



# AIR LIQUIDE CAPITAL INCREASE RESERVED FOR EMPLOYEES

## LOCAL SUPPLEMENT FOR SINGAPORE

You have been invited to invest in shares of L'Air Liquide S.A. via the 2023 Air Liquide Group employee share offering ("myAL myShare 2023"). Please note that myAL myShare 2023 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 2023.

## 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 6 November 2023 and noon, Paris time on 16 November 2023); and
- Your employer has adhered to and is a member of the Air Liquide International Group Share Purchase Plan; and
- You meet a minimum employment condition of three months. This length of service may be accumulated under a permanent or fixed term contract, or under several contracts, not necessarily consecutive, between 1 January 2022 and 16 November 2023.

### Subscription period

The subscription period is expected to start on November 6, 2023 and last until November 16, 2023 (inclusive). In order to participate in the offering, you would need to subscribe on or by November 16, 2023 at the latest (before noon, 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 is expected to be set on October 30, 2023.

The subscription price is denominated in Euros, the currency of the Eurozone in the European Union. In Singapore, payment is to be made in local currency. The Euro/Singapore Dollar 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 Singapore Dollar. As a result, if the value of the Euro strengthens relative to the Singapore Dollar, the value of the shares expressed in Singapore Dollar will increase. On the other hand, if the value of the Euro weakens relative to the Singapore Dollar, the value of the shares expressed in Singapore Dollar will decrease.

## Maximum investment

The maximum amount you can invest in *myAL myShare 2023* cannot exceed 25% of your estimated annual gross compensation for 2023.

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 Singapore dollar.

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

- *Payment by instalments over 12 months by way of monthly payroll deduction; each instalment payment shall not exceed 10% of your net salary for each payment period;*
- or
- *Upfront in full, to the account to be designated by your local relay.*

## 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 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 7, 2028), subject to certain early exit exceptions currently provided for under French law. The exemptions are expected to be:

- Marriage of the employee;
- Where a child is born or a child arrives at the home in view of being adopted, provided the employee's household is already financially responsible for at least two children;
- In the event of divorce or separation, 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;
- Where the employee, his or her spouse or children, suffers from a disability as defined by French law;
- Death of the employee or his or her spouse;
- Termination of the employment contract;
- Where the employee, his or her children, or spouse, allocates the amounts saved to create certain businesses as provided for by French law;
- Where the employee allocates the amounts saved to the acquisition or enlargement of his or her principal residence; and
- Domestic violence committed against the employee by his/her spouse or partner, or his/her former spouse or partner.

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 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, either directly to the employee's bank account in Euros or in local currency via the employer paycheck, depending on the country. This choice is not up to the employees, and is the same for all employees of a given country. 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 Singapore

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 Singapore for the purposes of the tax laws of Singapore. The tax consequences listed below are described in accordance with Singapore 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?

You will not be subject to tax or social security charges at the time of subscription.

## Will the interest-free installment payment be subject to tax and/or social security charges?

Generally, the amount of an interest-free or reduced interest loan provided by a Singapore employer to an employee would be regarded as an employment benefit subject to income tax. However, pursuant to an administrative concession announced by the Inland Revenue Authority of Singapore ("IRAS") and given the similar terms and the broad-based nature of the above financing and offering extended to L'Air Liquide S.A. group employees in Singapore, any benefits from the grant of such interest-free loans to you should be exempt from tax, on the basis that you do not have substantial shareholdings in or control or influence over your Singapore employer by virtue of your shareholdings or otherwise.

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

### ● 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.

### ● Taxation in Singapore

Foreign-sourced income (including foreign dividends) received in Singapore by a Singapore tax resident individual, other than through a partnership in Singapore, is exempt from Singapore tax. It also follows that no income tax is payable in Singapore in respect of dividends paid on the L'Air Liquide S.A. shares held by you during the life of the plan.

## 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 authorised early exit event) even if I do not sell the L'Air Liquide S.A. shares?

You will be subject to tax when (i) the 5-year holding period ends; or (ii) you exercise your right of early exit following an early exit event, whichever is earlier (the "Holding Period"). Tax is payable on an amount equal to the fair market value of your shares when the Holding Period ends minus the subscription price of the shares (the "Gain"). The Gain would be considered as income derived in the course of employment, and will be taxable at the personal tax rates applicable to you (currently up to 24%).

If you are neither a Singapore citizen nor a Singapore Permanent Resident, or you are a Singapore Permanent Resident leaving Singapore permanently, you may become subject to tax on the Gain in respect your shares earlier than would normally be the case if you should cease employment with the company for which you are exercising employment when the shares were granted. Please contact your human resource department for further information.

There are no social security charges payable by you or your employer in Singapore in respect of the Gain.

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

You will not ordinarily be taxed again if you decide to sell your shares after the end of the Holding Period (assuming you are holding your shares for investment and not trading purposes).

## 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?

For income tax purposes, you have to declare any profit or gain arising from your shares in your annual income tax return. Generally, you have to declare the Gain in your income tax return for the year of assessment relating to the basis period for which the Holding Period ends, even if you do not sell your shares after the end of the Holding Period. IRAS will then subsequently assess you on such income.

Your employer will also include the Gain in the Form IR8A (Return of Employee's Remuneration) given to you or will arrange for such information to be transmitted directly to the IRAS electronically under the Auto-Inclusion Scheme for Employment Income.

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