

# ***Sustainable Development in Air Liquide,***

*An effort to meet Business Performance and  
Human Development?*

***May 2011***

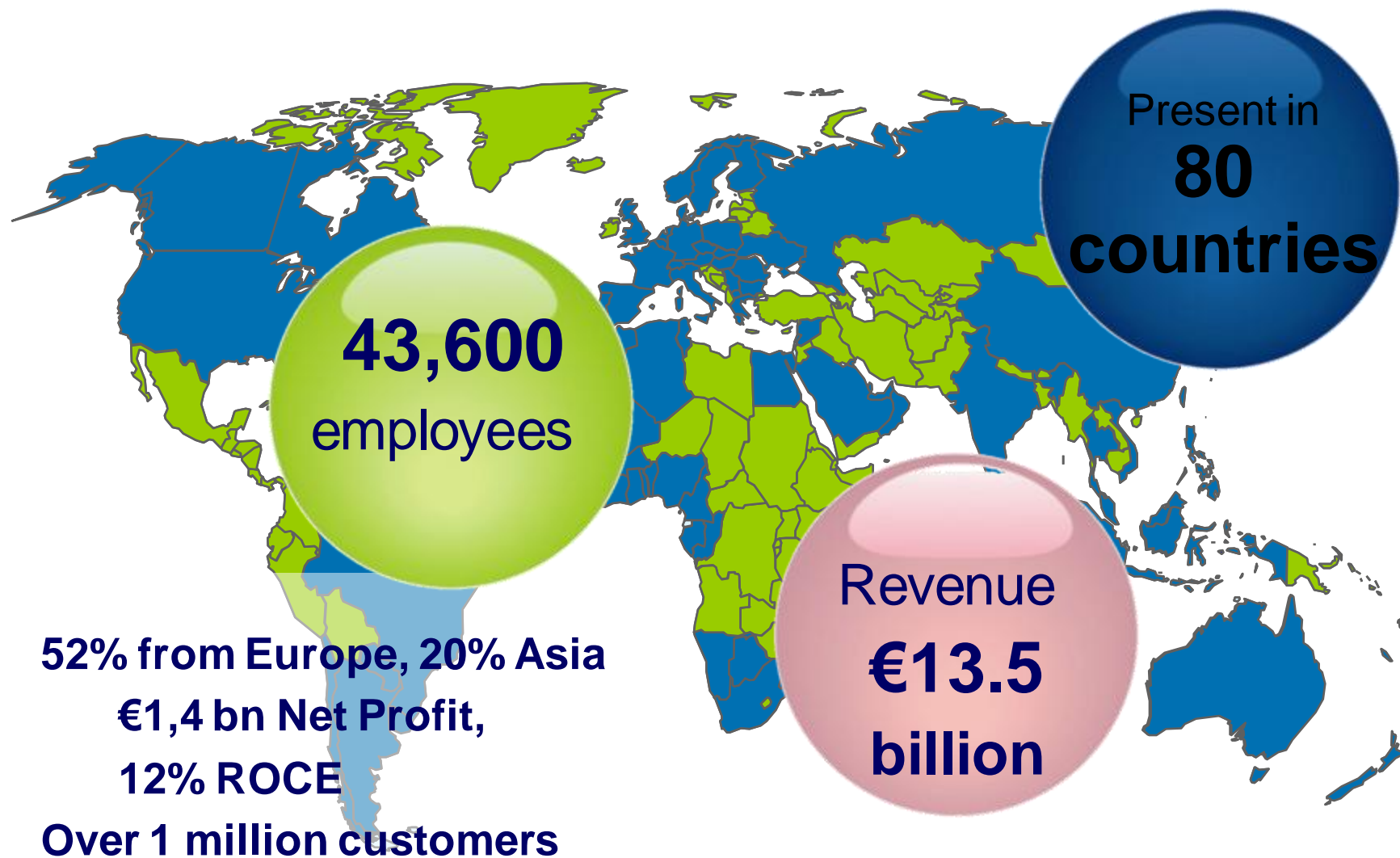
**Pierre-Etienne Franc**

**Director,**

**Technologies of the Future**

- Air Liquide :
  - ✓ Facts & Figures,
  - ✓ Ambition
- Sustainable Development:
  - ✓ Definitions
  - ✓ Actors
  - ✓ Commitments
- Sustainable Development in Indicators
  - ✓ The « How's »
  - ✓ The « Where »
  - ✓ Metrics ? Enough ?

# Air Liquide, key figures

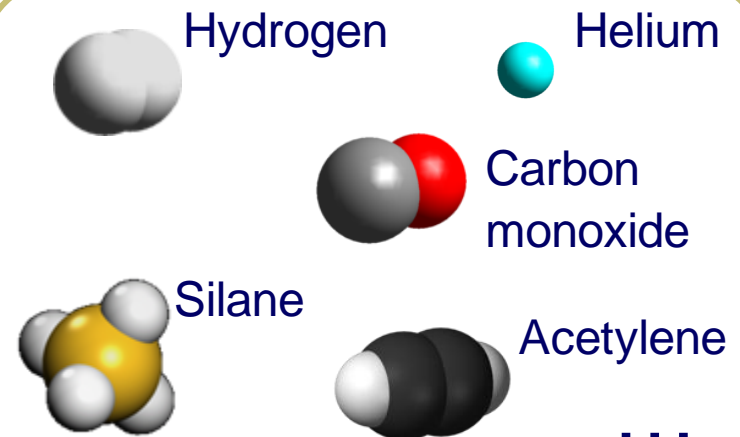
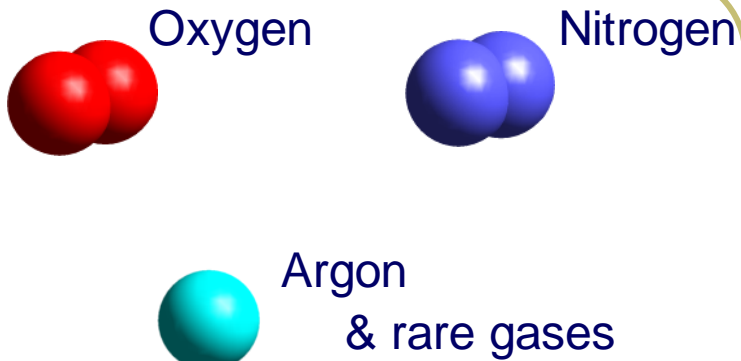


# Unique expertise and skills

Separating the components of the **air** to take advantage of their properties

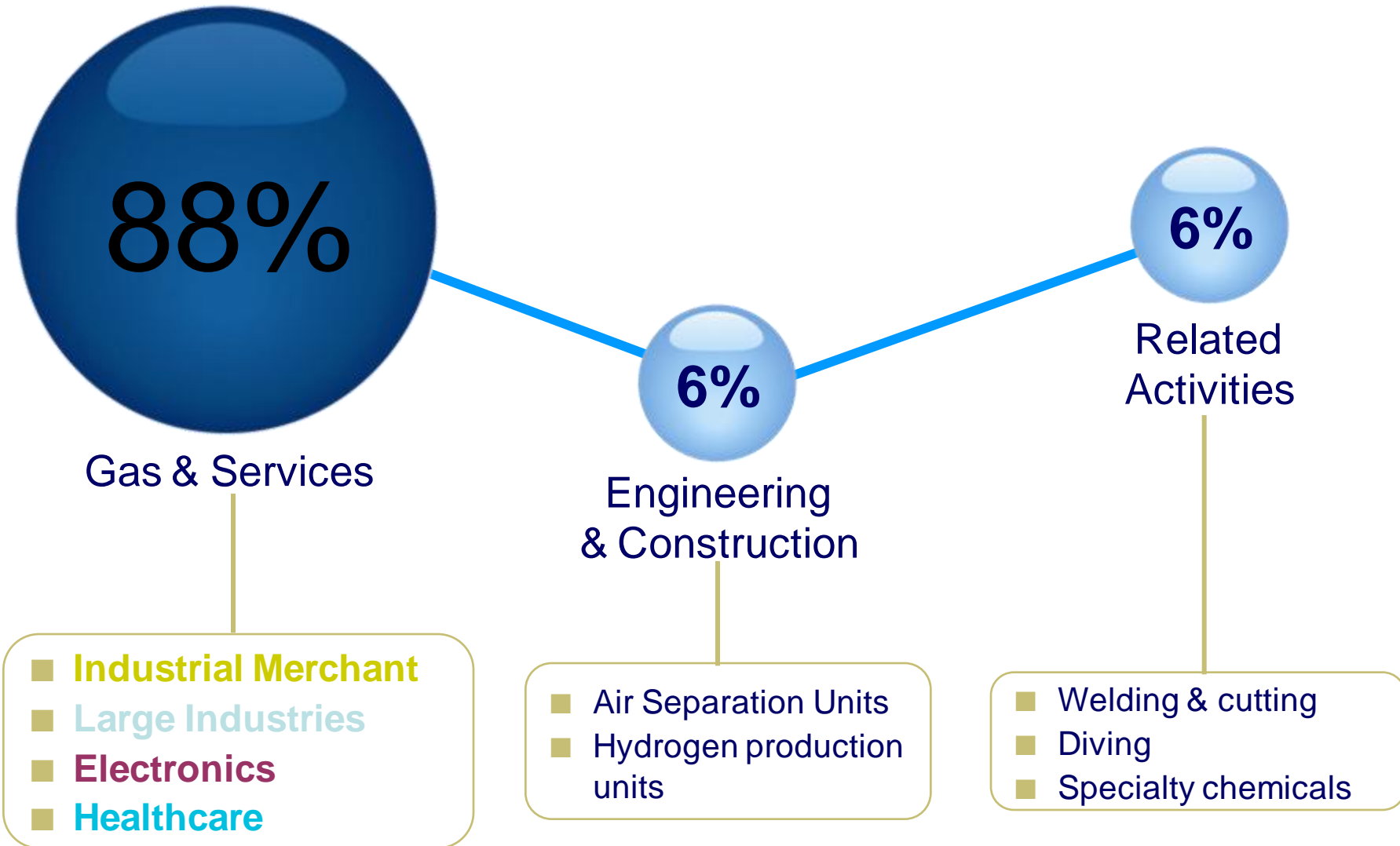
Producing molecules from **natural resources** of the Planet

**Air Liquide Technologies**



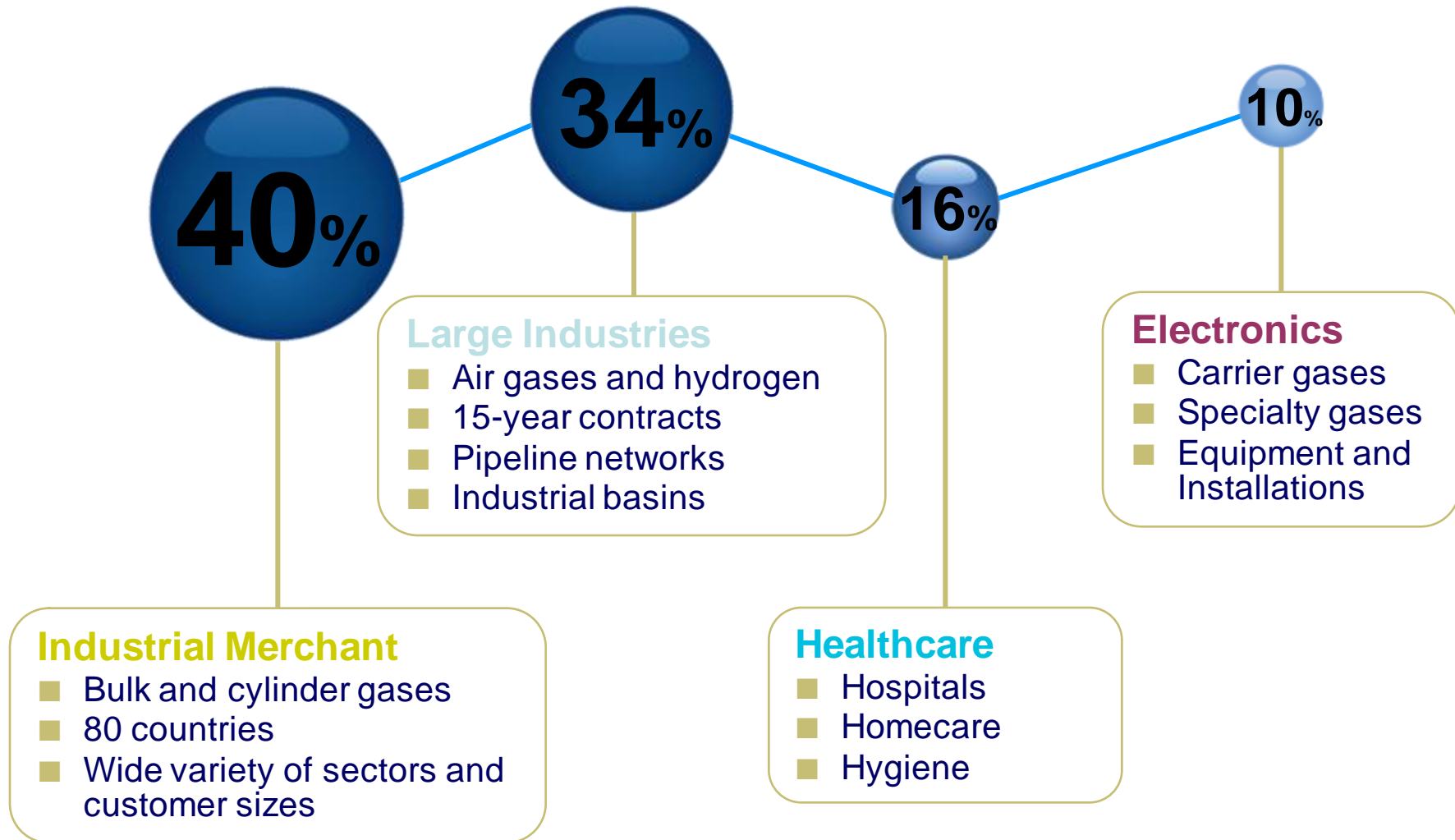
# Our core business: Gas & Services

2010 revenue: €13.5 billion



# A diversified and solid business mix

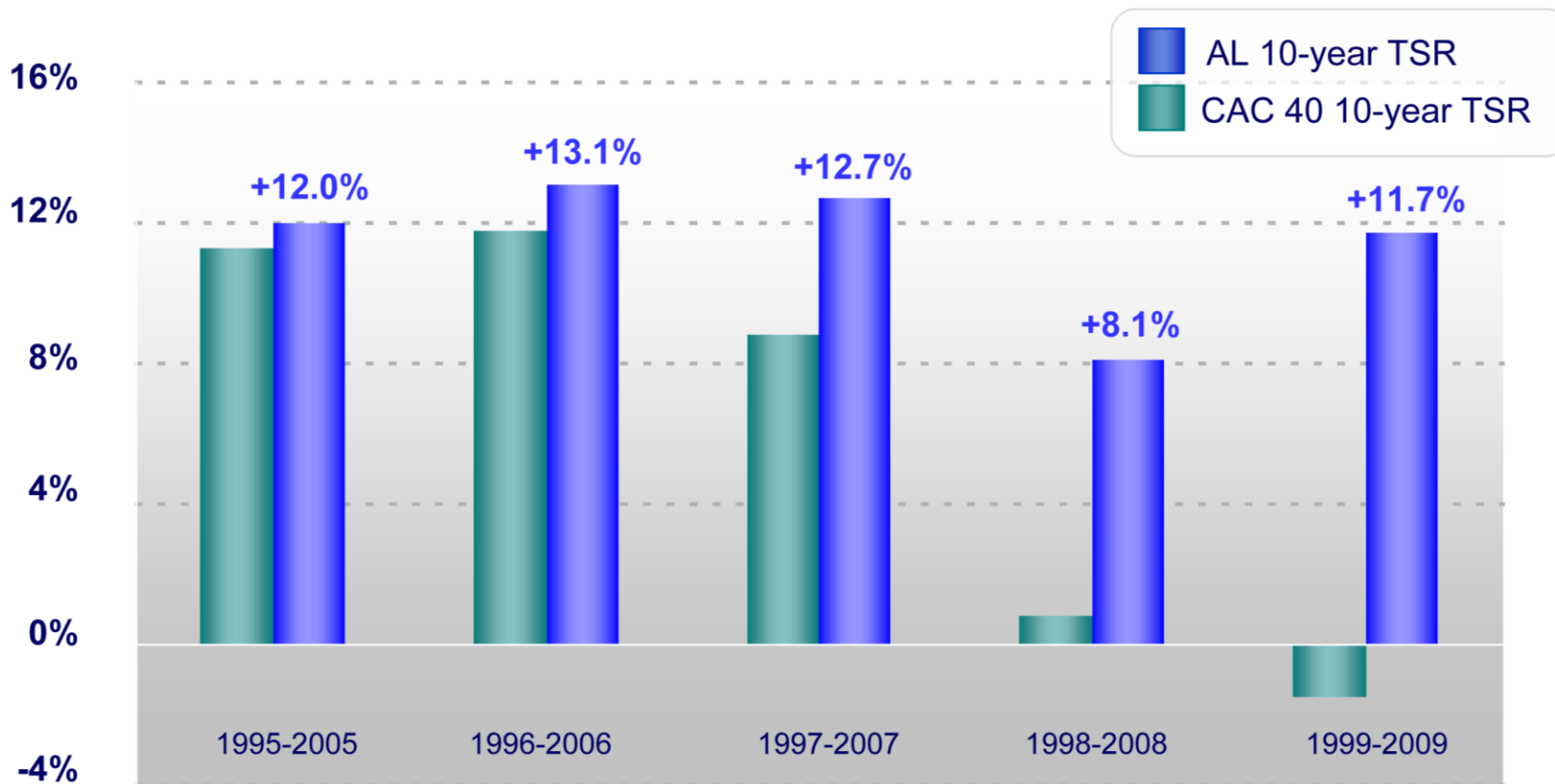
2010 Gas & Services revenue: **€11.9 billion**



# A long term profitable investment for shareholders



Air Liquide 10 year-TSR vs CAC 40



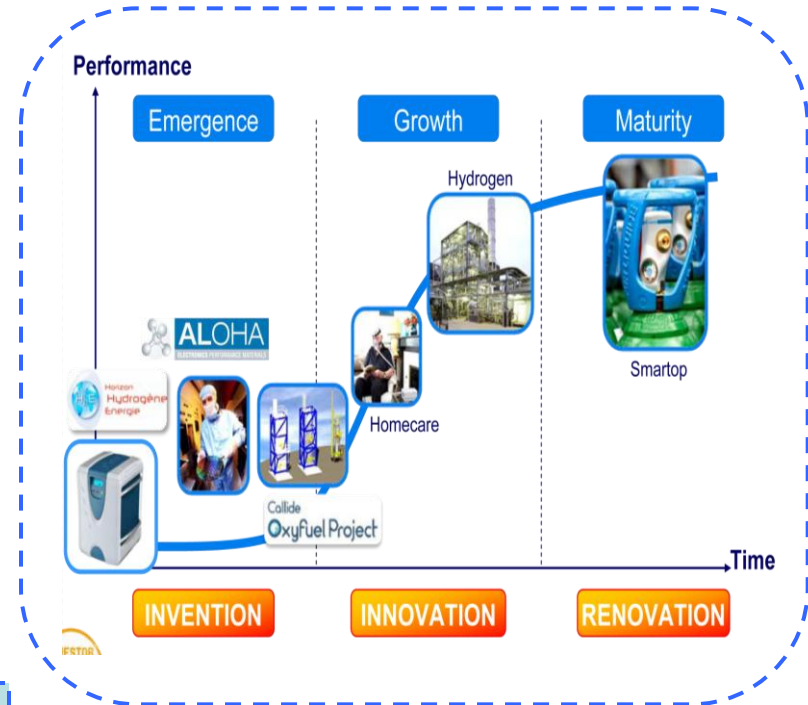
**Continue to deliver strong performance**

# Key Levers for Human Development

## Trust : The value of Time



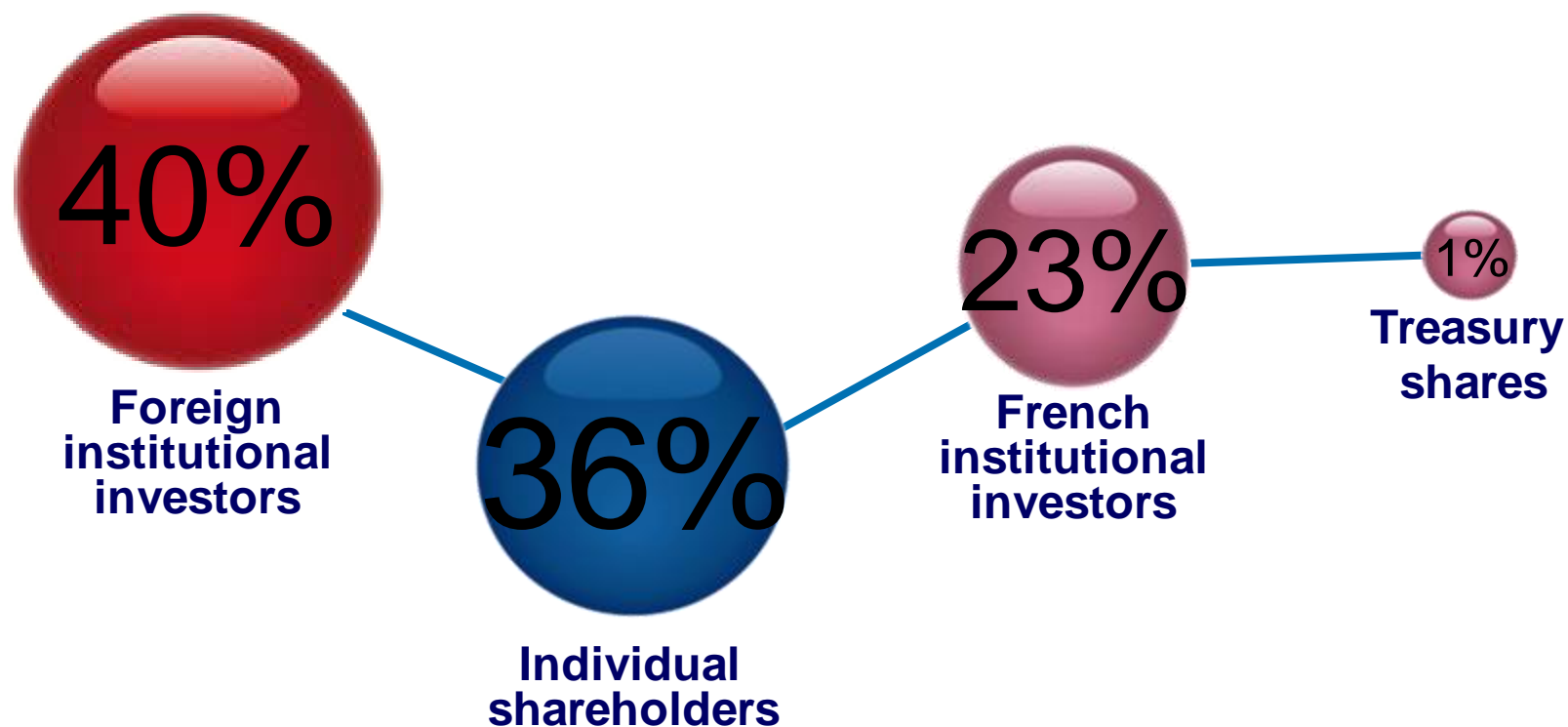
## Vision : The use of Time



**Trust, Vision and Shareholder's confidence is Key to adjust the Timing of Sustainability and the one of markets**



# A relationship with shareholders built on trust



**390,000** individual shareholders represent **36%** of the total capital\*

*\*at December 31, 2010*

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  - ✓ *Actors*
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## Leadership

**PERFORMANCE**

...is what we do

**RESPONSIBILITY**


...is how we act



## Sales Growth

**+8 to +10%**

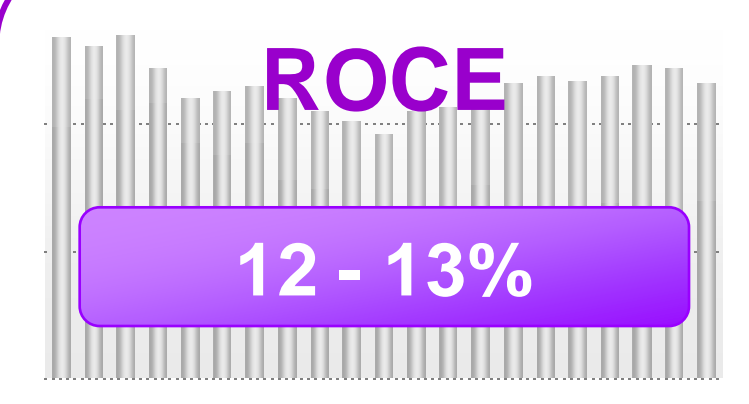
in a normal environment



## Efficiencies

**> € 200 M**

per year on average



## ROCE

**12 - 13%**

range in the period



## Engagement in

**Responsibility objectives**

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# Corporate Responsibility definition remains volatile



## Goldman Sachs

- ✓ Environment
- ✓ Social
- ✓ Governance

## Sustainable Asset Management

- ✓ Economic dimension
- ✓ Environmental dimension
- ✓ Social dimension

## Storebrand

- ✓ Environment
- ✓ Social
- ✓ Governance

## Carbon Disclosure Project

- ✓ Governance
- ✓ Strategy
- ✓ GHG & Climate change communication

## Vigeo

- ✓ Environment
- ✓ HR & Human rights
- ✓ Community involvement
- ✓ Business behavior
- ✓ Governance

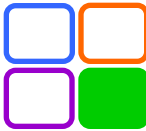


Various initiatives to rate Corporates in terms of ESG with different criteria

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# Sustainable development : key actors



Metrics focused on 4 actors in the 2005-2009 period

**Shareholders**

TSR

**Employees**

Safety

Diversity

Training

Employee  
Development

**Environment**

CO<sub>2</sub>

Energy  
efficiency

Transportation

**Innovation**

Patents

R&D  
spending

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# 7 Responsibility domains



Domains	KRIs	
<b>Shareholders</b>	TSR	
<b>Employees</b>	Safety	Training
<b>Customers</b>	Availability	
<b>Environment</b>	CO <sub>2</sub>	
<b>Innovation</b>	R&D spending	
<b>Governance</b>	TBD	
<b>Communities</b>	AL Foundation	

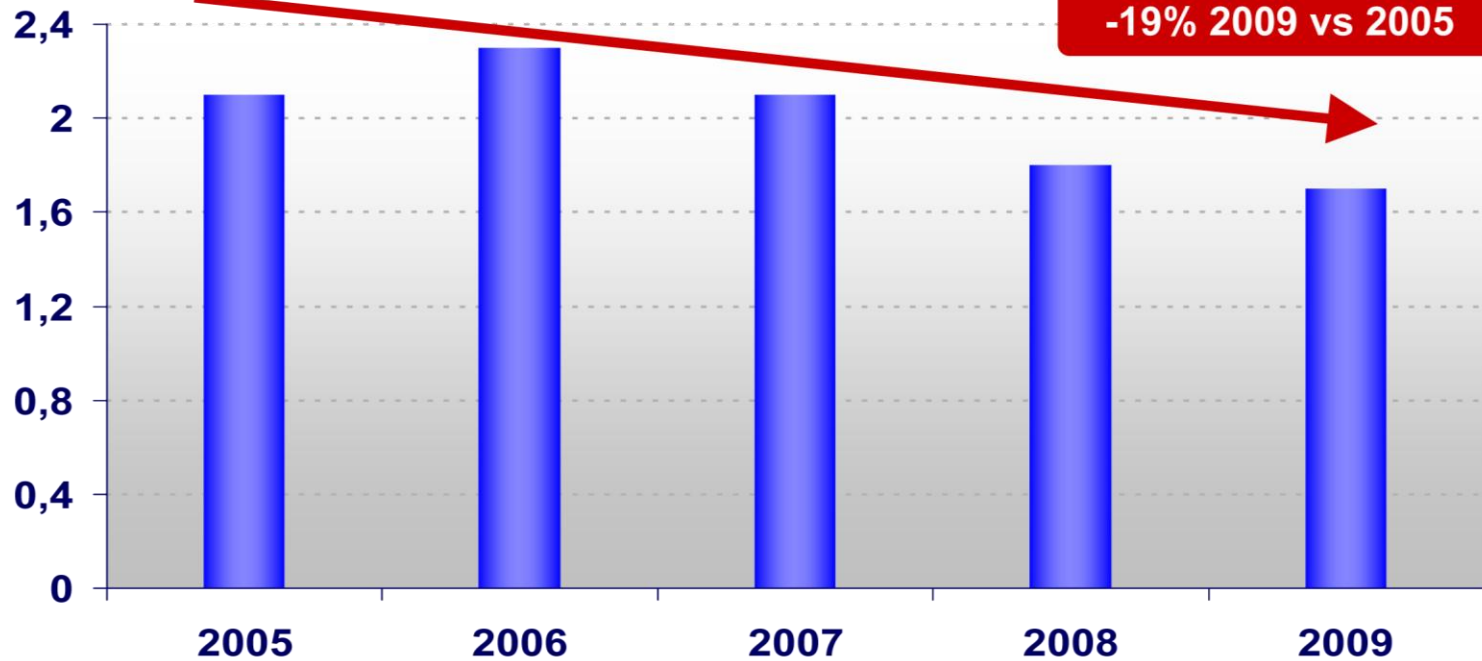
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# Safety, first priority



## Accident frequency

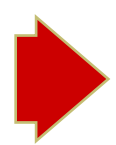
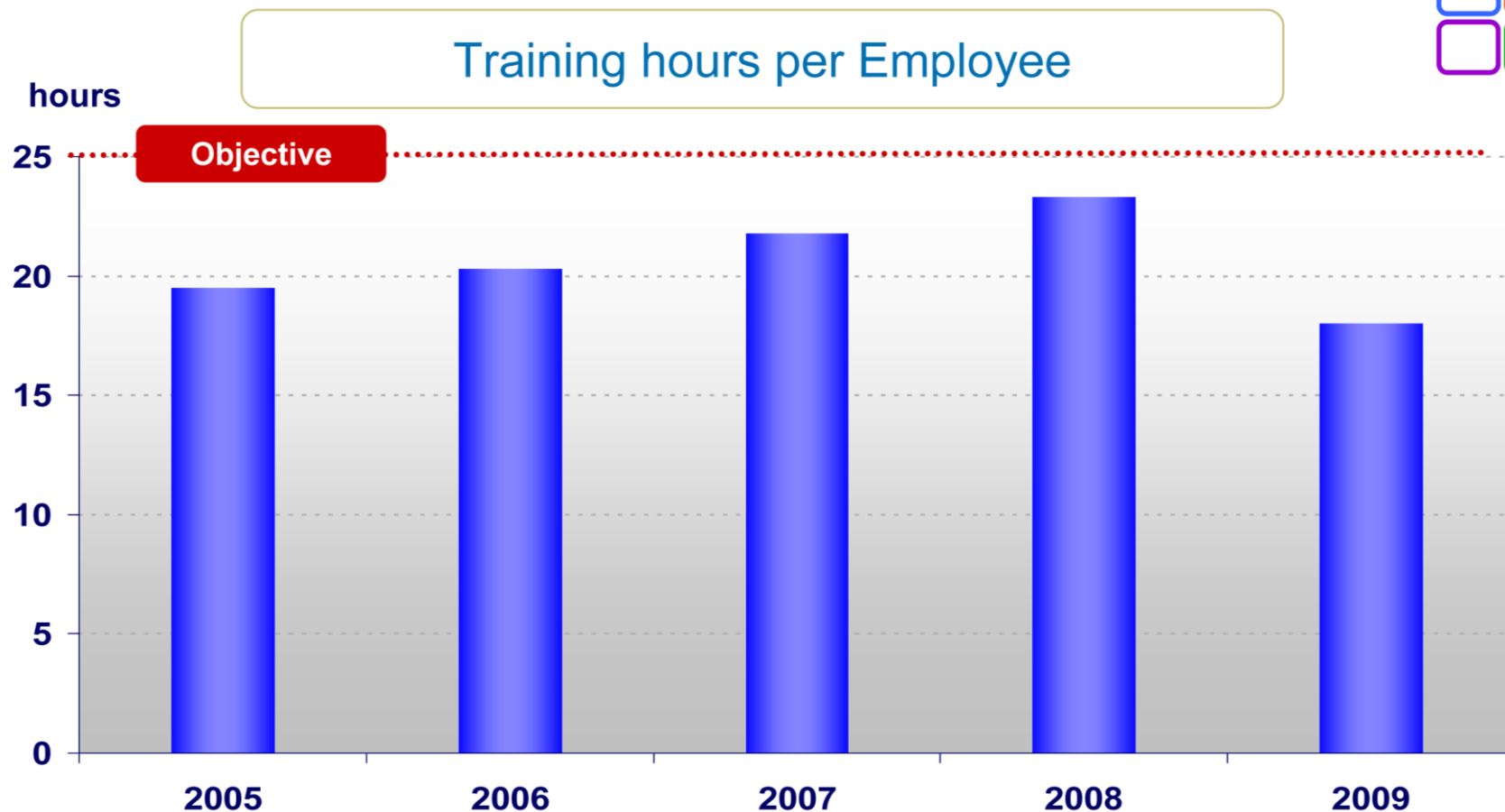
Nbr of accidents <sup>(1)</sup>



**Improve by mobilizing all employees around safety culture**

*(1) Definition: number of accidents involving lost time (from 24 hours) per million hours worked by Group employees. Accidents defined as recommended by the International Labor Office.*

# Commitment to employees: Training

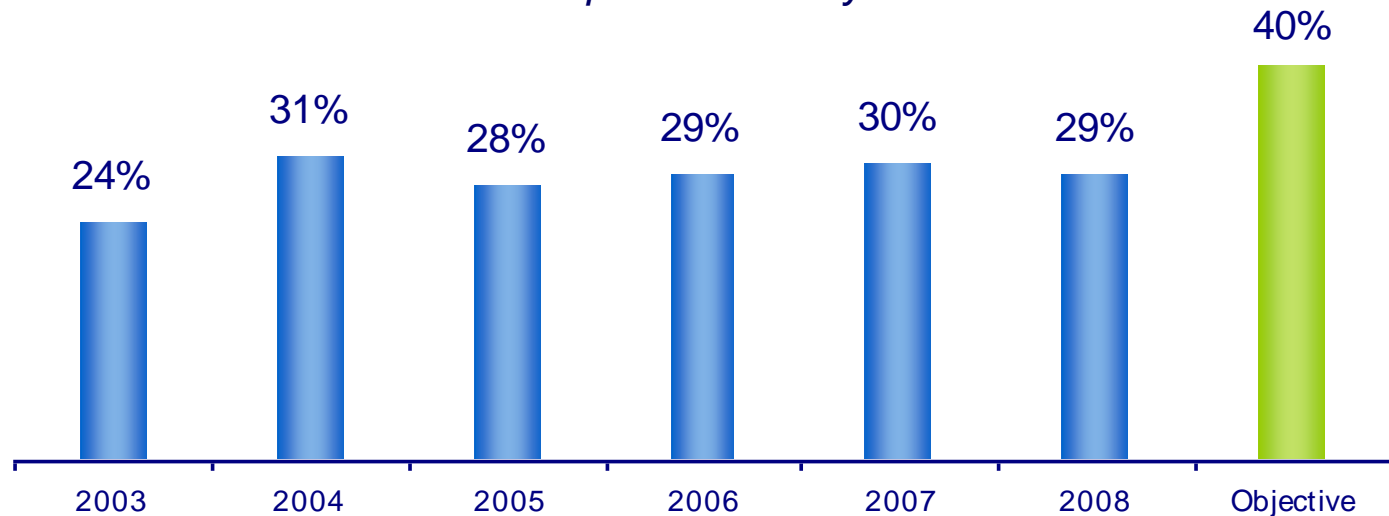


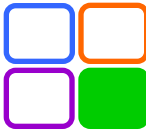
**AL University opened in 2009  
Progressively raise employee training  
to 25 hours per year**

## Objective

To strengthen the position of women in the Group, in particular through recruitment of engineers and managers. The Group's objective is to increase the hiring of women in this category, from nearly one out of three new hires today to more than two out of five within five years (2005 - 2009)

*Percentage of women among engineers and managers hired over a period of five years*





2009



**n 1 Shareholder Democracy  
Award-winner Corporate Governance Prize**

2010



**n 1 Board Composition  
n 1 Shareholder Democracy**

**Boursoscan**

2010



2009



**Award-winner Grand Prix des Actions 2009 & 2010  
n 1 Shareholder Responsibility 2009 & 2010**



**n 3 in 2009 for ESG practices - Governance**



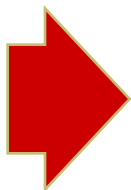
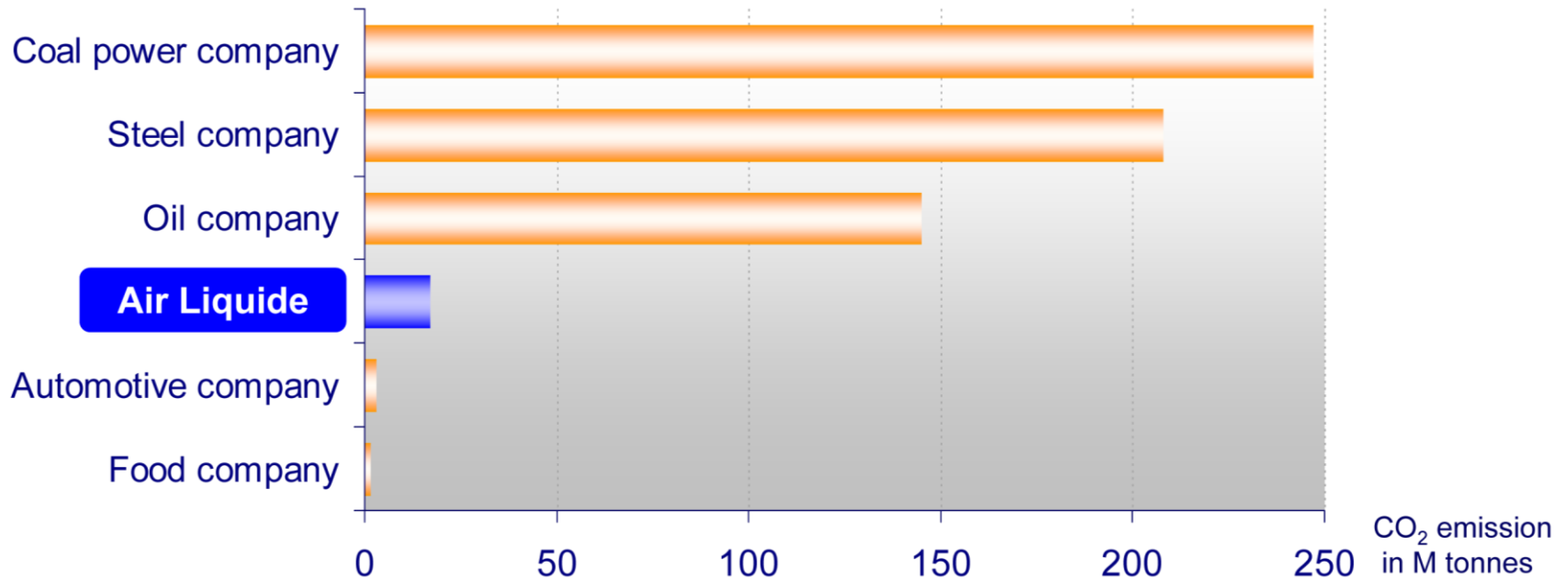
**Shareholders' Meeting of the Year Award**



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Air Liquide, low CO<sub>2</sub> emitter in industry

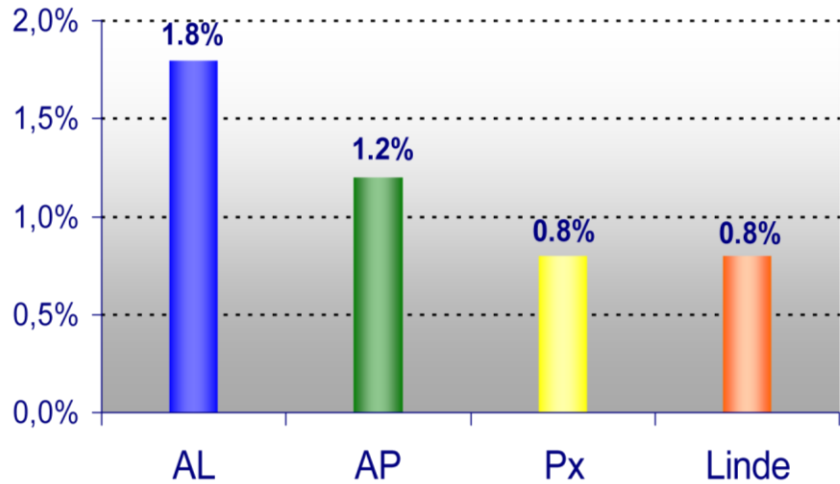


**Maintain a positive environmental impact**

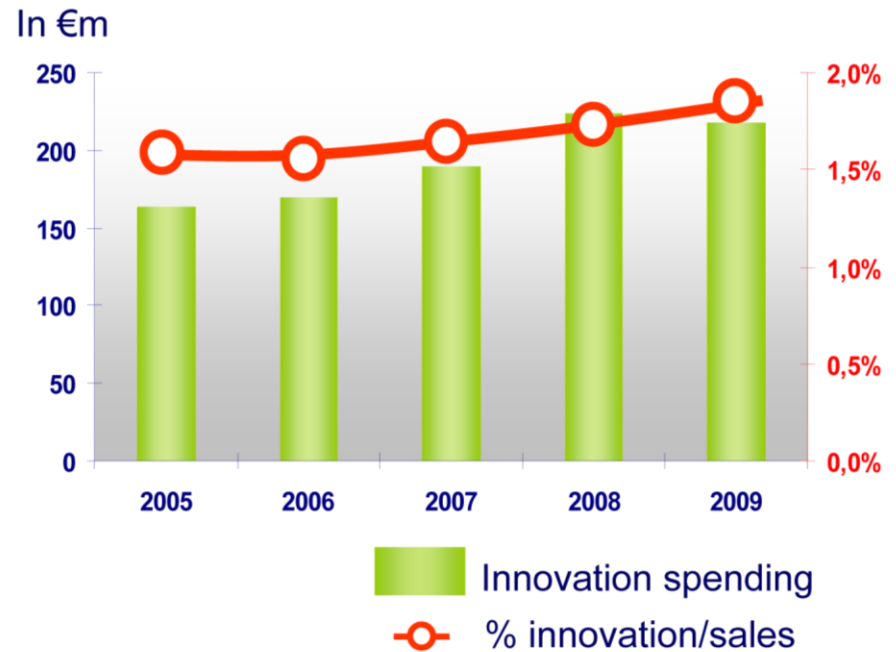


## Innovation budget in % of sales

Air Liquide and peers in 2009



Air Liquide 2005-2009



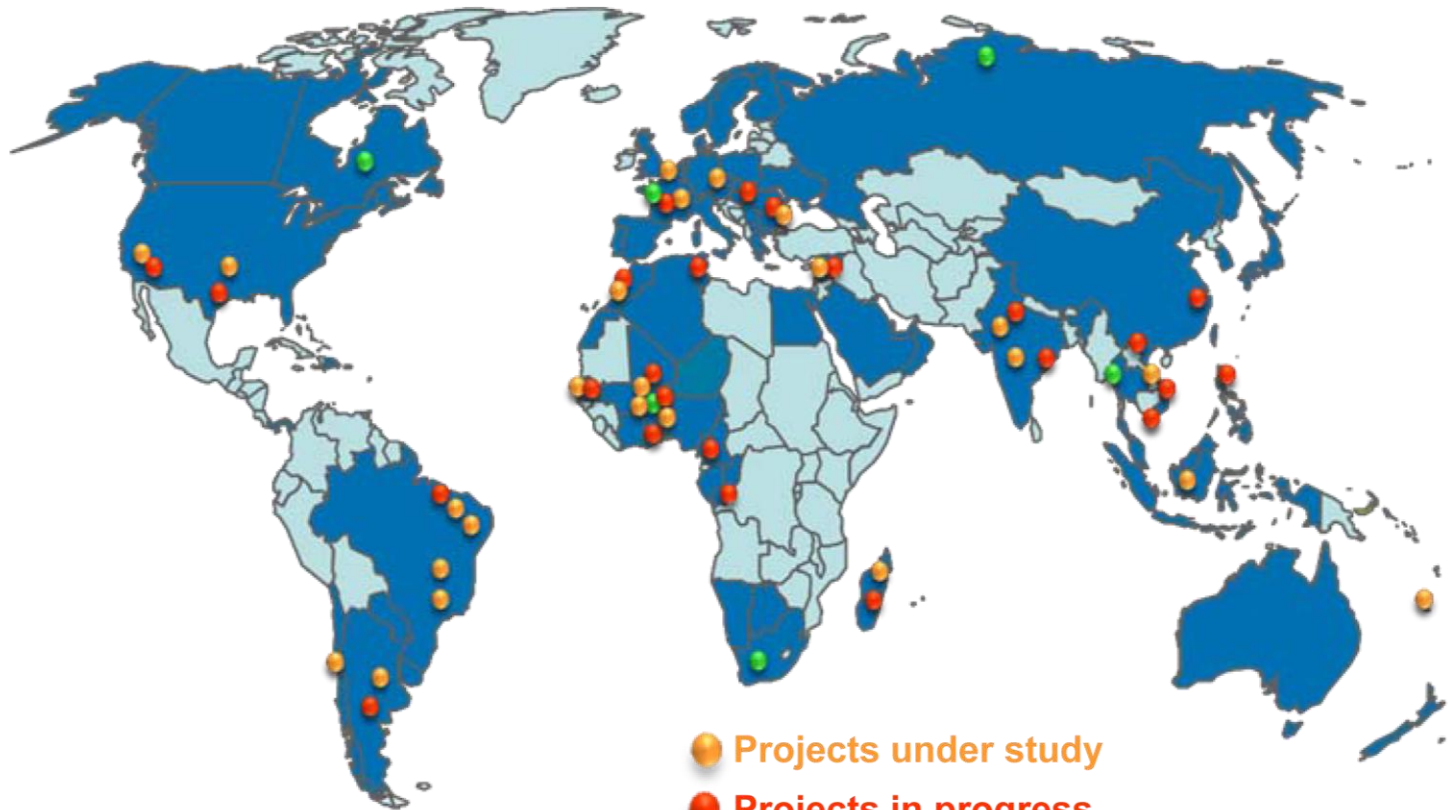
**Innovation spending close to 2% of sales**

(1) Sources: company reports



**AIR LIQUIDE** FONDATION  
D'ENTREPRISE

**94** projects, in **31** countries thanks to **94** employee initiatives



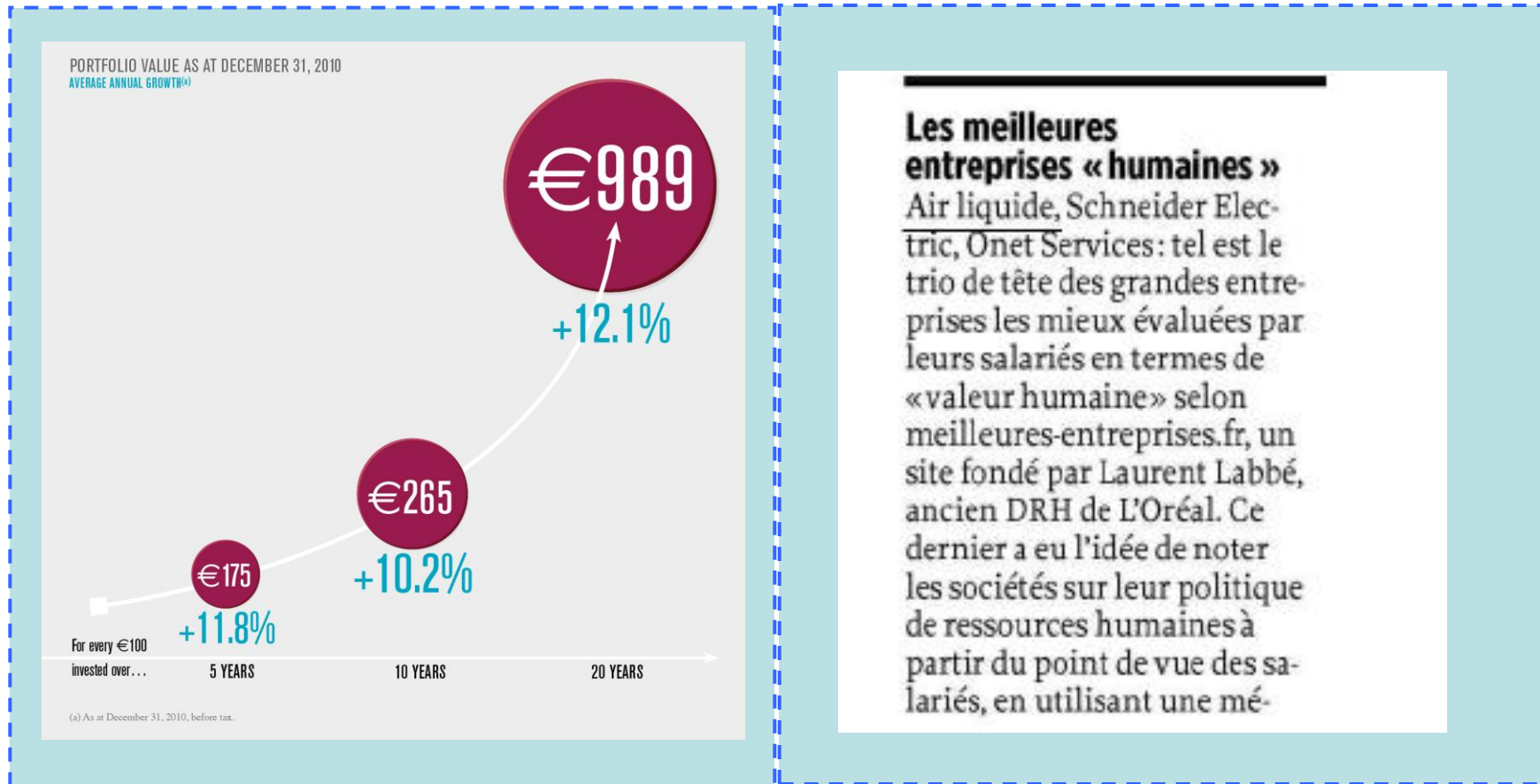
- Projects under study
- Projects in progress
- Projects achieved



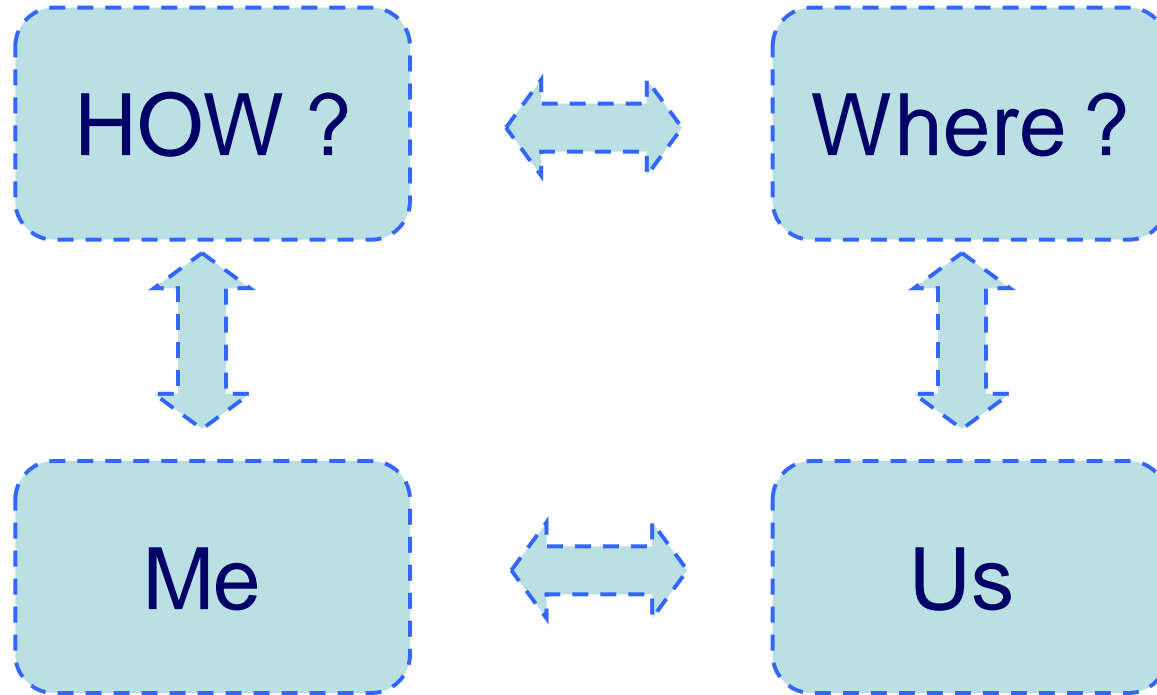
■ Air Liquide Implantations

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# Business Performance and Human Development...Metrics ?



*& 170 Indicators of sustainable development...*



It's up to YOU....