



# AIR LIQUIDE CAPITAL INCREASE RESERVED FOR EMPLOYEES LOCAL SUPPLEMENT FOR PEOPLE'S REPUBLIC OF CHINA

You have been invited to invest in shares of L'AIR LIQUIDE S.A. via the 2025 Air Liquide Group employee share offering ("myAL myShare 2025"). Please note that myAL myShare 2025 is an international employee share plan, subject to French laws and regulations.

You will find below a brief summary of the local offering information and the principal tax consequences related to the offering in your country. You should read this document carefully, together with the brochure, before making a decision to invest in myAL myShare 2025.

## Local Offering Information

### A share capital increase reserved for employees

L'Air Liquide S.A. shares are expected to be offered to all eligible employees of participating Air Liquide Group companies, pursuant to L'Air Liquide S.A.'s capital increase reserved to such employees.

The total number of shares proposed worldwide is mentioned in the subscription form. If the number of requested shares exceeds the total number of shares proposed worldwide, the number of shares requested may be reduced. In this event, each participant will be informed.

### Eligibility

You will be eligible to participate in the offering if:

- You are employed by L'Air Liquide S.A. or a direct or indirect majority owned subsidiary of L'Air Liquide S.A. at the end of the subscription period (between November 3, 2025 and November 13, 2025 before 11:59 pm, Paris time); and
- Your employer has adhered to the Air Liquide International Group Share Purchase Plan; and
- You meet a minimum employment condition of three months at the end of the subscription period (i.e., on November 13, 2025). This length of service may be accumulated under a fixed term contract, or under several contracts, not necessarily consecutive, between January 1, 2024 and November 13, 2025.

### Subscription period

The subscription period is expected to start on November 3, 2025 and last until November 13, 2025 (inclusive). In order to participate in the offering, you would need to subscribe on or by November 13, 2025 at the latest (before 11:59 pm, Paris time).

### Subscription price

The L'Air Liquide S.A. shares are offered at a discount. The subscription price for each share is based on the average of the opening prices of a L'Air Liquide S.A. share on Euronext Paris (the Paris stock exchange) over the 20 trading days before the date on which the subscription price is set (this is referred to as the "reference price"). The subscription price is equal to the reference price minus a 20% discount. The subscription price will be set on October 29, 2025.

The subscription price is denominated in euros, the currency of the euro zone in the European Union. In the People's Republic of China, payment is to be made in Renminbi. The euro/Renminbi exchange rate will be set by L'Air Liquide S.A. prior to the subscription period.

**Important Note:** During the life of your investment, the value of the L'Air Liquide S.A. shares subscribed will be affected by fluctuations in the currency exchange rate between the euro and the Renminbi. As a result, if the value of the euro strengthens relative to the Renminbi, the value of the shares expressed in Renminbi will increase. On the other hand, if the value of the euro weakens relative to the Renminbi, the value of the shares expressed in Renminbi will decrease.

### Maximum investment

The maximum amount you can invest in myAL myShare 2025 cannot exceed 25% of your estimated annual gross compensation for 2025.

In addition, if you choose to pay for your investment through 12-monthly salary deductions, each monthly salary deduction cannot exceed 10% of your net monthly salary.

## Method of Payment

Payment is to be made in Renminbi.

You will be required to pay for your investment using one of the two following methods:

- In full upfront, by immediate payment via bank transfer, to the account to be designated by your local relay
- Over 12 months, by monthly payroll deduction (each deduction shall not exceed 10% of your after-tax monthly salary).

## Labor Law Disclaimer

Please note that this Offering is provided to you by the French company, L'Air Liquide S.A., not by your local employer. The Offering does not form part of your employment agreement and does not amend or supplement such agreement. Further, your participation does not entitle you to future benefits or payments of a similar nature or value and does not confer you any right to participate in similar offerings in the future. Benefits that you may receive or be eligible for under this Offering will not be taken into consideration in determining the future benefits, payments or other entitlements, if any, that may be due to you (including in cases of termination of employment).

## Custody of your shares

Shares subscribed will be held directly by the employees in registered form with L'Air Liquide S.A.'s own shareholder services department.

## Lock-up period and Early Exit Events

In consideration for the benefits granted under this offering, the shares subscribed are subject to a lock-up period of five years (ending on December 9, 2030), subject to certain early exit exceptions currently provided for under French law. The exemptions are expected to be:

1. Marriage of the employee;
2. Where a child is born or a child arrives at the home in view of being adopted to the extent permitted by applicable laws, provided the employee's household is already financially responsible for at least two children;
3. In the event of divorce, when this event is accompanied by a court decision specifying that the sole or shared ordinary place of residence of at least one child is at the domicile of the employee concerned;
4. Where the employee, his or her spouse or children, suffers from a disability for incapacity of work as defined by French law;
5. Death of the employee or his or her spouse;
6. Termination of the employment contract, including but not limited to 1) employee's resignation; 2) dismissal of employee; 3) retirement; 4) other circumstances provided by laws;
7. Where the employee allocates the amounts saved to the acquisition or enlargement of his or her principal residence; and
8. Domestic violence committed against the employee by his/her spouse, or his/her former spouse.

These early exit events are defined by French law and must be interpreted and applied in a manner consistent with French law. You should not conclude that an early exit event is available unless you have described your specific case to your employer and your employer has confirmed that it applies to your situation, upon you providing the requisite supporting documentation.

Employees must present a request for early sale within a period of six (6) months after the occurrence of an early exit event, except in the event of death of the spouse, disability, domestic violence or termination of the employment contract (in which case, the request may be made at any time). For further information, please contact your human resource office.

## Dividends

Any dividends paid with respect to the L'Air Liquide S.A. shares will be paid directly to the employees, net of applicable French withholding tax. Shares that have been held for more than two full years will be eligible for a 10% increase of the dividend amount (referred to as a "loyalty bonus" but legally a dividend payment).

## Voting rights

The voting rights pertaining to such shares will be exercisable directly by the employees.

## Sale of the shares

In the event that the employee is eligible for an early exit, it is the responsibility of the employee to inform the local subsidiary that the employee wishes to sell his/her shares. The employee is required to provide appropriate justification of the occurrence of the early exit event.

Subject to the above, at the end of the five-year lock-up period, the employees may either decide to keep their shares or decide to sell their investment at any time.

# Tax Information for Employees Resident in People's Republic of China

This summary sets forth general principles in effect at the time of subscription of the offering, that are expected to apply to employees who are, and shall remain until disposal of their investment, resident in the mainland of People's Republic of China ("PRC") for the purposes of the tax laws of the PRC. The tax consequences listed below are described in accordance with PRC tax law and certain French tax laws and practices, all of which are applicable at the time of the offering. These principles and laws may change over time.

Please note that neither L'Air Liquide S.A. nor your employer are providing you with, and will not provide you with, any personal advice or tax advice in relation to this offer. For definitive advice, you should consult your own tax advisors regarding the tax consequences of subscribing for L'Air Liquide S.A. shares. This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive.

**Will I be required to pay any tax and/or social security charges at the time of subscription of L'Air Liquide S.A. shares?**

**Will the discount be subject to tax and/or social security charges ?**

The share price discount, i.e. the difference between the subscription price and the market value of L'Air Liquide S.A. shares upon subscription, will be regarded as salary/bonus income and is subject to taxation at progressive rates from 3% to 45%. Your employer will withhold such taxes in accordance with the applicable PRC tax laws. You will not be subject to social security charges upon subscription.

**Will I be required to pay any tax or social security charges on dividends, in the event of distribution?**

Yes.

## **Taxation in France**

The dividends paid by L'Air Liquide S.A. to you will be subject to a French withholding tax of 12.8%, unless they are paid to a bank account opened in a Non Cooperative State or Territory (NCST)<sup>1</sup> which would trigger a 75% withholding tax in France.

However, under the Agreement between the People's Republic of China and the French Republic for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income executed on November 26 2013, as amended (the "Treaty"), and subject to the completion of certain formalities further described hereafter, this rate may be reduced to 10%. The withholding tax will be levied at the reduced rate of 10% if the employee provides the paying agent with a certificate of residency (French treasury form 5000) before the date of payment of the dividends. In the event where the certificate of tax residency is not provided to the paying agent before the date of payment of dividends, the withholding tax will be levied at the standard domestic rate of 12.8% or 75%. The employee may obtain the repayment of the withholding tax paid in excess of the 10% Treaty rate by filing the French treasury forms 5000 (certificate of residency) and 5001 (repayment request) with the French paying agent before December 31 of the second year following the year of payment.

## **Taxation in the PRC**

Under PRC laws and regulations, dividends paid by L'Air Liquide S.A. to you will be subject to an individual income tax of 20% upon distribution. The taxable amount shall be the aggregate value of the dividends before paying any applicable tax in France and in the PRC. Under certain circumstances, the tax on the dividends in the PRC may be reduced or deducted after provision of all necessary information and documents, which shall be determined by relevant tax authorities in the PRC at its sole discretion. Your employer will withhold such taxes in accordance with the applicable PRC tax laws.

However, you will be entitled to a tax credit in China for the applicable French withholding tax actually paid for the dividends by providing the original certificate issued by French tax authority to the tax authorities in China in order to prove that you have duly paid the applicable tax in France.

You will not be subject to social security charges upon distribution of dividends.

**Will I be required to pay any tax and/or social security charges at the end of the lock-up period (or in the event of an authorized early exit event) even if I do not sell the L'Air Liquide S.A. shares?**

At the end of the lock-up period (or in the event of an authorized early exit event), you will not be subject to any tax and/or social security charges if you do not choose to sell your shares at that time.

<sup>1</sup> The list of NCSTs can be modified each year. The states and territories qualifying as NCSTs are currently the following: Anguilla, Turks and Caicos Islands and Vanuatu, Antigua and Barbuda.

### **Will I be required to pay any tax and/or social security charges at sale of the L'Air Liquide S.A. shares?**

When you sell your shares, any gain received by you will be subject to individual income tax in the PRC as capital gains. The amount subject to individual income tax is calculated as the difference between the sale price and the market value of the shares upon your subscription of shares.

The capital gains would be subject to taxation at a fixed rate of 20% as your income from assets transfer, with the possibility that certain tax offices may apply progressive rates from 3% to 45% as your salary and bonus income. The applicable tax amount will be withheld by your employer.

You will not be subject to social security charges upon sale of shares.

### **Will I have any reporting obligations with respect to the subscription, holding and sale of shares, as well as with respect to the receipt of dividends, if any?**

Your employer may file the offering and relevant documents with the tax authorities and withhold relevant tax for you in accordance with relevant PRC tax laws. However, please note that such actions of your employer can not exempt you from obligations to file and report your income with the relevant tax authority if you have such obligations according to the relevant tax rules. Under the current tax rules, you may have reporting obligation under the following circumstances: (i) if you obtain consolidated income and need to make final settlement; (ii) if you obtain taxable income but there is no withholding agent; (iii) if you obtain taxable income but the withholding agent does not withhold your tax; (iv) if you obtain overseas income; (v) if you deregister your household registration in China for emigrating overseas; (vi) if you are a non-PRC resident but obtain wages and salaries from more than two places in the PRC; or (vii) other circumstances which are required by the State Council. In addition, although your employer generally withholds the taxes under the employee offering for you, there may be cases in which your employer is unable or inappropriate to withhold such taxes. Thus, you will be liable to declare and pay taxes by yourself in the aforementioned cases and shall provide relevant tax payment evidence to your employer after completing such declaration and payment.