

Air Products' Alignment with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

Note: The CDP report referenced herein was prepared for calendar year 2021. This summary will be updated after the CDP response for calendar year 2022 has been finalized.

Governance	Strategy	Risk Management	Metrics and Targets
<p>Disclose the organization's governance around climate-related risks and opportunities.</p> <p>a) Describe the board's oversight of climate-related risks and opportunities.</p> <p>Air Products' Board of Directors has responsibility for risk oversight of generally as well as over sustainability, including climate-related risks and opportunities and our environmental and safety performance, which it reviews at least quarterly. The Board of Directors oversaw the establishment of our sustainability goals, including our "Third by '30" goals that are focused on our Scope 1 and 2 combined and Scope 3 emissions, our commitment to invest at least \$15 billion in energy transition projects through 2027, and our goal to achieve net zero CO₂ emissions in our operations by 2050. The Board of Directors also reviews our progress towards such goals. The Corporate Governance and Nominating Committee of the Board of Directors has responsibility for monitoring our response to sustainability-related risks and opportunities, as well as corporate governance matters and important public policy issues, which it reviews on a routine basis. Air Products' Chairman, President and CEO has leadership responsibility for the development and execution of the company's sustainability strategy.</p> <p>CDP C1.1, p 4-6, C1.2a, p 6-8 2022 Proxy Statement, p 17-18</p>	<p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.</p> <p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>Over the short, medium and long-term time horizon, regulatory regimes governing emissions of greenhouse gases (GHGs) may potentially increase operating costs and may also provide opportunities for our products and technologies that improve energy efficiency and reduce GHG emissions.</p> <p>Regulation of GHGs may also produce new opportunities for Air Products. In particular, we have a sustainability-driven, two-pillar growth strategy that includes expansion and efficient operation of our core industrial gases business and execution of projects that provide world-scale clean hydrogen. We are continuing to develop technologies to help our facilities and customers lower energy consumption, improve efficiency and lower emissions. We see significant opportunities for hydrogen for mobility and the energy transition, as well as opportunities for carbon capture technologies and gasification.</p> <p>CDP C2.1- 2.4, p 10-33 2022 Annual Report, p 5, 8, 15-16 2023 Sustainability Report, p 1-2, 7-12, 18-29</p>	<p>Disclose how the organization identifies, assesses, and manages climate-related risks.</p> <p>a) Describe the organization's processes for identifying and assessing climate-related risks.</p> <p>Management is responsible for identification, assessment and management of risks, while the Board of Directors and its committees exercise oversight over their efforts. Regional environmental experts identify and assess policy and legal risks related to climate [and other matters] and share the information with potentially impacted businesses as well as colleagues from other regions.</p> <p>Physical risks are identified and assessed at the corporate level for existing facilities, and by engineering for new facilities, based on facility locations.</p> <p>CDP C2.2, p 11-19 2023 Sustainability Report, p 59</p>	<p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p> <p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>Air Products assesses energy consumption, GHG emissions, and progress against our emissions goals. The Company also estimates the CO₂ emissions avoided by our customers and their customers through certain of our products and sales of offerings that enable customers to be more sustainable.</p> <p>CDP C4.1-4.2, 9.1, p 45-49, 89-90 2023 Sustainability Report, p 3, 14-15, 35, 37, 51, 60-67</p>

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<p>b) Describe management's role in assessing and managing climate-related risks and opportunities.</p> <p>Risk assessment and management is overseen by the Board of Directors.</p> <p>Climate-related risks and opportunities have been reviewed with the Board for input.</p> <p>Air Products' Sustainability Leadership Council sets the company's sustainability strategy, reviews programs and performance, and is engaged in identifying and managing risks and opportunities related to climate change.</p> <p>CDP C1.2, p 6-8</p>	<p>b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p> <p>Our strategy focuses on creating value in the markets we serve, particularly energy, environmental and emerging markets. The Company develops, engineers, builds, owns and operates some of the world's largest industrial gas and carbon capture projects; and world-scale low- and zero-carbon hydrogen projects for global transportation, industrial markets and the broader energy transition.</p> <p>A significant and growing portion of Air Products' business involves clean hydrogen, carbon capture, gasification and other large-scale projects and we believe there will be additional opportunities ahead. Our business planning processes consider growth opportunities related to climate change as well as climate risk management through energy efficiency and GHG emissions reduction efforts. We have committed to invest at least \$15 billion in energy transition projects through 2027.</p> <p>CDP C2.3-2.4, 3.1, p 19-34 2023 Sustainability Report, p 1-2, 7-12, 18-29</p>	<p>b) Describe the organization's processes for managing climate-related risks.</p> <p>Regulatory risks are managed at the regional level as regulations vary by jurisdiction. Regional experts assess the risks and work with potentially impacted businesses to address them.</p> <p>Physical risks are addressed through plant design and engineering aimed at minimizing severe weather impacts. The Company's Business Continuity Planning process supports the response to severe weather events.</p> <p>Risks are also communicated across regions, shared with the Company's Sustainability Leadership Council, and elevated to the Board of Directors as and its committees as appropriate.</p> <p>CDP C2.2, p 11-26 2022 Proxy Statement, p 17</p>	<p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>Data for calendar year 2022: Scope 1: 16.8 million MT CO₂e Scope 2: 9.7 million MT CO₂e Scope 3: 7.7 million MT CO₂e</p> <p>CDP C6.1- 6.5, 6.10, p 62-69 2023 Sustainability Report, p 23-27, 53</p>

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	<p>c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p> <p>Air Products is examining several climate scenarios, which are in line with the recommendations of the Intergovernmental Panel on Climate Change (IPCC) and TCFD, to understand the potential implications of climate-related risks and opportunities on our businesses.</p> <p>In 2022, Air Products expanded its sustainability goals to include a new "Third by '30" CO₂e intensity reduction goal for Scope 3 emissions as well as a goal to reach net zero CO₂ emissions in our operations in 2050 and committed to invest at least \$15 billion in energy transition projects through 2027.</p> <p>CDP C3.2, p 34-39 2023 Sustainability Report, p 69</p>	<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p> <p>The Company uses a multi-disciplinary approach to identify, assess and manage risk, including climate-related risks. In addition to the processes described above, the Company reviews climate-related developments and the need to assess specific climate risks as part of its internal audit program. We also incorporate climate-related risks into annual financial reporting.</p> <p>CDP C2.2, p 11-26 2022 Annual Report, p 15-16 2023 Sustainability Report, p 59</p>	<p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p> <p>Air Products has established aggressive goals geared towards enabling and accelerating the energy transition through investments in innovative world-scale zero- and low-carbon hydrogen projects, alongside decarbonization of our own operations. These goals include:</p> <ul style="list-style-type: none"> • Committing to invest \$15 billion in energy transition projects through 2027 • Reaching net-zero emissions from our operations by 2050 • Reducing our Scope 1 and 2 combined and Scope 3 CO₂e emissions intensities by 1/3 by 2030 • Engaging with the Science Based Targets initiative to develop a target-setting methodology for the chemicals sector <p>In addition, the Company realized the following results in 2022 compared to prior year:</p> <ul style="list-style-type: none"> • Customer avoided emissions increased by 5% • Energy use intensity improved by 2% • GHG emissions intensity improved by 5% • Water use intensity improved by 4% <p>CDP C4.1-4.2, p 45-49 2023 Sustainability Report, p 3, 14-15, 35, 37, 51, 60-67</p>