

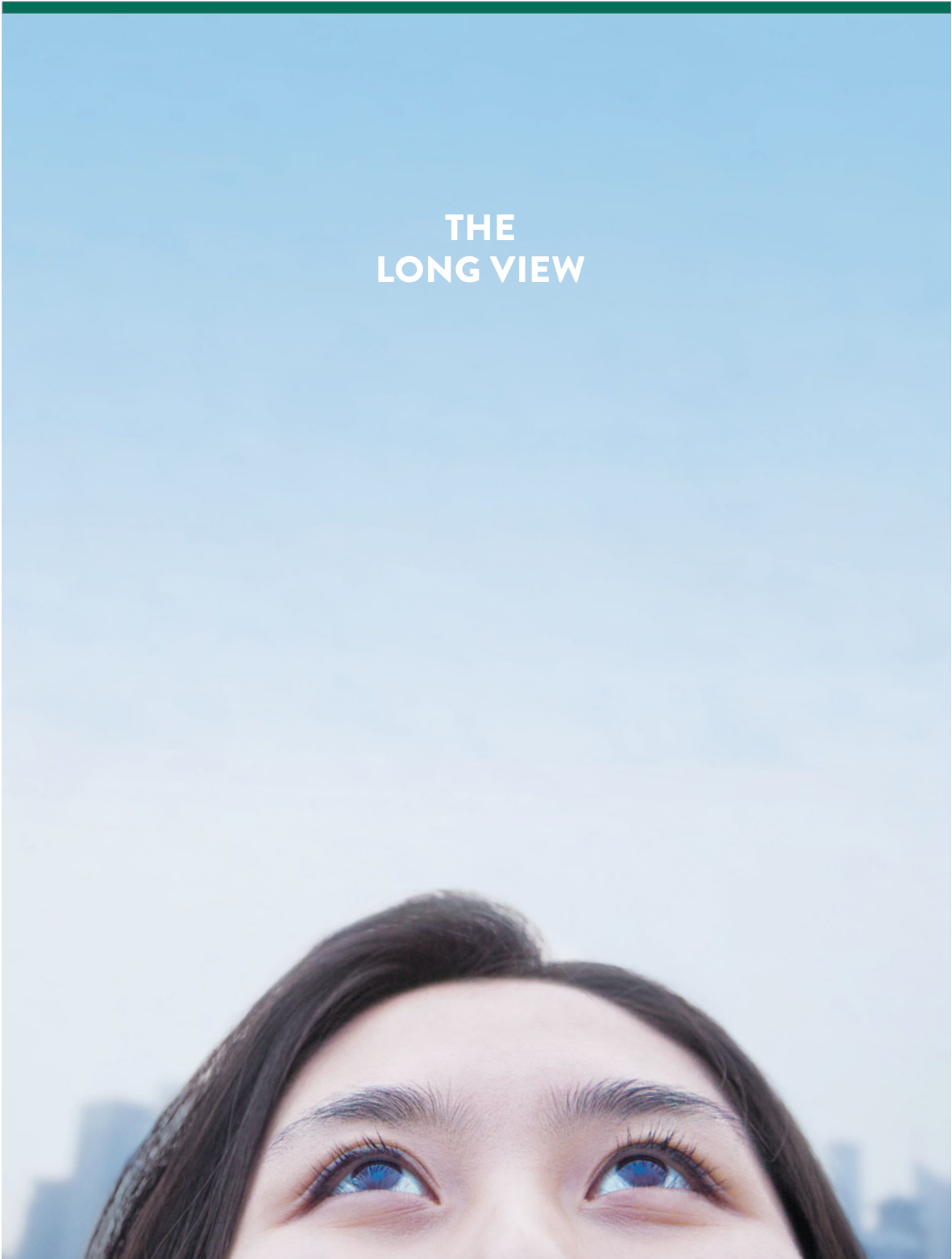


2015

CORPORATE SOCIAL RESPONSIBILITY *and* **SUSTAINABLE DEVELOPMENT REPORT**

Extracts from the Reference Document

**THE
LONG VIEW**



MESSAGE FROM **BENOÎT POTIER,** CHAIRMAN AND CHIEF EXECUTIVE OFFICER



Dear Partners,

In 2015 we had ambitious targets ranging from safety, to energy performance, employee development, customer relations and philanthropic projects.

Overall we have fulfilled our expectations: the frequency rate of accidents has been maintained at a historically low level; the “Our Talents” index has progressed, with more gender and nationality diversity in executive positions; customer satisfaction has improved, and it is measured and monitored in the same way worldwide; and our Foundation has spread to new countries.

The lower load of our production units due to adverse economic conditions made improving their energy efficiency more challenging than expected. The share of our carbon-free electricity purchases remained stable, at 40%.

You will find an extensive presentation of our work in the following report.

« *Because the air we breathe is **essential*** »

In 2016, Air Liquide and its employees will push their social and environmental commitment further. Our priority remains keeping people and property safe in all we do.

In the environmental field, our business addresses major challenges, such as global warming. Thus we invest to reduce our emissions as well as our water and energy consumption. We also encourage those energy suppliers who provide a low-carbon supply.

We will continue to offer our customers processes, typically oxygen or hydrogen-based, which are more environmentally friendly. Our innovation will support new clean vehicles. Because, ultimately, the quality of the air we breathe is essential to Air Liquide.

As ever we will work alongside the various public health authorities to improve the quality of life of patients with chronic conditions and help reduce the cost of these diseases to the community. And we are conscious that, as a local player operating every day from thousands of sites, we need to be actively engaged in these communities that welcome us.

On behalf of the Group's 50,000 employees, I would like to reiterate our wish to behave and act in a responsible way, as a good corporate citizen.

Benoît Potier



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➤ INTRODUCTION

The Group's ambition is to be the **leader in its industry, delivering long-term performance and acting responsibly. Corporate Social Responsibility is therefore a key Company objective.** It is how Air Liquide acts and works with its **stakeholders**, shareholders, employees, customers and patients, suppliers, local communities and public authorities.

The 2015 Corporate Social Responsibility and Sustainable Development Report attests to this ambition. It is based on many indicators which demonstrate the Group's contribution to its customers' performance and its patients' quality of life, the relationships of trust with its shareholders and partners, the commitment of its teams, and the high standards of its industrial operations.

The **first part** of this report outlines Air Liquide **2015 performance** with regard to the main **environmental and social challenges** that are of particular importance to Air Liquide.

The **second part** presents the **Group Key Responsibility Indicators**, classified by theme according to the **ESG** classification: **Environmental, Social and societal, Governance and customers.** This part also presents for the first time the mapping of the company's **Corporate Social Responsibility (CSR) stakes** drawn up following a large consultation with the company's stakeholders on this subject. Actions taken by Air Liquide during **COP21** – the UN Climate Conference held in Paris in December 2015 – are also included in this part of the report.

Along with Air Liquide financial reporting, the Group **extra-financial reporting** has been reviewed each year since 2003 **by an independent verifier** belonging to the network of the **Statutory Auditors.** Each year they conduct a mission of analysis on a selection of indicators, not only at the corporate level but also on industrial sites and within subsidiaries. This year, 13 sites were audited. Since 2003, 122 industrial sites and subsidiaries have been verified.

➤ OUR 2015 SOCIAL AND ENVIRONMENTAL CONTRIBUTION

In the **first part** of the Corporate Social Responsibility and Sustainable Development Report, we highlight the Group's 2015 response to several environmental and social concerns:

1. Keeping people and property safe;
2. Public health;
3. The energy transition and the environment;

4. Committed to our communities;

5. We are concluding this section with our "customer satisfaction survey" and "employee development" performance.

We always addressed these social and environmental concerns with a view to shareholders' expectations and to the long term policy, both being essential to the Group.

1. Keeping people and property safe

As an industrial company, we hold safety as our prime responsibility.

The safety concern extends to all aspects of our business: transport, industrial facilities, the way customers or patients use of our products and services.

The key indicator which we monitor in this area is the **accident frequency rate^(a) of Group employees**. It remained stable between 2014 and 2015 with a value of **1.6. Like-for-like, i.e. excluding recent acquisitions, the rate was 1.5, showing improvement on the previous year.**

2. Public health

Coping with chronic diseases is a major public health issue in developed countries, but is also a growing concern in emerging countries, from China to Brazil.

Air Liquide tackles this challenge in particular through its Home Healthcare activity. We also contribute to improving better understanding and treating respiratory diseases.

The key indicator which we monitor in this area is the **number of patients that we support at home**. This number increased from 1.2 million in 2014 to **1.3 million in 2015**.

At the same time, Air Liquide intends to contribute through its products, technologies and services to **improve air quality, a major concern in many parts of the world.**

3. The energy transition and the environment

There was increased awareness in 2015 of the impact of carbon on the climate with COP21, the global climate change conference held in Paris.

Air Liquide wants to contribute to reducing the impact of climate change.

We are working on the challenges faced by industry and transport from the energy and environmental transition. To do so we focus on three drivers: the **type of energy we purchase**, the **efficiency of our operations** and our **impact on markets**, thus decreasing the environmental footprint of our operations, suppliers and customers.

■ Energy sourcing

– Electricity

The percentage of carbon-free electricity used by the Group was 40% in 2015, flat compared with 2014.

• Carbon-free hydrogen: the "Blue Hydrogen" initiative

The Group's objective is to produce, by 2020, at least 50% of the hydrogen required for "hydrogen energy" applications from carbon-free energy sources.

(a) Number of lost-time accidents of at least one day per million hours worked by Group employees.

■ Production efficiency

- The energy efficiency of **oxygen units** improved in 2015, from an index of 99.3^(a) in 2014 to 98.7 in 2015, in particular thanks to the commissioning of new production units.
- The energy efficiency of **hydrogen units** temporarily decreased in 2015, from an index of 97.5^(a) in 2014 to 99.3 in 2015, in particular due to the gradual commissioning of the large hydrogen unit in Yanbu, Saudi Arabia which has not yet reached optimal efficiency.

■ **Our transport efficiency for industrial gases** continued to improve, from an index of 94.8^(b) in 2014 to 92.2 in 2015.

■ Growing markets that protect life and the environment:

- **44%**^(c) of Group revenue is linked to protecting life and the environment.

This includes **processes** which contribute to the protection of the environment, such as oxy-combustion in the industrial sector, as well as **new markets**, such as the use of biogas and hydrogen in transport.

■ Innovation related to life and the environment

Almost **60%** of the Group's innovation expenses are related to protecting life and the environment.

4. Committed to our communities

Respect for the communities where we operate is key for each of our employees.

We must take into account the needs of local communities so that the environment where we operate is sustainable.

Air Liquide recognizes the importance of protecting Human Rights, especially for children, in all countries in which the Group is present. This applies both to Air Liquide operations and to its suppliers and subcontractors.

The Group also meets its social and human commitment through philanthropic actions, either directly through Group subsidiaries or

via the Air Liquide Foundation. In addition to the financial support, these actions are conducted with the direct involvement of the Group's employees, who in particular sponsor the Foundation's "micro-initiative" projects.

In 2015, 42 projects were approved by the Air Liquide Foundation: five research projects, such as, in the environmental field, CO₂ capture by mangroves or forests, and 37 "micro-initiatives" aimed at the local development of communities.

Since its creation in 2008, the Foundation has supported **221 projects**, of which 29 are research projects and 192 are micro-initiatives, in **45 countries**.

5. Customer satisfaction and employee development objectives

Two other key objectives are also monitored - customer satisfaction and employee development. The Group made major progress in these areas between 2014 and 2015:

■ Customer satisfaction:

The percentage of Group sales covered by a satisfaction survey of customers or patients is monitored each year. This percentage increased from 80% in 2014 to 86% in 2015, exceeding the Group's objective of 85%.

■ Employee development:

The "Our Talents" Index tracks how we develop our employees, as well as their diversity and motivation. This indicator increased from 107^(d) in 2014 to 113 in 2015, close to the Group's objective of 115.

(a) Energy consumed per m³ produced. 2007 base of 100.

(b) Distance traveled per ton of gas delivered. 2007 base of 100.

(c) 2014 indicator. The figure for 2015 will be available mid-2016.

(d) Base of 100 in 2010.

➤ ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

Mapping of Corporate Social Responsibility stakes

In 2015, Air Liquide launched a formal process to **listen to and consult its stakeholders** regarding **Corporate Social Responsibility (CSR) stakes**. This exercise resulted in a **mapping**, for the first time, **of the CSR stakes**.

This **mapping**, or **materiality matrix**, consists in identifying the company's CSR stakes and distinguishing the most pertinent ones. On the X-axis, the stakes are positioned according to their importance to the company, on the Y-axis, they are positioned according to their importance to the stakeholders.

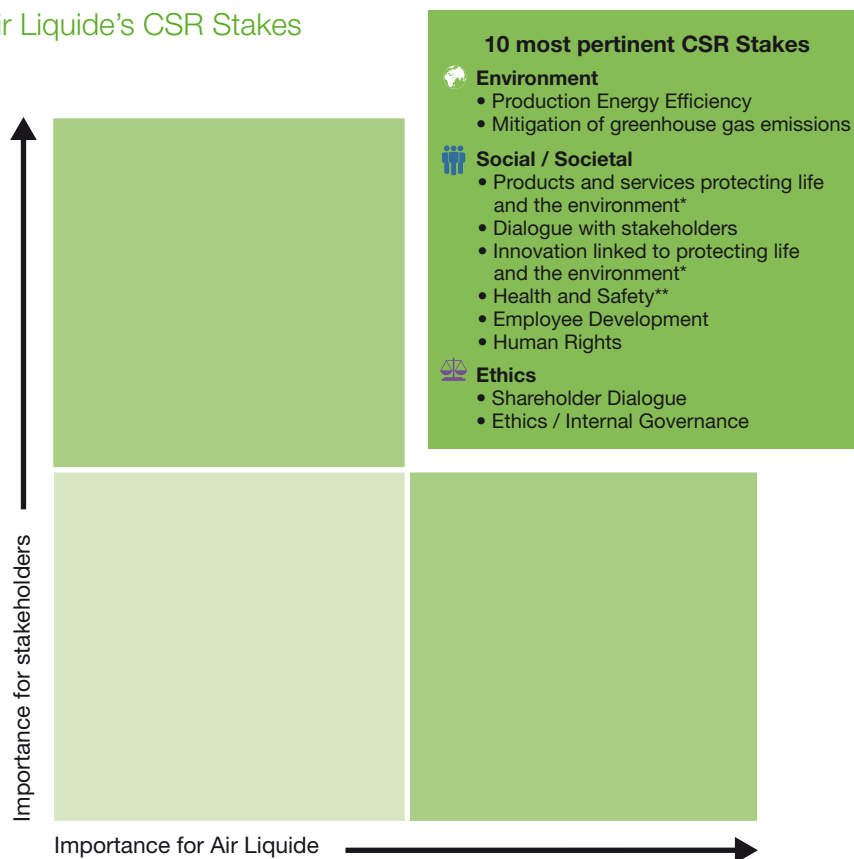
The Corporate Social Responsibility Department led in 2015 a **working group** comprising the various corporate departments to establish this initial mapping of CSR stakes. The main **stakeholders** were consulted to assess the importance of these stakes to each of them: customers, patient associations,

suppliers, investors, journalists, NGOs, panels of employee representatives and of individual shareholders.

This consultation was supplemented by the data analysis of non-financial rating agencies and the results of a quantitative survey of the French general public which was carried out on this subject in 2015. The results were then consolidated by assigning an equal weighting to the statements of each stakeholder.

The results of this consultation formalized Air Liquide's **ten most pertinent CSR stakes** which are presented in the **mapping below**. These stakes are classified according to three categories: the **Environment, Social and Societal**, and **Ethics**. The latter includes **Internal Governance** and **shareholder relations** which have always played a key role within Air Liquide.

Mapping of Air Liquide's CSR Stakes



* Particularly for climate change and air quality.

** Including the safety of Group employees, subcontractors, and temporary workers; the safety of Air Liquide facilities, product transport safety; safety of products and their implementation at the customers' sites.

The **ten most pertinent CSR stakes** identified in this mapping are at the heart of the **Environmental, Social and Governance (ESG) Report**, which presents all the **Responsibility and Sustainable Development indicators** and in particular those related to these stakes.

1. Environment

The environmental elements most representative of the Group's activities and part of the Air Liquide Sustainable Development reporting are described below. They cover a total of **541** Air Liquide production units or sites worldwide and concern:

■ Large air separation units

324 large air separation units produce oxygen, nitrogen and argon, with some sites producing rare gases such as krypton and xenon.

These **factories "without chimneys"** do not use any combustion processes. **Since they discharge almost no CO₂, sulfur oxide (SOx) or nitrogen oxide (NOx), they are particularly environmentally friendly.** They use almost exclusively electrical energy: worldwide they use about 3,400 MW at any given moment. The electricity consumed by the air separation units is the source of the Group's indirect CO₂ emissions. The cooling systems of these units require back-up water.

■ Hydrogen and carbon monoxide units

46 large hydrogen and carbon monoxide units produce steam for certain customers. They primarily use natural gas as a raw material and a certain amount of water is required for the reaction that produces hydrogen. Carbon monoxide is an indispensable raw material in the chemical industry for producing plastics. The **desulfurization of hydrocarbons** to produce sulfur-free fuels is one of the main applications for hydrogen. These units emit CO₂ and nitrogen oxides (NOx) but produce practically no sulfur oxide (SOx). They also consume electricity and their cooling systems require back-up water.

■ Cogeneration units

17 cogeneration units produce steam and electricity simultaneously. They consume natural gas and water, most of which is converted into steam for customers. The steam can be condensed by these customers and then reused in the cogeneration unit. In most cases, the electricity produced is supplied to the local electricity distribution network. In some countries this can be used to power the Group's other units. Combustion of natural gas produces CO₂ and leads to nitrogen oxide (NOx) emissions, but practically no sulfur oxide (SOx) emissions.

■ Acetylene units

54 units produce **acetylene**, a gas used primarily in metal welding and cutting. In all, 51 of these units produce this gas through the decomposition of a solid (calcium carbide) using water. Two units fill cylinders with this gas, which is supplied by another industrial company. This process produces lime, at least 90% of which tends to be recycled in industrial and agricultural applications (see section on waste and by-products).

■ Nitrous oxide units

Seven units produce **nitrous oxide**, used primarily as an anesthetic gas in the healthcare sector and as a sweetening agent in the food industry. It is produced from ammonium nitrate in solid form or as a water-based solution.

■ Carbon dioxide liquefaction and purification units

68 units liquefy and purify carbon dioxide, which has many industrial applications but is used mainly in the food industry to deep-freeze foods or to produce carbonated beverages.

Carbon dioxide is most often a by-product of chemical units operated by other manufacturers. In some cases, it is found naturally in underground deposits, while in others it comes from the Group's hydrogen and carbon monoxide units. It is purified and liquefied in Air Liquide units, which consume electricity and cooling water. In this way, carbon dioxide is reused for other industrial applications instead of being emitted directly into the atmosphere.

■ Units for the Hygiene and Specialty Ingredients activity

Production units for the Hygiene and Specialty Ingredients activity are located at **five sites** in France, Germany and China and belong to the subsidiaries Schülke (Hygiene activity) and Seppic (Specialty Ingredients activity). Air Liquide experts work closely with hospitals to help them reduce the risk of nosocomial infection and contamination by using the products the Group has developed. These units consume natural gas, electricity and water. Combustion of natural gas produces small amounts of CO₂.

Environmental, Social and Governance (ESG) Report

■ Engineering & Construction units

Units for the Engineering & Construction activity taken into account in this reporting are located at **five sites**, in France, China and the United Arab Emirates. They are mainly units for the construction of air separation columns and cryogenic tanks.

■ Welding production units

Units for the Welding activity are mainly located on **ten sites** around the world. They are welding equipment assembly units (electric welding units, torches, regulators) or welding consumables, (electrodes, solid and flux-cored welding wire) production units.

■ Main Research & Development sites and Technical Centers

The principal **Research & Development sites** are located at **five^(a) sites** in France, Germany, the United States, and Japan.

MORE INFORMATION

Corporate Social Responsibility criteria, in particular relating to greenhouse gas emissions, water consumption and relations with local communities, **are included in the decision-making processes of the main Group investments.**

1.1. Energy consumption and efficiency in our production activities

Energy and efficiency indicators for the Group as a whole

	2011	2012	2013	2014	2015
Annual electricity consumption (in GWh)	26,661	27,578	28,305	30,341	31,650*
Annual thermal energy consumption (in LHV terajoules) ^(a)	213,198	229,177	232,270	226,036	266,153* ^(b)
Evolution of energy consumption per m ³ of air gas produced ^{(c) (d)}	99.0	98.8	99.0	99.3	98.7*
Evolution of energy consumption per m ³ of hydrogen produced ^{(c) (e)}	98.5	98.4	97.9	97.5	99.3*

(a) LHV: Lower Heat Value, which includes the fact that energy from water vaporizing in fuel is not recovered.

(b) Approximately 74,000 GWh LHV.

(c) Calculated using a base of 100 in 2007.

(d) Gases produced (oxygen, nitrogen, argon) calculated in m³ of equivalent gaseous oxygen.

(e) Hydrogen and carbon monoxide.

* Indicator verified by the independent verifier.

Created from an invention that considerably reduced the energy used to separate air gases, Air Liquide has always been concerned with minimizing its energy consumption and environmental footprint. The Group has initiated an approach to continually minimize the environmental footprint of its activities and help improve that of its partners and customers.

Through its Engineering & Construction activity, the Group designs its own production units. For example, it can adapt the design of these units to the customers' needs, technological developments and energy costs, thereby quickly and directly taking advantage of the improvement in these units' energy efficiency. Air Liquide has been operating air separation units and hydrogen units for many years. It therefore benefits from a virtuous circle of **steady improvement through its control of design and operating experience of these units**. Whenever circumstances permit, old units are replaced by new ones that are more energy efficient.

In addition, the Group builds **increasingly large units** that generally have a **better energy efficiency** through scale effects.

Air Liquide has also set up a program to **improve the reliability** of the units' operation. In addition to providing better service to customers, this has direct consequences on energy efficiency. Every shutdown and startup of these units creates an energy consumption sequence. Increasing reliability, i.e., reducing the number of excessive shutdowns, results in **more energy-efficient production units**.

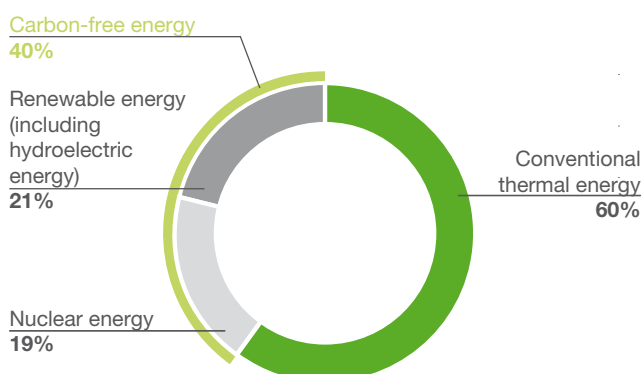
Large units are often interconnected through a pipeline system supplying a customer industrial basin. This group of interlinked units creates operational synergy for both production and energy consumption. The steady development of the Group's oxygen, nitrogen and hydrogen **pipeline systems** clearly helps improve its energy efficiency. Lastly, ever more efficient **smart technologies** are being rolled out to centrally monitor and run the Group's large units so that **production can be adjusted to customers' needs**. This initiative also contributes to improving energy efficiency.

(a) Excluding the Research and Development Centers of the Hygiene and Specialty Ingredients lines, which are included in the Hygiene and Specialty Ingredients activity units.

ORIGIN OF ELECTRICITY USED

Taking into account the different natures of primary energy used to produce electricity in the countries where Air Liquide is present, it is possible to present a global breakdown of the origin of the electricity used by the Group worldwide.

Origin of electricity used in 2015^(a)



(a) Calculation takes into account the primary energy source that each country uses to produce electricity (source: International Energy Agency).

TRANSPORTATION: INDUSTRIAL MERCHANT BUSINESS LINE

	2011	2012	2013	2014	2015
Kilometers traveled by all vehicles delivering gas in liquid or cylinder form (in millions of km)	428	428	420	428	426*
Estimate of CO ₂ emissions generated by these vehicles in the Industrial Merchant activity (in thousands of tons)	471	471	462	471	468*
Evolution of the distance traveled per ton of industrial gas delivered (oxygen, nitrogen, argon, carbon dioxide)^(a) (truck delivery)	97.1	97.8	95.3	94.8	92.2*
Estimate of truck transport kilometers avoided through on-site customer units (in millions of km)	-70	-68	-72	-72	-74
Estimate of CO ₂ emissions avoided by these on-site units (in thousands of tons)	-70	-68	-72	-72	-74
Percentage of deliveries of air gases and hydrogen via pipeline or on-site	86%	86%	86%	86%	87%

(a) In kilometers per ton delivered for the Industrial Merchant activity. Base of 100 in 2007.

* Indicator verified by the independent verifier.

In 2015, trucks delivering Air Liquide liquid gases or gas cylinders in the Industrial Merchant activity traveled **426 million kilometers** throughout the world and emitted about **468,000 tons of CO₂**.

TRANSPORTATION: HEALTHCARE BUSINESS LINE

	2012	2013	2014	2015
Transportation: Home Healthcare activity				
Kilometers traveled (in millions of km)	141	161	149	161
Associated CO ₂ emissions (in thousands of tons)	35	38	35	39
Transportation: Medical Gases activity				
Kilometers traveled (in millions of km)	20	26	26	28
Associated CO ₂ emissions (in thousands of tons)	17	23	23	25
TOTAL KILOMETERS TRAVELED HEALTHCARE ACTIVITY (in millions of km)	161	187	175	189
TOTAL ASSOCIATED CO₂ EMISSIONS (in thousands of tons)	52	61	58	64

In 2015, the total number of kilometers traveled for deliveries of gas cylinders for the Home Healthcare activity was **161 million kilometers**. The quantity of CO₂ emitted for these deliveries was **39,000 tons**^(a). The number of kilometers traveled for the delivery of medical gases to hospitals amounted to **28 million kilometers**^(a), which represented **25,000 tons of CO₂** in 2015.

To reduce their environmental footprint, some subsidiaries in the Home Healthcare activity have introduced **training courses in energy-efficient driving**. These courses are aimed at technicians, nurses, and nutritionists at these subsidiaries to raise awareness of the objectives of environmentally friendly driving. **They bring together issues of mobility, safety, ecology and savings.**

1.2. Group greenhouse gas emissions and emissions avoided by the Group

GROUP DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS

A company's greenhouse gas emissions are usually broken down into three "Scopes", depending on their origin:

■ **Scope 1** includes **direct emissions** generated by all possible emission sources owned or controlled by Air Liquide. This scope covers the Group's production units as well as the transportation of products and equipment to customers and patients. More than 94% of direct emissions are related to the nature of the thermal energy used as a raw material by the Group's large hydrogen and carbon monoxide production units, and cogeneration units (for steam and electricity production). The vast majority of these units use natural gas^(b);

■ **Scope 2** corresponds to all **indirect emissions** related to the production of electricity or steam purchased outside the Group in the various countries where it operates. These emissions therefore have a close link with the nature of the electricity in the countries where Air Liquide is present;

■ **Scope 3** corresponds to **other indirect emissions** generated, for example, by Group employees traveling on business or home-office commuting.

Direct and indirect emissions of **Scopes 1 and 2 represented 99% of the Group's total emissions** in 2015.

(a) Extrapolated from the main countries of the Healthcare activity.

(b) Some hydrogen and carbon monoxide production units also use other raw materials such as naphtha (a liquid similar to gasoline that comes from the distillation of oil) and various gases produced by refineries.

Indicators concerning the emissions of the Group as a whole

	2011	2012	2013	2014	2015
Scope 1: Total direct greenhouse gas (GHG) emissions (in thousands of tons of CO ₂ eq.) ^(a)	10,549	11,272	11,846	11,569	13,552*
Scope 2: Total indirect GHG gas emissions (in thousands of tons of CO ₂) ^(b)	9,085	9,546	9,915	11,405	11,716*
TOTAL DIRECT AND INDIRECT EMISSIONS OF GHG (in thousands of tons of CO₂ eq.)	19,634	20,818	21,761	22,974	25,268*

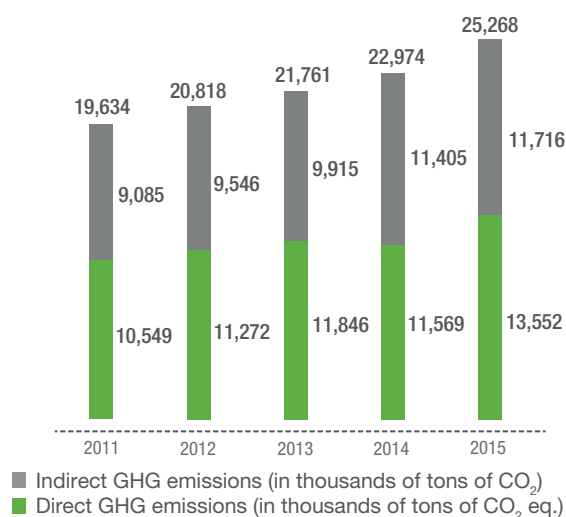
(a) Includes CO₂ emissions and nitrous oxide emissions.

(b) Total of indirect GHG emissions generated by the production of electricity purchased outside the Group. The indirect emissions only concern CO₂ emissions. Calculation takes into account the primary energy source that each country uses to produce electricity (source: International Energy Agency).

* Indicator verified by the independent verifier.

Direct "Scope 1" emissions and indirect "Scope 2" greenhouse gas emissions

(in thousands of tons of CO₂ eq.)



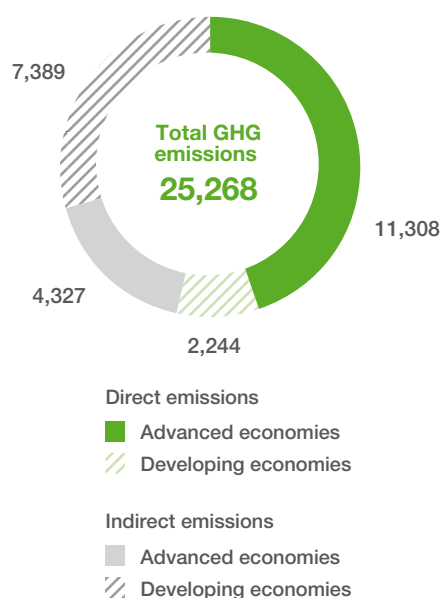
The Group's direct emissions increased from 11.6 million tons of CO₂ equivalent in 2014 to 13.6 million tons in 2015, i.e. an increase of 17.1%. This strong growth was partly due to the increase in emissions from cogeneration units that were required more in 2015 and partly due to the growth in emissions from the hydrogen units, particularly due to the gradual commissioning of the large unit in Yanbu (Saudi Arabia).

The Group's indirect emissions increased from 11.4 million tons of CO₂ equivalent in 2014 to 11.7 million tons, i.e. an increase of 2.7%. This growth mainly results from the commissioning of new oxygen units.

The Group's total direct and indirect emissions were up 10% from 23.0 million tons of CO₂ equivalent in 2014 to 25.3 million tons in 2015 as a result of the changes in direct and indirect emissions.

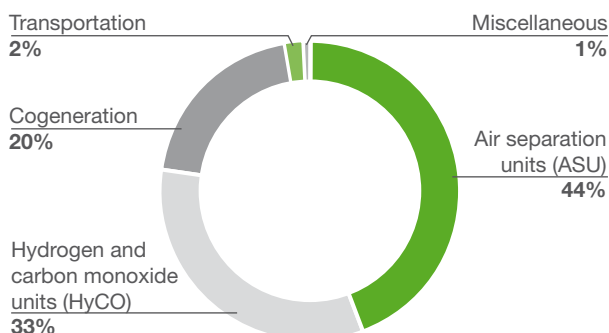
Breakdown of greenhouse gas emissions between advanced and developing economies

(in thousands of tons of CO₂)



In order to distinguish the differentiated growth dynamics between advanced economies and developing economies, since 2010 Air Liquide has segmented its direct and indirect CO₂ emissions between these economies.

Breakdown of direct and indirect greenhouse gas emissions



In this report, the advanced economies are defined in accordance with the financial reporting: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Great Britain, Greece, Italy, Japan, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United States. The developing economies refer to the other countries in which Air Liquide operates.

Scope 3 emissions related to business travel

Business travel by plane, car or train is the main source of Scope 3 CO₂ emissions. **These emissions represent around 150,000 tons of CO₂ in 2015 for all subsidiaries worldwide, which largely represents less than 1% of the Group's total emissions.**

Furthermore, a total of 28 teleconferencing have been used in many regions where the Group operates. These teleconferencing rooms enable remote meetings by proposing each participant a presence similar to a physical meeting. They can also be used for meetings with customers, partners and investors. This technology therefore reduces the CO₂ emissions generated by employees' air travel by around 1.5 ton of CO₂ per person present at the teleconferences.

GREENHOUSE GAS EMISSIONS AVOIDED BY THE GROUP

Emissions avoided in our production operations

Energy efficiency is a key focus of the Group's World Business Lines and activities, which constantly strive to minimize **the energy and environmental footprint of its products and services.** This optimization is a combined result of:

- technological solutions proposed by Air Liquide in its production process;

- scale effects, co-production and synergies, in particular through the development of its pipeline networks;
- the operational optimization of its production units;
- and the solutions chosen in terms of energy and commodities supplies.

The products and services that Air Liquide supplies thus enable the Group's customers to consume less energy, and as a result avoid more CO₂ emissions, than an "alternative reference system" where customers own and operate their own production units.

In 2015, the Group introduced a **detailed methodology** to assess the corresponding **CO₂ emissions avoided.** This assessment is carried out within the Large Industries activity, which represents more than 90% of the Group's energy consumption, and thus CO₂ emissions. The methodology is based on an analysis of the total volume of industrial gases supplied to customers over 2015, site by site and customer by customer, i.e. at over 1,300 delivery points per pipeline. For each customer facility, we assess the emissions of the reference system by modeling the energy consumption and CO₂ emissions, both direct and indirect, that would be generated by a production unit dedicated to supplying the facility. This model is based on a protocol which takes into account the latest developments in terms of energy efficiency, as well as the size and type of production unit.

Air Liquide therefore estimates that the total emissions avoided by its production operations in 2015 were **4.28 million tons of CO₂,** broken down as follows:

- **1.45 million tons of indirect CO₂ emissions** for the supply of **air gases;**
- **1.76 million tons of direct CO₂ emissions** for the supply of **hydrogen and carbon monoxide;**
- **1 million tons of direct CO₂ emissions** for cogeneration units that produce steam and electricity from natural gas simultaneously, which are on average 20% more efficient than technologies which produce steam and electricity separately.

Moreover, in the Industrial Merchant activity, small **on-site** nitrogen, oxygen and hydrogen units reduced truck deliveries, a source of CO₂ emissions. In 2015, these on-site units saved 72 million kilometers in truck deliveries, thus **avoiding 74,000 tons of CO₂ emissions.**

Emissions avoided at our customers' facilities through the supply of our products

In addition to these CO₂ emissions, avoided as a result of the energy performance of Air Liquide's production units, **many products and services supplied by the Group to its customers allow them to reduce their own CO₂ emissions and improve their own environmental footprint.**

For example, Air Liquide supplies large volumes of oxygen to the steel industry, the use of which significantly reduces its CO₂ emissions:

- **oxygen injection in blast furnaces** reduces the consumption of coke, the production and use of which are very high in CO₂ emissions and pollutants, by partially replacing it with pulverized coal or natural gas;
- **the use of oxygen in electric furnace burners** can significantly reduce their electricity consumption.

In 2015, a **detailed methodology** was introduced to assess the **CO₂ emissions avoided by customers for these two steel applications.** This methodology is based on an analysis of the oxygen volumes supplied by Air Liquide in 2015 for these two applications, site by site and customer by customer. The emissions avoided are calculated by applying ratios from the modeling of corresponding customer processes, which have been validated by Group experts.

By applying this methodology, Air Liquide estimates that the **use of oxygen provided for these two applications in 2015 allowed its customers to avoid 10.6 million tons of CO₂ emissions.** This included 10 million tons relating to oxygen injection in blast furnaces and 0.6 million tons relating to the use of oxygen in electric furnace burners.

Group greenhouse gas emissions that help produce molecules to protect our patients' lives and the environment at our customers' sites

It is also useful to analyze the Group's total CO₂ emissions by looking at them in relation to the end use of the products and services supplied by Air Liquide.

In particular:

- 6.1 million tons of CO₂ are emitted by the Group per year to produce hydrogen, which is needed to **desulfurize fuels and convert** them into lighter products through refining. In 2015, the hydrogen supplied by Air Liquide to refineries throughout the world resulted **in the avoidance of some 1.2 million tons of sulfur oxide emissions being discharged into the atmosphere**, which is nearly four times as much as the total sulfur oxide emissions of a country like France;
- 4.9 million tons of CO₂ per year are emitted by the Group to produce electricity and steam production in its cogeneration units. The **cogeneration units are more energy efficient concerning CO₂ emissions than separate production units for electricity and steam.** As noted above, in 2015, the Group's cogeneration units prevented 1 million tons of CO₂ emissions from being discharged into the atmosphere, which is roughly 20% more efficient than producing electricity and steam separately;
- 1.4 million tons of indirect CO₂ emissions per year are linked to the production of oxygen for blast furnaces and electric furnaces, **significantly reducing the energy consumption of customer processes.** As noted above, we estimate that the use of oxygen in these two applications avoided the emission of 10.6 million tons of CO₂ in 2015;
- more than 2 million tons of CO₂ per year are emitted in the production of molecules used in numerous other applications to protect patients' lives and the environment at customers' sites.

In total, more than 14 million tons of CO₂ are emitted per year, or more than half the Group's total CO₂ emissions, resulting from the production of molecules that help protect the lives of our patients and the environment at our customers' sites.

AIR LIQUIDE'S ACTIONS AT THE COP21

Prior to COP21, which took place in Paris from November 30 to December 12, 2015, Benoît Potier, Air Liquide's Chairman and Chief Executive Officer, along with 59 other company executives, signed the "Business Proposals for COP21" covering a certain number of climate-change related proposals.

During COP21, at the "Ecomobility" area of the Solutions COP21, Air Liquide presented its energy transition technologies in the hydrogen, biomethane and refrigerated transport sectors.

COP21 also provided Air Liquide with the opportunity to highlight its two leading technologies relating to the fight against climate change and CO₂ emissions:

- **Clean mobility:** Air Liquide has installed and opened its **first hydrogen-charging station in Paris**, in partnership with an electric taxi company. This hydrogen station will enable the roll-out of "hype" in Paris, the first fleet of hydrogen-powered electric taxis.
- **Capture and recovery of CO₂:** Air Liquide has opened a unique industrial installation that enables the **capture of CO₂** released during hydrogen production, via a **cryogenic process** called Cryocap™. The installation is located at Air Liquide's largest hydrogen production unit in France, in Port-Jérôme, Normandy. **Cryocap™ is the first CO₂ capture technology** using a cryogenic process. It enables the **capture of CO₂ emissions** resulting from the production of hydrogen by natural gas reforming, **while improving efficiency**, leading to an increased hydrogen production. After being purified, **the captured CO₂ can be used to meet a variety of industrial needs for carbonic gas supply** (carbonation of sparkling beverages, food preservation and freezing, etc.). This unit has an annual capture capacity of 100,000 tons of CO₂ at this site.

This innovation is part of Air Liquide's **Blue Hydrogen approach** (see the "Innovation" section of part 1 of the Reference Document), whose goal is the **gradual decarbonization of the Group's production of hydrogen dedicated to energy applications**, opening the way for 100% clean mobility.

1.3. Environmental management

WATER MANAGEMENT

	2011	2012	2013	2014	2015
Annual water consumption (estimation in millions of m ³)	67	66	68	70	79 ^{(a)*}

(a) Represents less than 0.5 one-thousandth of the industrial water consumption of the economies under review.

* Indicator verified by the independent verifier.

In 2015, Air Liquide used 79 million m³ of water, broken down as follows:

- approximately 60% by air separation units for cooling air after compression. 70% of this water is evaporated and 30% is treated on-site or by treatment plants in neighboring municipalities;
- approximately 40% in other industrial processes such as hydrogen production units and cogeneration units. Approximately 80% of the water used by these units is supplied and then consumed in the form of steam by Air Liquide's customers.

With regard to air separation units, there are several types of cooling systems. More than 85% of these units have semi-open recirculating systems which require back-up water. More than 10% of these units have open systems. In such cases, water comes from natural resources or third-party industrial circuits. It is discharged back into the original source, without causing pollution or changing the water's physical-chemical characteristics. Lastly, some 5% of these units have closed systems that consume no water.

4% of Air Liquide's sites are located in countries that, according to the World Resources Institute^(a), will be under extremely high water stress in 2020. Today, this represents 5% of the annual water supply of Air Liquide's industrial sites.

(a) The World Resources Institute (WRI) is an American think tank created in 1982 and based in Washington. The WRI is specialized in environmental issues.

Air Liquide assumes its responsibility as an industrialist, working on reducing the volumes used, especially in the water stress zones. For example, in Brazil, at the Fortal site, water is recycled and used in the various industrial installations. This helped reduce water consumption by 63%.

This kind of example is publicized on the Air Liquide internal information networks to help all subsidiaries make progress in this area.

DISCHARGES INTO AIR AND WATER

In addition to the main environmental indicators, there are other environmental indicators for the Group that are of lesser importance and relevance for Air Liquide's business. Among them, and in the interest of transparency and exhaustiveness in reporting, Air Liquide presents below a table summarizing the atmospheric discharge of nitrogen oxide (NOx), sulfur oxide (SOx), and Volatile Organic Compounds (VOCs), along with the discharge into water of oxidizable matter and suspended solids.

Discharges into air and water (in tons)

	2011	2012	2013	2014	2015
Air discharge: NOx (nitrogen oxide)	3,710	3,940	4,400	3,200	3,270
Air discharge: SOx (sulfur oxide)	<300	<300	<250	<250	<250
Total volatile organic compounds (VOCs) discharged into the atmosphere (estimate)	320	124	110	110	99
Total discharge into water: oxidizable matter	<1,700	<1,700	<1,000	<1,000	<1,000
Total discharge into water: suspended solids	<1,500	<1,500	<1,500	<1,500	<1,500

WASTE AND BY-PRODUCTS

Although the amount of waste and by-products resulting from industrial and medical gas activities is low, Air Liquide nevertheless publishes estimated figures in this regard in the interests of

exhaustive reporting. The main waste and by-products produced by the Group's production units are lime from the acetylene production units, metal waste, oils, paints and solvents. The average recycling ratio of waste^(a) is over 90%.

Waste and by-products

	2011	2012	2013	2014	2015
Non-hazardous waste and by-products					
■ Annual quantity of lime produced (extracted dry equivalent) by the acetylene production units (in tons)	36,800	30,400	32,500	32,000	29,000
% recycled	>90%	>80%	>80%	>90%	>80%
■ Metal waste (in tons) ^(a)	8,200	9,200	9,800	9,000	7,600
% recycled	>99%	>99%	>99%	>99%	>99%
■ Oils (in tons)	750	825	800	600	650
% recycled	84%	91%	88%	83%	92% ^(b)
TOTAL NON-HAZARDOUS WASTE AND BY-PRODUCTS (estimate in tons)	45,750	40,525	43,100	41,600	37,250
Hazardous waste					
■ Paints and solvents (in tons)	150	101	150	100	104
% recycled	54%	43%	63%	63%	59% ^(c)
TOTAL WASTE AND BY-PRODUCTS (estimate in tons)	45,900	40,626	43,250	41,700	37,354

(a) Non-hazardous metal waste.

(b) In addition, 6% is incinerated.

(c) In addition, 36% is incinerated.

(a) Calculation is based on the weight of the waste.

PRODUCT STEWARDSHIP AND REGULATIONS

Air Liquide has set up procedures to control its products' impact on the environment, health and safety, in particular for products like oxygen, hydrogen and the gases used in the Electronics activity. In practical terms, product stewardship is carried out by:

- identifying physical and chemical, toxicological or ecological dangers related to certain products;
- evaluating risks during different phases of production, transportation and storage from raw materials to finished products;
- implementing systems that guarantee customers' and patients' safety while handling products and incorporating them into the customers' industrial processes.

Responsible product stewardship at SEPPIC

A subsidiary of the Air Liquide Group, within the Healthcare activity, SEPPIC develops and markets Healthcare and Beauty specialty ingredients – excipients and active ingredients intended for the personal care, pharmaceutical and vaccine markets. These ingredients are increasingly being manufactured from plant-based raw materials. SEPPIC's strategy is based on the constant concern for minimizing its businesses' environmental impact.

The principles of "green chemistry" are now an integral part of all new processes at SEPPIC that offer new ways of exploring the synthesis and extraction of plant-based raw materials. SEPPIC evaluates its products using a grid of environmental criteria, such as the use of plant-based raw materials, solvent-free processes and the reduction of energy consumption. "Green chemistry" is part of SEPPIC's Corporate Social Responsibility and Sustainable Development approach, driving innovation and growth.

SEPPIC implements tools, such as Eco-Design, the Carbon Assessment and product Life-Cycle Analysis (LCA). Eco-Design is an analytical method for creating new products with a low impact on the environment during their entire life cycle, but also for improving the manufacturing of existing products. The LCA consists of a detailed analysis of a product's environmental impacts from raw material extraction to its end use by the consumer.

Quality, safety and the environment are a constant focus of the management of SEPPIC's industrial sites, which are fully certified by ISO9001, ISO14001 and OHSAS18001 international standards^(a).

European REACH regulation

REACH (Registration, Evaluation, Authorisation and restriction of CHemicals) is a European Union regulation (therefore directly applicable in the Union's Member States) that governs the registration, evaluation and authorization of chemical substances produced in or imported to the European Union. Any chemical substance imported or manufactured in Europe of over one ton a year must be registered with the European chemicals agency, ECHA. Each manufacturer or importer must have its own registration. The rule is part of the product stewardship approach developed by the chemicals industry.

The European REACH regulation went into effect on June 1, 2007 and registration and authorization procedures were spread over about 12 years for products already on the market.

Air Liquide's main products such as oxygen, nitrogen, hydrogen, CO₂, helium and rare gases are excluded from the scope of REACH. Until now, four products (carbon monoxide, acetylene, methanol^(b) and lime^(c)) have been registered in compliance with the schedule established by this regulation. Nitrous oxide and a few specialty gases in the Electronics activity, such as nitrogen trifluoride, were registered on June 1, 2013 for annual quantities of between 100 and 999 tons.

In addition, certain products in the Healthcare Specialty Ingredients activity fall under the REACH regulation, including many Seppic products stemming from plant-based raw materials. Depending on the annual tonnage manufactured, Seppic has already registered its main products and will register all products concerned by May 31, 2018 at the latest, in compliance with the REACH regulation.

Air Liquide must also make sure that the raw materials it uses are in compliance with the REACH regulation.

In 2015, Group sales covered by REACH represented less than 3% of the Group's revenue.

Principal directives and regulations applicable to Air Liquide in the environmental field

Seveso 3 Directive

This European directive focuses on preventing major industrial risks. It applies to any facility where hazardous substances exceed certain quantities. These facilities are divided into two categories

(a) International standards regarding the management of quality (ISO9001), the environment (ISO14001) and safety (OHSAS18001).

(b) Methanol is the raw material used to produce hydrogen at one of the Group's units.

(c) Lime is a by-product of the Acetylene business.

according to the quantity of such substances: Seveso 3 “high threshold” and “low threshold”. In Europe, 93 “low threshold” and 25 “high threshold” Air Liquide sites are covered, mainly because of their stocks of oxygen.

Seveso regulations apply only in Europe but if the Seveso “high threshold” criteria were to be applied worldwide, 29 other Group sites would be covered.

CO₂ emission quotas

Air Liquide is present in a number of regions that have implemented, or are in the process of implementing, a quota system for greenhouse gas emissions. Corporate teams and dedicated teams based in these regions monitor and assist with regulatory developments to ensure their operations are fully compliant with the objectives and obligations related to these quota systems. Because of the energy efficiency of its production systems, Air Liquide naturally minimizes the energy footprint, and therefore the carbon footprint of its products and services.

In the **European Union**, the European directive ETS (Emission Trading Scheme) established a quota system for greenhouse gas emissions in 2005, in compliance with the Kyoto Protocol and EU targets on climate change. Following an initial phase from 2005 to 2007, and a second phase from 2008 to 2012, the third phase, covering the period from 2013 to 2020, has expanded the scope of industrial installations subject to the ETS. For Air Liquide, seven cogeneration sites in Germany, France and the Netherlands, and all of the Group's large hydrogen product sites in Europe were affected by this directive in 2015. With regard to hydrogen production units, CO₂ emission quotas are mostly allocated for free, according to a benchmark set for the top performing European facilities. Air Liquide obtains CO₂ quotas from the market or its customers for emissions from hydrogen production sites not covered by the free allocations and for all emissions from the cogeneration sites.

In **California**, the AB32 (Assembly Bill 32) directive has established since January 2013 a CO₂ quota system for manufacturers, with the obligation to comply with a cap-and-trade program, and sets targets to reduce quotas gradually by 2020. This new regulation affects two of Air Liquide's hydrogen production sites in California.

A similar system was implemented in **South Korea** in January 2015. It affects all of Air Liquide's air gas production and hydrogen and carbon monoxide units in Korea, with an allocation of free emission quotas based on historical emissions that will then be gradually reduced.

China announced ambitious targets for reducing the carbon intensity of its economy by 2030. The Chinese government has launched in 2013 and 2014 pilot “ETS” programs in seven regions (the provinces of Guangdong and Hubei, and the cities of

Beijing, Tianjin, Shanghai, Chongqing and Shenzhen). Air Liquide production sites in those regions (air gas and hydrogen units) are actively participating in the pilot programs. At the end of 2015, the Chinese government announced the implementation of a national emissions trading scheme as of 2016/2017, the terms of which are currently being defined.

ENVIRONMENTAL INCIDENTS AND CONSIDERATION OF RISKS RELATED TO CLIMATE CHANGE

An Air Liquide procedure, available to all Group employees, is an integral part of Air Liquide's Industrial Management System (IMS) which defines environmental incidents based on three levels of severity. All incidents reported at Group level are subject to a systematic, in-depth analysis, depending on the nature of the incident, so that prevention measures can be stepped up. Environmental risks related to industrial processes and risks related to climate change are presented in the Risk factors section of the Reference Document.

Most of the time, **environmental incidents** in the industrial and medical gases business have a very low impact on the environment compared to the traditional chemicals industry. For example, in air gas production, any possible leak of these gases presents absolutely no danger for the atmosphere. Likewise, the water used in Air Liquide's processes is primarily used in cooling and steam production. The risk of possible pollution of the water used is therefore very low. In 2015, there were a total of eight environmental incidents in the Group, mainly involving air gas and oil leaks.

Climatic risks are reviewed at both Group and site level. Weather-related and climatic disasters, water stress areas and the increased frequency of cyclones constitute a risk that could disrupt the smooth running of operations. Preventive measures targeting extreme weather-related phenomena exist at the main sites located in high-risk areas.

The amount of financial provision and guarantees earmarked for environmental risks is 14 million euros.

BIODIVERSITY

The impact of Air Liquide's activities on biodiversity is limited because the Group's production units are generally located on small sites in industrial zones.

However, Air Liquide supports biodiversity preservation via its Foundation, which funds scientific research projects around the world in the field of environmental protection, focusing on projects contributing to preserve the planet atmosphere, and therefore biodiversity.

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Environmental, Social and Governance (ESG) Report

In recent years, the Foundation has sponsored the following:

- Under The Pole II expedition to Greenland. The Air Liquide Foundation is sponsoring an environmental research program in the Arctic. Its aim is to study interactions between the ice pack, atmosphere and ocean by evaluating the amount of CO₂ trapped deep in the ocean. The Foundation is thus playing its part in protecting biodiversity in the Arctic world:
- the international observatory of mangroves led by the French Institute of Research for Development (IRD). With the support of the Air Liquide Foundation, the IRD is studying the carbon cycle of mangroves in three different climatic regions: New-Caledonia, New Zealand and Vietnam. The aim is to understand the impact of climate change on the mangroves and thus protect this ecosystem, which is a very rich sanctuary for biodiversity.

2. Social and societal

2.1. Safety: a fundamental value

Safety indicators for the Group as a whole

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of Group employee lost-time accidents of at least one day ^(a)	153	147	137	131	153	144	149	151	144	152
Accident frequency of Group employees ^(b)	2.3	2.1	1.8	1.7	1.9	1.7	1.7	1.6	1.6	1.6*
Accident severity rate ^(c)						<0.1	<0.1	<0.1	<0.1	<0.1
Number of accidents of subcontractors and temporary workers ^{(d) (e)}			154	148	155	118	142	110	92	94
Frequency of accidents of subcontractors and temporary workers ^(d)								2.2	2.3	2.2

(a) Fatal work accidents since 2010: none in 2015, none in 2014, three in 2013, one in 2012, one in 2011, one in 2010. Of these, one was a traffic accident in 2013.

(b) Number of accidents involving lost time of at least one day, per million hours worked by Group employees. Accidents defined following the recommendation of the International Labor Office.

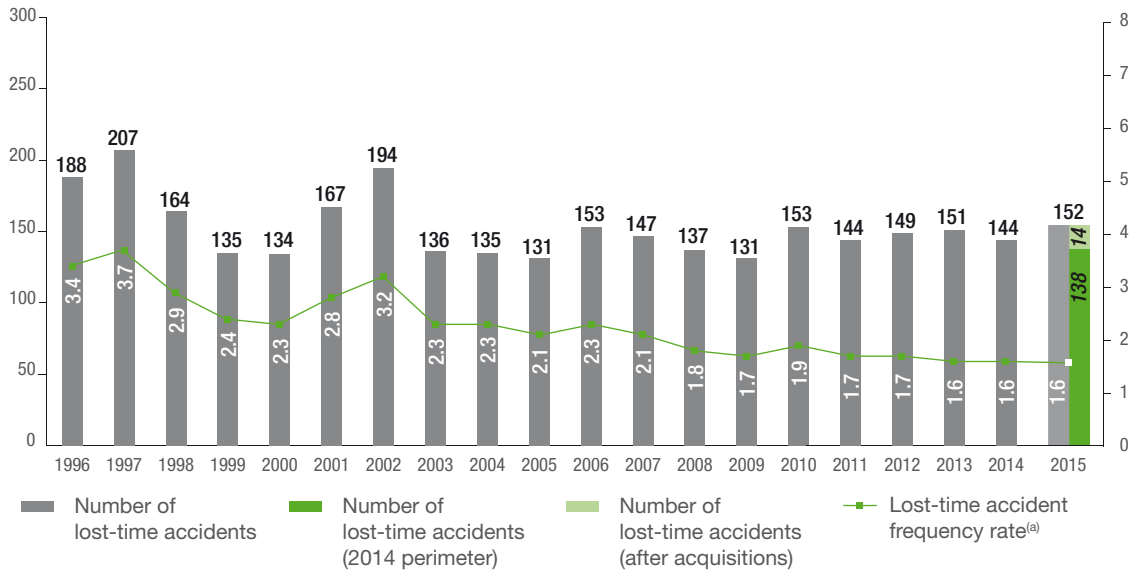
(c) Average number of days of lost time per thousand hours worked. Accidents defined following the recommendation of the International Labour Office.

(d) Personnel working under an Air Liquide contract at a Group site, or at a customer site, or as a delivery vehicle driver.

(e) Fatal work accidents since 2010: one road accident in 2015, one road accident in 2014, one road accident in 2013, three fatal work accidents in 2012 including a road accident, four fatal work accidents including three road accidents in 2011, no fatal work accidents in 2010.

* Indicator verified by the independent verifier.

Number and frequency of lost-time accidents of Group employees since 1996



(a) Number of lost-time accidents with at least one lost-day per million hours worked by Group employees.

Safety is a top priority for the Group’s management and employees. Continuously and durably improving the health and safety in the workplace of its employees and subcontractors is one of Air Liquide’s major challenges, which is expressed by the keyword “zero accident” on each site, in each region, in each entity. Employees are mobilized through active communication on this objective. In addition, safety objectives – like the other responsibility objectives – are part of the variable remuneration of the Group’s Senior Managers. In particular, the variable share of the remuneration of the Executive Officers is linked to safety objectives.

Prevention, protection, early detection and rapid reaction are at the heart of the Group’s concerns. Air Liquide has rolled out its Industrial Management System (IMS ^(a)) since 2005 and it has changed work methods significantly and improved processes involving safety management, reliability, protection of the environment and industrial risk management.

The Group has set up procedures, training sessions and an appropriate follow-up to encourage each employee to work responsibly and in total safety, respecting the laws and regulations in force. A central team of experts leads networks of specialists in the field to see to the proper implementation of the IMS. Together, they provide local managers in the Group’s different entities with technical and methodological support and participate in managing industrial risks.

In 2015, the number of lost-time accidents of Group employees was 152, compared with 144 in 2014. On a like-for-like scope, i.e.

excluding recent acquisitions, the number of lost-time accidents is 138. The employee lost-time accident frequency rate, i.e. the number of accidents with at least one day of lost-time per million hours worked, was 1.6 the same as 2014. On a like-for-like scope, it was 1.5, an improvement as compared to the previous year.

While the Group saw 92 lost-time accidents of subcontractors and temporary workers in 2014, 2015 ended with 94 lost-time accidents of subcontractors and temporary workers against a background of growth in the activity. In fact, the accident frequency rate for these accidents was slightly lower at 2.2 in 2015, compared to 2.3 in 2014.

The Group’s safety guidelines in 2015 focused on understanding and preventing major risks linked to its business lines. For example, Air Liquide continued its awareness-raising program for all employees on technical risks that can have serious consequences. This program increases the importance of safety in everyone’s daily life. Each field manager has discussions with his or her team and shares rules, best practices and daily experiences related to safety.

With the support of the Group’s Safety and Industrial System Department, an initiative called “Life-Saving Rules” continues to be deployed throughout the Group. The aim is to increase awareness of safety rules pertaining to major risks at production sites, as they apply to the industrial situations characterizing the Group’s core businesses. These rules apply to Air Liquide employees as well as to temporary workers and subcontractors.

(a) More information on the IMS is presented in the Industrial Management System section.

2.2. Develop our people

The Group has 51,500 employees in 80 countries who form multicultural teams with a host of skills. Air Liquide is involved in promoting diversity, facilitating and accelerating knowledge transfer, motivating and involving its employees, and encouraging social and human commitment.

“OUR TALENTS” INDEX

Since 2012, Air Liquide has published annually a Key Indicator called “Our Talents” reflecting the results of the Group’s efforts regarding the **development, diversity and commitment of its employees**. The objective is to encourage the organization to set up progress actions in these areas. It is calculated by integrating the indicators presented in this section, weighted as follows: one third for development, one third for diversity and one third for employee commitment.

Employee development	■ Percentage of employees who benefited from at least one training session during the year
	■ Percentage of employees who had an annual evaluation interview with their immediate supervisor during the year
Employee diversity	■ Percentage of women among managers and professionals hired during the year
	■ Number of nationalities among senior managers/Number of countries where the Group is present
Employee commitment	■ Percentage of employees belonging to an entity where an internal engagement survey was conducted over the last three years
	■ Percentage of employees holding Air Liquide shares
	■ Loyalty rate of managers and professionals

	2011	2012	2013	2014	2015	2015 objective
“Our Talents” Index ^(a)	102	100	107	107	113 ^(b)	115

(a) Base of 100 in 2010.

(b) 114 by keeping the same calculation rules as established in 2010 (only subsidiaries with more than 300 people taken into account).

The value of the “Our Talents” index in 2015 is 113, close to the objective of 115 fixed for 2015.

DEVELOPMENT

MyTalent Online

As part of its Human Resources strategy, Air Liquide introduced the MyTalent Online program aimed at harmonizing HR processes within the Group, improving its ability to attract and manage talent, along with training opportunities.

MyTalent Online comprises the following three tools, which benefit Group employees and Human Resources professionals in different ways:

- **Talent Acquisition System:** a single platform listing all of the Group’s internal mobility offerings. This platform is also used by HR departments around the world for external recruitment.
- **Talent Management System:** a space dedicated to Air Liquide employees, their managers and HR professionals for performance reviews and career management.

- **Learning Management System:** a platform dedicated to employee training and career development that provides a more comprehensive overview of all Group training programs and makes it easier for employees to keep track of their training over the long term.

The MyTalent Online program continued to be rolled out in 2015. A Human Resources event organized in June 2015 brought together 150 heads of Human Resources of Air Liquide’s various entities throughout the world. This event helped reinforce the standardization of processes and best practices in parallel with the roll out of MyTalent Online within the subsidiaries.

Collaborative work platform

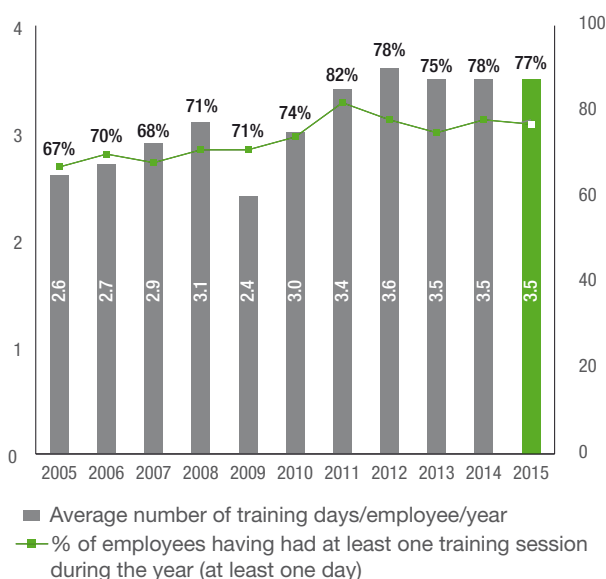
A **collaborative work platform** called Kite was launched Group-wide in 2014. Technologically innovative, Kite is changing the work culture, making it more collaborative and participatory, and represents a major digital evolution for the Group, improving its agility and responsiveness, including with customers. In addition, the tools offered by Kite allowed all Group employees to be invited to submit suggestions on a platform over one day regarding three subjects relating to industrial competitiveness: optimization of processes, digital, and energy.

To help with this roll-out, a number of Group employees in each entity have been appointed “Kite Champions”. They have been trained to spearhead the change in their entities and to train other members of staff in the new tools.

TRAINING

Air Liquide takes particular care to **develop the competencies and expertise of its employees**. Training is an integral part of this development. It allows employees to **work safely and improve their performance, contribution and employability**. In 2015, 77% of the Group’s employees had attended at least one training session during the year. The average number of training days per employee, per year was 3.5 in 2015. This represents a total of more than 1,250,000 training hours for 2015.

Average number of training days per employee, per year and percentage of employees having attended at least one training session during the year



The Group has invested in better professional qualifications and training programs for young people to facilitate their integration into the business world. As a result, more than 580 young people have benefited from work-study contracts in France, combining theoretical learning in their university or school and a practical internship at Air Liquide.

Through its **Corporate University**, Air Liquide continues to develop its training programs to meet the needs of employees while incorporating the Group’s values. Based on a decentralized

model that permits employees to be trained with modern pedagogic techniques like e-learning, the University has a **dual objective**:

- formalizing and rolling out the training processes, as well as disseminating good practices that go hand-in-hand with the Group’s training dynamic;
- offering about 20 specific programs, ranging from **integrating** new employees to developing **leadership** abilities, as well as **“professional” training programs** given by the different business lines. The Group’s values, principles of action and key challenges are systematically included in the various modules.

The e-learning platform provides employees with support for their training. So far it has offered Group employees **more than 1,000 interactive training modules** (in several languages) produced by the Air Liquide University, business lines, regions and entities. The online training offer is upgraded every year and covers many topics such as safety, ethics, HR processes, digital technology and management. The “Discover” orientation module introduces new hires to the Group’s structure, the uses of Air Liquide gases, safety, the principles of action and the Group’s core businesses. It is available in ten languages. Over 8,000 people have been trained through this module since its launch in the different countries where Air Liquide operates. Air Liquide University upgrades its existing programs by mixing teaching methods. For example, it offers on-site training at seminars or remote training through e-learning. At the end of 2015, e-learning modules were followed by more than 38,000 Group employees and more than 220,000 modules were completed.

The roll-out of the ethics training programs continued in 2015 and covered the Group’s different geographic regions. These programs are designed primarily for sales, procurement and legal teams and the Executive Committees and Senior Managers in Group entities. They have also been boosted by new e-learning modules on employee Codes of Conduct and the Group’s Anti-corruption Code, as well as a module entitled “International practices and principles relating to competition”. These modules include an introduction video presented by each regional or entity Director, the interactive training program, and a conclusion video presented by the Group Ethics Representative. All Group employees are required to take the module on employee Codes of Conduct and attend a refresher session every year.

In 2015, Air Liquide University continued the roll-out of professional co-development in its training programs. This innovative method in collective intelligence allows Air Liquide employees to advance in their individual and collective practices by discussing situations they have encountered with their peers. Each co-development group constitutes a learning community that focuses on the sharing of experiences and is designed to broaden group members’ ability to take action in their respective area. The first

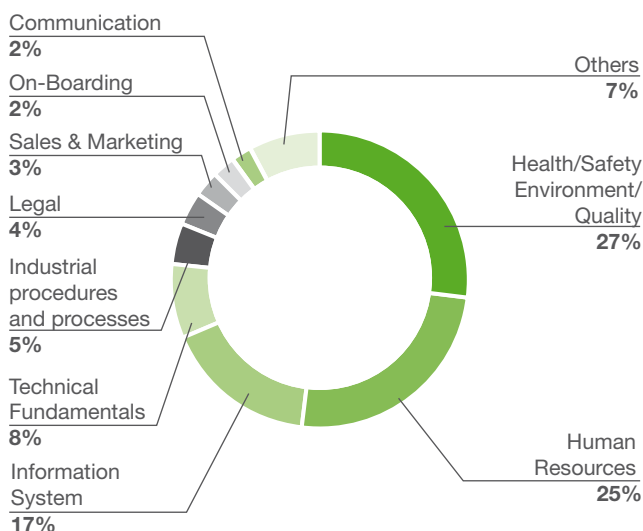
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co-development “pilot” program at Air Liquide brought together some 50 Group managers who focused on several management situations and issues relating to disability at work. Air Liquide University’s goal is to deploy this program in various Group entities and regions as well as at different levels of the organization.

In total, more than 20,000 employees have received on-site training by Air Liquide University since its creation in 2009.

Breakdown of training topics (a)



(a) This breakdown includes over 3/4 of the Group entities in which the Learning Management System has been rolled out.

EMPLOYEE PERFORMANCE REVIEWS

It is thanks to the commitment and contribution of its employees that Air Liquide can give more value to its customers and shareholders. Employee performance is monitored and measured during interviews that each employee has every year with his or her immediate supervisor but also during career development interviews that permit each employee to talk about more long-term prospects with the local Human Resources Department. The Group’s Human Resources Department particularly encourages these meetings as they are one of the cornerstones of the Company’s Human Resources policy.

In 2015, 80% of employees had a performance review meeting with their immediate supervisor. In addition, 15% of employees had a career interview with their entity’s Human Resources Department.

EXPERTISE RECOGNITION

Air Liquide files almost 300 patents a year. These inventions significantly contribute to the Group’s development. The inventors’ recognition program rewards inventors who are responsible for successfully marketing patents. Recognizing technical expertise within the Group also involves the Technical Community Leaders (TCL) program, which, since its launch in 2003, has nominated more than 3,000 experts and plays a key role in sharing expertise, knowledge and technical excellence. In 2015, two International Fellows, 17 International Senior Experts and 75 International Experts from very diverse regions of the world (Europe, Asia-Pacific, North and South America) received recognition. This community of the Group’s technology experts contributes to the transfer of technical know-how, to the sharing of best practices, and to the long-term development of the skills that Air Liquide will need in the future.

MOBILITY

Mobility corresponds to an employee’s ability and commitment to change job or location, either within the same country or abroad, to meet the Company’s needs and develop on a personal level.

The Group actively encourages geographical and professional mobility of its employees in all of its host countries. In fact, complete changes in job are encouraged by the Group’s Human Resources Department.

DIVERSITY

Diversity/Equality

Air Liquide is strongly committed to **combating any form of discrimination**. Diversity is a priority of Air Liquide’s Human Resources policy and considers it a source of dynamism, creativity and performance. The Group has always desired to broaden hiring and attract the best talent. The markets in which Air Liquide works are diverse and complex. Diversity among employees should therefore reflect the geographical diversity of its customers.

The Group’s objectives are to continue to increase this diversity among its employees by seeking a better division of responsibilities between men and women while promoting the many cultures represented at Air Liquide.

The five poles of the Group’s Human Resources policy concerning diversity are:

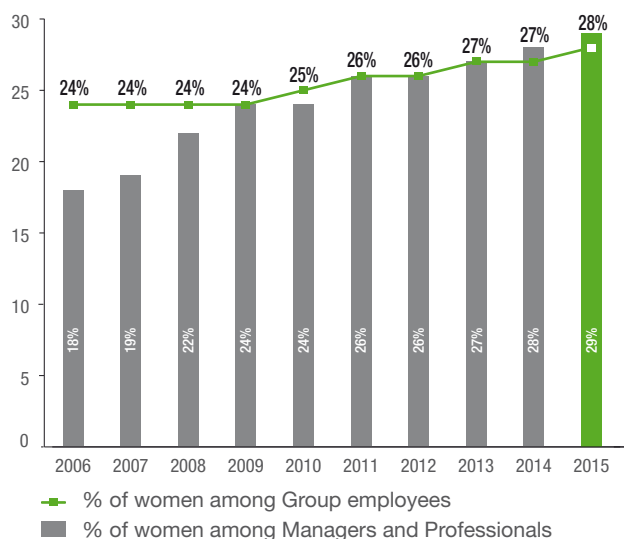
- nationality;
- gender;
- educational background;
- age;
- disability.

The international character of the Group's Senior Managers – 33 different nationalities represented in 2015 – is a considerable asset from this viewpoint and continues to be a strong area of development.

A team in the Corporate Human Resources Department is in charge of steering the diversity projects.

Equality between men and women is an essential point in the expression of this diversity. For several years, Air Liquide has had a global action plan. Between 2003 and 2015, the percentage of women who were hired for manager and professional positions rose from 14% to 29%. This percentage of women among managers and professionals is higher than the overall percentage of women in the Group (28%), which illustrates the good representation of women in Air Liquide's management. In addition, women now represent 38% of employees considered high potential. 13 Executive Management positions in the subsidiaries or management of a P&L are held by women. Moreover, five women are now members of the Group's Board of Directors.

Percentage of women among managers and professionals



These results are the fruit of a concrete, global Human Resources strategy based on the following four priorities:

1. Recruiting:

Strengthening the place of women in the Group, in particular through hiring managers and professionals.

2. Developing careers and increasing responsibilities for women in the Company:

- for every management position that becomes available, Human Resources examines the application of at least one woman among the applicants;
- a meeting before and after maternity leave has been organized in a certain number of entities in France.

3. Communicating with and involving all the managers:

In the framework of Air Liquide's policy on promoting equality, the hiring and career development of women and strengthening their place and responsibilities in the Company, a program on awareness-raising and exchanges on the benefits that equality brings was organized in the Group, aimed at managers. More than 700 managers in the Group have followed this program. A communication support kit, containing a video message from the Group's Chairman and CEO, was deployed by the Human Resources teams for the different Air Liquide units to implement these actions locally with their teams.

4. Better balancing of professional and private life:

The **CESU** (Universal Service Employment Check), whose aim inter alia is to facilitate childcare in the home, has been implemented for certain entities in France since 2007 for men and women in the Group who have young children.

Other information on the actions Air Liquide has undertaken on balancing professional and private life can be consulted in the "Well-being" paragraph presented in this section.

The **Diversity Charter** that Air Liquide signed in France is available online and is an illustration of the Group's commitment to diversity. Air Liquide renewed its commitment in 2015.

In addition to these many local initiatives by its subsidiaries, each year the Air Liquide Group joins forces with **International Women's Day, celebrated on March 8**. This is also when Air Liquide takes part in the annual InterElles seminar. Created in 2001, **Cercle InterElles brings together the networks of 13 companies**: Air Liquide, AREVA, Assystem, CEA, France Télécom-Orange, GE Healthcare, IBM France, Lenovo, Nexter, Schlumberger, as well as Intel, Gemalto and Sanofi which joined Cercle InterElles in 2015. These technology companies, which are focused on promoting gender equality and equal opportunities, have identified common issues within their sectors of activity. The Cercle InterElles network has stood out in recent years as a pioneer in the battle against stereotyping and as a supporter of gender equality in companies and of equal opportunities.

In addition, Air Liquide organizes discussion and experience-sharing seminars on the subjects of equality and promoting diversity as a performance lever with the company Shell, for example, a long-standing international customer.

In April 2015, as part of the "Girl's Day" event organized by the German government to promote scientific and technical careers among female students, **two Group entities, the Frankfurt Research and Technology Center (FRTC) and the Engineering & Construction (E&C) activity in Frankfurt, invited 17 female students from various schools in the**

region to discover Air Liquide's business. Female FRTC engineers presented Air Liquide and the applications of gases in daily life. The young ladies were able, for example, to view experiments relating to industrial gases. This event also allowed students to hear first-hand accounts of female engineers' career paths within the Group.

Air Liquide also takes part each year in the female "La Parisienne" race in Paris, which brings together over 500 companies and one thousand runners. In 2015, 150 female Air Liquide employees took part in this race.

Disability

For Air Liquide, diversity and equal opportunity also **mean better integration of employees with disabilities into its teams, but also through subcontracting** to firms in the adapted and protected sector^(a), particularly in France.

In 2015, employees with disabilities represented 1.4% of the Group's employees worldwide.

In France, the general Human Resources policy on disability took concrete form through **the signing of a number of workplace agreements since 2007** with social partners, in addition to local hiring initiatives.

At the end of 2015, the percentage of disabled workers at French subsidiaries was 4.8%. Through these workplace agreements, Air Liquide is committed to promoting the employment, integration, training, and job security of persons with disabilities. To support this process, promotional campaigns are carried out among managers and employees, especially during the Disabled Workers Week. Air Liquide also outsources some printing, landscaping and cleaning services to the disabled workers sector.

To carry out these operations favoring people with disabilities in the field, Air Liquide's "Mission Handicap" calls on **employees who are "disability advisors"** divided among the main French subsidiaries. They are supported by **multidisciplinary working groups** that meet several times a year to work on different subjects connected to disabilities.

In 2015 partnerships were signed with specialized agencies that support the Air Liquide in the recruitment and integration of people with disabilities. In addition, there was awareness-raising of disabilities among employees during the Disabled Workers Week through art displays in the Company.

(a) Sector of economic activity giving priority to employing workers with disabilities.

EMPLOYEE COMMITMENT

Participation of employees in the capital of L'Air Liquide S.A.

The Group wants its employees worldwide to more broadly participate in the capital of L'Air Liquide S.A. Thus, since 1986, 12 capital increase operations have been reserved especially for Group employees so that they can take advantage of preferential conditions.

At the end of 2015, the share of capital held by the Group's current and former employees was estimated at 2.3%, of which 1.5% (within the meaning of article L. 225-102 of the French Commercial Code) corresponds to shares subscribed by employees during employee reserved capital increase operations or held through mutual funds.

Remuneration

Employee remuneration is based on local market conditions and their evolution, internal equity, and on employees' performance in respect of applicable legislation. It is generally made up of a basic salary plus additional remuneration elements.

The **variable portion** of remuneration is devised locally for certain categories of employees to reward performance. In general, it depends on parameters such as the Group's earnings, **the entity's earnings and individual performance**, which is measured in quantitative and qualitative terms. By rewarding collective and individual performance, Air Liquide encourages everyone to collaborate and contribute to overall earnings. In 2015, 60% of employees received an individual variable portion as part of their remuneration. Most of the managers and professionals have a **variable remuneration**, which includes sustainable development objectives. In particular, 15% of managers' variable remuneration is linked to sustainable development criteria, such as safety, customer satisfaction, energy efficiency and equality. Finally, the top 370 Group executives have at least 10% of their variable remuneration mandatorily linked to a Responsibility indicator, such as **safety, ethics, environmental footprint, responsible procurement** or the **Human Resources indicators** that are part of the "Our Talents" composite index that incorporates the Group objectives for **development, diversity and commitment of employees**.

In addition, remuneration can also include benefits such as disability-incapacity-death insurance and medical expenses. In 2015, almost 100% of employees benefited from some sort of social security coverage through the Group, in particular in terms of pension plans.

HEALTH IN THE WORKPLACE

Air Liquide is particularly concerned with ensuring that its employees' working conditions do not present any health risks. This is notably demonstrated through **preventive actions** in many areas such as workstation ergonomics

Preventive actions

Air Liquide regularly organizes **awareness-raising campaigns and training** on safety, health and risk management, especially in the working environment, particularly with relation to **musculoskeletal disorders (MSD)**.

In Canada in 2015, Air Liquide's subsidiary organized training sessions at a number of its production sites covering the handling of heavy loads to avoid back problems.

In the United States, mapping of the sites most affected by noise was undertaken. Preventive measures and training were then implemented for the most exposed employees so that they learn to preserve their hearing.

In South Africa and Brazil, local subsidiaries are running campaigns to raise awareness among employees about AIDS prevention.

In China, the Engineering & Construction (E&C) entity in Hangzhou took measures to improve air quality, in particular over-ventilating premises, in order to protect the health of its employees in an environment of major air pollution. Regular inspections are planned to ensure that air quality is maintained in these buildings over the long term.

In Germany, the subsidiary Schülke, specializing in hygiene and disinfection, makes its products available to other Group entities.

Psychosocial stress preventive actions

In France, as part of a campaign to **prevent psychosocial stress**, Air Liquide worked with the French Occupational Health Department to implement **a listening, support and counseling service** for anyone who needs it.

This initiative meets a number of objectives:

- it provides all employees with time to talk and listen, enabling everyone to speak freely with an independent consultant, if they so wish;
- it serves as a basis for manager/employee relationships;

- as necessary, it provides advice related to issues an employee may have regarding well-being in the workplace.

Meetings are held with a psychologist from a specialist outside firm. Air Liquide wants the system to offer employees time and space to talk about their issues in strict confidence and enable all those who so wish to maintain or regain their **well-being in the workplace**. The initiative is just one of the tools used by Air Liquide's Human Resources Department to prevent occupational stress, tools that underscore its willingness to listen and take action in this regard.

Some rare cases of work-related illnesses linked to Air Liquide's activities are the subject of reports by Group subsidiaries worldwide.

WELL-BEING

In order to strengthen occupational well-being within Air Liquide, various initiatives were implemented in France to **promote the personal/professional life balance** of its employees, whatever their age or position. In addition, three agreements with human services providers were undertaken in 2015:

- **an e-portal allowing employees to access practical, administrative and legal information from home or the office** to facilitate daily life. It can be used by the employee and his or her family via a personal access code. Over 70% of the Group's employees in France now have access to this portal;
- **a telephone service enables employees to call, from their office or home, specialists** (for example, doctors, legal specialists, social workers, guidance counselors, etc.) who answer their questions with complete confidentiality on areas as varied as the family, housing, well-being and healthcare, unforeseen events, budget management, taxation and retirement. Air Liquide is a forerunner in this area as the Group is currently one of the only ones in France to offer its employees such a large range of services;
- **nursery places in inter-company crèches** are offered to employees of subsidiaries covered by this partnership. At the end of 2015, 51 places had already been financed by Air Liquide for its employees.

ABSENTEEISM

The Group's absentee rate was established by counting the total number of days absent due to illness, and to commuting and work accidents, whatever their duration and cause, compared to the number of days worked per year^(a). In 2015, the absence rate of the Air Liquide Group worldwide was around 2.7%.

(a) 365 days minus weekends, public holidays and statutory holidays.

ORGANIZATION OF LEGAL WORKING HOURS

In France, the general framework of legal working hours has been defined by all of the agreements signed in 2000 and 2001 with the unions. Very few activities operate with shift work. These concern fewer than 10 plants in France, mainly in the Large Industries business line. A project is currently underway within this activity to reduce shift work. On the other hand, most of the industrial activities, as well as those in Healthcare, include on-call systems that are regularly discussed with the unions.

With regard to **telecommuting**, the **pilot program** negotiated and signed as a one year fixed-term agreement set up in France in 2013 at ALFI (Air Liquide France Industrie) and ALSF (Air Liquide Santé France) was extended and made permanent. It meets the needs of employees as expressed during a prior survey on work-life balance. Following a **dialogue** phase with various stakeholders, more than **100 employees and managers** have chosen to work from home on the basis that it is a voluntary arrangement, involves trust and that employees retain the option to return to the workplace.

Under the supervision of the individual entities' Human Resources departments, a series of **educational and training measures** were conducted among employees, managers and unions to support the shift to telecommuting. **Assistance was provided by a leading consulting firm** that specializes in advice and training in this area. This resulted in many additional ideas and demonstrated the benefits as well as the limitations of this method of working. Telecommuting is implemented as a tool to **improve performance and work-life balance, and provide organizational flexibility**.

This measure continued in September 2015 with the signing of a telecommuting agreement between Management and Air Liquide SA's unions for a one-year pilot period. Similar types of agreements were signed within various Group subsidiaries in France.

These agreements demonstrate the wish of all parties to modernize managerial and organizational practices. The aim is to improve quality of life and working conditions, promote a better personal/professional life balance for employees, and implement a new method of organizing work.

SOCIAL DIALOGUE

In accordance with its principles of action, Air Liquide is particularly attentive to respecting the highest standards in ethics and safety. The Group ensures that social dialogue is encouraged and in this context, 79% of Air Liquide's employees have access to a representation, dialogue or consultation structure.

The European Works Council has 28 employee representatives from 13 countries^(a). The composition of the Council evolves with the Group's acquisitions, the expansion of the European Union and according to the rules established by the Council's constitutional agreement. An agreement was signed in 2014 to strengthen the role and nature of exchanges within this body. It is required to meet at least twice per year under the chairmanship of a member of the Executive Committee, as was the case in 2014. The main themes dealt with during this discussion and consultation are safety, the news on the Group's activities, the annual financial statements, the Corporate Social Responsibility and Sustainable Development policy, strategy and its implementation in the different countries of Air Liquide's operations.

In 2015 in France, 167 agreements were signed in total with the unions in extremely varied areas, including profit sharing and incentives for employees in the Company's performance, planned management of jobs and skills (GPEC), professional equality between men and women, disability, the youth-employment contract, as well as working time organization, particularly in the context of the agreements relating to telecommuting.

Eight collective agreements were also signed in a number of European countries. In Germany, local subsidiaries are members of the chemical sector employers association (BAVC)^(b). Negotiations are carried out directly between this association and the German unions. Several agreements were signed in 2015 in this country. They cover greater job flexibility, wider social coverage, as well as the roll-out of the whistleblowing system.

RAISING EMPLOYEE AWARENESS OF SUSTAINABLE DEVELOPMENT

Many initiatives are created at Air Liquide to raise employee awareness on sustainable development issues and encourage employees to promote them in their daily activities.

Each year, on **"World Carfree Day"**, the Group rolls out an awareness campaign on the environmental impact of road transportation and highlights alternative means of transportation such as carpooling. Many initiatives, in over 40 countries, attest to employees' increasing commitment to a more responsible approach in this area.

"World Water Day" is an opportunity to raise awareness among employees in various countries of careful and moderate use of this resource through a communication campaign within the Group and many local initiatives.

Also **COP21**, which took place in Paris between November 30 and December 12, 2015, helped raise further awareness among employees regarding climate change challenges and solutions for reducing their carbon footprint. This included conferences given by the Executive Committee member in charge of the Group's CSR and an internal communication campaign via a community on Air Liquide's internal social network which was hailed a great success.

(a) Austria, Belgium, Denmark, France, Germany, Great Britain, Italy, the Netherlands, Poland, Portugal, Romania, Spain and Sweden.

(b) Bundesarbeitsgeberverband Chemie: Federal Association of Chemical Industry Employers.

Human resources indicators concerning the Group as a whole

Employees ^(a)	2011	2012	2013	2014	2015
Group employees	46,200	49,500	50,250	50,300	51,500*
■ Women	12,100	12,800	13,500	13,600	14,200
as a %	26%	26%	27%	27%	28%
■ Men	34,100	36,700	36,750	36,700	37,300
as a %	74%	74%	73%	73%	72%
Joining the Group ^(b)	20.4%	19.9%	14.9%	14.8%	16.5%
Leaving the Group ^(c)	14.3%	12.7%	13.1%	14.7%	14.0%
% of employees having resigned during the year ^(d)	5.3%	4.6%	4.9%	5.8%	5.3%

(a) Employees under contract, excluding temporary employees.

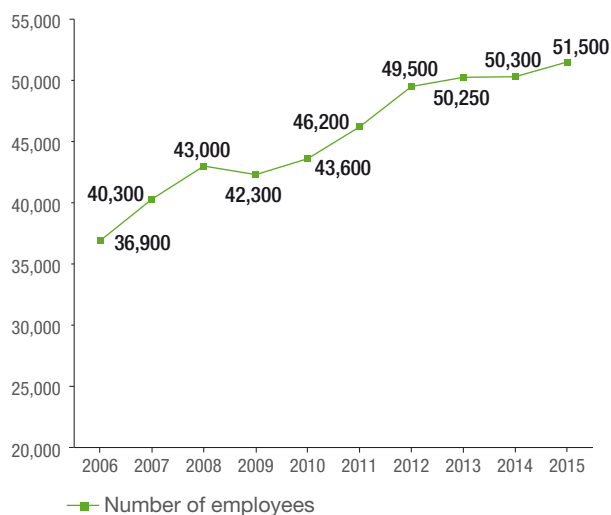
(b) Hiring or integration due to acquisitions. The percentage is based on the number of employees as of December 31 of the preceding year.

(c) Retirement, resignations, layoffs (around 20% of the departures), departures due to disposals, etc. The percentage is calculated based on the number of employees as of December 31 of the preceding year.

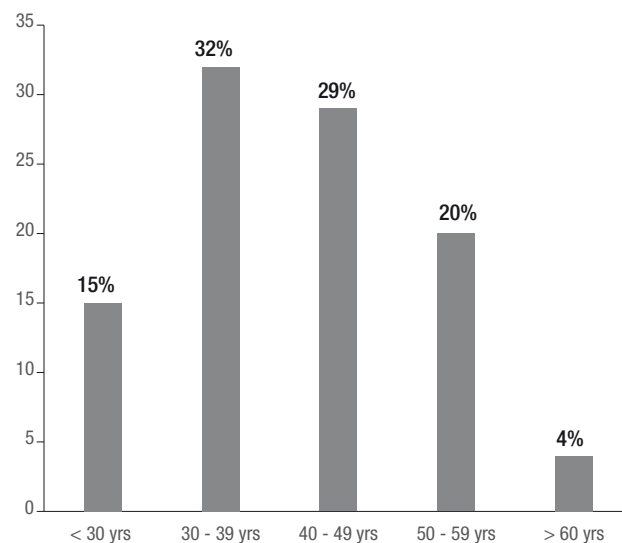
(d) Calculated on the number of employees as of December 31 of the preceding year.

* Indicator verified by the independent verifier.

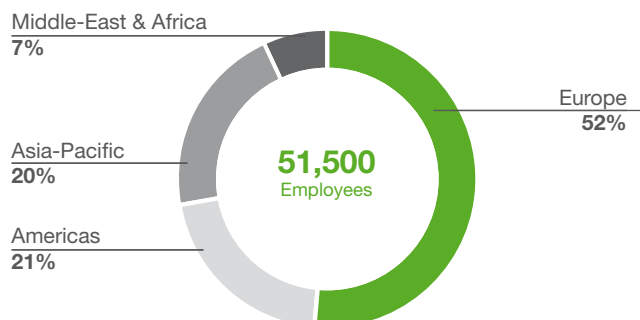
Group employees



Distribution of employees by age bracket in 2015



Breakdown of Group employees by geographic region in 2015



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	2011	2012	2013	2014	2015
Parity and diversity					
Equality					
% of women among managers and professionals	26%	26%	27%	28%	29%*
% of women among Managers and Professionals hired during the year	29%	28%	36%	31%	34%*
% of women among employees considered high potential	39%	41%	40%	41%	38%
Number of nationalities					
Among expatriates	48	44	45	44	50
Among Senior Managers	28	29	28	31	33
Among employees considered high potential	46	44	46	44	48
Number of nationalities among senior managers/Number of countries where the Group is present	35%	36%	35%	39%	41%
Training					
% of total payroll allocated to training	About 2%	About 2%	About 2%	About 2%	About 2%
Average number of days of training per employee, per year (estimate)	3.4 days	3.6 days	3.5 days	3.5 days	3.5 days* ^(a)
% of employees who attended a training program at least once during the year (estimate)	82%	78%	75%	78%	77%*
Performance review					
% of employees who have had a performance review meeting with their direct supervisor during the year	79%	79%	78%	79%	80%*
% of employees who have had a career development meeting with the HR Department during the year	18%	17%	14%	16%	15%
Remuneration					
% of employees with an individual variable share as part of their remuneration	53%	54%	56%	58%	60%
Absenteeism					
Absence rate of Air Liquide employees (estimate)		3.2% ^(b)	3.6% ^(c)	2.4% ^(d)	2.7% ^(d)
Ethics					
% of employees belonging to a unit with a local Code of Conduct	90%	91%	94%	94%	97%
Employee loyalty					
Average seniority in the Group	10 years	10 years	10 years	10 years	10 years
Retention rate of managers and professionals over a year ^(e)	94.5%	95.4%	94.8%	93%	95%
Social performance					
% of disabled employees ^(f)	1.3%	1.3%	1.4%	1.3%	1.4%
% of employees having access to a representation/dialogue/consultation structure	77%	76%	76%	76%	79%
% of employees belonging to a unit at which an internal engagement survey was conducted within the last three years ^(g)	>45%	>50%	>50%	>55%	68%
Employee shareholders					
% of capital held by Group employees ^(h)	1.6%	1.5%	1.6%	1.5%	1.5%
% of Group employees that are shareholders of L'Air Liquide S.A.	More than 50%	Almost 50%	More than 55%	More than 50%	Almost 50%

(a) 26 hours a year according to counting in hours (base: 1 day = 7.5 hrs).

(b) Calculated for France.

(c) Calculated for Europe.

(d) Calculated Worldwide.

(e) This rate takes only dismissals into account.

(f) For the countries where regulations allow this data to be made available.

(g) Indicator for entities of over 300 employees until 2011. All entities from 2012. The reliability of the indicator has been strengthened in 2015.

(h) Within the meaning of article L. 225-102 of the French Code of Commerce.

* Indicator verified by the independent verifier.

2.3. Creating value for the regions in which the Group operates

Each Air Liquide entity is located in communities for which respect is at the heart of the concerns of the Group's employees. Every employee is aware that each decision, each action commits them vis-à-vis customers and partners but also vis-à-vis those individuals or firms that are affected by the Group's activities. The consideration of these communities' needs is necessary to guarantee the sustainability of the environment where the Group carries out its action.

COMMUNITY RELATIONS

Air Liquide's teams are very committed to taking part in the local economic life near the Group's sites. This participation includes hiring employees in the area and developing close relations with training organizations and universities that can prepare people for the Group's core businesses.

In the industrial basins where over 1,000 of Air Liquide's sites are located, the Group also seeks to develop subcontracting and local procurement to make a contribution to local economic life.

For example, Air Liquide Morocco supports a welding school in Casablanca. Its aim is to train young adults from disadvantaged backgrounds in welding techniques. Since the school's creation, about 30 young people have received a qualification certificate enabling them to more easily find a job.

In addition, the Group's activities as well as the means implemented to prevent and manage industrial risks are regularly presented to the populations near Air Liquide's sites. In France, the industrial sites participate in CLICs and CLIEs, local committees that provide information and regulatory consultations at the communes' initiative, with the aim of providing transparent information on their activities to representatives of the local populations.

CORPORATE PHILANTHROPY AND THE AIR LIQUIDE FOUNDATION

Social and human commitment is an on-going concern for Air Liquide. Since its very beginning, the Group has carried out philanthropic actions, especially in the protection of life and the environment.

Whether they are directly carried out by the Group's subsidiaries or initiated by the Air Liquide Foundation, these corporate philanthropy actions represented nearly **2 million euros in 2015**.

Subsidiaries committed to communities

Throughout the world, Air Liquide's subsidiaries interact with their direct environment, supporting local corporate philanthropy initiatives. As well as financial support, these actions were successfully conducted with the enthusiastic involvement of Group employees.

In 2015, numerous Air Liquide entities, in Saudi Arabia, Egypt and Singapore, provided support to hospitalized children. In Turkey, Air Liquide took part in the construction of a children's garden within a hospital. In Hong Kong, employees of the Celki VitalAire subsidiary organized a fun-day in a hospital for children and their families. These employees also took part in charity walk for the visually impaired and diabetes sufferers.

Air Liquide is also committed to helping the refugee cause. In France, the medical staff of numerous Healthcare entities volunteered at refugee camps. Hygiene products were also donated to refugee charities in both France and Germany. In addition, employees in Germany were closely involved in various initiatives throughout the country: German lessons, welcoming and helping refugees with administrative tasks, donating clothes and bikes, etc.

Three missions for the Air Liquide Foundation

Created in 2008, the Air Liquide Foundation shows the Group's commitment to being a responsible enterprise. Its five-year mandate was renewed in 2013, enabling the Foundation to engage in long-term action, a reflection of the Group's approach in everything it undertakes.

It has a worldwide scope and supports projects in the 80 countries where the Group operates. With a budget of nearly 3 million euros over five years, the Foundation has three missions:

- **environment:** support for scientific research on the preservation of our planet's atmosphere;
- **health:** support for scientific research contributing to improving the respiratory function and gas metabolism in the human body;
- **micro-initiatives on local development:** the Foundation supports local actions (education, access to treatment, energy and water, micro-entrepreneurship, disabilities, and more recently support for refugees) in the regions of the world where the Group is present.

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Each micro-initiative is followed by an Air Liquide employee who is a volunteer. The Group's employees who wish to can evaluate and follow a project and get personally involved in the field. Employees are also invited to recommend projects. To date, 250 employees have been involved in the Foundation as project leaders or sponsors.

Headed by Benoît Potier, Chairman & CEO of the Air Liquide Group, and composed of Senior Managers of the Group, a personnel representative and outside experts, the Foundation's Board of Directors meets twice a year to determine corporate philanthropy focuses and to examine scientific research projects.

It is assisted in its functions by a Project Selection Committee, which three times a year studies the projects submitted to it. This Committee is composed of seven Group employees and a representative of the Shareholders' Communication Committee. The representation of shareholders in this way within the Project Selection Committee is a special feature of the Air Liquide Foundation.

Project applications can be submitted via the Foundation's website, in French or English. The website address is www.fondationairliquide.com.

PROJECTS SUPPORTED BY THE AIR LIQUIDE FOUNDATION

In 2015, the Air Liquide Foundation approved 42 new projects, of which two are scientific research projects connected with the environment, three are scientific research projects in healthcare and 37 are micro-initiatives. These projects are located in 17 countries, including four new ones, Italy, Greece, Qatar and New Zealand. **Since its creation in 2008, the Foundation has supported 221 projects in 45 countries of which 29 are research projects and 192 are micro-initiatives.**

One of the **environmental research projects** supported by the Foundation is the scientific study of the carbon cycle of mangroves led by the French Institute of Research for Development (IRD). As part of its observatory of mangroves, the IRD is studying the ability of these forests located between land and sea to capture CO₂ in three countries with different climates: in New Caledonia (arid climate), Vietnam (tropical climate) and New Zealand (temperate climate). To complete the quantitative study of CO₂ flow in these mangroves, the Air Liquide Foundation has contributed funding of 50,000 euros towards the acquisition of a mobile carbon 13 isotope analyzer. This acquisition will help qualify the origin of the carbon in this ecosystem in the three countries of the IRD's observatory.

The Board of Directors also approved support of 110,000 euros to the WWF France program in the Gabonese forests. The aim of the project is to implement a sustainable surveillance system of carbon storage in Gabonese forests. Data collection and the analysis and monitoring of measurements will be carried out at two pilot sites, one coastal and the second continental, listed as a UNESCO world heritage site since 2007 and home to a research station for gorillas and chimpanzees.

In the field of the scientific research on the respiratory function, the Foundation approved a pathophysiological study of systemic sclerosis, a rare disease of unknown cause characterized by a progressive fibrosis of the skin and multiple internal organs, including the lungs. Two other projects were also approved, one on oxygen-nitrogen saturation diving and the other on positive expiratory pressure at high altitude. These three projects represent funding of 138,000 euros from the Foundation.

In the framework of its **micro-initiatives support program**, the Foundation favors actions whose goal is the development of local communities over the long term in countries in which the Air Liquide Group is present.

In education and training, the Foundation supports the fight against illiteracy and school dropouts and works to promote

literacy training and socio-professional reintegration for adults. In 2015, the Foundation supported four initiatives in this field for an amount of 32,000 euros. These funds led to:

- work to improve the safety of a primary school in **India** and the construction of a high school in a rural area of **Burkina Faso**;
- the creation of free after-school science clubs for young people from disadvantaged areas in **France**;
- the development of a training course for careers in digital technology aimed at disadvantaged young people in the **Philippines**.

To complement the action of Mission Handicap conducted in France, the Foundation accompanies projects that contribute to the coverage and social autonomy of people with a disability. In 2015, the Air Liquide Foundation provided support to seven organizations with grants totaling 56,000 euros. The Foundation's support led to:

- the renovation and equipping of living and activity facilities for disabled children and adults in **France** and **Italy**;
- the development of wheelchair football in Alsace in **France** and the integration of the visually-impaired in **Qatar** through artisan production;
- the equipping of a training center for service dogs for people with reduced mobility in **France**.

In micro-entrepreneurship, the Foundation assists micro-initiatives that contribute to the economic development of disadvantaged communities. In 2015, a total of almost 30,000 euros helped boost local entrepreneurship in **Argentina**, **Benin** and **India** through micro-loan programs and training in artisan and agricultural production, and in management.

In the **social** sphere, the Foundation helps people to be reintegrated socially and professionally. Fifteen projects were approved in 2015 for a total amount of over 90,000 euros, providing:

- support to refugees in **Germany** and **France**: support for unaccompanied minors, development of housing and training facilities, German lessons;
- the creation of a shelter for young girls in danger in **India** and the equipping of a youth center, a retirement home for disadvantaged individuals and a center for disabled women in **Germany**.

In the field of **healthcare**, the Foundation supports initiatives that provide access to care. With a total budget of 50,000 euros, the Foundation approved projects in 2015 led by six organizations to:

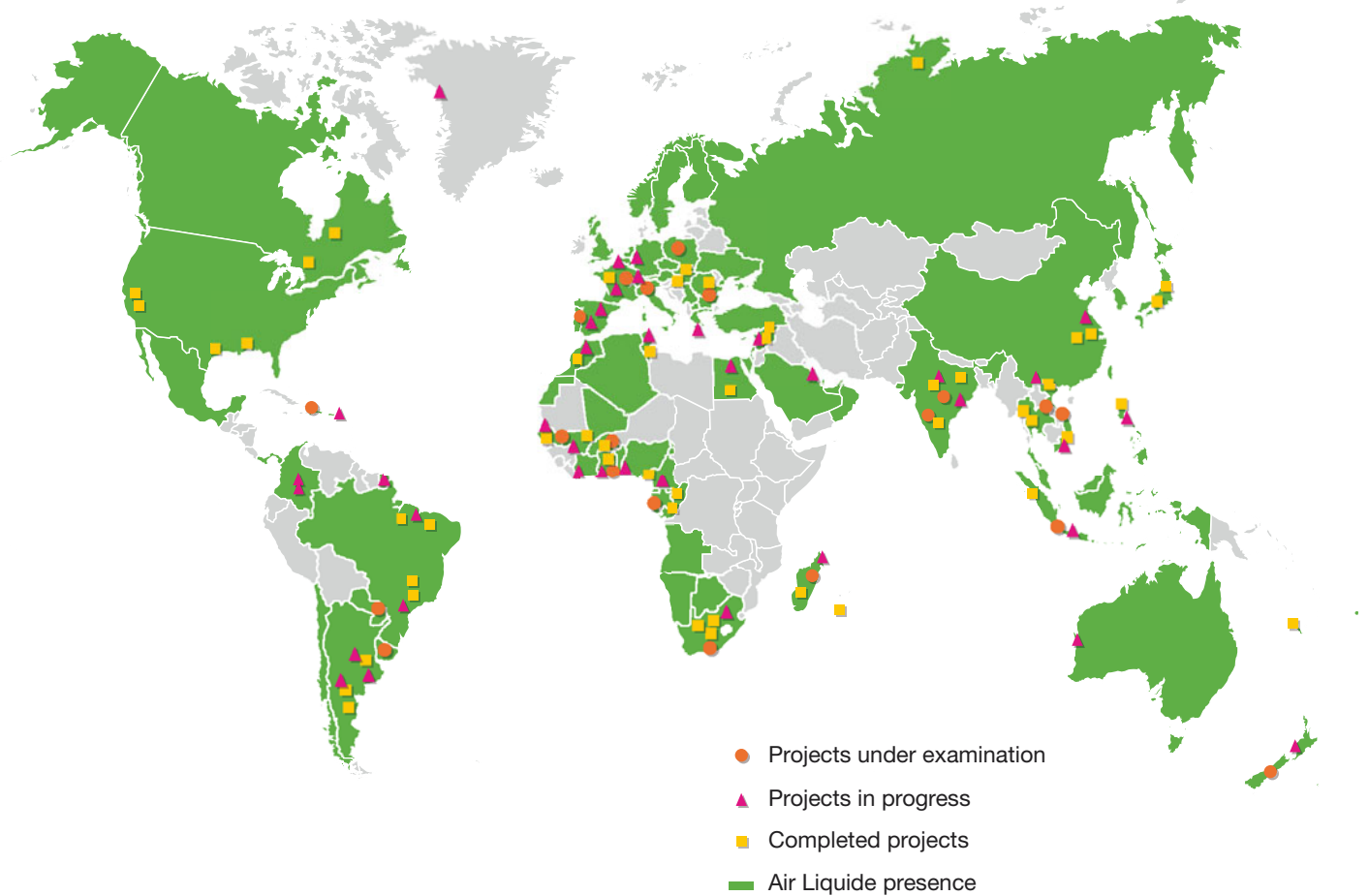
- organize in-school programs to combat obesity in **New Zealand**, and provide access to dental, eye and nutritional care in **China**;

- renovate and develop pediatric medical infrastructures in **Greece, Lebanon** and **Senegal**, and create a Snoezelen room (multi-sensory stimulation) at a center for critically ill patients in **France**.

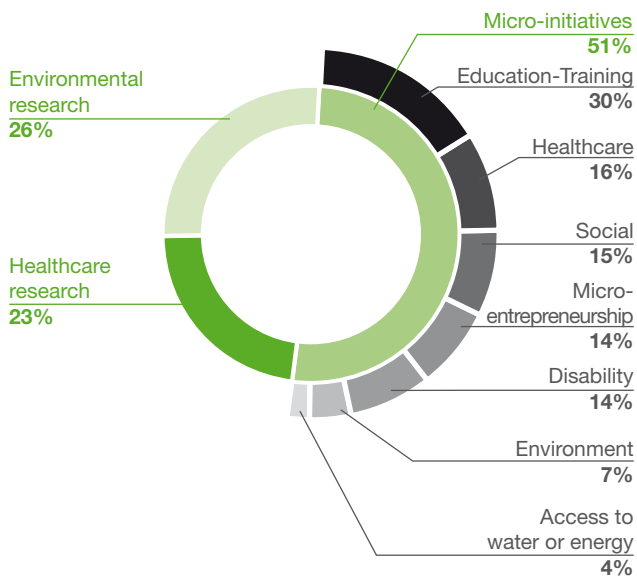
In the field of initiatives to facilitate **access to water and energy** for disadvantaged populations, the Foundation contributed 8,000 euros to support a distribution program in **Togo** of modern cooking and lighting facilities that are economical and respect the environment.

In addition to the environmental research projects on atmospheric conservation, the Foundation also supports micro-initiatives to protect the **environment**. In 2015, the Air Liquide Foundation contributed, with funding of 8,000 euros, to an urban ecological greenhouse pilot program which combined sustainable aquaculture and agriculture in **France**.

Locations of the Air Liquide Foundation's projects since its creation in 2008



The Air Liquide Foundation's actions per mission since its creation in 2008 ^(a)



(a) By amount contributed to the projects supported.

3. Governance and customers

3.1. Shareholders

Air Liquide's strategy and commitment to its shareholders are closely linked. The relationship of trust between Air Liquide and its shareholders is based on two key principles: performance and proximity.

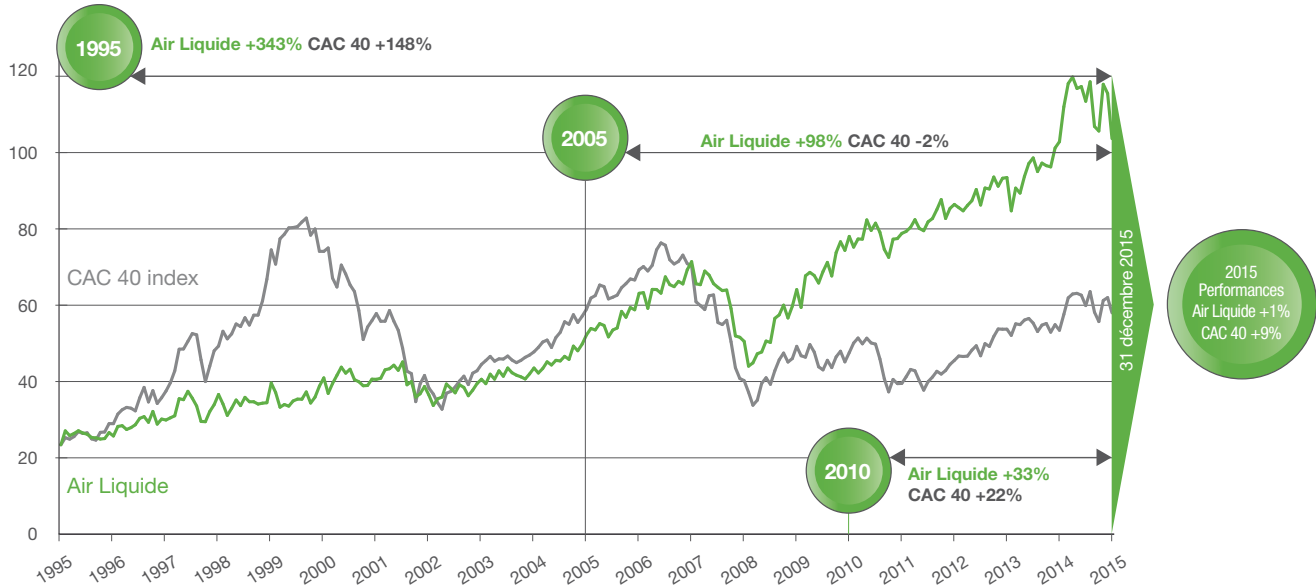
3.1.1. PERFORMANCE: REMUNERATION AND VALUATION OVER THE LONG TERM

AIR LIQUIDE, CONTINUOUS GROWTH

The share's value is based on the rise in its stock market price over the long term and the distribution of dividends. Since its creation

in 1902, Air Liquide has always shared the fruits of its growth and rewards its shareholders' confidence through a remuneration and loyalty policy that is based on regular dividend distribution, free share attribution and a loyalty bonus.

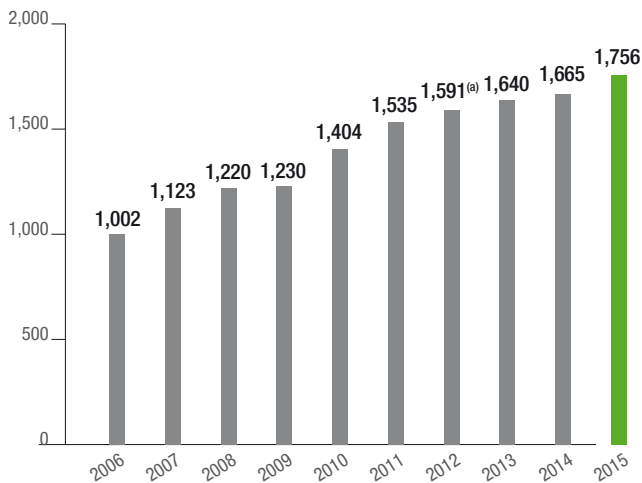
Stock market price evolution (in euros)



Since it was first listed on the French stock market in 1913, the Company has always shown a profit. The Group creates value by developing its activities and optimizing its performances over the long run. Over the last 20 years, Air Liquide's revenue has shown average annual growth of +6.2%. This growth has been profitable: the Group's net adjusted earnings per share have followed a similar trend with average annual growth of +7.7%. Over the same period, the dividend has seen average annual growth of +9.9%.

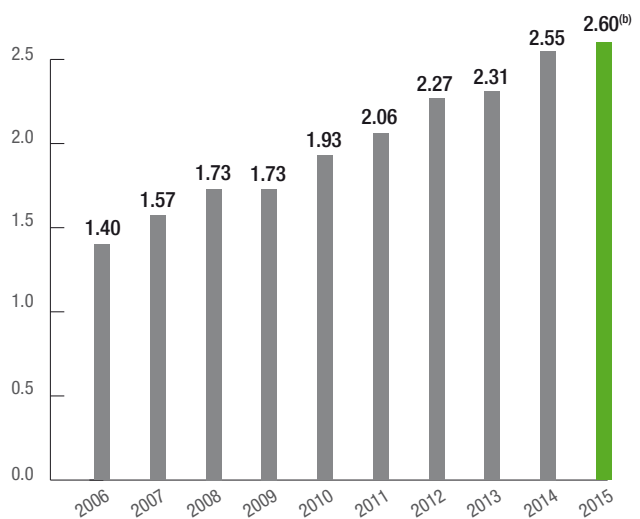
Over the last 10 years, nearly 50% of earnings have been distributed to shareholders.

Net profit – Group share (in millions of euros)



(a) Corresponds to the amounts as of December 31, 2012 restated for the impacts of IAS19 revised "Employee Benefits".

Adjusted dividend per share (in euros/share) ^(a)



(a) Adjusted for previous two-for-one share splits and free share attributions.

(b) Subject to the approval of the Combined Shareholders' Meeting of May 12, 2016.

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THE BENEFITS OF INTERMEDIARY REGISTERED SHARES

To further increase the investment value of Air Liquide shares, subscribing to registered shares permits shareholders who choose this option to benefit from a **loyalty bonus**: +10% on the amount

of the dividends received and +10% on the number of free shares granted. This loyalty bonus is granted to shareholders whose shares are held in direct registered or intermediary registered form and who have kept them for more than two calendar years. To benefit from the loyalty bonus, shareholders must continue to hold their shares in registered form on the day of the dividend payment and of the free share attribution.

REGISTERED SHAREHOLDING

DIRECT REGISTERED SHARES

Direct registered shares are managed by Air Liquide and registered in its accounts. They are held in a securities account opened at Air Liquide.

INDIRECTLY/INTERMEDIARY REGISTERED SHARES

Indirectly/intermediary registered shares are registered in the Air Liquide accounts and held in a securities account at the shareholder's financial institution.

Air Liquide directly manages the accounts of its shareholders with direct registered shares. They pay no handling fees, and broker fees are reduced to 0.18% excluding tax of the gross amount of the transaction. Air Liquide endeavors to regularly communicate to its shareholders on the benefits of holding registered shares (privileged relationships with Air Liquide, loyalty bonus, etc.). Every year, an information campaign is organized for shareholders who have bearer shares: presentation of registered shareholding on all the communication documents and media for shareholders and a booth dedicated to registered shareholding during the Actionaria fair held every November in Paris.

FOCUS ON KEY INDICATORS

Total Shareholder Return (TSR) is an annualized rate of return for a shareholder who buys their shares at the beginning of a period and sells them at the end of the period. This calculation takes into account the change in the share price, dividends paid, including loyalty bonuses, considering that they are reinvested in shares, as well as free share attributions.

Average annual growth of the portfolio as of December 31, 2015

For capital invested	Air Liquide – Registered shares ^(a)	Air Liquide – Bearer shares ^(a)	CAC 40 index – reinvested ^(b)
■ over 5 years (December 31, 2010)	+8.7%	+8.4%	+7.9%
■ over 10 years (December 31, 2005)	+10.4%	+9.9%	+3.5%
■ over 20 years (December 31, 1995)	+11.2%	+10.5%	+7.8%

(a) The TSR on registered shares is higher than the TSR on bearer shares because the registered shareholder benefits from loyalty bonuses.

(b) CAC 40 index with gross dividends reinvested.

Over the last 10 years, the return rate for an Air Liquide shareholder has been on average +10.4% per year, with gross dividends reinvested in shares, free share attributions and loyalty bonuses to registered shareholders.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Earnings per share (in euros) ^(a)	2.92	3.28	3.62	3.62	4.10	4.47	4.63 ^(c)	4.79	4.85	5.12
Dividend per share (in euros) ^(a)	1.40	1.57	1.73	1.73	1.93	2.06	2.27	2.31	2.55	2.60 ^(b)

(a) Based on the average annual number of shares (excluding treasury shares) and adjusted to account for increases in capital via capitalization of reserves or additional paid-in capital, cash subscription and the two-for-one share split on June 13, 2007.

(b) Subject to the approval of the Combined Shareholders' Meeting of May 12, 2016.

(c) Corresponds to the amounts as of December 31, 2012 restated for the impacts of IAS19 revised "Employee Benefits".

THE AIR LIQUIDE VALUE CODES

Air Liquide shares are divided into four categories, called “value codes” (or ISIN codes), according to when they were recorded as registered shares. There are two permanent value codes (FR0000120073, which is also Air Liquide’s stock market ISIN code, and FR0000053951, which corresponds to shares already benefiting from the loyalty bonus) and two intermediate value codes (FR0012187102 and FR0013018769, which identify the shares that will benefit from the loyalty bonus in 2017 and 2018 respectively).

3.1.2. PROXIMITY: IMPORTANCE OF ALL SHAREHOLDERS

Financial performance is not enough to define the relationship between Air Liquide and its shareholders. Air Liquide communicates regularly with its shareholders: the intention is to respond to their requirements as effectively as possible since they are seen as genuine long-term partners. Indeed, they have been contributing to and supporting the Group’s growth since its founding and IPO in 1913.

To make sure that these expectations and their evolution are identified and understood, Air Liquide endeavors to get to know its shareholders in their diversity. To this end, it proposes in particular that they place their shares in registered form.

STABLE AND BALANCED SHARE OWNERSHIP

It is important for Air Liquide to preserve the balance between individual shareholders and institutional investors. The Group’s strategy, focused on the long term, and the soundness of its business model offer shareholders a sustainable and regular return on their investment.

The 400,000 individual shareholders hold 36% of the capital. French and non-French institutional investors represent 18% and 46% of the capital respectively.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Individual shareholders	38%	37%	38%	38%	36%	37%	37%	36%	37%	36%
French institutional investors	24%	30%	26%	26%	23%	21%	19%	19%	17%	18%
Non-French institutional investors	37%	32%	35%	36%	40%	42%	44%	45%	46%	46%
Treasury shares	1%	1%	1%	>0%	<1%	>0%	>0%	>0%	>0%	>0%
Registered capital	32%	37% ^(a)	33%	32%	34%	35%	36%	35%	36%	36%
Capital eligible for the loyalty bonus	26%	26%	26%	25%	25%	28%	29%	30%	30%	30%

(a) In 2007, the share of registered capital increased in particular following the entry of a large institutional investor who sold its shares in 2008.

THE SHAREHOLDERS’ MEETING, A PRIVILEGED MOMENT OF EXCHANGE OR THE EXPRESSION OF ALL SHAREHOLDERS

Each year, all the Air Liquide shareholders who **hold at least one share** are invited to the Shareholders’ Meeting. They are helped in their voting by all the relevant documents over a month before the Meeting, sent by mail and available on the Company’s website: practical information on the voting procedure and clear explanations of the resolutions and their objectives.

In accordance with the principle of shareholder equality to which Air Liquide is very committed, **each share entitles its owner to one vote**.

Since 2014, Air Liquide has offered registered shareholders the option of receiving the notice of the Shareholders’ Meeting electronically. Through their personal space on the website, they can apply to have all the background documentation relating to their vote sent in digital format to their email address.

Presentations detailing the voting procedure are also available online. Air Liquide endeavors to make all this material available in English to its non-French shareholders in similar time frames.

In certain countries, systems have been set up with intermediary banks to facilitate and ensure a fluid transmission of the votes of the shareholders concerned.

Air Liquide centralizes its Shareholders’ Meeting by collecting the votes of its shareholders directly. Since 2013, the Company has offered **voting by Internet** (through the Votaccess platform). By connecting to their personal space on the website, shareholders can consult all the background documentation relating to their vote, vote or request an admission card to the Shareholders’ Meeting.

On the day of the Meeting, the bureau, composed of the Chairman of the Board of Directors, two polling officials and a secretary, ensure that the Meeting is held in compliance with the law. The polling officials are representatives of the two investors that hold the largest number of shares who have agreed to fulfill this function. They are asked about a month before the event and a *vade mecum* is given to them two weeks before the Meeting. This document describes their tasks as well as the welcome and voting procedures set up by the Company.

Environmental, Social and Governance (ESG) Report

The Shareholder Services advisors and the Investor Relations team are also available to answer individual and institutional shareholders' questions on voting and participation in the Shareholders' Meeting, by telephone and at the Shareholders' Lounge at corporate headquarters in Paris.

In 2015, some 4,000 people were welcomed at this Shareholders' Meeting.

The dates for the next Air Liquide Combined Shareholders' Meeting are:

- Thursday, May 12, 2016;
- Wednesday, May 3, 2017;
- Wednesday, May 16, 2018.

LISTENING TO AND INFORMING SHAREHOLDERS

Expertise and service

Shareholder Services is specific to Air Liquide. Reporting directly to the Chairman and Chief Executive Officer, Shareholder Services has 28 employees and provides expertise in all aspects of account management: opening a trading account, share trading orders, taxation on securities, and share transfers. This team manages the accounts of some 87,000 shareholders who hold direct registered shares and supports them by offering a broad range of personalized services, without intermediaries. Throughout the year, Air Liquide advisors answer shareholders' questions via the toll-free number mentioned hereafter (also accessible from outside France) or directly at the Shareholders' Lounge. All 400,000 individual shareholders are kept up to date using various forms of communication. In addition, many events and meetings are organized that are highlights between Air Liquide and its shareholders, for example the Shareholders' Meeting, regional meetings and fairs dedicated to share ownership in France and Europe.

Direct registered shareholders have access to a **personal secure space** on the Internet so that they can consult their share portfolio, modify their personal information or consult documents useful for managing their account. They can also place buy and sell orders on the stock market online and view, in real time, the operations conducted on their account and the amounts received (payment of the dividend, sale of shares, etc.).

The Shareholders' Communication Committee, composed of 12 Air Liquide shareholders, is regularly consulted on the programs developed for shareholders. Apart from plenary meetings with the Chairman and CEO, the Committee is involved throughout the year in working groups on subjects that are essential to the shareholders' concerns. A Committee member is part of the Air Liquide Foundation's Project Selection Committee.

The Chairman and CEO, after the Shareholders' Meeting, continues his exchanges with **shareholders in the regions** by traveling to several cities in France to present the results, the Group's prospects and to answer their questions. Finally, to strengthen this dialogue, the Director of Shareholder Services regularly meets shareholders at meetings and fairs (about 10 events a year) held in France and in Europe. He also hosts talks at the French business schools and universities. Educating students is an essential approach so that tomorrow's economic players and decision-makers have an early awareness of the culture of the stock market.

In 2015, more than 8,000 shareholders attended these meetings.

The **Investor Relations Department**, attached to the Finance Department, responds to specific questions from institutional investors and financial analysts of brokerage companies. The four annual announcements of revenue or results are of course privileged moments of exchange but throughout the year this dedicated team meets investors, either at its offices at corporate headquarters in Paris or during trips to the world's major financial centers. Air Liquide organizes roadshows or takes part in conferences to go before international investors and present them with the solidity of its business model, the dynamism of its growth levers and the soundness of its strategy. In addition, sustainable development-focused roadshows are regularly organized in Paris and London. On average, the Investor Relations Department meets over 300 institutions each year. It also regularly organizes Investor Days, bringing together the international financial community and Air Liquide's management for targeted strategic discussions with a theme that varies according to economic issues and current events.

Innovation and informational education

Air Liquide provides for its individual and institutional shareholders, through various communication means, transparent information on the Group's activities, strategy, performances and prospects.

Pedagogy is one of the major concerns that takes priority in the design of information documents and media such as the Annual Report, the Shareholder's Guide and the Invitation to the Shareholders' Meeting. The latter document presents the resolutions submitted to the shareholders' vote in an informative way and is sent to all the shareholders who hold at least one share. Air Liquide also publishes, in the month after the event, a report of its Shareholders' Meeting, presenting in a detailed manner all the participations and discussions. These publications are available in French and English. The minutes of the Shareholders' Meeting are established in the month following the Meeting.

Shareholder Services also offers a free **Air Liquide Shareholder App** for iPhone and Android smartphones to follow stock market prices, use simulators and keep up to date with Group news whenever they wish. The shareholder app for iPad is available free from the App Store and enables shareholders of registered shares to log in directly to their trading account. Their personal data can be relayed into fiscal simulators so they can make relevant calculations. It enables everyone to find out information about the Group easily, and link them to Shareholder Services.

In addition, Air Liquide welcomes its shareholders in a dedicated venue, the **Shareholders' Lounge**, at the Group's head office in Paris, so that they can obtain complete information on the Company's activities, the life of the share, and for those who hold direct registered shares, how to carry out operations on their accounts.

Finally, Shareholder Services organizes online conferences broadcast live from the Shareholders' Lounge, on topics related to shareholding such as "Mechanisms for granting bonus shares", "The Basics of registered shares", "Asset transfer" and "Taxation".

MORE INFORMATION

More information on Air Liquide and its share ownership is available **in the Shareholder's Guide**, available online on the website, www.airliquide.com, under "Shareholders".

CONTACTS

Shareholder Services:

Air Liquide – 75, quai d'Orsay, 75007 Paris, France

0 800 166 179 Service à appel gratuits or + 33 (0)1 57 05 02 26
from outside France

<http://contact.actionnaires.airliquide.com>

Investor Relations:

Air Liquide – 75, quai d'Orsay, 75007 Paris, France
+33 (0)1 40 62 51 50

IRteam@airliquide.com

3.2. Customers and patients

3.2.1. SATISFYING OUR CUSTOMERS AND PATIENTS

Air Liquide contributes to the performance of its customers and to its patients' quality of life. The Group is attentive to the satisfaction of its customers and patients and puts action plans in place to continually improve on this satisfaction.

- Air Liquide allows its industrial customers to carry out their production in a safer, cleaner and more economical manner. The Group supports its customers in their national and international development.
- In hospitals, Air Liquide provides patients with medical gases and helps fight nosocomial infections with its disinfection products, among others. The Group also allows patients suffering from chronic illnesses to live better at home, by facilitating their medical monitoring outside the hospital environment.

AIR LIQUIDE AND ITS CUSTOMERS: PROXIMITY AND EXPERTISE

An organization that serves a wide range of customers

Air Liquide serves a **wide variety of customers, estimated at more than a million**, who come from sectors ranging from steel to the food industry as well as electronics, pharmaceuticals and craftsmen. Their expectations are extremely varied and change constantly, with ever greater requirements. In each **market sector**, Air Liquide aims to support its customers by acquiring a deep understanding of their business. This allows the Group to **offer its customers innovative services and solutions**. The long-term relationship between Air Liquide and its customers is based on proximity, expertise, trust and performance.

Environmental, Social and Governance (ESG) Report

The Group's organization enables each entity, in each geographic region, to meet the specific expectations of local customers, thus building a **close and trust-based relationship** with individual customers. More than just a product, customers demand **flexibility, responsiveness, service, availability and a real partnership over the long term**. Furthermore, the Group's three Hubs in Frankfurt, Houston and Shanghai have forged closer links with customers and markets and accelerated decision-making thanks to less centralized management. For example, the Hub based in Frankfurt, Germany, not only brings the Group closer to the growth markets of Eastern Europe, but also spearheads major global projects.

In addition, some international customers require fully coordinated global management services. An organization dedicated to Key Strategic Accounts helps support these customers and meet their specific needs. The program relies on a **dedicated team of Key Account Managers**, whose task is to develop, with the help of the relevant subsidiaries around the world, a thorough knowledge of these customers as part of a lasting relationship.

The customer as the focus of Air Liquide's attention and action

Customer satisfaction must be present into every aspect of the Group's organization and every decision-making process. In an ever more dynamic and competitive environment, Air Liquide focuses its attention on its customers and their satisfaction in order to bring them growth over the long term. To strengthen this priority and continue to make progress in this area, a **"Customer Development Group"** is supervised by a member of the Executive Committee. The goal of this special-purpose team, which is organized in such a way as to cross all World Business Lines, is to ensure **that customers are the key focus of the Group's thinking and actions**. The "Customer Development Group" is the control center for customer satisfaction programs, for managing the Group's strategic customers, and for sharing best practices across regions and the various World Business Lines of the Group.

Customer safety in product use

Air Liquide makes sure that its customers know how to use its products and equipment safely and are aware of the related risks, especially through specific **training programs**.

In addition, the Group constantly updates safety information on its products through **product safety data sheets** and also responds to requirements of national and international directives (REACH – Registration, Evaluation, Authorisation and Restriction of Chemical substances; GHS – Globally Harmonized System of Classification and Labelling of Chemicals). This information is available in the Air Liquide Gases Encyclopedia, accessible on the Group's Internet site at the following address: encyclopedia.airliquide.com or using a freely available app.

Dialogue with customers on sustainable development

Air Liquide also responds to its customers' growing requirements regarding its Sustainable Development approach. This allows the Group to contribute to its customers' own sustainable development approach. Over the last five years, in addition to many questions asked at a local level, around a hundred customers have questioned the Group on this subject, including through detailed questionnaires. The Group's Sustainable Development Department therefore provides support to local entities so that they can respond to this type of customer request.

AIR LIQUIDE AND ITS PATIENTS: PROTECTING VULNERABLE LIVES

Our society is faced with many healthcare challenges: an aging population, an increase in chronic illnesses, pandemics and nosocomial infections. Air Liquide responds to the requirements of patients and healthcare professionals worldwide, making every effort to anticipate their needs. Throughout the world, Air Liquide aims to protect vulnerable lives by offering effective products and services and providing considerate support for patients.

Looking after the patient throughout the care process

Providing patients in hospital and at home with medical products and services that contribute to protecting vulnerable lives

Vulnerability may be a consequence of age, illness or loss of independence. In the course of its activities, Air Liquide is constantly faced with vulnerability: patients undergoing medical procedures in emergency units or operating theaters, patients exposed to the risk of nosocomial infections, patients with chronic illnesses and multiple pathologies, and elderly people.

Air Liquide aims to protect lives by developing products, services and patient support programs.

Protecting patients and supporting healthcare professionals: Air Liquide, a major player in medical gases for hospitals

Air Liquide is one of the world leaders in **medical gas production and distribution and related services for hospitals**. The Group supplies medical oxygen for operating theaters, intensive care units and patient rooms, as well as therapeutic gases for anesthesia and pulmonary arterial hypertension. Air Liquide also provides therapeutic gas for pain relief (Kalinox), used in some countries during childbirth (Portugal and Great Britain, for example) and for procedures carried out at dental surgeries.

According to the World Health Organization (WHO), 5 to 10% of people hospitalized in advanced economies contract a nosocomial infection, and this proportion can exceed 25% in some developing economies. Air Liquide offers a range of **hygiene products used for disinfection and the fight against nosocomial infections**. The Group supplies disinfectants for hospitals, medical instruments and hand-cleansing for medical staff. It also supplies skin cleansers for pre-operative preparation for patients and antiseptics for wound-healing.

Air Liquide currently supplies 7,500 hospitals and clinics worldwide.

Protecting patient autonomy: the human and social dimension of Air Liquide's Home Healthcare activity

Air Liquide's Home Healthcare activity cares for **over 1.3 million patients** around the world who have chronic illnesses which require medical respiratory equipment, perfusion or nutritional assistance for their treatment at home. It has a very strong human dimension because it focuses on having patients and their families accept a treatment that is sometimes long term and accompanied by constraints. Air Liquide's employees provide home support to patients suffering from chronic pathologies such as respiratory insufficiency, sleep apnea, diabetes or Parkinson's disease. Air Liquide's multidisciplinary teams of pharmacists, nurses, nutritionists and technicians are dedicated to providing these services as cost-effectively as possible. Innovative education and support programs aim to **improve the patients' quality of life** by helping reinforce **treatment follow-up** and **increasing their autonomy**.

The Home Healthcare activity sits at the heart of the healthcare system between the patient, hospital, doctors, nurses, health insurance organizations and pharmacists. The Group supplies the products and medical equipment necessary to start treatment at the patient's home following the medical prescription, and trains the patients and their families in the proper use of devices (oxygen therapy, ventilator, insulin pump, etc.). Air Liquide therefore makes a **major contribution to the care chain by ensuring patients' follow-up care at home**. It is an activity that demands high quality service on a daily basis and is focused on the long term, with all the caregivers dedicated to improving the patient's quality of life at home.

In 2015, Air Liquide continued to expand its Home Healthcare activities with the acquisitions in Germany of OMT (Optimal Medical Therapies) in January 2015 and in Ireland of Baywater Healthcare Ireland Ltd in June 2015.

Finally, in line with Air Liquide's commitment to proximity and meeting the needs of certain patients, VitalAire, Air Liquide's Home Healthcare subsidiary, launched Vital'City at the end of 2015. This new center in the Île-de-France region is dedicated to patients with chronic health conditions. Located in Paris, staff at this center meet with patients and advise them on equipment and how to use it.

Partnerships in Healthcare

Partnership with patient associations

The European leader in Home Healthcare, Air Liquide cares for some 900,000 patients in Europe suffering from sleep apnea or shortness of breath, notably those with severe chronic obstructive pulmonary disease (COPD), under long-term oxygen therapy.



COPD, one of the principal causes of death and disability worldwide

COPD is a lung infection characterized by a permanent bronchial obstruction which causes respiratory difficulties.

- **Over 200 million people around the world suffer from COPD. It is currently the fourth-highest cause of death worldwide and could become the third-highest by 2030.**
- **Over a million patients suffering from severe COPD are treated by long-term oxygen therapy. It has been shown that the long-term administration of oxygen, which means more than 15 hours a day, significantly improves these patients' life expectancy.**

Since 2011, the Group's Healthcare activity has worked in partnership with the European Federation of Allergy and Airways Diseases Patients Associations (EFA). This Brussels-based European organization brings together the national associations of patients with respiratory ailments, with 22 countries represented. In the framework of this partnership, Air Liquide supports the actions on information and raising awareness initiated by the EFA in public opinion and the European authorities.

Through its partnership with the EFA, Air Liquide also contributed to a publication establishing care standards for patients with COPD, incorporating the patients' viewpoint and distributing the publication to the European Commission and healthcare professionals. Air Liquide has also supported a study on patients with portable oxygen concentrators wishing to travel by air in Europe.

A commitment to patient safety during anesthesia

Air Liquide is a signatory to the Helsinki Declaration, initiated by the EBA (European Board of Anesthesiology) and the ESA (European Society of Anesthesiology). The Helsinki Declaration plans to reduce complications following anesthesia during major surgery by reiterating good clinical practices, the anesthesiologist's key role in patient safety and the importance of cooperation between healthcare manufacturers and the medical community. The

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Declaration underlines the major role that industry plays in the development, manufacture and supply of drugs and equipment for patient care.

Specific indicators for the Home Healthcare activity linked to the issue of socially responsible bonds

In 2012, Air Liquide issued its first SRI-labeled bond ^(a) under its Euro Medium Term Notes (EMTN) program, for a total amount of 500 million euros. This bond was mostly placed with investors having SRI management mandates and permitted the Group to diversify its financing sources. After numerous public authorities and supranational issuers, **Air Liquide became the first company in the world to issue bonds meeting the criteria of SRI investors.**

Obtaining a rating from the extra-financial rating agency Vigeo for the Home Healthcare activity led to this issue being given an SRI label. This evaluation is based on the social, environmental and governance criteria of the Home Healthcare activity that concerns more than 1.3 million patients worldwide.

At the time of the SRI bond issue, Air Liquide committed to publishing extra-financial indicators specifically relating to its Home Healthcare activity.

Indicators concerning the Home Healthcare activity

In the framework of this SRI bond issue, Air Liquide made a commitment to publishing during the life of these bonds, i.e. nine years, indicators specific to the Home Healthcare activity in the area of the environment, safety and employee diversity.

Number of patients treated	2011	2012	2013	2014	2015
Total number of patients treated by the Air Liquide Home Healthcare Division	700,000	1,000,000	1,100,000	1,200,000	1,300,000
Group employees					
Home Healthcare activity employees ^(a)	5,494	7,303	7,748	8,183	9,112
Safety					
Number of lost-time accidents of at least one day among employees	28 ^(b)	42 ^(b)	77 ^(b)	62 ^(b)	79 ^(b)
Number of accidents of subcontractors and temporary workers ^(c)	7 ^(b)	10 ^(b)	13 ^(b)	9 ^(b)	16 ^(b)
Equality					
% of women among Managers and Professionals	55%	55%	56%	58%	58%
% of women among Managers and Professionals hired during the year	62%	40%	70%	56%	58%
Training					
Average number of days of training per employee, per year	2.1	1.6	2	2	1.6 ^(d)
Kilometers driven and CO₂ emissions related to transportation					
Kilometers driven per patient followed per year		155	147	124	123
CO ₂ emissions related to transportation per patient (kgCO ₂ /patient) per year		39	35	29	30

(a) Employees under contract, excluding temporary workers.

(b) No fatal work accidents.

(c) Personnel working under an Air Liquide contract at a Group site, or at a customer site, or as a delivery vehicle driver.

(d) 12 hours a year according to counting in hours (base: 1 day = 7.5 hrs).

CUSTOMERS AND PATIENTS: FROM LISTENING TO ACTION

As part of Air Liquide's Corporate Social Responsibility and Sustainable Development approach, **customer and patient satisfaction is a priority for the Group.** The Group carries out surveys to measure customer and patient satisfaction and establishes action plans to continuously improve satisfaction

levels. Air Liquide's relationship with industrial customers of very diverse sizes and sectors as well as with healthcare professionals, patients and associations in the Healthcare activities are at the heart of the concerns of the Group's teams and guide the Company's development. The quality of this relationship concerns each entity and employee. It is based on the definition of precise commitments that the Group's teams endeavor to respect in their daily activities, in a spirit of professionalism and service.

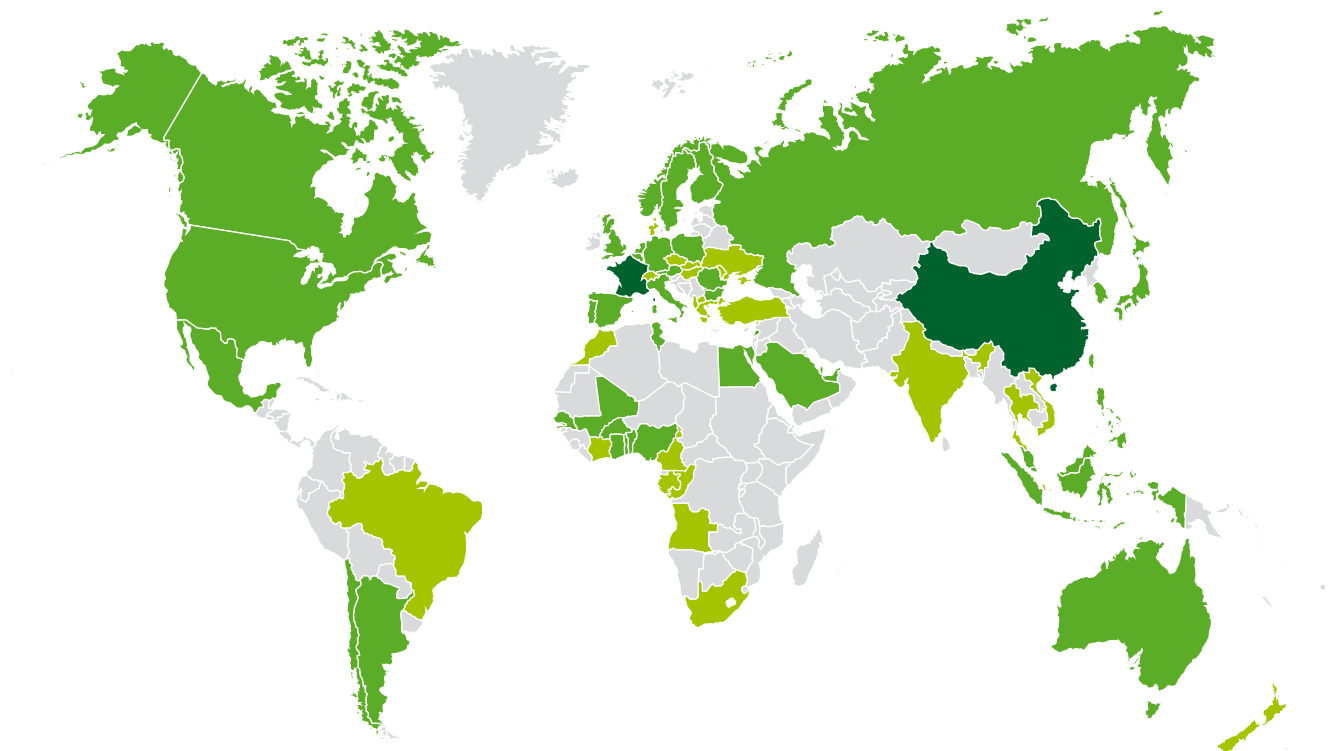
(a) Socially Responsible Investment: application of sustainable development principles to investment. Approach consisting in systematically considering the three dimensions – environment, social/societal, governance – in addition to the usual financial criteria.

In a context of a change in its customers and patients' expectations and growing diversity of its customers and patients, the Group has set itself the following objectives:

- continually increase customer loyalty and satisfaction;
- ensure customer loyalty over the long term;
- gain the trust of new customers to ensure the Group's growth.

The Group has implemented a tool called "Action Surveys" for all of its World Business Lines around the world. The tool is rolled out at all subsidiaries as part of a three-step process of on-going improvement:

1. **Listening to customers and patients** through interviews conducted by specialized companies, along with customer site visits, and **measuring the improvement in satisfaction from one satisfaction survey to the next.**
2. **Creating action plans** and getting Group employees involved in areas for improvement as identified through survey analyzes and interviews conducted in the field.
3. **Implementing action plans:** managers are responsible for implementing the action plans and measuring their progress. Some action plans are shared with customers.



- Customer Satisfaction Program rolled out/underway for the 1st time
- Customer Satisfaction Program rolled out/underway for the 2nd time
- Customer Satisfaction Program rolled out/underway for the 3rd time

In 2015, **9,800 customer and patient surveys** were conducted, supplemented by **450 customer and patient visits**, and **more than 100 new action plans were launched**. In 2015, **20 additional countries**, including those in which the **main subsidiaries** are based, implemented this program for the **second time**.

In 2015, the percentage of the Group's revenue concerning the units where customer satisfaction surveys and action plans were carried out during the past two years was about **86%**. This was a significant increase compared with 2014 where the percentage was 80% and exceeds the 85% objective set in this field by the Group in 2015.

2015 CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT REPORT

Environmental, Social and Governance (ESG) Report

Percentage of Group sales related to entities where customer satisfaction surveys were carried out

Year	2011	2012	2013	2014	2015	2015 objective
Percentage of Group sales related to entities where a customer or patient satisfaction survey has been carried out in the last two years	39%	66%	76%	80%	86%	85%

A commitment to customers which is getting results

In the past two years, the 17,000 industrial customer satisfaction surveys conducted in all regions revealed that **92%** of customers are satisfied or very satisfied with Air Liquide. Customers particularly appreciated product and service quality, safety, and the behavior and efficiency of teams in contact with them. The 8% of somewhat dissatisfied customers are subject to a specific follow-up by teams from the subsidiaries, and specific action plans will be implemented to improve satisfaction.

These satisfaction levels are partly the result of the effectiveness of targeted action plans. For example, in 2015, the results of the second wave of customer surveys, carried out by the Air Liquide entity in Benelux, shows a significant improvement in customer satisfaction compared to 2012.

In Austria, within the Industrial Merchant business line, following the "2012 customer satisfaction survey", the training catalog for customers was redesigned and a new "express" delivery system was proposed to customers to better meet their needs. In 2015, the percentage of "very satisfied" and "extremely satisfied" customers increased from 72% to 78%.

These surveys also provide feedback on concerns and incidents encountered by the customers in their relations with the Group. Priority action plans are created to address any areas of dissatisfaction.

To mobilize the entire organization, workshops to raise awareness on the customer experience have also been rolled out. The workshops, called "Inside Customer Shoes", bring together

employees from Procurement, Sales, Production and Human Resources. In 2015, "Inside Customer Shoes" workshops were held in five new countries and involved over 1,000 Group employees. The progress of this program has been demonstrated by the substantial number of subsidiaries that have become involved in raising employee awareness on this issue, multiplying the number of awareness-raising sessions held.

A Group that listens to its patients and healthcare professionals

The Group's determination to improve its listening capacities for its stakeholders includes the Healthcare business line. **Air Liquide is particularly attentive to its patients' needs** in order to improve the quality of its service permanently.

The "Action Surveys" tailored to this activity have been rolled out since 2011. Since then, the subsidiaries that produce and distribute medical gases to **hospitals** have conducted surveys with the technical and procurement departments of the customer hospitals as well as with doctors who use the gases.

In the **Home Healthcare** activity, patients benefiting from Air Liquide's services, the doctors prescribing the treatments, as well as the pharmacists distributing these products and the healthcare coverage authorities directly responded to these **satisfaction surveys**.

In 2015, these surveys were conducted in France, Portugal, Brazil and various countries in Asia, polling more than 4,000 patients, prescribers, pharmacists, and regional health authorities. The results regarding their level of satisfaction were positive.

3.2.2. PROTECTING THE LIVES OF OUR PATIENTS AND OUR CUSTOMERS' ENVIRONMENT

REVENUE LINKED TO LIFE AND THE ENVIRONMENT

Numerous applications of industrial and medical gases protect the environment for the Group's customers and the life of patients. These applications represent **44% of revenue**^(a).

■ In the Environmental field:

- using hydrogen in refineries to remove sulfur from hydrocarbons, thus reducing the emissions of sulfur oxide, which are responsible for acid rain;
- using oxygen in blast furnaces to reduce the consumption of coke, whose production and usage is very polluting;

(a) 2014 data. 2015 data will be available mid-2016.

- packaging in a modified atmosphere to protect foods and reduce chemical additives;
- inerting with nitrogen for the safety of industrial installations;
- fusing glass by using pure oxygen, which considerably reduces emissions of nitrogen oxides, one of the gases that causes acid rain;
- treating water with oxygen at sewage plants to reduce the use of chemicals;
- using rare gases like krypton to improve the insulation of double-glazed windows;
- using industrial gases in the renewable energy industry employing photovoltaic technology;
- selling hydrogen production units to third parties for refining, to limit sulfur emissions into the atmosphere;
- selling equipment for valorizing biogas.

■ In the Healthcare field:

- using oxygen in hospitals and for the Home Healthcare activity;
- using hygiene products in the fight against nosocomial infections;
- manufacturing adjuvants for vaccines.

The percentage of Air Liquide's revenue related to life and the environment increased sharply between 2005 and 2014, going from 33% to 44% of the Group's total revenue. This growth illustrates the development of the applications linked to protecting life and the environment in Air Liquide's global revenue.

3.3. The Company's Ethics

The Group endeavors to take into account the interests of its different stakeholders through its decision-making processes as well as in carrying out each of its actions. This approach, inspired by the Group's Executive Management, guides the action of each entity and employee to ensure the Company's responsible growth.

PRINCIPLES OF ACTION

Air Liquide formalized the Principles of Action guiding the Group's strategy and development in a document that explains its approach to all its stakeholders. Available in 16 languages, this document was distributed to all the Group's entities and can be viewed at www.airliquide.com under Group/How Do We Act Responsibly/Ethics, in French and English.

INNOVATION RELATED TO LIFE AND THE ENVIRONMENT

Almost **60% of the Group's innovation expenses in 2015 were related to protecting life and the environment**. Innovation is a growth driver for the future in terms of revenue related to life and the environment, and focuses on the following:

■ Environment:

- energy efficiency of the Group's production units;
- efficiency of oxy-combustion;
- hydrogen, as a clean energy;
- hydrogen to desulfurize hydrocarbons;
- capture and recovery of CO₂;
- second-generation biofuels;
- biomass valorization and purification of biogas;
- mobile refrigeration with liquid nitrogen for fresh produce.

■ Healthcare and Hygiene:

- research on medical gases, in particular for anesthesia, analgesia, and in respiratory diseases;
- hygiene and sterilization products to combat nosocomial infections;
- development of adjuvants for vaccines.

Detailed information on these innovative initiatives for our customers and our patients is presented in the Innovation section of chapter 1 of the Reference Document.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility Policy

In addition to the Principles of Action, the Group's policies were drafted and compiled into a global protocol called the BLUEBOOK. This protocol is accessible to all Group employees through the internal information systems that they usually use. These policies are in the form of Procedures, Codes and Reference Guides. Documents in the BLUEBOOK are regularly reviewed and updated by the Group's various functional departments. During 2015, measures were taken to simplify the structure and content of the BLUEBOOK to improve the visibility of the most important documents for its users.

Environmental, Social and Governance (ESG) Report

In the BLUEBOOK, the Corporate Social Responsibility Policy defines the commitments made by the Group in the framework of its activities to its customers and patients to promote: the respect for and safety of men and women, the protection of the environment, ethics, participation in the economic and social development of the regions in which it operates and relations with stakeholders in particular with shareholders, suppliers and public authorities.

This Corporate Social Responsibility Policy has implemented a consistent sustainable development approach at every level of the Company and defines the guidance on this subject for the subsidiaries and departments. It is available at www.airliquide.com under Group/How Do We Act Responsibly/Acting Responsibly, in French and English.

Commitment to Human Rights

Air Liquide recognizes the importance of protecting Human Rights in all countries in which the Group operates, and has a responsible procurement policy for conducting business with suppliers.

Air Liquide's Corporate Social Responsibility Policy is greatly inspired by the Universal Declaration of Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, compliance with the international rules of the International Labour Organization in terms of labour law, and the ten principles of the United Nations Global Compact.

This policy stipulates, for example, that Air Liquide shall respect Human Rights and the dignity of its employees, subcontractors, temporary workers and suppliers. In this framework, the Group's entities notably exclude any form of discrimination, harassment, the use of forced labor or child labor and any undermining of the freedom of association.

Air Liquide adheres to the recommendations issued by the OECD to multinational companies. These guidelines encourage the reasonable conduct of companies in terms of professional relationships, human rights, the environment, taxation, the publication of information, anti-corruption, the interest of consumers, science and technology, and competition.

Air Liquide's policy also aims to respect labor law in all the countries in which it operates, and is therefore considering taking into account the fundamental conventions of the ILO on this subject.

Air Liquide is a signatory of the Global Compact and renewed its commitment in 2015. Introduced in 1999 by the United Nations, the Global Compact aims to encourage businesses to adopt a socially responsible attitude by committing to embracing

and promoting the following ten principles relating to Human Rights, labor law, sustainable development and anti-corruption:

- support and respect the protection of internationally proclaimed Human Rights;
- make sure that they are not complicit in Human Rights abuses;
- uphold the freedom of association and the effective recognition of the right to collective bargaining;
- contribute to the elimination of forced or compulsory labor;
- contribute to the effective abolition of child labor;
- contribute to the elimination of all forms of discrimination in respect of employment and occupation;
- support a precautionary approach to environmental challenges;
- take initiatives that promote greater responsibility in terms of the environment;
- encourage the development and diffusion of environmentally friendly technologies;
- work against corruption in all its forms, including extortion and bribery.

EMPLOYEE CODES OF CONDUCT

The Group's subsidiaries must implement a local Code of Conduct. This decentralized approach combines respect for local customs and regulations and Air Liquide's ethical commitment. It also helps the subsidiaries to embrace the Group's ethical principles by writing their own Codes of Conduct themselves in their working language. As a result, in 2015, 97% of the Group's employees belonged to subsidiaries that have a local Code of Conduct. The 3% of employees who do not yet have a local Code of Conduct primarily correspond to entities recently acquired by the Group and undergoing consolidation. Today, these Codes of Conduct are available in 23 languages.

These Codes of Conduct must adhere to the following ten key concepts:

- respect for laws and regulations;
- respect for people: health and safety conditions in the workplace, prevention of discriminatory actions, respect for third parties;
- respect for the environment;
- respect for competition law;
- respect for rules on insider trading;

- prevention of conflicts of interest: links to a competitor, customer or supplier, respect for rules on corruption;
- protection of Air Liquide's activities: protection of information, property and resources;
- transparency and integrity of information;
- internal controls and audits;
- implementation of Codes of Conduct.

These ten key concepts are detailed on the Group's website, www.airliquide.com, under Group/How Do We Act Responsibly/Ethics, in French and English.

These Codes of Conduct demonstrate the Group's commitment to respect the regulations concerning its economic activity but also ethical principles such as social rights and the fight against discrimination and harassment.

An e-learning program on employee Codes of Conduct was launched at Group level.

A Group Ethics Officer is responsible for providing advice and assistance to the entities in applying their Code of Conduct. He also handles all the questions submitted by employees on implementing these Codes of Conduct.

RESPECT FOR COMPETITION LAW

Instructions and codes at the Group level were established on proper behavior concerning respect for competition law, especially in Europe and the United States. The most important rules on competition law are also included in the employees' local Codes of Conduct. For some of the Group's activities, Healthcare in particular, specific Codes of Conduct have been developed on competition law as well.

Audits are jointly conducted on a regular basis by the Group's internal audit departments and an external attorney. They carry out tests and interviews to identify and correct practices at risk in this area or any deviations observed.

Finally, awareness-raising meetings on compliance with competition law are regularly held throughout the Group.

Furthermore, an e-learning program was launched at the Group level on competition-related practices and international principles.

FIGHT AGAINST CORRUPTION

A program to prevent corruption has been launched within the Group. It highlights the attention paid by Air Liquide to this subject and shows its commitment to preventing acts of corruption in its activities. It meets the relevant international standards and covers organizational and governance aspects, codes of conduct and the applicable procedures as well as training and information sessions for employees and control activities.

As part of this program, the Group has formalized an anti-corruption Code of Conduct. This code has been made available to all entities and an extract is also available at www.airliquide.com under Group/How Do We Act Responsibly/Ethics, in French and English.

This anti-corruption Code of Conduct, which is linked to the Corporate Social Responsibility Policy included in the BLUEBOOK, provides a reminder of the laws on the fight against corruption and deals with relations with intermediaries, particular cases such as mergers, acquisitions and partnerships, types of payments requiring particular attention, as well as administrative and accounting traceability requirements.

To strengthen the roll-out of this anti-corruption Code of Conduct throughout the Group, Air Liquide relies on a dedicated training program and a specific e-learning module, which contributes to disseminating knowledge of this code and its best practices to the Group's employees. This training is an integral part of the Air Liquide University program and is aimed at staff most exposed to corruption risk (sales, procurement, administrative management, etc.) and managers.

Lastly, the Supplier Code of Conduct includes a chapter on corruption prevention.

HANDLING DEVIATIONS

Once detected, the most significant cases of fraud and deviations are transmitted to the Audit Committee of the Board of Directors, as well as the investigative and treatment measures taken for these situations.

In 2015, the Group began to introduce a formal whistleblowing system into entities worldwide, whereby employees can anonymously alert an independent external service provider of any deviations to the Code of Conduct of their entity. Employees can file this alert in their own language by telephone or through the provider's dedicated Internet site. The processing of these alerts is supervised by the Group's Ethics Officer.

This new ethical alert system complements existing channels for reporting deviations, such as the Manager, the Human Resources Department or the Group's Ethics Officer. It helps accelerate the processing of reports received, and thus minimize their potential impact on individuals and the organization. At the end of 2015, the system covered 42 countries, representing more than 43,000 of the Group's employees.

3.4. Trust-based relationships with responsible suppliers

Air Liquide's Sustainable Procurement policy is an integral part of the Group's Corporate Social Responsibility and Sustainable Development approach. It relies on a series of tools presented below:

3.4.1. CODE OF CONDUCT

- The **Procurement Code of Conduct**, translated into 13 languages, applies to all Group employees engaged in procurement activities. It sets out the ethical and sustainable development principles that govern the Group's procurement;
- In addition, Air Liquide attaches great importance in the ability of its suppliers to offer long-term partnerships and ensure a high level of safety, reliability, competitiveness and innovation. Air Liquide therefore strives to build long-lasting and balanced relationships with its suppliers, in an environment of mutual trust. The Group formalized this commitment in France by signing in 2010 the **Mediation Inter-Enterprise's Charter for responsible supplier relation**.
- The **Supplier Code of Conduct** is routinely sent to all Group suppliers. This code, which can be found on Air Liquide's website, applies to the Group's existing and new suppliers. Air Liquide expects each of its suppliers to respect the Group's ethical principles and ensure that all their employees and subcontractors comply with this Code of Conduct.

FUNDAMENTAL PRINCIPLES OF THE AIR LIQUIDE SUPPLIERS' CODE OF CONDUCT

- compliance with international laws and regulations, respect for Human Rights, social rights, and labor rights in accordance with the International Labour Office, control of certain raw materials ^(a), and compliance with all legislation applicable to the protection of the environment;
- ban on child labor and forced labor;
- health and safety at work;
- non-discrimination and prevention of harassment, regardless of origin, gender, beliefs or disability, in accordance with the Universal Declaration of Human Rights and its ethical principles;
- respect for the environment and preservation of natural resources, with a constant focus on continually improving their products and services to make them more environmentally friendly;
- prevention of conflicts of interest;
- prevention of corruption;
- access for Air Liquide to the information necessary to check that the rules set forth in the Code of Conduct are applied by each supplier in any format, such as a questionnaire or an audit by Air Liquide or a third party.

(a) In particular, the supplier must carefully and as far as possible identify the source and track the chain of command for various minerals like tantalum, tin, tungsten and gold involved in the manufacture of products supplied to Air Liquide.

3.4.2. EVALUATION OF SUPPLIERS' CSR PERFORMANCE

A key element of the Group's Sustainable Procurement policy, the evaluation of suppliers' CSR performance relies on tools that allow Air Liquide to adapt its approach to the CSR challenges of each supplier.

- Air Liquide includes CSR requirements in the rules governing the selection of critical suppliers. The supplier qualification questionnaire includes a specific section relating to policies and practices in place at a supplier's site governing health, safety, ethics and the environment. Certain answers are considered eliminatory, such as the absence of a commitment to health and safety, of regular inspections of high-risk tools, of compliance with local legislation on the minimum wage, or of measurement of energy consumption.
- A **CSR clause** is routinely included in the Group's new contracts and framework agreements. This clause covers the option for Air Liquide to evaluate the supplier's CSR performance, as well as the obligation for the supplier to implement adequate corrective measures in the event of an insufficient CSR performance. It also includes a compulsory reporting element for the supplier, in particular on safety, energy and water consumption, and social rights.
- For Air Liquide's CSR critical suppliers, i.e. certain suppliers where their activity and/or geographic location present higher CSR risks, Air Liquide carries out, with the support of a partner specialized in sustainable procurement, comprehensive CSR performance evaluations covering the following subjects: environment, social, business ethics and these suppliers' own procurement policies. Suppliers performing below expectations are examined by Air Liquide and are presented with a corrective action plan that may go as far as the disqualification of the supplier.

- Since 2014, the Group also conducts **on-site CSR audits** for certain suppliers that are considered to be particularly at risk due to unsatisfactory evaluations. These audits mainly cover social and environmental factors; they are conducted according to recognized external benchmarks, often by a specialized external auditor. Close to 10 on-site audits of suppliers were carried out, in Asia, South America and Europe. Following these audits, corrective action plans were drawn up with certain suppliers. In certain cases, commercial relationships were suspended while the supplier brought its practices into compliance.
- Since 2014, Air Liquide publishes a Key Indicator for sustainable procurement. This is the percentage of Air Liquide's CSR critical suppliers who have had a CSR evaluation by an external provider, specializing in sustainable procurement. At the end of 2014, 484 critical suppliers, i.e. 31% of critical suppliers identified in 2013 had been subject to this evaluation. In 2015, 62 additional critical suppliers among those identified in 2013 were evaluated, bringing this figure to 35%.



At the end of 2014, following two unsatisfactory CSR performance evaluations, a CSR on-site audit of a gas equipment supplier based in South America was conducted at Air Liquide's request. An improvement plan was drawn up following this audit. Air Liquide, after verifying that this improvement plan had been successfully implemented, was able to continue its trust-based relationship with this supplier.

3.4.3. SUSTAINABLE PROCUREMENT AWARENESS-RAISING AND TRAINING

Several measures have been implemented to raise awareness and train buyers in the context of the Group's Sustainable Procurement policy, thus strengthening its application within the organization:

- a **Sustainable Procurement e-learning module** was developed in 2015. It is aimed at everyone in the Group that is involved in procurement and presents:
 - the consistency between the Sustainable Procurement approach and the Group's strategy;

- the challenges of the Sustainable Procurement approach to be explained and the source of value creation for the Company;
- the various tools to facilitate the roll-out of the Sustainable Procurement approach.
- specific training sessions covering the methodology for the CSR evaluation of suppliers and the implementation of corrective action plans were organized for the Group's buyers, in line with preceding years. To date, almost 150 buyers worldwide have received training in these tools;

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- the main social, environmental and ethical risks relating to procurement have been **mapped** and **monitored** since 2010 so that they can be assessed and their development checked over time. Factsheets presenting CSR challenges specific to certain purchasing categories and certain geographic locations are available, enabling buyers to identify the most critical subjects;

- in 2015, a “Sustainable Procurement” network of correspondents from the Group’s main procurement organizations was set up and is used as a local intermediary for the roll-out of the Sustainable Procurement approach. In addition, more than 20 Air Liquide Heads of Procurement in France met in November 2015 for a conference on sustainable procurement.

3.4.4. SUB-CONTRACTING

In 2015, sub-contracting for the Air Liquide Group came to a total of **1.48 billion euros**. Sub-contracted activities are mainly those which are too far-removed from the Group’s activities or that require specific resources or that are linked to a concentrated workload at particular times. The total amount of Group procurement in

2015 was **9 billion euros**, a significant part of which was related to energy, natural gas and naphtha procurement.

Since 2008, Air Liquide has published the number of lost-time accidents of its subcontractors and temporary workers. In 2015, there were 94 lost-time accidents of this type, including one fatal road accident recorded.

3.5. Relations with public authorities

Air Liquide has formalized a “**Public Affairs**” policy governing the Group’s interactions with public authorities throughout the world. It deals with reducing risks related to regulatory changes, developing market opportunities and more generally bringing the Group into the public debate.

This policy specifies that Air Liquide works with the public authorities of each country in which it does business, in a transparent manner, following ethical rules and applying political neutrality. All the Group’s actions respect the official lobbying regulations in force in the countries in which it is present. Air Liquide is thus registered in the “Transparency Register” of European institutions and has committed to following the rules enacted by this register’s Code of Conduct.

Managers specialized in public affairs have been appointed in the principal countries, comprising a network of around 20 people worldwide, coordinated at Group level by the European and International Affairs Division.

The tasks of these managers are to follow public initiatives that may have an impact on the Group and to interact with the public authorities to defend or promote Air Liquide’s interests. These interactions can take place either directly or through the professional associations of which Air Liquide is a member. The Group is active in several federations and associations, such as AFEP (French private companies association), the French *Cercle de l’Industrie* (industry circle), and the European Roundtable of Industrialists, currently chaired by Air Liquide’s Chairman & CEO, Benoît Potier. The Group also calls on outside consultants in this area.

Public Affairs cover all the Group’s activities. The priorities in this area remain unchanged and form part of a long-term process:

- the competitiveness of companies at worldwide level;
- the opportunities and risks relating to the digitalization of the economy;
- energy transition and the environment with the boom in alternative energies (hydrogen energy, biogases, photovoltaic, wind turbines, etc.), their applications in particular in terms of mobility and energy efficiency;
- the carbon market with changes in European regulations and the development of regional markets in North America and Asia-Pacific;
- the defense of Air Liquide’s shareholding model;
- at European level, the space question notably concerning current discussions on the future European space launcher;
- the defense of intellectual property and the launch of the European patent.

At Corporate level, the Group dedicated a budget of approximately 3 million euros for 2015 to perform these missions successfully.

In relation to **fiscal** matters, Air Liquide is particularly attentive to pay taxes in the countries where the Group is present and to foster and maintain good relations with the different local tax authorities.

3.6. Industrial management system and certifications

In 2005, the Group introduced an Industrial Management System (IMS) specific to its businesses. It is designed to strengthen the process for managing safety, reliability, environmental protection and industrial risk management. **It has been rolled out throughout the Group.** An indicator makes it possible to track the percentage of revenue covered by the Group's IMS internal audits over the last five years. **Between 2011 and 2015, 100 entities were audited, representing over 91% of the Group's business** in terms of revenue. In five years, almost the entire Group was audited on the implementation of its Industrial Management System (IMS).

The Group considers the IMS that was specifically created to be one of the best adapted to its businesses. Alongside this approach and to meet the requests of certain customers, the Group entities carry out other initiatives such as ISO certifications.

For example, the **ISO9001** quality certifications cover about **72%** of the Group's revenue. Likewise, the **ISO14001** certifications, an international benchmark in environmental management, **cover 27% of the Group's revenue.**

In recent years, the Group has undertaken a certification approach in certain zones concerning healthcare and safety in the workplace called "**OHSAS18001 certification**", which now covers **15%** of the Group's revenue.

Environmental incidents, such as **accidents involving personal safety**, are reported by Air Liquide subsidiaries worldwide. They are analyzed in depth depending on their nature so that prevention measures can be strengthened. These environmental incidents totaled eight in 2015, a marked decrease compared with 2014 when there were a total of 16.

The worldwide "**Responsible Care**" Charter is an initiative of the International Council of Chemical Associations. It formalizes the commitment of the signatories to strengthen the global performance of the chemical industry in health, safety and environmental protection. Air Liquide signed it in 2010 at Group level, confirming many principles that the Company already very largely follows. Air Liquide renewed its commitment by again signing the charter in 2015.

Industrial management system and certifications (global scope)

	2011	2012	2013	2014	2015
Estimate of the revenue of Group entities covered by an ISO9001 quality certification	76%	76%	72%	70%	72 %
Estimate of revenue of Group entities covered by an ISO14001 environmental certification	27%	29%	27%	27%	27 %
Estimate of revenue of Group entities covered by an OHSAS18001 occupational Health and Safety management system	15%	18%	15%	16%	15 %

➤ REPORTING METHODOLOGY

Protocol and definitions

In the absence of a relevant and recognized protocol for industrial gas operations, Air Liquide has created its own protocol to define its reporting methods for human resources, safety and environmental indicators. This protocol includes all the definitions, measurement procedures and collection methods for this information. In line with the Group's commitment to continuous improvement, Air Liquide is progressively completing the adjustments to its sustainable development indicators protocol to reflect changes in the Group.

This protocol is based on the general principles defined by the Group with regard to scope, responsibilities, controls and limits, and establishes definitions, the departmental responsibilities, tools and data-tracing methods for each indicator. This document is regularly updated. Moreover, this protocol takes into account all the Group's formalized procedures in the framework of the IMS (Industrial Management System) and the global protocol for Group policies, codes and procedures called the BLUEBOOK.

Scope and consolidation methods

Human resources and environmental indicators are consolidated worldwide for all companies integrated within the financial consolidation scope pro rata according to the integration percentage.

Safety indicators are consolidated worldwide for all companies in which Air Liquide has operational control or is responsible for safety management.

Apart from these general rules, there are certain specific ones:

- information on the impact of transportation (kilometers traveled by delivery trucks, CO₂ emitted) is calculated on the basis of data collected in the main countries where the Group is established around the world;
- information on kilometers saved and CO₂ emissions avoided through on-site air gas production units and efficiency measures pertains to fully-consolidated subsidiaries;

- environmental and energy indicators for the main types of production units operated by the Group cover about 99% of the Group's revenue in Gas & Services, and 98% of the Group's total revenue;
- for environmental and energy indicators, production units are included in the reporting system from the effective date of their industrial commissioning;
- electricity consumption, and the indirect CO₂ emissions related to it, are only taken into account when Air Liquide pays for this electricity. Energy consumption of on-site units, as well as water consumption specific to the sale of treated water (which is not part of the Group's core business) are excluded from the consolidation scope of the data. When the Group has cogeneration units in a country where ASUs are available, the indirect emissions from the electricity of these units is not taken into account;
- the segmentation between advanced economies and developing economies used for direct and indirect greenhouse gas emissions is the same as that used by the Finance Division.

Reporting and responsibilities

The human resources, safety and environmental indicators are produced by several data-collection systems in the Group, each under the responsibility of a specific department:

- human resources indicators included in the Group's general accounting consolidation tool fall under the responsibility of the Human Resources Department;
- the energy consumption and CO₂ emissions indicators for the main air separation units, and cogeneration, hydrogen and carbon monoxide units are tracked by the Large Industries business line using a dedicated Intranet tool;
- as a complement, the collection of environmental and safety data is carried out by the Safety and Industrial Management System Department using a dedicated Intranet tool, and includes:
 - for all units, the data of the Group's accident reporting;
 - for the units of the Large Industries business line, other environmental indicators (atmospheric emissions, water consumption, discharge to water, etc.);
- for the smaller units (acetylene, nitrous oxide, carbon dioxide units and Hygiene and Specialty Ingredients activities), the Welding business units and the Engineering & Construction business units, the Research & Development sites and the Technical Centers, all indicators (energy use, atmospheric emissions, water consumption, discharge to water, etc.).
- indicators on Industrial Merchant transportation are the responsibility of this business line;
- indicators on the transportation of Medical Gases and Home Healthcare are the responsibility of the Healthcare business line;
- the estimate of the percentage of the Group's revenue with respect to the implementation of the Industrial Management System (IMS), ISO9001, ISO14001 and OHSAS18001 are indicators under the responsibility of the Safety and Industrial System Department;
- among the subjects covered by the French "Grenelle 2" law, soil pollution and the consideration of noise pollution are not relevant for the industrial gases business given the size of the Group's sites and the noise levels generated. They are therefore not mentioned in this report.

Controls

Each department in charge of collecting data is responsible for the indicators provided. Control occurs at the time of consolidation (review of changes, inter-entity comparisons).

Safety and energy indicators are tracked monthly. In addition, audits of environmental data are carried out by the Safety and

Industrial System Department on a sample of sites representative of the various types of units monitored. Where the data reported are inconsistent or missing, an estimated value may be used by default.

Methodological limits

The methodologies used for certain human resources, safety and environmental indicators can have certain limits:

- the absence of nationally or internationally recognized definitions, in particular for indicators on managers and professionals and social performance indicators;
- the representativeness of the measurements taken and required estimates. This is particularly the case for indicators regarding CO₂ emissions avoided, water consumption, kilometers avoided per on-site unit, and training.

➤ INDEPENDENT VERIFIER'S REPORT

Independent verifier's report on the consolidated social, environmental and societal information presented in the management report

To the Shareholders,

In our quality as independent verifier of L'Air Liquide of which the admissibility of the application for accreditation has been accepted by the COFRAC^(a), under the number 3-1050, and as a member of one of the Company's Statutory Auditors' network, we present our report on the consolidated social, environmental and societal information established for the year ended December 31, 2015, presented in the chapter "Corporate Social Responsibility and Sustainable Development Report" of the management report, hereafter referred to as the "CSR Information," pursuant to the provisions of article L. 225-102-1 of the French Commercial Code.

RESPONSIBILITY OF THE COMPANY

It is the responsibility of the Board of Directors to establish a management report including CSR Information referred to in article R. 225-105-1 of the French Commercial Code, in accordance with the protocols used by the company (hereafter referred to as the "Criteria"), and of which a summary is included in the chapter "Reporting methodology" of the management report and available on request.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory requirements, the Code of Ethics of our profession as well as the provisions of article L. 822-11 of the French Commercial Code. In addition, we have implemented a quality control system, including documented

policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

RESPONSIBILITY OF THE INDEPENDENT VERIFIER

It is our role, based on our work:

- to attest whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of article R. 225-105 of the French Commercial Code (Attestation of presence of CSR Information);
- to express a limited assurance conclusion that the CSR Information, overall, is fairly presented, in all material aspects, in accordance with the Criteria (Limited assurance on CSR Information).

Our verification work was undertaken by a team of six people between October 2015 and February 2016 for an estimated duration of fifteen weeks.

We conducted the work described below in accordance with professional standards applicable in France and the Order of May 13, 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the opinion of fairness, in accordance with the international standard ISAE3000^(b).

(a) Scope available at www.cofrac.fr

(b) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

1. Attestation of presence of CSR Information

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programs.

We have compared the CSR Information presented in the management report with the list as provided for in article R. 225-105-1 of the French Commercial Code (Code de commerce).

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions of article R. 225-105-1, paragraph 3, of the French Commercial Code (Code de commerce).

We verified that the CSR Information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of article L. 233-1 of the French Commercial Code (Code de commerce) and the entities which it controls, as aligned with the meaning of article L. 233-3 of the same Code, with the limitations specified in the Methodological Note presented in the section "Scope and consolidation methods" of the Management Report.

Based on this work, and given the limitations mentioned above, we confirm the presence in the management report of the required CSR information.

2. Limited assurance on CSR Information

NATURE AND SCOPE OF THE WORK

We undertook seven interviews with people responsible for the preparation of the CSR Information in the business lines of Large Industries, Industrial Merchant, and the Department of Sustainable Development, Purchasing, Safety and Industrial System in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

- assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;
- verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to sustainable development and industry best practices.

For the CSR Information which we deemed to be the most important ^(a):

- At the level of the consolidating entity and business lines, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report;

(a) Environmental, social and societal information:

- Indicators (quantitative information): Annual electricity (GWh) and thermal energy consumptions (TJ PCI), evolution of energy consumption per m³ of air gas produced and per m³ of hydrogen produced (base 100 in 2007), evolution of the distance traveled per ton of industrial gas delivered (oxygen, nitrogen, carbon monoxide, base 100 in 2007), direct & indirect greenhouse gas (GHG) emissions (scopes 1 & 2, in MtCO₂e), estimated annual water consumption (Mm³).
- Qualitative information: General environmental policy (industrial management system and certification), sustainable use of resources (energy consumption, measures undertaken to improve energy efficiency), climate change, water supply considering local constraints, economic and social territorial impacts (impact on regional and local populations especially regarding Health Homecare activities), relationships with stakeholders (particularly patient and customer's satisfaction as well as activities related to life and environment), responsible purchasing policy and measures undertaken in favor of consumers' health and safety.

Social information:

- Indicators (quantitative information): Headcount (Nb), recruitments and departures (% headcount), rate of women within the managers and professionals population (present and hired %), rate of employees having attended at least one training session during the year (%) and number of days of training per employee per year, rate of performance appraisals performed by managers during the year, workplace accident frequency rate of Group staff.
- Qualitative information: Absenteeism, health and safety at the work place, training policies, diversity and equality of treatment and opportunities.

Independent verifier's report

- At the level of the representative selection of entities and sites that we selected^(a), based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to verify the correct application of the procedures and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sample selected therefore represented on average 13% of the energy consumption, and 27% of Group employees.

For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided, if appropriate, in the partial or total absence of certain information.

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

CONCLUSION

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, has not been fairly presented, in compliance with the Criteria.

OBSERVATIONS

Without qualifying our conclusion above, we draw your attention to the fact that the entities do not apply the definitions of the training indicators correctly.

Paris-La Défense, February 24, 2016

The independent verifier

ERNST & YOUNG et Associés

Éric Duvaud
Sustainable Development partner

Bruno Perrin
Partner

(a) Environmental indicators: the Charleroi unit (Belgium) and the air gas separation units of the OCC Brussels air gas network in Belgium, the Rizhao and Hu'aian units (China), the Rozenburg hydrogen unit (Netherlands), the Pernis cogeneration unit (Netherlands), as well as the follow-up audit of the air gas separation units of the Mississippi River network in the United States (Geismar and Plaquemine units, LA).

Safety and Social indicators: the Brussels Large Industries entities, LVL Medical Home Health Care, AL China, AL Hangzhou E&C (China), E&C Germany, AL Maroc, as well as the follow-up audit of the Large Industries USA entities, AL Pty (South Africa) and Soxal (Singapore).

➤ APPENDIX

Link between Air Liquide's Sustainable Development indicators and the indicators of the Global Reporting Initiative (GRI) ^(a)

Air Liquide indicators	GRI indicators
Human Resources	
Group employees	LA1
Distribution of employees by geographic zone	LA1
Turnover of employees (leaving the Group)	LA1
Retention rate of managers and professionals	LA1
% of women in the Group	LA1
% of women among managers and professionals	LA1
Average number of days of training per employee, per year	LA9
% of employees who have had a performance review meeting with their direct supervisor during the year	LA11
Diversity indicator (number of nationalities)	LA12
Safety	
Number of lost-time accidents of Group employees	LA6
Accident frequency of Group employees	LA6
Number of lost-time accidents of subcontractors and temporary workers	LA6
Energy and environment	
Total annual electricity consumption	EN3/EN4
Total annual thermal energy consumption	EN3/EN4
Evolution of energy consumption per m ³ of air gas produced (ASU)	EN6
Evolution of energy consumption per m ³ of hydrogen produced (HyCO)	EN6
Evolution of the distance traveled per ton of gas delivered	EN30
Total annual water consumption	EN8
Total direct greenhouse gas emissions	EN15
Total indirect greenhouse gas emissions	EN16
Total direct and indirect greenhouse gas emissions	EN15/EN16
Consumption of materials (calcium carbide, ammonium nitrate, raw materials for the Welding business)	EN1
Emissions into the atmosphere (NO _x)	EN21
Emissions into the atmosphere (SO _x)	EN21
GHG emissions avoided in Air Liquide operations and at customers facilities	EN19
Estimate of emissions into the atmosphere (VOCs)	EN21
Discharge to water (oxidizable matter, suspended solids)	EN22
Total mass of waste by type and waste treatment	EN23
Transportation	
Estimate of CO ₂ emissions by truck delivery	EN30
Estimate of CO ₂ emissions avoided through on-site units	EN19
Social	
% of employees belonging to a unit with a local Code of Conduct	SO3
Responsibility	
% of the Group sales concerning the units where a customer or patient satisfaction survey has been conducted	PR5

(a) Global Reporting Initiative (GRI): an independent body that designs and promotes guidelines aimed at improving the quality, stringency and usefulness of reporting on economic, environmental and social performance.

RR DONNELLEY



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