



Air Products UK Gender Pay Gap Report 2019



Being an inclusive employer is a fundamental part of our business strategy, led from the top of our organisation. Our CEO Seifi Ghasemi explains:

“ We need to create an atmosphere of respect for everybody, no matter where they come from. If you hire people who look like you, talk like you, and think like you, how do you find the unique perspective? How do you challenge the status quo if everyone on the team sees the world the same? ”

Vision:

To be the most diverse industrial gas company in the world

Diversity Goals

Reflect the places we do business and fully utilise the diversity of the available talent pool:

- 1 Close gaps in underrepresentation for women in leadership globally.
- 2 Increase the representation of US minorities in our pipeline.

Inclusion Goals

Embed inclusive leadership practices to foster a respectful workplace where we routinely seek out diverse thinking and where people are empowered to confidently express their viewpoints.

Gender pay gap is NOT unequal pay

The gender pay gap shows the difference in average pay between all men and all women. Equal pay relates to what men and women are paid for in the same, or similar jobs or work of equal value. We have a greater number of males than females in senior as well as technical roles; this is reflected in our gender pay gap which also appears across our industry.

“ As a company, we want to create an environment where everyone can thrive irrespective of their gender or background.

Our biggest challenge is the nature of our business which naturally attracts more males than females and this is especially noticeable in STEM-related roles and in our Operations area.

Despite this situation, due to our concerted efforts, we’ve reduced our mean and median pay gaps throughout the past year, which is an encouraging sign that we’re progressing on our journey to become the most diverse industrial gases company.

In fact, our 2019 data confirms once again that we don’t have an unconscious bias during our recruitment process with female applicants having the same opportunities to be recruited as their male counterparts.

Looking ahead, we’re focusing on programmes to attract more females by promoting our career options across schools, colleges and universities to help strengthen our future talent pipeline. ”



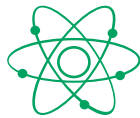
Suzanne Lowe
Vice President and General Manager
United Kingdom, Ireland, Israel and Italy

I confirm the data in this Gender Pay Gap report is accurate.

Suzanne Lowe
Vice President and General Manager
United Kingdom, Ireland, Israel and Italy

What we're doing right now...

Recruitment



STEM

We link up with organisations such as National Enterprise Challenge which allows us to run programmes with both male and female students that matches theory with real-life, industry scenarios.

Using equally balanced representation, we actively talk to women through exhibitions and conferences, which helps us challenge traditional, gender-biased perceptions associated with STEM careers and offers an insight into the opportunities available.



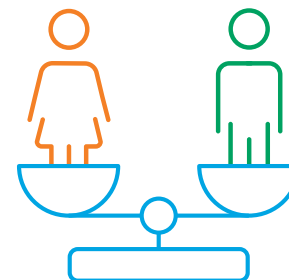
Graduates

As we strive for gender balance and equality, our graduate intake is fundamental to shifting the balance. We aim to achieve equal male/female representation at the assessment stage of our highly regarded graduate scheme. We are thrilled that over the last two years our overall intake has been 43% female. We are passionate about developing and retaining this diverse pool of talented individuals to ensure diversity is present in our future succession plans.



Understanding our position

Our data capabilities allow a comparison of male/female success at each stage of the recruiting process. Across the past two years, the success rate of males vs females throughout the recruitment process tells us we don't have bias in our process. Women who apply are just as likely to succeed as men. Our challenge is to attract more female applicants to achieve gender neutrality within some technical functions, such as engineering. This shortage is reflective of the marketplace and we strive to positively effect this. Our Global Engineering, Manufacturing, Technology and Equipment team increased their overall intake of female talent in EMEA by 50% from 2018-2019



Taking action

We have taken a number of actions to address the lack of female applicants which included a state-of-the-art augmented writing platform to help us ensure our advertising language and tone of voice are more inclusive. In 2019, we equipped a new internal Talent Acquisition team with tools for targeting female talent directly, through social networking and headhunting. We are now broadening our attraction methods by using more female talent focused job boards and advertising across platforms aimed at working parents.

We challenge our agency partners to have the same focus on diverse hiring as we do.

Culture

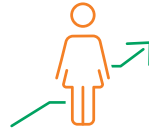


We want to become the most diverse industrial gas company in the world. To do that we are committed to fostering a collaborative and respectful work environment by:

- Having **zero tolerance** towards discriminatory behaviour.
- Supporting our vibrant **Women's Success Network**, which drives mentoring programmes, speed networking events, coaching circles and the sharing of knowledge.
- Offering **flexible work arrangements** to help our people manage when and where they get their work done most effectively.
- Operating a **Peer to Peer recognition programme** that rewards those who go above and beyond daily work and those who take action to foster an inclusive working environment.



Progression



We help our people realise their full potential everyday by providing them with key tools and support:

- **Talent Management and Development** – strong processes are in place that foster personal growth, address unconscious bias and embrace diversity.
- **Leadership Development** – diverse talent with leadership potential have increased exposure to senior management and helped to develop strategies and skills to enhance their professional development.
- We shine a light on inspirational female and male leaders encouraging two-way dialogue through tailored events and other communication opportunities.



Our Stats

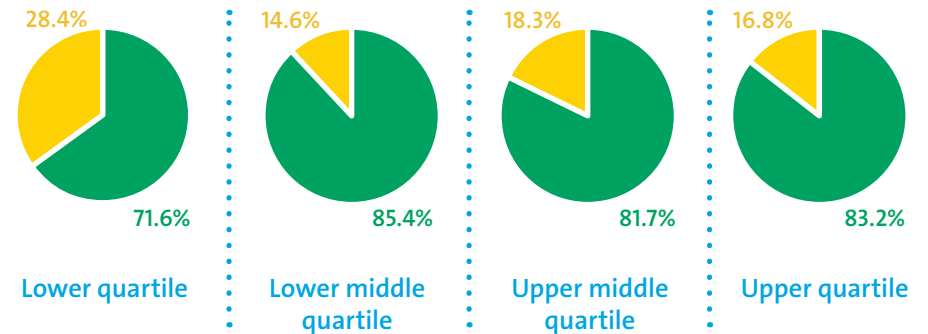
Portion of people paid a bonus*



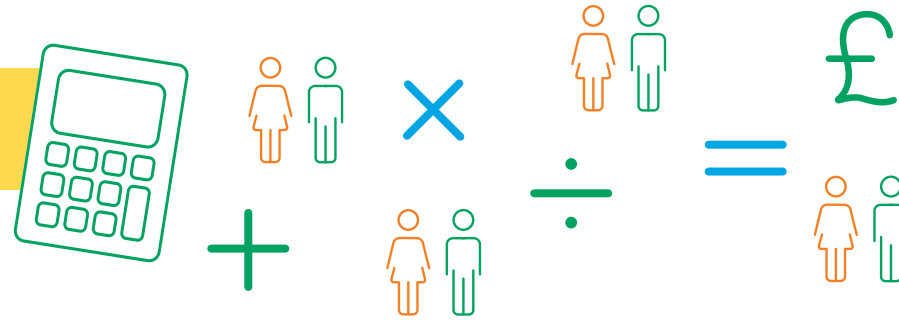
	Air Products April 2018	Air Products April 2019	UK National	UK National 2019
Mean gender pay gap	17.6%	12.8%	17.1%	16.2%
Median gender pay gap	14%	9.7%	17.9%	17.3%
Mean gender bonus gap	51.6%	46.7%	Not reported	Not reported
Median gender bonus gap	42.5%	-2.5%	Not reported	Not reported

The salary gap is a snapshot as at 5 April 2019 and the bonus gap captures all payments made in the 12 months prior to this date.

Population by pay quartile

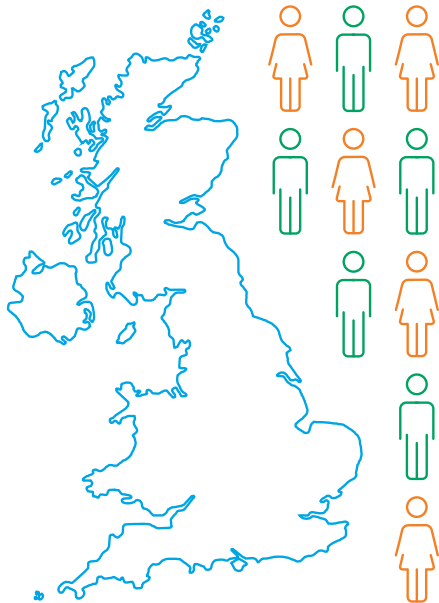


Details behind the calculations



Companies need to report their gender pay gap for all legal entities in the UK with more than 250 employees.

The salary gap is a snapshot as at 5 April 2019 and the bonus gap captures all payments made in the 12 months prior to this date.



The calculations use two types of averages:

- A **mean** average involves adding up all the numbers and dividing the result by the number of numbers in the list.
- A **median** average involves listing all the numbers in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

A **positive** percentage figure means, that overall, female employees have lower pay or bonuses than male employees.

We understand that for some people categorising gender as either 'male' or 'female' does not represent their identity; however, this is the definition required for this report.

Pay

Pay includes basic pay, allowances, and shift premium. Benefits and shares are excluded.

Pay does not include amounts relating to overtime, redundancy or termination of employment.

Bonus pay

Bonuses include anything that relates to profit sharing, productivity, performance, incentive and commission. They must be received in the form of cash, vouchers, securities, options or interests in securities. Bonuses paid in securities are included at the time when the employee incurs a charge to income tax.

The proportion of males and females in each quartile pay band

This calculation requires us to show the proportion of male and female **full-pay relevant employees*** in quartile pay bands. This is done by dividing the workforce into four equal parts, ranked from the lowest hourly rate of pay to the highest.

This list is then divided into four sections (called quartiles) with an equal number of employees in each section (or as close as possible to this). The quartiles (from the lowest to highest) are called the lower quartile, the lower middle quartile, the upper middle quartile, and the upper quartile.

Comparing our data

To give further context, we have shown the mean and median gender pay gaps for UK business overall. These figures are provisional results from the 2019 Annual Survey of Hours and Earnings published by the Office of National Statistics.

*A full-pay relevant employee, is an employee who was paid their full usual pay during the period of analysis. If the employee is paid less than their usual rate, because of being on leave, for example, they are not counted as a full-pay relevant employee.

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