



Advancing

towards a
sustainable future

DELIVERING GROUP SUSTAINABILITY OBJECTIVES IN 2022

Fabienne Lecorvaisier, Executive Vice President in charge of Sustainable Development, Public and International Affairs as well as the supervision of the General Secretariat

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Claire Dessertine, Group VP in charge of Talent Management





Sustainability Strategy



**2022 Performance
Deploying the Action Plan**



Advancing for the environment



Advancing for Health

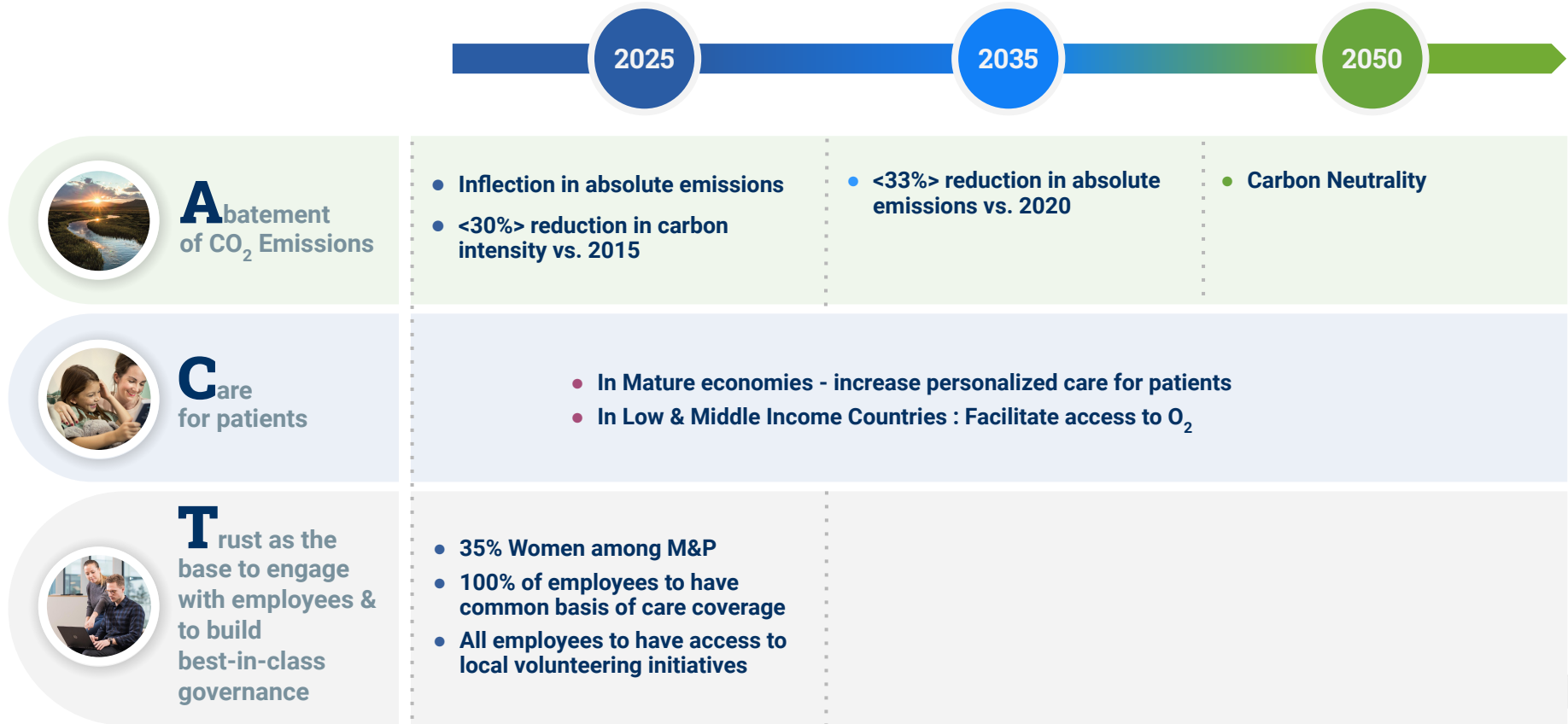


Advancing for All

Our Sustainability Strategy

Fabienne Lecorvaisier

/// March 2021: First Complete Set of ESG Commitments



/// March 2022: Concept of Global Performance is Enacted

Sustainability Ambition
March 2021



A Acting for a low-carbon society



C Acting for Health



T Acting as a Trusted Partner

Group's New Strategic Plan
March 2022

ADVANCE



Delivering financial performance

And beyond,



Decarbonizing the planet



Unlocking progress via technologies

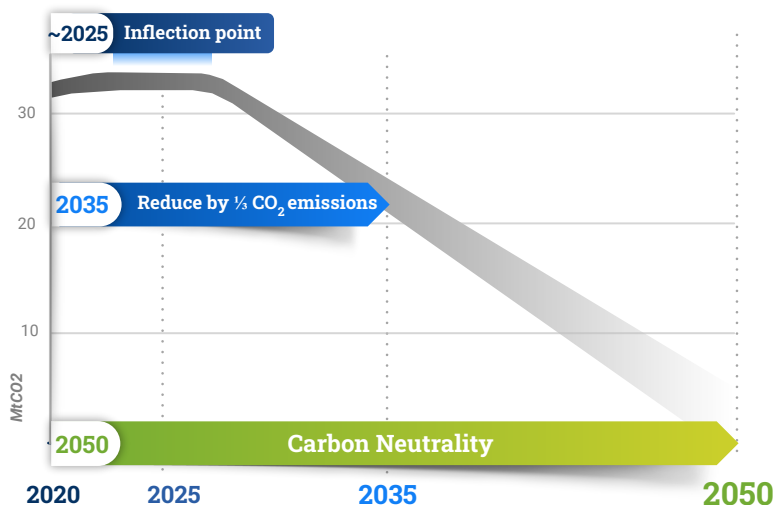


Acting for all



...With CO2 Emissions Reduction Becoming One of the 3 Strategic Objectives

Absolute Scope 1+2 emissions



ADVANCE Performance Objectives

Sales growth
+5-6% CAGR⁽¹⁾

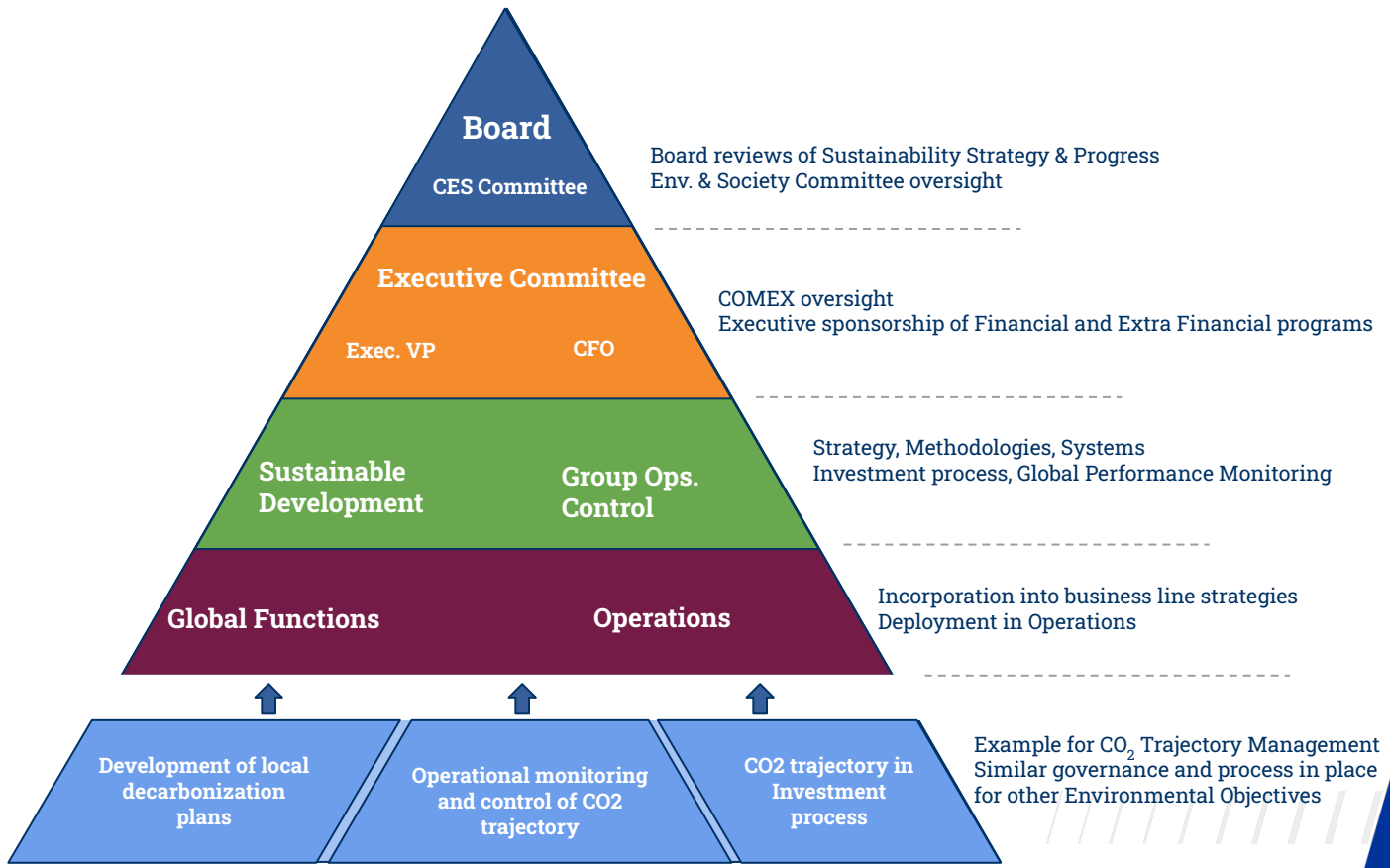
ROCE
>10%
by 2023⁽²⁾
and forward



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

(1) Group comparable growth 2021-2025 CAGR (2) Recurring ROCE based on Recurring Net Profit

/// ... And Sustainability Fully Embedded in Strong Governance and Processes



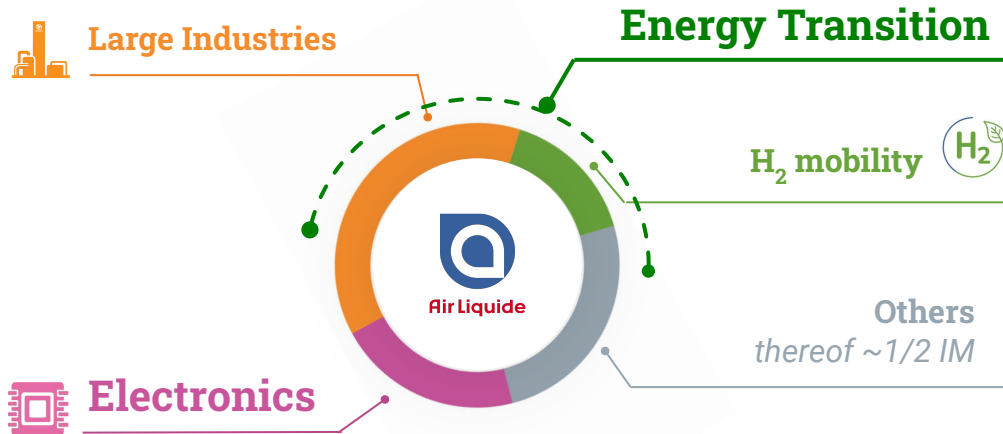
/// ... With an Organization in Place to Achieve the Objectives

- **Yearly Carbon Budget** allocated to Hubs and countries
 - Tight CO₂ management system embedded in the investment decision process
- Revision of **investment decision process** with **integration of CO₂ trajectory**
 - Control of geographical CO₂ trajectories, accountability
- **New reporting tool** for CO₂ Emissions & other industrial KPIs at site level
 - Granular view of emissions and associated decarbonization plans
- **Alignment of the company around our ESG objectives**
 - Training programs, Sustainability Networks (Climate Champions, Sustainability Ambassadors)
 - ESG targets in Remuneration and incentives for managers



/// ... And investments being selective

Industrial Investment Decisions
above €5m



>50%

In Energy
Transition

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

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

... Which is Producing Concrete Results

Objectives and KPIs

2021 Results

2022 Results

Advancing for the Environment



By 2035, a 33% reduction in Scope 1 & 2 emissions vs. 2020

< +1%^(a)

- 0.3%^(a)

By 2025, a 30% reduction Carbon Intensity vs. 2015

-24%

-25%

Advancing for Health



In mature economies, improve quality of life of chronic patients at home

38%
Patients with
Personalized Care

49%

In LMICs, facilitate access to oxygen

1, 032, 000
people

1, 778, 000

Advancing for All



35% women among Manager & Professional population by 2025

31%

31.5%

100% of employees with common care coverage package by 2025

34%

42%

(a) After 2020 baseline adjustments per Greenhouse Gas Protocol guidelines

... That are recognized by Extra Financial Rating Agencies



Air Liquide remained a **Level A leader**, scoring an **A-** on Climate and Water performance.

Higher than EU & Chemical sector average

Corporate **finights**

Air Liquide **ranked #5** out of 295 industrial companies, placing it in the **top 2%**

MSCI

Air Liquide has maintained its **A grade**



For the 6th consecutive year, Air Liquide has won a **Gold Ecovadis Sustainability medal**, and ranks in the **top 3%**

SUSTAINALYTICS

Recognized as “**ESG Industry Leader Top Rated**”, Air Liquide has received a “**low risk**” rating and ranks in the **top 2%**



With a **C+** rating, Air Liquide ranks in the **top 10%** of companies in the running, earning ISS “**Prime**” Status.



FTSE4Good

Air Liquide remains a constituent of the **FTSE4Good Index Series** for 2023.

MOODY'S
ESG Solutions

Air Liquide ranks in the **top 3%**.

S&P Global CSA

For the first time, Air Liquide becomes a **constituent of DJSI Europe** index with a significant improvement in score

CHEMSCORE

Air Liquide **ranked #4 out of 54** chemical companies, placing it in the **top 7%**.

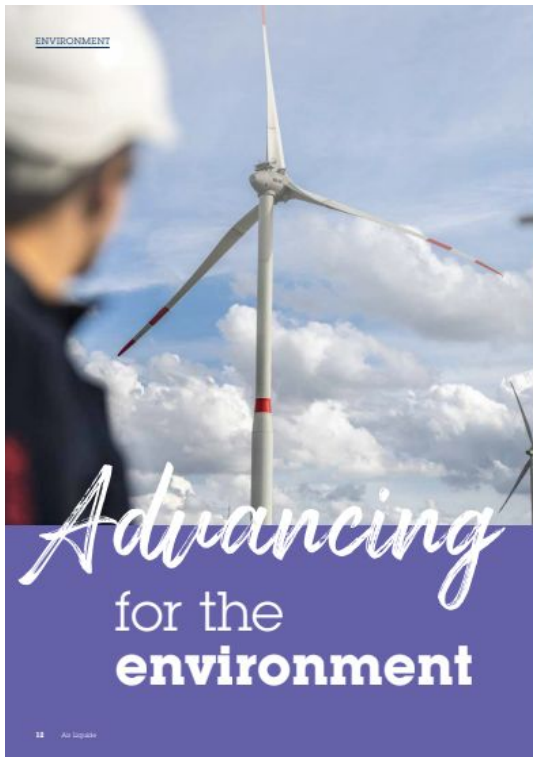


Top quartile of most leading extra-financial rating agencies

2022 Performance



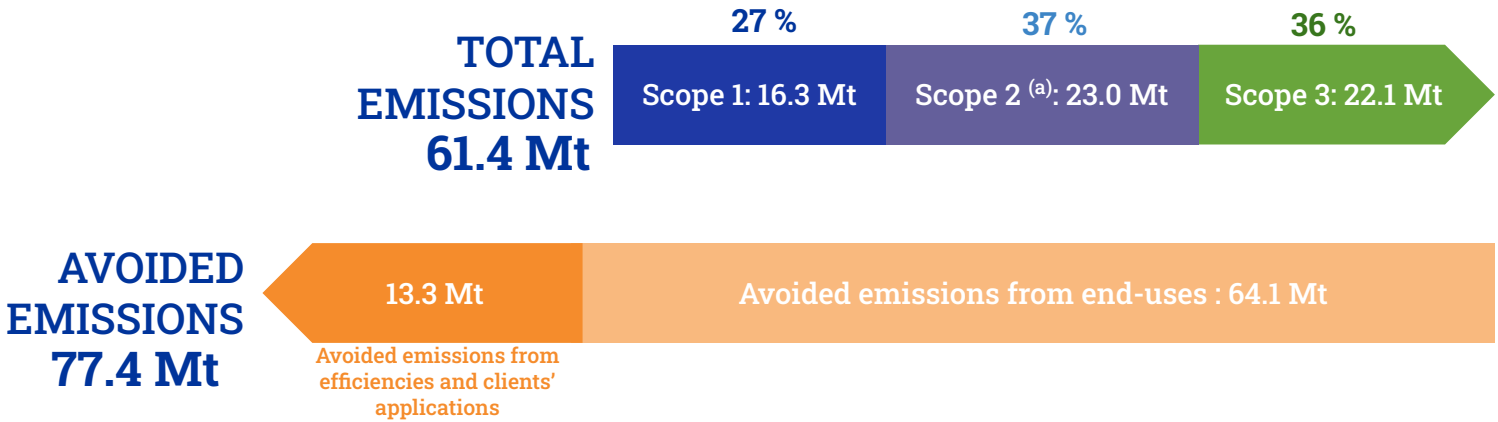
Ashutosh Misra, Jean-Marc De Royere, Claire Dessertine



Ashutosh Misra



2022 CO₂ Emissions Profile by Scopes



(a) Market Based



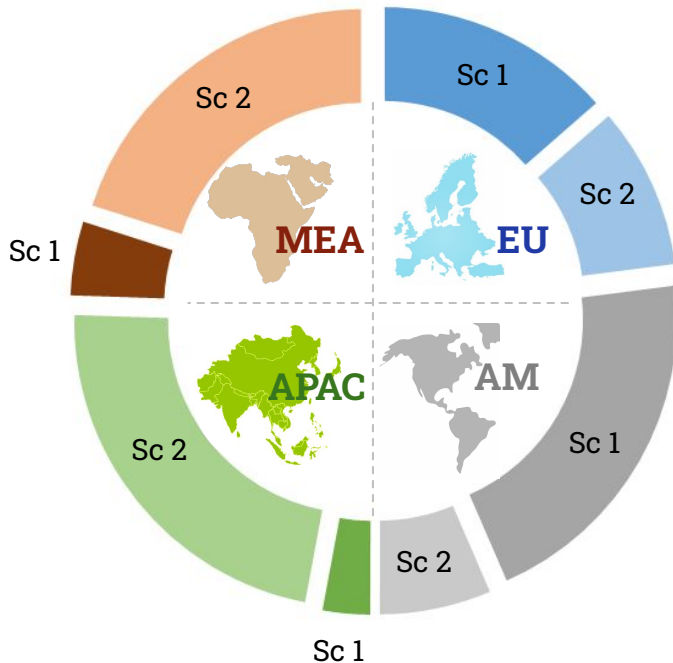
// // // ...With Decarbonization Levers Depending on Geographies ^(a) & Business Mix

Scope 1 Focus

Benelux, France
USA, KSA

Scope 2 Focus

China, NEAPAC
Central & SW Europe
South Africa



Business mix



Large Industries

- SMRs^(b) and ASUs^(c)
- Significant decarbonization opportunities for both Scope 1 & 2 emissions



Industrial Merchant



Electronics



Healthcare

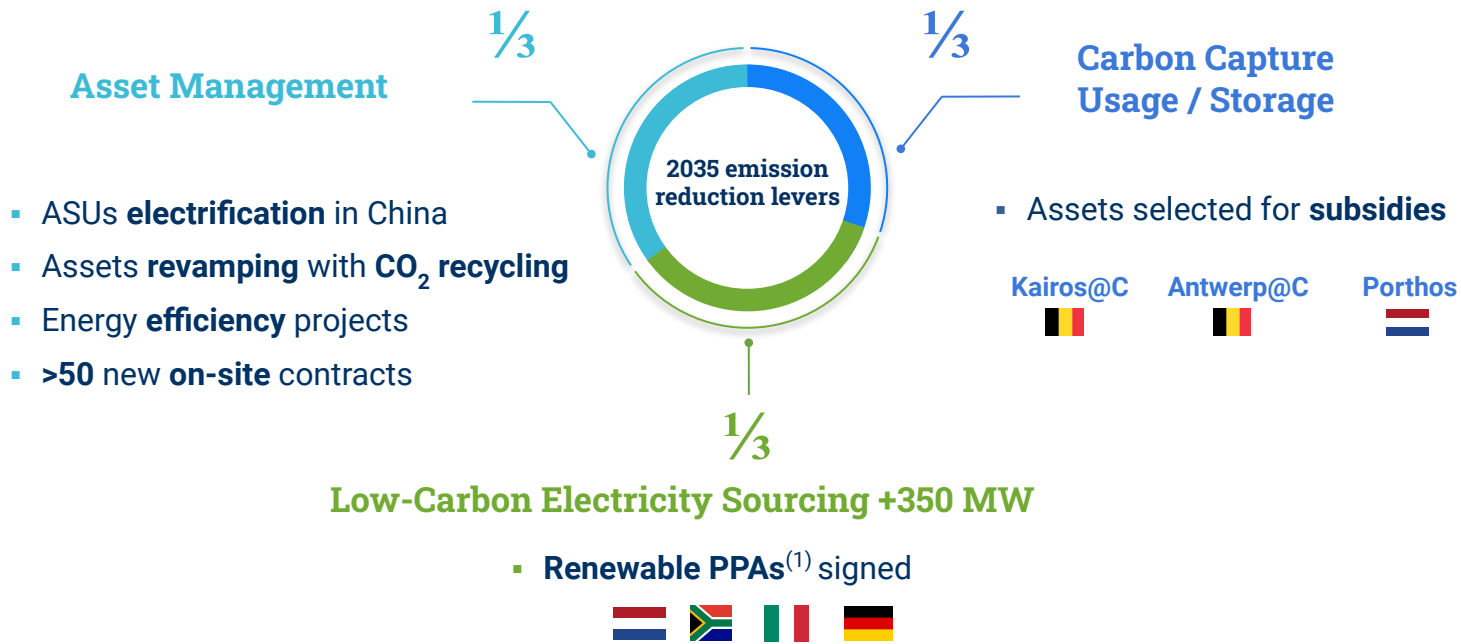
- Decarbonization opportunities primarily for Scope 2 emissions

(a) Emissions from IDD, EHO and Orsay hubs are not shown on the figure. Combined they represent less than 0.1 MtCO₂e of total scope 1+2 emissions

(b) Steam Methane Reformers for production of Hydrogen

(c) Air Separation Units for production of air gases (oxygen, nitrogen, argon)

/// ... And ADVANCE Levers Deployed to Meet CO₂ Trajectory



(1) Power Purchase Agreement

// // // ... Resulting in 2 Years of Stable Emissions While Delivering Strong Growth

Objectives and KPIs	2021 FY Achievement	2022 FY Achievement
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By 2025, a 30% reduction Carbon Intensity vs. 2015	-24 % (vs. 2015)	-25% (vs. 2015)
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By 2035, a 33% reduction in Scope 1 & 2 emissions vs. 2020	< +1% (vs. 2020)	-0.3% (vs. 2020)
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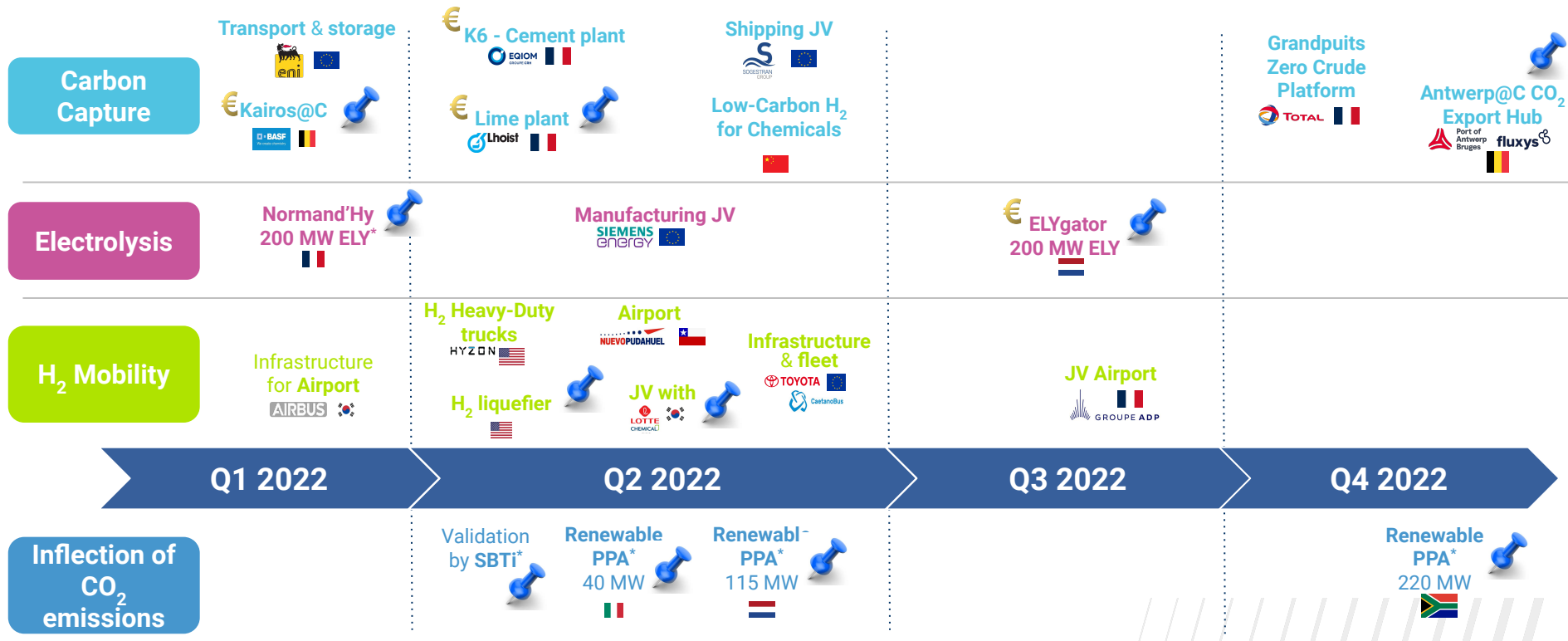


SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

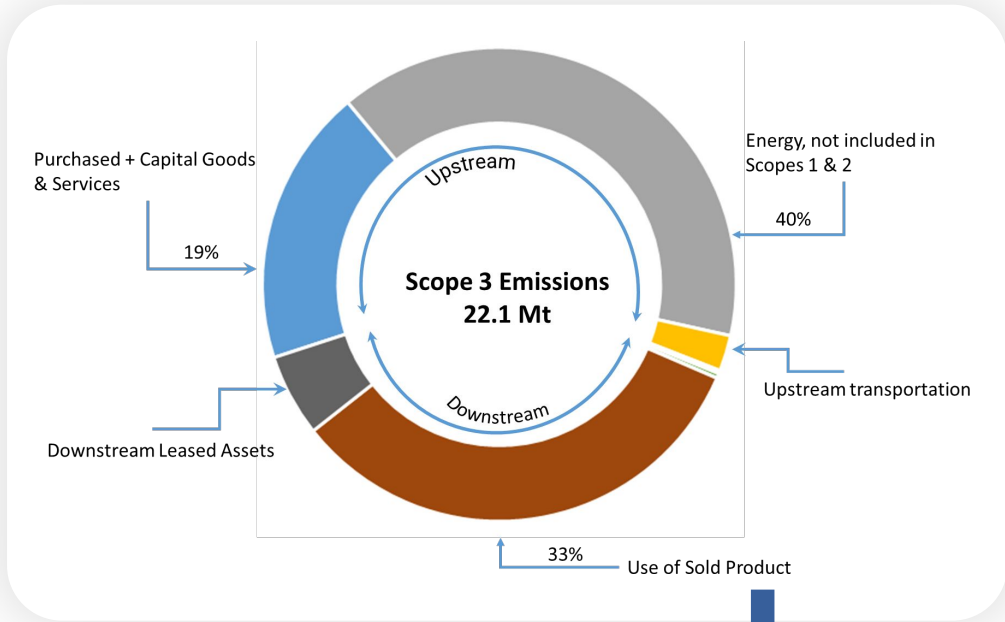
Our CO₂ emissions reduction **target was validated** by the Science Based Targets Initiative (SBTi) in May 2022 as aligned with “well below 2°C”

... And Several Energy Transition Projects Initiated and Developed in 2022 to Continue the Decarbonization Journey into the Future



* PPA=Power Purchase Agreement; ELY=Electrolyzer; SBTi=Science Based Targets initiative

/// ... With the Goal to Decarbonize our Full Value Chain



Air Liquide is participating in the SBTi led Expert Advisory Group to develop SDA* for chemical sector, with special focus on scope 3 emissions

* Sector Decarbonization Approach

2 Products

CO₂ - Food, pharma, welding, water treatment, cooling, applications

N₂O - Anesthetic, pain relief, Food, heat treatment, petrochemicals, semiconductor applications

/// Key Progress in 2022: Scope 3 Emissions

Measuring & Monitoring



Comprehensive and transparent reporting
Enhanced methodologies

Engaging with suppliers



Suppliers' mapping & dialogue
"Procure to neutrality" roadmap

Engaging with Customers



Solutions to support customers' own
decarbonization



2035 Objective

100% of Top 50
customers
committed to 2050
Carbon neutrality
by 2035
(75% by 2025)

/// Key Progress in 2022: Water Management

Water management Objectives



Objective

1



For high water use operations in high water stress areas, to have a documented water management plan that addresses water withdrawal / usage risk, by 2025

Objective

2



For all operations, to implement a global standard at the Group level, which ensure that discharged water quality meets or exceeds the applicable local criteria

2022 Achievements

78 sites identified as high water use operations in high water stress areas

Tools, guidelines and templates prepared, Pilots launched

Exhaustive view on all Local regulations

Group Technical Standard draft

/// Key Progress in 2022: Biodiversity

1st Set of Biodiversity Commitments



- **Act4Nature** Commitment in 2023
- Develop and implement **Biodiversity KPI** by 2025
- **Biodiversity assessment criteria** integrated in **investment process** for all new projects by 2024

2022 Achievements

Assessment of **biodiversity related risks**

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

Mapping of **Air Liquide assets** in Key Biodiversity Areas

Launch of **biodiversity awareness trainings** across the Group

/// Key Progress in 2022: EU Taxonomy

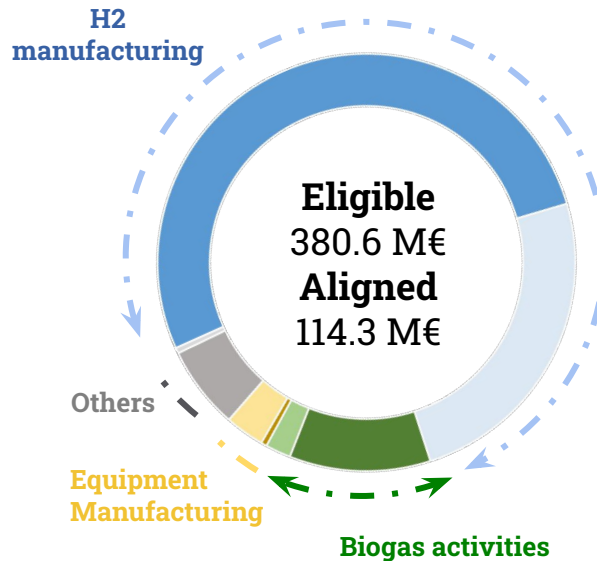


Roll out of the full (eligibility + alignment) reporting, incl. Technical Screening Criteria and DNSH across relevant activities

Eligible turnover: 17.5% of Group turnover
Most Air Liquide operations do not lead to direct CO₂ emissions

Aligned/Eligible Turnover : 6.6 %
Aligned/Eligible CAPEX : 30%

Focus: CAPEX^(*)



^(*) dark color indicates Eligible not Aligned; light color indicates Eligible and Aligned



Jean-Marc De Royere

Strong Progression on Personalized Care in Mature Economies

SCOPE

- **Personalized care plans for HHC* patients**
 - **L1: Compliance-driven**
 - **L2: Outcome-driven**
- **Patient-focused partnerships**
 - **To increase awareness**
 - **Improve patients' autonomy and quality of life**

2022 ACHIEVEMENTS

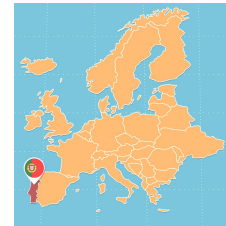
- **49%** of Air Liquide's HHC* 1,860,000 patients were under a personalized care plan
- **> 80** patient-focused initiatives were active
 - With over 200 partners, most of them in Europe

* Home Health Care

Example from Portugal

Partners

Portuguese Sleep Association (APS) and Portuguese Pneumology Society (SPP)



Personalized Care Model

Omnichannel service of personalized support for people with **sleep apnea**.

Benefits

Improved compliance with the therapy and **better quality of life**.



/// 1.8 Million People with Facilitated Access to O₂ in LMICs*

SCOPE

- Millions in rural communities lack **ready access to oxygen**
- **Access Oxygen™**: safe, reliable, patient-focused O₂ services
- Delivered by **AL teams** or social **entrepreneurs** to **primary care centers**
- Supported by a dedicated entity, **Access Oxygen SAS**.

2022 ACHIEVEMENTS

- “Access Oxygen” started in **Kenya**; 50,000 pop. covered so far
- **South Africa, Senegal**: added AO** to > 100 primary care centers
- Reached ~ **1.8 million** population coverage overall
- **Market studies** underway in several countries.

* Low & Middle Income Countries (138 countries as per World Bank definition)

** Access Oxygen™



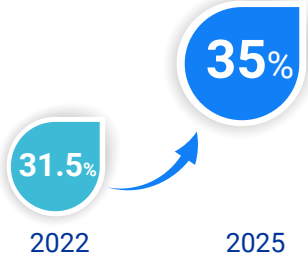


Claire Dessertine

Acting for All - Objectives and 2022 Results



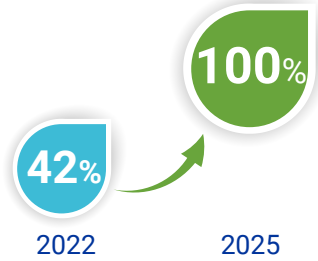
Diversity,
a source of
performance



of **women** among
**managers &
professionals**
by 2025



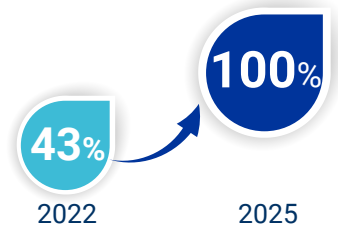
Wellbeing
beyond the
workplace



of employees under a
common basis of care
coverage by 2025



CiTiZEN
at Work



of **employees**
encouraged to **engage**
in local initiatives

/// Diversity Performance: Challenging, But On Track

Examples

Objectives and KPIs	2021	2022
RESULTS 35% women among Manager & Professional population by 2025	31.0%	31.5%



Publication of "Inspiring Women: 120 inspiring stories for the 120 years of Air Liquide" women share their unique experiences, backgrounds and encouragement for the role women play in the present and future of Air Liquide.






Annual HandivAirsity celebration on the occasion of European Disability Employment Week. An essential part of inclusion and diversity is empowering and integrating people with disabilities into work at all levels.


// // // Common Care Coverage: Progressing Well Toward Objective

	Objectives and KPIs	2021	2022
RESULTS	100% of employees with common care coverage package by 2025	34%	42%

Key Elements of Common Care Coverage

-  Life insurance
-  Health insurance
-  14 weeks paid Maternity leave

Each Hub of the Group has a 2023-2025 roadmap to achieve the 2025 objective.



// // // Citizen at Work: Launched Across 15 Entities

	Objectives and KPIs	2021	2022
RESULTS	100% of employees to have access to local volunteering activities by 2025	Early adopters	43%
		17,000 employees	29,000 employees



AL S. Africa - 2022 Mandela Day

- Program Launched; 15 entities; governance guidelines established
- Supported by the Air Liquide Foundation, the program played a key role in providing **assistance to Ukrainian refugees** in recent months



AL US - Houston Food Bank



AL Korea- ALTogether with children

Best In Class Governance: New Actions Undertaken




Board & Shareholders

- A diversified and independent Board:
 - 50% of women, as of Dec. 31, 2022 (stable vs. 2021);
 - 80% of independent members, as of Dec. 31, 2022 (vs. 92% as of Dec. 31, 2021)



Promote a responsible dialogue with our business stakeholders

- Expansion of  platform to **external stakeholders**
- **Deployment** of the **updated Code of Conduct**, taking into account the latest regulatory developments, best practices and our risk mapping
- Publication of **lobbying charter, due diligence on main associations**



Make a positive impact on society

- >30 new **jobs-integration initiatives** backed by the Group in Europe & N. America
- Air Liquide's **European operations** and the **Fondation**  have been working with **charities** to help **Ukrainian refugees**.
 - **41 employee-sponsored charity projects** earned **grants** from the Foundation in 2022
 - The projects benefited > **60,000 refugees** in **Poland** and **6 other countries**.
 - **ALSA** and **donations** from **shareholders** and **employees** fund the **€1.3m** programme

Operations **donated** an additional **€227k** in 2022 directly to charities for refugee support

Conclusions

Concrete actions to achieve our short- and mid-term ESG objectives initiated

- Flattening of CO₂ emissions for 2 years in row
- Several new PPAs for Renewable Energy
- Large scale carbon capture & electrolysis projects launched
- New set of commitments on Biodiversity and Scope 3

Recognition of our ESG performance



Ranked in top quartile by leading ESG rating agencies



CO₂ trajectory validated by SBTi

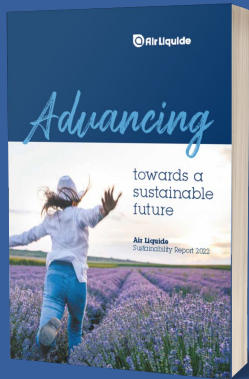


Next steps on Environmental Objectives

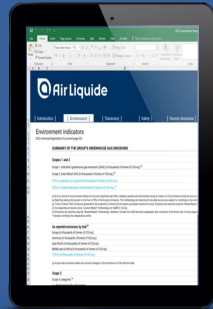
- **Accelerate** in line with CO₂ trajectory
- Participate in development of **chemical sector SDA*** with SBTi
- Development of **additional Scope 3 objectives**
- **Deploy Water Policy** at relevant sites
- **Biodiversity** assessment and **KPI** development

* Sector Decarbonization Approach

To learn more...



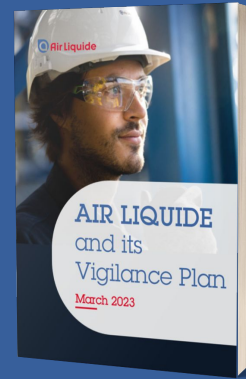
[Sustainability Report 2022](#)



[Downloadable Reporting for Stakeholders](#)



[2022 Universal Registration Document](#)



[Vigilance Plan](#)



[Air Liquide Foundation](#)