



Corporate
Initiative

Safeguarding Impact Integrity

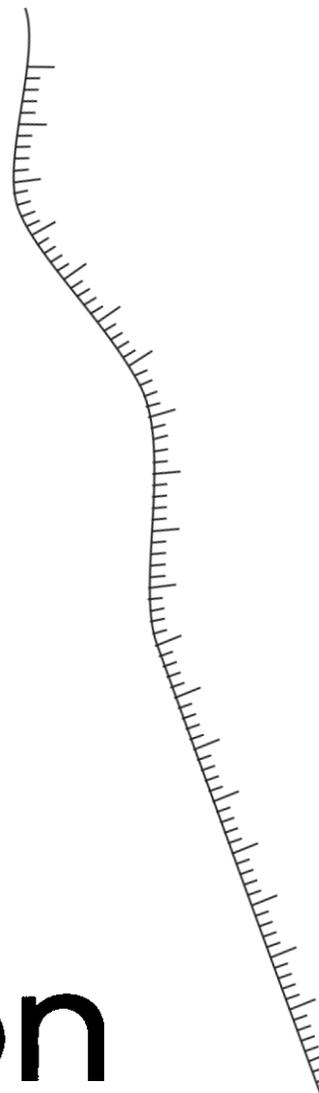
with Air Liquide Foundation



Who is Air Liquide Foundation?

Name	Air Liquide Foundation
Related company (and industry)	Air Liquide (chemicals, health care, engineering)
Legal structure	Corporate foundation
Established in	2008
HQ Location	France
Financial instruments	Grants
Yearly investments	€2M
Social sector	Research, job integration

Fondation
 Air Liquide

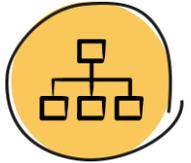


Impact Integrity Risk Assessment

Strategic alignment: 50% nonmaterial alignment, 50% thematic alignment



Board composition: majority of trustees with background from the related company.



Staff composition: majority of staff with background from the related company.



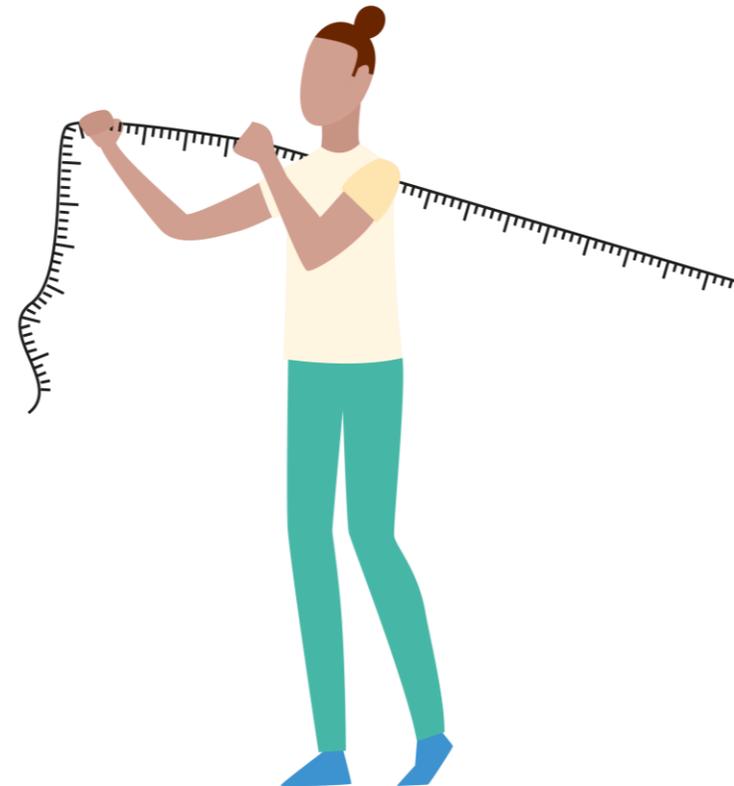
Investment decisions involvement: managing director (and staff), board, and expert committee(s) with background from the related company.

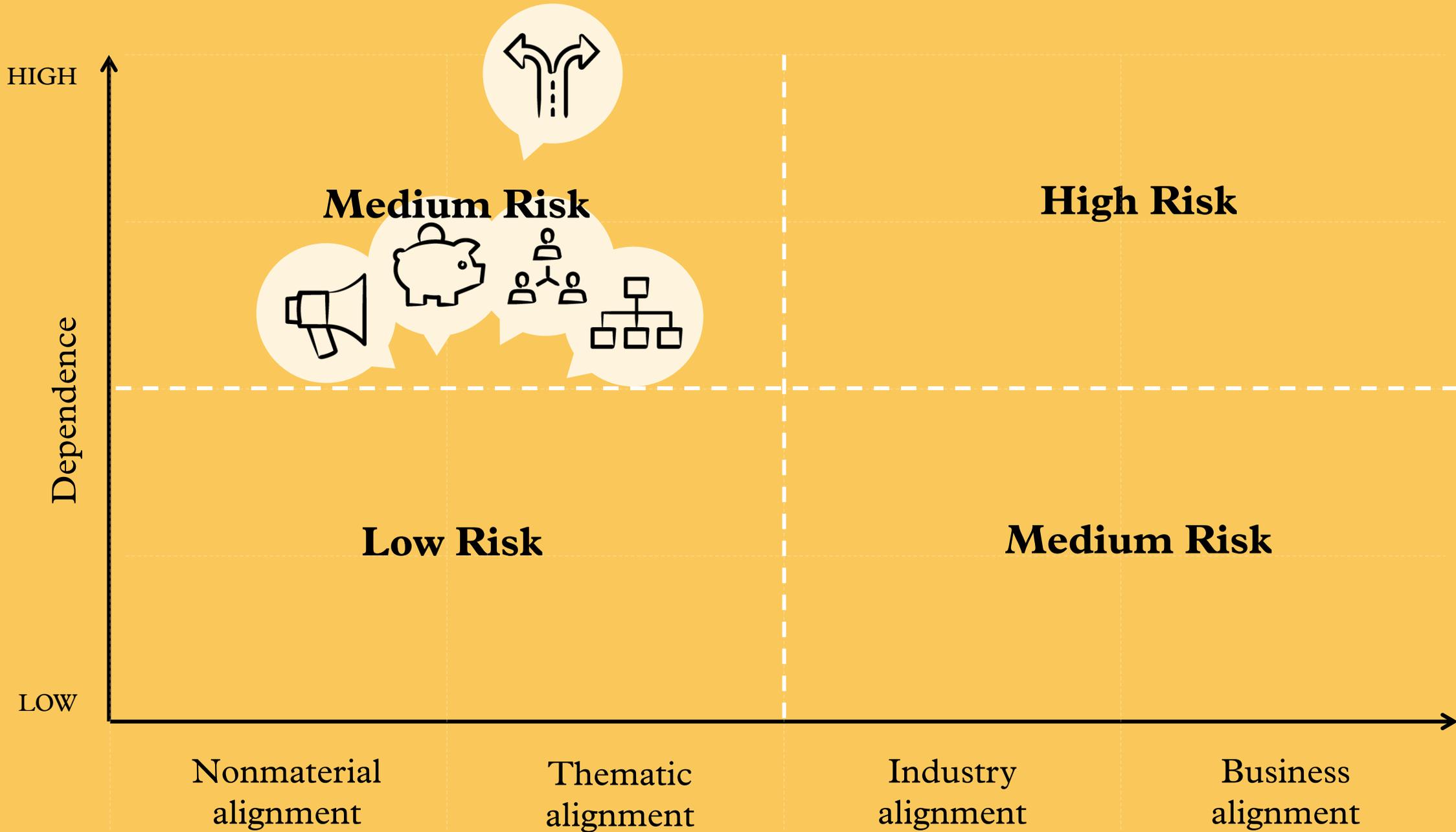


Communication: using both own and corporate communication channels.



Funding source: annual funding from the related company and shareholders of the related company.





What does this mean for Air Liquide Foundation's impact integrity?

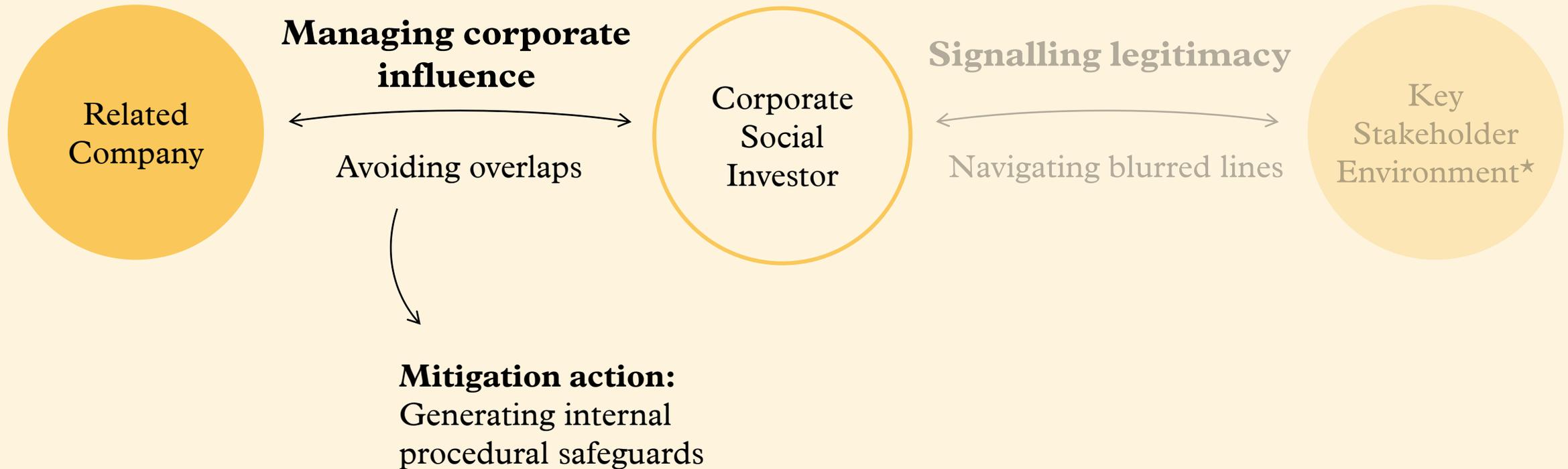
Air Liquide Foundation has a **relatively high degree of dependence** on the related company. However, this close connection is **an opportunity** which makes it easier to involve corporate employees (e.g. for their expertise) and leverage the benefits this relationship has to offer.

While the relatively high dependence increases the risks to impact integrity, the **loose strategic alignment** counterbalances this. The alignment brings the foundation close enough to make the link with corporate employees and expertise, but not so close that it could cause a drift of the foundation's social mission.

Air Liquide Foundation appropriately **identified the challenges** that come with its unique positioning and successfully implemented the necessary **mitigation actions**.



Challenges & Mitigation Actions



*social sector, media, regulators, etc.

Managing Corporate Influence

How generating internal procedural safeguards helps avoid overlaps

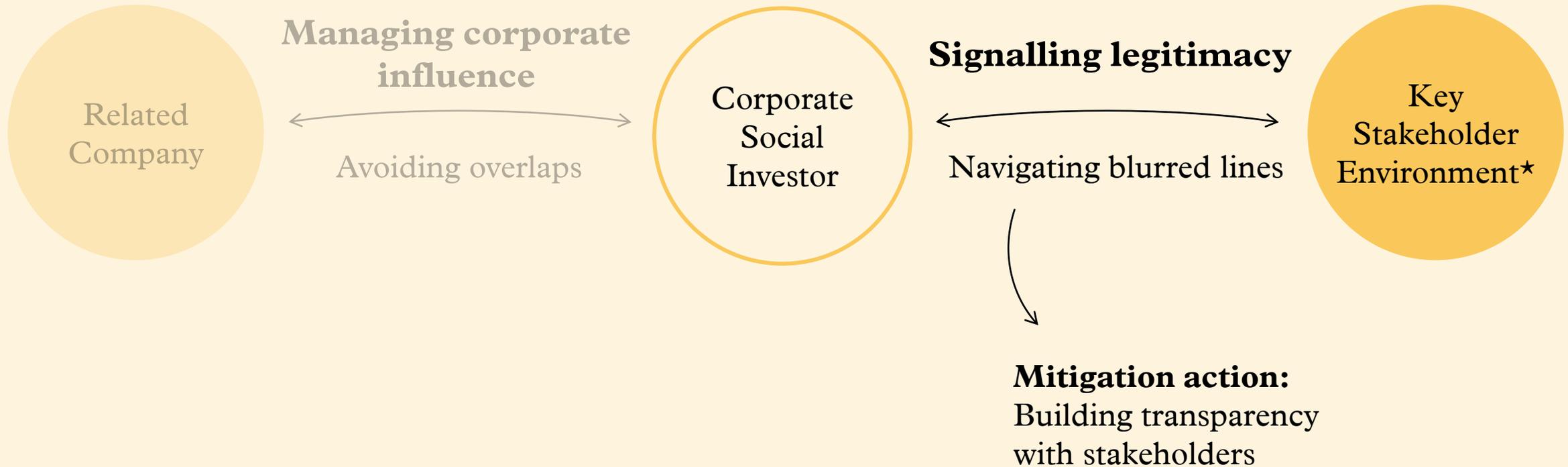
The foundation supports respiratory research and the development of innovative job-skilling schemes in regions where Air Liquide conducts business operations.

These activities could create **conflicts of interests** as the investees of the foundation could also be customers of Air Liquide. The foundation supports teams in the medical field. Members of these teams can be involved in decision-making processes related to the purchases of Air Liquide services or products.

The company's **Group Ethics Officer** suggested a new procedural safeguard: the foundation's beneficiaries are required to sign a document that they commit themselves not to participate in any decision related to company's products and services in the following five years.

Quantitative checks were also introduced to ensure that the foundation is not the primary funder of an investee as this could also constitute a potential conflict of interest.

Challenges & Mitigation Actions



*social sector, media, regulators, etc.

Signalling Legitimacy

How building transparency with stakeholders helps navigate blurred lines

For many stakeholders, **the foundation's mission** may not be immediately clear because of its **link to a company**, and therefore, to potential business interests. On the one hand, the foundation needs to educate corporate employees who wrongly consider the foundation as a means to sign a new business. Some stakeholders may see the foundation as way to get free/discounted products and services from the related company. The blurred line make it difficult for some stakeholders to differentiate between the scopes of the foundation and the company.

Effective communications built on **transparency** can break down misconceptions about the foundation's role.

Air Liquide Foundation's website provides extensive information about its activities: detailed governance structure, processes related to investment decision-making, annual audits, and dedicated webpages about each investee.

By disclosing these procedures and clearly outlining the projects supported, the foundation **clarifies its scope** and **manage expectations** of stakeholders.

Visit our website for more insights on impact integrity!

EVPA Corporate Initiative Supporters

