

Governance

**Preparation
of the 2023
Annual General Meeting
Proposed Resolutions**

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Investor Relations

2022 Roadshow presentation, updated with 2022 URD

Governance Principles at Air Liquide

- **Knowledgeable** and **engaged** Directors
- **Dedicated** and **industry-expert** Management
- **Powerful controls** and fine-tuned organization
- **Regular** and long-term **attention** to **shareholders**
- Importance of **continuous progress** for **Governance**
 - Integrating main shareholders' feedback...
 - ...while showing consistency: long-term value creation, history and culture

Well-Balanced and Controlled Governance

- Separation of roles between **Chairman** and **Chief Executive Officer**
- **Independent Lead Director** NEW
- Comprehensive **external evaluation** of the Board of Directors end of 2022
- Once a year meeting **without the presence of Air Liquide's** Executive Directors and internal members
- Information of Board regarding **discussions** between Chairman, CEO and main shareholders
- Possibility, on request, where applicable, to **hold discussions** between **main shareholders** and **Lead Director**
- **Joint session** between the Audit & Accounts and the Environment & Society Committees

Proposed Resolutions for 2023 Shareholders' Meeting

Ordinary Meeting (1/2)

- #1 Approval of the Company financial statements for the fiscal year ended December 31, 2022
- #2 Approval of the consolidated financial statements for the fiscal year ended December 31, 2022)
- #3 Appropriation of earnings and setting of the dividend
- #4 Authorization granted to the Board of Directors for a period of 18 months to allow the Company to trade in its own shares
- #5 Appointment of Ms Catherine Guillouard as Company Director
- #6 Appointment of Ms Christina Law as Company Director
- #7 Appointment of Mr Alexis Perakis-Valat as Company Director
- #8 Appointment of Mr Michael H. Thaman as Company Director
- #9 Ratification of the temporary appointment of Ms Monica de Virgiliis as Company Director

Proposed Resolutions for 2023 Shareholders' Meeting

Ordinary Meeting (2/2)

- #10 Statutory Auditors' Special Report on agreements covered by the articles L. 225-38 et seq. of the French Commercial Code
- #11 Approval of the components of the remuneration paid during or awarded in respect of the fiscal year ended December 31, 2022 to Mr Benoît Potier, Chairman and Chief Executive Officer, for the period from January 1, 2022 to May 31, 2022
- #12 Approval of the components of the remuneration paid during or awarded in respect of the fiscal year ended December 31, 2022 to Mr François Jackow, Chief Executive Officer, for the period from June 1, 2022 to December 31, 2022
- #13 Approval of the components of the remuneration paid during or awarded in respect of the fiscal year ended December 31, 2022 to Mr Benoît Potier, Chairman of the Board of Directors, for the period from June 1, 2022 to December 31, 2022
- #14 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
- #15 Approval of the remuneration policy for the Chief Executive Officer
- #16 Approval of the remuneration policy for the Chairman of the Board of Directors
- #17 Approval of the remuneration policy applicable to Directors
- #23 Powers for formalities

Proposed Resolutions for 2023 Shareholders' Meeting Extraordinary Meeting

#18 Authorization granted to the Board of Directors for a period of 24 months to reduce the share capital by cancellation of treasury shares

#19 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

#20 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

#21 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

#22 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

Agenda

- **Update on Board of Directors**
- Remuneration policies
- Others
- Appendix

Board of Directors: High Diversity and Independence

As of **December 31, 2022**



Term ends: **2023**

2024

2025

2026



France, Germany, United
Kingdom, United States



* Ratio excluding Employee Directors

** The Board of Directors on February 15, 2023 took note of the resignation of Mrs. Anette Bronder with effect from January 3, 2023, due to her wish to take up an executive position with an audit firm, which is not compatible with maintaining her office as a Director of L'Air Liquide S.A. The Board decided to co-opt Mrs. Monica de Virgiliis as a Director for the remaining term of office of Ms Anette Bronder i.e., until the Annual General Meeting of 2024

Air Liquide's Board Extremely Engaged

2022 attendance rates



(1) Employee Director

(2) Ratio excluding Employee Directors



Benoît Potier

- French
- Born in 1957
- 1st appointment as Director in 2000
- Chairman of the Management Board from 2001 to 2006
- Chairman and Chief Executive Officer of Air Liquide from 2006 to 2022



Separation of roles between **Chairman** and **Chief Executive Officer** of Air Liquide in 2022

- **Renewal** of the term of office as **Director** as of 2022 AGM
- **Renewal** of the term of office as **Chairman** of the Board as from June 1st 2022
- During the transition period, **specific missions** performed **in collaboration with the CEO** to benefit from his strong experience

- In **consultation** with the **CEO**:
 - **Involvement** in major decisions concerning the definition of overall **strategy** and **organization**, possible attendance of internal meetings on these topics (at the CEO's request)
 - Meeting with the principal **shareholders** on governance matters, in close collaboration with the CEO, monitoring of **shareholder strategy**, Chairman of the **shareholders' Communication Committee**
 - Making his experience available and ensuring that the Group's values and culture are upheld
 - **Representation of the Group** (pursuant to an institutional role) vis-à-vis the public authorities and some strategic partners and/or stakeholders
- Attendance of the **Appointments & Governance** and the **Remuneration Committees**
- Active role in the **recruitment of Directors** led by the Appointments & Governance Committee
- Performance on the specific missions reported to the Board

Appointment of a New CEO, effective June 1st 2022, appointed as Board member in 2022

Reminder



François Jackow

- French
- Born in 1969
- Member of the Executive Committee Since 2014
- Joined Air Liquide in 1993
- Former Executive Vice President supervising:
 - Europe and Africa - Middle East - India hubs
 - Healthcare business line
 - Innovation, Technologies, Digital / IT
 - the Customer Experience program
- Former Head of R&D, Large Industries WBL, CEO in Japan, and previously in charge of Corporate strategy
- Experience in Marketing, Business Development, Engineering and Strategy



- new **Board Director** since May 2022
- Resignation as Air Liquide employee to become **Executive Officer**
- CEO role:
 - **Oversees** and **manages** the **operations**
 - 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⁽¹⁾ (same as Chairman and CEO previously)

(1) For further details, refer to 2022 URD pages 135 & 136



Xavier Huillard

- French
- Born in 1954
- 1st appointment: 2017
- Independent Director
- Lead Director since 2022
- Chairman of the Appointments and Governance Committee, and of the Remuneration Committee
- Experience as chairman and CEO of an international corporation



New independent Lead Director appointed in 2022

- Ability to ask the Chairman of the Board to **convene a Board meeting**
- Coordination of the implementation of the procedure aimed at **identifying and analyzing potential situations of conflicts of interest** on the Board
- Once a year, call of a meeting 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
- Review of **requests made by shareholders** with regard to governance

Other Terms Renewed in 2022

Reminder



Annette Winkler

- German
- Born in 1959
- 1st appointment: 2014
- Independent Director
- Chair of the Environment and Society Committee, Member of the Appointment and Governance Committee
- Experience of a large **German industrial** group with an **international** reach in the **automotive** sector



Philippe Dubrulle

- French
- Born in 1972
- 1st appointment: 2014
- Director representing employees
- Member of the Environment and Society Committee
- Programmes & Services Manager, Aerospace & Defense Air Liquide Advanced Technologies
- Member of the French Institute of Directors



Renewed by the Group Committee
In France, in Dec. 2021
for 4 years from AGM 2022

Terms Ending in 2023



Geneviève Berger

- French
- Born in 1955
- 1st appointment: 2015
- Independent Director
- Member of the Environment and Society Committee
- Held various positions in research and universities, notably Head of the research department and Strategic Advisor to the Chairman and to the CEO at the Swiss company Firmenich
- Expertise in hospitals, health and research



Siân Herbert-Jones

- British
- Born in 1960
- 1st appointment: 2011
- Independent Director
- Chair of the Audit and Accounts Committee
- Held various positions in PriceWaterhouseCoopers until 1995 and then in Sodexo (incl. CFO from 2001 to 2015)
- Strong experience in Finance and Audit, knowledge of the Service sector

Appointment of new Directors in 2023 (1/2)

Catherine Guillouard

- French
- Born in 1965
- Independent Director
- **Former Chairwoman and CEO of RATP** (until Sept. 2022) and previously **CFO and Deputy CEO of Rexel, CFO of Eutelsat and Air France**
- **Extensive financial skills**, experience as an executive in a major public transport group, where she led the transformation and **decarbonization plan**, experience as a Director in other major global listed European groups

Christina Law

- Chinese (Hong-Kong)
- Born in 1967
- Independent Director
- Held various positions in **Procter & Gamble, Johnson & Johnson, General Mills; CEO of Raintree** Group of Companies (since 2019)
- In-depth knowledge of **Asian markets**, managerial experience in **large international groups** specializing in the fields of **healthcare** and treatment

Appointment of new Directors in 2023 (2/2)

Alexis Perakis-Valat

- French and Greek
- Born in 1971
- Independent Director
- **President of the Consumer Products Division of the L'Oréal** group, the group's main division
- In-depth knowledge of **consumer product markets**, managerial experience within a **leading international group**, where he has been one of the driving forces behind **major transformations** carried out in recent years

Michael H. Thaman

- American
- Born in 1964
- Independent Director
- Held various positions at **Owens Corning**, a world leader in **construction materials** and one of the **highest-rated American groups on ESG criteria**
- Strong **international profile**, extensive knowledge of **North American industrial markets**, 30 years of experience at Owens Corning, incl. 13 years as **Chairman and CEO** and 18 years as **Executive Chairman**, experience as a Director in other major global listed US groups, particularly in the field of **renewable energies**

Ratification of the temporary appointment of one Director, in replacement of Ms Anette Bronder

Monica de Virgiliis

- Italian and French
- Born in 1967
- Independent Director
- **Former Director of Strategy at the CEA** in Paris after a career in the field of **electronics at ST Microelectronics and Infineon, founder and President of Chapter Zero France**, a non-profit association aiming to raise awareness of **climate issues** to Directors
- >15 years of experience in **electronics**, strong skills in **technology and energy**, commitment to **energy transition**

** The Board of Directors on February 15, 2023 co-opted Ms Monica de Virgiliis for the remaining term of office of Anette Bronder*

Executive Committee

Diverse profiles and complementary skills

14
Members

29%
Women

5
Nationalities



Members as of December 31, 2022

Agenda

- Update on Board of Directors
- **Remuneration policies**
- Others
- Appendix

Agenda

- Update on Board of Directors
- **Remuneration policies**
 - **Chairman & CEO - January to May 2022**
- Others
- Appendix

2022 January to May - Chairman & CEO Ex Post

Reminder of the Remuneration Policy

- Approved by the 2022 AGM
- **Prorated (January to May 2022)**
- **Stable Fixed remuneration**
- **Same target and maximum variable remuneration**
- **No LTI grant**
- **Previous LTI attribution:** prorated and subject to performance conditions:
 - 2021 plan: 17/36 months granted
 - 2020 plan: 29/36 months granted

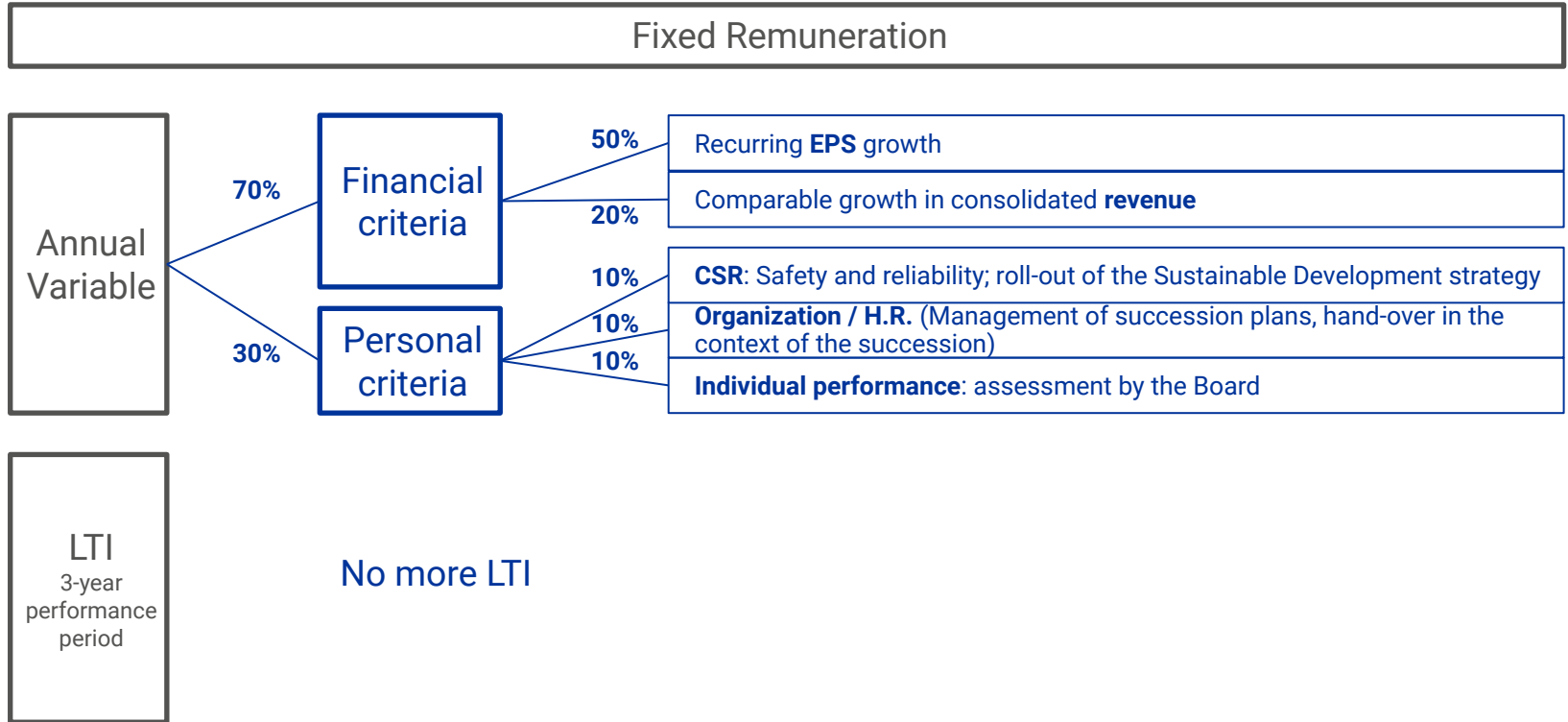
Resolution #11 Ex Post

- **Prorated Fixed remuneration:** ~€552k
- **Prorated variable remuneration**

2022 January to May - Chairman & CEO Remuneration Structure

As a % based on 100

Reminder



2022 January to May - Chairman & CEO Variable Remuneration Compliant with the Voted Remuneration Policy

Resolution #12
Ex Post

	Approved by the 2022 AGM				Achievement		
	Target		Maximum		% of target	% of fixed remuneration	in thousands of euros
	% of fixed remuneration	% based on 100	% of fixed remuneration	% based on 100			
Financial criteria	105	70	122	73	116	122	674
Recurring EPS	75	50	87	52	116	87	480
Revenue	30	20	35	21	116	35	193
Personal criteria	45	30	45	27	100	45	248
CSR	15	10	15	9	100	15	83
Organization/HR	15	10	15	9	100	15	83
Individual performance	15	10	15	9	110	15	83
TOTAL	150	100	167	100	111	167	922

Agenda

- Update on Board of Directors
- **Remuneration policies**
 - **CEO - From June 2022**
- Others
- Appendix

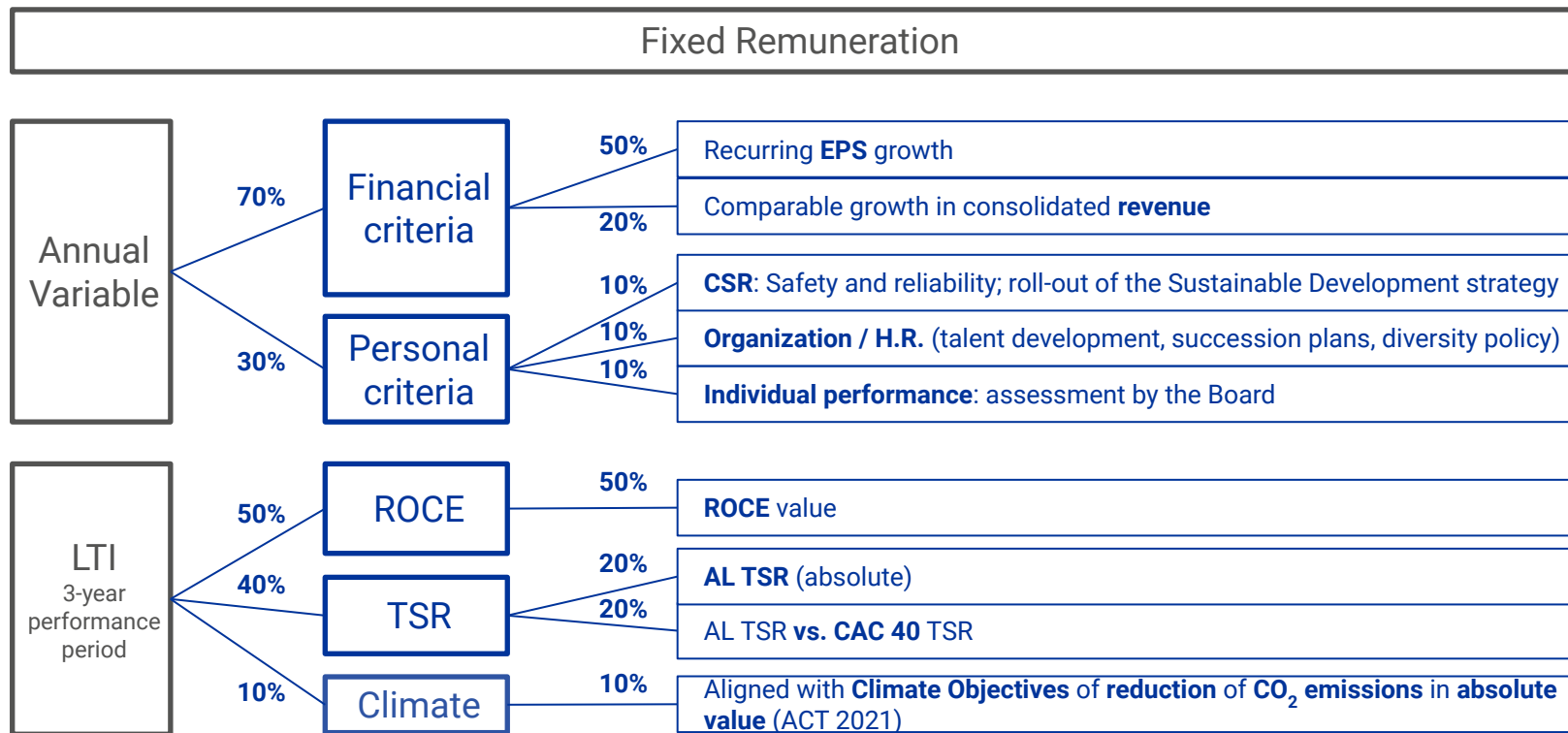
- Approved by the 2022 AGM
- **Continuity of the policy**: similar structure and principles, adjustment of a few points
- Similar proportionate **balance** between **3 remuneration components** (*)
 - **Fixed €1,100k/y** ~25%
 - **Variable** ~35%
 - **LTI** ~40% } ~75%, subject to performance conditions
- **Similar Criteria** for the variable remuneration
 - **Quantifiable** for financial criteria (greater relative weight)
 - **Qualitative** for personal criteria (with specific weight for each criteria)
- **Improvement in the Variable target and maximum**, as a percentage of the fixed remuneration:
 - **target at 120%** vs. 150% previously
 - **maximum at 150%** vs. 167% previously

* Prorated : June to December 2022

2022 June to December - CEO Remuneration Structure

Reminder

As a % based on 100



2022 June to December - CEO Variable Remuneration Compliant with the Voted Remuneration Policy

Resolution #12
Ex Post

	<i>Approved by the 2022 AGM</i>						
	Target		Maximum		Achievement		
	<i>% of fixed remuneration</i>	<i>% based on 100</i>	<i>% of fixed remuneration</i>	<i>% based on 100</i>	<i>% of target</i>	<i>% of fixed remuneration</i>	<i>in thousands of euros</i>
Financial criteria	84	70	105	70	125	105	674
Recurring EPS	60	50	75	50	125	75	481
Revenue	24	20	30	20	125	30	193
Personal criteria	36	30	45	30	103	37	239
CSR	12	10	15	10	100	12	77
Organization/HR	12	10	15	10	100	12	77
Individual performance	12	10	15	10	110	13	85
TOTAL	120	100	150	100	119	142	912

2022 June to December - CEO LTI Subject to 3-year Performance Conditions

Reminder

Resolution #12
Ex Post

- LTI attribution:** prorated and subject to performance conditions:
 - Annual grant of €1,650k (IFRS Value)
 - 2022: 7/12 months granted: ~€962k (IFRS Value)

ROCE	50%	<ul style="list-style-type: none"> Objective to get back to double digit by 2023-2024 0% if -200bp lower than objective
TSR	40%	<ul style="list-style-type: none"> AL: average share annual growth rate, dividends reinvested; objective set in accordance with historic performance CAC 40: rate of AL TSR, dividends reinvested, compared with CAC 40 TSR, dividends reinvested. source: Bloomberg
		<ul style="list-style-type: none"> 0% if AL TSR < CAC 40 TSR; 50% if AL TSR = CAC 40 TSR; 100% if AL TSR ≥ by 2% CAC 40 TSR
Climate	10%	<ul style="list-style-type: none"> Aligned with Climate Objectives of reduction of CO₂ emissions in absolute value (ACT 2021)

In the continuity of 2022 remuneration

- Similar proportionate **balance** between **3 remuneration components**
 - **Fixed €1,100k/y** ~25%
 - **Variable** ~35%
 - **LTI** ~40% } ~75%, subject to performance conditions
- **Same Criteria** for the variable remuneration
 - **Quantifiable** for financial criteria (greater relative weight)
 - **Qualitative** for personal criteria (with specific weight for each criteria)
- **Same Performance Conditions** for the LTI
 - 50% **Recurring ROCE**
 - 40% **TSR**
 - 10% **Climate**

2022 - 2023 - CEO Pension Scheme

Reminder

- Pension scheme approved by the 2022 AGM
- Simplified pension scheme definition based on:
 - **continuity** of existing plan for Senior Executives
 - while taking into account the **specificity** of the status of “Executive officer”
 - with **best financial efficiency**
- Pension scheme includes **mandatory basic** and **supplementary** pension schemes
 - Total contribution: **15% of fixed and Targeted variable remuneration**, aligned with the average benchmark
- Detail of **supplementary pension scheme**:
 - portions of remuneration between 0 and 8 PASS⁽¹⁾: defined contribution pension plan for the benefit of the senior executives
 - portions of remuneration > 8 PASS⁽¹⁾: **pension insurance contract 100% subject to performance condition**, based on the average annual difference between **ROCE** and WACC over the 3 previous fiscal years

Resolution #15

NEW AS OF 2023

Recurring ROCE excluding major acquisitions⁽²⁾

(1) PASS: reference remuneration, defined by the annual social security ceiling, €43,992 in 2023

(2) Major acquisitions: > 5% of capital employed (~€1.7bn based on 2022 accounts)

- Approved by the 2022 AGM, **no change in 2023 policy**
- **Death and disability benefits** plan and **health coverage**. **Same** as for employees.
- **Termination indemnities:**
 - In case of **forced departure** related to **a change of strategy or a change in control**
 - **Maximum** amount of **24 months** of **fixed** remuneration + **2 previous annual variable** remuneration actually **paid**⁽¹⁾
 - **Gradual decrease** when approaching the age limit defined in the Company's articles of association
 - Subject to **performance condition**, based on the average annual difference between ROCE and WACC over the previous 3 fiscal years

(1) For further details, refer to 2022 URD page 234

- **Non-compete indemnity: no change in 2023 policy**
 - duration of commitment **24 months**
 - amount at maximum **12 months** of **fixed** and **variable** remuneration
 - included in the ceiling for termination indemnity, so that **sum of the non-compete and termination indemnities is maximum 24 months** of fixed and variable remuneration
 - freely **revocable at any time** by the Board of Directors
- **Benefits in kind: no change in 2023 policy**
 - company car
 - payment to a third-party of the “unemployment insurance contributions for company managers and corporate officers”

Agenda

- Update on Board of Directors
- **Remuneration policies**
 - **Chairman - From May 2022**
- Others
- Appendix

2022 June to December - 2023 - Chairman Remuneration - No change

■ 2022

Resolution #13
Ex Post

- Prorated fixed annual remuneration of €800k in line with market practices and benchmark
 - 467k€ paid in 2022
- No variable remuneration
- No LTI grant
- Benefits in kind: company car
- Death insurance

■ 2023

Resolution #16

- Same fixed annual remuneration of €800k
- No change in the policy

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L'Air Liquide S.A.

Corporation for the study and application of processes developed by

Georges Claude with registered capital of 2,878,976,490.50 euros

Agenda

- Update on Board of Directors
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- **Others**
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Recent evolution of ESG reporting

- 2017: Creation of **Environment and Society Committee**
- 2018: Announcement of Air Liquide's first **Climate Objectives**, including the reduction of our carbon intensity in 2025 vs. 2015 by -30%
- 2018: First **Integrated Management Report**
- 2019: First **joint session** between the **Environment and Society Committee** and the **Audit and Account Committee**
- URD 2020: Publication of cross-reference tables following the frameworks of **Sustainability Accounting Standards Board (SASB)** and the **Task Force on Climate-related Financial (TCFD)**
- March 23, 2021: **Sustainability Day** and announced commitment to **carbon neutrality by 2050** with key mid-term milestones
- March 22, 2022: Announcement of **new strategic plan ADVANCE**, combining financial and extra-financial performance
- April 7, 2022: Publication of the first **Sustainable Development Report**
- May, 2022: **Validation by SBTi** of the Air Liquide CO₂ emissions trajectory “well below 2°C”

NEW

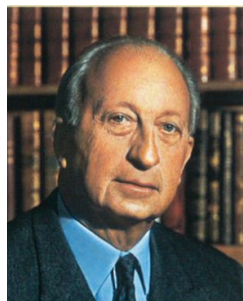
Agenda

- Update on Board of Directors
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- **Appendix**

Only 6 CEOs and Chairmen since 1902



Paul Delorme
1902 - 1945



Jean Delorme
1945 - 1985



Edouard de Royère
1985 - 1995



Alain Joly
1995 - 2001

2001-2006
President of the
Management Board



Benoît Potier
2001-2022

2006-2022
Chairman
and CEO

2022-current
Chairman



François Jackow
2022-current
CEO

A long-term vision and management

/// Setting A New Standard

ADVANCE



Delivering financial performance

And beyond,



Decarbonizing the planet



Unlocking progress via technologies



Acting for all





3 Performance Objectives



2 Key Enablers



Capital efficiency



Margin Improvement

(1) Group comparable sales growth 2021-2025 CAGR

(2) Recurring ROCE based on Recurring Net Profit

An ESG Commitment Structured around **3 Main Priorities**

1



Abatement > of CO₂ emissions

2



Care > for patients

3



Trust > as the base

- > to engage with our employees
- > to build a best in class governance

Abatement Of CO₂ Setting a Trajectory to Reach **Carbon Neutrality**

Air Liquide Commitments



CO₂ emissions **start decreasing** in absolute value



Reach **Carbon Neutrality** by 2050

~2025

2035

2050

-30%

Carbon intensity
in kg CO₂/€ EBITDA^(a)
vs 2015

Decrease scope 1 & 2
CO₂eq emissions in
absolute value by
-33%^(b)



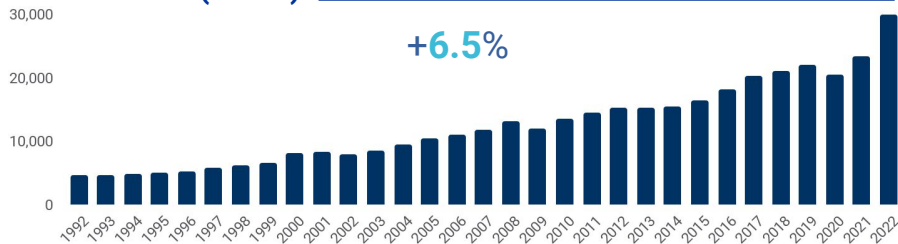
(a) at 2015 exchange rate and excluding IFRS16 for greenhouse gas emissions scopes 1 and 2

(b) from 2020 Market based emissions of 32.5 million tonnes CO₂eq (Scope 1+2)

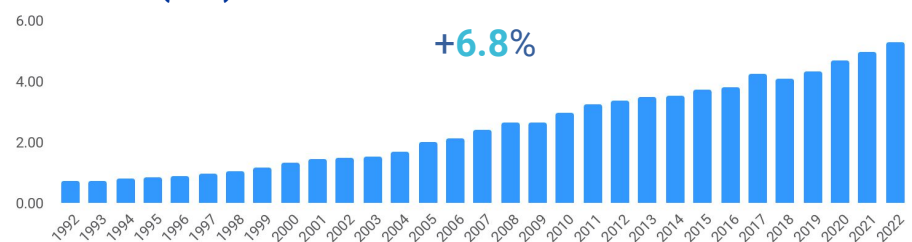
Regular and Sustained performance

CAGR over 30 years⁽¹⁾

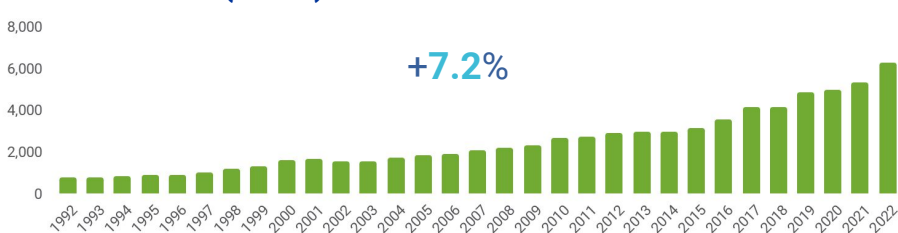
Revenue (in €m)



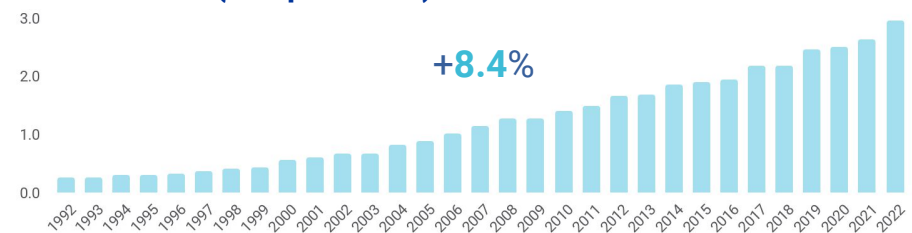
EPS⁽²⁾ (in €)



Cash Flow (in €m)



Dividend⁽²⁾ (in € per share)



(1) Calculated according to prevailing accounting rules over 30 years (2) Based on current year results and proposed for payment the following year. Adjusted for the 2-for-1 share split in 2007, for free share attributions and for the capital increase completed in October 2016