

Spotlight on Sustainability



For Air Products, sustainability is what we do as a business. We believe that—in addition to being the safest, most profitable, and best performing industrial gas company in the world—we serve a higher purpose. Our passionate, talented and committed employees from a diversity of backgrounds are driven by Air Products' higher purpose to create innovative solutions that benefit the environment, enhance sustainability and address the challenges facing customers, communities and the world.



Grow • Conserve • Care

Under our **Grow**, **Conserve**, **Care** strategy, we aim to:

Grow – lead the Industrial Gas industry in profitability and contribute greater than 50 percent of revenues from offerings that improve energy efficiency, lower emissions, and meet societal needs.

Conserve – save energy, reduce greenhouse gas emissions, conserve water, and effectively manage hazardous waste.

Care – lead the Industrial Gas industry in safety, build a diverse and inclusive workforce, ensure ethical behaviors and compliance, and measure the positive impacts of our employee and community engagement efforts.

Air Products at a glance*



\$8.2
billion in sales



~15,000
employees



50
countries of operation



\$35
billion market cap



7+
decades in business



170,000+
customers



1,800 miles of
industrial gas pipeline



750+
production facilities



30+
industries served





*From continuing operations.



Grow

responsibly through sustainability-driven opportunities that benefit our customers and the world

In 2016, Air Products set new sustainability goals across all aspects of our **Grow-Conserve-Care** sustainability framework. This process was aligned with the identification of our sustainability priorities and engagement with key stakeholders. In 2017, we continued to make good progress against these goals:

Grow	Air Products' 2020 Goal	2017 Status
Economic Performance 	LEAD the industrial gas industry in PROFITABILITY as measured by EBITDA margin, operating margin and ROCE	EBITDA margin*: 34.1% Operating margin*: 21.6% ROCE*: 12.1%
Customer Sustainability 	ENABLE customers to AVOID CO ₂ EMISSIONS while CONTRIBUTING >50% of REVENUES from sustainable offerings	CO ₂ e avoided: 54 MM MT Revenues from sustainable offerings: 52%
Ethics & Integrity 	REQUIRE 100% of employees to be trained in and certified to Air Products' Employee CODE OF CONDUCT and ensure all allegations of misconduct are reviewed and closed	Training and certification: 91%
Compliance 	CONTINUOUSLY IMPROVE COMPLIANCE systems and performance	Enhanced governance systems

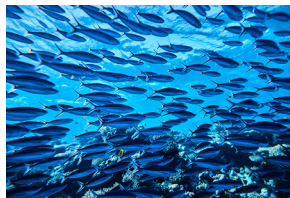
*Adjusted

Our gases, equipment and applications expertise enable our customers in dozens of industries to enhance their sustainability performance by improving their productivity, producing better quality products, reducing energy use and lowering emissions. It provides them the impetus to grow.

For additional examples of our products, see our sustainability offerings website.



Oxy-fuel combustion technologies for efficient metals and glass manufacturing



Water treatment technology for improved aquaculture and better drinking water



Hydrogen to increase yields and reduce emissions for cleaner transportation fuels



SmartFuel® hydrogen fueling station technology to fuel many types of transportation and reduce emissions



Cryogenic chilling and freezing solutions to extend the shelf-life and improve the taste of food



Liquefied natural gas (LNG) technology to enable transport of energy sources around the globe







Helium and other high purity gases to help sustain life.

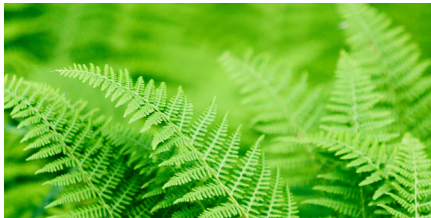


Membrane gas separators for onsite gas generation which can be used to produce heat and power



Air Products believes that protecting the environment is a responsibility shared by all people and organizations. As a result, we are committed to improving environmental performance. We demonstrate this commitment through continual reduction in the environmental intensity of our operations, including environmental considerations in the design of our facilities and products, effectively managing environmental risks, and transparently communicating our environmental performance.

Conserve	Air Products' 2020 Goal	2017 Status
Energy Savings 	SAVE ENERGY by reducing use intensity by 2.5% for ASUs and 1.5% for HyCOs (from 2015 baseline)	ASUs: 1.6% reduction HyCOs: 0.6% reduction
GHG Reductions 	REDUCE GHG emissions intensity by 2% (from 2015 baseline)	1.4% reduction
Distribution Efficiency 	IMPROVE distribution efficiency and reduce CO ₂ emissions intensity by 10% (from 2015 baseline)	14% improvement
Water Conservation 	CONSERVE WATER and lower use intensity by 5% (from 2015 baseline)	9% reduction



Reducing Environmental Impact

200

thousand metric tonnes of CO₂e avoided

\$30

million in energy and water costs avoided

14%

improvement in distribution efficiency

2,600

million gallons of water conserved

330

thousand MWh of energy conserved

9%

improvement in water efficiency

1.4%

reduction in GHG emissions intensity

1.6%

improvement in ASU energy efficiency

16%

reduction in hazardous waste



Care for our employees, customers and communities—
protecting our license to operate and grow

Safely and responsibly caring for each other, our customers, our communities and the global environment is a core value at Air Products. We are building a culture of safety, simplicity, speed, and self-confidence as we continue our journey to be the safest, most diverse and most profitable industrial gas company in the world, providing excellent service to our customers.

Care	Air Products' 2020 Goal	2017 Status
Safety 	LEAD the industrial gas industry in SAFETY as measured by recordable and lost-time incident rates	Recordable rate: 0.34 LTI rate: 0.06
Talent & Diversity 	BUILD the MOST DIVERSE and INCLUSIVE workforce in the industrial gas industry	Female share of workforce: 23%
Community Support 	ENHANCE our ability to measure the positive impacts of our EMPLOYEE and COMMUNITY ENGAGEMENT	\$6 million in cash and product donations
Supplier Sustainability 	ENSURE 100% of new supplier agreements include HUMAN RIGHTS and CONFLICT MINERALS clauses	Conflict Minerals clauses added to global terms and conditions



Safety
Simplicity
Speed
Self-confidence



CEO **ACTION** FOR DIVERSITY & INCLUSION

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM



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