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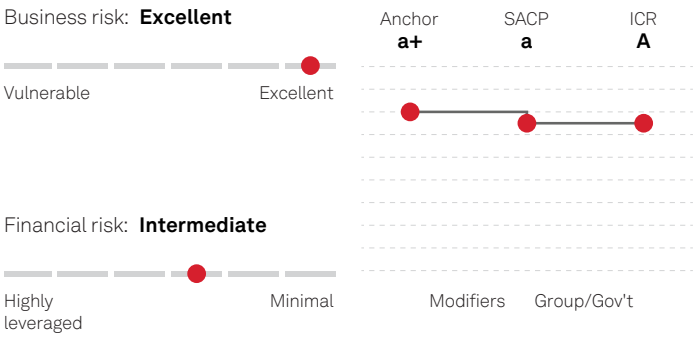
Research

Linde PLC

June 26, 2026

This report does not constitute a rating action.

Ratings Score Snapshot



Issuer credit rating
A/Stable/A-1

ICR--Issuer credit rating. SACP--Stand-alone credit profile.

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Credit Highlights

Overview

Key strengths	Key risks
Largest global manufacturer in the credit-supportive industrial gases industry.	Capital-intensive business with high capex
Strong geographic diversity, with significant exposure to high-growth markets.	Continued significant shareholder payouts.
Resilient earnings and consistent cash flow generation.	
Management's commitment to maintaining credit metrics at levels appropriate for the rating.	

S&P Global Ratings expects Linde to maintain stable revenue growth and sustain a strong S&P Global Ratings-adjusted EBITDA margin in 2026, supported by pricing discipline and backlog execution. Revenue growth is projected at around 3.5%-4.0%, reflecting continued pricing actions and incremental volumes from project start-ups, alongside tailwinds from foreign exchange movements. We expect our adjusted EBITDA to slightly increase to around $13.5 billion-$14.0 billion in 2026, from $13.0 billion in 2025 supported by ongoing productivity measures and

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pricing initiatives, offsetting cost inflation pressures and helium-related headwinds in Asia. We expect our adjusted EBITDA margin to remain broadly stable at about 39.0%-40.0% in 2026 compared with 38.5% in 2025. In our view, the sizable project backlog of approximately $9 billion-$10 billion, particularly in electronics and clean energy, provides good visibility for volume growth and supports earnings stability despite a muted macroeconomic backdrop.

In the first quarter of 2026, revenue increased by 8% year on year to $8.8 billion, reflecting underlying growth of 3% (2% pricing and 1% volume) and a favorable 5% currency impact. Growth was driven by project start-ups, particularly in Asia-Pacific, and strong demand in electronics, which increased by 10% due to continued investments in advanced semiconductors. S&P Global Ratings-adjusted EBITDA increased by 9.2% to $3.5 billion, with margin improving to 40.0% from 39.6% in the prior year, supported by pricing actions, productivity initiatives, and favorable foreign exchange.

We expect Linde to maintain disciplined financial policy and strong credit metrics, with adequate headroom for the current rating. Linde's financial policy is underpinned by solid cash flow generation and a consistent capital allocation framework. The company continues to balance ongoing investment in growth projects with shareholder returns, with capital expenditure (capex) for full-year 2026 expected in the range of $5.4 billion-$5.6 billion, largely directed toward investment in new plants, project backlog execution, and maintenance requirements. At the same time, Linde maintains a consistent approach to capital returns through dividends and share repurchases, resulting in funds from operations (FFO) to debt of around 40.0%-42.0% for 2026-2027 from 43.1% in 2025. In our view, the company's strong EBITDA generation and stable margins support credit metrics and remain commensurate with the current rating.

We expect Linde's diversified footprint and contractual model to provide resilience against regional and geopolitical pressures. Linde's operating performance remains exposed to macroeconomic uncertainty and subdued industrial demand across regions, particularly in Europe, where weaker industrial activity continues to weigh on volumes. The ongoing Middle East conflict has limited direct impact on the company, given its relatively small asset base in the region, although it may indirectly affect operations through energy markets and supply chain dynamics. In contrast, supply tightness in certain gases, particularly helium, may provide opportunities for Linde to capture additional market share, supported by its diversified sourcing and high level of contracted volumes. Regionally, we expect its North American operations (around 45% of sales) to benefit from the current environment, while Europe (around 25% of sales) is likely to face continued softness. The company also remains exposed to cost inflation and volatility in input prices, although these are largely mitigated through pricing mechanisms and productivity initiatives. Overall, in our view, Linde's diversified geographic footprint, pricing power, and long-term contractual business model support resilient earnings and help mitigate downside risks.

Outlook

The stable rating outlook reflects our view of Linde's resilient business and commitment to balancing growth investments and shareholder returns such that credit metrics are in line with the current 'A' rating, with the FFO-to-debt ratio being at least 30% on average over the next two years.

In our view, Linde will have recurring and substantial free operating cash flow (FOCF) of over US$4.5 billion per year. This provides comfortable headroom for the credit metrics, given we

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forecast the company's adjusted FFO-to-debt ratio will be about 42% at year-end 2026 and close to 41% at year-end 2027.

Downside scenario

We could lower the rating if Linde adopts a more aggressive or shareholder-friendly financial policy, leading to increased leverage. Specifically, we would consider a downgrade if the adjusted FFO-to-debt ratio falls below 30% without the prospect of a rebound, or if the company announces it will allow this to occur.

Upside scenario

We are unlikely to raise the rating given the financial policy and management's commitment to an 'A' rating. However, we could consider an upgrade if Linde's adjusted FFO-to-debt ratio remains sustainably above 35% and management is committed to maintaining this level.

Our Base-Case Scenario

Assumptions

- Global GDP growth of 3.2% in 2026, and 3.3% in 2027. We expect the US$-to-euro exchange rate averaging 0.8657 in 2026, and 0.8445 in 2027.
- S&P Global Ratings' Brent oil price assumptions of $110 per barrel (/bbl) for the remainder of 2026 and $80/bbl in 2027. West Texas Intermediate prices of $105/bbl for the remainder of 2026 and $75/bbl in 2027. Henry Hub Natural Gas price of $3. 5 per million BTU for the remainder of 2026 and remain stable at $3.5/million BTU in 2027.
- We expect sales growth of 3.5%-4.0% in 2026, driven by strong pricing amid cost inflation, currency tailwinds, and start-up of new projects contributing to volumes. For 2027, we expect growth to expand to 4.5%, supported by better trading conditions, and strong order backlogs.
- Adjusted EBITDA margin is expected to remain stable around 39.0% to 40.0% in 2026-2027 supported by continued higher pricing, cost management and productivity initiatives, fully offsetting cost inflation.
- Total capex of around $5.4 billion-$5.6 billion in 2026, primarily related to investments in new plant and production equipment for backlog growth requirements. For 2027, we expect capex of around $5.2 billion-$5.4 billion.
- Moderate working capital outflow of $500 million-$800 million for 2026-2027.
- We expect acquisitions, including bolt-ons, of $500 million-$600 million for 2026-2027.
- Dividends of around $2.9 billion in 2026 and $3.0 billion-$3.1 billion in 2027, in accordance with the company's policy.
- We expect the company to continue with its financial policy to return excess cash to shareholders via buybacks in our forecast period.

Key metrics

Linde PLC--Forecast summary

Period ending	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025	Dec-31-2026	Dec-31-2027	Dec-31-2028
(Mil. $)	2022a	2023a	2024a	2025a	2026e	2027f	2028f
Revenue	33,364	32,854	33,005	33,986	35,231	36,818	39,049

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Linde PLC--Forecast summary

EBITDA (reported)	9,573	11,840	12,415	12,686	13,297	14,115	15,006
Plus: Operating lease adjustment (OLA) rent	284	284	303	311	311	311	311
Plus/(less): Other	276	175	57	95	140	140	140
EBITDA	10,133	12,299	12,775	13,092	13,748	14,566	15,457
Less: Cash interest paid	(257)	(549)	(543)	(696)	(756)	(780)	(865)
Less: Cash taxes paid	(1,735)	(1,955)	(2,216)	(2,274)	(2,022)	(2,159)	(2,305)
Funds from operations (FFO)	8,141	9,795	10,016	10,122	10,971	11,626	12,287
EBIT	5,852	8,453	8,962	9,250	9,621	10,263	10,999
Interest expense	302	511	587	612	756	780	865
Cash flow from operations (CFO)	9,061	9,491	9,626	10,513	10,709	11,044	11,697
Capital expenditure (capex)	3,111	3,720	4,429	5,150	5,500	5,300	5,400
Free operating cash flow (FOCF)	5,950	5,771	5,197	5,363	5,209	5,744	6,297
Dividends	2,344	2,482	2,655	2,811	2,950	3,100	3,250
Share repurchases (reported)	5,168	3,958	4,482	4,601	4,000	4,500	4,500
Discretionary cash flow (DCF)	(1,562)	(669)	(1,940)	(2,049)	(1,741)	(1,856)	(1,453)
Debt (reported)	17,914	19,373	21,623	26,989	26,989	28,163	30,432
Plus: Lease liabilities debt	877	942	986	1,080	1,088	1,098	1,111
Plus: Pension and other postretirement debt	24	272	--	--	--	--	--
Less: Accessible cash and liquid Investments	(5,236)	(4,464)	(4,650)	(4,856)	(2,298)	(800)	(800)
Plus/(less): Other	354	311	241	251	251	251	251
Debt	13,933	16,434	18,200	23,464	26,030	28,712	30,994
Equity	41,387	41,095	39,488	39,741	39,975	40,038	40,458
FOCF (adjusted for lease capex)	5,950	5,771	5,197	5,363	4,884	5,418	5,969
Interest expense (reported)	215	413	487	464	730	754	839
Capex (reported)	3,173	3,787	4,497	5,261	5,500	5,300	5,400
Cash and short-term investments (reported)	5,436	4,664	4,850	5,056	2,498	1,000	1,000
Adjusted ratios							
Debt/EBITDA (x)	1.4	1.3	1.4	1.8	1.9	2.0	2.0
FFO/debt (%)	58.4	59.6	55.0	43.1	42.1	40.5	39.6
FFO cash interest coverage (x)	32.6	18.8	19.4	15.5	15.5	15.9	15.2

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Linde PLC--Forecast summary

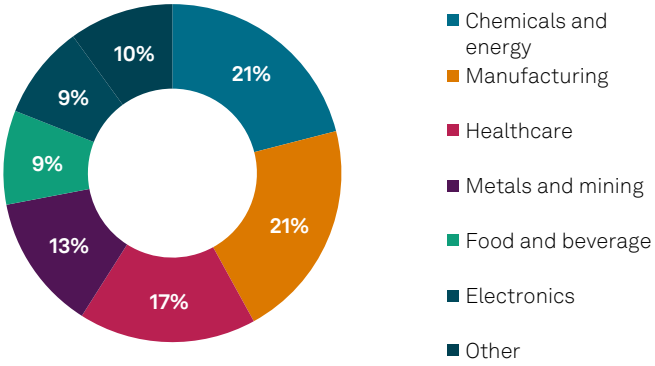
EBITDA interest coverage (x)	33.5	24.1	21.8	21.4	18.2	18.7	17.9
CFO/debt (%)	65.0	57.8	52.9	44.8	41.1	38.5	37.7
FOCF/debt (%)	42.7	35.1	28.6	22.9	20.0	20.0	20.3
DCF/debt (%)	(11.2)	(4.1)	(10.7)	(8.7)	(6.7)	(6.5)	(4.7)
Lease capex-adjusted FOCF/debt (%)	42.7	35.1	28.6	22.9	18.8	18.9	19.3
Annual revenue growth (%)	8.3	(1.5)	0.5	3.0	3.7	4.5	6.1
Gross margin (%)	41.7	46.8	48.1	48.8	48.7	48.8	48.9
EBITDA margin (%)	30.4	37.4	38.7	38.5	39.0	39.6	39.6
Return on capital (%)	10.2	15.0	15.6	15.3	14.9	15.2	15.7
Return on total assets (%)	7.3	10.5	11.1	11.1	11.1	11.7	12.3
EBITDA/cash interest (x)	39.4	22.4	23.5	18.8	18.2	18.7	17.9
EBIT interest coverage (x)	19.4	16.5	15.3	15.1	12.7	13.2	12.7
Debt/debt and equity (%)	25.2	28.6	31.5	37.1	39.4	41.8	43.4
Debt fixed-charge coverage (x)	33.5	24.1	21.8	21.4	18.2	18.7	17.9
Debt/debt and undepreciated equity (%)	25.2	28.6	31.5	37.1	39.4	41.8	43.4

Company Description

Linde, an industrial gas and engineering company incorporated in Ireland, generated about $33.9 billion in annual sales in 2025 through onsite, merchant, and package distribution to diversified end-markets. These included chemicals, refining, manufacturing, metals and mining, electronics, clean energy, health care, and food and beverages. The company's engineering division includes services such as procurement, project management, and the construction of industrial plants.

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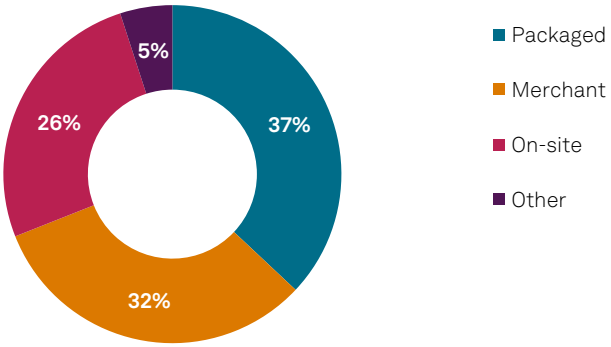
Linde PLC sales by end market
2025



Note: Excludes Linde Engineering. Source: S&P Global Ratings.

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Linde PLC sales by distribution method
2025



Note: Excludes Linde Engineering. Source: S&P Global Ratings.

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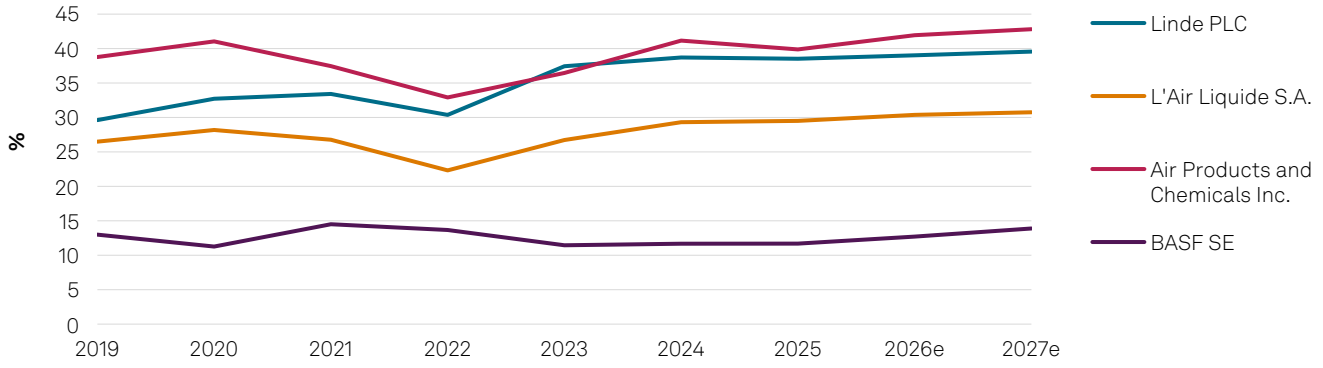
Peer Comparison

In comparison with global industrial gases peers, Linde enjoys strong market position, diversification, profitability, and long-term contracted revenue. In 2025, Linde's S&P Global Ratings-adjusted EBITDA margin was about 38.5%, compared with 39.9% for Air Products and Chemicals Ltd. and 29.5% for L'Air Liquide S.A. The three companies share similar business characteristics, including high barriers to entry, exposure to resilient end-markets, such as healthcare and electronics, and strong cash flow generation. Differences in margins are primarily driven by variations in portfolio mix, particularly the share of higher-margin on-site contracts, which benefit from long-term take-or-pay structures and cost pass-through mechanisms. Lower-margin merchant activities are more volume driven and exposed to pricing competition, as well as differences in cost structures, including energy sourcing and regional footprint, and the timing and execution of large projects. In contrast, BASF SE as a commodity chemical producer operates with a lower EBITDA margin of around 11.7% in 2025, reflecting its broader exposure to cyclical commodity chemicals and greater sensitivity to economic conditions and energy prices. As a result, BASF's earnings profile tends to be more volatile, while industrial gas companies,

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including Linde, benefit from greater earnings visibility, due to the contract-driven nature of their operations.

S&P Global Ratings-adjusted EBITDA margin peer comparison



e--Estimate. Source: S&P Global Ratings.

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Linde PLC--Peer Comparisons

	Linde PLC	L'Air Liquide S.A.	Air Products and Chemicals Inc.	BASF SE
Foreign currency issuer credit rating	A/Stable/A-1	A/Stable/A-1	A/Negative/A-1	A-/Stable/A-2
Local currency issuer credit rating	A/Stable/A-1	A/Stable/A-1	A/Negative/A-1	A-/Stable/A-2
Period	Annual	Annual	Annual	Annual
Period ending	2025-12-31	2025-12-31	2025-09-30	2025-12-31
Mil.	$	$	$	$
Revenue	33,986	31,631	12,037	70,045
EBITDA	13,092	9,332	4,800	8,186
Funds from operations (FFO)	10,122	7,679	3,362	6,317
Interest	612	543	532	1,099
Cash interest paid	696	337	497	758
Operating cash flow (OCF)	10,513	7,631	2,957	6,405
Capital expenditure	5,150	4,443	4,150	4,832
Free operating cash flow (FOCF)	5,363	3,188	(1,193)	1,573
Discretionary cash flow (DCF)	(2,049)	772	(2,784)	(1,293)
Cash and short-term investments	5,056	4,412	1,856	3,239
Gross available cash	5,056	4,412	1,856	3,239
Debt	23,464	13,957	13,872	25,144
Equity	39,741	31,639	17,350	40,318
EBITDA margin (%)	38.5	29.5	39.9	11.7
Return on capital (%)	15.3	13.5	11.2	5.0
EBITDA interest coverage (x)	21.4	17.2	9.0	7.4
FFO cash interest coverage (x)	15.5	23.8	7.8	9.3
Debt/EBITDA (x)	1.8	1.5	2.9	3.1

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Linde PLC--Peer Comparisons

FFO/debt (%)	43.1	55.0	24.2	25.1
OCF/debt (%)	44.8	54.7	21.3	25.5
FOCF/debt (%)	22.9	22.8	(8.6)	6.3
DCF/debt (%)	(8.7)	5.5	(20.1)	(5.1)

Business Risk

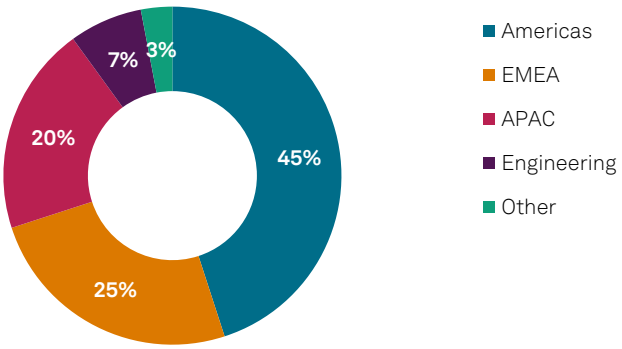
Linde's excellent business risk profile reflects the structural characteristics of the global industrial gases industry, which is relatively consolidated, capital intensive, and supported by stable demand patterns. Core products such as oxygen, nitrogen, and hydrogen are essential inputs across broad range of industrial processes, including healthcare, manufacturing, food processing, and energy applications. This results in comparatively lower demand volatility than in the broader chemicals sector, particularly during economic downturn.

A significant portion of Linde's revenue is generated under long-term contracts, particularly in its on-site supply segment. These contracts typically range from 10 to 20 years and include minimum offtake commitments as well as mechanisms to pass through input cost fluctuations. This structure provides visibility over earnings and cash flows and reduces exposure to fluctuations in input costs, particularly energy. Linde's global asset footprint comprising production facilities, pipeline networks, and distribution infrastructure supports efficient supply and cost efficiency. The industry's high capital requirements, technological complexity, and network density requirements limit new entrants.

Geographic and end-market diversification further support business stability, with operations across the Americas, Europe, the Middle East, and Africa, and Asia-Pacific regions, and a broad customer base spanning multiple end markets, including healthcare, chemicals and energy, manufacturing, metals and mining, food and beverage, and electronics. Recent trends indicate a mixed-demand environment, with relatively stable activity in the Americas and continued growth in electronics-related segments, while parts of Europe and traditional industrial sectors remain subdued.

Linde PLC sales by segment

2025



Note: Excludes Linde Engineering. EMEA--Europe, the Middle East, and Africa. APAC--Asia-Pacific. Source: S&P Global Ratings.

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Linde continues to demonstrate above-average EBITDA margins relative to the broader chemicals sector, supported by pricing discipline, productivity initiatives, and contractual

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protections. Margins have remained relatively resilient in recent years, despite inflationary pressures, indicating the robustness of the underlying operating model.

Looking ahead, Linde benefits from strong secular growth drivers, including clean energy (particularly hydrogen), electronics and semiconductor manufacturing, and emerging applications such as space launches and advanced materials. The company has a substantial project backlog (over $7 billion of large projects and around $10 billion pipeline including newer disclosures), much of which is supported by long-term contracts, providing visibility into future growth.

At the same time, the business remains exposed to cyclical end markets such as manufacturing, chemicals, and metals, which can affect volumes in merchant and packaged gas segments. Energy price volatility remains a factor, primarily due to timing differences in cost pass-through mechanisms and its indirect effect on customer demand. Performance can also be affected by regional economic conditions and broader macroeconomic or geopolitical developments.

Overall, Linde's business profile is characterized by stable demand fundamentals, long-term contractual arrangements, diversified operations, and relatively resilient profitability, with some sensitivity to economic conditions in certain end markets and regions.

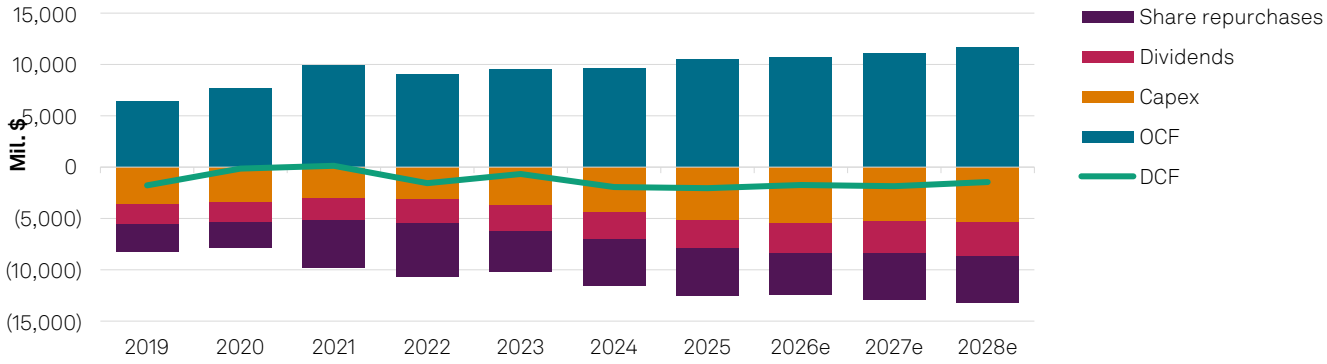
Financial Risk

We view Linde's financial risk as intermediate, supported by its consistent cash flow generation and earnings visibility. S&P Global Ratings-adjusted EBITDA margin in fiscal 2025 was about 38.5%, driven by pricing actions, contributions from its project backlog, and support from relatively resilient end markets. For fiscal 2026, margins are expected in the range of 39%-40%, driven by continued pricing actions, ramp-up of new projects, and productivity measures, partly offset by cost inflation and helium price headwinds.

We expect Linde to maintain a balanced capital allocation approach between growth investments and shareholder returns. We anticipate capex at about $5.5 billion in fiscal 2026 and $5.3 billion in fiscal 2027, with 40%-50% allocated to growth projects. Despite elevated capex, we expect FOCF to remain above $5 billion annually over fiscal 2026-2027. However, shareholder returns including buybacks of $4.0 billion-$4.5 billion and dividends of $2.9 billion-$3.1 billion are expected to result in negative discretionary cash flow of about $1.7 billion-$1.8 billion over the same period. Share buybacks remain fully discretionary, and management has indicated its intention to maintain credit metrics in line with the current rating.

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Capital allocation drives negative discretionary cash flow



Capex--Capital expenditure. OCF--Operating cash flow. DCF--Discretionary cash flow. E--Estimate. Source: S&P Global Ratings.

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We expect FFO-to-debt to remain in the 40.0%-42.0% range over fiscal 2026-2027, following strong metrics of about 43.1% in fiscal 2025, comfortably above the 30.0% threshold. We expect Linde to continue to balance growth investments and shareholder returns in a manner consistent with maintaining credit metrics aligned with the current 'A' rating. Overall, we continue to incorporate Linde's capital allocation strategy, with excess cash largely returned through share buybacks, resulting in a gradual utilization of available rating headroom while maintaining metrics consistent with the current rating.

Debt maturities

Debt maturities as of Dec. 31, 2025, include:

- 2026: $6.30 billion
- 2027: $2.31 billion
- 2028: $1.73 billion
- 2029: $2.16 billion
- 2030: $1.70 billion
- Thereafter: $12.76 billion.

Linde PLC--Financial Summary

Period ending	Dec-31-2020	Dec-31-2021	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025
Reporting period	2020a	2021a	2022a	2023a	2024a	2025a
Display currency (mil.)	$	$	$	$	$	$
Revenues	27,243	30,793	33,364	32,854	33,005	33,986
EBITDA	8,913	10,289	10,133	12,299	12,775	13,092
Funds from operations (FFO)	7,460	8,264	8,141	9,795	10,016	10,122
Interest expense	304	252	302	511	587	612
Cash interest paid	387	315	257	549	543	696
Operating cash flow (OCF)	7,705	9,960	9,061	9,491	9,626	10,513

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Linde PLC--Financial Summary

Capital expenditure	3,362	3,029	3,111	3,720	4,429	5,150
Free operating cash flow (FOCF)	4,343	6,931	5,950	5,771	5,197	5,363
Discretionary cash flow (DCF)	(142)	130	(1,562)	(669)	(1,940)	(2,049)
Cash and short-term investments	3,754	2,823	5,436	4,664	4,850	5,056
Gross available cash	3,754	2,823	5,436	4,664	4,850	5,056
Debt	16,425	14,328	13,933	16,434	18,200	23,464
Common equity	49,582	45,441	41,387	41,095	39,488	39,741
Adjusted ratios						
EBITDA margin (%)	32.7	33.4	30.4	37.4	38.7	38.5
Return on capital (%)	6.0	8.6	10.2	15.0	15.6	15.3
EBITDA interest coverage (x)	29.4	40.8	33.5	24.1	21.8	21.4
FFO cash interest coverage (x)	20.3	27.2	32.6	18.8	19.4	15.5
Debt/EBITDA (x)	1.8	1.4	1.4	1.3	1.4	1.8
FFO/debt (%)	45.4	57.7	58.4	59.6	55.0	43.1
OCF/debt (%)	46.9	69.5	65.0	57.8	52.9	44.8
FOCF/debt (%)	26.4	48.4	42.7	35.1	28.6	22.9
DCF/debt (%)	(0.9)	0.9	(11.2)	(4.1)	(10.7)	(8.7)

Reconciliation Of Linde PLC Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Dec-31-2025									
Company reported amounts	26,989	38,245	33,986	12,686	8,923	464	13,092	10,350	2,811	5,261
Cash taxes paid	-	-	-	-	-	-	(2,274)	-	-	-
Cash interest paid	-	-	-	-	-	-	(548)	-	-	-
Lease liabilities	1,080	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	311	37	37	(37)	274	-	-
Accessible cash and liquid investments	(4,856)	-	-	-	-	-	-	-	-	-
Capitalized interest	-	-	-	-	-	111	(111)	(111)	-	(111)
Share-based compensation expense	-	-	-	164	-	-	-	-	-	-
Asset-retirement obligations	251	-	-	-	-	-	-	-	-	-
Nonoperating income (expense)	-	-	-	-	359	-	-	-	-	-
Noncontrolling/ minority interest	-	1,496	-	-	-	-	-	-	-	-

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Reconciliation Of Linde PLC Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
EBITDA - Gain/(loss) on disposals of PP&E	-	-	-	(34)	(34)	-	-	-	-	-
EBITDA: Business divestments	-	-	-	(35)	(35)	-	-	-	-	-
Total adjustments	(3,525)	1,496	-	406	327	148	(2,970)	163	-	(111)
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	23,464	39,741	33,986	13,092	9,250	612	10,122	10,513	2,811	5,150

Liquidity

We assess the company's liquidity as strong, as we believe its liquidity sources are likely to cover uses by 1.5x over the next 12 months from April 1, 2026, and by 1.2x over the subsequent 12 months.

Principal liquidity sources	Principal liquidity uses
• Cash and equivalents of $3.9 billion as of March 31, 2026; • $6.5 billion in undrawn bank lines; • About $11.0 billion of cash FFO; and • Proceeds from notes issuances of about €1.59 billion ($1.84 billion equivalent).	• Capex of $5.0 billion-$5.2 billion; • Short-term debt and maturities of about $6.46 billion; • Working capital outflows of about $575 million; • Acquisitions of about $500 million; and • Dividends of about $2.9 billion-$3.1 billion.

Environmental, Social, And Governance

Environmental and social factors are an overall neutral consideration in our credit analysis of Linde. Industrial gases companies are highly energy intensive, but we note that Linde announced in 2024 its target to invest at least $3 billion in decarbonization projects in 2024-2035. The company is on track to double its annual purchase of renewable and low carbon power. It also aims to reduce absolute greenhouse gas emissions by 35% over 2021-2035. This has been approved by the Science Based Targets initiative (SBTi). Linde targets climate neutrality by 2050. These targets have been validated by the Science Based Targets initiative (SBTi) as aligned with a well-below 2°C scenario. Linde's ambition is to reach climate neutrality by 2050.

Like close peers, Linde is well placed to benefit from the energy transition as it shifts to green hydrogen production. However, we anticipate this will require substantial investments.

Governance factors are a moderately positive consideration in our credit rating analysis, given the group's risk management systems and execution of strategy is in line with best corporate practices.

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Issue Ratings--Subordination Risk Analysis

Capital structure

As of March 31, 2026, Linde's capital structure primarily comprised of about $21.4 billion of senior unsecured bonds and other long-term liabilities to the capital market, issued by Linde Inc., Linde Finance B.V, and Linde PLC. Linde PLC also maintains a $5 billion and a $1.5 billion unsecured revolving credit facility due in December 2027 and December 2026 respectively.

As of March 31, 2026, the group also has about $4.8 billion of commercial paper and other bank borrowings outstanding.

Analytical conclusions

We do not think subordination risk is significant in Linde's capital structure.

Rating Component Scores	
Foreign currency issuer credit rating	**A/Stable/A-1**
Local currency issuer credit rating	**A/Stable/A-1**
Business risk	**Excellent**
Country risk	Low
Industry risk	Low
Competitive position	Excellent
Financial risk	**Intermediate**
Cash flow/leverage	Intermediate
Anchor	**a+**
Modifiers	
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Negative (-1 notch)
Liquidity	Strong (no impact)
Management and governance	Positive (no impact)
Comparable rating analysis	Neutral (no impact)
Stand-alone credit profile	**a**

Related Criteria

- Criteria | Corporates | General: Sector-Specific Corporate Methodology, July 7, 2025
- Criteria | Corporates | General: Corporate Methodology, Jan. 7, 2024
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Jan. 7, 2024
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018

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- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
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- ARCHIVE | Criteria | Corporates | Industrials: Key Credit Factors For The Specialty Chemicals Industry, Dec. 31, 2014
- ARCHIVE | Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- ARCHIVE | Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
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- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- ARCHIVE | Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- ARCHIVE | General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Related Research

- European Chemicals: Hormuz Reopening Could Offset Fading Middle East Tailwinds, June 10, 2026
- Oil Price Assumptions Raised As Hormuz Disruption Deepens And Inventory Buffers Erode; Near-Term Henry Hub Price Assumptions Lowered, June 05, 2026
- The Middle East War Is Increasing Strains On European Chemicals, March 09, 2026
- Global Chemical Companies--Strongest To Weakest, January 28, 2026
- Industry Credit Outlook 2026: Chemicals, January 14, 2026
- Tear Sheet: Linde PLC, December 09, 2025
- European Chemical Sector Outlook: Recovery Is Stalling, With Growth Not Expected Until 2026, September 24, 2025
- European Chemical Sector Pulse: Recovery Stalls, Divergence Increases, August 28, 2025

Ratings Detail (as of June 26, 2026)*	
Linde PLC	
Issuer Credit Rating	A/Stable/A-1
Senior Unsecured	A
Issuer Credit Ratings History	
05-Mar-2019	A/Stable/A-1
Related Entities	
Linde Finance B.V.	
Issuer Credit Rating	A/Stable/A-1
Senior Unsecured	A

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Ratings Detail (as of June 26, 2026)*

Linde GmbH	
Issuer Credit Rating	A/Stable/A-1
Senior Unsecured	A
Linde Inc.	
Issuer Credit Rating	A/Stable/A-1
Senior Unsecured	A

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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