

Air Liquide's individual commitments to act4nature international

Air Liquide is a world leader in gases, technologies, and services for Industry and Health, with a presence in 73 countries with approximately 67,100 employees and serves more than 3.9 million customers and patients. The Group strives to reconcile economic growth with respect for the environment and society as stated in its strategic plan ADVANCE, which sets ambitious financial, environmental and societal objectives. Air Liquide produces molecules through a variety of processes, such as air separation (for oxygen, nitrogen, argon...), natural gas reforming (for hydrogen) and others. The Group supplies the heavy industry sector through pipes from production units situated in industrial basins, as close as possible to its customers. For other customers, the distribution of these molecules is executed by small onsite units, trucks in bulk or packaged in cylinders.

Air Liquide is mindful of its impact on biodiversity and the importance of preserving biodiversity for its intrinsic value and its many ecosystem services. In 2022, Air Liquide completed an in-depth review of its supply chain's impact on biodiversity, launched in 2021 with the help of an independent third-party. The study confirmed that the Group's impact is mainly indirectly linked to climate change and water (GHG emissions, electricity consumption, and water consumption) or linked to specific well-identified activities (Seppic⁽¹⁾ and the biomethane activities). The commitments below constitute the first milestone in Air Liquide's roadmap for biodiversity preservation.

Commitments	Objectives	Deadline	Common commitments
1. Pave the way to develop and implement an aggregated biodiversity KPI to monitor and report on the Group's performance			
Deep-dive impacts and assess their materiality	Assess the biodiversity footprint of one of our subsidiaries as a pilot to better understand and master the biodiversity footprint measurement methodologies.	2023	1 - 3 - 9
	Study and confirm the low materiality of some identified biodiversity impacts (e.g. upstream impacts linked to procurement of natural gas sourcing).	2024	3
Assess our land occupation impact	Launch a land occupation assessment of our primary production sites (502 sites in 2022) considering several criteria (in particular type of land and proximity to areas recognized as sensitive in terms of biodiversity such as protected areas and KBAs).	2023	3
Develop our understanding of our assets and processes biodiversity impacts	Map the biodiversity impacts for our main primary production assets corresponding to air separation units, hydrogen production units and cogeneration units).	2024	3 - 4
Implement an aggregated biodiversity KPI	Develop and implement an aggregated biodiversity KPI by 2025, allowing the Group to monitor and communicate on its biodiversity performance.	2025	1 - 3
2. Strengthen biodiversity criteria in our investment process			
Biodiversity impacts assessment process for all new projects	Reinforce our biodiversity assessment criteria in our investment process for all new projects through the addition of specific criteria for biodiversity.	2024	1 - 3 - 4 - 5 - 8
3. Engage our employees			
Raise awareness among employees	Organize at least 2 webinars a year on biodiversity accessible to all the employees of the Group.	Annually from 2023	1 - 2 - 8
	Raise awareness on biodiversity among investment committee members. Develop and implement training on the new biodiversity assessment criteria implemented in the investment process for the business developers community.	2024	1 - 2 - 4 - 8
4. Consolidate efforts on actions already taken by the Group			
GHG emissions reductions	GHG emissions reduction for Scope 1 and 2 aligned with a well below 2°C trajectory - SBTi validated.	2035	1 - 3 - 5 - 10
Water monitoring	Implementing a documented water management plan by 2025 aiming at reducing water withdrawal and use risks for water-intensive operations in areas of high water stress.	2025	3 - 5 - 10
	Defining and implementing a standard integrated into the group's industrial management system for all operations on the quality of discharged wastewater applicable in all geographies.	2025	3 - 5 - 10
Reduction of Seppic's pressures on biodiversity	Seppic ⁽¹⁾ will have more than 40% of its palm derivatives volumes sourced from low deforestation risk areas in 2023 and is targeting to reach 50% by 2025 (38% in 2022). 100% of the mills from where the palm derivatives are sourced will be verified to ensure they are not in the vicinity of a deforestation area.	2025	3 - 4 - 5 - 10
	100% of the new products launched will be eco-designed ⁽²⁾ (0% in 2022).	2024	4 - 6

1 Seppic is an Air Liquide subsidiary which has been manufacturing and marketing specialty ingredients for more than 75 years and whose biodiversity challenges relate mainly to procurement.

2 Eco-design aims to systematically integrate environmental aspects into the design and development of products with the objective of reducing negative environmental impacts throughout their life cycle, with equivalent or better service provided. This approach from the very beginning of a design process aims to find the best balance between environmental, social, technical and economic requirements. Seppic has developed a 7-step internal method that must be followed to ensure that a product is eco-designed.