

Air Products UK Gender Pay Gap Report 2018



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? ”

Leading the way

The unique perspectives, experiences and skills of our people gives us a competitive edge, enabling us to meet the needs of our customers through understanding and innovative solutions. It is by recognising and harnessing this diversity that we will maintain our position as a world leading industrial gas company.

Taking action to make a difference

Our goal is to be the most diverse and inclusive industrial gas company.

One way we will track our progress is by increasing the representation of women throughout Air Products, at all levels of the organisation.



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.

“ At Air Products, we aim to ensure females and males can participate equally in all areas of work and across all levels of the organisation. Our goal is to provide everyone with access to the same recognition, reward and career progression opportunities.

Since last year’s report, we’ve invested in a new suite of data which gives us better visibility of our recruiting and promotion activities from a gender perspective.

That analysis has shown us that our primary focus needs to be on attracting more females. As a result, we’ve already taken action that has resulted in a 37% increase of female applicants.

On our journey to becoming the most diverse industrial gas company this is strong progress. ”

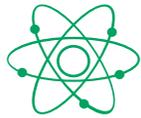
Meg Fenney
UK and Ireland HR Business Partner & Country Manager



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

David Leney
Director

What we're doing right now...



STEM

We link-up with organisations such as University Technical Colleges (UTC), which allows us to run programmes with both male and female students that match theory with real-life, industry scenarios.

Using equally balanced representation, we actively talk to females through exhibitions and conferences and special projects, 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, we are thrilled to report that our graduate intake for 2018 was equally split between males and females.



Recruitment



Understanding our position

Over the last year, we've invested in our data capability to better understand our position so that we can create intentional programmes to support real change.

The initial focus has been on creating a comprehensive suite of data. As a result, we're now better able to understand our candidates' gender balance within each stage of our recruitment process. The success rate of males and females at each stage of recruitment tells us we don't have bias in our process. Our position is that we don't have enough female applicants.



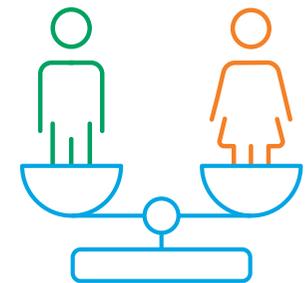
Taking action

We embarked on 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. We're also broadening our attraction methods by using more female talent focused job boards.

These initiatives have resulted in a

37%

increase of female applicants between comparable periods in FY17 and FY18.



Culture

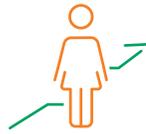


We want to become the most diverse industrial gas company in the world. To do that we are committed to fostering a collaborative and respectful work environment by:

- 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

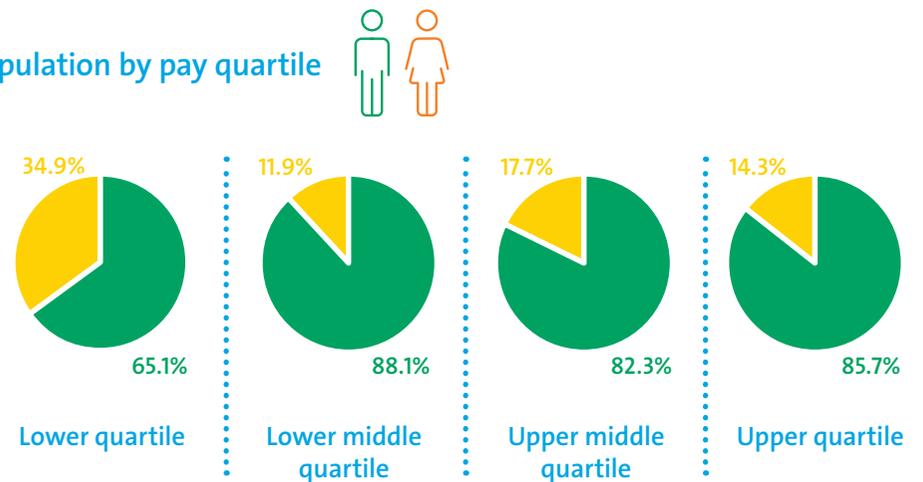
Portion of people paid a bonus*



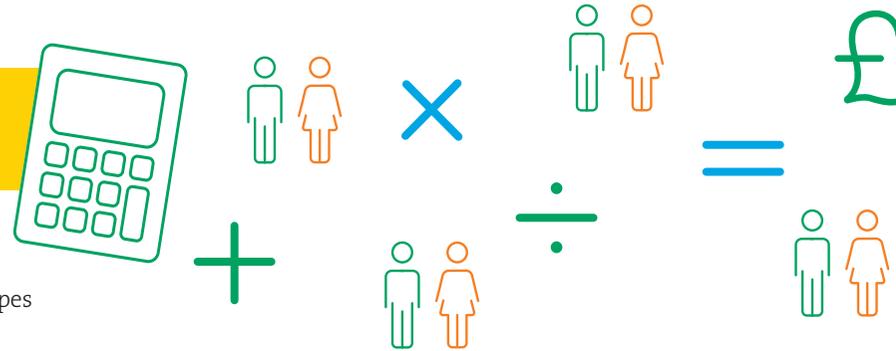
	Air Products	UK National
Mean gender pay gap	17.6%	17.1%
Median gender pay gap	14%	17.9%
Mean gender bonus gap	51.6%	Not reported
Median gender bonus gap	42.5%	Not reported

The salary gap is a snapshot as at 5 April 2018 and the bonus gap captures all payments made in the 12 months prior to this date.

Population by pay quartile

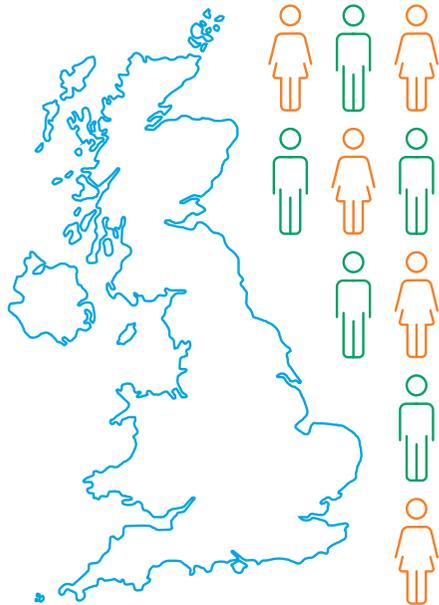


Details behind the calculations



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 2018 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 2018 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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