

Air Products PLC

Modern Slavery Statement 2021/22

This statement is published in accordance with Section 54 of The Modern Slavery Act 2015.

Air Products is opposed to slavery, human trafficking and the use of forced labour of any kind. The Company has established policies and processes in our businesses and supply chains in support of this position. This statement outlines the approaches Air Products is taking in 2021 to prevent modern slavery.

Air Products is a leader in the global industrial gas industry. Our goal is to ensure that Air Products will be the safest, most diverse and most profitable industrial gas company in the world, providing excellent service to our customers.

Our Business and Supply Chains



AIR PRODUCTS BY THE NUMBERS



The Company has three business segments:

- Regional Industrial Gases (Americas, EMEA, and Asia): Produce and sell atmospheric gases such as oxygen, nitrogen, and argon (primarily recovered by the cryogenic distillation of air) and process gases such as hydrogen, carbon monoxide, helium, syngas, and specialty gases.
- Industrial Gases – Global: includes activity related to the sale of cryogenic and gas processing equipment for air separation.

- Corporate and other segment: includes our liquefied natural gas (LNG), turbo machinery equipment and services, and distribution sale of equipment businesses, as well as corporate support functions that benefit all segments.

Our UK Supply Chain

In the UK, Air Products sources from 34 countries and 85% of our supplier spend is with UK companies. Our key commodities include: energy, distribution services and equipment, equipment manufacturing, maintenance services and consumable materials.

The Company is committed to improving visibility into both our domestic and international supply chains. We will continue to undertake projects in 2021 to understand the manufacturing and labour conditions of the materials and services supplied to Air Products.

Policies and Contractual Controls

Air Products has implemented and reviewed policies and contractual controls within our organisation and supply chain to ensure employee and supplier compliance and promote the identification of malpractice.

Any concerns about Air Products can be reported through our [IntegrityLine](#). Air Products encourages anyone to report, as allowed by local law, misconduct or ethics violations including modern slavery and forced labour.

Air Products offers a whistleblowing line and designated officer to deal with any modern slavery concerns. Air Products encourages its employees to report any concerns of Modern Slavery or human trafficking taking place in the business or the supply chain and will support any employee who raises concerns in good faith without fear of retaliation.

No incidents of modern slavery were reported through the integrity line during FY20.

The Company is committed to maintaining and enforcing a [Human Rights policy](#) which provides, among other things, that Air Products supports, encourages and values a diverse, multi-cultural workforce and is strictly opposed to the use of child labour or forced labour of any kind, including but not limited to slavery, indentured servitude, human trafficking and all other forms of forced labour. The Company's Human Rights policy requires employees at all levels within the organisation to abide by the policy.

We share our [Employee Code of Conduct](#) with our suppliers to highlight our expectations of those who work with Air Products. Our Employee Code of Conduct sets out the ethical actions and behaviours expected of our employees.

We have explicitly incorporated the prohibition of human trafficking in our terms and conditions to which we require our suppliers to adhere. Air Products routinely requires its suppliers, vendors and contractors to contractually agree to abide by all laws, rules and regulations in effect in the countries and jurisdictions in which they do business, including but not limited to all laws, rules and regulations relating to slavery and human trafficking. Suppliers are required, where necessary, to demonstrate that they provide a safe working environment and treat workers ethically.

Air Products members of the Procurement department, in consultation with the Law Department, are trained to ensure that such clauses are routinely included in contracts. Air Products may also require its suppliers, vendors and contractors to demonstrate a commitment to Human Rights and an opposition to slavery and human trafficking by providing Air Products with a copy of their own Human Rights or Anti-Slavery/Human Trafficking policies. Air Products may further require its suppliers, vendors and contractors to complete certifications, satisfactory to Air Products, certifying that the materials incorporated into the products they supply to Air Products comply with all laws regarding slavery and human trafficking in the countries in which they do business.

Air Products' Corporate Audit department occasionally conducts audits and verifications of existing contractual agreements within the Supply Chain organization to ensure compliance with contractual terms, including but not limited to contractual terms relating to legal compliance. Air Products generally does not hire third parties to conduct audits or verifications for such purposes, although it reserves the right to do so in appropriate circumstances. Audits are generally conducted upon 30 days advance notice.

Risk Assessment

Air Products has completed human rights assessments for its operations and supply chains. We reviewed the potential for human rights issues, including child and forced labour, in the highest risk countries in which we operate and did not identify any significant risks. From a supply chain perspective, we examined human rights risks relative to procurement spend and supplier location using country-specific risk information from third parties. While there were no significant risks identified, we updated our third-party due diligence process to include questions about human rights. For the suppliers we use in the UK, Modern Slavery is part of our supplier risk assessment process.

We have categorised our vendors to understand their supply chains and assess the risk. We are working on an improved process to continually monitor and audit our higher risk suppliers with regards to Corporate Social Responsibility, including Modern Slavery.

Due Diligence

As stated in our Human Rights policy, we are opposed to slavery, trafficking and forced labour of any kind. Our Human Resources activities, including recruitment processes and remuneration practices, are compliant with UK law.

Air Products uses a consistent, global process to evaluate potential risks of third-party intermediaries. The risk assessment considers the work being done, where the work will be performed, compensation amount and method, and the potential for interaction with government officials. For third-party intermediaries that represent medium or high risk, due diligence is completed and includes questions about vendors' policies addressing human rights awareness, education and training.

We evaluate the labour standards of our suppliers, vendors and contractors and their approach to tackling modern slavery in their supply chain through our assessment questionnaire.

Our Expectation of Suppliers Statement declares that we expect our suppliers not to practice any form of forced labour or modern slavery and to comply to UK Modern Slavery Act 2015 and other relevant legislation.

Effectiveness

We have a team from Procurement, HR and Supply Chain to monitor and uphold our procedures on modern slavery and sustainability.

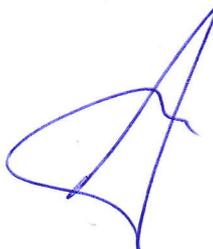
Training

We have implemented awareness training on Modern Slavery and Human Trafficking aimed at employees whose roles are key in identifying and mitigating slavery and human trafficking risks.

Further to this, in FY21, we are planning to implement an awareness programme for supply chain employees around screening and auditing our suppliers, vendors and contractors and communicating with them to identify any signs of modern slavery.

Contact Us

Questions regarding Air Products' commitment to eradicate slavery and human trafficking, both within its own organization as well as within the organizations with whom Air Products does business, may be addressed to Sandrine De Oliveira, for Europe or Julie O'Brien, Air Products' Sustainability Director.



Ivo Bols.