

Linde plc

Investor Teleconference Presentation
Fourth Quarter 2023

February 6, 2024

Making our world more productive

Forward-Looking Statement

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by terms and phrases such as: anticipate, believe, intend, estimate, expect, continue, should, could, may, plan, project, predict, will, potential, forecast, and similar expressions. They are based on management’s reasonable expectations and assumptions as of the date the statements are made but involve risks and uncertainties. These risks and uncertainties include, without limitation: the performance of stock markets generally; developments in worldwide and national economies and other international events and circumstances, including trade conflicts and tariffs; changes in foreign currencies and in interest rates; the cost and availability of electric power, natural gas and other raw materials; the ability to achieve price increases to offset cost increases; catastrophic events including natural disasters, epidemics, pandemics such as COVID-19, and acts of war and terrorism; the ability to attract, hire, and retain qualified personnel; the impact of changes in financial accounting standards; the impact of changes in pension plan liabilities; the impact of tax, environmental, healthcare and other legislation and government regulation in jurisdictions in which the company operates; the cost and outcomes of investigations, litigation and regulatory proceedings; the impact of potential unusual or non-recurring items; continued timely development and market acceptance of new products and applications; the impact of competitive products and pricing; future financial and operating performance of major customers and industries served; the impact of information technology system failures, network disruptions and breaches in data security; and the effectiveness and speed of integrating new acquisitions into the business. These risks and uncertainties may cause future results or circumstances to differ materially from adjusted projections, estimates or other forward-looking statements.

Linde plc assumes no obligation to update or provide revisions to any forward-looking statement in response to changing circumstances. The above listed risks and uncertainties are further described in Item 1A. Risk Factors in Linde plc’s Form 10-K for the fiscal year ended December 31, 2022 filed with the SEC on February 28, 2023, which should be reviewed carefully. Please consider Linde plc’s forward-looking statements in light of those risks.

Key Highlights - 2023

Human Capital



- Best in-class safety performance
- Gender diversity 29%, 2030 goal 30%+
- ~600 community engagement projects globally, +20% YoY
- Investing in global talent development, including digital/AI programs

Environmental



- YoY reduction absolute GHG emissions
- Active renewable power +1 TWh
- Water Management Planning at >60% of high-water-use sites
- Member of DJSI, 21st consecutive year and #1 in Sustainalytics ESG

Positioning for the Future



- Awarded SOG project to supply blue H2 to OCI (Texas), ~$2B capex
- Backlog $8B+
- 53 small on-site wins, capex $270mm
- Pipeline ~200 decarbonization projects with expected capex of $8-$10B

Financials



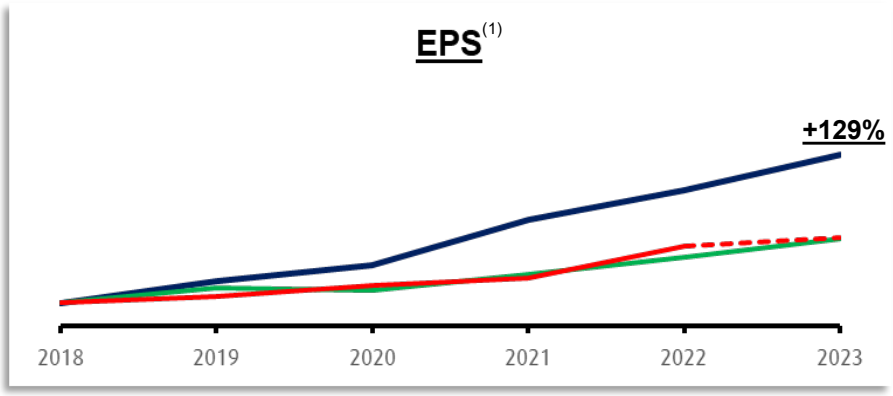
- Mitigated challenging macro environment
- Margins +390 bps, +310 bps ex. CPT
- EPS +16%; increased ROC to 25.4%
- Delisted from Frankfurt Stock Exchange
- Returned $6B+ to shareholders

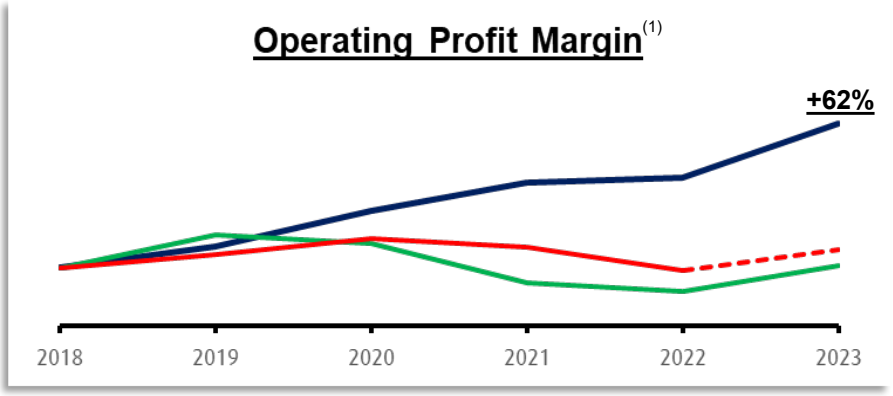
Well positioned for another strong year in 2024

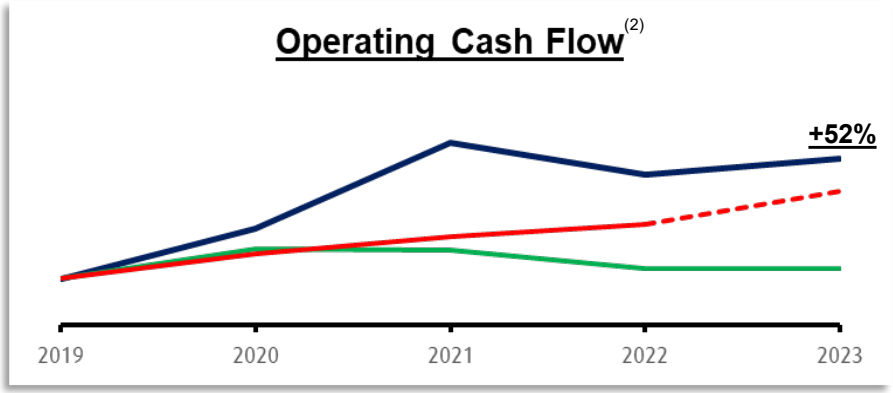
EPS and ROC are non-GAAP measures – see Appendix

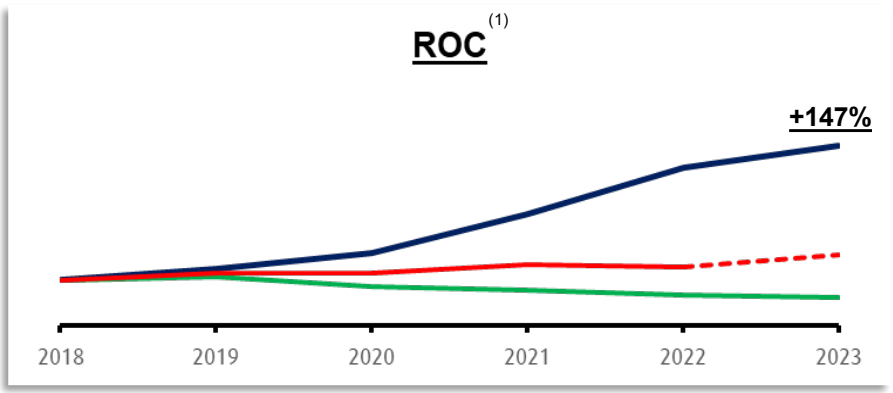
Gender diversity refers to the global professional employee population

5-Year Financial Performance









Linde | Competitor 1 | Competitor 2

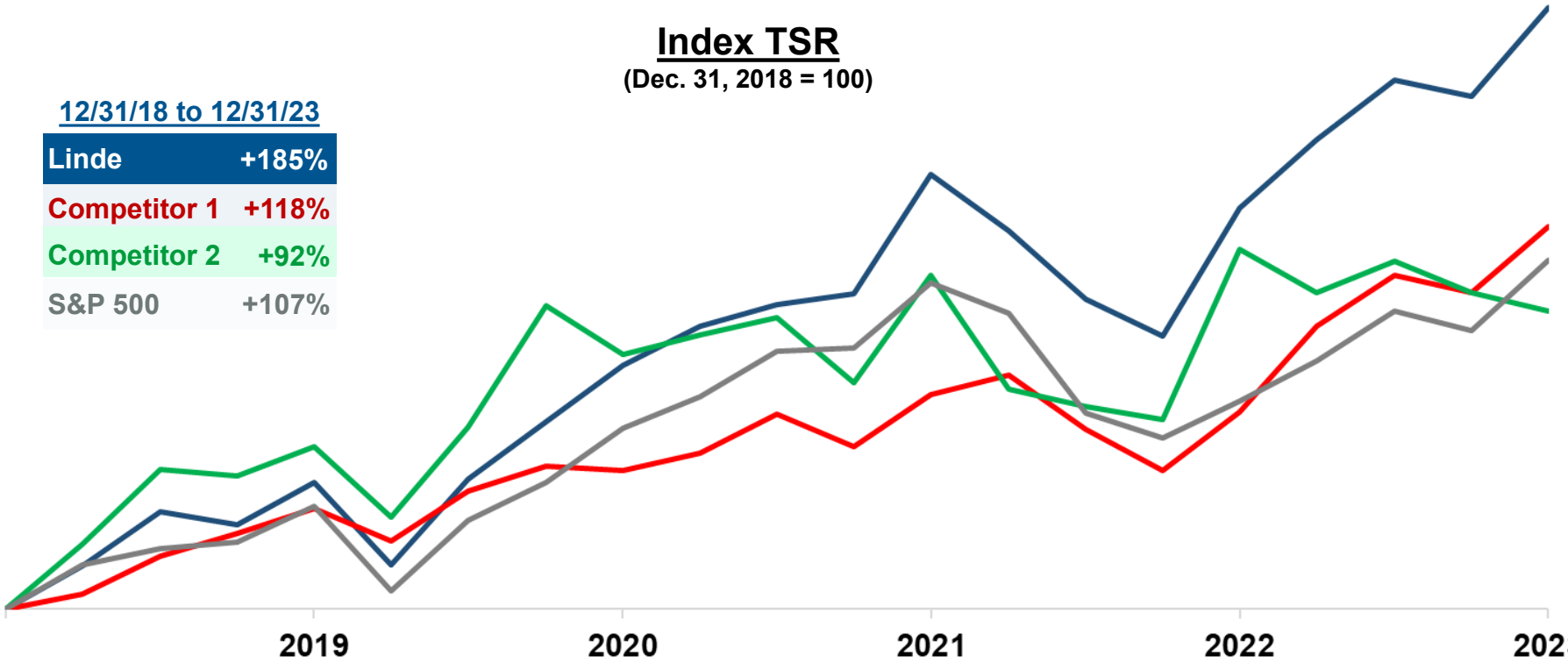
Industry leading results where it matters most

Source: Competitor filings and Factset. ROC calculated on a similar basis to Linde
(1) Non-GAAP measures – see appendix or prior year presentations for reconciliations
(2) Operating cash flow starts 2019 due to no 2018 proforma for Linde plc
Competitor 1 pending 2023 results. Used consensus estimates for 2023 (dotted line)

5-Year Total Shareholder Return[(1)] (TSR)

Index TSR
(Dec. 31, 2018 = 100)

12/31/18 to 12/31/23	
Linde	+185%
Competitor 1	+118%
Competitor 2	+92%
S&P 500	+107%



	2019	2020	2021	2022	2023
LIN vs S&P500	+7.6%	+7.5%	+4.7%	+13.7%	+1.4%

Linde, one of only 12 members in S&P500 (and only in sector) with positive alpha 5 consecutive years

A company for all seasons

Source: Competitor filings and Factset
(1) Measures change in stock price plus dividends paid

Fourth-Quarter Adjusted Results[1]

($MM)	4Q 2023	3Q 2023	Var	4Q 2022	Var
Sales	$8,302	$8,155	2%	$7,899	5%
Operating Profit	$2,272	$2,306	-1%	$2,001	14%
% of Sales	*27.4%*	*28.3%*		*25.3%*	
Income	$1,753	$1,783	-2%	$1,574	11%
Diluted EPS	$3.59	$3.63	-1%	$3.16	14%
Op. Cash Flow	$2,727	$2,520	8%	$2,095	30%
Capex	$1,151	$948	21%	$936	23%
Base Capex[2]	$705	$597	18%	$663	6%
Project Capex[3]	$446	$351	27%	$273	63%
After-Tax ROC	25.4%	25.6%	-20 bps	22.9%	+250 bps

	YOY	SEQ.
Sales Growth	+ 5%	+ 2%
Volume	--	- 1%
Price / Mix	+ 4%	+ 1%
Cost pass-thru	- 3%	+ 1%
Currency	+ 2%	- 1%
Acq / Div	+ 1%	--
Engineering	+ 1%	+ 2%

- **Broad-based price attainment & continued progress on productivity initiatives**
- **Operating margins ex. cost pass-thru (bps)**

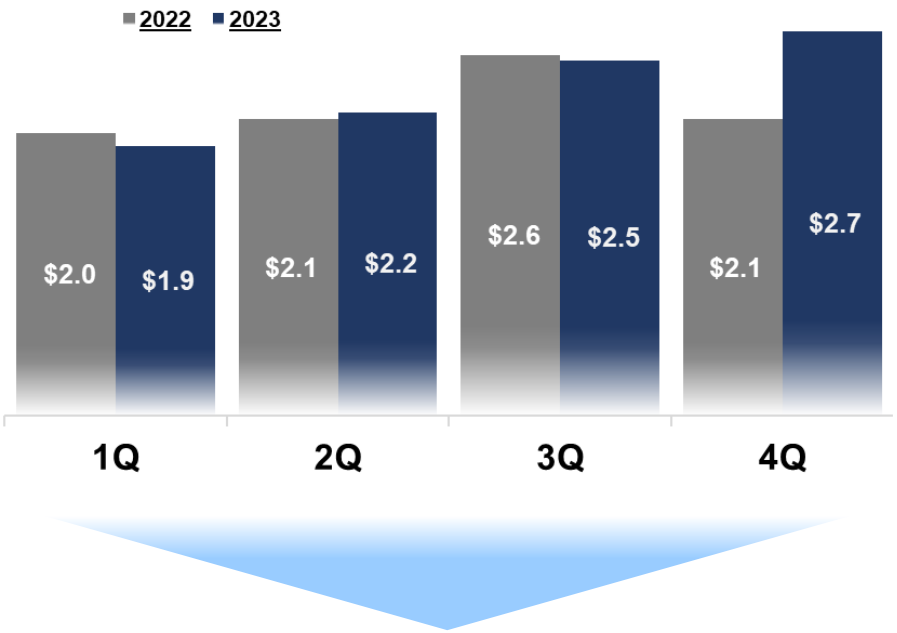
	YoY	Seq.
Americas	+100	+30
APAC	+100	+10
EMEA	+350	-60
Consolidated	+130	-80

- **ARS deval. negative impact $30mm, $20mm int. expense and $10mm operating profit**
- **Strong operating cash, YoY +30%**
- **EPS $3.59, YoY +14%**
- **$8.5 billion project backlog**

(1) Results other than Sales, Operating Cash Flow and Capex are Non-GAAP measures – see Appendix
(2) Represents capex in small growth, maintenance and other non-project capex related investments
(3) Capex for projects > $5mm with a long-term customer supply agreement and incremental growth

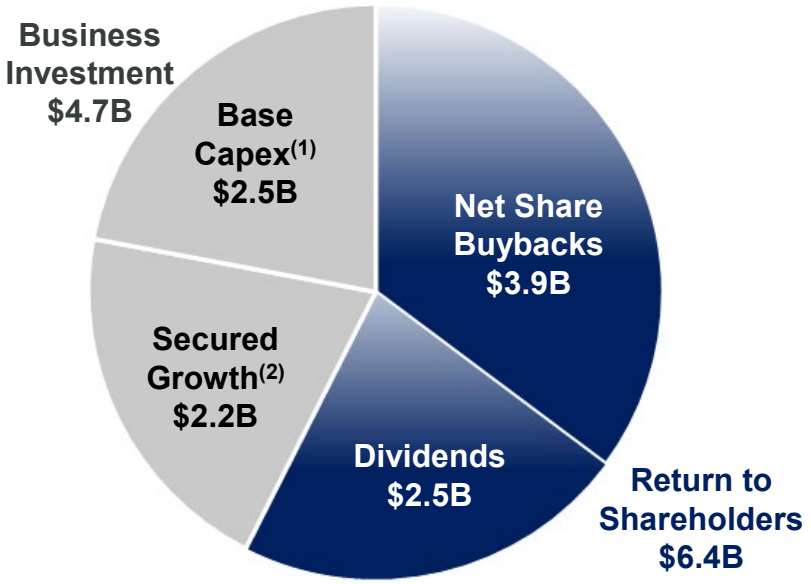
2023 Capital Management

Operating Cash Flow Trend ($B)



2023 full-year $9B+ (YoY +5%)

Cash Outflows ~$11B



Reinvesting in the business & rewarding shareholders

(1) Represents capex in small growth, maintenance and other non-project capex related investments
(2) Represents project capex plus acquisitions

2024 Guidance

Full-Year 2024

- Adjusted EPS[(1)] in the range of $15.25 to $15.65
  - +7% to +10% vs. 2023
  - Estimated YoY currency headwind -1%
  - +8% to +11% vs. 2023 excluding FX
  - Mid-point assumes no economic improvement
- CAPEX: $4.5B to $5.0B

1st Quarter 2024

- Adjusted EPS[(1)] in the range of $3.58 to $3.68
  - +5% to +8% vs. 2023
  - Estimated YoY currency headwind -1%
  - +6% to +9% vs. 2023 excluding FX
  - Mid-point assumes no economic improvement

Full-year EPS +8% to +11% ex. FX

(1) Non-GAAP measure, see appendix

Appendix

Full-Year Adjusted Results[1]

($MM)	2023	2022	Var
Sales	$32,854	$33,364	-2%
Operating Profit	$9,070	$7,904	15%
% of Sales	*27.6%*	*23.7%*	
Income	$6,989	$6,195	13%
Diluted EPS	$14.20	$12.29	16%
Op. Cash Flow	$9,305	$8,864	5%
Capex	$3,787	$3,173	19%
Base Capex[2]	$2,457	$2,226	10%
Project Capex[3]	$1,330	$947	40%
After-Tax ROC	25.4%	22.9%	+250 bps

	YOY
Sales Growth	- 2%
Volume	- 1%
Price / Mix	+ 6%
Cost pass-thru (CPT)	- 3%
Currency	- 1%
Acq / Div	- 1%
Engineering	- 2%

- Price attainment in all geographic segments
- Record OP margin, +390 bps; ex. CPT +310 bps
- Strong operating leverage
  - YoY Sales -2%, OP +15%, EPS +16%
  - Operating leverage across all geographic segments
- Record EPS $14.20
- Capex increase led by Project Capex
- $8.5 billion project backlog
- Record ROC 25.4%, increased 250 bps

(1) Results other than Sales, Operating Cash Flow and Capex are Non-GAAP measures – see Appendix. All amounts are from continuing operations

(2) Represents capex in small growth, maintenance and other non-project capex related investments

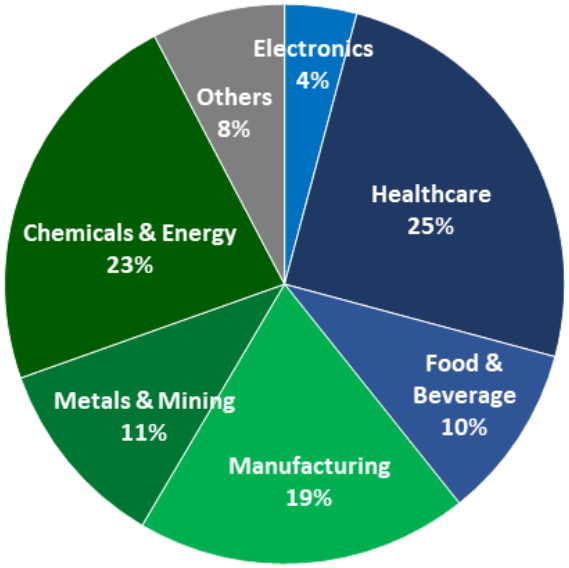
(3) Capex for projects > $5mm with a long-term customer supply agreement and incremental growth

Americas

($MM)	4Q 2023	3Q 2023	Var	4Q 2022	Var
Sales	$3,583	$3,629	-1%	$3,421	5%
Operating Profit	$1,075	$1,074	0%	$944	14%
% of Sales	30.0%	29.6%		27.6%	

	YOY	SEQ.
Sales Growth	+ 5%	- 1%
Volume	+ 1%	- 1%
Price / Mix	+ 5%	+ 1%
Cost pass-thru	- 5%	--
Currency	+ 1%	- 1%
Acq / Div	+ 3%	--

Sales by End Market



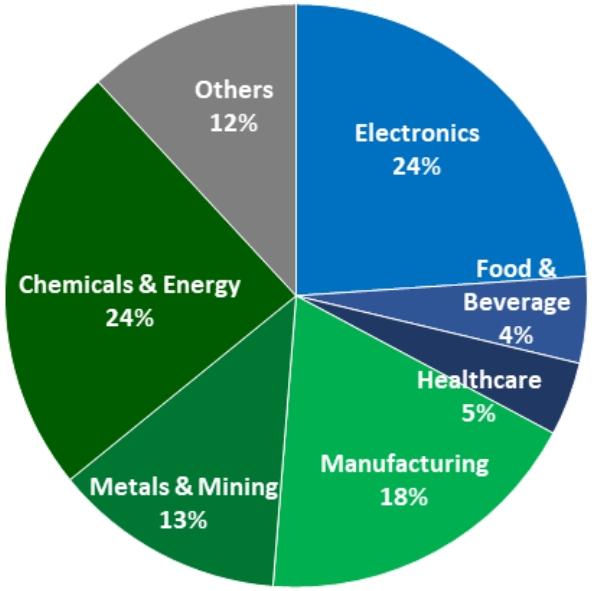
- Continued price and productivity initiatives
- Ex cost pass-thru, YoY margins up 100 bps
- ARS deval. negative impact $10mm operating profit
- YoY growth across all end markets except Electronics
  - Food & Beverage and Chemicals & Energy the strongest
- Seq. volumes lower driven due to seasonality

APAC

($MM)	4Q 2023	3Q 2023	Var	4Q 2022	Var
Sales	$1,639	$1,639	0%	$1,567	5%
Operating Profit	$452	$459	-2%	$416	9%
% of Sales	27.6%	28.0%		26.5%	

	YOY	SEQ.
Sales Growth	+ 5%	--
Volume	+ 3%	- 2%
Price / Mix	+ 2%	--
Cost pass-thru	--	+ 2%
Currency	--	--
Acq / Div	--	--

Sales by End Market



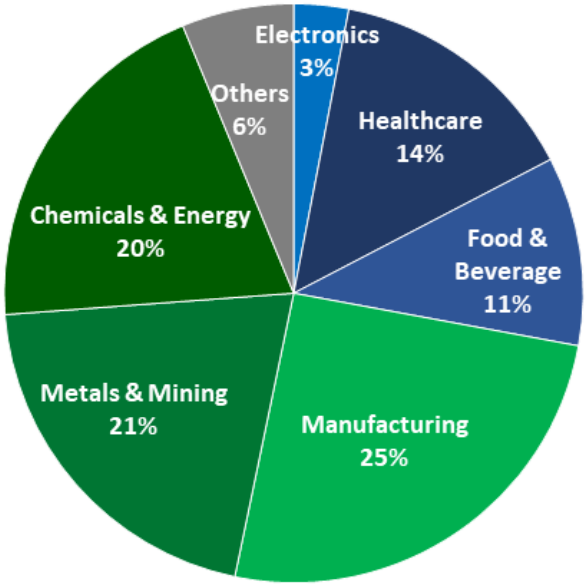
- YoY margins up 110 bps
- Continued good inflation management
- YoY sales growth led by Chemicals & Energy and Manufacturing end markets
  - Metals & Mining and Electronics lagging
- YoY volume growth led by project startups
- Seq. lower volumes, primarily led by LPG seasonality

EMEA

($MM)	4Q 2023	3Q 2023	Var	4Q 2022	Var
Sales	$2,100	$2,105	0%	$2,026	4%
Operating Profit	$615	$634	-3%	$509	21%
% of Sales	29.3%	30.1%		25.1%	

	YOY	SEQ.
Sales Growth	+ 4%	--
Volume	- 4%	- 2%
Price / Mix	+ 6%	+ 2%
Cost pass-thru	- 2%	+ 1%
Currency	+ 4%	- 1%
Acq / Div	--	--

Sales by End Market



- Continued strong pricing plus productivity initiatives
- Ex cost pass-thru, YoY margins up 350 bps
- YoY sales growth across all resilient end markets, industrials lagging
- Seq. volumes lower primarily from industrial onsite customers
- FX YoY tailwinds led by EUR and GBP

Engineering

($MM)	4Q 2023	3Q 2023	Var	4Q 2022	Var
Sales	$658	$467	41%	$562	17%
Operating Profit	$119	$116	3%	$157	-24%
% of Sales	18.1%	24.8%		27.9%	

3rd Party Orders ($MM)	4Q 2023	3Q 2023	4Q 2022
Intake	$567	$633	$696
SOP Backlog	$3,628	$3,551	$3,542

- Margin impacted by less project settlements
- Continued productivity initiatives
- Good order intake of projects, $0.6B
- SOP (sale of plant) backlog $3.6B

Global Other

($MM)	4Q 2023	3Q 2023	Var	4Q 2022	Var
Sales	$322	$315	2%	$323	0%
Operating Profit	$11	$23	-52%	($25)	144%
% of Sales	3.4%	7.3%		-7.7%	

- YoY margin improvement led by coatings business and continued optimization of corporate costs

Global End Market Trends

4Q 2023	End Market	% of Sales[1] & YoY Trend	YoY Sales[2] Growth	Seq. Sales[2] Growth
Consumer Related End Markets (More Resilient)				
	**Healthcare**	**17%**	+4%	+2%
	**Food & Beverage**	**9%**	+9%	-4%
	**Electronics**	**9%**	-4%	+3%
Industrial Related End Markets (More Cyclical)				
	**Manufacturing**	**22%**	+8%	-1%
	**Chemicals & Energy**	**22%**	+6%	-1%
	**Metals & Mining**	**14%**	--	-2%

(1) Excludes Engineering sales
(2) Excludes impact of currency, cost pass-through, acquisitions/divestitures, non-recurring sale of equipment
Remaining balance of % of Sales relates to Other sales primarily to distributors, competitors and retail

High-Quality Project Backlog $8.5B

SOP Backlog[1] $3.6B



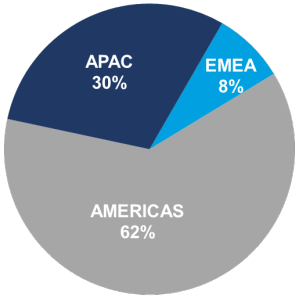
- ✓ Contractual growth
- ✓ Secure cash flow
- ✓ Double-digit IRR
- ✓ High-quality customers
- ✓ Primarily engineering and procurement services

SOG Backlog[2] $4.9B

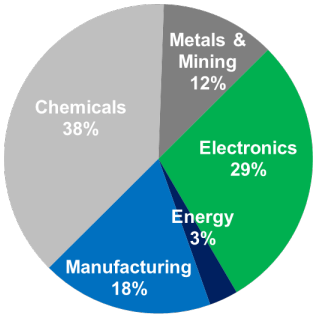


- ✓ Contractual growth
- ✓ Secure cash flow
- ✓ Double-digit IRR
- ✓ High-quality customers
- ✓ Increases network density

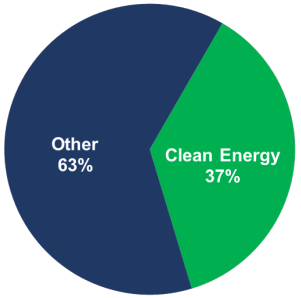
Geography



End Market



Clean Energy



(1) 3rd party sale of plant backlog. Represents future sales, secured under a signed agreement
(2) Sale of gas backlog. Represents project investments (CAPEX), supported by a long-term supply agreement

Inflation Reduction Act (IRA) Overview

IRA was passed into law August 2022, in part to promote US decarbonization projects

- US tax code sections 45Q and 45V provide tax credits for carbon capture and low carbon intensity H_2 projects, respectively
- The US Treasury recently issued proposed regulations for 45V

Section 45Q (pre-existing)

- Tax credit increased to \$85/ton for CO_2 capture & sequestration (CCS) – e.g. "blue" hydrogen production(1)
- Final regs issued on base credit under pre-IRA law in 2021

Section 45V (new)

- Tax credit provides up to \$3/kg for low carbon intensity hydrogen – e.g. "green" hydrogen production (1)
- Proposed regs. on base credit (\$0.60/kg) for electrolysis:
  - Incremental: power to be produced by new facilities
  - Time matched: power used within one hour of being produced
  - Regionality: power must be produced in the same region

Views on Blue H2

- Preferred option for production at scale
  - low technical risk
  - lowest overall cost
  - most reliable and proven solution today
- Most large opportunities in blue H_2 projects
  - Linde awarded first world-scale blue H_2 project (OCI)
  - Clean energy project pipeline \$8B - \$10B, including the US

Views on Green H2

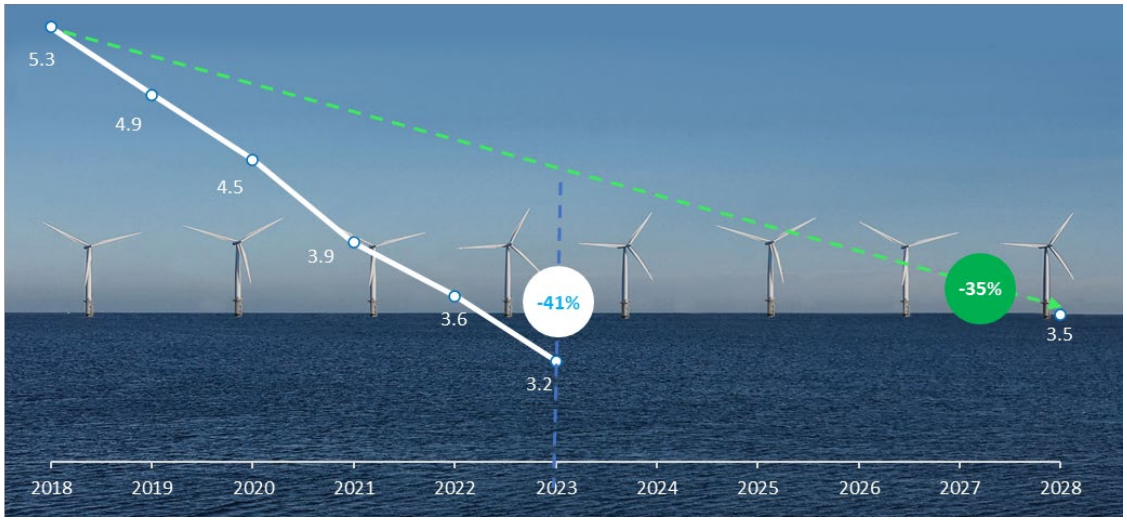
- Lacks scale - primarily for merchant H_2 market
  - Electrolyzers unproven at gigawatt scale
  - High overall cost
  - Requires abundant and cost-effective renewable power
- Nascent market

Disciplined approach to decarbonization opportunities

(1) "Blue" implies fossil produced H2 with CCUS; "Green" implies electrolysis produces hydrogen with renewable power

ESG Performance vs. 2028 Goals

Target: 35% Reduction in GHG Emissions Intensity 2018-2028[1]



GHG Emissions Intensity[1] (Target: reduce 35% by 2028)

- FY 2023 improvement led by profitable growth
- Scope 1 and 2 improved 1% vs prior year

Low-carbon energy[2] (Target: double annual purchase by 2028)

- 40% of Linde's energy consumption is low carbon
- YoY active low-carbon energy increased 28%

Decarbonizing our Future

- Linde Increases Hydrogen Production in Southeast United States
- Linde Starts-up Supply of Clean Hydrogen and Captured Carbon Dioxide to Celanese
- Linde Signs Long-Term Agreements to Purchase Renewable Energy in China

ESG News and Recognitions

- Linde Included in Dow Jones Sustainability World Index for the 21st Consecutive Year
- Linde Recognized as Sustainability Leader by S&P Global

(1) Scope 1 and 2 emissions (in million MT) divided by adjusted EBITDA in billion USD
(2) Low-carbon energy includes passive and active sourcing of solar, wind, hydro and nuclear

Sustainable Development Highlights

Best-in-class safety performance
Lost Workday Case Rate more than 4x better than U.S. Occupational Health and Safety Administration industrial average

Enabled the **avoidance of >2x more GHG emissions** than were emitted in all the company's operations

350,000 people benefited from global employee **community engagement** projects

Diverted more than **200 million pounds** of waste **from landfills**

Water management plans in place at 61% of high-water-use sites in areas of high-water-stress

Sourced **more than 1/3** of global electricity from **low-carbon sources**

Recognized leader in **diversity & inclusion**

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

FTSE4Good

WORLD'S MOST ETHICAL COMPANIES®

SUSTAINALYTICS a Morningstar company RATED

2023 data estimates

Strategy

Optimize the Base
- ✓ Network density
- ✓ Productivity/digitalization
- ✓ Price management
- ✓ Capex efficiency
- ✓ Portfolio optimization

Leverage the Recovery
- ✓ Price and volume
- ✓ Cost management
- ✓ Operations optimization

Capitalize on Growth
- ✓ Electronics
- ✓ Healthcare
- ✓ Backlog start-up

\+ **Clean Energy**



>10% EPS Growth

\+

Clean Energy

2023+

Sustainable value creation

Non-GAAP Measures

LINDE PLC AND SUBSIDIARIES
SUMMARY NON-GAAP RECONCILIATIONS
(UNAUDITED)

The following adjusted amounts are Non-GAAP measures and are intended to supplement investors' understanding of the company's financial statements by providing measures which investors, financial analysts and management use to help evaluate the company's operating performance. Items which the company does not believe to be indicative of ongoing business trends are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. Definitions of these Non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures. See the "NON GAAP MEASURES AND RECONCILIATIONS" starting on page x for additional details relating to the adjustments.

(Millions of dollars, except per share amounts)	Sales		Operating Profit		Net Income		Diluted EPS	
Quarter Ended December 31	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Reported GAAP Amounts	$ 8,302	$ 7,899	$ 2,028	$ 1,687	$ 1,543	$ 1,328	$ 3.16	$ 2.67
Other charges (a)	—	—	(2)	25	(4)	16	(0.01)	0.03
Pension settlement charges (b)	—	—	—	—	3	—	0.01	—
Purchase accounting impacts - Linde AG (c)	—	—	246	289	211	230	0.43	0.46
Total adjustments	—	—	244	314	210	246	0.43	0.49
Adjusted amounts	$ 8,302	$ 7,899	$ 2,272	$ 2,001	$ 1,753	$ 1,574	$ 3.59	$ 3.16

(Millions of dollars, except per share amounts)	Sales		Operating Profit		Net Income		Diluted EPS	
Year to Date December 31	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Reported GAAP Amounts	$ 32,854	$ 33,364	$ 8,024	$ 5,369	$ 6,199	$ 4,147	$ 12.59	$ 8.23
Other charges (a)	—	—	40	1,029	(41)	893	(0.08)	1.77
Pension settlement charges (b)	—	—	—	—	13	5	0.03	0.01
Purchase accounting impacts - Linde AG (c)	—	—	1,006	1,506	818	1,150	1.66	2.28
Total adjustments	—	—	1,046	2,535	790	2,048	1.61	4.06
Adjusted amounts	$ 32,854	$ 33,364	$ 9,070	$ 7,904	$ 6,989	$ 6,195	$ 14.20	$ 12.29

(a) 2023 year to date charges related primarily to severance and delist charges, which were offset by a tax settlement. 2022 year to date charges related primarily to charges associated with the deconsolidation and impairment of Russian subsidiaries resulting from the ongoing war in Ukraine and related sanctions.

(b) To adjust for pension settlement charges.

(c) To adjust for purchase accounting impacts related to the merger.

Non-GAAP Measures, continued

LINDE PLC AND SUBSIDIARIES
APPENDIX
NON-GAAP MEASURES AND RECONCILIATIONS
(UNAUDITED)

The following Non-GAAP measures are intended to supplement investors' understanding of the company's financial information by providing measures which investors, financial analysts and management use to help evaluate the company's operating performance and liquidity. Items which the company does not believe to be indicative of on-going business trends are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. Definitions of these Non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures.

	2023					2022				
(Millions of dollars, except per share data)	Year to Date December 31,	Q4	Q3	Q2	Q1	Year to Date December 31,	Q4	Q3	Q2	Q1
Adjusted Operating Profit and Operating Margin										
Reported operating profit	$ 8,024	$ 2,028	$ 2,052	$ 2,011	$ 1,933	$ 5,369	$ 1,687	$ 1,613	$ 589	$ 1,480
Add: Other charges (a)	40	(2)	2	22	18	1,029	25	15	993	(4)
Add: Pension settlement charges	—	—	—	—	—	—	—	—	—	—
Add: Purchase accounting impacts - Linde AG (c)	1,006	246	252	253	255	1,506	289	382	406	429
Total adjustments	1,046	244	254	275	273	2,535	314	397	1,399	425
Adjusted operating profit	$ 9,070	$ 2,272	$ 2,306	$ 2,286	$ 2,206	$ 7,904	$ 2,001	$ 2,010	$ 1,988	$ 1,905
Reported percentage change	49 %	20 %	27 %	241 %	31 %	8 %	26 %	25 %	(48)%	22 %
Adjusted percentage change	15 %	14 %	15 %	15 %	16 %	10 %	9 %	11 %	8 %	13 %
Reported sales	$ 32,854	$ 8,302	$ 8,155	$ 8,204	$ 8,193	$ 33,364	$ 7,899	$ 8,797	$ 8,457	$ 8,211
Reported operating margin	24.4 %	24.4 %	25.2 %	24.5 %	23.6 %	16.1 %	21.4 %	18.3 %	7.0 %	18.0 %
Adjusted operating margin	27.6 %	27.4 %	28.3 %	27.9 %	26.9 %	23.7 %	25.3 %	22.8 %	23.5 %	23.2 %
Adjusted Depreciation and amortization										
Reported depreciation and amortization	$ 3,816	$ 949	$ 959	$ 960	$ 948	$ 4,204	$ 956	$ 1,045	$ 1,091	$ 1,112
Less: Purchase accounting impacts - Linde AG (c)	(991)	(241)	(249)	(251)	(250)	(1,481)	(285)	(377)	(401)	(418)
Adjusted depreciation and amortization	$ 2,825	$ 708	$ 710	$ 709	$ 698	$ 2,723	$ 671	$ 668	$ 690	$ 694
Adjusted Other Income (Expense) - net										
Reported Other Income (Expense) - net	$ (41)	$ (25)	$ 16	$ (27)	(5)	$ (62)	$ (4)	$ (34)	$ (36)	$ 12
Add: Purchase accounting impacts - Linde AG (c)	(15)	(5)	(3)	(2)	(5)	(25)	(4)	(5)	(5)	(11)
Adjusted Other Income (Expense) - net	(26)	$ (20)	$ 19	$ (25)	$ —	(37)	$ —	$ (29)	$ (31)	$ 23

Non-GAAP Measures, continued

(Millions of dollars, except per share data)	2023 Year to Date December 31,	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Year to Date December 31,	2022 Q4	2022 Q3	2022 Q2	2022 Q1
Adjusted Net Pension and OPEB Cost (Benefit), Excluding Service Cost										
Reported net pension and OPEB cost (benefit), excluding service cost	$ (164)	$ (39)	$ (35)	$ (45)	(45)	$ (237)	$ (58)	$ (53)	$ (62)	$ (64)
Add: Pension settlement charges	(16)	(4)	(12)	—	—	(6)	—	(6)	—	—
Adjusted Net Pension and OPEB cost (benefit), excluding service costs	$ (180)	$ (43)	$ (47)	$ (45)	$ (45)	$ (243)	$ (58)	$ (59)	$ (62)	$ (64)
Adjusted Interest Expense - Net										
Reported interest expense - net	$ 200	$ 71	$ 40	$ 52	$ 37	$ 63	$ 31	$ 18	$ 5	$ 9
Add: Purchase accounting impacts - Linde AG (c)	16	1	2	4	9	35	8	8	9	10
Adjusted interest expense - net	$ 216	$ 72	$ 42	$ 56	$ 46	$ 98	$ 39	$ 26	$ 14	$ 19
Adjusted Income Taxes (a)										
Reported income taxes	$ 1,814	$ 459	$ 487	$ 438	430	$ 1,434	$ 388	$ 391	$ 286	$ 369
Add: Purchase accounting impacts - Linde AG (c)	232	49	59	67	57	374	66	92	108	108
Add: Pension settlement charges	3	1	2	—	—	1	—	1	—	—
Add: Other charges (a)	81	2	—	34	45	136	9	26	104	(3)
Total adjustments	316	52	61	101	102	511	75	119	212	105
Adjusted income taxes	$ 2,130	$ 511	$ 548	$ 539	$ 532	$ 1,945	$ 463	$ 510	$ 498	$ 474
Adjusted Effective Tax Rate (a)										
Reported income before income taxes and equity investments	$ 7,988	$ 1,996	$ 2,047	$ 2,004	1,941	$ 5,543	$ 1,714	$ 1,648	$ 646	$ 1,535
Add: Pension settlement charge	16	4	12	—	—	6	—	6	—	—
Add: Purchase accounting impacts - Linde AG (c)	990	245	250	249	246	1,471	281	374	397	419
Add: Other charges (a)	40	(2)	2	22	18	1,029	25	15	993	(4)
Total adjustments	1,046	247	264	271	264	2,506	306	395	1,390	415
Adjusted income before income taxes and equity investments	$ 9,034	$ 2,243	$ 2,311	$ 2,275	$ 2,205	$ 8,049	$ 2,020	$ 2,043	$ 2,036	$ 1,950

Non-GAAP Measures, continued

(Millions of dollars, except per share data)	2023 Year to Date December 31,	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Year to Date December 31,	2022 Q4	2022 Q3	2022 Q2	2022 Q1
Reported Income taxes	$ 1,814	$ 459	$ 487	$ 438	$ 430	$ 1,434	$ 388	$ 391	$ 286	$ 369
Reported effective tax rate	22.7 %	23.0 %	23.8 %	21.9 %	22.2 %	25.9 %	22.6 %	23.7 %	44.3 %	24.0 %
Adjusted income taxes	$ 2,130	$ 511	$ 548	$ 539	$ 532	$ 1,945	$ 463	$ 510	$ 498	$ 474
Adjusted effective tax rate	23.6 %	22.8 %	23.7 %	23.7 %	24.1 %	24.2 %	22.9 %	25.0 %	24.5 %	24.3 %
Income from Equity Investments										
Reported income from equity investments	$ 167	$ 39	$ 41	$ 46	41	$ 172	$ 35	$ 43	$ 50	$ 44
Add: Other charges	—	—	—	—	—	—	—	—	—	—
Add: Purchase accounting impacts - Linde AG (c)	72	18	18	18	18	75	18	18	19	20
Total adjustments	72	18	18	18	18	75	18	18	19	20
Adjusted income from equity investments	$ 239	$ 57	$ 59	$ 64	$ 59	$ 247	$ 53	$ 61	$ 69	$ 64
Adjusted Noncontrolling Interests										
Reported noncontrolling interests	$ (142)	$ (33)	$ (36)	$ (37)	(36)	$ (134)	$ (33)	$ (27)	$ (38)	$ (36)
Add: Purchase accounting impacts - Linde AG (c)	(12)	(3)	(3)	(3)	(3)	(22)	(3)	(12)	(3)	(4)
Adjusted noncontrolling interests	$ (154)	$ (36)	$ (39)	$ (40)	$ (39)	$ (156)	$ (36)	$ (39)	$ (41)	$ (40)
Adjusted Net Income - Linde plc (b)										
Reported net income	$ 6,199	$ 1,543	$ 1,565	$ 1,575	1,516	$ 4,147	$ 1,328	$ 1,273	$ 372	$ 1,174
Add: Pension settlement charge	13	3	10	—	$ —	5	—	5	—	—
Add: Other charges (a)	(41)	(4)	2	(12)	$ (27)	893	16	(11)	889	(1)
Add: Purchase accounting impacts - Linde AG (c)	818	211	206	197	204	1,150	230	288	305	327
Total adjustments	790	210	218	185	177	2,048	246	282	1,194	326
Adjusted net income - Linde plc	$ 6,989	$ 1,753	$ 1,783	$ 1,760	$ 1,693	$ 6,195	$ 1,574	$ 1,555	$ 1,566	$ 1,500

Non-GAAP Measures, continued

(Millions of dollars, except per share data)	2023 Year to Date December 31,	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Year to Date December 31,	2022 Q4	2022 Q3	2022 Q2	2022 Q1
Adjusted Diluted EPS (b)										
Reported diluted EPS	$ 12.59	$ 3.16	$ 3.19	$ 3.19	$ 3.06	$ 8.23	$ 2.67	$ 2.54	$ 0.74	$ 2.30
Add: Pension settlement charge	0.03	0.01	0.02	—	$ —	0.01	—	0.01	—	—
Add: Other charges (a)	(0.08)	(0.01)	—	(0.02)	$ (0.05)	1.77	0.03	(0.02)	1.76	—
Add: Purchase accounting impacts - Linde AG (c)	1.66	0.43	0.42	0.40	$ 0.41	2.28	0.46	0.57	0.60	0.63
Total adjustments	1.61	0.43	0.44	0.38	0.36	4.06	0.49	0.56	2.36	0.63
Adjusted diluted EPS	$ 14.20	$ 3.59	$ 3.63	$ 3.57	$ 3.42	$ 12.29	$ 3.16	$ 3.10	$ 3.10	$ 2.93
Reported percentage change	53 %	18 %	26 %	331 %	33 %	12 %	35 %	35 %	(54)%	24 %
Adjusted percentage change	16 %	14 %	17 %	15 %	17 %	15 %	14 %	14 %	15 %	18 %

Adjusted Diluted EPS Guidance (d)	First Quarter 2024 Low End	First Quarter 2024 High End	Full Year 2024 Low End	Full Year 2024 High End
2024 Adjusted Guidance	$ 3.58	$ 3.68	$ 15.25	$ 15.65
Adjusted percentage changes versus 2023 adjusted diluted EPS	5 %	8 %	7 %	10 %
Add: Estimated currency headwind/(tailwind)	1 %	1 %	1 %	1 %
Adjusted percentage change excluding currency	6 %	9 %	8 %	11 %

Non-GAAP Measures, continued

(Millions of dollars, except per share data)	2023 Year to Date December 31,	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Year to Date December 31,	2022 Q4	2022 Q3	2022 Q2	2022 Q1
Adjusted EBITDA and % of Sales										
Net Income - Linde plc	$ 6,199	$ 1,543	$ 1,565	$ 1,575	$ 1,516	$ 4,147	$ 1,328	$ 1,273	$ 372	$ 1,174
Add: Noncontrolling interests	142	33	36	37	36	134	33	27	38	36
Add: Net pension and OPEB cost (benefit), excluding service cost	(164)	(39)	(35)	(45)	(45)	(237)	(58)	(53)	(62)	(64)
Add: Interest expense	200	71	40	52	37	63	31	18	5	9
Add: Income taxes	1,814	459	487	438	430	1,434	388	391	286	369
Add: Depreciation and amortization	3,816	949	959	960	948	4,204	956	1,045	1,091	1,112
EBITDA	12,007	3,016	3,052	3,017	2,922	9,745	2,678	2,701	1,730	2,636
Add: Other charges (a)	40	(2)	2	22	18	1,029	25	15	993	(4)
Add: Purchase accounting impacts - Linde AG (c)	86	23	20	20	23	99	22	23	23	31
Total adjustments	126	21	22	42	41	1,128	47	38	1,016	27
Adjusted EBITDA	$ 12,133	$ 3,037	$ 3,074	$ 3,059	$ 2,963	$ 10,873	$ 2,725	$ 2,739	$ 2,746	$ 2,663
Reported sales	$ 32,854	$ 8,302	$ 8,155	$ 8,204	$ 8,193	$ 33,364	$ 7,899	$ 8,797	$ 8,457	$ 8,211
% of sales										
EBITDA	36.5 %	36.3 %	37.4 %	36.8 %	35.7 %	29.2 %	33.9 %	30.7 %	20.5 %	32.1 %
Adjusted EBITDA	36.9 %	36.6 %	37.7 %	37.3 %	36.2 %	32.6 %	34.5 %	31.1 %	32.5 %	32.4 %

Non-GAAP Measures, continued

(a) The income tax expense (benefit) on the non-GAAP pre-tax adjustments was determined using the applicable tax rates for the jurisdictions that were utilized in calculating the GAAP income tax expense (benefit) and included both current and deferred income tax amounts.

(b) Net of income taxes which are shown separately in "Adjusted Income Taxes and Effective Tax Rate".

(c) The company believes that its non-GAAP measures excluding Purchase accounting impacts - Linde AG are useful to investors because:
(i) the 2018 business combination was a merger of equals in an all-stock merger transaction, with no cash consideration,
(ii) the company is managed on a geographic basis and the results of certain geographies are more heavily impacted by purchase accounting than others, causing results that are not comparable at the reportable segment level, therefore, the impacts of purchasing accounting adjustments to each segment vary and are not comparable within the company and when compared to other companies in similar regions,
(iii) business management is evaluated and variable compensation is determined based on results excluding purchase accounting impacts, and;
(iv) it is important to investors and analysts to understand the purchase accounting impacts to the financial statements.
A summary of each of the adjustments made for Purchase accounting impacts - Linde AG are as follows:
Adjusted Operating Profit and Margin: The purchase accounting adjustments for the periods presented relate primarily to depreciation and amortization related to the fair value step up of fixed assets and intangible assets (primarily customer related) acquired in the merger and the allocation of fair value step-up for ongoing Linde AG asset disposals (reflected in Other Income/(Expense)).
Adjusted Interest Expense - Net: Relates to the amortization of the fair value of debt acquired in the merger.
Adjusted Income Taxes and Effective Tax Rate: Relates to the current and deferred income tax impact on the adjustments discussed above. The income tax expense (benefit) on the non-GAAP pre-tax adjustments was determined using the applicable tax rates for the jurisdictions that were utilized in calculating the GAAP income tax expense (benefit) and included both current and deferred income tax amounts.
Adjusted Income from Equity Investments: Represents the amortization of increased fair value on equity investments related to depreciable and amortizable assets.
Adjusted Noncontrolling Interests: Represents the noncontrolling interests' ownership portion of the adjustments described above determined on an entity by entity basis.
(d) We are providing adjusted earnings per share ("EPS") guidance for 2024. This is a non-GAAP financial measure that represents diluted earnings per share (a GAAP measure) but excludes the impact of certain items that we believe are not representative of our underlying business performance, such as cost reduction and other charges and the impact of potential divestitures or other potentially significant items. Given the uncertainty of timing and magnitude of such items, we cannot provide a reconciliation of the differences between the non-GAAP adjusted EPS guidance and the corresponding GAAP EPS measure without unreasonable effort.

Non-GAAP Measures, continued

LINDE PLC AND SUBSIDIARIES
APPENDIX
NON-GAAP MEASURES AND RECONCILIATIONS
(Millions of dollars)
(UNAUDITED)

(Millions of dollars)	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

Available Operating Cash Flow (AOCF) and Base Capex - Available operating cash flow is a measure used by investors, financial analysts and management to evaluate the ability of a company to pursue opportunities that enhance shareholder value. AOCF measures operating cash flows available after capital expenditures to maintain or replace existing assets (base capex). AOCF equals cash flow from operations less base capex.

Capex	$ 1,151	$ 948	$ 859	$ 829	$ 936	$ 762	$ 826	$ 649
Less: backlog capex (a)	(446)	(351)	(282)	(251)	(273)	(225)	(259)	(190)
Base Capex	$ 705	$ 597	$ 577	$ 578	$ 663	$ 537	$ 567	$ 459
Operating Cash Flow	$ 2,727	$ 2,520	$ 2,150	$ 1,908	$ 2,095	$ 2,636	$ 2,133	$ 2,000
Less: backlog capex	(705)	(597)	(577)	(578)	(663)	(537)	(567)	(459)
Available Operating Cash Flow	$ 2,022	$ 1,923	$ 1,573	$ 1,330	$ 1,432	$ 2,099	$ 1,566	$ 1,541

Backlog capex is defined as capital expenditures for projects greater than $5 million with a customer supply contract.

Non-GAAP Measures, continued

LINDE PLC AND SUBSIDIARIES
APPENDIX
NON-GAAP MEASURES AND RECONCILIATIONS
(Millions of dollars)
(UNAUDITED)

(Millions of dollars)	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Free Cash Flow (FCF) - Free cash flow is a measure used by investors, financial analysts and management to evaluate the ability of a company to pursue opportunities that enhance shareholder value. FCF equals cash flow from operations less capital expenditures.								
Operating Cash Flow	$ 2,727	$ 2,520	$ 2,150	$ 1,908	$ 2,095	$ 2,636	$ 2,133	$ 2,000
Less: Capital Expenditures	(1,151)	(948)	(859)	(829)	(936)	(762)	(826)	(649)
Free Cash Flow	$ 1,576	$ 1,572	$ 1,291	$ 1,079	$ 1,159	$ 1,874	$ 1,307	$ 1,351
Net Debt - Net debt is a financial liquidity metric used by investors, financial analysts and management to evaluate the ability of a company to repay its debt and is calculated as total debt (excluding purchase accounting impacts) less liquid assets.								
Debt	$ 19,373	$ 18,003	$ 17,490	$ 18,777	$ 17,914	$ 15,338	$ 16,043	$ 16,456
Less: Cash and cash equivalents	(4,664)	(3,894)	(3,357)	(4,962)	(5,436)	(3,756)	(3,655)	(4,464)
Net debt	14,709	14,109	14,133	13,815	12,478	11,582	12,388	11,992
Less: Purchase accounting impacts - Linde AG	(7)	(8)	(10)	(13)	(22)	(28)	(38)	(50)
Adjusted net debt	$ 14,702	$ 14,101	$ 14,123	$ 13,802	$ 12,456	$ 11,554	$ 12,350	$ 11,942
Less: Net assets held for sale	—	—	—	—	—	—	—	—
Adjusted net debt	$ 14,702	$ 14,101	$ 14,123	$ 13,802	$ 12,456	$ 11,554	$ 12,350	$ 11,942

After-tax Return on Capital and Adjusted After-tax Return on Capital (ROC) - After-tax return on capital is a measure used by investors, financial analysts and management to evaluate the return on net assets employed in the business. ROC measures the after-tax operating profit that the company was able to generate with the investments made by all parties in the business (debt, noncontrolling interests and Linde plc shareholders' equity).

Non-GAAP Measures, continued



(Millions of dollars)	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Reported net income - Linde plc	$ 1,543	$ 1,565	$ 1,575	$ 1,516	$ 1,328	$ 1,273	$ 372	$ 1,174
Add: noncontrolling interests	33	36	37	$ 36	33	27	38	36
Add: interest expense - net	71	40	52	$ 37	31	18	5	9
Less: tax benefit on interest expense - net *	(16)	(12)	(12)	(9)	(7)	(5)	(1)	(2)
Reported NOPAT	$ 1,631	$ 1,629	$ 1,652	$ 1,580	$ 1,385	$ 1,313	$ 414	$ 1,217
Adjusted net income - Linde plc	$ 1,753	$ 1,783	$ 1,760	$ 1,693	$ 1,574	$ 1,555	$ 1,566	$ 1,500
Add: adjusted noncontrolling interests	36	39	40	39	36	39	41	40
Add: adjusted interest expense - net	72	42	56	46	39	26	14	19
Less: tax benefit on interest expense - net *	(17)	(13)	(13)	(11)	(9)	(7)	(3)	(5)
Adjusted NOPAT	$ 1,844	$ 1,851	$ 1,843	$ 1,767	$ 1,640	$ 1,613	$ 1,618	$ 1,554
4-quarter trailing reported NOPAT	$ 6,492	$ 6,246	$ 5,930	$ 4,692	$ 4,329	$ 4,021	$ 3,723	$ 4,198
4-quarter trailing adjusted NOPAT	$ 7,305	$ 7,101	$ 6,863	$ 6,638	$ 6,425	$ 6,281	$ 6,137	$ 5,997

*Tax benefit on interest expense - net is generally presented using the reported effective rate.

Equity and redeemable noncontrolling interests:								
Redeemable noncontrolling interests	$ 13	$ 13	$ 13	$ 13	$ 13	$ 13	$ 13	$ 13
Linde plc shareholders' equity	39,720	38,898	39,911	39,970	40,028	37,628	39,674	42,963
Noncontrolling interests	1,362	1,327	1,324	1,353	1,346	1,298	1,353	1,414
Total equity and redeemable noncontrolling interests	$ 41,095	$ 40,238	$ 41,248	$ 41,336	$ 41,387	$ 38,939	$ 41,040	$ 44,390

Non-GAAP Measures, continued

(Millions of dollars)	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Reported capital	$ 55,804	$ 54,347	$ 55,381	$ 55,151	$ 53,865	$ 50,521	$ 53,428	$ 56,382
Total equity and redeemable noncontrolling interests	$ 41,095	$ 40,238	$ 41,248	$ 41,336	$ 41,387	$ 38,939	$ 41,040	$ 44,390
Add: Adjusted net debt	14,702	14,101	14,123	13,802	12,456	11,554	12,350	11,942
Less: Linde AG Goodwill (a)	24,256	24,256	24,256	24,256	24,256	24,256	24,256	24,256
Less: Linde AG Indefinite lived intangibles (a)	1,868	1,868	1,868	1,868	1,868	1,868	1,868	1,868
Adjusted capital	$ 29,673	$ 28,215	$ 29,247	$ 29,014	$ 27,719	$ 24,369	$ 27,266	$ 30,208
(a) Represent opening balance sheet purchase accounting impacts of non-amortizing assets related to the Linde AG merger.								
Ending capital (see above)	$ 55,804	$ 54,347	$ 55,381	$ 55,151	$ 53,865	$ 50,521	$ 53,428	$ 56,382
5-quarter average ending capital	$ 54,910	$ 53,853	$ 53,669	$ 53,869	$ 54,204	$ 54,984	$ 56,796	$ 57,967
Ending adjusted capital (see above)	$ 29,673	$ 28,215	$ 29,247	$ 29,014	$ 27,719	$ 24,369	$ 27,266	$ 30,208
5-quarter average ending adjusted capital	$ 28,774	$ 27,713	$ 27,523	$ 27,715	$ 28,040	$ 28,810	$ 30,611	$ 31,770
After-tax ROC (4 quarter reported NOPAT / 5-quarter average ending capital)	**11.8 %**	**11.6 %**	**11.0 %**	**8.7 %**	**8.0 %**	**7.3 %**	**6.6 %**	**7.2 %**
Adjusted after-tax ROC (4 quarter trailing adjusted NOPAT / 5-quarter average ending adjusted capital)	**25.4 %**	**25.6 %**	**24.9 %**	**24.0 %**	**22.9 %**	**21.8 %**	**20.0 %**	**18.9 %**

Purchase Price Accounting (PPA) Outlook
2018 Merger

US$ (MM)	PPA NBV 12/31/23	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Amortization	**11,643**	(464)	(436)	(436)	(433)	(420)	(420)	(420)	(420)	(420)	(420)	(420)	(416)	(414)
Depreciation	**2,059**	(478)	(341)	(302)	(152)	(113)	(91)	(76)	(66)	(58)	(50)	(39)	(27)	(18)
Total	**13,702**	**(942)**	**(777)**	**(737)**	**(585)**	**(533)**	**(510)**	**(496)**	**(486)**	**(478)**	**(470)**	**(459)**	**(444)**	**(432)**

US$ (MM)	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	INDEFINITE
Amortization	(414)	(408)	(380)	(380)	(380)	(380)	(373)	(357)	(343)	(333)	(333)	(278)	1,745
Depreciation	(13)	(10)	(7)	(5)	(4)	(3)	(2)	0	0	0	0	0	205
Total	**(428)**	**(419)**	**(387)**	**(385)**	**(384)**	**(383)**	**(375)**	**(357)**	**(342)**	**(333)**	**(333)**	**(278)**	**1,950**

Amounts above represent estimates of forward-looking merger related amortization and depreciation utilizing currency exchange rates as of December 31, 2023 and may have rounding differences. We believe these estimates provide useful information to investors for modeling the annual impact to our financial statements. Future amounts may be different due to changes in currency exchange rates, changes in estimated useful lives and disposition or impairment of assets. Linde plc assumes no obligation to update or provide revisions to these estimates in response to changing circumstances.

The 2018 business combination of Praxair, Inc. and Linde AG was a merger of equals in an all-stock merger transaction, with no cash consideration.

PPA NBV above represents the remaining net book value as of December 31, 2023 related to the fair value step up of fixed assets and intangible assets (primarily customer related) due to the merger.

The related depreciation and amortization of the remaining net book value has been scheduled out above over the remaining estimated useful lives using exchange rates at December 31, 2023. Amounts shown are pre-tax and do not include the related deferred tax impact. These amounts are adjusted out of depreciation and amortization in the company's non-GAAP adjusted operating profit.

The remaining balance of $1.95 billion after 2048 represents indefinite lived assets, primarily the Linde brand of $1.745 billion in intangibles (non-amortizing asset) and land of $0.205 billion (non depreciating asset).

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