Air Liquide



UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

2025

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Universal Registration Document

INCLUDING THE ANNUAL FINANCIAL REPORT

2025



AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document has been filed on March 5, 2026 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 422 to 425.



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www.airliquide.com



BENOÎT POTIER
Chairman of the Board
of Directors

FRANÇOIS JACKOW
Chief Executive Officer

"Beyond its success, ADVANCE will have proven above all that it is possible to reconcile **performance with a positive contribution** to the world."

— Benoît Potier

In a turbulent global context, how does Air Liquide stay the course over the long term?

— Benoît Potier. We are undeniably living in a world undergoing profound reconfiguration, marked by the regionalization of trade flows, shifts in the energy landscape, and accelerating technological change. With this as our backdrop, we must evolve the way we operate and become even more agile. Thanks to our ability to adapt, we can capture new growth opportunities and leverage the fundamentals reshaping industry today. Foremost among these fundamentals are digitizing processes, automating operations, and electrifying end-uses.

At the same time, I firmly believe it is also important to stay the course. While our Group continues to evolve, it does so on the foundations of its historical strength. These are useful and continuously renewed innovation, guided by deep knowledge of our customers' processes; a strong local presence, close to key industrial basins; and a diversified model that enables us to target the most promising markets.

With solid fundamentals, a clear strategic vision, and a strong capacity for adaptation, the Group mobilizes its full potential to navigate a transforming environment that presents challenges, but just as many opportunities.

How do you assess the performance achieved by the Group in 2025, from a financial and sustainability perspective?

— François Jackow. 2025 has been a success on every level. Most importantly, I would highlight our progress regarding safety. Not only is this a source of pride, but it is above all an absolute necessity if we are to sustain these results over time.

More broadly, the Group delivered record performance. Financially, we brought our indicators to new heights, in terms of sales growth (+2% [(1)]), cash flow (+8% [(2)]), and operating margin exceeding 20% (+100 bps). In addition, our investment backlog, which now stands at 4.9 billion euros [(3)], further strengthens our future outlook.

In Electronics, for example, we are a leader thanks to several major contracts in Asia, Europe and the United States. In the decarbonization field, we are delivering large-scale projects, including the construction of a second 200 MW hydrogen electrolyzer in Europe. With the acquisition of DIG Airgas, we are now the reference player in South Korea, a rapidly growing market. As for our transformation dynamic, its effects are already visible, as we have significantly strengthened our operational efficiencies while better serving our customers and patients. On the environmental

(1) *On a comparable basis: change excluding the currency, energy (natural gas and electricity) and significant scope impacts.*
(2) *Excluding currency impact.*
(3) *Includes 0.2 billion euros of investment backlog in South Korea (DIG Airgas integration).*



front, we reduced our CO_2 emissions by 13% compared with 2020, and we are maintaining our carbon trajectory toward 2035.

In short, our Group is strong. And it is becoming even stronger. This record performance is thanks, first and foremost, to our teams—who have shown determination and commitment. They have my sincere thanks.

— Benoît Potier. These remarkable results confirm the importance of the strategic framework we launched in 2022. With ADVANCE, we had a clear ambition: to combine financial performance with sustainability commitments. And this approach has delivered results. The objectives were met and operational discipline was strengthened to support profitable and sustainable growth. In the meantime, the Group accelerated its contribution to industrial decarbonization, to the strategic semiconductor sector, and to the transformation of healthcare systems, through a sustained investment policy and a strong innovation approach. Beyond its success, ADVANCE has above all demonstrated that it is possible to reconcile performance with a positive contribution to the world.

To what extent is the carbon trajectory an integral part of the Group's strategic direction?

— Benoît Potier. At the initiative of the Board of Directors, we have placed the carbon trajectory at the heart of Air Liquide's strategy. It is a central pillar of the Group's innovation approach. The Board has been able to assess its scope through exchanges with R&D teams on programs dedicated to low-carbon solutions. It is also fully embedded in our investment decisions, ensuring that new industrial projects are aligned with our decarbonization ambitions. This trajectory is thus managed in a structured manner, while remaining pragmatic in light of the realities of the environment and markets – whether in terms of renewable energy availability or regulatory frameworks such as the EU Emissions Trading System (ETS). Beyond our own industrial assets, we also act as a facilitator of an economically viable transition for our customers, whose demand in this area remains real. This is reflected in our investment backlog dedicated to decarbonization.

To what extent does innovation remain a primary driver in the current context?

— François Jackow. Innovation is the best antidote to uncertainty, because it reflects a resolutely optimistic mindset and a willingness to move forward. Our approach is built around three principles. Firstly, it involves mastering our fundamentals, by leveraging our technical expertise to continuously improve our products and processes. Secondly, we anticipate and accelerate, in order to adapt to market transformations, offer innovative solutions and bring them rapidly to market. And finally, it is about usefulness – creating tangible impact for our customers and patients while contributing positively to the world.

— Benoît Potier. Innovation is a fundamental component of the Group. Above all, it is evident through the development of cutting-edge technologies in forward-looking fields such as space, superconductivity and new molecules for the semiconductor market. Our ability to innovate extends to CO_2 capture, process electrification and healthcare, leveraging technology to respond to the major challenges of our time. And of course, drawing on our pioneering spirit and more than 60 years of expertise in hydrogen, we continue deploying very large-scale low-carbon hydrogen projects.

Beyond purely technical advances, we also innovate at every level of the company – for example by reinventing the way we operate, while integrating major developments such as artificial intelligence. This is what enables us to stay ahead.

In your view, what are the main challenges for 2026 and the main ways you will address them?

— François Jackow. Our manufacturing sector is undergoing multiple transformations: the rise of China in the global economy; the reshoring movement aimed at strengthening sovereignties – particularly in the United States; the wave of artificial intelligence; and the indispensable energy transition. That is why, even if the immediate outlook appears marked by moderate growth, we remain convinced that new development avenues are emerging from the transformations our customers are experiencing. It is up to us to seize them wherever they arise and to build our own momentum.

To do so, we are acting according to a strategy built on several pillars. The first is to better leverage our existing assets by mobilizing available production capacities. The second relies on our ability to support transitions – whether in manufacturing, energy, technology or digital. This translates into investments in promising markets such as semiconductors, batteries, smart energy systems and space technologies. The final pillar is strengthening our positions in key geographies through a targeted acquisition policy – such as DIG Airgas in South Korea.

At the same time, we are continuing the Group's transformation dynamic, initiated two years ago, to make our organization more agile. This involves further optimizing our industrial and commercial operations while reinforcing our performance culture.

— Benoît Potier. Our challenge is to continue growing in an economy that is both unstable and undergoing rapid technological acceleration. To achieve this, our growth trajectory relies on two key levers: innovation and a selective investment policy. Innovation has always been a source of value creation for the Group, and it is even more so at a time when technological sovereignty is becoming increasingly important. To translate it into industrial reality, investment is equally essential to deliver large-scale projects in future-oriented markets and technologies, particularly in the energy transition. In this area, the context has evolved and tensions are greater, but the stakes remain – just as our decarbonization ambitions do, even if the pathways to achieve them continue to evolve. Thanks to the commitment of our teams and supported by the trust and loyalty of our shareholders – whom I warmly thank – we will continue, more than ever, to prepare the future by addressing its challenges with determination, pragmatism and consistency.

"Innovation is the best antidote to uncertainty."

— François Jackow



A GLOBAL PRESENCE

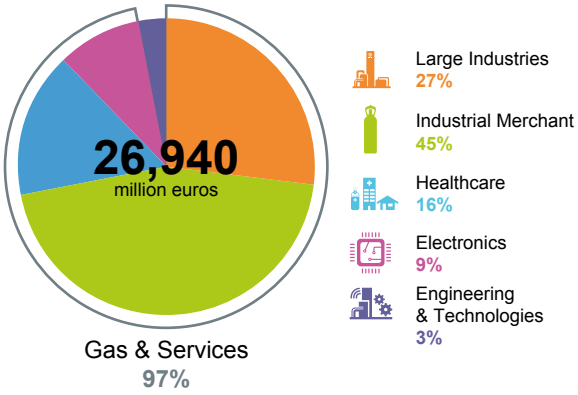
2025 GROUP REVENUE BY ACTIVITY

Present in

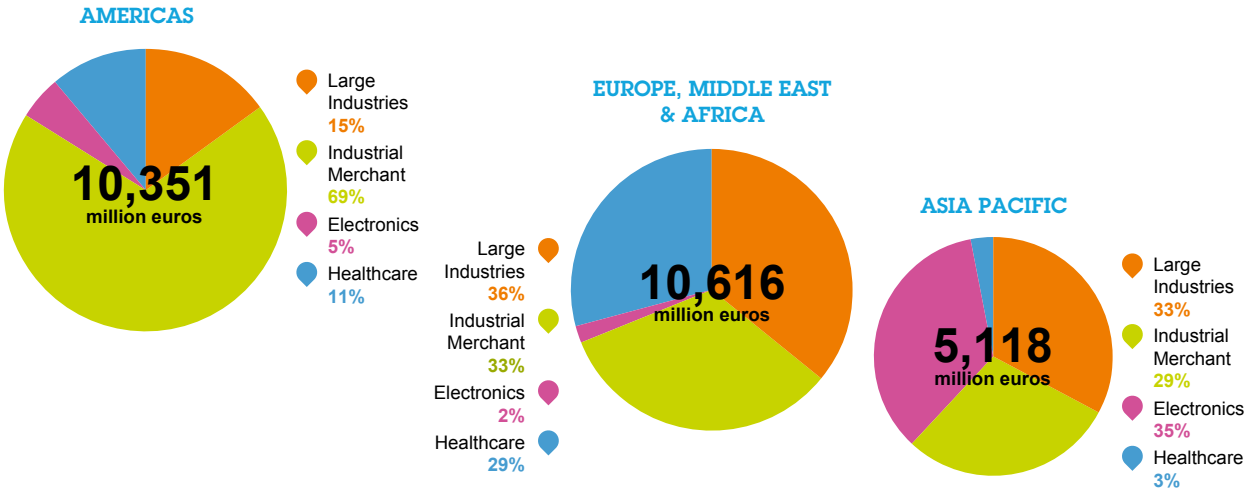
59 countries (1)

~ 65,000
employees

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



2025 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

27% of Group revenues

7,110 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

45% of Group revenues

12,132 million euros

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



ELECTRONICS

9% of Group revenues

2,465 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



HEALTHCARE

16% of Group revenues

4,378 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



ENGINEERING & TECHNOLOGIES

3% of Group revenues

855 million euros in third-party sales

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

(a) Published data.

REGULAR AND SUSTAINED PERFORMANCE

TSR

Annual Total Shareholder Return for a single registered share

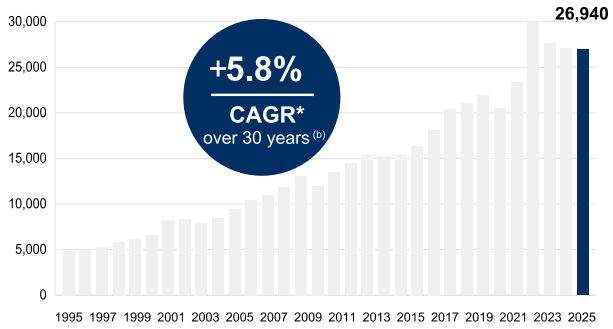
+9.9% over 5 years [(a)]

+11.6% over 10 years [(b)]

(a) At December 31, 2025, for an invested capital since December 31, 2020.
(b) At December 31, 2025, for an invested capital since December 31, 2015.

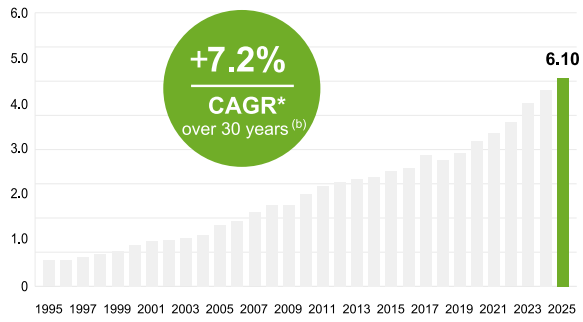
REVENUE

(in million euros)



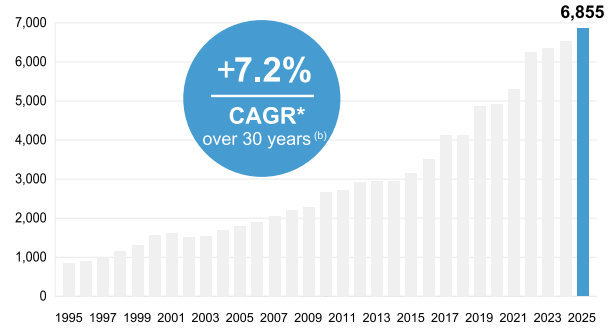
EPS [(a)]

(in euros)



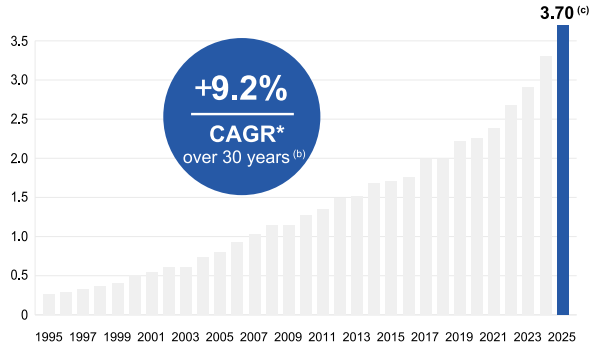
CASH FLOW

(in million euros)



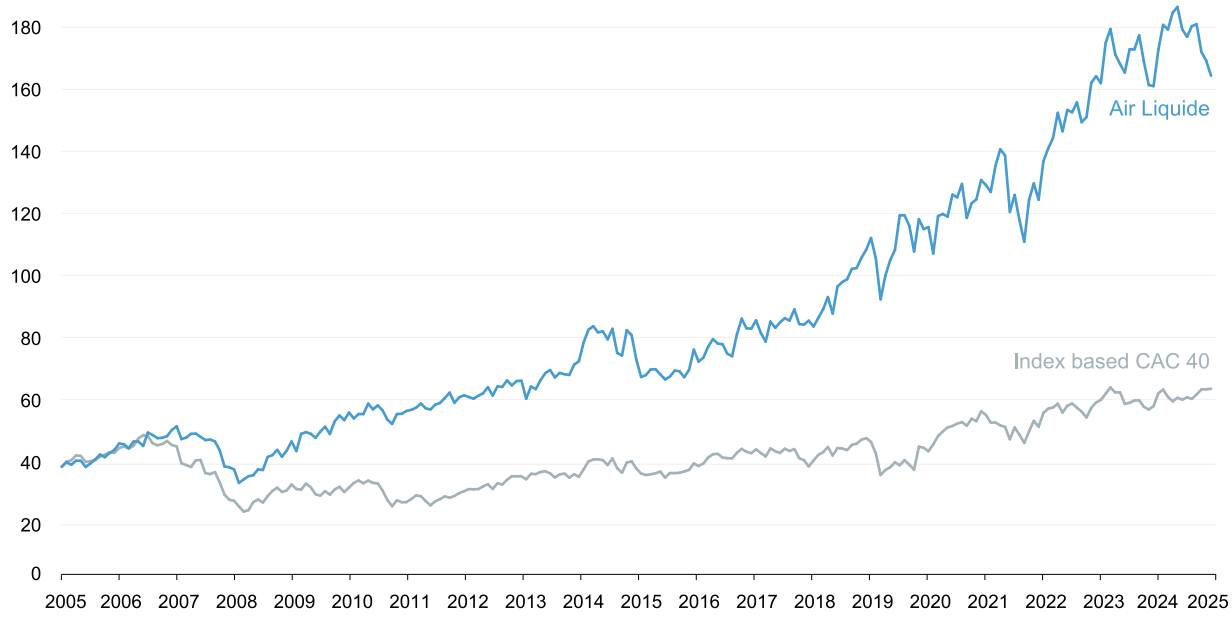
DIVIDEND [(a)]

(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 5, 2026.

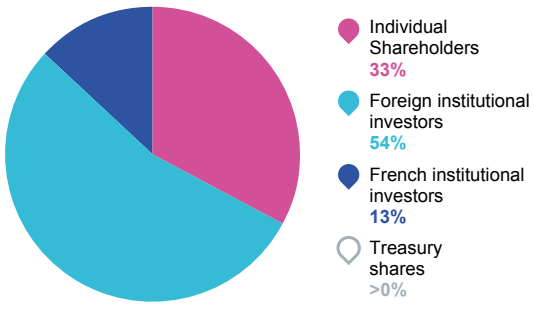
STOCK MARKET PERFORMANCE



		2021	2022	2023	2024	2025	
Market Capitalization at December 31 *(in million euros)*		72 872	69 305	92 378	90 740	**92 852**	
Adjusted closing share price [a] *(in euros)*							
	high	128.38	136.91	162.76	177.55	186.64	
	low	103.06	105.18	122.42	152.25	154.64	
At December 31		126.71	120.36	160.11	156.92	160.26	
Net earnings [b] – EPS *(in euros)*		4.48	4.79	5.35	5.74	**6.10**	
Net Dividend per share [b] – DPS *(in euros)*		2.75	2.90	2.90	3.30	**3.70**	(c)
Pay-out ratio		55%	58%	56%	59%	63%	
Dividend yield		1.9%	2.2%	1.8%	2.1%	**2.3%**	
Ex-dividend date		May 16, 2022	May 15, 2023	May 20, 2024	May 19, 2025	May 18, 2026	

(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 5, 2026.

SHARE OWNERSHIP BREAKDOWN AT DECEMBER 31, 2025



ADVANCE STRATEGIC PLAN

(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 based on Recurring Net Profit.
(c) Including +2.6% Argentina impact.
(d) Scope 1 and 2 emissions, scope 2 on a "market basis", restated emissions, see chapter 1 – pages 58 and 64 and chapter 5 – page 318 and following.

On March 22, 2022, Air Liquide presented **ADVANCE, its strategic plan through 2025 combining financial and extra-financial performance**.

With this plan, the Group took on an **ambitious challenge**: to continue its **profitable growth momentum** while meeting its **CO_2 emissions reduction commitments** and **investing in the markets of the future**.

The three objectives of the strategic plan have been **achieved**:

- The **compound annual comparable growth rate (CAGR) of the revenue over the 2022-2025 period reached +6.1%** [(1)], in line with the ADVANCE plan's target of +5% to +6%. It is calculated based on 2021 sales, at the 2021 currency rate and energy price, excluding the impact of significant scope (acquisition of Sasol's ASUs and deconsolidation of the Russian subsidiaries).
- The **return on capital employed** (ROCE [(2)]) stood at **11.2%** at the end of 2025. The ADVANCE target of a recurring ROCE above 10% from 2023 was achieved as early as the end of 2022, one year ahead of schedule.
- The ADVANCE objective of reaching an **inflection point in absolute CO_2 emissions** was **achieved**, following two consecutive years of significant decline in CO_2 emissions in absolute value in 2023 and 2024. In 2025, the trajectory was confirmed, with a further reduction in emissions (Scopes 1 and 2) of **-2.0%** compared to **2024** and **-13.0%** compared to the **2020 baseline**.

To achieve these objectives, the Group **optimized its capital resources and improved its operating margin**. **This performance** is based on a dynamic **pricing policy**, **structural efficiencies**, and active business **portfolio management**.

The **initial operating margin improvement ambition** (excluding the energy impact) of the ADVANCE plan communicated in March 2022 was **+160 basis points** over 4 years from 2022 to 2025. In February 2024, it was **revised upwards to +320 basis points**, a doubling of the initial ambition. **At the end of 2025, the operating margin improvement (excluding the energy impact) reached +360 basis points, over 4 years, from 2022 to 2025**.

The **total investment decisions from 2022 to 2025** amounted to **16.9 billion euros**, exceeding the ADVANCE plan's projection of 16 billion euros over 4 years.

(1) Including +2.6% Argentina impact.
(2) Recurring ROCE based on Recurring Net Profit.

2025 FINANCIAL PERFORMANCE

Continuous growth

Comparable sales growth

+2%

+2.5% in Q4

Strong performance

G&S OIR margin (a)

+130 pbs

Recurring net profit (b)

+10%

Cash flow (c)

+8%

Recurring ROCE (d)

>11%

ESG - KPIs on track

Future growth

Investment backlog (e)

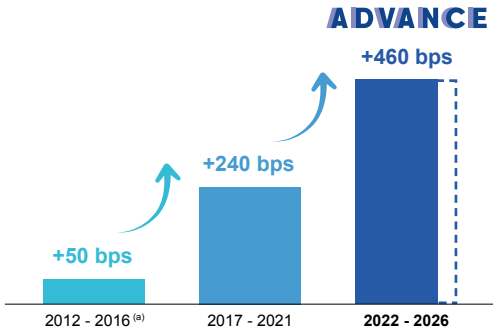
€4.9bn

Including DIG AIRGAS

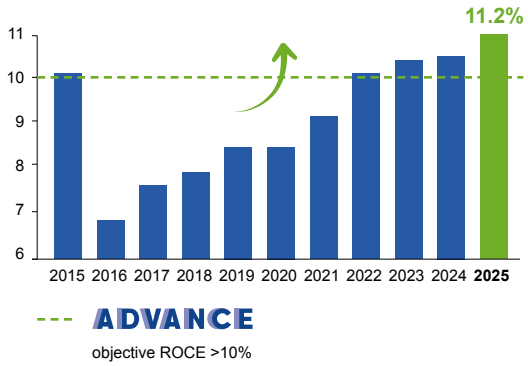
(a) *Improvement of the OIR on Sales ratio excluding energy passthrough.*
(b) *Excluding FX impact, exceptional & significant transactions.*
(c) *Cash flow from operating activities before changes in WCR, excluding FX impact – +6% excluding exceptional items.*
(d) *Recurring ROCE based on Recurring Net Profit.*
(e) *Including €0.2bn from DIG Airgas.*

OIR margin: a new level reached

Cumulated 5-year OIR margin improvements at the energy price of the previous year



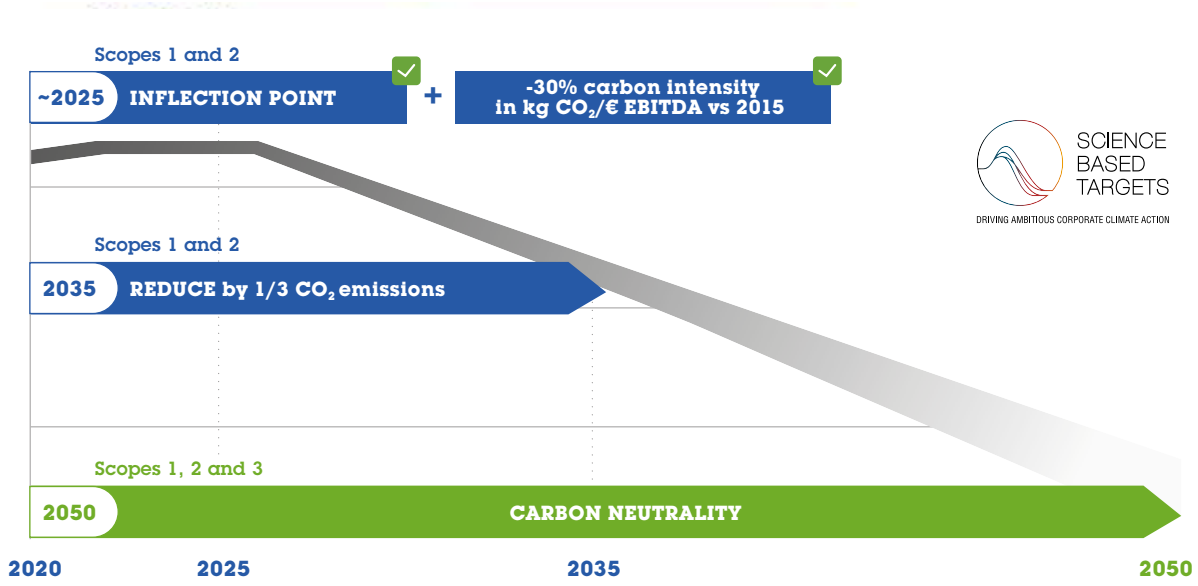
Recurring ROCE (b) after tax



(a) *Excluding the Airgas acquisition scope impact in 2016.*
(b) *Recurring ROCE based on Recurring Net Profit.*

DECARBONIZING THE PLANET

TOWARDS CARBON NEUTRALITY BY 2050



In 2025, the Group's Scopes 1 and 2 CO_2 emissions are down -13.0% (a) compared with the 2020 baseline.

The Group's carbon intensity (b) stood at 4.0, a -46% 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 58 and 64 and Chapter 5 – page 318 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

€301 M
of innovation spending (2025)

320
new patents

300
innovation partnerships

A GLOBAL INNOVATION ECOSYSTEM



ACTING FOR ALL

Safety

The frequency rate stood at a **record** level in 2025 of **0.4** lost-time accidents per million hours worked, a decrease of -60% compared with 1.0 in 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

A COMPANY REWARDED FOR ITS EXTRA-FINANCIAL PERFORMANCE

CDP

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

S&P 100

For the fourth year running, Air Liquide has been included in the Dow Jones Best-in-Class Europe Index in recognition of its commitment to social and environmental responsibility.

FTSE

Air Liquide remains a constituent of the FTSE4Good index series in 2025.

Ecovadis

Air Liquide received the Bronze medal in the 2025 rating, underscoring the sustained quality of its commitments.

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.

Sustainalytics

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

Ratings obtained in 2025.



1 Integrated report

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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 1990s 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, to limit 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 to promote 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 to produce 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.

2020-2025

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 in 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, 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.

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, Air Liquide launched a new multi-year transformation program for the Group in 2024 to foster agility, accelerate decision-making and improve performance. This plan is structured around four main initiatives: the simplification of the organization, the extension of the Global Business Services centers, industrial and commercial initiatives. 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



Further information on the prerequisites for action is available in the Sustainability Statement (Chapter 5 – page 283).

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

~ **65,000** employees

> **4 million** customers and patients

~ **80,000** suppliers

~ **970,000** Shareholders

~ **300** technological and industrial partnerships

> **600** production units

> **20 million** cylinders

~ **10,000** trucks

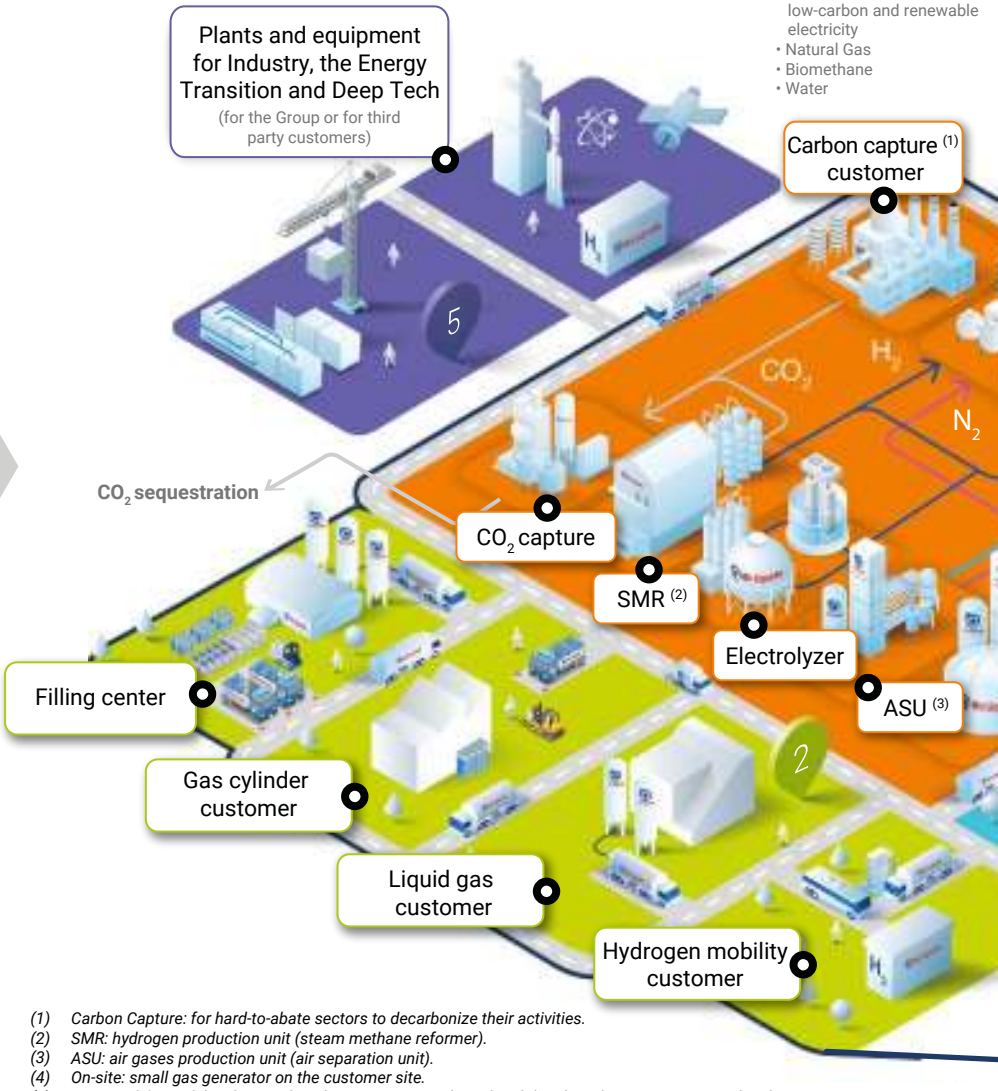
6 Innovation and Technologies Campuses

~ **14,000** patents

65.7 TWh of energy

83.6 Mm³ of water consumed

Resources
- Air
- Electricity, including low-carbon and renewable electricity
- Natural Gas
- Biomethane
- Water



(1) *Carbon Capture: for hard-to-abate sectors to decarbonize their activities.*
(2) *SMR: hydrogen production unit (steam methane reformer).*
(3) *ASU: air gases production unit (air separation unit).*
(4) *On-site: small gas generator on the customer site.*
(5) *Air Liquide's model is designed so that gases are packaged and distributed in a given geographical area, around 250 km maximum from the production site.*

SAFETY **ETHICS** **HUMAN**

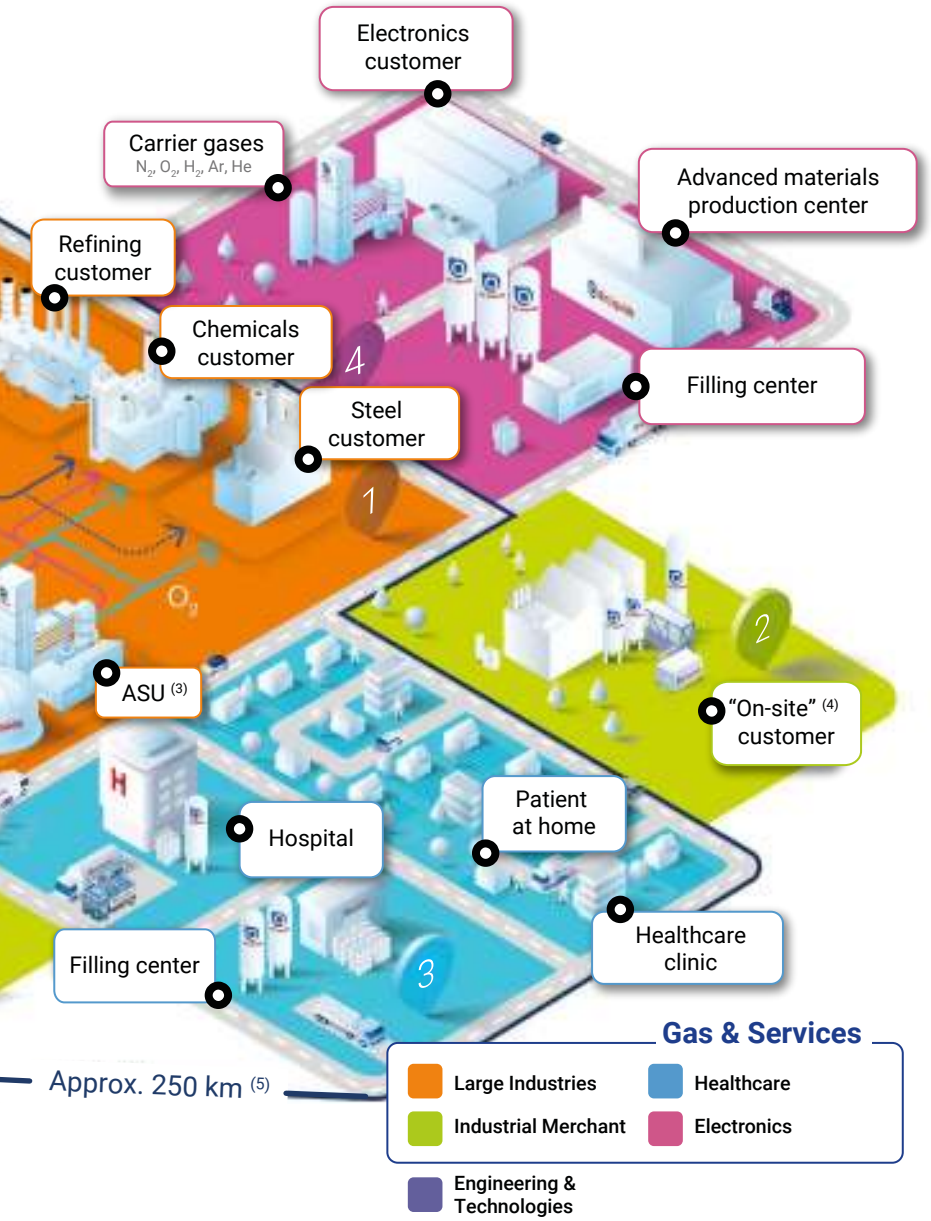
(1) *ESRS 2 SBM-1 § 42.*

DELIVERING
financial performance

DECARBONIZING
the planet

UNLOCKING
progress via technologies

ACTING
for all



VALUE CREATION

Financial performance (a)

Revenue:
26.9 billion euros
+5.8% on average over 30 years

Cash flow (b):
6.9 billion euros
+7.2% on average over 30 years

Adjusted dividend per share:
+9.2% on average over 30 years

Environment

- **Carbon neutrality** by 2050
- Carbon trajectory validated by SBTi
- Emission **34.2 Mt** in 2025 **-13.0%** compared with 2020 baseline (scopes 1 & 2)

Society

- **Record** level of **0.4** accident frequency rate
- **100%** of employees benefit from a common basis of care coverage
- Highest **diversity** in its sector
- More than **600** projects supported by the Air Liquide Foundation since its creation

(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.

3. Description of activities (1)

The Group's activities are distinguished into Gas & Services and the Engineering & Technologies. They 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.

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**, whose customers are primarily in the Steel, Chemical, and Refining industries, the offtake 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.

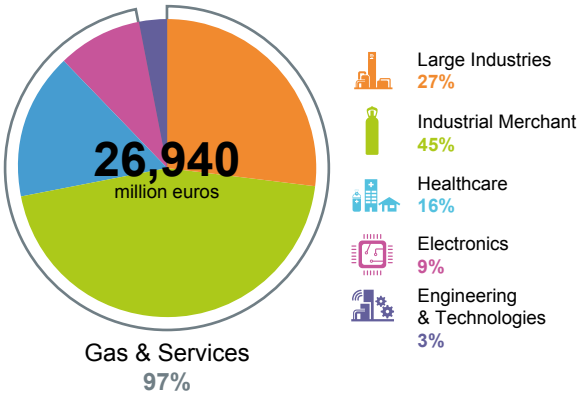
Industrial Merchant is characterized by the broad diversity of its markets, customers, and regions, which is the result of strategic targeting and which reinforces the resilience of the business line. Sales include a significant share of fixed revenue from providing equipment to customers' sites (notably 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 supports growth in **Electronics**, an industry presenting a strong momentum.

As part of the Group's transformation initiatives, the Engineering & Construction and Global Markets & Technologies activities merged on January 1, 2025 to form a new business unit **Engineering & Technologies** (E&T) (2). Under a single management, with a common vision and objectives, this new organization aims to strengthen the operational performance of the Group and contribute to its growth by providing a more integrated innovation cycle, leveraging the size effect and complementary expertise. This business unit brings together Air Liquide's expertise in technology, engineering, construction, project development, manufacturing, and project execution to design and deliver leading industrial solutions such as gas production units and advanced equipment.

2025 GROUP REVENUE BY ACTIVITY



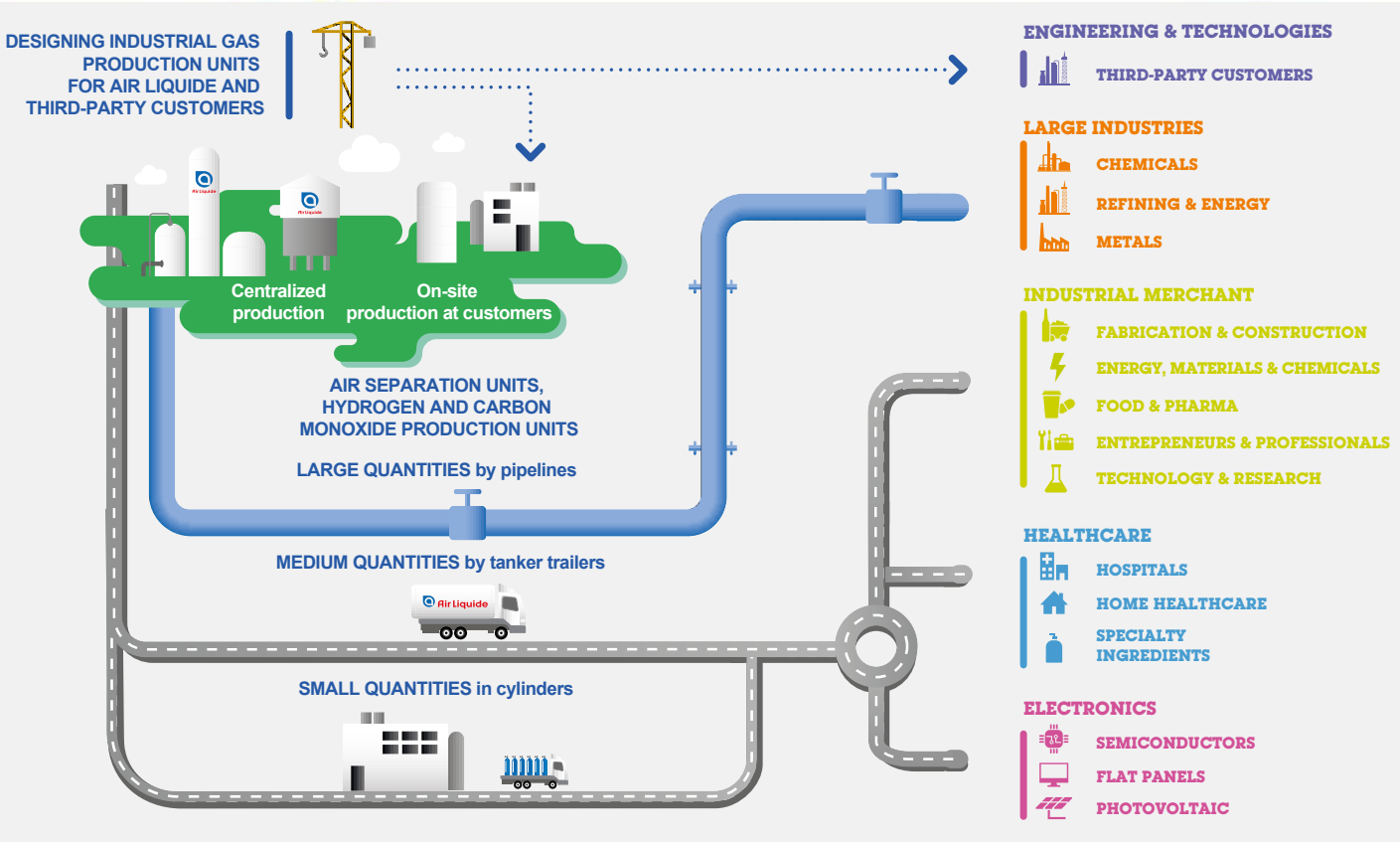
The solutions offered by the business lines to sustainable development, of today or the future, especially in the energy transition domain, reinforce the Group's growth and resilience.

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 (3) 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.

(1) *ESRS 2 SBM-1 § 40 (a), ESRS 2 SBM-1 § 42.*
(2) *Certain activities, mainly Biomethane and Maritime, were transferred from the Global Markets & Technologies business to the Industrial Merchant business.*
(3) *ESRS 2 SBM-1 § 40 (d).*



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 & Technologies 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.

2025 LARGE INDUSTRIES REVENUE BY PRODUCT



* *27% 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;
- > 9,500 km of pipeline networks;
- > 10 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 9,500 kilometers (6,200 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 industrial basins in particular in Germany, Italy, Singapore, Korea and China.

KEY POINTS

The **Large Industries** business line depends on long-term contracts (minimum of 15 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 develops 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 scale and energy savings, on the overall Air Liquide network as well as for its customers.

By developing its capacity to deliver low-carbon industrial gases to its customers 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

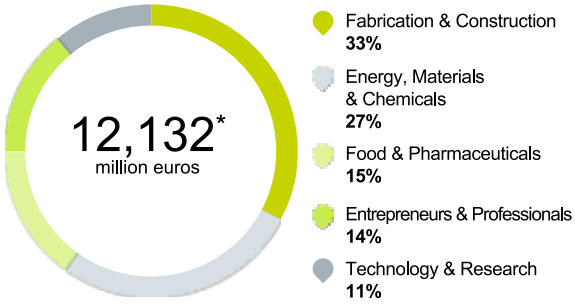
a. Business overview

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.

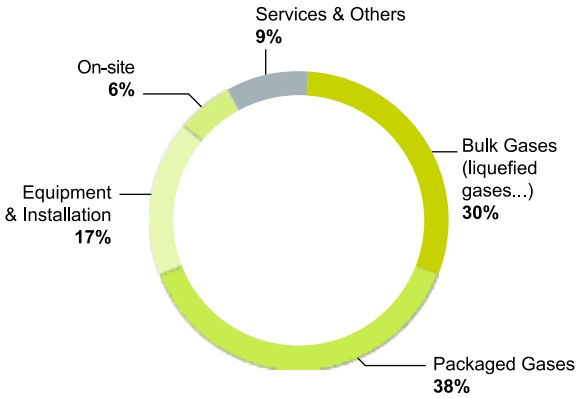
2025 INDUSTRIAL MERCHANT REVENUE BY END MARKET



* *45% 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;
- ~ 50,000 cryogenic tanks installed on customers' sites;
- > 1,000 small on-site generation units;
- ~ 1,400 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

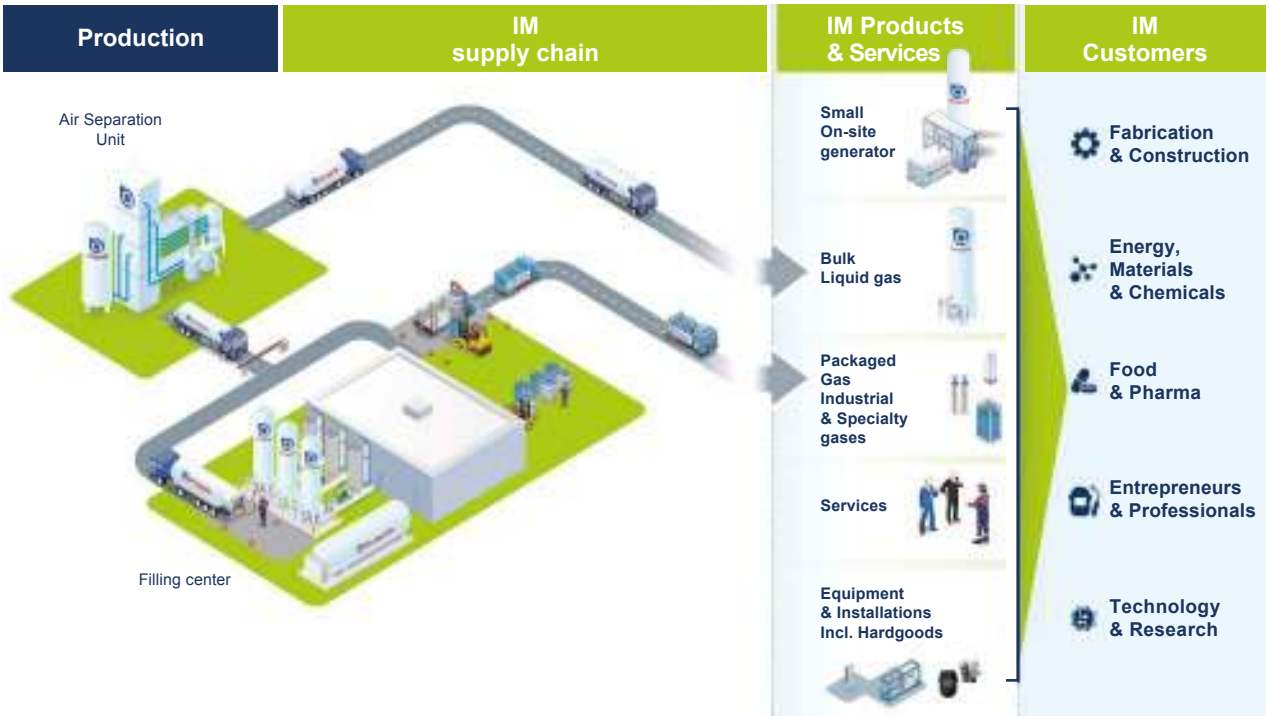
The **Industrial Merchant** business line manages a significant amount of data from the large number of assets and customers. Digital transformation and data analysis, therefore, play a predominant role in improving operational efficiency, the quality of the services provided to the customers, and new 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. In order to improve the profitability of the business, the Group is pursuing a commercial strategy aimed to strengthen the local density of its customers.

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.) ■ Hydrogen mobility	■ Food production & processing ■ Beverage ■ Agriculture (and aquaculture) ■ Bars & restaurants ■ Pharmaceuticals ■ Cosmetics	■ Workshops ■ Service and maintenance companies (auto repair, HVAC, plumbing…)	■ Electronic Components & Assembly ■ Optoelectronics & Fiber optics ■ Public Research & Universities ■ Industrial Research centers

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

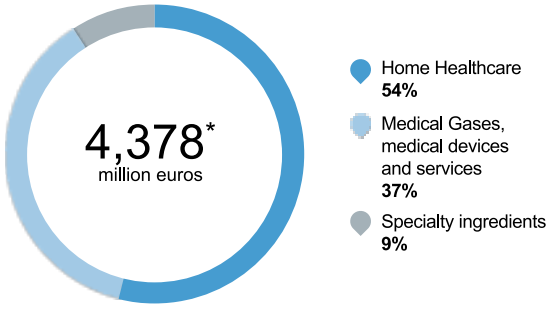
1. BUSINESS OVERVIEW AND BUSINESS MODEL

a. Business overview

The Healthcare activity provides home healthcare services, medical gases, 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.

2025 HEALTHCARE REVENUE BY ACTIVITY



* *16% of Group's revenue.*

b. Business model

The Healthcare activity relies on the Large Industries gas production capacities and on Industrial Merchant logistics to supply medical gases to hospitals and other places of care, while maintaining dedicated sales teams. 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 medical gases activities ensures synergies and efficiency.

In the field of Home Healthcare, Air Liquide provides care for individuals living with certain chronic diseases, based on medical prescriptions. Dedicated teams deliver personalized service centered around a medical device associated with the treatment and supply the necessary equipment to enable patients to fully adhere to their treatment at home. This service activity includes training for patients, caregivers, and healthcare professionals on the use of the medical device, guidance to promote good treatment adherence, human support, and technical monitoring of the equipment provided.

The growth of the healthcare business is steady and sustained, independent of industry trends.

2. HEALTHCARE KEY FIGURES

- ~ 15,000 employees;
- > 30 countries worldwide;
- ~ 2.3 million patients cared for at home;
- ~ 20,000 hospitals and clinics customers;
- ~ 110,000 healthcare professional customers.

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. 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:

- **Home Healthcare**: Air Liquide cares for 2.3 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;
- **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;
- **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 and a contributor to the sustainability of health systems.

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).

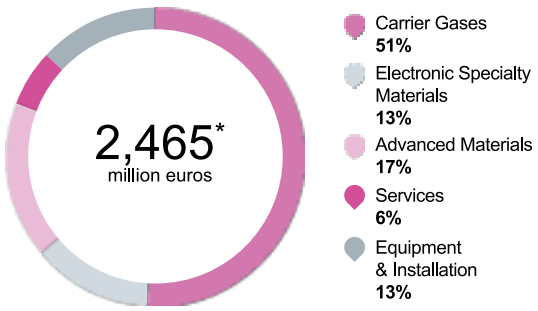
Electronics

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.

2025 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 (~73%), the USA (~19%) 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 ENGINEERING & TECHNOLOGIES

1. BUSINESS OVERVIEW AND BUSINESS MODEL

a. Business overview

The Engineering & Technologies activity brings together Air Liquide's expertise in technology, engineering, construction, manufacturing and project development and execution, to design and deliver cutting-edge industrial solutions. Driving the Group's technological independence and leveraging the combined expertise of all entities involved in innovation and technology development together with project delivery, Engineering & Technologies enables the Group to capitalize on growth opportunities, particularly in energy transition, electronics and deep tech. With its unique portfolio of technologies and expertise, Engineering & Technologies offers a wide range of solutions to accompany the growth and meet the evolving needs of our customers. Its solutions range from technology development to engineering, procurement and construction management of industrial gas production units and the manufacture of cryogenic equipment.

The Engineering & Technologies (E&T) activity is the result of the merger, on January 1, 2025, of the Engineering & Construction (E&C) and Global Markets & Technologies (GM&T) activities [(1)]. To cover all markets and manage its production costs, the Engineering & Technologies activity has worldwide geographical coverage with a technology campus and engineering centers and manufacturing workshops located in Europe, North America, Asia and the Middle East.

b. Business model

For over a century, the Group has mastered proprietary technologies, gas production units design, equipment manufacturing and has been recognized for the performance of its solutions. Engineering & Technologies's business model is centered on leveraging its integrated capabilities to serve both Group investment projects (majority of its order intake) and external third-party customers, thereby maximizing the value of its technological expertise. The core activities of Engineering & Technologies are:

- technologies development;
- project and solution development;
- engineering, procurement and construction management;
- equipment manufacturing;
- operations support.

Engineering & Technologies has a strategic value for the Group. 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. It enables optimal operational management of production units including energy efficiency and reliability. It also allows skills and staff development and facilitates site takeovers for the Group, by ensuring the right assessment of the quality of assets purchased.

While the Group favors the development of its gas sales business over equipment sales, the Engineering & Technologies activity also serves third-party customers, allowing the Group to constantly assess and improve 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 needs and 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 prioritize licensing, studies and equipment supply contracts with no construction risk. Due to the nature of its business, Engineering & Technologies'contribution to consolidated revenue (sales to third-party customers) can vary significantly from one year to another but represents only a small part (~3%) of the Group sales.

The consolidated revenue of the Engineering & Technologies business, with third-party clients, amounted to 855 million euros in 2025. To be noted, that Engineering & Technologies activity for the Group (internal sales) does not generate revenue accounted for in published sales (only revenue from activities with third parties are included).

2. CUSTOMERS AND MARKETS

Engineering & Technologies's unique portfolio is specifically designed to address major global challenges, notably industry decarbonization, the energy transition, and the strong digital growth, in particular AI revolution. Through its patented technologies and its expertise in cryogenics, the Engineering & Technologies continues to push the frontiers of science and opens up new markets. Thus, in addition to supporting the Group's four Gas & Services business lines, Engineering & Technologies also designs and develops, often in partnership with its customers and ecosystems, equipment and disruptive technologies notably for the space industry, scientific research, fusion or quantum computing.

KEY POINTS

The global business unit **Engineering & Technologies** drives the Group's technological independence and leverages the combined expertise of all entities involved in innovation and technology development and project delivery to allow the Group to capitalize on growth opportunities, particularly in energy transition, electronics and deep tech. Consolidated Engineering & Technologies sales only reflect sales to third parties and do not include internal sales. Due to the nature of its business, Engineering & Technologies' contribution to consolidated revenue (sales to third-party customers) can vary significantly from one year to another but represents only a small part (~3%) of the Group sales.

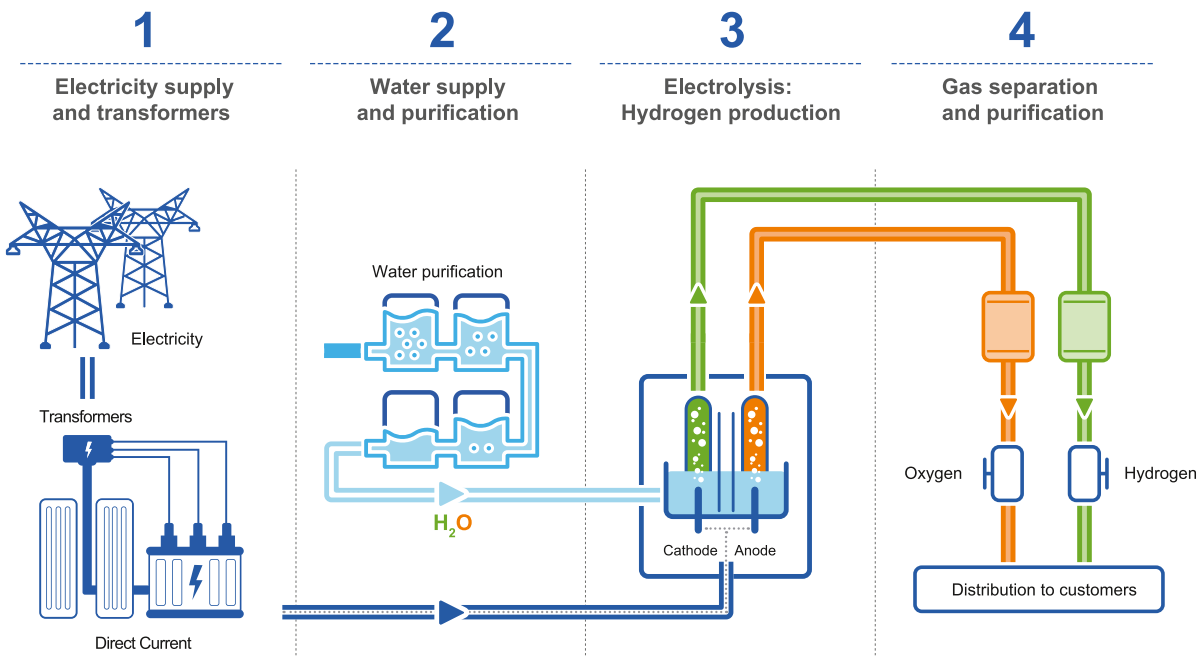
(1) *Certain activities, mainly Biogas and Maritime, have been transferred from the Global Markets & Technologies to the Industrial Merchant activity.*

The Engineering & Technologies masters a large portfolio of processes. The most important are essentials for the operations of Gas & Services businesses and are explained hereafter:

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

The Engineering & Technologies 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.

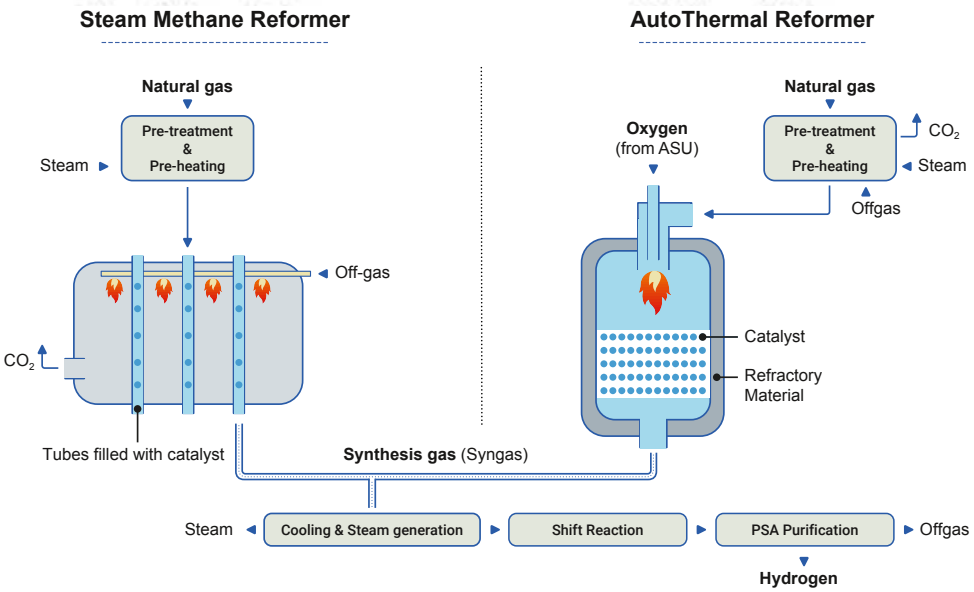
PRODUCTION OF HYDROGEN BY ELECTROLYSIS



Air Liquide 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 large 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 two 200 MW PEM electrolyzer are under construction in Europe.

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 engineering 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 has decided the construction of two new units.

4. Competition

At a global level, the industrial gases industry comprises three main players: Air Liquide and Linde Plc, co-market leaders with sales in excess of 25 billion euros each, and Air Products 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). Finally, numerous smaller-sized players are also present in local markets.

An industrial company in the chemical, steel or refining sectors which needs large volumes of industrial gases can choose between self-production and outsourcing. Self-production is currently estimated to account for 90% of hydrogen production and 60% of oxygen production globally, although with significant geographical disparities. 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, over-the-fence supply opens development possibilities. 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 presence in the United States where Air Liquide is absent. This market remains fragmented in almost all regions with a multitude of small companies and associations. This fragmentation provides bolt-on acquisition opportunities for the Group.

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 & Technologies, Air Liquide mainly 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. Finally, the Group also sells equipment and services for certain cutting-edge markets, where the competitive landscape differs greatly depending on the products, with companies of varying sizes, from multinationals to start-ups.

Air Liquide is well positioned to capture new growth opportunities notably in the energy transition, 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 performance, which has driven its long-term growth outlook. This performance is due to the strength of Air Liquide's business model and diversity of its geographical presence, businesses, end-markets and customers.

- **Revenue:** +5.8% on average per year.
- **Earning per share** [(a)]**:** +7.2% on average per year.
- **Cash flow from operating activities before changes in working capital:** +7.2% on average per year.
- **Dividend per share** [(a) (b)]**:** +9.2% 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 5, 2026.

2. Strategic plan and mid-term objectives

On March 22, 2022, Air Liquide presented **ADVANCE**, its new strategic plan for 2025 **combining financial and extra-financial performance**. Backed by a business model of proven **resilience**, **innovation** and **technological know-how**, the Group has demonstrated, particularly well, its position to continue a **growth** trajectory while contributing to an efficient response to major economic, environmental and societal challenges.

2.1. ADVANCE STRATEGIC PLAN SUCCESS

With ADVANCE, the Group took on an **ambitious challenge**: to continue its **profitable growth** momentum while meeting its **CO_2 emissions reduction commitments** and **investing in the markets of the future**.

(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 based on Recurring Net Profit.
(c) Including +2.6% Argentina impact.
(d) Scope 1 and 2 emissions, scope 2 on a "market basis", restated emissions, see chapter 1 – pages 58 and 64 and chapter 5 – page 318 and following.

The **three objectives** of the strategic plan have been **achieved**:

- **The compound annual comparable growth rate (CAGR) of the revenue over the 2022-2025 period reached +6.1%** (1), in line with the ADVANCE plan's target of +5% to +6%. It is calculated based on 2021 sales, at the 2021 currency rate and energy price, excluding the impact of significant scope (acquisition of Sasol's ASUs and deconsolidation of the Russian subsidiaries).
- The **return on capital employed** (ROCE (2)) stood at **11.2%** at the end of 2025. The ADVANCE target of a recurring ROCE above 10% from 2023 was achieved as early as the end of 2022, one year ahead of schedule.
- The ADVANCE objective of reaching an **inflection point in absolute CO_2 emissions** was **achieved**, following two consecutive years of significant decline in absolute value of CO_2 emissions in 2023 and 2024. In 2025, the trajectory was confirmed, with a further reduction in emissions (Scopes 1 and 2) of -2.0% compared to 2024 and **-13.0%** compared to the **2020 baseline**.

To achieve these objectives, the **Group optimized its capital resources and improved its operating margin**. **This performance** is based on a dynamic **pricing policy**, **structural efficiencies**, and **active business portfolio management**.

The **total investment decisions from 2022 to 2025** amounted to **16.9 billion euros**, exceeding the ADVANCE plan's projection of 16 billion euros over 4 years.

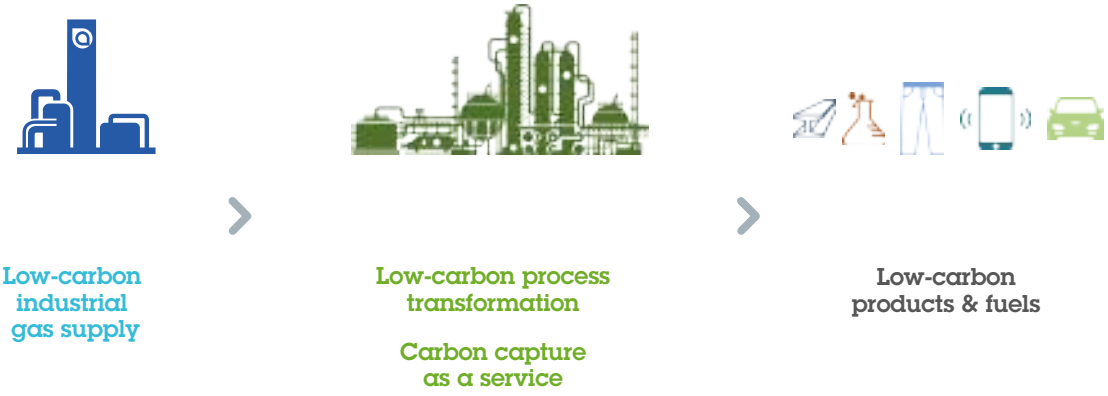
The **initial operating margin improvement ambition** (excluding the energy impact) of the ADVANCE plan communicated in March 2022 was **+160 basis points** over 4 years from 2022 to 2025. In February 2024, it was **revised upwards to +320 basis points**, a doubling of the initial ambition. In February 2025, the margin improvement ambition excluding the energy impact was **raised for the second time**, over a period extended by one year. It now stands at **+460 basis points** (3) **over 5 years, from 2022 to 2026**. At the end of 2025, the margin improvement excluding the energy impact reached +360 bps over 4 years, which is fully aligned with this new ambition.

2.2. DECARBONIZE THE PLANET

With ADVANCE, Air Liquide confirmed 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 its ambition is to **actively participate in the implementation of the Paris Agreement**, which defines a global framework aimed to limit 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:

- the **inflection of CO_2 emissions** in absolute value (Scope 1 & 2) around 2025 which was already **achieved** during ADVANCE. Indeed, following two consecutive years of significant decline in CO_2 emissions in 2023 and 2024, and further reduction in 2025, the inflection and trajectory were confirmed ;
- to reach a **-33% decrease** of its Scope 1 & 2 CO_2 emissions by **2035** compared to 2020. Emissions declined **-13.0%** in 2025 compared to the **2020 baseline**.

The Group also pursued its commitment made in 2018 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. This target has been largely exceeded, with carbon intensity down by **-46% in 2025** compared to 2015.

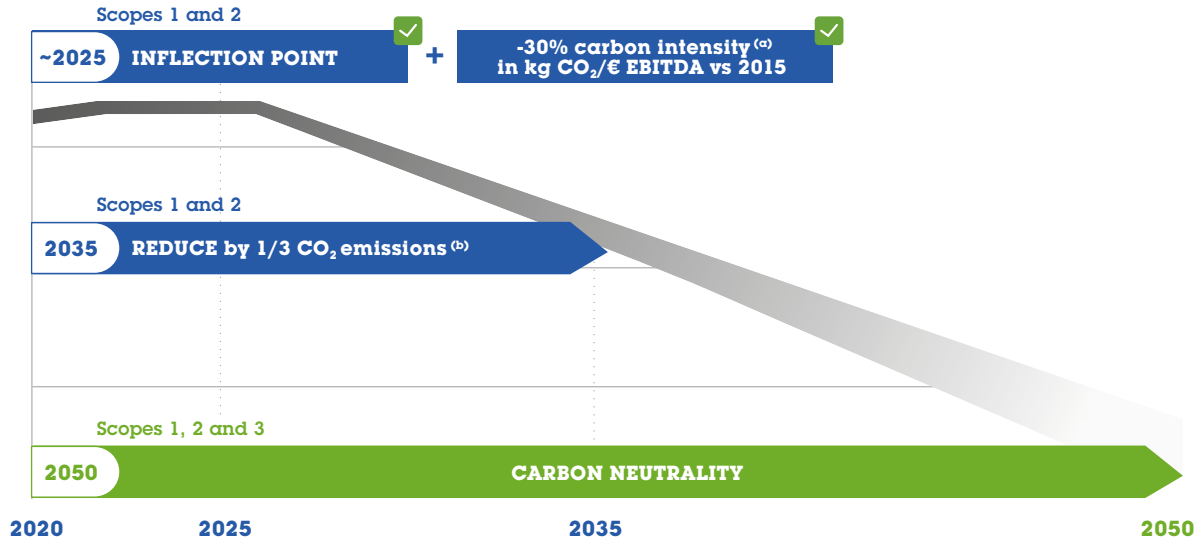
(1) *Includes a contribution from Argentina of +2.6%.*
(2) *Recurring ROCE based on recurring net profit.*
(3) *Excluding the Purchase Price Accounting impact from the DIG Airgas acquisition.*

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. At the end of 2025, 82% of the customers who were among the Group's top 50 customers in 2022 are committed to carbon neutrality by 2050. However, following the evolution of the list of 50 largest customers, 72% of the Group's top 50 customers in 2025 are committed to carbon neutrality by 2050. The Group continues its efforts to reduce its emissions upstream and downstream of its value chain.

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) Carbon intensity 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) 2035 target emission reduction by -33% concerns 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 in the frame of 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 function of regulatory evolutions and market demand.
- **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 33 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 **customer** supplied in hydrogen by the Group is therefore facing an **arbitrage** 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 Group already operates **electrolyzers**, including two 20 MW units, while two large scale electrolyzers (200 MW) are under construction.
- Air Liquide is implementing a certain number of actions to **take into account physical risks related to Climate change**. 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 to consolidate and improve the physical risk management process according to 2 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 **risks related to the energy transition** as well as the physical risks related to climate were analyzed as part of the closing of the Group's financial statements (see note 31 to the Consolidated Financial Statements – page 252) 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 contributed to the development of key sectors for the future, to reinforce its positions, leveraging on innovation and technology, two major assets of the Group.

The Group focuses on five key sectors of the future:

Electronics, where the revolutions in regards to digital, data and artificial intelligence contributes to the development of the activity and where the Group reinforced its leader 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 60 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.

2.4. ACTING FOR ALL

In the context of ADVANCE, Air Liquide included 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;

continue to reinforce 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 was reflected in particular by a "zero accident" safety ambition and by the achievement of following objectives in 2025:

- **100%** of employees benefit from a common basis of **care coverage**;
- **100%** of employees have the opportunity to engage in local initiatives to **support communities** by 2025, thanks to a predefined frame, during working hours.

In terms of diversity, the proportion of women among managers and professionals has steadily increased since 2020, reaching 33.8% in 2025. This result remains significantly higher than the industry average and that of its competitors. The Group intends to continue its efforts to strengthen this representation across all professions.

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, the Industrial Direction 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, the Vice President in charge of Sustainable Development participates in strategy meetings, with particular attention to sustainable development issues. She is consulted on the RIC (Resources and Investments Committee) notes for investment projects that have a material impact on the Group's carbon trajectory.

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. 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. This trajectory is broken down annually in the form of a CO_2 budget monitored by the Group's Operation Control Department. Each group of countries (cluster) is allocated a CO_2 budget defining the maximum emissions it can commit to within the framework of the projects decided upon during the year. Air Liquide has also implemented procedures to measure and monitor its CO_2 emissions every quarter. Furthermore, whenever the annual emissions of an investment or a customer exceed specific thresholds, the investments must first be reviewed by a Group Energy and Emissions Risk Management Committee (E-Enrisk).

The Group applies an internal carbon price in the form of a shadow price taken from the International Energy Agency's low emissions scenarios. Starting in 2025, the Group's methodology to assess the viability and resilience of new major primary production projects is evolving. The new process, currently being deployed, entails analyses to reflect both anticipated market conditions and more ambitious policies in line with a 1.5 °C trajectory. These sensitivity analyses for new projects are based on two separate scenarios involving different carbon price trajectories. See chapter 5, page 311 for more details.

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
  - In large energy transition projects, capital intensity is generally higher, particularly if the energy is not reinvoiced but supplied directly by the customer. Projects benefiting from subsidies also have a higher capital intensity (gross investment), without impacting profitability;
- 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 3.5;
- in Healthcare, capital intensity, excluding acquisitions, is around 1 depending on the product mix.

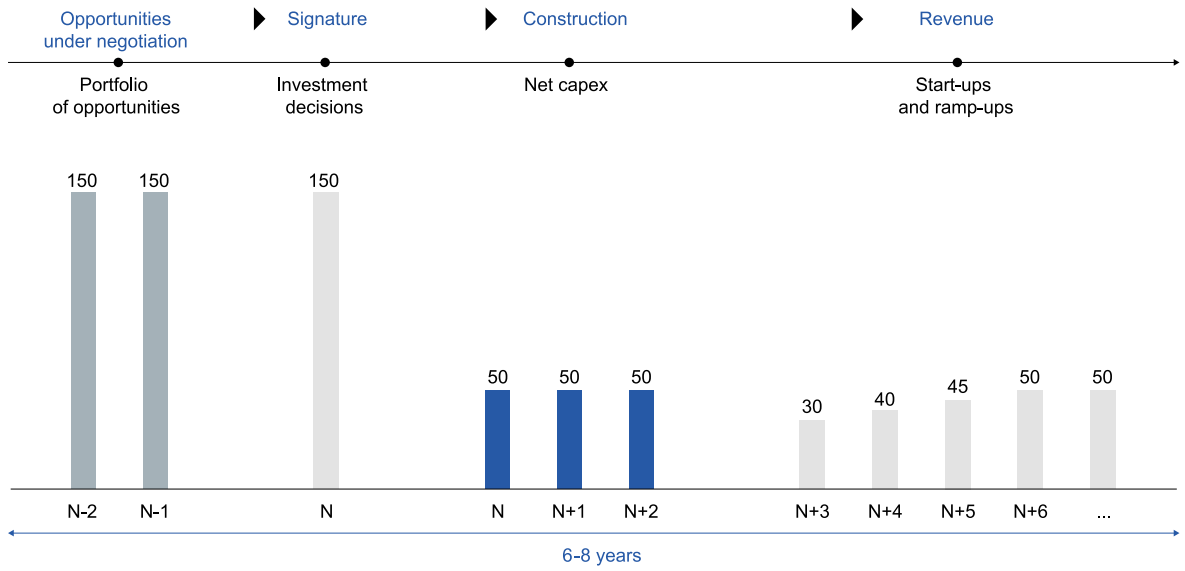
The Group's capital intensity, therefore, continues to vary depending on the business mix, project type and prices of raw materials. It is much higher for renewal and efficiency investments.

Whatever the capital intensity, any project must enable the Group to be in line with 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

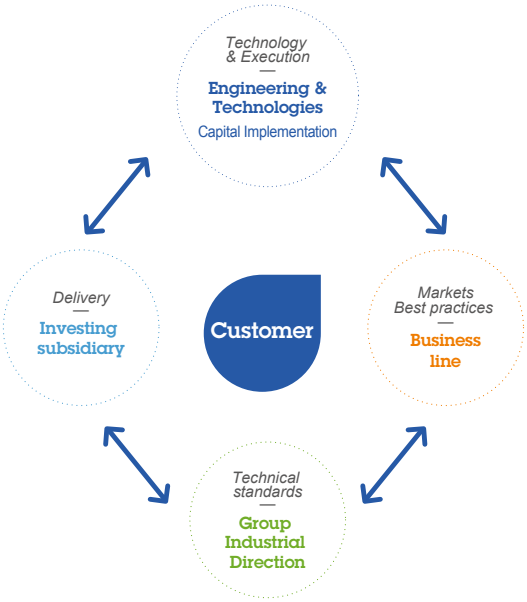


Applying a theoretical capital intensity of 3, an investment of 150 million euros in a new project should generate 50 million euros of sales per annum, when fully ramped up.

- **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 Group's Industrial Direction defines the technical standards applicable to all activities and all subsidiaries.

The business line involved in the project manages the overall customer relationship follow-up and ensures the overall consistency of the project, both in terms of contracts and technical standards.

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.

The Capital Implementation Direction acts as the representative of the local "owner" subsidiary and is responsible for project execution and overall governance. The Engineering & Technologies provides competitive proprietary technologies and is also responsible for the engineering, equipment procurement, and construction (EPC) of the project.

Potential projects are identified well in advance, based on good market knowledge and a strong presence with customers. 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 (Group Energy and Emissions Risk Management 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 an integrated team composed of representatives of the investing subsidiary and Engineering & Technologies, under the supervision of the geographical area.

During the start-up of the unit, project management is progressively transferred to local operational teams, under strict standards to guarantee the safety and integrity of the site. Operational management of the unit is handled by the local subsidiary, and financial performance is monitored by the geographic area and the Group's Operation Control Department.

ROLE OF THE RESOURCES & INVESTMENTS COMMITTEE (RIC)

The purpose of these Resources and Investments Committees (RICs) is to assess, approve or refuse 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).

Each Committee meeting is chaired by the Executive Committee member in charge of the concerned Geography. The investment is presented by the Director of the group of countries (Clusters). The permanent members, who have a right of veto, are the representatives of the business line, the Group Finance Department as well as Engineering & Technologies 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 (gross amounts, excluding subsidies). Industrial growth projects with an investment value of more than 5 million euros for Large Industries and more than 3 million euros for other activities, excluding asset renewals and safety, maintenance and efficiency projects.

Decisions during the period

Cumulative value of industrial and financial investment decisions (gross amounts, excluding subsidies). Growth and non-growth industrial projects, including asset renewal, efficiency, maintenance and safety projects, as well as financial decisions (acquisitions).

Investments backlog at the end of the period [(a)]

Cumulative value of investments for projects decided but not yet started (gross amounts, excluding subsidies). Industrial growth projects, amounting to 5 million euros or more for Industrial Market activity and exceeding 10 million euros for other activities, 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 223) 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 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 U.S. 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 Committees.

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 & Technologies 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 & Technologies Direction drives the innovation strategy and its execution for the Group, with the strong support of the World Business Lines. It contributes to its industrial performance and future growth 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 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 87 of this Universal Registration Document.

Air Liquide's innovation strategy relies on focused and dynamic management of its innovation portfolio, designed to have an impact in the short, medium and long term. Through short-term projects, Innovation & Technologies Direction contributes to the Group's industrial performance by focusing on safety, reliability and efficiency of operations. These innovation priorities are set through Operational Roadmaps (ORM), defined by the Group Industrial Direction in collaboration with innovation entities. Mid-term innovation priorities are defined by World Business Lines with the Innovation & Technologies Direction, through Technology Roadmaps (TRM) and Product Roadmaps (PRM). In the long term, Innovation & Technologies Direction also monitors and explores potentially disruptive scientific and technological advances in order to prepare for the future. To support this long-term objective, the Group can rely in particular on ALIAD. The strategic venture capital fund of Air Liquide has completed over 40 investments since its creation, in tech startups that create positive impact for climate, healthcare and industry.

Air Liquide's innovation portfolio is defined on an annual basis. This process, led by the Innovation & Technologies Direction, brings together the World Business Lines, Industrial Direction and Clusters to ensure alignment between internal entities and reduce the time-to-market for innovations.

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, reviews projects on a monthly basis. 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.

Air Liquide's innovation strategy also draws on its global innovation ecosystem and on its external innovation partnerships, in order to be as close as possible to its end customers and meet market expectations.

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

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 2024	FY 2025	2025/2024 published change	2025/2024 comparable change [a]
Total Revenue	**27,058**	**26,940**	**-0.4%**	**+2.0%** [f]
Of which Gas & Services	*25,810*	*26,085*	*+1.1%*	*+2.0%* [f]
Operating Income Recurring (OIR)	5,391	5,582	+3.5%	+7.6%
Group OIR Margin	19.9%	20.7%	+80 bps	
Variation excluding energy [b]			***+100 bps***	
Other Non-Recurring Operating Income and Expenses	(446)	(303)		
Net Profit (Group Share)	3,306	3,518	+6.4%	
Net Profit Recurring (Group share) [c]	3,466	3,679	+6.2%	
Net earnings per share *(in euros)*	**5.74**	**6.10**	**+6.3%**	
Dividend per Share *(in euros)*	**3.30**	**3.70** [d]	**+12.1%**	
Cash flow from operating activities before changes in working capital	6,539	6,855	+4.8%	
Industrial capital expenditure	3,525	3,843		
Net Debt	€9.2 bn	€8.4 bn		
Net Debt to Equity ratio	33.2%	31.2%		
Return on Capital Employed after tax – ROCE	10.3%	10.7%	+40 bps	
Recurring ROCE [e]	**10.7%**	**11.2%**	**+50 bps**	

(a) Change excluding the currency, energy (natural gas and electricity) and significant scope impacts, see reconciliation page 62.
(b) See reconciliation page 64.
(c) Excluding exceptional and significant transactions that have no impact on the operating income recurring, see reconciliation in page 64.
(d) Dividend proposed to shareholders for the 2025 fiscal year.
(e) Based on the recurring net profit, see reconciliation page 65.
(f) Includes a limited contribution from Argentina (hyperinflation). See table page 69.

2. Income statement

REVENUE

Revenue *(in millions of euros)*	FY 2024	FY 2025	2025/2024 published change	2025/2024 comparable change
Gas & Services	25,810	26,085	+1.1% [b]	+2.0% [c] [d]
Engineering & Technologies [a]	1,248	855	*Not applicable*	+2.0% [c]
TOTAL REVENUE	**27,058**	**26,940**	**-0.4%**	**+2.0%** [d]

(a) Merger on January 1st, 2025 of GM&T and E&C activities into Engineering & Technologies, with the main exception of Maritime and Biogas activities transferred to the Industrial Merchant business. 2024 revenue corresponds to the sum of the published sales of GM&T and E&C activities. See page 62.
(b) Published variation calculated on the 2024 published revenue, not restated for the transfer of certain GM&T activities as of January 1st, 2025. See page 62.
(c) This comparable growth excludes the scope effect related to the internal transfer of certain GM&T activities to Industrial Merchant in the 1st quarter of 2025. See page 62.
(d) Includes a limited contribution from Argentina (hyperinflation). See table page 69.

Revenue by Quarter *(in millions of euros)*	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Gas & Services	6,831	6,479	6,386	6,389
Engineering & Technologies [a]	198	215	212	230
TOTAL REVENUE	**7,028**	**6,694**	**6,599**	**6,619**
2025/2024 Group published change	**+5.7%**	**-0.5%**	**-2.4%**	**-4.3%**
2025/2024 Group comparable change	**+1.7%**	**+1.9%**	**+1.9%**	**+2.5%** [b]
2025/2024 Gas & Services comparable change	**+1.8%**	**+1.8%**	**+1.9%**	**+2.5%** [b]

(a) Merger on January 1st, 2025 of GM&T and E&C activities into Engineering & Technologies, with the main exception of Maritime and Biogas activities transferred to the Industrial Merchant business. See page 62.
(b) Includes a limited contribution from Argentina (hyperinflation). See table page 69.

Group

Group revenue stood at **26,940 million euros** in 2025 and posted **comparable growth** of **+2.0%** (1) compared to 2024. The Group's **published revenue** decreased slightly by **-0.4%**. It was impacted by a negative currency impact of -3.2% (of which the depreciation of the US dollar accounted for nearly half) mitigated by a favorable energy impact of +0.8%. There was no significant scope impact.

As part of the **Group organization transformation initiatives**, the **Engineering & Construction** and **Global Markets & Technologies** businesses merged on January 1, 2025, **within a new Engineering & Technologies business**. Under a single management, with a common vision and objectives, this new organization aims to strengthen the operational performance of the Group and contribute to its growth by providing a more integrated innovation cycle, leveraging the size effect and complementary expertise. Certain activities, mainly Biomethane and Maritime, were transferred from the Global Markets & Technologies business to the Industrial Merchant business.

Consolidated revenue (external sales) for the **Engineering & Technologies** (2) business stood at **855 million euros** in 2025, up **+2.0%**, and internal projects for the Group's investment projects, particularly in Large Industries and Electronics, are growing strongly.

Gas & Services

Gas & Services revenue reached **26,085 million euros** in 2025, up **+2.0%** (1) (2) on a comparable basis.

Published revenue in the Gas & Services businesses was up **+1.1%**, impacted by a negative currency impact of -3.3%, mitigated by a favorable energy impact of +0.9%. There was no significant scope impact.

Sales increased across all geographies and all business lines. On a comparable basis, **Industrial Merchant** sales grew by **+1.9%** (2) (3): they benefited from a very solid **price effect** (**+2.9%**) and resilient gas volumes, but were impacted by declining Hardgoods volumes in the United States. **Large Industries** revenue was up **+0.7%** (3), as the contribution of new hydrogen and air gas volumes in the United States, South Korea and China offset weaker demand in the rest of Asia and Europe. In **Electronics (+1.2%)**, the normalization of Equipment & Installation sales after a record level in 2024 masked dynamic growth in the rest of the business (+5.8%). Finally, the **Healthcare** business, whose growth is disconnected from industrial trends, posted a sustained increase in revenue **(+5.0%)**, driven by Home Healthcare in Europe and Latin America, and in Medical Gases in the Americas.

Revenue by geography and business line *(in millions of euros)*	**FY 2024**	**FY 2025**	**2025/2024 published change** (a)	**2025/2024 comparable change** (b)
Americas (a)	10,321	10,351	+0.3%	+3.9% (c)
Europe, Middle East & Africa (EMEA) (a)	10,186	10,616	+4.2%	+0.6%
Asia Pacific	5,303	5,118	-3.5%	+1.0%
GAS & SERVICES REVENUE	**25,810**	**26,085**	**+1.1%**	**+2.0%** (c)
Large Industries	7,120	7,110	-0.1%	-0.3% (d)
Industrial Merchant	11,906	12,132	+1.9%	+2.4% (d)
Healthcare	4,274	4,378	+2.4%	+5.0%
Electronics	2,510	2,465	-1.8%	+1.2%

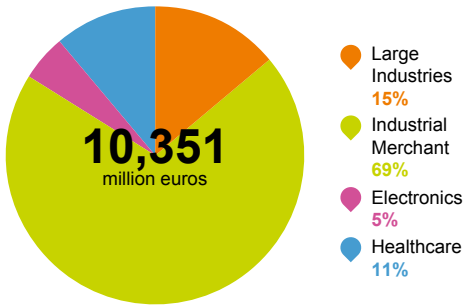
(a) Published variation calculated on the 2024 published revenue, not restated for the transfer of certain GM&T activities as of January 1st, 2025. See page 62.
(b) This comparable growth excludes the scope effect related to the internal transfer of certain GM&T activities to Industrial Merchant as of the 1st quarter of 2025 but includes the contribution related to the growth of these activities in 2025. See pages 62 and 63.
(c) Includes a limited contribution from Argentina (hyperinflation). See table page 69.
(d) Excluding the effect of an internal transfer of assets between Large Industries and Industrial Merchant in Americas. See page 63.

(1) Includes a limited contribution from Argentina (hyperinflation). See table page 69.
(2) This comparable growth excludes the scope effect related to the internal transfer of certain GM&T activities to Industrial Merchant in the 1st quarter of 2025. See page 62.
(3) Excluding the effect of an internal transfer of assets between Large Industries and Industrial Merchant in Americas. See page 63.

Americas

Americas Gas & Services revenue stood at **10,351 million euros** in 2025, up **+3.9%** (1) (2). Large Industries (+6.6% (3)) benefited from the ramp-up of a large air separation unit and new hydrogen sales on the Gulf Coast pipeline networks. The increase in Industrial Merchant sales (+2.9% (2) (3)) was supported by a high price effect (+4.1%) and resilient gas volumes, with Hardgoods volumes softening over the year. Growth remained very dynamic in Healthcare (+10.6%). In Electronics (-2.5%), the normalization of Equipment & Installation sales after a record level in 2024 masked dynamic growth in the rest of the business (+8.5%).

AMERICAS GAS & SERVICES 2025 REVENUE



- **Large Industries** revenue was up **+6.6%** (3). This growth was supported by the ramp-up of a major air separation unit started up in February 2024 and by new hydrogen sales on the Gulf Coast pipeline network under long-term contracts. The increase in sales of electricity and steam produced by cogeneration units was also a growth driver in the United States and Canada.
- **Industrial Merchant** sales posted an increase of **+2.9%** (2) (3) in 2025. This growth was supported by a high price effect of +4.1%, which strengthened progressively throughout the year to reach +5.2% in the 4th quarter. Gas volumes remained resilient, but hardgoods volumes remained soft over the year. Volumes grew in the Construction, Electronic components and assembly, and Pharma markets. Finally, the consolidation of bolt-on acquisitions in the United States, Canada, and Brazil also contributed to growth.
- **Healthcare** sales posted very dynamic growth of **+10.6%**. In the United States, Medical Gases prices were up sharply in proximity care and hospitals, supported by the roll-out of the Intelli-OX offer, an innovative cylinder with a digital gauge that provides caregivers with a direct reading of the remaining oxygen time. In Latin America, the number of patients treated at home continued to increase, supporting sales growth.
- **Electronics** revenue was down **-2.5%** in 2025, but posted strong growth (+8.5%) excluding Equipment & Installation sales. Indeed, the double-digit increase in carrier gases and Advanced Materials sales (with higher margins) did not offset the significant decline in Equipment & Installation sales, which are more cyclical and are normalizing after record revenue in 2024.

AMERICAS

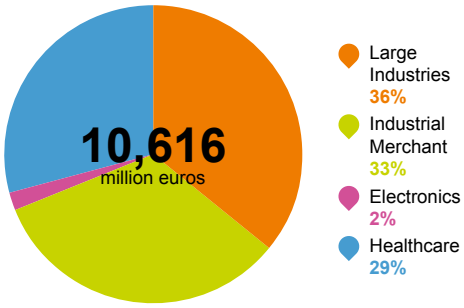
- Air Liquide has entered into **new agreements** to supply hydrogen to **two of the largest refiners** in the **United States**. The Group will leverage its existing infrastructure with nearly **50 million US dollars** of investment for strategic upgrades to its Gulf Coast pipeline network and the integration of new compression and distribution equipment directly within its existing pipelines.
- Air Liquide will invest up to **200 million US dollars** in Louisiana, **United States**, to **modernize an air separation unit** and connect it to its existing network. This investment also includes a **pipeline network extension** of approximately 50 kilometers on the Gulf Coast. These upgrades are part of a **long-term contract** renewal with **Dow** and will further allow Air Liquide to **support industrial growth in Louisiana.**
- Air Liquide announced an investment of more than **50 million US dollars** to build **an additional carrier gases production unit** in the **United States**, on the site of **one of the world's leading semiconductor manufacturers.** This strategic investment underlines Air Liquide's long-term commitment to supporting the rapid growth of the US semiconductor market and strengthens its position as a key supplier to this strategic industry.

(1) *Includes a limited contribution from Argentina (hyperinflation). See table page 69.*
(2) *This comparable growth excludes the scope effect related to the internal transfer of certain GM&T activities to Industrial Merchant as of the 1st quarter of 2025 but includes the contribution related to the growth of these activities in 2025. See pages 62 and 63.*
(3) *Excluding the effect of an internal transfer of assets between Large Industries and Industrial Merchant in Americas. See page 63.*

Europe Middle East & Africa (EMEA)

Europe, Middle East & Africa (EMEA) revenue reached **10,616 million euros** in 2025, up **+0.6%** (1). Large Industries sales (-1.4%) were down, but slightly up by +0.4% excluding sales from cogeneration units. Industrial Merchant sales grew (+0.5% (1)), supported by a solid price effect (+2.0%) and resilient gas volumes, with the exception of liquid CO_2. Sales growth remained very solid (+3.6%) in Healthcare, particularly in Home Healthcare and Specialty Ingredients.

EMEA GAS & SERVICES 2025 REVENUE



- **Large Industries** revenue was down **-1.4%**, but up slightly by +0.4% excluding sales from cogeneration units. Indeed, sales from these units were heavily penalized by low steam demand in Benelux since the beginning of the year. Hydrogen sales were down across the region, despite growth in Saudi Arabia particularly in the 4th quarter, as the end of 2024 had been impacted by a customer turnaround for maintenance. Air gases sales grew over the year, particularly in South Africa, and in the 4th quarter in Italy. Customer demand in Steel and Chemicals remained low in Europe, but hydrogen volumes for Refineries grew over the year, mainly in the Middle East.
- **Industrial Merchant** sales grew by **+0.5%** (1) in 2025. The price effect (+2.0%) strengthened significantly compared to 2024, supported by higher cylinder gas prices and, in the 1st half of the year, by an increase in bulk gas prices indexed to changes in energy costs. Furthermore, cylinder and bulk gas volumes were resilient, with the exception of liquid CO_2. In a context of low demand, volumes grew mainly in the Utilities (water, waste, electricity) and Aeronautics sectors.
- **Healthcare** revenue increased by **+3.6%** in 2025, with a progression of +4.3% in the 2nd half of the year. Home Healthcare continued its development, supported by the increase in the number of patients monitored, notably for diabetes, sleep apnea, and proximity care in Germany and Poland. Sales of specialty ingredients also showed solid growth.

EUROPE MIDDLE EAST & AFRICA (EMEA)

- **Large-scale electrolyzer project in the Netherlands:**

  Air Liquide has announced that it has started the construction of **ELYgator**, a **200 MW electrolyzer**, in the port of Rotterdam, **the Netherlands**. The Group will invest more than **500 million euros** to build, own, and operate the electrolyzer, which will notably supply **TotalEnergies'** industrial platform under a **long-term contract**. This project strengthens the Group's leadership in clean hydrogen production.

- **Carrier gases project for a major semiconductor customer in Germany:**

  Air Liquide has won a **long-term contract** and will supply **large volumes of high-purity gases** directly to a **major customer** in the **semiconductor industry**, in the heart of "Silicon Saxony", in Dresden, **Germany**. The planned investment of more than **250 million euros** will be Air Liquide's largest in the Electronics sector in Europe, thus reinforcing its leadership on the continent.

- **Acquisitions in Germany:**

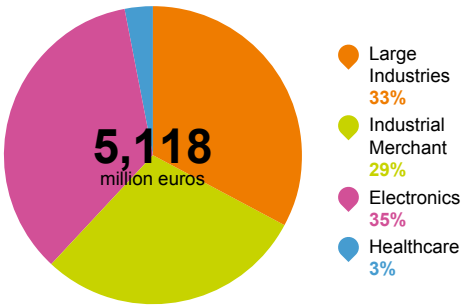
  Air Liquide continues its development in Germany with the **acquisition of 2 companies**. The Group is thus expanding its presence in the **proximity care market**. The newly acquired entities operate in Saxony, one of the most densely populated regions in Eastern Germany, between Berlin and Bavaria where the Group already has a strong local market presence.

(1) *This comparable growth excludes the scope effect related to the internal transfer of certain GM&T activities to Industrial Merchant as of the 1st quarter of 2025 but includes the contribution related to the growth of these activities in 2025. See pages 62 and 63.*

Asia Pacific

Asia Pacific region revenue stood at **5,118 million euros** in 2025, up **+1.0%**. In Large Industries (+0.4%), the contribution of new air gas volumes in China and hydrogen in South Korea was masked by overall weak demand in the region. 2025 Industrial Merchant revenue was stable (-0.1%): growth of +2.6% in sales in China was offset by contrasted activity in the rest of Asia and by a price effect down -1.0%. Electronics revenue grew by +3.1% in 2025, and +6.1% excluding Equipment & Installation sales, supported notably by the start-up of seven carrier gases production units in 2025.

ASIA PACIFIC GAS & SERVICES 2025 REVENUE



- **Large Industries** revenue showed a slight increase of **+0.4%** in 2025. Sales benefited from the ramp-up of new production units in China, notably the one acquired (takeover) from Wanhua at the end of 2024, and from the supply of additional hydrogen volumes to the customer KMCI in South Korea under a long-term contract. The contribution of these new volumes to sales growth was masked by overall weak demand in the region.
- In **Industrial Merchant**, 2025 revenue was stable (**-0.1%**). In a context of low inflation, the price effect (-1.0%) remained impacted by the sharp drop in helium sales prices in China and CO_2 in Australia. In China, revenue grew by +2.6%, despite lower helium sales and a lower contribution from bolt-on acquisitions in the 2nd half of the year. Growth was supported notably by start-ups of small on-site gas generators and dynamic cylinder gas sales, reflecting the Group's solid strategic positioning in China. In the rest of Asia, activity was contrasted, with high equipment & installation sales in Japan, solid growth notably in Taiwan in Electronic components and assembly, but a strongly negative price effect in Australia (end of CO_2 price surcharges) and weak activity in Singapore. Volumes were up mainly in the Electronic assembly, Fabrication metal, and Automotive markets.
- **Electronics** revenue was up **+3.1%** in 2025, and +6.1% excluding Equipment & Installation sales. Carrier gases sales posted strong growth of more than +10%, supported by the start-up of seven new production units in the 1st half of 2025. This growth was partially offset by a decline in more cyclical Equipment & Installation sales, which are normalizing after reaching a very high level in 2024.

ASIA PACIFIC

- **Project for a major semiconductor manufacturer in Singapore:**

  Under two **new long-term contracts** and for a total investment of **130 million euros**, Air Liquide will build, own, and operate two new **carrier gases** production facilities to support the expansion of a major **semiconductor manufacturer in Singapore**. Ultra-high purity gases are essential to support the next wave of digital technologies, notably AI. These new contracts, signed just a few months apart, highlight the acceleration in demand for advanced electronic components in this strategic market.

- **VSMC project in Singapore:**

  Air Liquide will build, own, and operate a **new carrier gases production unit in Singapore**. With a significant investment of approximately **70 million euros** and under a long-term agreement, Air Liquide will supply large volumes of nitrogen, oxygen, argon, and other ultra-pure gases to **VisionPower Semiconductor Manufacturing Company** (VSMC), the joint venture formed by Vanguard International Semiconductor Corporation and NXP Semiconductors N.V.

Engineering & Technologies

Consolidated revenue for Engineering & Technologies [1] stood at **855 million euros** in 2025, up **+2.0%** [2] compared to 2024. Within this activity, Engineering & Construction revenue (third-party sales) was down slightly, while sales to the Group (excluded from consolidated revenue) grew, as priority was given to the development of Large Industries and Electronics investment projects. Furthermore, sales of technological equipment, particularly Turbo-Brayton LNG reliquefaction units, continued to grow.

Order intake for Group projects and third-party customers reached **2,220 million euros** in 2025. This notably included air separation units, including the world's largest unit for a steel customer in India, a large electrolyzer in the Netherlands for clean hydrogen production, carrier gases units for the Electronics industry, proprietary equipment for helium liquefaction, as well as numerous Turbo-Brayton reliquefiers. Group projects represented a vast majority of order intake.

(1) *Global Markets & Technologies and Engineering & Construction activities merged into the Engineering & Technologies business in the 1st quarter of 2025. Certain activities, mainly Biogas and Maritime, were transferred to the Industrial Merchant business.* *See page 62.*

(2) *This comparable growth excludes the scope effect related to the internal transfer of certain GM&T activities to Industrial Merchant as of the 1st quarter of 2025.*

OPERATING INCOME RECURRING

Operating income recurring before depreciation and amortization totaled **8,145 million euros**, an increase of **+3.1%** as published compared with 2024 and **+6.9% excluding the currency impact.**

Purchases were down -3.6% and stable (0.0%) excluding the currency impact and excluding the reclassification of certain equipment purchases to other expenses. The increase in energy prices, particularly natural gas, was offset by a decrease in purchases of materials and equipment due to a decline in hardgoods sales. **Personnel expenses** were down **-1.5%** as published and showed a limited increase of +1.5% excluding the currency impact. In an inflationary environment, they benefited from the reduction in headcount accompanying the organization's rationalization plans across all geographies. **Other operating income and expenses** increased by **+1.7%. Other operating expenses** grew with the development of the business, by +4.3% as published and +6.3% excluding the currency impact and reclassifications (of certain equipment purchases to other expenses), notably due to commitments related to the project with ExxonMobil in Baytown in the United States. The sharp increase in **other operating income** is explained by a compensation received from the customer ExxonMobil covering all commitments on this project, in accordance with the terms provided for in the contract.

Efficiencies (1) reached a record level of **631 million euros** in 2025, up +27% compared to the 497 million euros achieved in 2024. They significantly exceed the 400 million euro annual target of the ADVANCE plan. This performance illustrates the strong contribution of the Group's transformation program to efficiencies. Procurement and the transverse continuous improvement program, notably consisting of more than a thousand industrial efficiency projects, also support this sharp increase in efficiencies. The reduction in headcount since the beginning of 2024 has generated savings on personnel expenses across all geographies. Efficiencies are one of the three levers for operating margin improvement, along with price management, notably in Industrial Merchant, and dynamic asset portfolio management.

Depreciation and amortization amounted to **2,564 million euros**, up +2.3% and +5.3% excluding the currency impact, which essentially reflects the impact of start-ups of new units.

Group Operating Income Recurring (OIR) reached **5,582 million euros** in 2025, up **+3.5% as published**. On a **comparable basis, it rose by +7.6%**, which is significantly higher than comparable sales growth, highlighting a strong leverage effect. The **operating margin (OIR to revenue)** stood at 20.7% as published, an increase of +80 basis points compared with 2024. The rise in energy costs in 2025, contractually passed through to Large Industries customers, increases published sales without any impact on operating income recurring in absolute value, thereby creating a dilutive effect on the published operating margin in 2025. For this reason, the margin improvement is measured excluding the energy impact, i.e. by considering the energy price of the previous year.

Excluding the energy impact, the operating margin showed a significant improvement of +100 basis points in 2025. Thus, for the 2nd consecutive year, the increase in the Group's annual margin excluding the energy impact is at least 100 basis points, marking an acceleration compared with the past: between 2011 and 2019, the margin improvement ranged from +10 to +20 basis points per year (excluding synergies related to the Airgas acquisition), then reached +70 to +80 basis points between 2020 and 2023. Since 2022, the **cumulative operating margin improvements excluding the energy impact** reached **+360 basis points at the end of 2025.**

Structural transformation actions of the Group, initiated in 2024, will continue to support performance. These actions are structured around 4 key areas: the simplification of the organization, the acceleration of the development of shared service centers, industrial and commercial initiatives, and incorporate a leverage effect related to data exploitation.

(1) *See definition page 65.*

Gas & Services

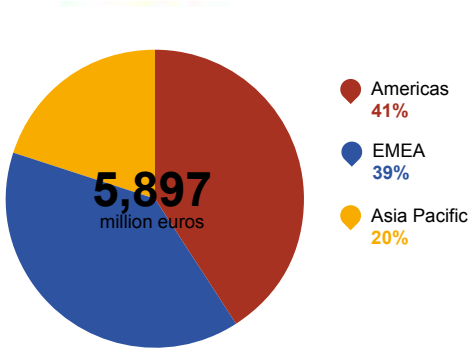
Operating income recurring for the Gas & Services business amounted to **5,897 million euros** in 2025, up **+6.1%** as published compared to 2024. It grew by **+8.1%** on a **comparable basis**, which is significantly higher than the comparable sales growth of the Gas & Services business (+2.0%), highlighting a strong leverage effect.

The **operating margin** reached 22.6% as published, a sharp improvement of **+130 basis points** (1) compared with 2024, **excluding the energy impact.**

The improvement in the Group's operating margin is mainly explained by **efficiencies**, up very sharply by +27% compared with 2024.

Prices are another lever for margin improvement. In the **Industrial Merchant** business, they showed an increase of **+2.9%** in 2025, demonstrating the Group's ability to pass on cost increases. Prices were also up in Healthcare and Large Industries.

GAS & SERVICES 2025 OPERATING INCOME RECURRING



Gas & Services Operating margin (a)	FY 2024	FY 2025	2025/2024 excluding energy impact
Americas	22.6%	23.4%	+110 bps
Europe, Middle East & Africa (EMEA)	20.0%	21.6%	+190 bps
Asia Pacific	22.3%	23.1%	+50 bps
TOTAL	**21.5%**	**22.6%**	**+130 bps**

(a) Operating income recurring/revenue as published. Includes the scope impact related to the internal transfer of certain activities from GM&T to Industrial Merchant since the 1st quarter of 2025. See pages 62 and 64.

Operating income recurring for the **Americas** region reached **2,427 million euros** in 2025. **Excluding the energy impact**, the operating margin increased by **+110 basis points** compared to 2024. The Industrial Merchant activity was the primary contributor. Significant efficiencies and price increases, notably in the United States, supported margin improvement in the Industrial Merchant and Healthcare activities.

Operating income recurring for the **Europe, Middle East & Africa (EMEA)** region amounted to **2,290 million euros** in 2025. **Excluding the energy impact**, the operating margin improved significantly, by **+190 basis points** compared to 2024. In Industrial Merchant, high efficiencies and accretive price management supported the strong margin progression. Efficiencies achieved in Healthcare, notably the restructuring of the Home Healthcare activity in France, also contributed to margin improvement. Finally, in Large Industries, excluding the 2024 payment of an indemnity by a customer, the margin increased, thanks to efficiencies generated by the business.

In **Asia Pacific**, operating income recurring stood at **1,180 million euros** in 2025. **Excluding the energy impact**, the operating margin increased by **+50 basis points** compared to 2024, supported by efficiencies across all activities and the payment of an indemnity by a Large Industries customer in 2025.

Engineering & Technologies

Operating income recurring for Engineering & Technologies stood at **124 million euros** in 2025. The operating margin was **14.5%**, down compared to 2024, mainly due to the transfer of certain GM&T activities to Industrial Merchant.

Corporate Costs and Research & Development

Corporate and **Research & Development expenses** amounted to **439 million euros**, up +10.0% compared to 2024. This increase is notably explained by the creation of a Group Industrial Department as part of the transformation program which contributes significantly to efficiency gains. Research & Development expenses increased slightly.

NET PROFIT

Other operating income and expenses showed a balance of **-303 million euros** in 2025, a decrease compared to -446 million euros in 2024. Other operating expenses amounted to -354 million euros in 2025 and notably included restructuring costs for slightly over 200 million euros, primarily in Europe. Other operating income stood at 51 million euros and mainly comprised capital gains from disposals.

Financial income stood at **-396 million euros** in 2025, an improvement compared to -418 million euros in 2024. It included a cost of net debt of -243 million euros, down -7.4% excluding the currency impact. This performance was primarily due to the decrease in average net debt and a reduction in factoring charges, mainly resulting from lower rates but also from a decline in the receivables sold. The **average cost of net debt**, at **3.3%**, was slightly down compared to 2024. Other financial income and expenses amounted to -154 million euros compared to -160 million euros in 2024.

(1) Includes the scope impact related to the internal transfer of certain activities from GM&T to Industrial Merchant since the 1st quarter of 2025. See pages 62 and 64.

Income tax expense reached **1,231 million euros** in 2025, representing an effective tax rate of **25.2%** compared with 24.0% in 2024, impacted by an exceptional tax surcharge in France in 2025.

Share of profit of associates stood at **-8 million euros** in 2025 and **minority interests** in net profit reached **127 million euros.**

Net profit (Group share) reached **3,518 million euros** in 2025, up **+6.4%** as published and showing strong growth of **+10.1% excluding the currency impact. Net profit recurring** [(1)] **(Group share)** stood at 3,679 million euros, up +6.2% as published and **+9.7%** [(2)] **excluding the currency impact**. Net profit recurring (Group share) is calculated [(1)] by excluding the exceptional tax surcharge in France, the impact of a significant restructuring plan in Europe, and the residual impacts in 2025 of items qualified as non-recurring in the past.

Earnings per share stood at **6.10 euros**, up **+6.3%** as published compared with 2024, in line with the increase in net profit (Group share). The **average number of shares** outstanding used for the calculation of the 2025 earnings per share is **576,790,647**.

CHANGE IN THE NUMBER OF SHARES

	FY 2024	FY 2025
Average number of outstanding shares	**576,457,564**	**576,790,647**

DIVIDEND

At the Annual General Meeting on May 5, 2026, the payment of a dividend of **3.70 euros per share** will be proposed to shareholders for the 2025 fiscal year, representing a growth of **+12.1%** compared to the previous year and up **+38% over the last 3 years.** The amount distributed is estimated at **2,203 million euros,** taking into account share buybacks, cancellations and the exercise of stock options, representing a **payout ratio of 63%** of the published net profit. The ex-dividend date is set for May 18, 2026, and the payment date will be as of May 20, 2026. In addition, a **free share attribution** on the basis of one free share for every 10 shares held, as well as the application of a **loyalty bonus**, are scheduled for **June 2026**, subject to the decision of the Annual General Meeting.

3. Cash Flow and Balance Sheet

(in millions of euros)	2024	2025
Cash flow from operating activities before changes in working capital	**6,539**	**6,855**
Changes in working capital	(155)	(226)
Other cash items	(62)	(111)
Net cash flows from operating activities	**6,322**	**6,518**
Dividends	(1,808)	(2,053)
Industrial capital expenditure	(3,525)	(3,843)
Financial investments [(a)]	(285)	(267)
Proceeds from sale of assets	193	332
Proceeds from issues of share capital	34	140
Purchase of treasury shares	(231)	(4)
Lease liabilities repayments and net interests paid on lease liabilities	(284)	(283)
Impact of exchange rate changes and net indebtedness of newly consolidated companies & restatement of net finance costs	(355)	204
Change in net debt	**62**	**744**
Net debt as of December 31	(9,159)	(8,416)
DEBT-TO-EQUITY RATIO AS OF DECEMBER 31	**33.2%**	**31.2%**

(a) Including transactions with minority interests and dividends received from equity affiliates (-27 and 14 million euros in 2025, respectively).

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

Cash flow from operating activities before changes in working capital totaled **6,855 million euros** in 2025, up +4.8% as published compared with 2024. It increased strongly **excluding the currency impact**, by **+8.3%**, and by +6.0% excluding the currency impact and exceptional items (mainly related to the US tax reform, the exceptional tax surcharge in France and by a compensation received from the customer ExxonMobil related to the suspension of the project in Baytown in the United States).

Working capital requirements (WCR) increased by **226 million euros** compared to December 31, 2024. This is mainly explained by the increase in helium stocks in the dedicated cavern in Germany, by the recent drop in energy prices leading to a decrease in trade payables, and by the increase in trade receivables driven by the reduction in factoring. However, excluding the impact related to the decrease in factoring, the trade receivables balance improved.

Net cash flow from operating activities, after changes in working capital, reached **6,518 million euros**, an increase of +3.1% compared with 2024 and of +6.1% excluding the currency impact.

(1) *See page 64.*
(2) *Net profit recurring (Group share) grew by +8.4% excluding the currency impact and excluding the contribution of Argentina. See page 69.*

CAPITAL EXPENDITURE

(in millions of euros)	Industrial capital expenditure	Financial investments [a]	Total investments [a]
2021	2,917	691	3,608
2022	3,273	126	3,399
2023	3,393	231	3,624
2024	3,525	285	3,809
2025	**3,843**	**267**	**4,110**

(a) Including transactions with minority interests and dividends received from equity affiliates (-27 and 14 million euros in 2025, respectively).

Capital expenditures stood at a very high level of **4,110 million euros** in 2025.

Industrial capital expenditures amounted to **3,843 million euros**, compared with 3,525 million euros in 2024, representing an increase of +9.0% and +12.2% excluding the currency impact, reflecting the increase in investment decisions in recent years. From 2025, capital expenditures are now net of received investment subsidies. For Gas & Services, capital expenditures stood at 3,767 million euros, up +7.0%, and their breakdown by geography is presented in the table below.

	Gas & Services capital expenditure			
(in millions of euros)	EMEA	Americas	Asia Pacific	Total
2024 [a]	1,506	1,203	811	3,520
2025	**1,457**	**1,463**	**847**	**3,767**

(a) Restatement of 2024 Gas & Services investment payments following the internal transfer of certain activities from GM&T to Industrial Merchant.

Financial investments amounted to **267 million euros** in 2025 (including transactions with minority interests and dividends received from associates for -27 and 14 million euros of transactions, respectively). They include 13 acquisitions, mainly in the Industrial Merchant business (in the United States, Canada, Brazil, Spain, Italy, China, and India) and Healthcare business in Germany.

In the context of dynamic asset portfolio management, **proceeds from the sale of assets** reached **332 million euros** in 2025. These notably include proceeds from the disposals of the Home Healthcare business in Japan and of stakes held by ALIAD, the Group's venture capital subsidiary.

Net capital expenditures stood at **3,778 million euros**, up +4.5% compared with 3,617 million euros in 2024.

NET DEBT

Net debt at December 31, 2025, reached **8,416 million euros**, a decrease of 743 million euros compared to December 31, 2024. Cash flow from operating activities enabled the reduction of net debt after the payment of **2.1 billion euros in dividends** and more than **4.1 billion euros in industrial and financial capital expenditures**. The net debt-to-equity ratio stood at 31.2%, highlighting the strength of cash flows.

In preparation for the acquisition of **DIG Airgas finalized on January 13, 2026**, the Group issued a bond of **2.15 billion euros** in late October 2025. As a result, cash increased significantly on December 31, 2025, with no impact on net debt.

ROCE

Return on capital employed after tax (ROCE) was 10.7% in 2025, up +40 basis points compared with 2024. **Recurring ROCE** [1] stood at **11.2%**, an improvement compared with 10.7% in 2024 despite the dilutive impact of the acceleration in investments. Over the period of the ADVANCE strategic plan, the **objective** of a **recurring ROCE of more than 10%** starting from 2023 was achieved **as early as the end of 2022**, one year ahead of schedule.

[1] *See page 65.*

4. Extra-financial performance

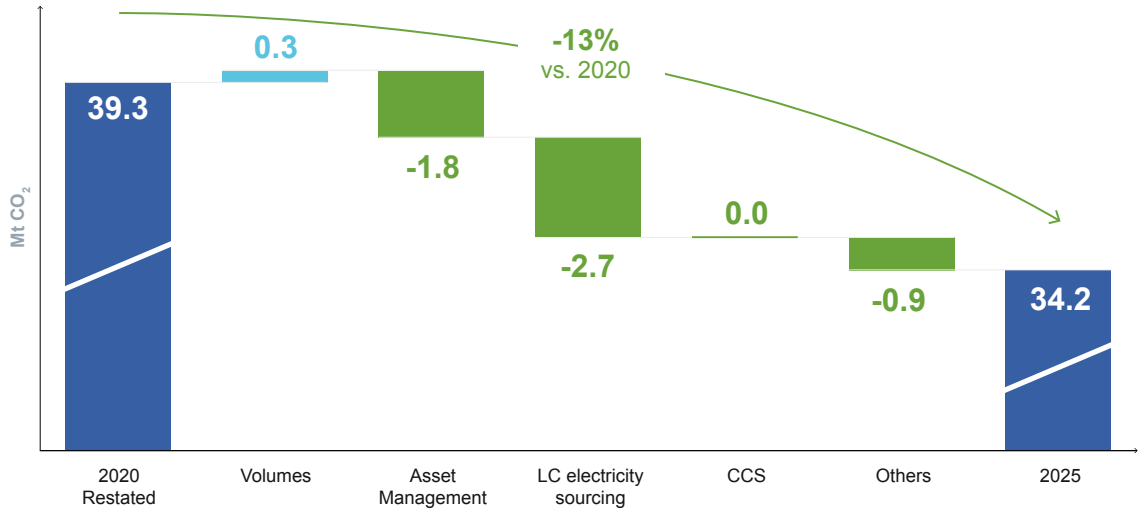
ADVANCE, the Group's strategic plan for 2025 announced in March 2022, places sustainable development at the heart of its strategy and **combines financial and extra-financial performance**.

First and foremost, **safety** is a priority for the Group. Preventive actions are implemented over the long term with a «zero accident» ambition. Thus, the **lost time accident frequency rate** (1) stood at a **record level of 0.4 in 2025**, down sharply for the second consecutive year, representing a **60% reduction compared to 2023** (1.0).

The Group's **Scopes 1 and 2 CO_2 emissions** stood at **34.2 million tonnes of CO_2 equivalent** (2) in 2025, down **-0.7 million tonnes compared to 2024**. They are also down sharply by **-13% compared to the 2020 baseline** (2). Several levers contributed to the decrease in emissions in 2025:

- the **voluntary sourcing of low-carbon energy**, with the start-up in 2025 of 3 TWh per year from multi-year Power Purchase Agreements (PPA);
- the use of **offgases** from a customer's refinery in Port Arthur in the United States to produce hydrogen;
- the **electrification of air separation unit**s. Thus, the Yongli ASU in China, which started up in September 2024, reduced the Group's emissions by more than 250,000 tonnes in 2025;
- **efficiency gains** achieved on air separation units for the customer Sasol in South Africa.

(Group CO_2 Emissions Scopes 1 and 2)



The year 2025 marks the third consecutive year of significant decline in absolute CO_2 emissions. The Group has achieved the ADVANCE strategic plan objective of reaching an inflection point in its CO_2 emissions.

Carbon intensity stood at 4.0 kg of CO_2 equivalent per euro of EBITDA (3) in 2025, down -7% compared to 2024. It decreased by -46% compared to 2015, exceeding the target of at least a -30% reduction in 2025 compared to 2015.

In accordance with its climate transition plan, the Group is deploying actions to reduce its emissions, which are structured around 3 levers: **low-carbon energy sourcing, asset management**, and **CO_2 capture**, although some do not have an immediate impact. In 2025, Air Liquide signed its first low-carbon Power Purchase Agreement (PPA) in India, thus covering a new geography with a carbon-intensive energy mix. The Group also decided in 2025 on new **electrifications** of air separation units in **China** and **Italy**, which will reduce its yearly Scope 2 CO_2 emissions by approximately **225,000** tonnes and **50,000 tonnes**, respectively, upon the commissioning of this new equipment. Furthermore, 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**. For example, the **Engineering & Technologies** activity will provide the **world's largest CO_2 liquefaction unit**, required for a bioenergy project with carbon capture and storage (BECCS) in Sweden.

Beyond decarbonization, Air Liquide put in place in 2025 **detailed water management plans in 75 production sites** located in high water stress areas.

On the social front, the share of **employees benefiting from a common base of social coverage** reached the **100%** target in 2024, one year ahead of schedule. Regarding **diversity**, the share of women "Managers and Professionals" has continuously increased since 2020 to reach **33.8% in 2025**. This result remains far above industry and peers level. The Group intends to pursue its efforts to strengthen this representativeness across all its activities. Finally, the objective of offering **100% of Group employees** access to volunteering opportunities has now been achieved via **Citizen at Work**, the Group's program for **acting in service of local communities**.

(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, see page 64.*
(3) *Operating Income Recurring before depreciation, at 2015 currency rate, see page 64.*

SUSTAINABLE DEVELOPMENT

- Air Liquide confirms the effectiveness of its **voluntary low-carbon electricity sourcing program**, a core lever of its Climate Transition Plan, delivering concrete and impactful results. In **2025**, significant **3 TWh per year multi-year Power Purchase Agreements (PPAs) were started**, securing its long-term **decarbonization trajectory**. **Since 2020**, as part of its Climate objectives, the Group has signed PPAs representing a **total annual reduction in CO_2 emissions of 3.5 million tonnes**, with a full ramp-up expected by 2027. At the end of 2025, low-carbon electricity represented **40%** of the **electricity purchased by the Group**, marking its commitment to structurally transforming its global energy mix.

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
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
2025	**4.0**	**0.2**	**4.2**

In 2025, **industrial and financial investment decisions** reached **4.2 billion euros**. With a cumulative amount of **16.9 billion euros** over the last 4 years, decisions **exceeded** the 16 billion euro target of the **ADVANCE strategic plan**.

Industrial investment decisions amounted to **3,982 million euros** in 2025.

- The Group reinforced its leadership position in **Electronics** in 2025 by winning numerous long-term contracts with major semiconductor industry customers. These included investments in carrier gases production units, notably more than 250 million euros in Germany for a world-leading customer in the semiconductor sector, more than 50 million US dollars for a leading customer in the United States, more than 70 million euros at the sites of three customers in China, and approximately 70 million euros in Singapore to supply VSMC.
- **In Large Industries**
  - In the Americas, new investments will contribute to the development of the US Gulf Coast pipeline network. These involve new hydrogen contracts with customers in the energy sector and the renewal of a long-term air gases contract with Dow.
  - In EMEA, the Group has also decided to invest more than 500 million euros in the ELYgator project, a 200 MW electrolyzer in the Netherlands which will supply renewable hydrogen to TotalEnergies under a long-term contract. In Italy, Air Liquide will invest in two new production units to supply air gases to an electric arc furnace for a steel plant, and in the electrification of an air separation unit which currently consumes steam produced by the customer, the latter of which will reduce the Group's CO_2 emissions (scope 2) by 50,000 tonnes per year.
  - In Asia-Pacific, decisions include an investment to increase the capacity of an air separation unit in China and its electrification under a long-term contract. This investment will reduce the Group's CO_2 emissions (scope 2) by approximately 225,000 tonnes per year.
- To support local growth in **Industrial Merchant**, the Group decided in 2025 to invest in several small air separation units in various Asian countries. Decisions also concern a biogenic CO_2 production unit in Australia, a new cylinder filling center in China, and equipment for argon transport in the United States.

Financial investment decisions amounted to **251 million euros** in 2025, mainly in **Industrial Merchant** with ten bolt-on acquisitions spread across all geographies: in the Americas (United States, Canada, Brazil), in Asia (China) and in EMEA (India, Spain, Italy). Decisions also include the acquisition of three companies in **Home Healthcare** in Germany.

Furthermore, the Group announced in August 2025 the signing of an agreement to acquire **DIG Airgas** in South Korea (see next page). Finalized on January 13, 2026, the acquisition will be recorded in investment decisions for the 1st quarter of 2026.

The **investment backlog** reached **4.9 billion euros** (1), a **very high level**, exceeding 4 billion euros for the 3rd consecutive year. Investments in progress are characterized by strong diversification, with more than 70 projects spread across all geographies. Approximately 40% of the total corresponds to projects in the **Electronics** business, with the remainder being invested mainly in **Large Industries**.

(1) *Includes 0.2 billion euros of investment backlog in South Korea (DIG Airgas integration).*

ACQUISITIONS

- On January 13, 2026, Air Liquide finalized the **acquisition of DIG Airgas**, a leading player in the industrial gases sector in South Korea. This transaction marks a new major milestone for the Group, 10 years after the major acquisition of Airgas in the United States. Thanks to this strategic action, the Group will double its workforce in South Korea and achieve approximately **900 million euros** in **overall revenue** in the country. Completed ahead of the preliminary schedule, this acquisition will now **contribute to the Group's overall performance earlier than expected**.
  - This major acquisition strengthens Air Liquide's position in **high-growth markets** of the world's 4th largest industrial gases market, South Korea.
  - The footprints and activities of Air Liquide and DIG Airgas in South Korea are **highly complementary**, offering development opportunities in key sectors, notably the semiconductor industry.
  - This acquisition will be **accretive** to Air Liquide's net profit one year after its integration into the Group.
- Air Liquide announced in October 2025 the acquisition of **NovaAir**, a leader in the production and distribution of industrial gases in **India**. Its presence in eastern and southern India complements the Group's existing activities in the north and west of the country, significantly strengthening Air Liquide's footprint in the Industrial Merchant market in India.

Start-ups

The **main start-ups** in 2025 include:

- **in Asia Pacific,**
  - in the Electronics business, 7 carrier gases production units for several customers for a total investment amount of more than 280 million euros and a molybdenum production unit in South Korea;
  - in Large Industries, an air separation unit (ASU) to supply ExxonMobil in Singapore and an ASU acquired from Wanhua Chemical Group in China in the 3rd quarter of 2024;
  - in Industrial Merchant, a new CO_2 production unit in Australia, two hydrogen filling centers for mobility in China and South Korea.
- **in EMEA**, mainly two new carrier gases production units in the Dresden basin in Germany in the Electronics business and an ammonia cracking pilot unit in the Port of Antwerp-Bruges in Belgium in Large Industries. Start-ups also include a small hydrogen production unit equipped with a CO_2 capture and recovery system in France and a Krypton and Xenon purification unit in South Africa to primarily serve the space and semiconductor industries;
- **in the Americas**, in Large Industries, the connection of a customer to the hydrogen pipeline network under a long-term contract, allowing for the optimization of existing assets, and in Industrial Merchant, three small on-site gas generators for a battery manufacturer.

The **additional contribution to sales** from unit start-ups and ramp-ups amounted to **322 million euros** in 2025.

START-UPS

- Air Liquide announced the start-up of its **new molybdenum production plant** located in Hwaseong, Gyeonggi Province, **South Korea**. This plant, **the largest in the world**, will supply Subleem™, its innovative Advanced Materials offer, to major **customers** in the **semiconductor sector**. This offer includes a portfolio of ultra-high purity molybdenum molecules, as well as first of its kind proprietary distribution systems. Through this strategic investment, Air Liquide confirms its status as a **technological leader** by being the **first industrial player** capable of supplying molybdenum solutions in large quantities to its partners.
- Air Liquide announced the commissioning of the **world's first industrial-scale ammonia cracking pilot unit** with an **ammonia-to-hydrogen conversion** capacity of 30 tonnes per day, in the Port of Antwerp-Bruges, **Belgium**. This cutting-edge innovation provides a key and previously missing technological link to convert ammonia into hydrogen and addresses the challenges related to hydrogen transport. This technology, now proven for the development of ammonia cracking units on a global scale, will provide access to **low-carbon hydrogen** and **renewable hydrogen** for the **decarbonization** of **industry** and **mobility**.

Investment opportunities

The **12-month portfolio of investment opportunities** stood at a **record level of 4.6 billion euros** (1) at the end of 2025. The removal of the ExxonMobil project in Baytown, Texas, which the customer put on hold, was offset by the entry of new projects in **Electronics**, notably in South Korea following the integration of DIG Airgas, and in **Large Industries**. Projects related to **Electronics** represent more than 40% (2) of the portfolio, and those in the **energy transition** account for approximately 25% of the opportunities. Projects are mainly located in Asia and the Americas, followed by EMEA.

The **total portfolio of opportunities**, also including opportunities **beyond 12 months**, is stable, **exceeding 10 billion euros**.

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**. Furthermore, the short-term ratings are "A1" for Standard & Poor's, "S-1" for Scope Ratings and "P1" for Moody's. Following Air Liquide's announcement of the acquisition of DIG Airgas on August 22, 2025, Standard & Poor's and Moody's confirmed their ratings on August 27, 2025, with a stable outlook. Scope Ratings confirmed its ratings on December 2, 2025, while revising the outlook from positive to stable.

(1) *Includes 0.8 billion euros of investment opportunities in South Korea (DIG Airgas integration).*
(2) *Includes the investment opportunities in South Korea (DIG Airgas integration).*

Diversifying and securing financial sources

At December 31, 2025, the **Group financing through capital markets** accounted for **84% of gross debt**, with **total outstanding bond issues of 9.8 billion euros**, across all emission programs, and 0.5 billion euros in commercial paper.

The **total amount of credit lines** remained stable at **4.0 billion euros** with **20 banks**. The **syndicated credit line** amounts to **3.0 billion euros** and its maturity was extended to 2030 (previously May 2029) with a residual one-year extension option. This line includes a mechanism to index financial costs to three of the Group's CSR objectives in the areas of carbon intensity, gender diversity and safety. In addition to bilateral lines and syndicated credits, in August 2025, Air Liquide signed a 3-billion euro bridge loan as part of the DIG Airgas transaction. This loan was reduced by 2.15 billion euros on November 5, following the bond issue to finance the acquisition. Consequently, as of December 31, 2025, 850 million euros remain available on this bridge loan. It was cancelled upon the final completion of the transaction on January 13, 2026.

Issues and redemptions

In March 2025, the Group completed a **500 million euro green bond issue** with a 10-year maturity to finance projects in the energy transition.

Three bond issues, with a total residual amount of **971 million euros equivalent**, were **redeemed** at maturity in March, April, and June 2025.

Finally, in October 2025, a **2.15 billion euro multi-tranche bond issue** was launched to finance the **strategic acquisition** of **DIG Airgas**.

FINANCING

- **Bond issue**

  In October 2025, Air Liquide successfully completed a multi-tranche **bond issue** of **2.15 billion euros**. This major financial operation is intended to **finance** the **strategic acquisition** of **DIG Airgas**, for which the final closing was recorded on January 13, 2026. This transaction, significantly oversubscribed by investors, was carried out under the Group's **Euro Medium Term Note (EMTN) program**. It allows for the issuance of 2.15 billion euros in bonds with maturities of 2, 4, 7.5, and 12 years, at a weighted average interest rate of less than **3.00%** per annum.

- **Green bond issue**

  Air Liquide successfully completed a new **green bond issue** of **500 million euros** on March 21, 2025, with a **10-year maturity**, at an aggregate cost to Air Liquide of **3.50% per annum**. The Group will use the proceeds from this issue to finance or refinance flagship projects in the **energy transition**, particularly in the fields of hydrogen and clean air gases. This green bond issue follows previous ones carried out in 2021 and 2024, both of which were fully allocated.

Net Debt by currency as of December 31, 2025

	12/31/2024	12/31/2025
Euro	51%	64%
US Dollar	30%	19%
Taiwanese Dollar	6%	7%
Japanese Yen	3%	2%
Chinese Renminbi	1%	4%
Others	9%	4%

Investment financing is generally carried out in the currency of the cash flows generated by these investments, thus creating a natural currency hedge. In 2025, the share of the euro in total net debt increased while that of the US dollar decreased, notably due to its depreciation against the euro.

Centralization of cash and funding

In 2025, Air Liquide Finance continued to centralize the cash balances of the Group's entities.

At December 31, 2025, Air Liquide Finance granted the Group's subsidiaries, directly or indirectly, the equivalent of 11.5 billion euros in loans and received 3.2 billion euros in cash surpluses as deposits from them. These operations were carried out in 21 currencies (mainly the euro, US dollar, Japanese yen, Canadian dollar, Chinese renminbi, Singapore dollar, and British pound). The direct and indirect scope (including subsidiaries whose cash is centralized locally before being centralized with Air Liquide Finance) comprises approximately 400 subsidiaries.

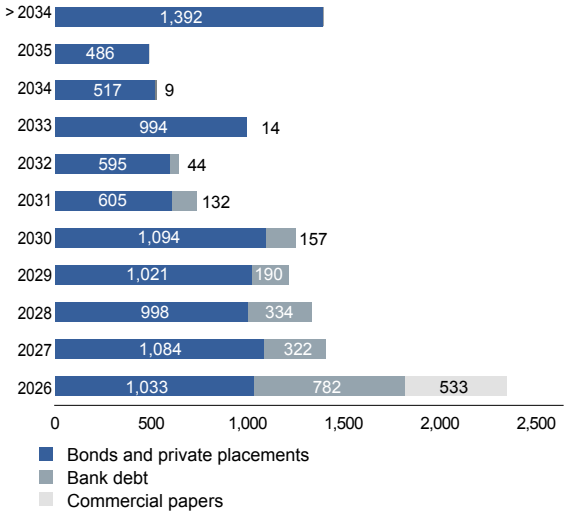
Debt maturity and schedule

The **average maturity of the Group's debt** was **5.6 years** at December 31, 2025, a slight increase compared to December 31, 2024 (5.1 years). Indeed, the bond issues of the year (particularly those for the financing of the acquisition of DIG Airgas in South Korea) allowed for a slight extension of the debt maturity.

Gross debt stood at 12.4 billion euros. The amount of gross debt maturing within the next 12 months is 2.3 billion euros. Thereafter, the highest annual maturity over the next 10 years represents approximately 11% of the gross debt.

DEBT MATURITY SCHEDULE

Gross debt *(in millions of euros)*
(excluding put options to minority shareholders for an amount of 40 millions)



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.

6.1. 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 impact** 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 impact** 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.

6.2. CALCULATION OF PERFORMANCE INDICATORS (2025)

6.2.1. 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)	2025	FY 2025/2024 Published Growth	Currency impact	Natural gas impact	Electricity impact	Significant scope impact	Internal transfer impact	FY 2025/2024 Comparable Growth
Revenue								
Gas & Services	26,085	+1.1%	(872)	194	41	(4)	396	+2.0%
Impacts in %			*-3.3%*	*+0.7%*	*+0.2%*	*0.0%*	*+1.5%*	
Engineering & Technologies	855	Not applicable	(14)	0	0	0	(396)	
Impacts in %			*-1.2%*	—	—	—	*-32.3%*	
Group	26,940	-0.4%	(887)	194	41	(4)	0	+2.0%
Impacts in %			*-3.2%*	*+0.7%*	*+0.1%*	*0.0%*	—	
Operating Income Recurring								
Gas & Services	5,897	+6.1%	(221)	0	0	3	102	+8.1%
Impacts in %			*-4.0%*	—	—	*+0.1%*	*+1.8%*	
Engineering & Technologies	124	Not applicable	0	0	0	0	(104)	
Impacts in %			—	—	—	—	*-44.2%*	
Group	5,582	+3.5%	(225)	0	0	3	0	+7.6%
Impacts in %			*-4.2%*	—	—	*+0.1%*	—	

6.2.1.1. Impacts of internal transfer of assets in the Americas on comparable growth

As part of the **Group's transformation initiatives**, an internal asset transfer took place at the beginning of the year between the Large Industries and Industrial Merchant business lines in the Americas. The significant scope impact related to this internal transfer on comparable growth is neutralized to allow for a direct reading of the underlying performance of these two businesses.

Revenue *(in millions of euros)*		Variation Q4 2025/2024 comparable	Impact of internal transfer of assets	Variation Q4 2025/2024 comparable after neutralization
Americas	Large Industries	+3.2%	(17)	+8.0%
	Impacts in %		*-4.8%*	
	Industrial Merchant	+5.4%	17	+4.4%
	Impacts in %		*+1.0%*	
Gas & Services	Large Industries	+0.2%	(17)	+1.2%
	Impacts in %		*-1.0%*	
	Industrial Merchant	+2.7%	17	+2.1%
	Impacts in %		*+0.6%*	

Revenue *(in millions of euros)*		Variation FY 2025/2024 comparable	Impact of internal transfer of assets	Variation FY 2025/2024 comparable after neutralization
Americas	Large Industries	+1.8%	(68)	+6.6%
	Impacts in %		*-4.8%*	
	Industrial Merchant	+3.8%	68	+2.9%
	Impacts in %		*+0.9%*	
Gas & Services	Large Industries	-0.3%	(68)	+0.7%
	Impacts in %		*-1.0%*	
	Industrial Merchant	+2.4%	68	+1.9%
	Impacts in %		*+0.5%*	

6.2.1.2. Impacts of internal transfer of activities (from GM&T to Industrial Merchant) in Europe and in the Americas on comparable growth

As part of the **Group's transformation initiatives**, the **Engineering & Construction** and **Global Markets & Technologies** activities merged on January 1, 2025, **into a new Engineering & Technologies business**. Under a single management team, with a shared vision and common objectives, this new organization aims to strengthen the Group's competitiveness and contribute to its growth by providing a more integrated innovation cycle, leveraging scale and complementary expertise. Certain activities, primarily Biogas and Maritime, were transferred from Global Markets & Technologies to the Industrial Merchant business.

Comparable growth excludes the significant scope impact related to the internal transfer of activities from GM&T to Industrial Merchant as of the 1st quarter of 2025, but includes the contribution related to the growth of these activities in 2025.

Revenue *(in %)*		Contribution to the comparable growth Q4 2025	Contribution to the comparable growth FY 2025
Industrial Merchant	*Americas*	*-0.1%*	*-0.2%*
	Europe	*-1.4%*	*+0.5%*
Total Industrial Merchant		-0.5%	0.0%
Gas & Services		**-0.2%**	**0.0%**

6.2.2. 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 2 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 2024	FY 2025	Natural gas impact [a]	Electricity impact [a]	FY 2025 excluding energy impact	Improvement [b] FY 2024/2025
Revenue	Group	27,058	26,940	194	41	26,706	
	Gas & Services	25,810	26,085	194	41	25,851	
Operating Income Recurring	Group	5,391	5,582			5,582	
	Gas & Services	5,555	5,897			5,897	
Operating Margin	**Group**	**+19.9%**	**+20.7%**			**+20.9%**	**+100 bps**
	Gas & Services	**+21.5%**	**+22.6%**			**+22.8%**	**+130 bps**

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

6.2.3. Reported and restated CO_2 emissions

(in thousands of metric tonnes CO_2 eq.)	FY 2020	FY 2024	FY 2025	2025/2020 change	2025/2024 change
Scope 1: total direct greenhouse gas emissions (GHG) [a]	15,345	14,868	14,590	-5%	-2%
Scope 2: total indirect greenhouse gas emissions (GHG) [a]	17,184	20,064	19,599	14%	-2%
Total emissions as reported [a]	**32,529**	**34,933**	**34,189**	**5%**	**-2%**
Total restated emissions [b]	**39,289**	**34,933**	**34,189**	**-13%**	**-2%**

(a) 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) 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.

6.2.4. 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)	2015	2025	2025/2015 change
(A) Operating income recurring before depreciation and amortization	**4,033**	**8,145**	
(B) Currency impact (2015) [a]		(776)	
(C) IFRS 16 Impact [b]		280	
(A) - (B) - (C) = (D) EBITDA used for Carbon Intensity calculation	**4,033**	**8,641**	
(E) CO_2 equivalent emissions (Scopes 1 + 2 [c]) in thousands of tonnes	29,413	34,189	
Carbon Intensity (E) / (D)	**7.3**	**4.0**	**-45.8%**

(a) At 2015 exchange rate excluding countries in hyperinflationary context, their EBITDA being converted at 2025 rate.
(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.

6.2.5. 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 2024	FY 2025	2025/2024 variation
(A) Net Profit (Group Share) – As Published	**3,306.1**	**3,517.9**	**+6.4%**
(B) Exceptional and significant transactions after-tax with no impact on OIR			
■ Impairments of assets held for sale and of other assets identified in particular following a strategic review, and their impacts (proceeds of divestiture, indemnities received from customers and end of depreciation of an asset)	**(103.9)**		
■ Restructuring costs of Home Healthcare business in France, and of the business in Southern Europe (France, Iberia, Italy)	**(55.7)**		
■ Contribution linked to the exceptional tax surcharge in France in 2025		(49.9)	
■ Restructuring costs in Europe		(100.7)	
■ Residual impacts in 2025 of items qualified as non-recurring in the past		(10.4)	
(A) - (B) = Net Profit Recurring (Group Share)	**3,465.7**	**3,678.9**	**+6.2%**
(C) Currency impact		(122.2)	
(A) - (B) - (C) = Net Profit Recurring (Group Share) excluding currency impact		**3,801.1**	**+9.7%**

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

6.2.6.1. Net profit excluding IFRS 16

	2024	2025
(A) Net Profit as Published	**3,440.0**	**3,644.4**
(B) = IFRS 16 Impact [(a)]	(20.7)	(18.7)
(A) - (B) = Net Profit excluding IFRS 16	**3,460.7**	**3,663.1**

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

6.2.6.2. Net profit recurring excluding IFRS 16

	2024	2025
(A) Net Profit as Published	**3,440.0**	**3,644.4**
(B) Exceptional and significant transactions after-tax with no impact on OIR	(159.6)	(161.0)
(A) - (B) = Net Profit recurring	**3,599.6**	**3,805.4**
(C) IFRS 16 Impact [(a)]	(20.7)	(18.7)
(A) - (B) - (C) = Net Profit recurring excluding IFRS 16	**3,620.3**	**3,824.1**

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

6.2.7. 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...).

6.2.8. 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 considered period.
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 2024 (a)	H1 2025 (b)	FY 2025 (c)	ROCE Calculation
Numerator (c)	Net Profit Excluding IFRS 16			3,663.1	3,663.1
	Net Finance costs			(242.5)	(242.5)
	Effective Tax Rate [(a)]			24.6%	
	Net Finance costs after tax			(182.8)	(182.8)
	Net Profit - Net financial costs after tax			**3,845.9**	**3,845.9**
Denominator ((a)+(b)+(c))/3	Total Equity Excluding IFRS 16	27,716.4	25,326.6	27,061.0	26,701.4
	Net Debt	9,159.2	9,793.7	8,415.5	9,122.8
	Average of (total equity + net debt)	**36,875.6**	**35,120.3**	**35,476.5**	**35,824.2**
ROCE					**10.7%**

(a) Excluding non-recurring tax impact.

6.2.9. 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 2024 (a)	H1 2025 (b)	FY 2025 (c)	Recurring ROCE Calculation
Numerator (c)	Net Profit Recurring Excluding IFRS 16			3,824.1	3,824.1
	Net Finance costs			(242.5)	(242.5)
	Effective Tax Rate [(a)]			24.6%	
	Net Finance costs after tax			(182.8)	(182.8)
	Recurring Net Profit Excluding IFRS 16 - Net financial costs after tax			**4,006.9**	**4,006.9**
Denominator ((a)+(b)+(c))/3	Total Equity Excluding IFRS 16	27,716.4	25,326.6	27,061.0	26,701.4
	Net Debt	9,159.2	9,793.7	8,415.5	9,122.8
	Average of (total equity + net debt)	**36,875.6**	**35,120.3**	**35,476.5**	**35,824.2**
Recurring ROCE					**11.2%**

(a) Excluding non-recurring tax impact.

7. Innovation

7.1. INNOVATION AND TECHNOLOGY, DRIVING OUR IMPACT

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

The Group's innovation expenses amounted to 301 million euros in 2025. Innovation expenses correspond to the OECD definition, namely expenditures for Research & Development (R&D), market launch, and marketing of new offerings and products. This amount, which has remained stable over recent years, illustrates the Group's commitment to developing and maintaining a portfolio of innovations in growth markets.

In 2025, 5,600 employees work for innovation, engineering and technologies, contributing to the development and commercialization of new offerings and new products.

301 million euros
of innovation spending (2025)

320
new patents

300 partnerships
with academics, industrials and start-ups

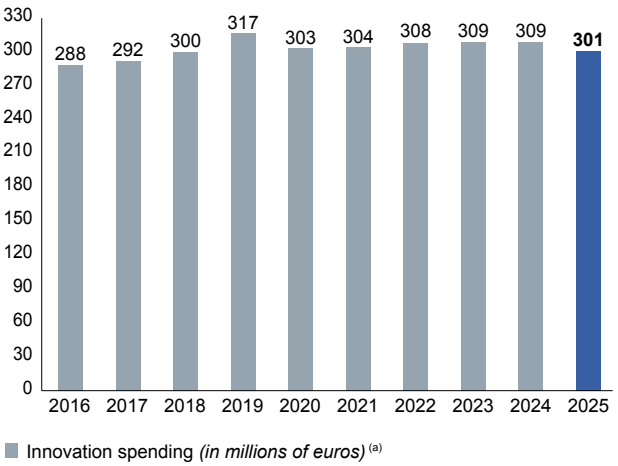
2025 figures

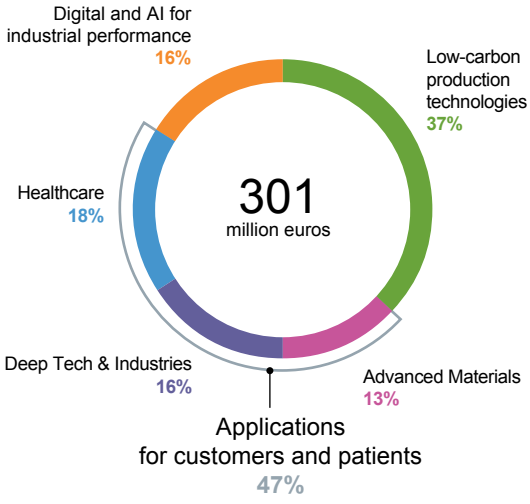
Patented inventions contribute to the Group's competitiveness and the differentiation of its offerings, and illustrate its capacity for technological innovation. With 320 new inventions filed as first patent applications in 2025 in various geographies, Air Liquide is the leading applicant for new patents in its industry. In 2025, Air Liquide has more than 750 international patent families on energy transition, 450 families on hydrogen, and 250 families on CO_2 capture using cryogenic processes. In electronics, Air Liquide has 300 international patent families. Air Liquide's global portfolio comprises approximately 14,000 patents and patent applications.

7.2. FOCUSING ON WHAT MATTERS

To accelerate the time-to-market of innovations and maximize their impact, Air Liquide's innovation efforts focus on a few key priorities: low-carbon production technologies, industrial performance boosted by digital and artificial intelligence (AI), and customer applications.

INNOVATION SPENDING IN 2025





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

7.2.1. Low-carbon production technologies

As part of its Sustainable Development objectives, Air Liquide is committed to achieving carbon neutrality by 2050 (page 40). To reduce its own emissions and help its customers reduce theirs, the Group innovates and develops sustainable technological solutions on an industrial scale

In 2025, the Group made significant progress in the production of renewable hydrogen through water electrolysis. The Air Liquide Normand'Hy project, officially announced in 2023, is expected to enter service in 2026. This large-scale electrolyzer with a capacity of 200 MW, located in Port-Jérôme (France), will avoid up to 250,000 tonnes of CO_2 emissions per year. In 2025, the Group also made the final investment decision to build ELYgator, a 200 MW electrolyzer in the Netherlands. The Group will invest more than 500 million euros to build, own, and operate the electrolyzer, notably supplying the TotalEnergies industrial platform under a long-term contract. The ELYgator project will produce 23,000 tonnes of renewable hydrogen per year for industry and heavy mobility, thereby reducing CO_2 emissions by up to 300,000 tonnes per year of operation. Both projects rely on the Air Liquide and Siemens Energy gigafactory, which produces the electrolyzer stacks. In parallel, Air Liquide Innovation teams leverage data from smaller electrolyzers already operated by the Group (notably Trailblazer, a 20 MW PEM electrolyzer operated by the Group in Oberhausen, Germany, since 2024), to determine the best operating conditions for large-scale electrolyzers.

In 2025, Air Liquide commissioned the world's first industrial-scale Ammonia cracking pilot unit at the Port of Antwerp-Bruges, Belgium. Composed of hydrogen and nitrogen, Ammonia (NH3) allows for the transport of hydrogen over long distances. Demonstrating the viability of Ammonia cracking at an industrial scale, this pilot unit addresses hydrogen transport challenges and paves the way for new low-carbon hydrogen supply chains. At the end of 2024, Air Liquide was also selected to receive a 110 million euro grant from the European Commission 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. This ammonia cracking technology strengthens Air Liquide's low-carbon hydrogen portfolio.

Carbon Capture, Utilization and Sequestration (CCUS) is essential for hard-to-abate industries. Air Liquide's Cryocap™ proprietary technology portfolio is expanding: following a first industrial unit in Port-Jérôme (France), the construction of a Cryocap™ unit is being finalized in Grandpuits (France) for 2026. Construction is also underway for the large-scale CO_2 capture unit located in the Port of Rotterdam. This unit will be connected to the Porthos infrastructure, one of Europe's largest carbon capture and storage infrastructures, aiming to reduce the basin's CO_2 emissions by 2.5 million tonnes per year. Furthermore, Air Liquide will provide its Cryocap™ LQ technology for the Stockholm Exergi project (in Sweden), for which a Final Investment Decision was made in March 2025. Operational in 2028, this facility will enable the safe sequestration of biogenic CO_2 under the North Sea.

With its partners, the Group is also exploring the valorization of captured CO_2. Since 2023, Accelair, the Group's deep tech startup accelerator, has hosted Aerleum, a French startup developing an innovative technology to capture CO_2 from the air and convert it into methanol (CH_3OH) in a single process. Since 2024, Air Liquide and its partners MAN, ETA Florence Renewable Energies, and four university partners (CERTH, Sant'Anna, LRGP, and TU Delft) have been collaborating on the M^{2}are project. This project, coordinated by Air Liquide, aims to develop a new process for producing "maritime methanol" from biogenic CO_2 and renewable hydrogen (H_2), in order to support the maritime transport sector in reducing its CO_2 emissions.

7.2.2. Leveraging digital and AI for industrial performance

3.5 billion **data points**
collected each day at Air Liquide sites worldwide

More than 500 projects
using data and AI

For many years, digital and AI have been major drivers of the Group's operational performance. Working hand in hand with the Group Industrial Direction and leveraging generative AI, Air Liquide's Innovation teams are taking industrial performance to the next level.

Across the entire value chain — supply, production, distribution, customer experience — and for all the Group's business lines, Innovation teams design innovative solutions to optimize the safety, reliability, efficiency, and flexibility of operations.

Thanks to predictive data analysis and artificial intelligence, eight Smart & Innovative Operations (SIO) Centers enable the Group to remotely manage the production of its sites and optimize their energy consumption. Integrating new AI technologies, these connected centers can predict the best possible performance of production units in a given context, evaluate their performance in real time, and assist employees in complex analyses. In a context marked on one hand by a more diverse and intermittent energy production, and on the other by greater fluctuations in demand, these AI-based modeling tools are also developed at the scale of industrial basins combining several production units, to optimize the operations of these sites through a logic of complementarity.

In parallel, Air Liquide relies on digital and AI to further optimize and standardize the distribution of its bulk and cylinder gases, and improve the customer experience in Industrial Merchant.

At the end of the chain, artificial intelligence is also a valuable tool for facilitating relations with customers and patients, assisting employees, and optimizing the customer experience.

7.2.3. Customer and patient applications

In order to open new markets and opportunities, Air Liquide constantly innovates with its customers and develops new applications, drawing on the scientific knowledge and technological expertise of its employees.

For Electronics customers

Semiconductors are a rapidly growing sector, forming the building blocks of the data processors, memory, and screens that power our computers, Internet servers, and smartphones. As the world's leading supplier of gases and services to the semiconductor industry, Air Liquide innovates to provide ultra-high purity gases and advanced materials that enable the production of ever more powerful and energy-efficient semiconductors.

Following the commercial launch of Subleem™, an innovative advanced materials offering, in 2024, Air Liquide commissioned the world's largest molybdenum manufacturing plant. Located in Hwaseong, Gyeonggi Province, South Korea, this unit will provide major semiconductor customers with Subleem™, comprising a portfolio of ultra-high purity molybdenum molecules, as well as first-of-its-kind proprietary distribution systems. The Subleem™ offering was developed and qualified in close collaboration with semiconductor chip manufacturers. Emerging as a promising alternative to tungsten, the traditional material for chip manufacturing, molybdenum is revolutionizing the sector and enabling the design of the most advanced next-generation memory and logic chips, driven by the acceleration of Artificial Intelligence applications.

For deep tech customers

With its long-standing experience in mastering ultra-low temperatures, Air Liquide is able to support major scientific and technological projects thanks to its expertise in cryogenics: gas liquefaction and storage, and distribution of cryogenic fluids.

Among these major projects is the ITER experimental fusion reactor, for which Air Liquide's large-scale cryogenic cooling systems produced the first drops of liquid helium at 4 Kelvin.

In 2025, two scientific customers working on cutting-edge technologies (High Flux Isotope Reactor – HFIR and Superconducting Radio-Frequency – SRF) chose Air Liquide's proven cryogenic unit technology.

Air Liquide is also part of the SupraMarine project, a consortium bringing together leading European players, with the aim of developing a demonstration unit connecting offshore wind farms to the mainland using superconductivity. Air Liquide will provide cryogenic units equipped with its Turbo-Brayton technology, essential for maintaining cables in a superconductive state. It will also conduct in-depth studies on the system's thermal performance and oversee all cryogenic operations. Superconducting cables could carry enormous amounts of electricity with zero resistance and almost no loss, thus accelerating the energy transition. Its Turbo-Brayton technology will also be used in VEIR's STAR pilot demonstration facility to cool a High-Temperature Superconducting (HTS) cable for a data center.

Air Liquide is also part of the Cryonext program in France, led by the CEA and the CNRS, aiming to rapidly advance and industrialize the highly complex cooling infrastructure necessary to develop and deploy a viable quantum computing sector in France.

A partner to the space industry for over 50 years, with 263 Ariane flights to date, Air Liquide teams contributed to the success of the first commercial flight of Ariane 6 in 2025. 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. The Group also provided the fluids necessary for all launcher preparation sequences (nitrogen and helium) and for propulsion, specifically liquid hydrogen and liquid oxygen. The onboard observation satellite CSO-3 was also equipped with cryocooler technology, developed in collaboration with the CNES, which enables the extreme resolution levels expected for these observation satellites. Air Liquide was also a proud contributor to the two successful New Glenn flights in 2025 by providing helium pressure regulators.

For industrial customers

Air Liquide supports its customers in improving the efficiency and sustainability of their processes across various industrial sectors.

In the battery sector, Essential small molecules play a critical role throughout the value chain, from metal mining and refining to end-of-life battery recycling. In 2025, Air Liquide accelerated its innovation activities in this field. In particular, R&D teams have developed innovations for the production of cathode active materials, helping customers enhance performance and cyclic stability, for current and next-generation cathodes, including High-Nickel and High-Voltage Mid-Nickel materials. Furthermore, Air Liquide developed proprietary chemistries that enable the formation of artificial interfaces (lithium-containing thin films), to enable most advanced battery technologies such as solid-state-batteries. Also, another strategic focus addresses Advanced Battery Recycling through innovative hydrometallurgical processes. Key breakthroughs include the use of CO_2 for high-efficiency lithium carbonate purification with 100% conversion efficiency and O_2 pressure leaching to selectively extract lithium from black mass. These initiatives directly support the Group's ambition within the growing battery market, while fostering critical technical engagement with leading global battery manufacturers and recyclers.

Combustion process optimization is also an important innovation focus for our customers in the glass, cement, and non-ferrous metal sectors. In 2025, the Group installed its HeatOx™ technology on a new oxy-combustion furnace inaugurated by Verallia at the Campo Bom site in Brazil. HeatOx™ recovers part of the heat from combustion to preheat the oxygen and natural gas used. The combination of oxy-combustion and HeatOx™ technology enables CO_2 emissions to be reduced by up to 45%. In parallel, Air Liquide innovation teams continued industrial tests on customer sites to replace natural gas with hydrogen. As part of the Precize project with Imerys, which aims to produce low-carbon specialty binders for the cement industry, Air Liquide teams developed a dual-flame burner and tested it on Imerys' pilot furnace in Dunkirk. Adaptable to different gas mixtures and power profiles, this versatile burner can be used for other industrial processes.

For Healthcare

In 2025, Air Liquide deployed OYAN™, a new range of connected cylinders. OYAN™ was designed with and for healthcare professionals to simplify the complex process of gas cylinder management – real-time inventory, cylinder tracking, stock optimization – allowing them to focus on their medical mission. 130,000 OYAN™ cylinders are currently in use in Europe, in hospitals, nursing homes, and for emergency services.

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 data from the subsidiary in Argentina. The same method applies to the Gas & Services activity.

Contribution of Argentina to the comparable growth of revenue in 2025 *(in %)*	**Total**	**Large Industries**	**Industrial Merchant**	**Healthcare**	**Electronics**
Americas	+0.5%	+1.0%	+0.3%	+1.0%	—
Gas & Services	+0.2%	+0.2%	+0.2%	+0.4%	—
Group	+0.2%	—	—	—	—

Contribution of the Argentina to the comparable growth of revenue in 2025 *(in %)*	**Total**	**Large Industries**	**Industrial Merchant**	**Healthcare**	**Electronics**
Americas	+0.7%	+0.9%	+0.5%	+2.2%	—
Gas & Services	+0.3%	+0.2%	+0.3%	+0.7%	—
Group	+0.3%	—	—	—	—

	2025/2024 Published	**Energy impact**			**Currency impact**			**2025/2024 comparable**		
Growth *(in %)*	**Group**	**Group**	**Argentina impact**	**Excl. Argentina**	**Group**	**Argentina impact**	**Excl. Argentina**	**Group**	**Argentina impact**	**Excl. Argentina**
Revenue	-0.4%	+0.8%	+0.0%	+0.8%	-3.2%	-0.5%	-2.7%	+2.0%	+0.3%	+1.7%
Operating Income Recurring	+3.5%				-4.2%	-0.9%	-3.3%	+7.6%	+0.4%	+7.2%
Group OIR margin excluding energy impact								+100 bps		*no impact*
Recurring net profit	+6.2%							+9.7%	+1.3%	+8.4%

OUTLOOK

Driven by the **mobilization of our teams** and the **resilience** of our **business model**, the Group delivered a **record performance in 2025**. Leveraging **solid and diversified growth engines**, despite a challenging environment, the Group accelerated its **business development** and maintained its **operational excellence**.

Beyond the implementation of **innovative projects and numerous commercial successes**, 2025 was also marked by **strategic value-creating operations** for Air Liquide, including the signing of an agreement to acquire DIG Airgas in South Korea.

Furthermore, the **ADVANCE strategic plan**, covering the 2022-2025 period, was **successfully completed**.

In 2026, Air Liquide is very confident in its ability to increase its operating margin [(1)] by +100 basis points and to deliver recurring net profit [(2)] growth, at constant exchange rates.

To provide enhanced visibility on its long-term trajectory, **Air Liquide is raising and extending its margin expansion ambition**, demonstrating the Group's confidence in its operational excellence:

- **confirmation of the 2026 objective** for operating margin improvement of +100 basis points, excluding the energy impact [(1)];
- **introduction of a new objective for 2027** to improve the operating margin by **+100 basis points**, excluding the energy impact;
- **the cumulative ambition thus stands at +560 basis points over the six-year period, 2022-2027.**

This **reinforced ambition** illustrates the Group's commitment to **value creation and sustainable performance**.

To outline the levers of this long-term financial trajectory, the Group will host a Capital Markets Day in the second half of 2026.

(1) Excluding the energy impact and excluding the Purchase Price Accounting impact from the DIG Airgas acquisition.
(2) Recurring net profit excluding exceptional and significant transactions that have no impact on the operating income recurring.



2 Risk factors and control environment

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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.

Furthermore, the Sustainability Statement as defined by article L. 232-6-3 of the French Commercial Code and published in Chapter 5 of this Universal Registration Document — page 284, 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 284.

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 principles, 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
	Industrial risks
	Industrial investment-related risks
	Energy sourcing-related risks
Business-related risks	Risks relating to the design and construction of production units
	Innovation-related risks
	Human Resources management-related risks
	Customer risks
	Counterparty and liquidity risks
Financial risks	Foreign exchange risks
	Interest rate risks
	Tax risks
Digital risks	**Digital risks**
	Climate risks: greenhouse gas emissions
Environmental risks	Climate risks: physical impact on operations
	Water management risk
	Geopolitical risks
Geopolitical, regulatory, legal and public affairs risks	Risks of non-compliance with laws and regulations
	Risks related to public policies

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.

In addition, a Russian Presidential Decree placed the businesses under the authority of a Provisional Administrator in August 2025. Nevertheless, at this time Air Liquide remains the owner of non-consolidated securities. The Company may bear any risks related to its status as a shareholder.

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, Ammonia cracking, Autothermal Reforming (ATR) equipment, etc. 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 has implemented several changes including the creation of a single global Group Industrial Direction.

The evolution of the reliability and safety performance 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.

Moreover, in new emerging markets such as those related to the energy transition, the Group may be exposed to additional risks. These are linked to the degree of maturity of certain technologies (in particular for "First-of-its-Kind" pilot projects, led by the dedicated FoiK committee), the scale of the projects and the speed at which these new markets open 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 46), 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 to ensure 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 248.

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 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 & Technology Risk Committee (ERC). 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.

The acceleration of digital technologies, and in particular artificial intelligence (AI), brings considerable transformation challenges. This may have an impact on the Group's business model, organization and competitiveness. The Group's exposure to risk primarily stems from:

- the implementation of AI, which is evolving at a rapid pace;
- the security and quality of a growing volume of data relating to customers, patients and 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. Thus, the Innovation Department drives the Group's innovation strategy and contributes to its sustainable growth.

Drawing on continuous reflection regarding new technologies and new markets, the Innovation department 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, its integration in innovation ecosystems and its Engineering & Technologies business.

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 300 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 48), and prioritizes initiatives with the highest impact each year.

The Group leverages digital solutions, data and artificial intelligence as strategic differentiating factors, generating significant Group-wide value and improving the experience for employees, customers and patients.

To create the ethical conditions and trust necessary for the rollout of this transformative technology, Air Liquide adapted its organization and implemented an AI governance framework. This includes an AI charter, which incorporates the Group's ethics approach and values, and defines the implementation principles for the safe, responsible and human-centered use of AI. In addition, the Group has developed and integrated into its processes a framework to assess the risks related to the use of AI.

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 & Technologies 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 to:

- ensure the protection of the Group's intellectual assets, by protecting the Group's inventions, designs, brands and software;
- ensure 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, support stakeholders within the Group to manage risks related to intellectual property;
- raise 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.

Across all of the Group's businesses, the health sector is particularly competitive in terms of innovation and intellectual property disputes are common.

The Group states that, to the best of its 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 performance 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 59 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. This framework is available to all Group employees;
- 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 to promote and sustain 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 framework 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 to the Consolidated Financial Statements on page 227.

Risk management measures

The diversity of the Group's geographic presence across 59 countries [1], as well as the industries and sectors in which it works, helps 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 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 controlled nor consolidated since 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, 2025 – page 245.

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 227.

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 2025, 150 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, 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 help 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, relying in particular on 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 243 and note 25.1 to the Consolidated Financial Statements on pages 244 to 248 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 to ensure compliance and security of transactions and optimize 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 241 – presents the fixed-rate portion of debt and note 25.1 to the Consolidated Financial Statements – pages 244 to 248 – 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 90% 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:

- sudden 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, was 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 digital security issues. It defines the main principles of IT security for the organization and specifies roles and responsibilities. It is broken down into fundamental rules (policies, procedures, etc.) for securing and monitoring IT (Information Technologies) and OT (Operational technologies) systems, and for managing alerts and incidents.

The Digital Security Department, attached to the Group Control and Compliance Department, defines guidelines on the basis of a cyber risk analysis updated annually, which it then implements with the Group's internal and external stakeholders. Lastly, it ensures, through controls, their implementation, compliance and the overall maturity of the organization.

The main lines of work revolve around:

- definition of the cyber strategy, in close collaboration with the operational teams (IT and OT);
- 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;
- 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. Risk analysis tools have been updated to incorporate AI-related issues;
- 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 through specific projects or programs such as respecting the General Data Protection Regulation (GDPR); now deployed in all businesses and geographies, annual controls (supplemented by ad hoc 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, providing them with access to cutting-edge technologies and optimized energy consumption for production tools, while ensuring long-term supply reliability. 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 suppliers 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 was observed in 2024;
- a -33% reduction [1] in its Scopes 1 and 2 CO_2 emissions by 2035, compared with a "market-based" 2020 Scopes 1 and 2 base [2].

The objective of reducing carbon intensity by -30% by 2025 relative to 2015 emissions [3], set in 2018, has been achieved.

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 semi-annual monitoring by geography and business line at the Executive Committee level;
- the investment process, which has been updated and currently under deployment, enabling an analysis of the project's impact on the Group's CO_2 trajectory. In addition, major investments in primary production capacities carry out sensitivity studies around low-emission scenarios, including projections on the future price of CO_2 to assess the viability and, where relevant, the resilience of the project, taking into account the customer's activities;
- 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 to step 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 Statement section of Chapter 5 – page 300.

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.

(1) *In 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 318 to 324.*
(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.*

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 U.S. Gulf Coast, South Asia, etc.);
- chronic risks related to more long-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 to adopt 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 SSP5-8.5 or "worst case scenario" leading to +4.4 °C by 2100) and to consolidate and improve the physical risk management process. Works continue to improve the understanding and reinforce awareness of the issues, exposure, vulnerability and adaptation actions at the level of the Group's different types of assets, with a refocusing 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 to the Consolidated Financial Statements– page 252).

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 mainly from evaporation from the cooling of industrial gas production processes. 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 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.

As part of the rollout of its water management policy in 2023, Air Liquide achieved the objective set in 2021: a documented management plan addressing withdrawal and usage risks has been put in place across 100% of the 75 sites identified in 2022 located in high water stress areas.

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

- competition law;
- provisions aimed to combat 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 232 and 252.

Risk management measures

Changes to legal and regulatory requirements are monitored with particular vigilance and are accompanied by the implementation of procedures aimed to improve teams' knowledge of these changes and related risks and provide 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, a 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 guide, a network of correspondents, a regulatory watch and a tool and procedures for verifying third parties. Particular attention is dedicated to compliance with international sanctions against Russia, and the associated import/export control regimes;
- various contract guides (for Large Industries, Industrial Merchant, Electronics, Engineering & Technologies and Financing) and Codes of Good Practices (for Healthcare);

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. The Group relies on a network organization that promotes communication and shortens decision-making circuits.

The organization breaks down into:

- Executive Committee 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, Engineering & Technologies);
- 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 356), as well as, compliance with international trade rules,
  - 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 and Insurance Department, which identifies legal risks, issues internal guidelines and Codes, and then oversees their proper implementation. It ensures compliance with duty of vigilance measures. 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 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 356.

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 principles and key 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 around 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 to improve their control systems in terms of annual guidelines defined at the beginning of the year by the Clusters, under the oversight of the members of the Executive Committee responsible for the geographic region and the Global 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.

This approach to internal control has recently been expanded to meet new regulatory requirements. Following a specific assessment of the internal control system for sustainability reporting conducted in 2024 as part of the application of the ESRS, the corresponding control framework was rolled out in 2025, as described in Chapter 5, paragraph 1.3.2 – page 286.

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 in collaboration with the Group Finance Department.

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 Financing 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, 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 Global Business Unit (GBU) 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, the Industrial Direction, Engineering & Technologies, 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 a 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.).

Under the chairmanship of the member of the Executive Committee overseeing the Digital & IT businesses, it brings together the Directors in charge of Digital & IT, Digital Security, Industrial Management and Group Control and Compliance. It meets three times a year and can be convened on an ad hoc basis if the current events require it.

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 & Technologies Global Business Unit, a representative of the Innovation and Technologies Department 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 Group Financing and Treasury Director, the Organization and Accounting Methods Director, the Sustainability Deputy VP and the Industrial Director for China, International Energy Expert. Meeting minutes are sent to all Executive Committee members.

THE FOIK COMMITTEE

The objective of the "First-of-its-Kind" Committee (FoiK) is to examine, evaluate and approve the use of a new technical solution in an industrial production unit, for internal and third-party customers. Its purpose is to ensure that risks related to the rollout of a new technical solution are identified and mitigated, by formalizing the approval of the solution and strengthening its monitoring.

The Committee is chaired by the Group Vice President overseeing Engineering & Technologies. It brings together the heads of key functions such as R&D, Process Safety, Intellectual Property and the Large Industries World Business Line, as well as representatives from Engineering & Technologies. Business line stakeholders or relevant technical experts are also invited depending on the projects examined.

The Committee meets once a month to review projects and record its decisions.

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. Reinsurance company

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. Since 2025, the reinsurance company has been involved in life risks (health insurance and life insurance plans) for the Group's employees.

This captive reinsurance company covers, for the 2025 fiscal year, non-life insurance claims of up to a maximum of 51 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 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. In accordance with article L. 225-102-1 of the French Commercial Code, 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.

Air Liquide complies with these legal requirements by issuing a Vigilance Plan, whose content is disclosed on:

- page 92 – paragraph 2 Vigilance Plan cross-reference table which refers to the corresponding paragraphs of Chapter 5 of this Universal Registration Document, Sustainability Statement section where the different actions related to each stake are described;
- page 95 – paragraph 3 Effective implementation report for the year 2025.

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

Since 2025, the Duty of Vigilance Department, under the responsibility of the Chief Legal Officer Group Employment Law, Compliance and Duty of Vigilance, oversees the implementation of Air Liquide's vigilance approach. It is part of the Group Legal and Insurance Department, which is supervised by the Group Chief Financial Officer, member of the Executive Committee.

The main missions of this Department consist of:

- leading and coordinating the implementation of due diligence processes with the various Departments involved; and
- drafting the Vigilance Plan, ensuring it meets legal requirements and the expectations of the Group's stakeholders.

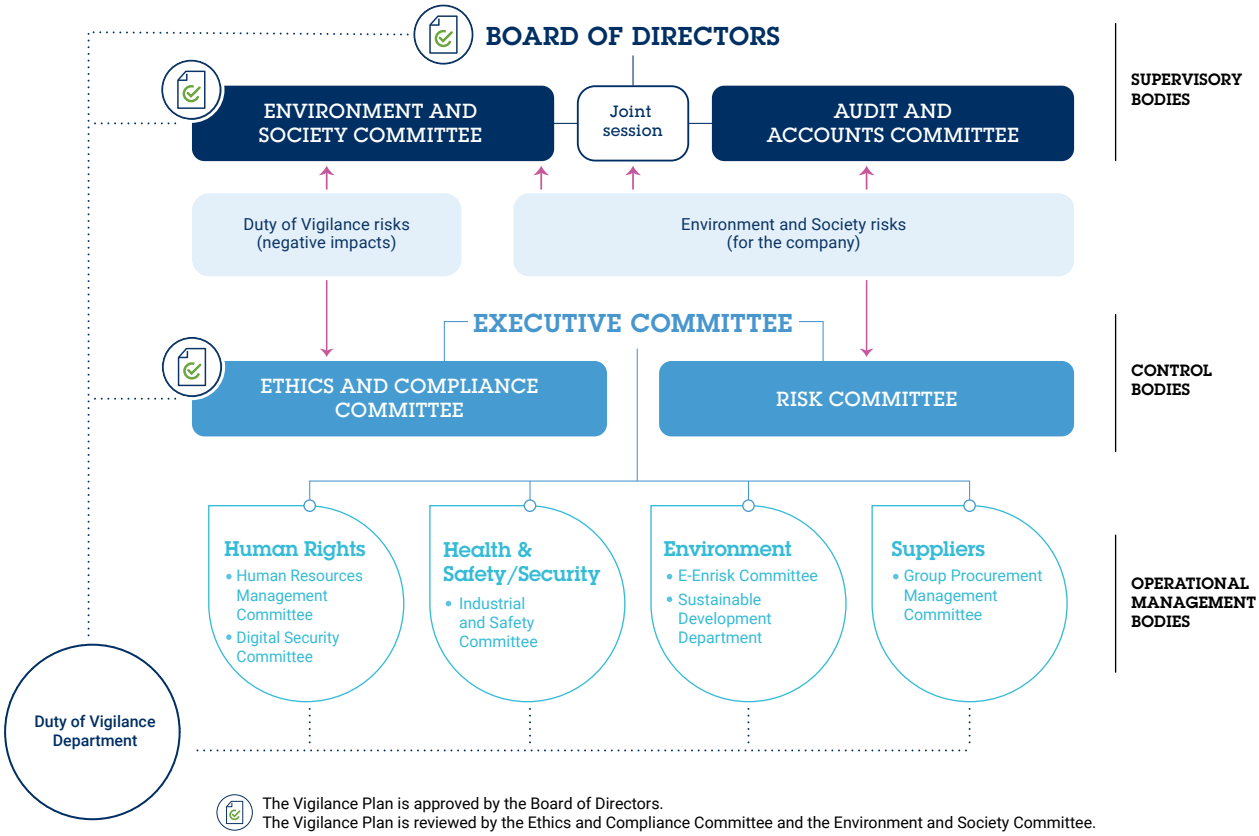
The rollout of due diligence actions relies on the expertise of several Departments within Air Liquide, including: Procurement, General Control and Compliance (including Ethics, Risk Management, Security and Digital Security), Sustainable Development, Human Resources and Safety and Industrial System.

These functions, which are directly responsible for the stakes covered by the duty of vigilance have their own steering bodies, including operational representatives, to monitor the actions implemented and their performance using indicators.

The Ethics and Compliance Committee is the internal control body for the duty of vigilance. It brings together the Heads of General Control and Compliance, Legal and Insurance, and two members of the Group Executive Committee: the Group Vice President, Human Resources and the Group Vice President and General Secretary overseeing Healthcare activity, Sustainability as well as General Control and Air Liquide Board of Directors Relations. The Group Ethics Officer serves as its Secretary. The Committee meets at least twice a year and more often if necessary. In 2025, it continued to review the progress on 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. Composed of five members, it generally meets at least three times a year. In 2025, it examined the Vigilance Plan and monitored its implementation.

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 in the Sustainability Statement section, page 356 – paragraph 4.2.1 as well as page 332 – paragraph 3.1.2, page 349 – paragraph Human rights commitment for workers in the value chain and page 353 – paragraph Human rights commitments for patients.

2. Vigilance Plan cross-reference table

The article L. 225-102-1 of the French Commercial Code states 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 relating to Air Liquide's sustainability due diligence process as described on page 286 – paragraph 1.3.1 Statement on due diligence in the Sustainability Statement [1].

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3.1.6	Well-being at work – *Topics related to well-being at work: impacts, risks and opportunities*	344
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[1] *ESRS 2 GOV-4 §32.*

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3. Effective implementation report for the year 2025

In 2025, as part of its double materiality assessment, Air Liquide conducted a review of its duty of vigilance risk mapping and found that there had been no significant change in the external factors affecting the Group or in its business model. As a result, and in the absence of new topics raised by stakeholders, the Group has determined that no triggering event is likely to have an impact on the methodology or the salient risks identified in the duty of vigilance risk mapping. Thus, Air Liquide maintains the results of the 2024 exercise, the methodology and conclusions of which are described starting on page 291 – paragraph 1.5.

Regarding human rights, Air Liquide conducted an initial living wage assessment in 2025 by comparing the total remuneration of its employees (base salary, recurring variable remuneration, and other fixed allowances) against benchmarks from the non-governmental organizations Fair Wage Network and WageIndicator. The Group confirms that, as of December 31, 2025, 100% of its employees [(1)] receive an adequate wage. Furthermore, Air Liquide has set up a Diversity & Inclusion Committee, chaired by a member of the Executive Committee and composed of representatives of the three geographical areas and Human Resources, to support the rollout of the Diversity & Inclusion roadmap by setting priorities. The Group has established a framework for an inclusive workplace for people in operations, now ensuring appropriate personal protective equipment (PPE) as well as privacy and hygiene rooms separated by gender. The share of women among "Managers and Professionals" has continuously increased since 2020 to reach 33.8% in 2025, a trajectory supported by local action plans aimed to reduce bias in recruitment and foster retention of talent. The Group intends to pursue its efforts to strengthen this representation across all its activities.

Safety is one of the fundamental values of Air Liquide. The prevention actions carried out within the Group to ensure workers' safety enabled in a -44% reduction in the lost-time accident frequency rate for Air Liquide employees and temporary workers, which stands at 0.4 in 2025. Similarly, this frequency rate for subcontractors continued to improve in 2025, dropping to 0.7. 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 implements all necessary preventive measures to further improve the safety culture within teams. In fact, Group subsidiaries strengthened their safety culture in 2025 through the deployment of "Process Risk Discovery" workshops and the promotion of the "Stop Work Authority" initiative, empowering every worker to stop any task in the event of a dangerous condition or behavior.

Faced with the urgency of climate change, Air Liquide continues to implement its transition plan for climate change mitigation adopted in 2024 and published on page 304 – paragraph 2.2.1. It describes the Group's transition toward carbon neutrality, specifying its trajectory for reducing greenhouse gas emissions as well as its main levers for decarbonizing assets and industrial operations. In 2025, the Group's Scope 1 and 2 CO_2 emissions decreased by -13.0% compared to the 2020 baseline [(2)]. Thanks to the annual reductions in absolute CO_2 emissions recorded since 2020, the Group reached its inflection point ahead of the initial 2025 deadline. Air Liquide also enhanced its training resources on climate change-related physical risks with an awareness-raising kit, including instruction sheets for sites exposed to priority climate hazards (e.g., flooding, fire, and heatwaves). Finally, all 75 sites, identified in 2022, which withdraw more than 50,000 m³ of water per year and are located in high to very high water stress and arid areas as defined by the Aqueduct 3.0 tool, have put in place a documented water management plan, thereby achieving the 2025 target.

The prevention and mitigation of salient risks identified for the employees of direct suppliers rely on the Supplier Risk and Relationship Management Procedure and the Sustainable Procurement Procedure. The Supplier Risk and Relationship Management and Sustainability team coordinates deployment with specialists within local procurement teams in each cluster (group of countries) and Global Business Units. Furthermore, Air Liquide expects its suppliers to adhere to its Supplier Code of Conduct prior to the establishment of any business relationship. In 2025, following the annual sustainability performance annual assessment and action plan campaign, 625 out of 685 Sustainability-Critical Suppliers have a valid assessment.

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 drug 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)] *The following were excluded from the scope of analysis: employees with less than 12 months' seniority (due to eligibility rules for certain components of remuneration), employees of entities outside of Workday's scope, long-term inactive employees, expatriates, apprentices and unionized employees whose salary increases are governed by law.*

[(2)] *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	2023	2024	2025
Human rights and fundamental freedoms				
Social dialogue				
Share of employees covered by collective bargaining agreements [a] within the European Economic Area (EEA) [b]		N/A	88.4%	89.4%
Diversity, inclusion & prevention of harassment				
Share of women among Group "Managers and Professionals"	35% in 2025	32.0% [c]	33.1%	33.8%
Share of women at the highest level of responsibility (senior executives)	25% in 2025	24.7%	23.7%	24.7%
Quality of life at work				
Response rate for the annual My Voice survey		81%	83%	86%
Remuneration and benefits				
Share of employees receiving an adequate wage [d]		N/A	N/A	100%
Gender gross hourly pay gap [e]		N/A	9.3% [f]	7.8%
Share of employees with a common basis of care coverage [g]	100% in 2025	78%	100%	100%
Personal data protection				
Maturity assessment for personal data protection [h]		3.20	3.48	3.62
Health and safety of individuals				
Worker safety				
Lost-time accident frequency rate [i] of Air Liquide employees and temporary workers		1.0	0.7	0.4
Lost-time accident frequency rate [i] of subcontractors		1.3	1.1	0.7
Number of fatalities as a result of work-related injuries and work-related ill health among Group employees and temporary workers		N/A	1	—
Number of fatalities as a result of work-related injuries and work-related ill health among subcontractors		N/A	2	—
Environment				
Climate				
Gross Scope 1 GHG emissions *(in thousands of metric tonnes of CO_2 eq.)* [j]		15,473	14,868	14,590
Gross Scope 2 GHG emissions *("market-based" in thousands of metric tonnes of CO_2 eq.)* [j]		21,504	20,064	19,599
Gross Scope 1 and 2 GHG emissions *(in thousands of metric tonnes CO_2 eq.)* [j]	-33% in 2035 compared to 2020	36,977	34,933	34,189
(change in %)		*-5.9%*	*-11.1%*	*-13.0%*
Water management				
Total water consumption *(in m^3)*		N/A	82,971,976 [k]	83,562,343
Consumption in water-risk areas *(in m^3)* [l]		N/A	11,746,836	12,577,526
Suppliers and subcontractors				
Number of Sustainability-Critical Suppliers		1,076	804	685
Number of Sustainability-Critical Suppliers that have a valid assessment [m]		769	674	625
Whistleblowing system				
Total number of alerts reported in the whistleblowing system		443	558	542
Number of these alerts on discrimination, including harassment		180	310	298
Number of these alerts on health, safety and environment		34	28	34
Number of severe human rights incidents [n]		N/A	—	—

(a) The collective bargaining 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 bargaining 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 17 countries, namely Austria, Belgium, Bulgaria, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Spain and Sweden.

(c) The share of women among "Managers and Professionals" in the Group was rounded off in increments of 0.5% in 2023.

(d) The following were excluded from the scope of analysis: employees with less than 12 months' seniority (due to eligibility rules for certain components of remuneration), employees of entities outside of Workday's scope, long-term inactive employees, expatriates, apprentices and unionized employees whose salary increases are governed by law.

(e) 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 base salary, mandatory indemnities and target variable remuneration. This indicator is based on data not adjusted by country nor by job category, nor for any specific characteristics such as seniority, experience, performance or the market.

(f) The gender gross hourly pay gap was recalculated for the year 2024 based on the same methodology used in 2025.

(g) Share of employees benefiting from three social benefits (death coverage, access to medical care, minimum 14 weeks' paid maternity leave).

(h) The maturity of the questionnaire's answers is assessed on a four-point scale and aggregated at Group level.

(i) The number of incidents with at least one day's absence per million of hours worked.

(j) 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.

(k) The global reporting methodology was revised during 2025 to align with the technical characteristics of the Group's industrial sites. Based on these revisions, adjustments were made to the total water consumption. These adjustments primarily result from the reclassification of certain industrial assets that have cooling circuits integrated with their customers' cooling systems.

(l) In areas with high or very high water stress and arid conditions. Water consumption concerns 75 sites initially identified in 2022 using the "Aqueduct 3.0" tool during the implementation of the Group's water management plan.

(m) Not all suppliers are reassessed every year because their score is valid for one to five years.

(n) Incidents of forced or child labor in the Group's own workforce.



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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, 2025) (1) (2)

Members of the Board	Changes in 2025 (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	68	M	2000	21	2026 (e)	No
François JACKOW Chief Executive Officer (CEO)		French	56	M	2022	3	2026 (e)	No
Xavier HUILLARD Lead Director	May 6, 2025 Renewal: Member BoD; LD; Chairman AGC	French	71	M	2017	8	2029	Yes
Annette WINKLER		German	66	F	2014	11	2026 (e)	Yes
Philippe DUBRULLE Director representing the employees		French	53	M	2014	11	2026 (f)	No
Kim Ann MINK		American	66	F	2020	5	2028	Yes
Fatima TIGHLALINE Director representing the employees		French	46	F	2020	5	2028	No
Aiman EZZAT	May 6, 2025 Renewal: Member BoD; Member AAC	French	64	M	2021	4	2029	Yes
Bertrand DUMAZY	May 6, 2025 Renewal: Member BoD; Member AAC; Member AGC	French	54	M	2021	4	2029	Yes
Catherine GUILLOUARD		French	60	F	2023	2	2027	Yes
Christina LAW	May 6, 2025 Appointment: Member RC; Member ESC	Chinese (Hong Kong)	58	F	2023	2	2027	Yes
Alexis PERAKIS-VALAT	May 6, 2025 Appointment: Chairman RC	French and Greek	54	M	2023	2	2027	Yes
Michael H. THAMAN	May 6, 2025 Appointment: Member ESC	American	61	M	2023	2	2027	Yes
Monica de VIRGILIIS		Italian and French	58	F	2023	2	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, 2025. 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 19, 2026; 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).