

Sustainability

at the heart
of the future

DELIVERING GROUP SUSTAINABILITY OBJECTIVES

INVESTOR MEETING

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/// Our Corporate Sustainability Report



URD
Published March 7, 2022



Vigilance Plan
Published March 24, 2022



Annual Report
Published March 25, 2022



Sustainability Report
Published April 7, 2022



**Sustainability
Strategy**



2021 Performance



**Illustrations
of Progress**

01

Our Sustainability Strategy

ESG: stakes, policies and commitments

- **Environmental, Societal and Governance** stakes identified, with risks and opportunities detailed
- Strong and clear statement of AL's **responsibilities and commitments to act** on Sustainability topics
- Reinforces AL's **strong ESG leadership** in the Industrial Gas sector
- **Aligned with the Sustainable Development Goals** established by the United Nations



/// Our Sustainability Ambition is embedded in our New Strategic Plan

Sustainability Ambition
March 2021



A Acting for a low-carbon society



C Acting for Health



T Acting as a Trusted Partner

Group's New Strategic Plan
March 2022

ADVANCE



Delivering financial performance

And beyond,



Decarbonizing the planet



Unlocking progress via technologies

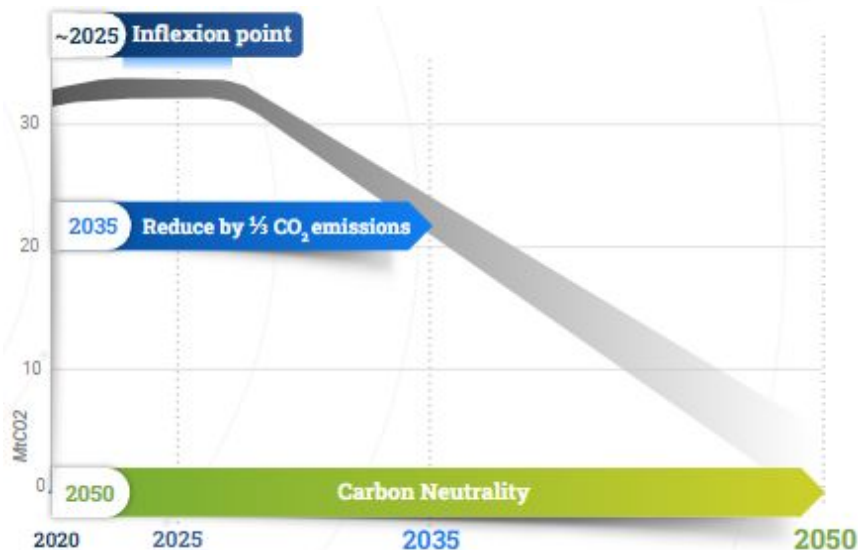


Acting for all



Ambitious Path towards Carbon Neutrality, starting with 2025 Inflexion Point

Absolute Scope 1+2 emissions



ADVANCE Performance Objectives

Sales growth
+5-6% CAGR⁽¹⁾

ROCE
>10%
by 2023
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

2021 Performance



A recognized Extra Financial Performance - 2021 Ratings



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



Air Liquide earned a place on the **CDP Suppliers Engagement Rating Leadership Board**.



Air Liquide has maintained its **A grade**, ranking in the **top 22%** of companies on CSR



For the 5th consecutive year, Air Liquide has won a **Gold Ecovadis Sustainability medal**.



Recognized as **“ESG Industry Leader Top Rated”**, Air Liquide has received a **“low risk”** rating.



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 2022.



Awarded a score of **61/100**, Air Liquide ranks in the **top 10%**.

S&P Dow Jones Indices

A Division of **S&P Global**

In 2021, Air Liquide provided **enhanced disclosure** on various ESG topics in the **S&P Global CSA questionnaire** for the first time.



Top quartile of most leading extra-financial rating agencies

2021 Key ESG Performance Indicators

Objectives and KPIs

2021 Results

ACT FOR A low-carbon society >

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

< +1%

KPI LC.1

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

-24 %

KPI LC.2

ACT FOR Health >

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

38 %
Patients with
Personalized Care

KPI H.1

In LMICs, facilitate access to oxygen

1, 032, 000
people

KPI H.2

ACT AS A Trusted Partner >

35% women among Manager & Professional population by 2025

31 %

KPI T.1

100% of employees with common care coverage package by 2025

34%

KPI T.2

PILLAR #1

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

PILLAR #2

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

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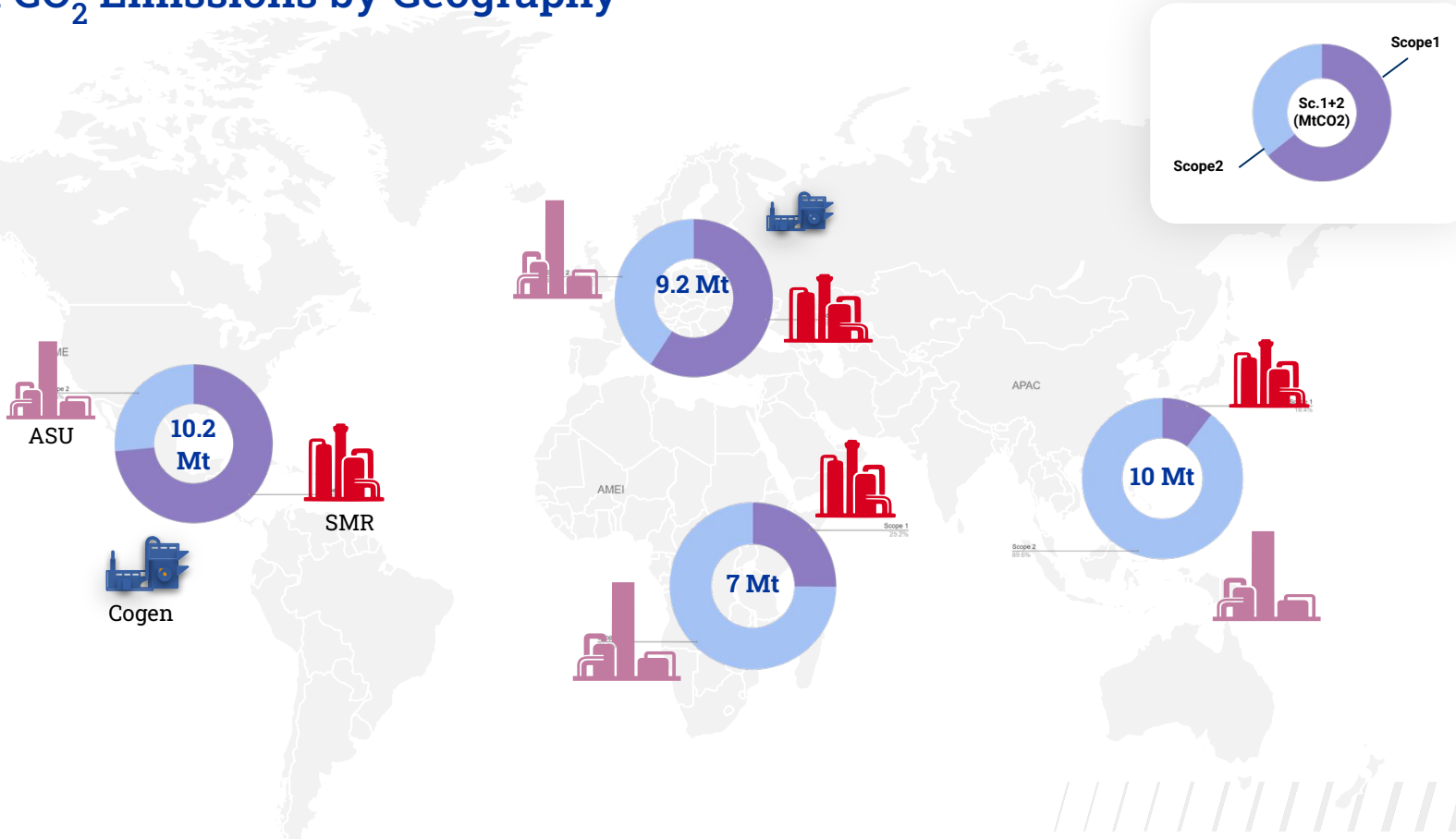
2021 CO₂ Emissions Profile by Scopes



Avoid emissions from efficiencies and clients' applications

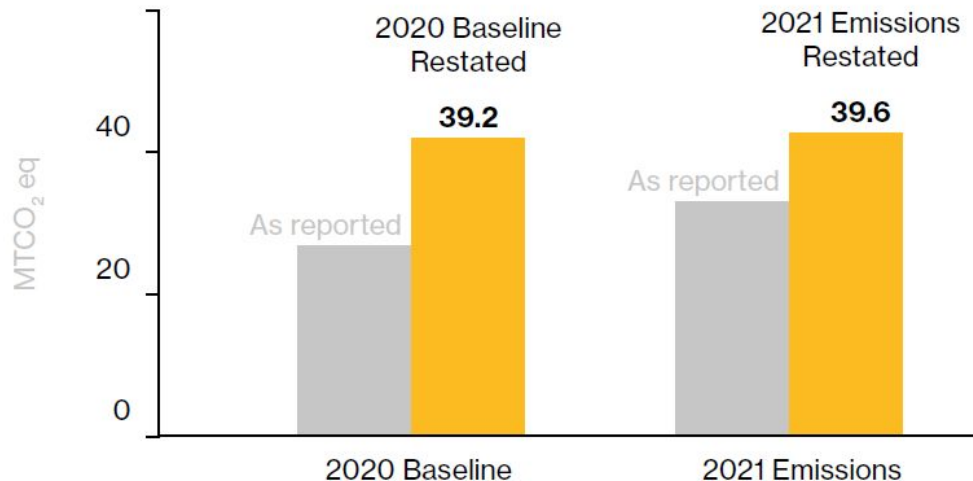


2021 CO₂ Emissions by Geography



Emissions from IDD, EHO and Orsay hubs integrated in Europe

/// KPI LC.1 : Absolute emissions reduction



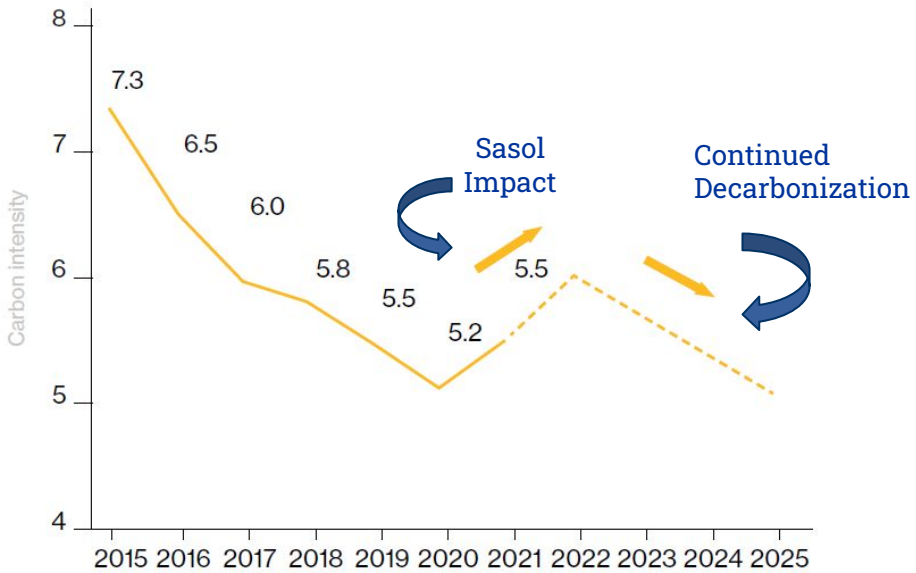
➤ Absolute emissions: brakes on despite strong revenue growth



(a) 2020 baseline restated to include 2020 emissions from new units acquired from customers, in particular emissions from the new units acquired from Sasol.

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

/// KPI LC.2: Carbon intensity reduction



2021 Result: -24%

2025 Objective: -30%

➤ Carbon intensity: On track to reach 2025 target (-30% vs. 2015)



CO₂ emissions reporting

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



CO₂ Emission Management

- **Yearly Carbon Budget** allocated to Hubs and countries
- **Follow up of the impact of each new project on the global 5 year trajectory**
- A dedicated governance in place, fostering regular **reviews** at top management and Board level

Numerous Decarbonization Initiatives already Launched (Examples)

Becancour electrolyser 
27,000 tons of CO₂ avoided / year

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

Taking actions on

Our ASSETS — Scope 1&2


Our CUSTOMERS

Our ECOSYSTEMS


Scope 3



Several PPAs already signed in Europe



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

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

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

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

ASU= Air Separation Unit
PPA=Power Purchase Agreement

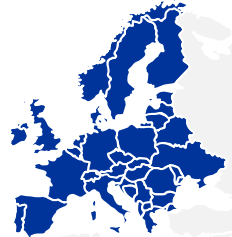
First Fundings secured, kick-starting transition in key basins in EU



Innovation Fund

One of the world's largest funding programmes for the demonstration of innovative low-carbon technologies

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



Other Funding

Project	Companies	Location	Description
Normand'Hy	AL, Total Energies	Port-Jérôme, FR	200 MW electrolyzer for renewable H2 production for industry and mobility
Trailblazer	AL	Oberhausen, GER	30 MW PEM electrolyzer for renewable H2 production for industry and mobility
Porthos	AL, Exxon, Shell, AP	Rotterdam, NL	CCS value chain to decarbonize the Rotterdam industrial area

Raising awareness & Training employees

Employee on-boarding

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

Focused training programs

- Air Liquide University campus "Nutshell" sessions: 2065 attendees
- "How To" sessions : 918 attendees
- Embedded into WBLs Trainings

Deploying in the organization

Climate Champions

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



Sustainability Ambassadors

- Network of > 450 volunteers
- Implementing action at local level, raising awareness and sharing best practices



Water Management & Biodiversity: Moving ahead



Detailed water withdrawal and consumption footprint

Enhanced Disclosure of Water related risks

Water management Objectives

- **Objective 1:** For high water use operations in high water stress areas, to have a documented water management plan that addresses water withdrawal / usage risk, by 2025.
- **Objective 2:** For all operations, to implement a global standard at the Group level, beyond established existing processes and procedures which ensure that discharged water quality meets or exceeds the applicable local criteria



Assessment on biodiversity related risks

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

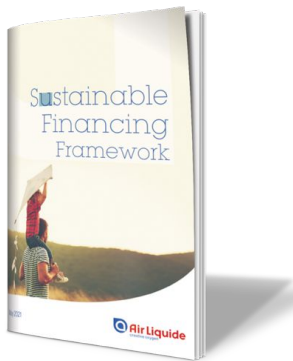
Mapping of Air Liquide assets in Key Biodiversity Areas

Focus on 2 business areas

- Seppic
 - Biomethane
-

Announcement of biodiversity awareness initiative across the Group.

/// Sustainable finance



Align funding strategy with sustainability strategy and objectives



Contribute to the development of Sustainable Finance

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



First reporting in URD

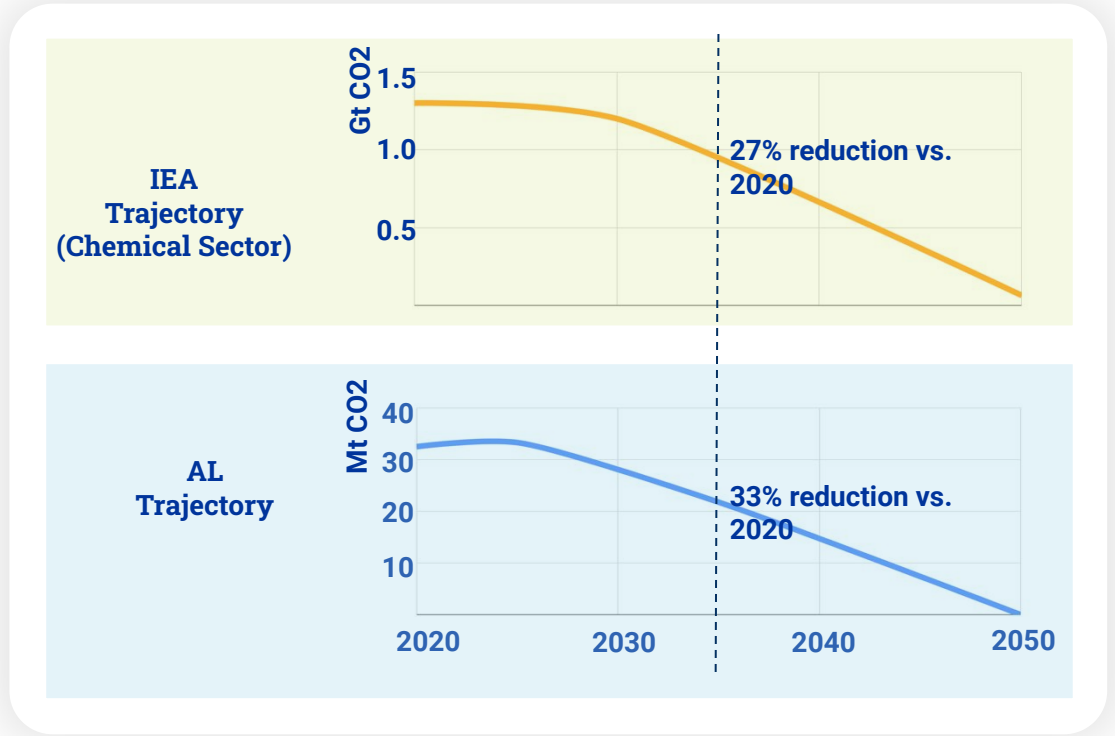
~ **20 eligible activities**
2.45 bn€ (10.5% of consolidated revenues)

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

/// Trajectory alignment



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



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KPI H.1 Improve quality of life for chronic patients in mature economies

SCOPE

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

2021 ACHIEVEMENTS

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

Example

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

awarded by the

ValueBased
HealthCare | Center
Europe

KPI H.2 Facilitate access to Oxygen in LMICs*

SCOPE

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

2021 ACHIEVEMENTS

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



Example

Oxygen service for rural health clinics, based on measured outcomes, a reliable supply of oxygen and the training of customer staff.



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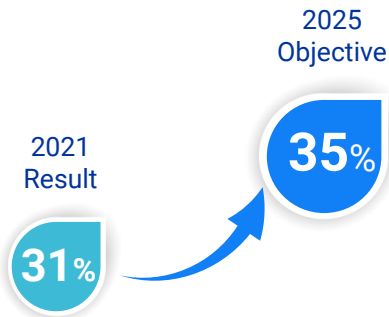
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/// KPI T.1 and T.2 Diversity & Employee Wellbeing



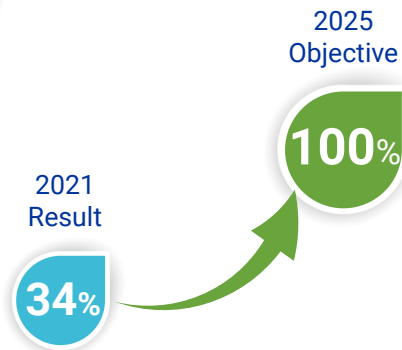
Diversity,
a source of
performance



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



Wellbeing
beyond the
workplace



of employees under
a **common basis** of
care coverage
by 2025



Safety

One ambition:
zero accident



Relationship with Stakeholders - Public Sphere

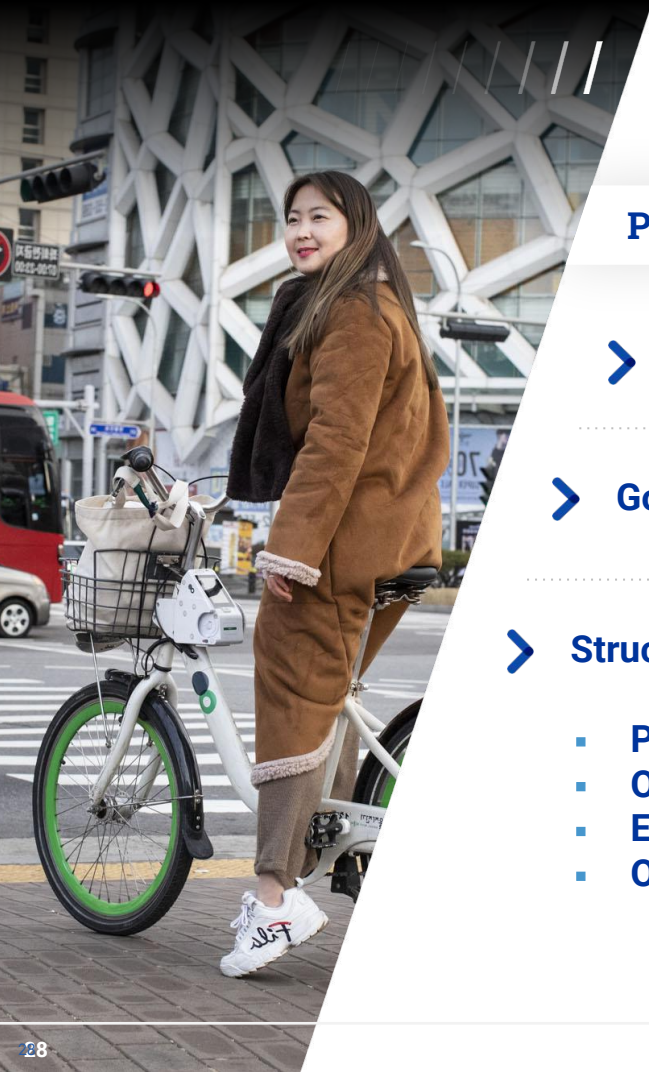
Public Affairs Charter

➤ **Public Affairs Charter** published

➤ **Governs** the Group's interactions with public authorities at all levels

➤ **Structured as**

- **Principles of Action,**
- **Our Organization,**
- **Ethics & Transparency**
- **Our contribution to Climate change mitigation**



Trust as the basis to build Best-in-Class Governance




Board & Shareholders

- A diversified and independent Board



Promote a responsible dialogue with our business stakeholders

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



Contribute to making a positive impact on society



- Several **hundreds of employees** involved
- More than **470 projects** in around **52 countries** for more than 100 years



/// A commitment to our stakeholders and our planet

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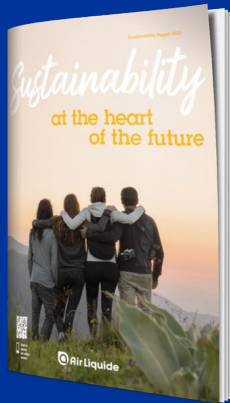
Unlocking progress via technologies



Acting for all



To learn *more...*



[Sustainability Report 2021](#)



[Downloadable Reporting for Stakeholders](#)



[2021 Universal Registration Document](#)