioned members of a Company or Group Savings Plan in accordance with this resolution;
- decides that the subscription price may not exceed the average, pursuant to the provisions of article L. 3332-19 of the French Labor Code, of the opening trading prices for the Company's share during the 20 trading days preceding the date of the decision setting the opening date for the subscription period, or be more than 20% lower than such average, bearing in mind that the General Meeting officially authorizes the Board of Directors, if deemed appropriate, to reduce or cancel the aforementioned discount, in view of especially the legal, regulatory and tax constraints under the applicable foreign law, where applicable;
- decides, in accordance with article L. 3332-21 of the French Labor Code, that the Board of Directors may provide for the free share attribution, to the aforementioned beneficiaries, of shares to be issued or already issued or other equity securities or securities granting access to the Company's capital to be issued or already issued, in respect of (i) the contribution that could be paid in accordance with the regulations governing Company or Group Saving Plans, and/or (ii) where appropriate, the discount;
- also decides that, should the beneficiaries not subscribe to the entire capital increase within the allotted deadlines, the capital increase would only be performed for the amount of the shares subscribed, and that the non-subscribed shares may be offered again to the beneficiaries concerned within the scope of a subsequent capital increase;
- grants full powers to the Board of Directors with the option of sub-delegation under the conditions set by law, to determine, within the limits described above, the various terms and conditions of the transaction and particularly:
  - define the criteria which the companies must meet in order for their employees to be entitled to benefit from the capital increases,
  - determine the list of these companies,
  - set the terms and conditions of the share issue, the characteristics of the shares, and, where appropriate, the other equity securities, determine the subscription price calculated based on the method defined above, set the terms and conditions and deadline for fully paying up the subscribed shares; deduct from the "additional paid-in capital" account all costs relating to these capital increases and, if deemed appropriate, all sums necessary to bring the legal reserve up to one tenth of the new share capital after each share issue; and generally complete, directly or through an authorized representative, all the transactions and formalities relating to the share capital increases performed under this resolution and, where appropriate, especially take any measures with a view to listing the shares issued pursuant to this resolution for trading on the Euronext Paris regulated exchange,
  - set the opening and closing dates for the subscription period, record the completion of the corresponding capital increase and amend the articles of association accordingly;
- decides that this delegation of authority granted to the Board of Directors is valid for a period of 26 months starting from the date of this General Meeting.

Twenty-first Resolution

(Delegation of authority granted to the Board of Directors for a period of 18 months to perform share capital increases, with cancellation of preferential subscription rights, reserved for a category of beneficiaries)

The General Meeting, deliberating according to the quorum and majority required for Extraordinary General Meetings, having noted the Board of Directors' Report and the Statutory Auditors' Special Report, pursuant to the provisions of articles L. 225-129 to L. 225-129-2 and article L. 225-138 of the French Commercial Code:

- delegates to the Board of Directors the authority to decide to increase the Company's share capital, on one or more occasions, at the time or times and in the proportions it shall deem fit, via the issuance of ordinary shares of the Company as well as any other equity securities conferring entitlement to the Company's share capital, reserved for the category of beneficiaries defined hereafter;
- decides that the total amount of share capital increases likely to be performed under this resolution may not exceed a maximum nominal amount of 22 million euros, corresponding to the issue of a maximum of 4 million shares, it being specified that this amount does not include additional shares to be issued, pursuant to applicable legal and regulatory provisions, and, when relevant, contractual stipulations providing for other adjustments, to preserve the rights of holders of equity securities conferring access to share capital and that the total amount of capital increases to be performed under this resolution and the twentieth resolution may not exceed the aforementioned nominal amount of 22 million euros;
- decides that the maximum nominal amount of share capital increases to be performed on the basis of this delegation shall be deducted from the overall limit stipulated in paragraph 2 of the sixteenth resolution of this Extraordinary General Meeting (or any resolution which would replace it at a later date);
- decides to cancel the Shareholders' preferential subscription rights to the shares or other equity securities, and to the equity securities to which these equity securities would give entitlement, that may be issued pursuant to this resolution and to reserve the right to subscribe to them for the category of beneficiaries meeting the following characteristics: (i) employees and corporate officers of companies related to the Company under the conditions of article L. 225-180 of the French Commercial Code and article L. 3341-1 of the French Labor Code and having their registered office outside France and/or (ii) any financial institution or subsidiary of such an institution mandated by the Company and which may subscribe for shares or other equity securities issued by the Company pursuant to this resolution, for the sole purpose of allowing employees and corporate officers of foreign companies related to the Company within the meaning of articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code to benefit from a shareholding or investment scheme with an economic profile comparable to an employee shareholding scheme that may be set up as part of a capital increase carried out pursuant to the twentieth resolution submitted to the vote of this General Meeting, taking into account the regulatory and tax and/or social framework applicable in the countries of residence of the employees and corporate officers of the aforementioned foreign companies and/or (iii) pooled-investment funds (OPCVM) or other employee shareholding entities, whether or not a legal entity, invested in Company shares whose unit holders or shareholders are made up of the persons mentioned in (i) or allowing these persons to benefit, directly or indirectly, from a system of shareholding or savings in Company shares;
- decides that the unit issue price of the shares to be issued pursuant to this resolution will be set by the Board of Directors (i) on the basis of the Company's share price; this issue price will be equal to the average of the opening listed prices of the Company's shares during the 20 trading sessions preceding the day of the Board of Directors' decision setting the opening date of the subscription to a capital increase carried out on the basis of the twentieth resolution, with the ability to reduce this average by a maximum discount of 20%; the amount of any such discount will be determined by the Board of Directors within the aforementioned limit, and/or (ii) at the same price decided on the basis of the twentieth resolution in the event of a concomitant transaction and/or (iii) in accordance with the terms for setting the subscription price for Company shares, taking into account the specific regime of an offer of Company shares that may be made as part of a shareholding scheme governed by foreign law, in particular under a Share Incentive Plan in the United Kingdom or a plan established pursuant to sections 401 (k) or 423 of the United States Tax Code;
- decides that the Board of Directors shall have full powers, under the terms and conditions set forth by law and within the limits defined above, with the option of sub-delegation, so as to implement this delegation and particularly in order to:
  - set the date and price for the issue of shares or other equity securities to be issued in accordance with this resolution as well as the other terms and conditions governing the issue,
  - determine the beneficiary (or list of beneficiaries) for the cancellation of the preferential subscription rights within the above-defined category, as well as the number of shares to be subscribed by such beneficiary (or each beneficiary),
  - where appropriate, determine the characteristics of the other equity securities granting access to the Company's share capital under the applicable legal and regulatory conditions,
  - record the completion of the share capital increase, complete, directly or through an authorized representative, all the transactions and formalities involving the share capital increases and, on its sole decision and if it deems appropriate, deduct the share capital increase costs from the amount of additional paid-in capital relating to such increases, amend the articles of association accordingly and perform all the necessary formalities and, where appropriate, take any measures with a view to listing the shares issued pursuant to this resolution for trading on the Euronext Paris regulated exchange;
- decides that this delegation of authority granted to the Board of Directors is valid for a period of 18 months starting from the date of this General Meeting.

Resolution 22 Proposed modification of the articles of association (in application of Law no. 2024-537 of June 13, 2024 aimed at increasing the financing of businesses and the attractiveness of France)

Purpose

On the recommendation of the Appointments and Governance Committee, your Board asks you, in the **22nd resolution**, to amend the provisions of article 14 of the articles of association in accordance with the new provisions of Law No. 2024-537 of June 13, 2024 aimed at increasing the financing of companies and the attractiveness of France.

This new regulation stipulates in particular that, in principle, members of the Board of Directors who take part in the meeting by telecommunication means are now deemed present for the calculation of quorum and majority and for all decisions, including decisions for which the physical presence of the Directors was, until now, required.

The purpose of the 22nd resolution is to update article 14 of the articles of association, which already provided for this possibility under the conditions of the old text, with the provisions of the regulation that came into force on October 11, 2024.

You are also asked to remove, in the same article, the provisions concerning the use of written consultation for decisions of the Board of Directors. The Board of Directors does not, at this stage, wish to set up a system allowing the use of written consultations under the conditions provided for by the new regulation, nor to use the option of voting by mail at Board meetings.

Twenty-second Resolution

(Amendment of article 14 (Board of Directors' meetings and deliberations) of the articles of association in application of Law no. 2024-537 of June 13, 2024 aimed at increasing the financing of businesses and the attractiveness of France)

The General Meeting, deliberating according to the quorum and majority required for Extraordinary General Meetings, after having noted the Board of Directors' Report, pursuant to Law no. 2024-537 of June 13, 2024 aimed at increasing the financing of companies and the attractiveness of France, decides:

- to amend the provisions relating to the holding of Board meetings by telecommunication means, in the penultimate paragraph of article 14 (Board of Directors' meetings and deliberations) of the Company's articles of association, in order to adapt the latter to the terms of the new regulation; and
- to remove the provisions that provided for the use of written consultation for decisions of the Board of Directors in accordance with the provisions of the old regulation, in the last paragraph of the same article.

Article 14 – Board of Directors' meetings and deliberations

The 11th and 12th paragraphs of article 14 of the articles of association will now read as follows:

Old text	New text
The Board of Directors may stipulate in its internal rules that the members of the Board of Directors who take part in the Board's meeting by videoconference or telecommunications in accordance with the conditions provided by the regulations in force shall be considered as present for calculating the quorum and voting majority of the members, for all decisions in which the law does not exclude such possibility. The Board of Directors may make certain decisions by written consultation of the Directors, under the conditions set forth in the regulations in force.	For the purposes of calculating the quorum and majority, members of the Board of Directors who take part in a Board meeting by means of telecommunication, under the conditions set forth in the regulations in force, are deemed to be present.

The other paragraphs of article 14 remain unchanged.

Ordinary General Meeting

Resolution 23 Powers

Purpose

The **23rd resolution** is a standard resolution required for the completion of official publications and legal formalities.

Twenty-third Resolution

(Powers for formalities)

Full powers are granted to a holder of a copy or extract of the minutes of this General Meeting to perform all official publications and other formalities required by law and the regulations.

STATUTORY AUDITORS' REPORTS

Statutory Auditors' Special Report on related party agreements

This is an unofficial translation into English of the Statutory Auditors' Special Report on related-party agreements that is issued in French and provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

It should be understood that the agreements reported on are only those provided for by the French Commercial Code (Code de commerce) and that the report does not apply to those related-party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report on the agreements with related parties. We are required to inform you, based on the information provided to us, of the characteristics and principal terms and conditions as well as the reasons justifying the interest for your Company of those agreements of which we have been informed or which we discovered at the time of our engagement, without expressing an opinion on their usefulness and appropriateness or seeking to identify other agreements. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code, to assess the benefits resulting from the conclusion of these agreements prior to their approval.

Furthermore, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code, relating to the performance, during the past financial year, of the agreements already approved by the Annual Shareholders' Meeting.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body (Compagnie Nationale des Commissaires aux comptes) relating to this type of engagement.

Agreements Submitted for approval by the General Meeting

Agreements authorized and executed during the past financial year

We hereby inform you that we have not been advised of any agreements authorized in the course of the year to be submitted to the General Meeting of Shareholders for approval in accordance with Article L. 225-38 of the French Commercial Code.

Agreements approved during previous financial years that remained in force during the past financial year

We hereby inform you that we have not been advised of any agreements previously approved by the Annual Shareholders' Meeting that remained in force during the past financial year.

Neuilly-sur-Seine et Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

Statutory Auditors' report on the share capital reduction

(Combined General Meeting of May 6, 2025, 15th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and pursuant to the provisions of article L. 22-10-62 of the French Commercial Code (Code de commerce) relating to share capital reductions, in particular as regards the cancellation of shares bought back by the company, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed share capital reductions.

The shareholders are asked to delegate to the Board of Directors full powers to cancel, any or all of the shares bought back by the company under the share buyback program, within the limit of 10% of the capital as of the date of the cancellation, per twenty-four-month period. These powers would be exercisable for a period of twenty-four months from the Shareholders' Meeting, in accordance with article L. 22-10-62 of the French Commercial Code (Code de commerce).

We performed the procedures we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in ensuring that the reasons for and the terms and conditions of the proposed capital reductions, which are not considered to affect shareholder equality, comply with the applicable legal provisions.

We have no matters to report on the reasons for or terms and conditions of the proposed capital decrease.

Neuilly-sur-Seine et Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

Statutory Auditors' report on the issue of shares and various securities with preferential subscription rights

(Combined Shareholders' meeting of May 6, 2025 – 16^{th} and 17^{th} resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company, and in compliance with article L. 228-92 of the French Commercial Code (Code de commerce), we hereby report to you on the proposed delegation of authority to the Board of Directors to issue, with preferential subscription rights, (i) of ordinary shares of the company, (ii) of securities governed by articles L. 228-91 et seq. of the French Commercial Code (Code de Commerce), consisting of equity securities of the company giving access to other equity securities of the company and/or giving the right to the allocation of debt securities of the company and/or (iii) of securities representing debt securities, whether governed or not by articles L.228-91 et seq. of the French Commercial Code (Code de Commerce), giving access or likely to give access to equity securities to be issued by the company, such securities also potentially giving access to existing equity securities and/or debt securities of the company, the subscription of which may be made either in cash or by offsetting with liquid and payable receivables, operations upon which you are called to a vote.

The total nominal amount of the share capital increases that may be carried out, immediately or in the future, may not exceed 470 million euros, from which shall be deducted (i) the issuance amount of shares or securities, in the event of excess demand, carried out pursuant to the seventeenth resolution (or any resolution which may subsequently replace it), (ii) the issuance amount of shares arising from the stock options or performance shares granted under the eighteenth and nineteenth resolutions of the Extraordinary Shareholder's Meeting of May 6, 2025 (or any resolution which may subsequently replace it), the amount of the share capital increases carried out in accordance with the twentieth and twenty-first resolutions of this Shareholder's Meeting (or any resolution which may subsequently replace it).

The total nominal amount of securities representing debt securities giving access to the company's share capital that are likely to be issued may not exceed 3 billion euros, on which shall be deducted where applicable, the emissions, in the event of excess requests, made under the seventeenth resolution.

If you adopt the sixteenth resolution, these maximum amounts will take into account the additional number of securities to be issued under the delegation of authority presented in the seventeenth resolution, in accordance with article L.225-135-1 of the French Commercial Code (Code de Commerce).

Your Board of Directors proposes, on the basis of its report, to delegate to it, for a period of twenty-six months, the authority to decide on an issue of shares. Where appropriate, it will be responsible for setting the final terms and conditions of the share issue.

It is the Board of Directors' responsibility to prepare a report in accordance with articles R. 225-113 et seq. of the French Commercial Code (Code de commerce). It is our responsibility to express an opinion on the fairness of the information taken from the financial statements, on the proposed issue of shares and on other information relating to this issue provided in this report. We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Board of Directors' Report pertaining to the transaction and the methods used to set the issue price of the shares to be issued.

As this report does not specify the methods used to determine the issue price for the equity securities to be issued, we do not express an opinion on the basis used to calculate this issue price.

In addition, we do not express an opinion on the final terms and conditions of the issuance, as they have not yet been set.

In accordance with article R. 225-116 of the French Commercial Code (Code de commerce), we will prepare an additional report if and when the Board of Directors uses this delegation of authority in the event of the issue of transferable securities which are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, in the event of the issue of transferable securities giving access to equity securities to issue.

Neuilly-sur-Seine et Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

Statutory Auditors' report on the authorization to grant share subscription or purchase options
(Combined General meeting of May 6, 2025 – 18th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Articles L. 225-177 and R. 225-144 of the French Commercial Code, we hereby report to you on the proposed authorization to grant share subscription or purchase options for the benefit of employees and executive officers of the Company or its French and foreign subsidiaries within the meaning of Article L. 225-180 of the French Commercial Code, or certain of them, an operation upon which you are called to vote.

The total number of options granted under this authorization may not entitle their holders to acquire a total number of shares exceeding 2% of the Company's share capital on the date the options are granted by the Board of Directors, it being specified that the number of options allocated to the Company's executive officers under this authorization may not entitle them to acquire a total number of shares exceeding 0.2% of the Company's share capital on the date the options are granted by the Board of Directors.

The nominal amount of capital increases that may be carried out under this authorization will be deducted from the overall ceiling of 470 million euros, as set forth in the sixteenth resolution of the Extraordinary General Meeting of May 6, 2025 (or any resolution that may subsequently replace it).

Your Board of Directors proposes, based on its report, to be authorized for a period of thirty-eight months from the date of this Extraordinary General Meeting to grant stock subscription or purchase options.

It is the responsibility of the Board of Directors to prepare a report outlining the reasons for granting stock subscription or purchase options as well as the proposed methods for setting the subscription or purchase price. Our responsibility is to express an opinion on the proposed methods for determining the subscription or purchase price of the shares.

We have carried out the procedures we deemed necessary in accordance with the professional standards of the National Company of Statutory Auditors applicable to this assignment. These procedures primarily involved verifying that the proposed methods for determining the subscription or purchase price of the shares are specified in the Board of Directors' report and that they comply with the legal and regulatory provisions.

We have no observations to make on the proposed methods for determining the subscription or purchase price of the shares.

Neuilly-sur-Seine et Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

Statutory Auditors' Report on the authorization to grant existing or new shares

(Combined General meeting of May 6, 2025 – 19th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Article L. 225-197-1 of the French Commercial Code, we hereby report to you on the proposed authorization to grant existing or new shares to employees and executive officers of your Company and affiliated entities, an operation upon which you are called to vote.

The total number of existing or newly issued shares granted under this authorization may not represent more than 0.5% of the share capital at the date of the Board of Directors' decision to grant such shares, it being specified that the shares granted to executive officers under this authorization may not exceed 0.1% of the share capital at the date of the Board of Directors' decision to grant such shares.

The nominal amount of capital increases that may be carried out under this authorization will be deducted from the overall ceiling of 470 million euros set by the sixteenth resolution of the Extraordinary General Meeting of May 6, 2025 (or any resolution that may subsequently replace it).

Your Board of Directors proposes, based on its report, to be authorized for a period of thirty-eight months from the date of this Extraordinary General Meeting to grant existing or newly issued performance shares.

It is the responsibility of the Board of Directors to prepare a report outlining the reasons for granting performance shares as well as the proposed methods for setting the vesting conditions. Our responsibility is to express any observations on the information provided in the Board of Directors' report regarding the proposed transaction.

We have performed the due diligence we deemed necessary in accordance with the professional standards of the National Company of Statutory Auditors applicable to this engagement. These procedures primarily involved verifying that the proposed methods outlined in the Board of Directors' report comply with the legal and regulatory provisions.

We have no observations to make on the information provided in the Board of Directors' report regarding the proposed authorization to grant existing or newly issued performance shares.

Neuilly-sur-Seine et Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

Statutory Auditors' Report on the issue of ordinary shares and/or other equity securities reserved for employees participating in a Company or Group savings plan

(Combined General meeting of May 6, 2025 – 20th resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code, we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on one or more occasions the issuance of ordinary shares and other equity securities giving access to the Company's capital, without preferential subscription rights, reserved for employees of the Company and affiliated companies, both French and foreign, within the meaning of Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code, who participate in a company or group savings plan, an operation upon which you are called to vote.

The maximum nominal amount of capital increases that may be carried out under this authorization shall not exceed 22 million euros (corresponding to a maximum issuance of 4 million shares), it being specified that:

- the total amount of capital increases that may be carried out pursuant to the twentieth and twenty-first resolutions of this Combined General Meeting shall not exceed the aforementioned nominal amount of 22 million euros;
- the maximum nominal amount of capital increases that may be carried out pursuant to the twentieth and twenty-first resolutions shall be deducted from the overall limit of 470 million euros, as set forth in the sixteenth resolution of the Extraordinary General Meeting of May 6, 2025 (or any resolution that may subsequently replace it).

This authorization is submitted for your approval in accordance with the provisions of Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 et seq. of the French Labor Code.

Your Board of Directors proposes, on the basis of its report, that the shareholders delegate to it, for a period of twenty-six months, the authority to decide on one or more capital increases and to cancel your preferential subscription rights. Where applicable, the Board of Directors shall determine the final terms and conditions of any such issuance.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to provide an opinion on the accuracy of the financial information taken from the financial statements, on the proposal to cancel shareholders' preferential subscription rights, and on certain other information relating to the issuance as set out in this report.

We have performed the procedures we deemed necessary in accordance with the professional standards of the National Company of Statutory Auditors applicable to this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' Report pertaining to the transaction and the methods used to set the issue price of the shares to be issued.

Subject to a subsequent examination of the final terms and conditions of the issuance, we have no observations to make on the methods for determining the issuance price of the securities as set out in the Board of Directors' report.

Since the final terms and conditions of the issuance have not been determined, we do not express an opinion on these and, consequently, on the proposed cancellation of shareholders' preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report, if necessary, upon the use of this delegation by the Board of Directors.

Neuilly-sur-Seine et Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

Statutory Auditors' Report on the issue of ordinary shares and other equity securities giving rights to the share capital reserved for a category of beneficiaries

(Combined General meeting of May 6, 2025 – 21st resolution)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code, we hereby report to you on the proposed delegation of authority to the Board of Directors to decide, on one or more occasions, the issue of ordinary shares and other equity securities giving rights to the Company's share capital, without preferential subscription rights, reserved for the category of beneficiaries defined below, an operation upon which you are called to vote.

This capital increase is reserved for (i) Employees and Executive Officers of the Company's affiliates within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3341-1 of the French Labor Code, whose registered office is outside France, and/or (ii) Any financial institution or subsidiary of such an institution appointed by the Company that subscribes to shares or other equity securities issued by the Company under this resolution, with the sole aim of enabling employees and Executive Officers of foreign affiliates of the Company, as defined by Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code, to benefit from a shareholding or investment plan with an economic profile comparable to an employee shareholding plan that would be implemented as part of a capital increase carried out under the twentieth resolution, considering the regulatory, tax, and/or social framework applicable in the country of residence of the employees and Executive Officers of the aforementioned foreign companies, and/or (iii) Employee shareholding mutual funds (OPCVM) or other entities, whether legally incorporated or not, investing in the Company's securities, whose unit holders or shareholders will be composed of the persons mentioned in point (i) or who enable these persons to benefit, directly or indirectly, from an employee shareholding or savings plan involving the Company's securities.

The maximum nominal amount of share capital increases likely to be performed under this resolution may not exceed 22 million euros (corresponding to the issue of a maximum of 4 million shares), it being specified that:

- the total amount of share capital increases that may be carried out pursuant to the twentieth and twenty-first resolutions of this Combined General Meeting shall not exceed the aforementioned nominal amount of 22 million euros;
- the maximum nominal amount of share capital increases that may be carried out pursuant to the twentieth and twenty-first resolutions shall be deducted from the overall limit of 470 million euros, as set forth in the sixteenth resolution of the Extraordinary General Meeting of May 6, 2025 (or any resolution that may subsequently replace it).

Your Board of Directors proposes, on the basis of its report, that the shareholders delegate to it, for a period of eighteen months, the authority to decide on one or more issuances and to cancel your preferential subscription rights. Where applicable, the Board of Directors shall determine the final terms and conditions of any such issuance.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to provide an opinion on the accuracy of the financial information taken from the financial statements, on the proposal to cancel shareholders' preferential subscription rights, and on certain other information relating to the issuance as set out in this report.

We have performed the procedures we deemed necessary in accordance with the professional standards of the National Company of Statutory Auditors applicable to this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' Report pertaining to the transaction and the methods used to set the issue price of the shares to be issued.

Subject to a subsequent examination of the final terms and conditions of the issuance, we have no observations to make on the methods for determining the issuance price of the securities as set out in the Board of Directors' report.

Since the final terms and conditions of the issuance have not been determined, we do not express an opinion on these and, consequently, on the proposed cancellation of shareholders' preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report, if necessary, upon the use of this delegation by the Board of Directors.

Neuilly-sur-Seine et Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit		KPMG S.A.	
Olivier Lotz	Cédric Le Gal	Valérie Besson	Laurent Genin

7 Additional information

SHARE CAPITAL

1. Trends in share capital over the past three years

Issue date	Type of transaction	Number of shares issued	Aggregate number of shares	Share capital increase	Issue premiums and reserves	Share capital
(in euros, except for shares)						
February 15, 2022	Exercise of share subscription options	417,441	475,291,037	2,295,925.50	27,665,701.69	2,614,100,703.50
May 31, 2022	Exercise of share subscription options	179,795	475,470,832	988,872.50	12,383,510.94	2,615,089,576.00
May 31, 2022	Free share attribution (1 for 10)	47,547,083	523,017,915	261,508,956.50	(261,508,956.50)	2,876,598,532.50
May 31, 2022	Free share attribution (1 for 100)	1,358,416	524,376,331	7,471,288.00	(7,471,288.00)	2,884,069,820.50
July 27, 2022	Cancelation of shares	(1,098,900)	523,277,431	(6,043,950.00)	(152,783,263.80)	2,878,025,870.50
February 15, 2023	Exercise of share subscription options	172,840	523,450,271	950,620.00	10,765,197.61	2,878,976,490.50
September 29, 2023	Cancellation of shares	(120,000)	523,330,271	(660,000.00)	(17,452,284.00)	2,878,316,490.50
September 29, 2023	Exercise of share subscription options	364,079	523,694,350	2,002,434.50	23,107,163.97	2,880,318,925.00
December 7, 2023	Share capital reserved for employees	746,401	524,440,751	4,105,205.50	90,866,958.43	2,884,424,130.50
February 19, 2024	Exercise of share subscription options	76,027	524,516,778	418,148.50	4,962,157.69	2,884,842,279.00
April 30, 2024	Cancellation of shares	(627,000)	523,889,778	(3,448,500.00)	(114,742,943.70)	2,881,393,779.00
June 3, 2024	Exercise of share subscription options	301,422	524,191,200	1,657,821.00	19,737,870.65	2,883,051,600.00
June 3, 2024	Free share attribution (1 for 10)	52,419,120	576,610,320	288,305,160.00	(288,305,160.00)	3,171,356,760.00
June 3, 2024	Free share attribution (1 for 100)	1,492,853	578,103,173	8,210,691.50	(8,210,691.50)	3,179,567,451.50

Note: Between June 1 and December 31, 2024, 156,090 options were exercised, giving rise to an outstanding capital as at December 31, 2024 of 3,180,425,946.50 euros divided up into 578,259,263 shares.

2. Changes in share capital ownership over the last three years

	2022	2023	2024
Individual shareholders	35%	34%	33% (a)
French institutional investors	14%	13%	14%
Foreign institutional investors	51%	53%	53%
Treasury shares	> 0%	> 0%	> 0%

(a) Part of the increase in the proportion of capital held by individual Shareholders between the end of 2021 (33%) and the end of 2022 (35%) is due to the change of the tool used to identify Shareholders pursuant to the European Shareholder Rights Directive (SRD2). The results obtained thus provide more precise information on the shareholding structure, in particular with regard to individual Shareholders abroad.

THRESHOLD NOTIFICATIONS

During fiscal years ending December 31, 2022, December 31, 2023 and December 31, 2024, no threshold notifications have been declared.

On September 29, 2020, BlackRock declared that it had surpassed the threshold upward. With 23,784,446 shares, this company held 5.02% of the shares and the associated voting rights.

To the Company's knowledge, there is no other Shareholder that holds either directly or indirectly, alone or jointly, more than 5% of the capital or voting rights.

3. Share capital and voting rights for the last three years

	Number of shares comprising share capital	Theoretical number of voting rights (including treasury shares)	Actual number of voting rights (excluding treasury shares)
2022	523,450,271	523,450,271	522,224,620
2023	524,516,778	524,516,778	523,152,234
2024	578,259,263	578,259,263	576,444,587

There are no double voting rights. To the best of the Company's knowledge, there are no Shareholders' agreements or joint or concerted action agreements. The portion of the L'Air Liquide S.A. share capital comprising the direct registered shares owned by the main Shareholders and pledged is not material.

4. Amount of share capital held by employees

Since 1986, L'Air Liquide S.A. has given the employees of certain Group companies the possibility to subscribe to capital increases reserved for them. At the end of 2024, the share of capital held by employees and former employees of the Group is estimated at 2.9%, of which 2.1% (within the meaning of article L. 225-102 of the French Commercial Code), namely 11,864,987 shares, corresponds to shares subscribed by employees during employee reserved capital increase operations or held through mutual funds.

5. Delegations of authority granted at the General Meeting

Nature of the delegation	Validity of the delegation	Authorized amount	Utilization in 2024
Share buyback	Granted by: GM of April 30, 2024 (4th)* For a period of: **18 months** Maximum price: 300 euros	10% of share capital, representing 52,451,677 shares, for a maximum amount 15,735,503,100.00 euros	**Treasury shares** As of December 31, 2024, the Company owned 1,500,986 shares at an average purchase price of 145.95 euros, i.e. a balance sheet value of 219,067,176 euros. **Liquidity contract changes** Under the liquidity contract, as of December 31, 2024 a total of 25,250 shares were on the balance sheet for a net value of 3,977,213 euros. For more details, see pages 383-385 of the Universal Registration Document.
Cancelation of shares	Granted by: GM of May 3, 2023 (18th)* For a period of: **24 months**	10% of share capital	627,000 shares canceled in April 2024 for a total carrying amount of 118,191,444 euros. (See Information on the completion of the Company's share buyback program on page 384).
	Granted by: GM of April 30, 2024 (17th)* For a period of: **24 months**		None
Increase in share capital via the issuance of shares or marketable securities, with retention of shareholders' preferential subscription rights	Granted by: GM of May 3, 2023 (19th)* For a period of: **26 months**	470 million euros nominal amount (overall limit) Maximum nominal amount of marketable securities: 3 billion euros Amounts may be increased by a maximum of 15%, in the event of oversubscription (20th resolution GM of May 3, 2023)	None
Capital increase via capitalization of reserves	Granted by: GM of April 30, 2024 (18th) For a period of: **26 months**	For a maximum nominal amount of 320 million euros	In 2024, capital increase of 297 million euros by reducing the "Additional paid-in capital" for - 297 million euros, by means of the creation of 52,419,120 new shares freely attributed to shareholders at 1 new share for every 10 existing shares and 1,492,853 new shares freely attributed to shareholders as part of a 10% bonus attribution.
Share capital increase reserved for employees: ■ as part of a Group savings plan ■ as part of a comparable scheme abroad	Granted by: GM of April 30, 2024 (19th)* For a period of: **26 months** Granted by: GM of April 30, 2024 (20th)* For a period of: **18 months**	22 million euros nominal value and 4 million shares. To be deducted from the aforementioned overall limit of 470 million euros	None
Stock options	Granted by: GM of May 4, 2022 (20th)* For a period of: **38 months**	2% of the capital on the day the options were granted 0.2% of the capital on the date the options were granted to the Executive Officers	None
Performance shares	Granted by: GM of May 4, 2022 (21st)* For a period of: **38 months**	0.5% of the capital on the day the shares were granted 0.1% of the capital on the date the shares were granted to the Executive Officers	318,931 performance shares were granted by the Board on September 25, 2024.

* *Renewal to be proposed to the Combined General Meeting on May 6, 2025.*

GENERAL INFORMATION

1. General information

Law applicable to L'Air Liquide S.A.
French law.

Incorporation and expiration dates
The Company was incorporated on November 8, 1902, for a set term expiring on May 4, 2119.

Business and Company register
552 096 281 RCS Paris
APE code: 7112B
LEI: 969500MMPQVHK671GT54

Consulting legal documents
The articles of association, Minutes of General Meetings and other Company documents may be consulted at Company head office.

Fiscal year
The Company's fiscal year starts on January 1, and ends on December 31 of the same year.

Address, phone number of the Head Office and website
75, quai d'Orsay, 75007 Paris
+33 (0)1 40 62 55 55
https://www.airliquide.com

The information on the website is not included in the Universal Registration Document unless it is incorporated by reference.

2. Articles of association

Section I

NAME – PURPOSE – HEAD OFFICE – TERM

Article 1: Form and name

The Company is a joint stock company, with a Board of Directors. This Company will be governed by the laws and regulations in force and these articles of association.

The Company's name is "L'Air Liquide, société anonyme pour l'étude et l'exploitation des procédés Georges Claude".

Article 2: Purpose

The Company's corporate purpose includes:

- the study, exploitation, sale of the patents or inventions of Messrs. Georges and Eugène Claude pertaining to the liquefaction of gases, the industrial production of refrigeration, liquid air and oxygen, and the applications or utilizations thereof;
- the industrial production of refrigeration, of liquid air, the applications or uses thereof, the production and liquefaction of gases, and in particular oxygen, nitrogen, helium and hydrogen, the applications and uses thereof in all forms, pure, in blends and combinations, without any distinction as to state or origin, in all areas of application of their physical, thermodynamic, chemical, thermochemical and biological properties, and, in particular, in the domains of propulsion, the sea, health, agri-business and pollution;
- the purchase, manufacturing, sale, use of all products pertaining directly or indirectly to the aforementioned corporate purpose, as well as all sub-products resulting from their manufacturing or their use, of all machines or devices used for the utilization or application thereof and, more specifically, the purchase, manufacturing, sale, use of all products, metals or alloys, derived or resulting from a use of oxygen, nitrogen and hydrogen, pure, blended or combined, in particular of all oxygenated or nitrogenous products;
- the study, acquisition, direct or indirect exploitation or sale of all patents, inventions or methods pertaining to the same corporate purposes;
- the exploitation, directly or through the incorporation of companies, of all elements connected, directly or indirectly, with the Company's purpose or likely to contribute to the development of its industry;
- the supply of all services, or the supply of all products likely to develop its clientele in the industry or health sectors.

The Company may request or acquire all franchises, perform all constructions, acquire or lease all quarries, mines and all real property, and take over all operations connected with its corporate purpose, sell or lease these franchises, merge or create partnerships with other companies by acquiring Company shares or rights, through advances or in any appropriate manner. It may undertake these operations either alone or jointly.

Lastly, and more generally, it may carry out all industrial, commercial, real estate, personal or financial operations pertaining directly or indirectly to the corporate purposes specified above.

Article 3: Head office

The Company's head office is located at 75, quai d'Orsay, Paris.

It may be transferred upon a Board of Directors' decision to any other location in Paris or a neighboring department, subject to the ratification of such decision by the next Ordinary General Meeting, and anywhere else by virtue of a decision by an Extraordinary General Meeting.

Article 4: Term

The Company's term, initially fixed at 99 years beginning on February 18, 1929, has been extended as of the Extraordinary General Meeting of May 5, 2020 for a period of 99 years, i.e. until May 4, 2119, except in the event of early dissolution or extension.

Section II

SHARE CAPITAL – SHARES – IDENTIFICATION OF SHAREHOLDERS

Article 5: Share capital

The share capital has been set at 3,180,425,946.50 euros divided into 578,259,263 fully paid-up shares of a par value of 5.50 euros each.

Share capital is increased under the conditions stipulated by law either by issuing ordinary or preferred shares, or by raising the par value of existing shares. It may also be increased by exercising the rights attached to marketable securities granting access to share capital, under the conditions stipulated by law.

In accordance with prevailing legal provisions, unless otherwise decided by the General Meeting, the shareholders have, in proportion to the amount of shares they own, a preferential subscription right to the shares issued in cash in order to increase share capital.

The share capital may also be reduced under the conditions stipulated by law, in particular, by reducing the par value of the shares, or by reimbursing or redeeming shares on the stock exchange and by canceling shares, or by exchanging existing shares for new shares, in an equivalent or lesser number, with or without the same par value, and with or without a cash balance to be paid or received. The General Meeting may always compel the shareholders to sell or purchase existing shares to permit the exchange of existing shares for new shares, with or without a cash balance to be paid or received, even if such reduction is not a result of losses.

Article 6: Shares

If the new shares are not fully paid up upon issuance, calls for payment shall be performed, on dates set by the Board of Directors, by means of announcements posted one month in advance in one of the Paris official legal publications chosen for the legal publication of the Company's deeds.

Shares not fully paid up shall be held as registered shares until they are fully paid up.

Each payment on any subscribed shares will be registered in an account opened in the name of the subscriber.

All late payments shall automatically bear interest, for the benefit of the Company, as of the due date, without any formal notice or legal action, at the legal interest rate, subject to any personal action that the Company may take against any defaulting shareholder and the compulsory execution measures provided by law.

Article 7: Type of shares

Paid-up shares are registered as registered shares or bearer shares depending on the choice of the shareholder.

The provisions of the aforementioned paragraph also apply to other securities of any nature issued by the Company.

Article 8: Rights and obligations governing shares

Shareholders shall not be liable above the amount of their subscription.

Share ownership automatically binds shareholders to the articles of association and the decisions of the General Meetings.

Subject to legal and regulatory restrictions, voting rights attached to the shares are proportionate to the capital quota they represent and each share confers the right to one vote. In accordance with the option provided for in article L. 22-10-46 of the French Commercial Code, double voting rights will not be conferred to paid-up shares and shares for which a nominative registration for at least two years in the name of the same shareholder can be proved.

Any share grants entitlement, during the Company's term, as in the event of liquidation, to the payment of an identical net amount for any distribution or redemption.

Shares are freely transferable under the conditions provided by law.

Article 9: Identification of shareholders

The Company may avail itself at any time of the legal and statutory provisions in force permitting the identification of the owners of shares conferring immediately or in the future the right to vote in General Meetings, as well as the number of shares they own.

In addition to the legal obligations to notify the Company, any person, acting alone or jointly, coming in direct or indirect possession of a fraction of the Company's capital or voting rights equal to or greater than 2%, or a multiple of 2% of capital or voting rights (including above the 5% threshold), is required to inform the Company within fifteen days as of the date on which the threshold is exceeded and, as the case may be, independently of the effective transfer date of share ownership. The person shall state the number of shares and marketable securities granting entitlement to capital that he or she owns on the date of notification. Any decrease below the 2% threshold or a multiple of 2% of capital or voting rights shall be notified in the same manner.

To determine share capital and voting rights thresholds, the crossing of which must be declared under the previous paragraph, assimilation rules set out in article L. 233-9 of the French Commercial Code are applied.

In the event of a failure to meet this additional notification obligation, one or several shareholders, owning a fraction of the Company's capital or voting rights amounting to at least 2%, may, at a General Meeting, request that the shares exceeding the fraction which should have been reported, be stripped of their voting rights for any General Meeting held until the end of a two-year period following the date on which the notice is rectified. The request is recorded in the Minutes of the General Meeting.

Article 10: Co-ownership and usufruct

As all shares are indivisible from the point of view of the Company, all joint owners of shares are required to be represented vis-à-vis the Company by a single owner selected from among them or a proxy under the conditions provided by law.

The voting right attached to the share is exercised by the beneficial owner at both Ordinary and Extraordinary General Meetings. However, the bare-owner shall be entitled to attend all General Meetings. He or she may also represent the beneficial owner at General Meetings.

The heirs, creditors, trustees or successors of a shareholder may not, on any grounds whatsoever, call for the affixing of seals on the Company's assets and securities, request the distribution thereof, or interfere in any manner whatsoever in its administration.

In order to exercise their rights, they must consult the Company's records and decisions of the General Meetings.

Section III

MANAGEMENT OF THE COMPANY

Article 11: Composition of the Board of Directors

The Company is managed by a Board of Directors, comprising a minimum of three members and a maximum of 14 members (unless temporarily waived in the event of a merger), physical persons or legal entities.

The members of the Board of Directors are appointed by the Ordinary General Meeting for a term of four years expiring at the close of the General Meeting held to approve the Financial Statements for the previous year and which is held in the year during which the mandate expires. As an exception to this rule, the members of the first Board of Directors who exercised functions as members of the Supervisory Board in the Company under its former mode of administration shall be appointed for a period equal to the remaining term of their mandate as members of the Supervisory Board.

The members of the Board of Directors may be re-elected.

Each Director must own at least 500 registered shares in the Company during the term of his functions. If, on the date of his appointment, a Director does not own the required number of shares or if, during his term, he ceases to own them, he is deemed to have resigned with immediate effect if he has not rectified the situation within the time limit stipulated in the regulations in force.

In the event of a vacancy of one or more seats due to death or resignation, the Board of Directors may, between two General Meetings, make temporary appointments. Provisional appointments made by the Board of Directors are subject to the approval of the next Ordinary General Meeting. If the number of Directors falls below the legal minimum, the remaining Directors must immediately convene an Ordinary General Meeting in order to make up the numbers of the Board.

No individual over the age of 72 shall be appointed as a member of the Board of Directors if his appointment increases the number of the members of the Board of Directors who have passed this age to over one third. If during their term, the number of the members of the Board of Directors who have passed 72 years of age exceeds one third of the Board's members, the oldest member of the Board of Directors who has not carried out management functions in the Company is deemed to have resigned at the end of the Annual General Meeting held following the occurrence of this event.

During the Company's term, Directors are appointed and their mandates renewed under the conditions provided by law.

They may be dismissed by the Ordinary General Meeting at any time.

Director(s) representing employees

In accordance with statutory requirements, if the number of members of the Board of Directors, calculated in accordance with article L. 225-27-1-II of the French Commercial Code, is less than or equal to eight, the Group Committee in France shall proceed to appoint a Director representing employees.

If the number of members of the Board of Directors, calculated in accordance with article L. 225-27-1-II of the French Commercial Code, is more than eight, and provided this criterion is still fulfilled on the date of the appointment, a second Director representing employees shall be appointed by the European Works Council.

If the number of members of the Board of Directors, calculated in accordance with article L. 225-27-1-II of the French Commercial Code, was originally more than eight members but becomes less than or equal to eight members, the Director appointed by the European Works Council shall remain in office until his term of office expires.

As an exception to the foregoing, the Director representing employees appointed by virtue of this clause is not required to hold at least 500 registered shares during his term of office.

The Director representing employees shall be appointed for a four-year term expiring at the close of the General Meeting called to approve the Financial Statements for the previous year and which is held in the year in which his term of office expires. The tenure of the Director representing employees may be renewed.

The tenure of the Director representing employees shall be terminated in accordance with statutory requirements and the provisions contained in this clause, particularly in the event of termination of said Director's employment contract; if the criteria for the application of article L. 225-27-1 of the Commercial Code are no longer met, the tenure of the Director(s) representing employees shall expire at the end of the meeting during which the Board of Directors observes that the Company has been released from this obligation.

In the event that the seat of a Director representing employees is vacant for any reason whatsoever, the vacant seat shall be filled under the conditions set forth in article L. 225-34 of the French Commercial Code.

In addition to the provisions of the second paragraph of article L. 225-29 of the French Commercial Code, it is stipulated, if need be, that any failure to appoint a Director representing employees by the body designated herein, in accordance with the law and with this clause, shall not invalidate the resolutions of the Board of Directors.

Article 12: Organization and management of the Board of Directors

The Board of Directors elects from among its members who are individuals, a Chairman. It determines his remuneration and sets his term of office which may not exceed his term of office as Director. The Chairman may be re-elected.

The Chairman of the Board of Directors performs the duties entrusted to him by law. He chairs the Board of Directors, organizes and manages its work and reports on such work to the General Meeting. He ensures that the Company's bodies operate properly and, in particular, that the Directors are able to fulfill their assignments.

The Board may also appoint from among its members one or more Vice Chairmen, whose term of office shall be determined within the limit of their term as Director and whose role it is, subject to the legal provisions applicable in the event of the temporary impediment or death of the Chairman, to convene and chair Board meetings or chair General Meetings in accordance with these articles of association when the Chairman is impeded.

No Director who does not also assume the role of Chief Executive Officer may be appointed as Chairman of the Board of Directors after the age of 72. If, during the term of office, this age limit is reached, the Chairman's mandate shall terminate at the close of the General Meeting held to approve the Financial Statements for the year during which he reached the age limit.

If the Chairman of the Board of Directors also assumes the role of Chief Executive Officer, the applicable age limit is that applicable to the Chief Executive Officer (other than in exceptional circumstances, if the Board decides at its discretion to apply, on a temporary basis, the age limit for the Chairman referred to in the preceding paragraph).

The Chairman and each Vice Chairman may be dismissed by the Board of Directors at any time. They may also be re-elected.

The Board may appoint a secretary who need not be a shareholder or one of its members.

Article 13: General Management

Management organization

In accordance with the law, the Company's General Management is assumed either by the Chairman of the Board of Directors or by any other physical person, Director or not, appointed by the Board of Directors and who assumes the role of Chief Executive Officer.

The choice between either of the two General Management organizations described above is made by the Board of Directors. The Board of Directors makes its decision relating to the choice of General Management organization under the quorum and majority conditions stipulated in article 14 of these articles of association. The shareholders and third parties are informed of the Board of Directors' decision under the conditions stipulated by the regulations in force.

When the Company's General Management is assumed by the Chairman of the Board of Directors, the Board of Directors must appoint, among its members considered as independent by the Board of Directors, a Lead Director. The conditions of appointment, the tasks and powers of the Lead Director (in particular, if applicable, the power to ask to convene a meeting of the Board of Directors), are set out in the Board of Directors' internal regulations.

The choice made by the Board of Directors remains valid until it decides otherwise.

The Board of Directors will review, as necessary, the choice made each time the mandate of the Chairman of the Board of Directors or the Chief Executive Officer comes up for renewal.

Chief Executive Officer

If the Company's Chief Executive Officer is assumed by the Chairman of the Board of Directors, the following provisions relating to the Chief Executive Officer are applicable (apart from the situation referred to in article 12 paragraph 5).

The Board of Directors sets the term of office and determines the remuneration of the Chief Executive Officer.

No individual over the age limit set by law may be appointed as Chief Executive Officer. If, during the term of office, this age limit is reached, the Chief Executive Officer's mandate shall terminate at the close of the General Meeting held to approve the Financial Statements for the year during which he reached the age limit set by law.

The Chief Executive Officer may be dismissed at any time by the Board of Directors. The discharge of a Chief Executive Officer who does not assume the role of Chairman may give rise to damages if decided without reasonable cause.

The Chief Executive Officer may always be re-elected.

Powers of the Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company within the limit of the Company's corporate purpose, the articles of association, and subject to the powers expressly granted by law to General Meetings and the Board of Directors.

The Board of Directors is responsible for defining the decisions of the Chief Executive Officer that require its prior approval. The Board of Directors' prior approval should be sought particularly for external acquisitions or sales of interests or assets, and for investment commitments, in each case under the conditions and exceeding the amounts corresponding to an efficient operation of the Company as set by the Board of Directors. It should also be sought for financing operations of any amount likely to substantially alter the Company's financial structure and for any decision likely to substantially alter the Company's strategic orientations determined by the Board of Directors.

Senior Executive Vice Presidents

On the Chief Executive Officer's proposal, whether he be Chairman of the Board of Directors or any other person, the Board of Directors may appoint one or more physical persons as Senior Executive Vice Presidents to assist the Chief Executive Officer.

The maximum number of Senior Executive Vice Presidents is set at three.

In accordance with the Chief Executive Officer, the Board of Directors determines the scope and term of the powers granted to the Senior Executive Vice Presidents and sets their remuneration.

The Senior Executive Vice Presidents have the same powers as the Chief Executive Officer vis-à-vis third parties.

In the event of impediment of the Chief Executive Officer or the cessation of his functions, the Senior Executive Vice Presidents shall maintain, unless decided otherwise by the Board of Directors, their functions and powers until a new Chief Executive Officer is appointed.

The Senior Executive Vice Presidents may be dismissed at any time by the Board of Directors, at the Chief Executive Officer's proposal. They are subject to the age limit provided by law.

Senior Executive Vice Presidents may be re-elected.

Article 14: Board of Directors' Meetings and deliberations

The Board of Directors meets as often as the interest of the Company so requires, by notice from its Chairman or in the case of impediment, from the oldest Vice Chairman, if one or more Vice Chairmen have been appointed, at the Head Office or in any other location indicated in the Notice of Meeting.

The agenda is set by the Chairman and may only be finalized at the time of the meeting.

Directors representing at least one third of members of the Board of Directors may, while specifying the meeting's agenda, ask the Chairman to summon the Board if it has not met for more than two months.

Likewise, the Chief Executive Officer, if he does not chair the Board of Directors, may ask the Chairman to summon the Board of Directors on any specified agenda.

The Chairman is bound to the requests made to him.

In the event that the Chairman is impeded or fails in performing the aforementioned tasks, the oldest Vice Chairman, if one or more Vice Chairmen have been appointed, shall have the authority to call the Board and set the meeting's agenda at the request of at least one third of members of the Board of Directors or the Chief Executive Officer, as the case may be. In the absence of a Vice Chairman, the minimum of one third of members of the Board of Directors or the Chief Executive Officer, depending on the case, shall have the authority to call the Board and set the meeting's agenda.

Notices may be made by all means, including verbally.

The presence of one half of the members of the Board of Directors is required for the validity of the Board's decisions.

Decisions are made by a simple majority of the votes of the members present or represented. In the event of a tie, the Chairman shall have the casting vote.

The Board of Directors will set its internal rules that it may amend by simple resolution.

The Board of Directors may stipulate in its internal rules that the members of the Board of Directors who take part in the Board's meeting by videoconference or telecommunications in accordance with the conditions provided by the regulations in force shall be considered as present for calculating the quorum and voting majority of the members, for all decisions in which the law does not exclude such possibility.

The Board of Directors may make certain decisions by written consultation of the Directors, under the conditions set forth in the regulations in force.

Article 15: Powers of the Board of Directors

The Board of Directors determines the orientations of the Company's activities and ensures their implementation, in line with its corporate interest, by taking into account the social and environmental stakes of its activity.

Subject to the powers expressly attributed to General Meetings by law and these articles of association, and in accordance with the corporate purpose, the Board deals with any issues concerning the smooth running of the Company and manages corporate business pursuant to its decisions.

The Board of Directors may conduct controls and verifications as it deems appropriate.

It may also decide to create Committees of its members responsible for analyzing issues which it itself or its Chairman submits thereto for review. The Board determines the composition and powers of the Committees which conduct their activities under its responsibility.

Issues related to the performance, remuneration and, where appropriate, the renewal of the term of office of the Chairman and Chief Executive Officer, or the Chief Executive Officer, shall be decided by the Board of Directors as and when required, and at least once a year, after analysis by the Committee(s) of the Board of Directors that deal with appointment and remuneration issues.

Article 16: Remuneration

The Ordinary General Meeting may allocate to the members of the Board of Directors, as remuneration for their activity, a fixed annual amount. The Board of Directors is free to distribute the overall sum thus allocated among its members. It may also allocate a greater amount to the Directors who are members of Committees set up within the Board than that allocated to the other Directors.

The Board may allocate exceptional sums to remunerate assignments or mandates entrusted to the members of the Board.

Section IV

STATUTORY AUDITORS

Article 17: Audit of the Company

At the Ordinary General Meeting, the shareholders appoint the principal Statutory Auditors, under the conditions and with the assignments set by law.

Section V

SHAREHOLDERS' MEETINGS

Article 18: Shareholders' Meeting

The General Meeting is comprised of all the Shareholders, regardless of the number of shares they own, provided that all shares are fully paid up and that they are not stripped of voting rights.

The right to attend General Meetings of the Company shall be justified by the recording of the shares, in the book-entry form, in the name of the Shareholder or of the intermediary registered on behalf of the Shareholder within the time frames and under the conditions provided for by French law.

The owners of registered shares or bearer shares must furthermore have filed a proxy or absentee ballot form, or a single document presented in lieu thereof, or if the Board of Directors has so decided, a request for an admission card, at least three days prior to the Meeting. The Board of Directors may however reduce this time period if it deems appropriate. It may also authorize the submission to the Company of the proxy or absentee ballot forms by teletransmission (including electronically) in accordance with prevailing regulatory and legal provisions.

The electronic signature can, when used, take the form of a process that satisfies the conditions defined in the second paragraph of article 1367 of the French Civil Code.

The General Meeting, duly constituted, represents all of the Shareholders.

Ordinary and Extraordinary General Meetings, and where necessary, Special General Meetings are convened, meet and deliberate under the conditions provided by law and these articles of association.

Meetings take place at the Head Office or at any other place designated by the author of the notice, even outside of the Head Office or the Head Office's department.

General Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the Vice Chairman or the oldest Vice Chairman of the Board, if one or more Vice Chairmen have been appointed, or otherwise by a Director specifically appointed for this purpose by the Board.

In the event of impediment of the Vice Chairman or Vice Chairmen when Vice Chairmen have been appointed or if the Board has not appointed a Director, the Shareholders shall themselves appoint the Chairman.

The two members of the General Meeting with the highest number of votes and having accepted the position act as ballot inspectors for the General Meeting. The officers of the Meeting appoint a secretary who need not be a Shareholder.

In the event that the Meeting is convened by a Statutory Auditor or by a judicial representative, the General Meeting is chaired by the author of the notice.

Upon the decision of the Board of Directors published in the Notice of Meeting or notice of convocation to rely on means of telecommunication, the Shareholders who take part in the General Meeting by videoconference or using telecommunications means permitting their identification in accordance with the conditions provided by prevailing law, shall be considered as present for calculating the quorum and voting majority.

Article 19: Powers of Shareholders' Meetings

Ordinary and Extraordinary General Meetings, and where necessary, Special General Meetings allow Shareholders to exercise the powers defined by law and these articles of association.

Section VI

INVENTORY – RESERVES – DISTRIBUTION OF PROFITS

Article 20: Fiscal year

The fiscal year begins on January 1 and ends on December 31.

Article 21: Inventory, distribution of profits

The Company’s net proceeds, established in the annual inventory, after deducting overheads and other costs, including all amortization, depreciation and provisions, constitute the net profits.

From these profits, less, as the case may be, previous losses, a deduction of at least 5% is first of all made to create the reserve required by law. This deduction ceases to be mandatory when the reserve amounts to 10% of the share capital. It is resumed if this reserve is ever used.

The distributable profits are made up of the annual net profits, less previous losses, as well as the sums to be placed on reserve pursuant to law, plus the profit carried forward.

From these profits, a deduction is made of the amount necessary to pay the shareholders, as a first dividend, 5% of the sums paid-up on their shares, and not amortized, and 5% of the sums from premiums on shares issued in cash, and appearing in a “share premium” account, without it being possible, if the profits of a given year do not permit this payment, for the shareholders to claim such amounts from the profits of subsequent years.

The General Meeting may decide to earmark any portion of the available surplus of said profits it wishes for the creation of general or special providence or reserve funds, under any name whatsoever or even simply as an amount carried forward.

The balance constitutes a surplus fund which is intended for the distribution of the second dividend as well as the amount provisionally assessed as necessary to pay a 10% increase to the registered shares satisfying the following conditions.

Starting on January 1, 1996, the shares registered at December 31 of each year in registered form for at least two years, and which remain registered until the date of the payment of the dividend, will entitle their owners to collect a dividend per share which is 10% higher, rounded down if necessary to the lower centime, than the dividend per share distributed in respect of other shares, provided that the amount of the dividend per share prior to any increase is at least equal to the amount of the dividend per share prior to any increase distributed in the preceding year, adjusted to take into account the change in the number of shares from one year to the next resulting in a capital increase by capitalizing premiums, reserves or profits or a share split.

In the event that, starting on January 1, 1996, the Board of Directors, with the approval of the Shareholders decides to increase the capital by capitalizing reserves, profits or premiums, the registered shares held on December 31 prior to the attribution for at least two years and that remain held until the day before the share attribution date will entitle their owners to an attribution of shares which is 10% higher than the attribution made in favor of other shares, and according to the same procedure.

The new shares created in this manner will be comparable in all respects to the existing shares from which they are issued, for calculating the entitlement to the higher dividends and the higher attributions.

The increases defined in each of the two preceding paragraphs may be modified or eliminated by simple decision during the Extraordinary General Meeting, according to the procedures it determines.

Pursuant to law, the number of shares eligible for these increases shall not for any given Shareholder exceed 0.5% of the Company’s share capital.

The General Meeting held to approve the Financial Statements for the year shall have the possibility of granting to each Shareholder, for all or part of the dividend or interim dividends, an option for payment of the dividend or interim dividends in either cash or shares.

Section VII

LIQUIDATION

Article 22: Liquidation

At the expiration of the Company's term, or in the event of early dissolution, the shareholders determine the method of liquidation, in accordance with the conditions stipulated by law. They appoint and determine the powers of one or more liquidators.

The liquidators may, pursuant to a decision of the Shareholders, transfer to another company or sell to a company or to any other entity or person, all or part of the assets, rights and obligations of the dissolved Company.

The duly constituted General Meeting retains the same prerogatives during the liquidation as during the Company's term. In particular, it has the power to approve the accounts of the liquidation and to grant a discharge thereof.

After the Company's commitments have been settled, the net proceeds from the liquidation are used first to fully redeem the shares, and the surplus is then distributed equally among them.

Section VIII

DISPUTES

Article 23: Disputes

All disputes which may arise during the Company's term or liquidation, either between the Shareholders and the Company or among the Shareholders themselves, regarding Company affairs, are settled in accordance with law and submitted to the jurisdiction of the competent Paris courts.

For this purpose, in the event of disputes, all Shareholders shall elect domicile in Paris, and all summonses and notices are duly served at this domicile.

Failing election of domicile, summonses and notices are validly served at the Office of Public Prosecution of the French Republic at the Paris judicial court.

3. Dividends

Year	Paid	Ordinary dividend [a] Loyalty dividend [b]	Number of shares	Distribution (in euros)
2022 [e]	May 17, 2023	2.95 [a]	522,157,782	1,540,365,457
		0.29 [b]	146,796,994	42,571,128
				1,582,936,585
2023 [e]	May 22, 2024	3.2 [a]	522,790,331	1,672,929,059
		0.32 [b]	149,124,155	47,719,730
				1,720,648,789
2024 [c] [d]	May 21, 2025	3.30 [a]	578,259,263	1,908,255,568
		0.33 [b]	163,473,123	53,946,131
				1,962,201,698

(a) Ordinary dividend paid on all shares.
(b) Loyalty dividend paid only on registered shares held continuously for two full calendar years.
(c) Subject to the approval of the General Meeting on May 6, 2025.
(d) For 2024, amounts distributed are theoretical values calculated based on the number of shares as of December 31, 2024.
(e) For 2022 and 2023, amounts actually paid.

4. Documents accessible to the public

Documents, or copies of the documents listed below may be consulted during the period of the Universal Registration Document's validity at Shareholder Services located at the head office of Air Liquide (75, quai d'Orsay, 75007 Paris) and, if applicable, on the Company's website (https://www.airliquide.com/investors/regulated-information), subject to the documents made available at the Company's head office or website under the applicable laws and regulations:

- the Company's articles of association;
- all reports, letters and other documents, historical financial information, evaluations and official assertions and declarations prepared by an expert at the Company's request, some of which are included or referred to in this Universal Registration Document;
- historical financial information of the Group, for each of the two fiscal years preceding publication of this Universal Registration Document.

5. Incorporation by reference

Pursuant to Article 19 of the EC Regulation (EU) 2017/1129, the following information is included in this Universal Registration Document:

- the consolidated and parent company Financial Statements for the year ended December 31, 2022, accompanied by the Statutory Auditors' Reports which appear on pages 318 to 321 and on pages 335 to 337, respectively, of the 2022 Universal Registration Document filed on March 2, 2023 with the French financial market authority (AMF) under number D.23-0068;
- the financial information shown on pages 18 to 73 of the 2022 Universal Registration Document filed on March 2, 2023 with the French financial market authority (AMF) under number D.23-0068;
- the consolidated and parent company Financial Statements for the year ended December 31, 2023, accompanied by the Statutory Auditors' Reports which appear on pages 291 to 294, and on pages 307 to 309, respectively, of the 2023 Universal Registration Document filed on March 5, 2024 with the French financial market authority (AMF) under number D.24-0080;
- the financial information shown on pages 18 to 69 of the 2023 Universal Registration Document filed on March 5, 2024 with the French financial market authority (AMF) under number D.24-0080.

The sections not included in these documents serve no useful purpose to investors or are already covered in this Universal Registration Document. Furthermore, the information appearing on the websites mentioned by the hypertext links in this Universal Registration Document does not form part of it.

INFORMATION RELATING TO PAYMENT DEADLINES FOR SUPPLIERS AND CUSTOMERS

Pursuant to the provisions of article D. 441-6 of the French Commercial Code and Decree No. 2021-211 of February 24, 2021, the breakdown of the balance of trade payables and receivables of L'Air Liquide S.A. as at December 31, 2024 is as follows:

	Invoices received outstanding at the closing date of the financial year that has ended					
	0 day	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days or more**	**Total (1 day and more)**
A) Late payment tranches						
Number of invoices concerned	605					1,718
Total amount of invoices concerned (all taxes included) *(in millions of euros)*	32.3	2.2	0.4	0.1	1.6	4.3
Percentage of total amount of purchases net of taxes for the financial year	7.7%	0.5%	0.1%	0.0%	0.4%	1.0%
B) Invoices excluded from (A) relating to disputed and unrecorded debts						
Number of invoices excluded						
Total amount of invoices excluded *(in millions of euros)*						
C) Reference payment terms used (contractual or statutory period - article L. 441-6 or article L. 443-1 of the French Commercial Code)						
Payment deadlines used to calculate late payments	Contractual deadlines:	0 to 60 days				

	Invoices issued outstanding at the closing date of the financial year that has ended					
	0 day	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days or more**	**Total (1 day and more)**
A) Late payment tranches						
Number of invoices concerned	27					55
Total amount of invoices concerned (all taxes included) *(in millions of euros)*	0.9	0.4	0.2	0.1	2.3	2.9
Percentage of total amount of revenues net of taxes for the financial year	0.9%	0.4%	0.2%	0.1%	2.3%	2.9%
B) Invoices excluded from (A) relating to disputed and unrecorded debts						
Number of invoices excluded						
Total amount of invoices excluded *(in millions of euros)*						
C) Reference payment terms used (contractual or statutory period - article L. 441-6 or article L. 443-1 of the French Commercial Code)						
Payment deadlines used to calculate late payments	Contractual deadlines:	0 to 60 days				

PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

1. Person responsible for the Universal Registration Document

François JACKOW, Chief Executive Officer of L'Air Liquide S.A.

2. Certification by the person responsible for the Universal Registration Document

I hereby attest that the information contained in this Universal Registration Document reflects, to the best of my knowledge, the current situation and does not omit any information that could alter its scope.

I certify that, to the best of my knowledge, the statutory accounts and the consolidated financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, and of the financial position and profits or losses of the issuer and of its consolidated subsidiaries, and that the Management Report of the Group defined in the Cross-reference table available in Chapter 7 of this Universal Registration Document pages 431 to 433 provides a true and fair view of the evolution, results of the Company and financial condition of the issuer and of its consolidated subsidiaries, and a description of the main risks and uncertainties the Company and its consolidated subsidiaries are subject to, and has been prepared in accordance with applicable sustainability reporting standards.

Paris, March 5, 2025

François Jackow

Chief Executive Officer

CROSS-REFERENCE TABLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

The cross-reference table identifies the main information required by the Delegated Regulation No. 2019/980 of the European Commission dated March 14, 2019 (the "Regulation"). The table indicates the pages of this Universal Registration Document where the information related to each item is presented. The table indicates, when required by the Regulation, the pages of the Universal Registration Document related to the year ended December 2023, filed on March 5, 2024 under the number D.24-0080 (the "URD 2023"), and the pages of the Universal Registration Document related to the year ended December 2022, filed on March 2, 2023 under the number D.23-0068 (the "URD 2022"), which are incorporated by reference in this document.

No.	Items of the Annex I of the Regulation	Pages
1.	**Persons Responsible, Third party information, experts' reports and competent authority approval**	
1.1	Indication of persons responsible	426
1.2	Declaration by persons responsible	426
1.3	Statement or report attributed to a person acting as an expert	N/A
1.4	Information sourced from third parties	N/A
1.5	Approval statement of the competent authority	1
2.	**Statutory Auditors**	
2.1	Names and addresses of the auditors	254
2.2	Indication of the removal or resignation of auditors	N/A
3.	**Risk factors**	**72 to 83, 240 to 245**
4.	**Information about the issuer**	
4.1	The legal and commercial name of the issuer	417
4.2	The place and the number of registration	417
4.3	The date of incorporation and the length of life of the issuer	417
4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office	417
5.	**Business Overview**	
5.1	Main activities	
5.1.1	Nature of the issuer's operations and its principal activities	6, 7, 24 to 36, 50 to 57, 211 to 213, 438 6, 7, 24 to 36, 49 to 56, 245 to 247, 464 of URD 2023 6, 7, 22 to 35, 48 to 56, 271 to 273 of URD 2022
5.1.2	New products	66 to 68
5.2	Main markets	6, 7, 24 to 36, 50 to 57, 211 to 213, 438 6, 7, 24 to 36, 49 to 56, 245 to 247, 464 of URD 2023 6, 7, 22 to 35, 48 to 56, 271 to 273 of URD 2022
5.3	The important events in the development of the issuer's business	18 to 20, 52 to 55, 60 to 61, 66 to 68
5.4	Strategy and objectives	38 to 48
5.5	Dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	76
5.6	Basis for statements made by the issuer regarding its competitive position	37
5.7	Investments	
5.7.1	Principal investments realized	18 to 20, 60 to 61, 196 18 to 20, 58 to 59, 254 of URD 2023 18 to 20, 57 to 58, 254 of URD 2022
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5.7.3	Participation in joint ventures and undertakings	252 to 253, 271
5.7.4	Environmental issues that may affect the utilization of the tangible fixed assets	40 to 42, 59 to 60, 248 to 250, 294 to 325

No.	Items of the Annex I of the Regulation	Pages
17.	**Related party transactions**	**246 to 247**
18.	**Financial Information concerning the issuer's assets and liabilities, financial position and profits and losses**	
18.1	Historical financial information and Statement indicating that the historical financial information has been audited	6 to 7, 8, 50 to 65, 193 to 276, 438 to 439 6 to 7, 8, 49 to 63, 227 to 311, 464 to 465 of URD 2023 6 to 7, 9, 48 to 63, 251 to 339, 496 to 497 of URD 2022
18.2	Interim and other financial information	N/A
18.3	Auditing of historical annual financial information	
18.3.1	Statement indicating that the historical financial information has been audited	256 to 259, 272 to 274 291 to 294, 307 to 309 of URD 2023 318 to 321, 335 to 337 of URD 2022
18.3.2	Indication of other information which has been audited	369 to 372, 405 to 411
18.3.3	Source of the data when financial data in the registration document is not extracted from the issuer's audited Financial Statements	N/A
18.4	Pro forma financial information	N/A
18.5	Dividend policy	8, 50, 57, 216, 275 to 276, 383, 390 to 391, 422, 438 to 439
18.6	Legal and arbitration proceedings	82, 228, 248
18.7	Significant change in the issuer's financial or trading position	251
19.	**Additional Information**	
19.1	Share capital	
19.1.1	Amount of issued capital	197, 225 to 227, 267, 275 to 276, 414 to 415, 438 to 439
19.1.2	Shares not representing capital	N/A
19.1.3	Shares held by or on behalf of the issuer itself	197, 225 to 227, 415
19.1.4	Convertible securities, exchangeable securities or securities with warrants	N/A
19.1.5	Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital	387, 397 to 403, 415 to 416, 418
19.1.6	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	148 to 181, 166 to 198, 181 to 186, 225 to 227, 246 to 247
19.1.7	History of share capital	197 to 198, 414, 415, 438 to 439 231 to 232, 438, 439, 464 to 465 of URD 2023 255 to 256, 470, 471, 496 to 497 of URD 2022
19.2	Memorandum and articles of association	
19.2.1	Description of issuer's objects and purposes	417
19.2.2	Description of the rights, preferences and restrictions attaching to each class of the existing shares	418
19.2.3	Description of any provision that would have an effect of delaying, deferring or preventing a change in control of the issuer	189 to 190
20.	**Material Contracts**	**247 to 248**
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CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT

In order to facilitate the reading of this document, the cross-reference table, hereafter, enables identification in this Universal Registration Document of the information which constitutes the annual Financial Report that must be published by the listed companies in accordance with article L. 451-1-2 of the French Monetary and Financial Code and article 222-3 of the French financial market authority's general regulations.

No.	Required element	Chapter/Pages
1.	Company annual Financial Statements	Chapter 4/p. 260 to 271
2.	Consolidated Financial Statements	Chapter 4/p. 193 to 255
3.	Management Report (within the meaning of the French Commercial Code)	Refer to the cross-reference table for the Management Report on pages 431 to 433
4.	Statement of the persons responsible for the Annual Financial Report	Chapter 7/p. 426
5.	Statutory Auditors' Report on the Company's annual Financial Statements and the Consolidated Financial Statements	Chapter 4/p. 256 to 259, 272 to 274

CROSS-REFERENCE TABLE FOR THE MANAGEMENT REPORT

In order to facilitate the reading of this document, the cross-reference table, hereafter, enables the identification in this Reference Document of the Management Report information required by provisions of the French Commercial Code (Code de commerce) applicable to joint stock companies with a Board of Directors.

Required element	Reference text	Chapter/Pages
1. Group situation and activity		
Objective and comprehensive analysis of changes in business, results and the financial situation of the Company and the Group	L. 232-1, II - 1°and L. 233-26 of the French Commercial Code	Key figures/p. 6 to 15 Chapter 1/p. 18 to 21, 24 to 37, 50 to 65
Key financial performance indicators	L. 232-1, II - 4° and L. 233-26 of the French Commercial Code	Key figures/p. 6, 7, 8, 9, 11 Chapter 1/p. 50 to 65
Key non-financial performance indicators relating to the Company and the Group's specific activity	L. 232-1, II - 4° and L. 233-26 ° of the French Commercial Code	Key figures/p. 14 to 15 Chapter 1/p. 59 to 60
Significant events occurring between the fiscal year closing date and the Management Report preparation date	L. 232-1, II - 1° and L. 233-26 of the French Commercial Code	Chapter 4/p. 251
Identity of the main shareholders and voting rights holders in the general assembly, and modifications occurring during the current fiscal year	L. 233-13 of the French Commercial Code	Key figures/p. 9 Chapter 7/p. 415
Existing branch offices	L. 232-1, II-3°and L. 233-26 of the French Commercial Code	N/A
Significant acquisitions during the fiscal year of equity interests in companies which have their registered office in France	L. 233-6 paragraph 1 of the French Commercial Code	Chapter 6/p. 382
Cross-shareholdings	L. 233-29, L 233-30 and R. 233-19 of the French Commercial Code	N/A
Company and Group foreseeable trends	L. 232-1, II -1° and L. 233-26 of the French Commercial Code	Chapter 1/p. 38 to 49, 70
Information on suppliers and customers payment terms	D. 441-4 of the French Commercial Code	Chapter 7/p. 425
Table of Company results over the past five fiscal years	R. 225-102 of the French Commercial Code	Chapter 4/p. 275 to 276
Research and Development activities	L. 232-1, II-2° and L. 233-26 of the French Commercial Code	Chapter 1/p. 66 to 68
Intragroup loans confirmed and auditors declaration	L. 511-6 and R. 511-2-1-3 of the French Monetary and Financial Code	N/A
2. Internal control and risk management		
Anti-corruption system	Law No. 2016-1691 of December 9, 2016 called "Sapin 2"	Chapter 2/p. 79, 83 Chapter 5/p. 354 to 355
Vigilance Plan and report on its effective implementation	L. 225-102-1 of the French Commercial Code	Chapter 2/p. 90 to 96
3. Corporate governance		
Information on remuneration		
Remuneration policy of the corporate officers	L. 22-10-8-I, paragraph 2 of the French Commercial Code	Chapter 3/p. 172 to 180
Remuneration and benefits of any kind paid during or awarded in respect of the fiscal year to each corporate officer	L. 22-10-9-I-1° of the French Commercial Code	Chapter 3/p. 143 to 161
Relative proportion of the fixed and variable remuneration	L. 22-10-9-I-2° of the French Commercial Code	Chapter 3/p. 143, 144, 156 and 159 to 161
Use of the possibility to reclaim variable remuneration	L. 22-10-9-I-3° of the French Commercial Code	N/A
Commitments of any kind made by the Company for the benefit of corporate officers, corresponding to elements of remuneration, indemnities or benefits due or likely to be due as a result of the assumption, termination or change in their duties, or thereafter	L. 22-10-9-I-4° of the French Commercial Code	Chapter 3/p. 152 to 155
Remuneration paid or awarded by a company included in the scope of consolidation pursuant to article L. 22-10-9 of the French Commercial Code	L. 22-10-9-I-5° of the French Commercial Code	Chapter 3/p. 161

Required element	Reference text	Chapter/Pages
Ratios between the remuneration of each Executive Officer and the average and median remunerations of the Company employees	L. 22-10-9-I-6° of the French Commercial Code	Chapter 3/p. 158 to 159
Annual change in the remuneration, the Company's performances, the average remuneration of the Company employees and the above-mentioned ratios over the five past fiscal years	L. 22-10-9-I-7° of the French Commercial Code	Chapter 3/p. 159
Explanation on how the total remuneration complies with the remuneration policy adopted, including the way it contributes to long term performances of the Company and the way the performance criteria has been applied	L. 22-10-9-I-8° of the French Commercial Code	Chapter 3/p. 143 to 159
Manner in which the vote of the last Ordinary General Meeting provided for by I of article L. 22-10-34 of the French Commercial Code has been taken into account	L. 22-10-9-I-9° of the French Commercial Code	Chapter 3/p. 143
Deviation from the procedure for the implementation of the remuneration policy and any derogations	L. 22-10-9-I-10° of the French Commercial Code	N/A
Application of article L. 225-45 al. 2 of the French Commercial Code	L. 22-10-9-I-11° of the French Commercial Code	N/A
Attribution and retention of stock options by Executive Officers Attribution and retention of free share grants to Executive Officers	L. 225-185 of the French Commercial Code L. 225-197-1 and L. 22-10-59 of the French Commercial Code	Chapter 3/p. 148 to 152
Information on governance		
List of all terms of office and functions held in any company by each Executive Officer during the fiscal year	L. 225-37-4-1° of the French Commercial Code	Chapter 3/p. 98 and 129, 126 to 139
Agreements between an Executive Officer or a major shareholder and a subsidiary	L. 225-37-4-2° of the French Commercial Code	N/A
Summary table of delegations of authority currently in force granted by the Shareholders' Meeting relating to an increase in capital	L. 225-37-4-3° of the French Commercial Code	Chapter 7/p. 416
Exercising conditions of the general management of the Company	L. 225-37-4-4° of the French Commercial Code	Chapter 3/p. 101 to 103
Composition, preparation and organization of the work of the Board of Directors	L. 22-10-10-1° of the French Commercial Code	Chapter 3/p. 101 to 125
Application of the balanced representation principal of women and men in the Board	L. 22-10-10-2° of the French Commercial Code	Chapter 3/p. 101 and 103 to 106
Limits brought by the Board of Directors on Chief Executive Officer's powers	L. 22-10-10-3° of the French Commercial Code	Chapter 3/p. 102
Reference to a Code of corporate governance and application of the principle comply or explain	L. 22-10-10-4° of the French Commercial Code	Chapter 3/p. 101, 125
Specific conditions governing shareholders' attendance at the Annual General Meeting	L. 22-10-10-5° of the French Commercial Code	Chapter 3/p. 125 Chapter 7/p. 418 and 421 to 422
The implementation of an appraisal procedure in respect of transactions in the ordinary course of business entered into on arm's length terms.	L. 22-10-10-6° of the French Commercial Code	Chapter 3/p. 115 and 119
Internal control and risk management procedures implemented by the Company	L. 22-10-35-2° of the French Commercial Code	Chapter 2/p. 84 to 88
Information that may have an impact in the event of a takeover bid	L. 22-10-11 of the French Commercial Code	Chapter 3/p. 189 to 190

Required element	Reference text	Chapter/Pages
4. Share ownership and capital		
Structure and change in Company capital and threshold notifications	L. 233-13 of the French Commercial Code	Key figures/p. 9 Chapter 7/p. 414, 415
Acquisition and disposal by the Company of treasury shares	L. 225-211 of the French Commercial Code	Chapter 6/p. 384, 385, 392, 393 Chapter 7/p. 416
Employee share ownership	L. 225-102 al. 1 of the French Commercial Code	Chapter 3/p. 181 to 187 Chapter 7/p. 415
Possible adjustments for securities giving access to share capital in case of buybacks of shares or financial transactions	R. 228-90 and R. 228-91 of the French Commercial Code	Chapter 3/p. 182 to 186
Information on Company's shares trading by Executive Officers and related persons	L. 621-18-2 of the French Monetary and Financial Code	Chapter 3/p. 188
Amount of dividends paid out in respect of the three previous fiscal years	243 bis of the French Tax Code	Chapter 6/p. 383 Chapter 7/p. 424
5. Sustainability information	L. 233-28-4 of the French Commercial Code	General disclosures p. 278 to 279 Environmental information p. 294 Information related to social matters p. 326 to 328 Governance-related information p. 352
6. Additional information		
Additional tax information	223 quater and 223 quinquies of the French Tax Code	N/A
Injunctions or financial penalties in respect of anti-competitive practices	L. 464-2 of the French Commercial Code	N/A
Information on key intangible assets, their significance to the business model, and how they contribute to value creation for the Company	L. 232-1, II - 7° of the French Commercial Code	Chapter 1/p. 22 to 23 and 66 to 68 Chapter 5/p. 341 to 343
Impact of the Company's activities on the fight against tax evasion	L. 22-10-35, 1° of the French Commercial Code	Chapter 2/ p. 79 to 80
Measures to foster ties between the Nation and its armed forces, as well as initiatives to support engagement in the National Guard reserves	L. 22-10-35, 2° of the French Commercial Code	N/A
Specific information for companies operating at least one site classed Seveso "high threshold"	L. 232-1-1 of the French Commercial Code	Chapter 2/ p. 73 to 74 and 89 Chapter 5/ p. 331 to 336

GLOSSARY

1. Financial glossary

A

Adjusted price

Share price adjusted to take account of changes in capital (issue of new shares, share split, etc.). The adjusted share price is used to produce meaningful comparisons of price changes over time.

AMF (Autorité des Marchés Financiers, the French financial market authority)

The AMF governs and oversees the conduct and professional ethics of the markets and protects the interests of investors and shareholders.

B

Bearer share

Share held in a security account at the shareholder's financial broker.

BlueBook

A global reference manual, the BlueBook brings together Air Liquide's codes, policies and procedures and forms the basis of the Group's internal control and risk management system.

Bond

Tradable debt security issued by a public or private company, a group, an association or a government. Bonds carry fixed interest for a specific period and are redeemable on maturity.

C

CAC 40 (cotation assistée en continu – Continuous-Automated Trading)

The flagship stock market index of Euronext in Paris, the CAC 40 tracks the evolution of a selection of 40 stocks registered on this stock market. A Committee of Euronext specialists regularly revises its composition to ensure that it remains representative. Air Liquide has been included in the CAC 40 since its inception in 1988.

Capital employed

Balance sheet capital corresponding to financial resources used by a company to develop its business. It is the sum of equity, minority interests and net debt.

Capital gain

Gain realized on the sale of a security, that is, the difference between its sale price and its original purchase price, or book value.

Cash flow from operating activities before changes in net working capital

This indicator provides the exact measure of annual cash flow that the Company is able to generate from its operations, independently of the evolution of the working capital requirement, which can be seasonal or erratic. This indicator is presented before payment of interests on net debt and of interests paid on lease liabilities and after payment of income taxes.

Conditional grant of shares to employees (CGSE)

Means of remuneration that grants free shares of the Company to all the employees or a specific employee category. The employee only becomes the owner of the shares after a given acquisition period and according to the plan's conditions. If the acquisition period is shorter than four years, the law provides that the employee must keep his/her shares for a minimum additional two-year period.

The conditional grant of shares to employees correspond to free share attributions pursuant to the terms of the articles L. 225-197-1 to L. 225-197-5, L. 22-10-59 and L. 22-10-60 of the French Commercial Code.

Corporate Sustainability Reporting Directive (CSRD)

European Directive 2022/2464 establishing the framework for the publication of sustainability information applicable to certain companies in the European Union including the Air Liquide Group.

Custody fees

Fees charged by a financial intermediary for maintaining a share account. They generally represent a percentage of the portfolio or a set fee per line of shares held. Air Liquide's Shareholder Services provide this service free of charge for shares held in a direct registered account.

D

Deferred settlement service (SRD)

Fee-based service available for the most traded stocks through which settlement for orders or delivery of shares is deferred to the last trading day of the month. Air Liquide shares are eligible for this service.

Diluted earnings per share (Diluted EPS)

Net profit Group share divided by the average weighted number of shares which would be outstanding, assuming conversion of all potential shares (exercise of share subscription options, definitive grant of free shares, etc.). The equivalent accounting term is diluted net profit by share.

Direct registered shares

Direct registered shares are managed by Air Liquide and registered in its accounts. They are held in a securities account opened at Air Liquide.

E

Earnings per share (EPS)

Net profit Group share divided by the average weighted number of shares outstanding. The equivalent accounting term is net profit per share.

ESG (Environmental, Social and Corporate Governance)

Environmental, social and corporate governance are the three main areas appraised by SRI analysts. A positive appraisal of these criteria is a guarantee of quality. It reflects the sustainability of a company's development.

Euronext Paris

Name of the firm which organizes, manages and develops the securities market in Paris, and acts as market regulator (financial transactions, monitoring of companies listed on the stock market) with the delegated authority of the AMF.

Euro Stoxx 50

Stock Exchange index composed of 50 of the highest capitalizations and most actively traded stocks listed in the eurozone.

F

Fractional right

Part of a share that cannot be distributed in the case of a free share attribution or subscription if the number of shares held is not a multiple of the transaction. Example: in a 1 for 10 free share attribution, a shareholder holding 68 shares is allocated 6 new shares and 8 fractional rights.

Free float

The part of a company's capital publicly available and tradable on the stock markets. The higher the free float, the greater the liquidity of the shares. Nearly 100% of Air Liquide's capital is floated.

Free share attribution

Transaction by which the Company issues new shares from amounts deducted from "Additional paid-in capital" and allocates new shares in proportion to the number of shares already held. Air Liquide allocates regularly such free shares.

G

Goodwill

Difference between the purchase price of a company and its net tangible assets on the day of the acquisition.

I

IFRS (International Financial Reporting Standards)

International accounting standards with effect from January 1, 2005, conceived by the International Accounting Standards Board, or IASB, for quoted companies to harmonize the presentation and increase the transparency of their financial statements.

Indirectly/intermediary registered shares

Indirectly/intermediary registered shares are registered in the Air Liquide accounts and held in a securities account at the shareholder's financial institution.

L

Liquidity

Ratio of the volume of shares traded over the total number of shares outstanding, which make up the capital.

Loyalty bonus

The loyalty bonus increases the dividend distributed and the number of free shares attributed by 10% for registered shares held for more than two full calendar years and subject to the conditions defined by Air Liquide's articles of association.

Loyalty dividend

Pursuant to Air Liquide's articles of association, a dividend premium of 10%, granted to loyal shareholders for registered shares held continuously for more than two full calendar years and until the date of the payment of the dividend.

M

Market capitalization

A company's market value equal, at any given time, to the quoted share price multiplied by the total number of shares outstanding.

Market sheet

The market sheet presents all the buy and sell orders for a share, as well as the latest orders executed. Investors can only have access to the five best offers (sales) and the five best demands (purchases).

N

Net Dividend Per Share

The part of a company's net profit distributed to shareholders. Shareholders vote the dividend at the Annual General Meeting after approval of the financial statements and the allocation of earnings proposed by the Board of Directors.

Net profit (Group share)

Profit or loss made by the Company. It is calculated by adding operating income recurring, other non-recurring operating expenses, net finance costs, other net financial expenses, share of profit of associates, profit (loss) from discontinued operations, then subtracting Company tax and minority interests.

Net profit recurring

The recurring net profit corresponds to the net profit excluding exceptional and significant transactions that have no impact on operating income recurring.

Net profit recurring excluding IFRS 16

Net profit recurring excluding IFRS 16 corresponds to net profit recurring restated for the impact of IFRS 16. The impact of IFRS 16 includes the reintegration of rental charges less depreciation and other financial charges recognized under IFRS 16.

O

OPCVM (Organisme de Placement Collectif en Valeurs Mobilières – pooled-investment-funds)

A savings product that makes it possible to hold part of a collective marketable security portfolio handled by a professional, like SICAVs (open-ended investment companies) or FCPs (mutual funds).

Operating income recurring

Annual sales minus the cost of producing, distributing and selling products and the depreciation or amortization on capital expenditures. It provides an operating performance indicator (before other operating income and expenses, financing and taxes), drawn up according to the ANC recommendation No. 2020-01.

P

Par value

The issue price of a share as defined in a company's articles of association. A company's total capital is the par value of the share multiplied by the total number of shares outstanding.

PER (Price Earnings Ratio)

The ratio of the market price of a share over earnings per share.

Preferential subscription right

Tradable right giving shareholders priority in subscribing to a number of new shares in proportion to the number of shares already held in the event of a share issue. This is a negotiable right in the stock exchange. In exceptional cases, the Company may ask its shareholders to suspend their subscription right at an Extraordinary Shareholders' Meeting.

Q

Quorum

Minimum percentage of shares with voting rights required to be present or represented for a General Shareholders' Meeting to be validly constituted.

R

Registered share

Share registered in the Air Liquide accounts.

Retained earnings

Undistributed profit, held by the Company until further decision.

Roadshow

Organized series of meetings during which a listed company, represented by its management or an Investor Relations team, travels to meet with institutional investors in their offices.

ROCE (Return on Capital Employed)

Return on Capital Employed after tax: (net profit after tax before deduction of minority interests – net finance costs after taxes) for the period)/(average (total shareholders' equity + net debt) at the end of the three last semesters).

Recurring ROCE (Return on Capital Employed)

The recurring ROCE is calculated in the same manner as the ROCE using the recurring net profit for the numerator.

ROE (Return on Equity)

The ratio of Net Profit over shareholders' equity. It represents the net return on money invested by shareholders.

S

Share

Tradable security representing a portion of a company's capital. The owner of a share, the shareholder, is a part-owner of the company and enjoys certain rights. Shares can be held as registered or bearer shares.

Share buyback

Transaction by which a company buys its own stock on the market, up to the limit of 10% of its capital. The transaction requires shareholder approval at the Company's General Shareholders' Meeting. Bought-back shares are not taken into account in the net earnings per share calculation and do not receive any dividends.

Shareholders' equity

The part of the Company's capital belonging to its shareholders. It includes the value of issued shares, retained earnings and Net Profit for the financial year.

SRI (Socially Responsible Investment)

Socially responsible investment integrates, over and above the standard financial criteria, environmental, social and corporate governance (ESG) criteria in the analysis process and investment decision.

Stock option

A subscription option that offers the right to subscribe, at a price set in advance, for a fixed period, a company's shares.

Share split

Split of a share's par value to improve its liquidity. A share split leads, in the same proportions, to a split in the share's market value and the multiplication of the number of shares comprising the capital. The value is unchanged.

U

Usufruct

The legal right to use and derive profit or benefit from property that belongs to another person, as long as the property is not damaged. The holder of a usufruct has the right to use and enjoy the property, as well as the right to receive profits from the fruits of the property.

V

Volatility

The degree of variation of a share over a given period. It is a risk indicator: the greater the volatility, the higher the risk.

Y

Yield

Ratio of dividend per share over market share price.

2. Technical glossary

Advanced materials

Replaces the ALOHA range and the advanced precursors and includes ALOHA and Voltaix.

Alternative energy

Energy that represents an alternative to traditional energies, produced by transformation of natural gas or coal using gasification and/or gas cleaning techniques.

ASU

Air Separation Unit.

Biogas

Renewable energy that is produced during the methanization of biomass (treatment of household waste, industrial or agricultural waste, sewage sludge), then transformed using Air Liquide purification and liquefaction technologies.

Bio-GNV

Clean fuel, produced from biogas.

Carrier gases

Carrier gases (nitrogen, oxygen, hydrogen, etc.) are used to transport and dilute process gases or to protect semiconductors from minute dust particles.

Cogen

Cogeneration is the simultaneous production of electricity and steam. It is an environmentally virtuous process as it avoids energy loss by harnessing the heat emitted during electricity production to produce steam.

Cold/cryogenic technologies

All cryogenic-related technologies used, primarily, in the production of air gases.

Cryogenics

Very low temperatures, necessary for the liquefaction of air gases, hydrogen and helium. Concerns temperatures below -150 degrees Celsius.

Fab

Production facility in the electronics sector.

Fellow

The second highest international level of expertise (among four) in the Air Liquide Technical Career Ladder. Fellows are recognized as worldwide authorities within their given field of expertise. Fellows are consultants of the top management in long-term company strategy.

Greenhouse gas (GHG) emissions

- The release of GHGs into the atmosphere. GHGs are the six gases listed in the Kyoto Protocol;
- Direct GHG emissions: emissions from sources owned or controlled by the reporting company. These emissions are reported in “Scope 1”;
- Indirect GHG emissions: emissions that are a consequence of the reporting company's activities, but which come from sources owned or controlled by another company. Indirect emissions induced by the production of electricity and steam purchased by the Group are reported in Scope 2, while other relevant indirect emissions are reported in Scope 3;
- Avoided GHG emissions: emission reductions achieved by activities, products or services that emit less GHG than would have been emitted in a reference scenario.

Hot/non-cryogenic technologies

All heat-producing technologies, such as combustion processes. For Air Liquide, hot technologies comprise steam reforming of methane to produce hydrogen and carbon monoxide and cogeneration units.

HyCO unit

Unit that simultaneously produces hydrogen (H_2) and carbon monoxide (CO).

NACE

The Statistical Classification of Economic Activities in the European Community, or NACE, refers to the classification of economic activities in force in the European Union (EU).

On-site

On-site installations consist of gas production units installed directly on Industrial Merchant or Electronic customer premises, thanks to which truck deliveries can be avoided.

Orders in hand

They represent the contractual value of all Group and third-party engineering and construction contracts managed by the Engineering & Construction entities, excluding projects under warranty, from the signature date.

Order intake

It represents the sum of all Group and third-party engineering contracts which entered into force during the period.

Renewable energy

Forms of energy whose production does not lead to a decline in resources on a human scale, e.g. solar, wind, geothermal and hydroelectric energies.

Syngas

Syngas, or synthesis gas, is a gas mixture consisting primarily of hydrogen, carbon monoxide, and in some cases carbon dioxide.

Substrate

Material on or in which components of a micro-electronic system or circuit are manufactured.

Take-or-pay

Contracts used in Large Industries integrating fixed minimum payments below minimum volume thresholds.

Traditional energy

As opposed to renewable energies, energy whose production exhausts resources by consuming them more quickly than they are created. It is directly produced from fossil fuels: coal, oil, natural gas.

TEN-YEAR CONSOLIDATED FINANCIAL SUMMARY

	2015 restated	2016 [i]	2017
Key figures *(in millions of euros)*			
Consolidated income statement			
Revenue	15,818.5	18,134.8	20,349.3
of which Gas & Services	*14,752.3*	*17,331.0*	*19,641.9*
Operating income recurring	2,856.2	3,023.9	3,363.8
Operating income recurring/revenue	18.1%	16.7%	16.5%
Net profit (Group share)	1,756.4	1,844.0	2,199.6
Consolidated cash flow statement			
Cash flow from operating activities before changes in net working capital	3,149.5	3,523.2	4,133.0
Purchase of property, plant and equipment and intangible assets	2,027.7	2,258.6	2,182.5
Purchase of property, plant and equipment and intangible assets/Revenue	12.8%	12.5%	10.7%
Acquisition of consolidated companies and financial assets	384.4	12,165.3	140.4
Total capital expenditures/Revenue [a]	15.2%	79.5%	11.4%
Dividends related to fiscal year and paid in the following year [b]	920.3	1,031.3	1,160.2
Consolidated balance sheet			
Shareholders' equity at the end of the period	12,405.7	16,741.8	16,317.9
Net debt at the end of the period	7,238.7	15,368.1	13,370.9
Gearing	56.7%	89.7%	80.0%
Capital employed at the end of the period [c]	20,009.5	32,493.1	30,089.3
Share capital			
Number of shares issued and outstanding at the end of the period	344,163,001	388,875,761	428,397,550
Adjusted weighted average number of shares outstanding [d]	520,538,508	533,535,783	571,982,345
Key figures per share *(in euros)*			
Net profit per share [e]	3.37	3.46	3.85
Dividend per share	2.60	2.60	2.65
Adjusted dividend per share [f]	1.71	1.76	1.98
Ratios			
Return on Equity (ROE) [g]	14.7%	13.5%	13.5%
Return on Capital Employed after tax (ROCE) [h]	10.3%	7.8%	8.2%

Loyalty dividend:

Since 1995, a 10% loyalty dividend is attributed to shareholders holding their shares in registered form for at least two years in the year preceding the period of distribution, and owned until the date of payment of the dividend.

The dividend proposed to the Annual General Meeting for fiscal year 2024 amounts to 3.30 euros per share, and the enhanced dividend to 0.33 euros per share representing a total distribution of 1,962.2 million euros.

(a) *The total capital expenditures include purchases of property, plant and equipment and of intangible assets and the long-term investments. Industrial and financial capital expenditures and transactions with minority shareholders are included.*

(b) *Including a loyalty dividend of 53.9 million euros in 2024, 46.5 million euros in 2023, 43.3 million euros in 2022, 39.1 million euros in 2021, 37.4 million euros in 2020, 37.2 million euros in 2019, 32.7 million euros in 2018, 29.6 million euros in 2017, 26.6 million euros in 2016 and 26.8 million euros in 2015.*

(c) *Capital employed at the end of period: shareholders' equity + minority interests + net debt.*

(d) *Adjusted to take into account, on a basis of a weighted number of shares outstanding, capital increases by capitalization of reserves and additional paid-in capital (2021, 2019, 2017, 2014, 2012), cash subscription of 2016 and treasury shares.*

2018	2019	2020	2021	2022	2023	2024	
21,011.1	21,920.1	20,485.2	23,334.8	29,934.0	27,607.6	27,057.8	
20,106.9	*21,040.0*	*19,655.5*	*22,267.3*	*28,573.0*	*26,359.9*	*25,810.1*	
3,448.5	3,793.8	3,789.6	4,160.3	4,861.8	5,068.0	5,391.4	
16.4%	17.3%	18.5%	17.8%	16.2%	18.4%	19.9%	
2,113.4	2,241.5	2,435.1	2,572.2	2,758.8	3,078.0	3,306.1	
4,138.2	4,859.4	4,932.4	5,292.1	6,255.2	6,357.3	6,539.3	
2,249.2	2,636.4	2,630.2	2,916.8	3,273.0	3,393.4	3,525.1	
10.7%	12.0%	12.8%	12.5%	10.9%	12.3%	13.0%	
129.2	536.9	129.1	659.8	135.8	103.0	269.0	
11.3%	14.5%	13.5%	15.3%	11.4%	12.7%	14.0%	
1,163.8	1,309.6	1,335.6	1,412.4	1,582.8	1,719.5	1,962.2	(j)
17,783.1	18,870.4	18,542.3	21,462.3	23,736.4	24,321.5	26,860.0	
12,534.9	12,373.3	10,609.3	10,448.3	10,261.3	9,220.9	9,159.2	
68.8%	64.0%	55.8%	47.5%	41.8%	36.8%	33.2%	
30,742.3	31,697.7	29,613.9	32,447.1	34,833.3	34,264.0	36,780.5	
429,423,434	473,105,514	473,660,724	475,291,037	523,450,271	524,516,778	578,259,263	
572,337,788	573,131,004	573,603,460	574,394,716	575,762,731	575,808,001	576,457,564	
3.69	3.91	4.25	4.48	4.79	5.35	5.74	
2.65	2.70	2,75	2.90	2.95	3.20	3.30	
1.98	2.22	2.26	2.38	2.67	2.90	3.30	
12.6%	12.5%	13.2%	13.1%	12.8%	13.5%	13.6%	
8.0%	8.4%	9.0%	9.3%	9.1%	9.8%	10.3%	

(e) Calculated on the adjusted weighted number of shares outstanding during the year excluding treasury shares.
(f) Adjusted to account for share capital movements.
(g) Return on Equity: (Net profit Group share)/(weighted average of shareholders' equity over the year). These aggregates are adjusted for the application of the IFRS16 standard.
(h) Return on Capital Employed after tax: (Net profit after tax before deduction of minority interests and excluding IFRS16 impact – net cost of debt after taxes) for the period 2024)/(weighted average of (shareholders' equity excluding IFRS16 impact + minority interests + net debt) at the end of the last three half years (H2 2023, H1 2024 and H2 2024).
(i) Restatement related to the classification in accordance with IFRS5 "Non-current Assets Held for Sale and Discontinued Operations".
(j) The dividend payment related to the financial year ended December 31, 2024 is estimated taking into account share buybacks and cancellations.

Cautionary note regarding forward-looking statements

This Universal Registration Document contains information on the Group's prospects, objectives and trends for growth. These forward-looking statements can be identified by the use of the future tense, the conditional tense or forward-looking terms such as "consider", "intend", "anticipate", "believe", "estimate", "plan", "expect", "think", "aim", or, as the case may be, the negative of these words, or any other terms with a similar meaning. This information is not based on historical data and should not be considered as a guarantee that the prospects and objectives described will be achieved. These statements are based on data, assumptions and estimates considered reasonable by the Group as of the date of this Universal Registration Document. They may be affected by known or unknown risks, uncertainties and other factors which might impact future results, performances and achievements of the Group in a way that is substantially different from the objectives described. This information might therefore change due to uncertainties relating notably to the economic, financial, competitive and regulatory environment or due to the occurrence of certain risks described in Chapter 2 of this Universal Registration Document. This information is given solely as of the date of this Universal Registration Document. All forward-looking statements contained in this Universal Registration Document are qualified in their entirety by this cautionary note.

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Air Liquide - Company established for the study and application of processes developed by Georges Claude with issued capital of €3,180,425,946.50