Moving forward

Create Shareholder Value

Q1 FY23
Earnings Conference Call

February 2, 2023

Forward-looking statements

This presentation contains "forward-looking statements" within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements about earnings guidance, business outlook and investment opportunities. These forward-looking statements are based on management's expectations and assumptions as of the date of this presentation and are not guarantees of future performance. While forward-looking statements are made in good faith and based on assumptions, expectations and projections that management believes are reasonable based on currently available information, actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors, including those disclosed in our earnings release for the first quarter of fiscal year 2023 and our Annual Report on Form 10-K for our fiscal year ended September 30, 2022 as well as in our other filings with the Securities and Exchange Commission. Except as required by law, the Company disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in the assumptions, beliefs, or expectations or any change in events, conditions, or circumstances upon which any such forward-looking statements are based.

Non-GAAP financial measures

This presentation and the discussion on the accompanying conference call contain certain financial measures that are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). We have posted to our website, in the relevant Earnings Release section, reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP. Management believes these non-GAAP financial measures provide investors, potential investors, securities analysts, and others with useful information to evaluate our business because such measures, when viewed together with our GAAP disclosures, provide a more complete understanding of the factors and trends affecting our business. The non-GAAP financial measures supplement our GAAP disclosures and are not meant to be considered in isolation or as a substitute for the most directly comparable measures prepared in accordance with GAAP. These measures may not be comparable to similarly titled measures used by other companies.

Safety Results

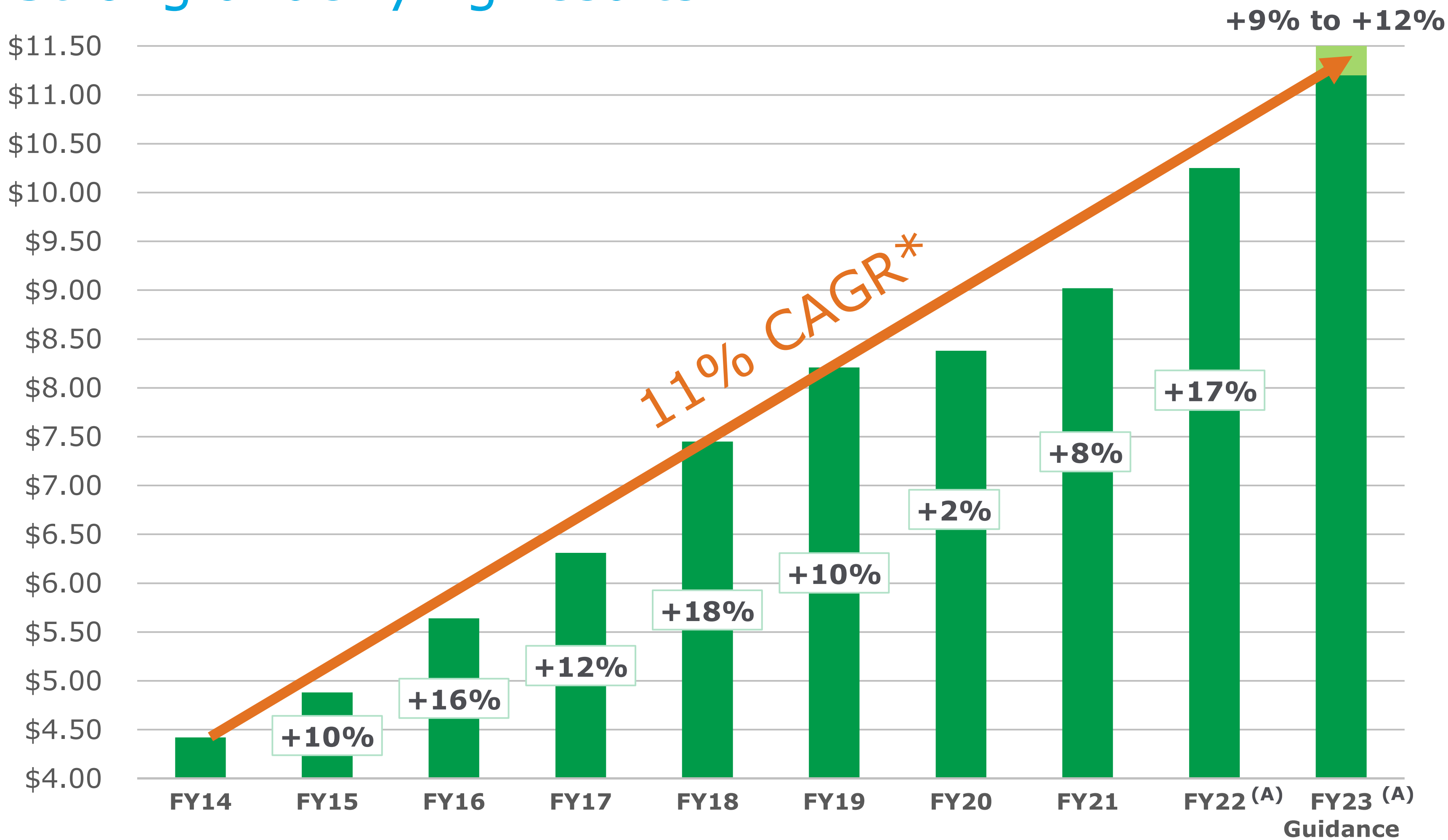
	FY14	Q1FY23	Q1FY23 vs FY14
Employee Lost Time Injury Rate	0.24	0.13	46% better
Employee Recordable Injury Rate	0.58	0.41	29% better

FY14 includes former Materials Technologies businesses divested in FY2017

Air Products Adjusted EPS*

Strong underlying results

Moving forward



- Q1 FY23 adjusted EPS* of $2.64 up 6% vs. last year, net of approximately 15% headwinds related to currency and prior year Jazan ASU finalization

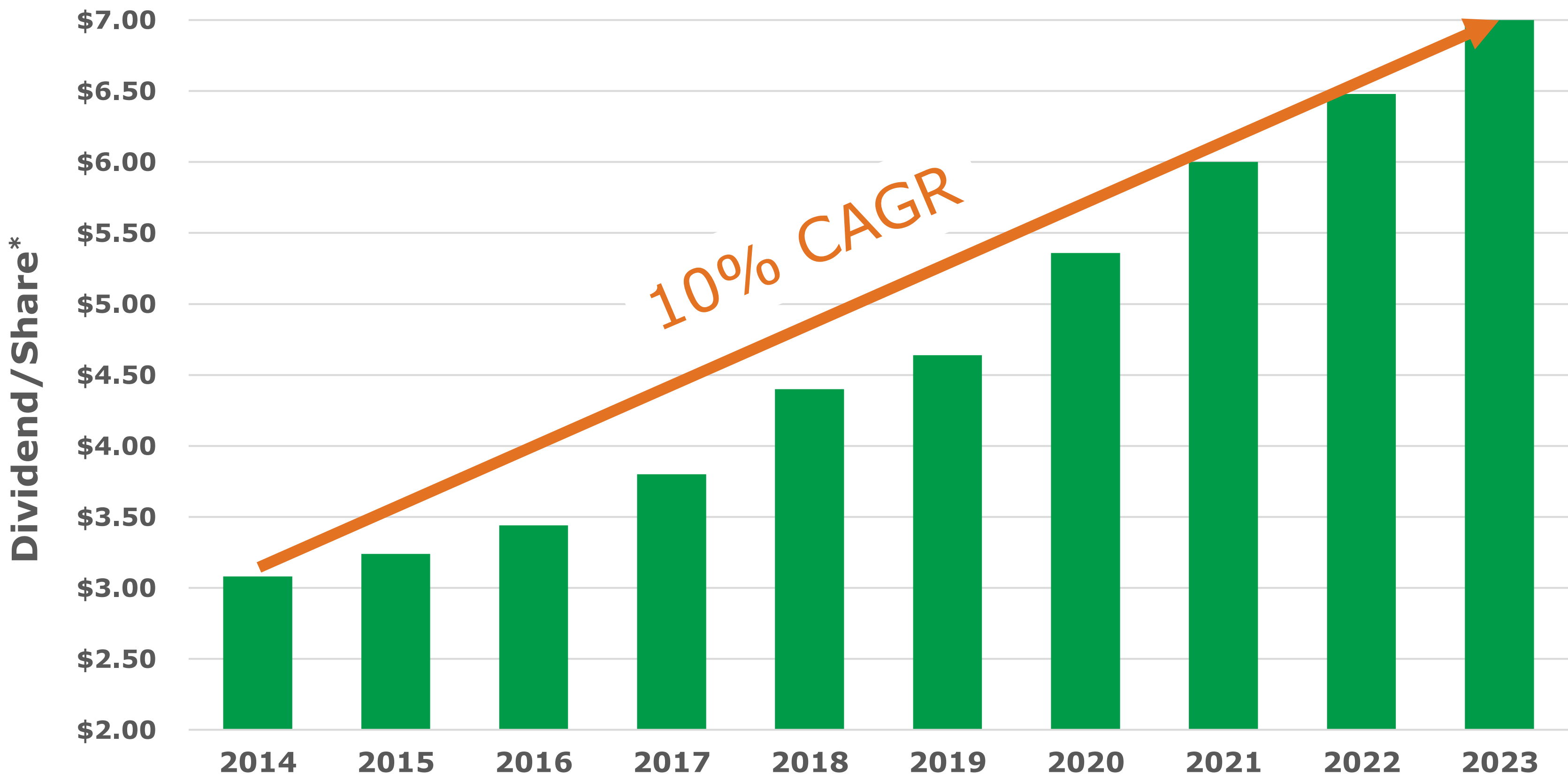
* Non-GAAP financial measure. See website for reconciliation.
CAGR is calculated using midpoint of FY23 guidance.
(A) FY22 and FY23 amounts and comparisons to immediately preceding year have been updated to reflect adjustment for non-service-related pension impacts. See website for reconciliation.

AIR PRODUCTS

Dividend History

40+ consecutive years of dividend increases

Moving forward

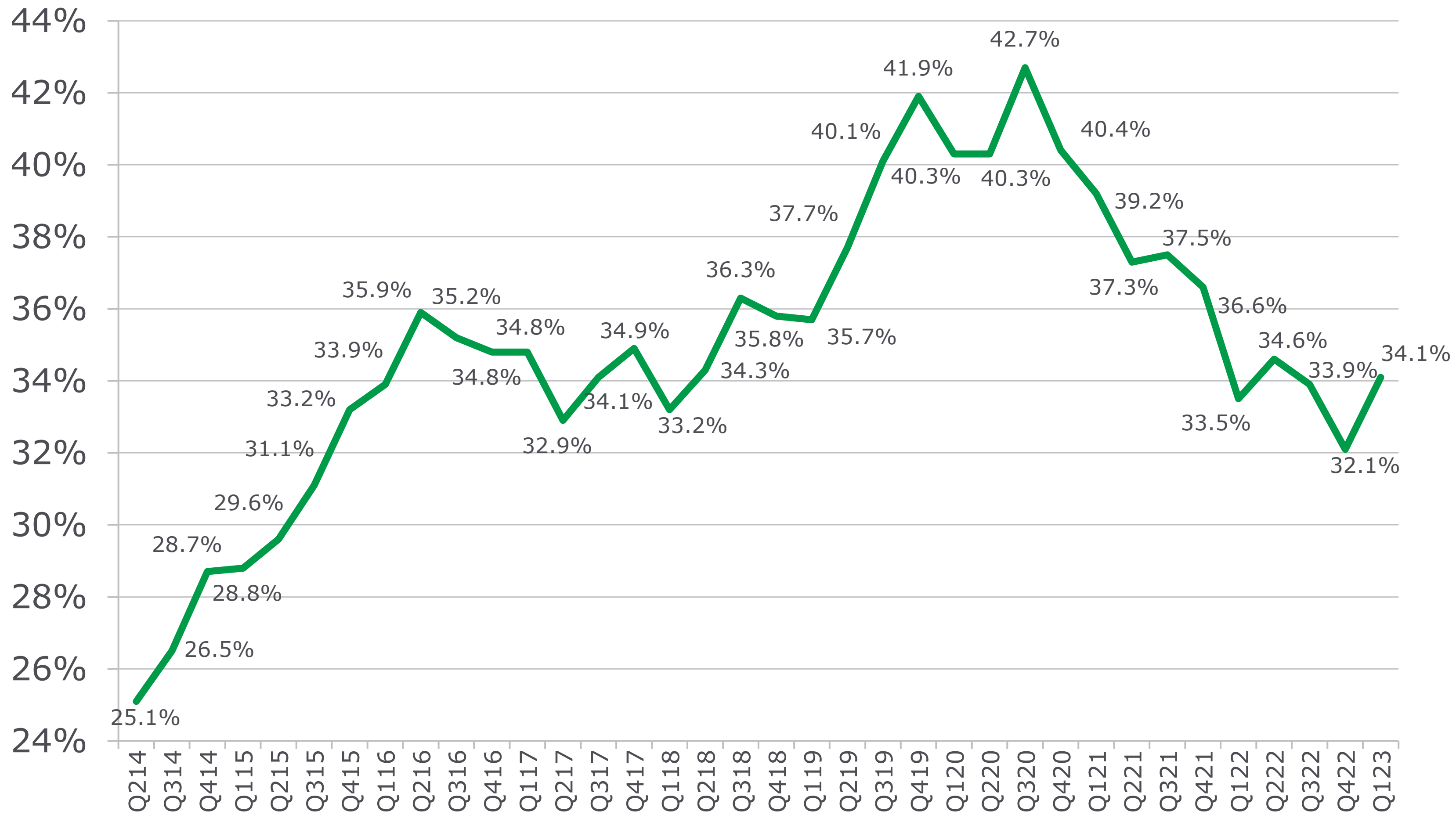


- 8%, or $0.13 per share, quarterly dividend increase announced Jan 2023 (to $1.75 per share)
- >$1.5B of dividend payments to shareholders expected in 2023

* Based on annualized quarterly dividend declared in first quarter

Adjusted EBITDA Margin*

Moving forward



3/4 of decline from peak due to higher energy cost pass-through, which increases sales, but does not impact profits

* Non-GAAP financial measure. See website for reconciliation.

AIR PRODUCTS

APD/AES JV in Texas: $4B Investment

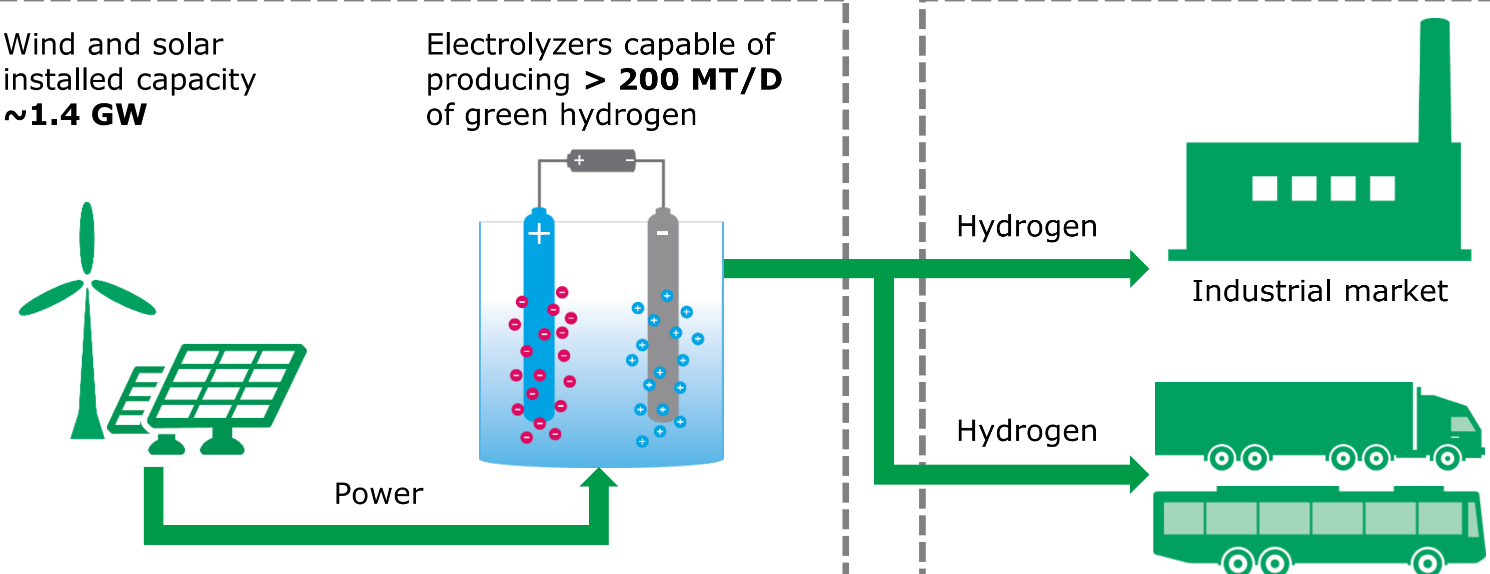
The largest green hydrogen project in the United States

Upstream

Wind and solar
installed capacity
~1.4 GW

Electrolyzers capable of
producing **> 200 MT/D**
of green hydrogen

Downstream



Total investment: $4 billion
Commercial operation: 2027
Location: Wilbarger County, Texas
Hydrogen Production JV: 50:50 Air Products and AES

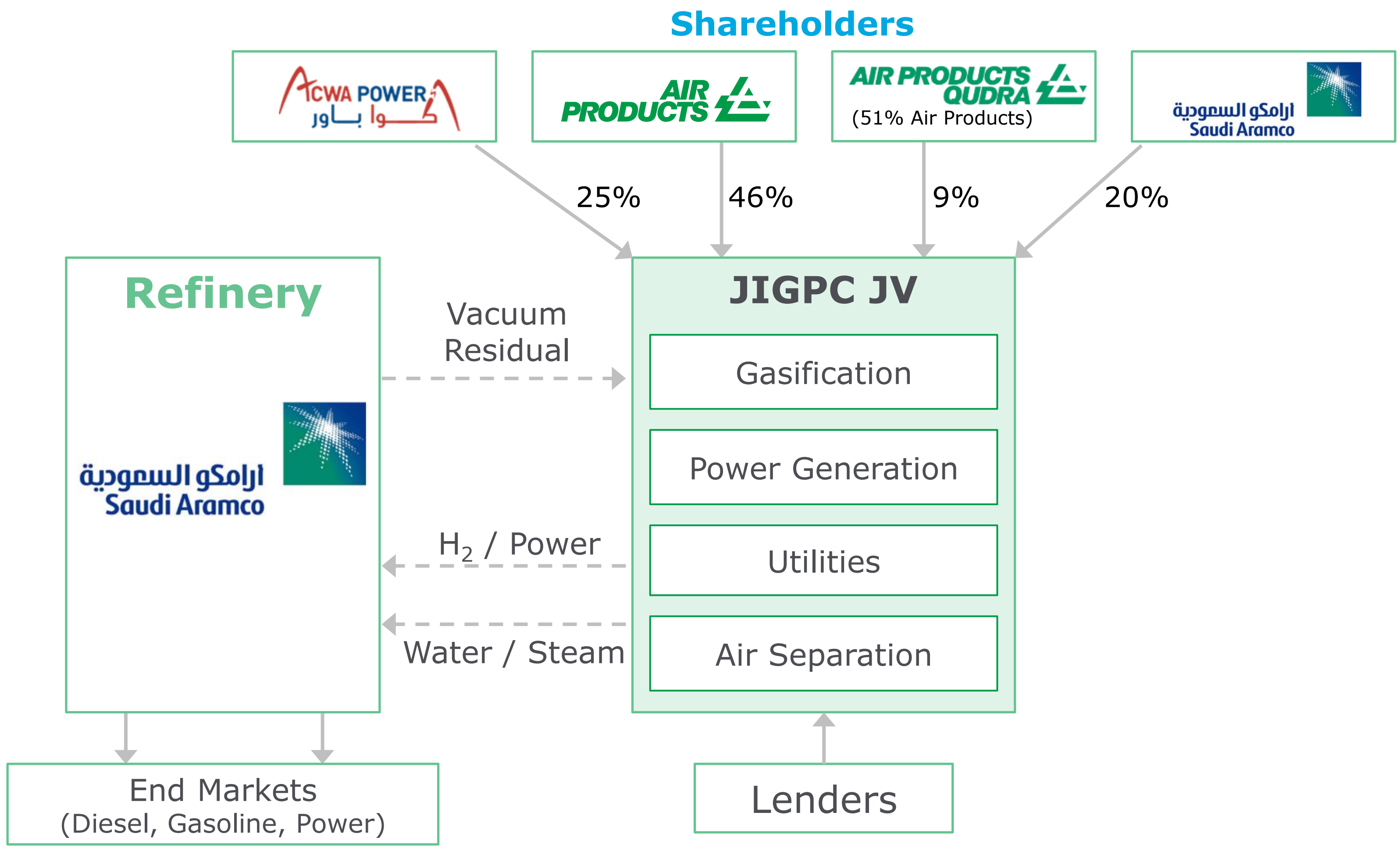
Hydrogen Offtake & Marketing: Air Products

Avoids more than 50 million metric tons of CO_2 over the project's lifetime, the equivalent of avoiding emissions from nearly 5 billion gallons of diesel fuel

AIR PRODUCTS

Jazan Project (JIGPC) – Phase 2 Completed

Total Assets ~$12 Billion



Moving forward

NEOM Project Status Update

- Making great progress:
  - Engineering is ~30% complete
  - All major subcontracts have been awarded
  - Land preparation is complete, construction has started
  - Joint venture team in place and executing

AIR PRODUCTS

NEOM Project Offtake

- Air Products is the sole offtaker and marketer of 100% of the green ammonia under an exclusive 30-year contract
- The offtake price of the green ammonia to Air Products remains the same as what was negotiated in July 2020 when the project was announced

NEOM Project Capital Structure

- Significant interest from financial institutions who see tremendous value proposition
- The three equal-ownership partners—Air Products, NEOM, and ACWA Power—will now fund the project with a mix of 25% cash and 75% non-recourse project financing
- Air Products will now invest <$800M of cash into the project instead of the original $1.7B

Moving forward

NEOM Project Financing

- Non-recourse financing is well underway
- >2X over-subscribed; commitments from >20 major global financial institutions
- Expect the signing of definitive financing agreements (“dry close”) very soon
- Expect full financial close a couple of months after the dry close

AIR PRODUCTS

NEOM Project Capital Needs

Original capital estimate	$5.0B	$\left.\begin{array}{l}\\ \\ \\ \end{array}\right\}$ $6.7B
Inflation since 2020	$0.5B	
Additional scope to make project more self-sufficient and lower operating costs	$1.2B	
Project financing costs, up-front fees, interest during construction, additional JV costs, spares, land, etc.	$1.8B	
Total capital needs for production JV	**$8.5B**	

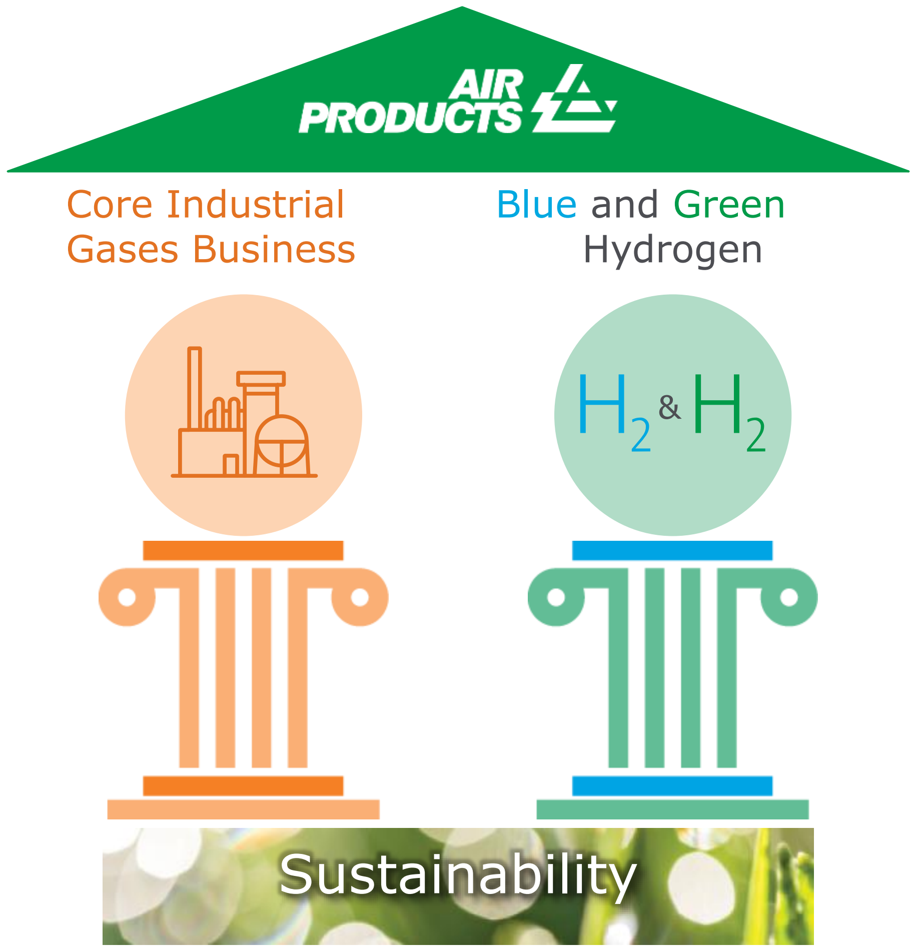
NEOM Project Funding Sources

• Total funds required	$8.5B
- 75% debt (non-recourse)	$6.2B
- 25% cash from three partners	$2.3B

Air Products' cash contribution: <$800M
(significantly less than original $1.7B)

- In summary:
  - Great progress
  - New capital structure enhances return on equity
  - More than 20 global lenders support project's value proposition

Two Pillars of Our Strategy



Management Philosophy

- **Our Goal** – to be the **safest**, **most diverse** and **most profitable** industrial gas company in the world, providing excellent service to our customers
- **Creating Shareholder Value** – cash is king; long-term increase in **per share value** of our stock; capital allocation is the most important job of the CEO
- **Five-Point Plan** – sustain the lead, deploy capital, evolve portfolio, change culture, belong and matter
- **Our Higher Purpose** – bring people together to **collaborate** and **innovate** solutions to the world's most significant **energy and environmental** sustainability challenges

Q1 Results

($ million)	Q1FY23	Fav/(Unfav) vs. Q1FY22	Fav/(Unfav) vs. Q4FY22
Sales	$3,175	6%	(11%)
- Volume		2%	(6%)
- Price		7%	1%
- Energy cost pass-through		3%	(5%)
- Currency		(6%)	(1%)
Adjusted EBITDA*	$1,084	8%	(5%)
*- Adjusted EBITDA Margin**	*34.1%*	*60bp*	*200bp*
Adjusted Operating Income*	$652	25%	(7%)
*- Adjusted Operating Margin**	*20.5%*	*300bp*	*90bp*
Adjusted Net Income*	$587	6%	(7%)
Adjusted EPS* ($/share)	$2.64	6%	(7%)
ROCE*	11.3%	120bp	30bp

- Versus prior year:
  - Strong results driven by +7% price (Merchant price +19%)
  - Volume up for both on-site and merchant but partially offset by lower sales of equipment
  - Adjusted op. income* +25% despite unfavorable currency
  - One-time Jazan ASU finalization benefited prior year adjusted EBITDA* & adjusted EPS*
- Sequentially:
  - Volume lower following a strong prior quarter

* Non-GAAP financial measure. See website for reconciliation.

Q1 Adjusted EPS*

Strong operating performance

	Q1FY22	Q1FY23	Change	
GAAP EPS from cont. ops	$2.52	$2.57		
Non-GAAP items	(0.04)	0.07		
Adjusted EPS*	**$2.48**	**$2.64**		**$0.16**
Volume			0.03	
Price, net of variable costs			0.71	
Other cost			(0.11)	
				$0.63
Currency				($0.15)
Equity affiliates' income			(0.14)	
Non-controlling interest			(0.10)	
Tax Rate			(0.07)	
Other *(interest expense, non-op. income & expense)*			(0.01)	
				($0.32)

- Price, volume, and cost together contributed $0.63
- Comparison negatively impacted by unfavorable currency of $0.15 and prior year one-time items related to Jazan ASU finalization ~$0.20 (in EAI and NCI)

* Non-GAAP financial measure. See website for reconciliation.
EPS is calculated independently for each component and may not sum to total EPS due to rounding

Cash Flow Focus

($ million)	Q1FY23 LTM
Adjusted EBITDA*	$4,327
Interest, net*	(100)
Cash Tax	(467)
Maintenance Capex*	(688)
Distributable Cash Flow*	$3,072
	*$13.80/Share**
Dividends	(1,411)
Investable Cash Flow*	$1,661

- ~$14/share of Distributable Cash Flow*
- Paid over 45% of Distributable Cash Flow* as dividends
- ~$1.7B of Investable Cash Flow*

* Non-GAAP financial measure. See website for reconciliation.

FY18-27 Capital Deployment Scorecard

Significant progress made, substantial investment capacity remaining

Moving forward

Available Now (12/31/22)	($Billion)	
Total Debt Capacity	$ 13.0	Assuming 3xLTM Adj EBITDA*
Less: Net Debt*	$ 4.9	Debt ($8.1B) minus cash[1] ($3.2B)
Additional Available Now	**$ 8.1**	
Estimated Available In Future		
Investable Cash Flow (ICF)*	$ 7.9	LTM ICF* x 4.75 years
Debt enabled by New Projects	$ 8.7	Details below[2]
Estimated In Future	**$ 16.6**	
Already Spent		
FY18 through Q1 FY23	**$ 11.6**	Growth CapEx* (including M&A)[4]
Estimated FY18 - FY27 Capacity	**$ 36.3**	
Backlog (remaining to be spent)	$ 15.3	
Spent + Backlog (remaining to be spent)	$ 26.9	
% Spent	*32%*	
% Spent + Backlog (remaining to be spent)	*74%*	

Backlog as of 12/31/22:
- Includes Jazan phase 2 (onstream Jan '23) and NEOM project at original CAPEX/structure
- Does not include $4B Texas green hydrogen project

Committed to manage debt balance to maintain current targeted A/A2 rating
Total Backlog $19.4B; Backlog remaining to be spent $15.3B

*Non-GAAP financial measure. See website for reconciliation.
1. Cash includes cash and short-term investments
2. Total Backlog ~$19.4 billion x (15% Adj EBITDA* / CapEx[3]) x (3x Debt / Adj EBITDA)*
3. Based on assumed (10% Operating Income / CapEx) and 20-year depreciable life
4. CAPEX excludes $0.1B of minority partner's investment

AIR PRODUCTS

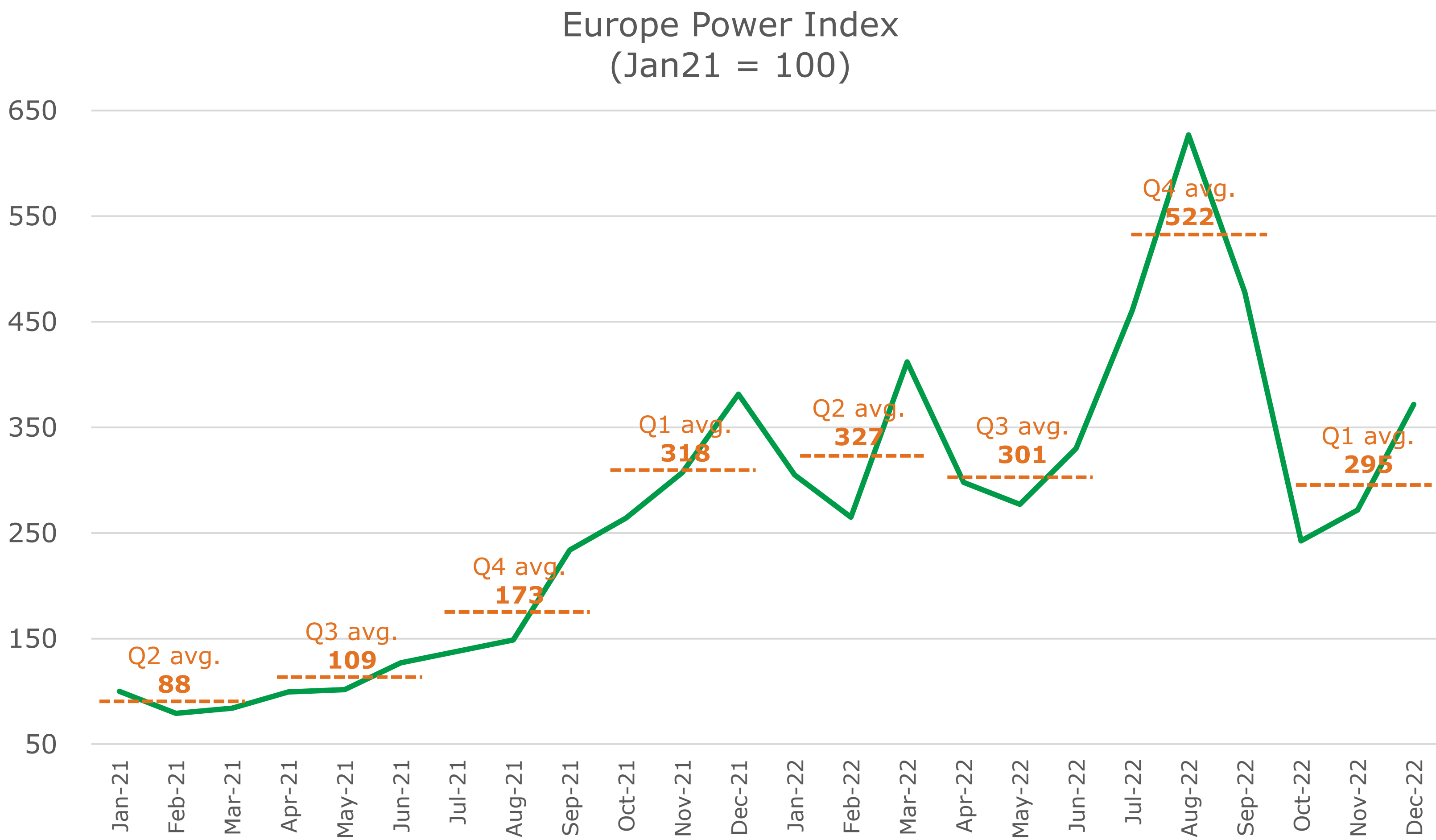
Asia

	Q1FY23	Fav/(Unfav) vs. Q1FY22	Fav/(Unfav) vs. Q4FY22
Sales	$778	-%	(10%)
- Volume		7%	(8%)
- Price		1%	1%
- Energy cost pass-through		2%	-%
- Currency		(10%)	(3%)
Adjusted EBITDA*	$345	2%	(7%)
*- Adjusted EBITDA Margin**	*44.4%*	*100bp*	*110bp*
Operating Income	$236	7%	(10%)
- Operating Margin	*30.3%*	*200bp*	*(30bp)*

- Positive results versus prior year despite negative currency and COVID impact:
  - Currency reduced sales, op. income and adjusted EBITDA* each by ~10%
  - Volume up on new smaller plants
  - Price +1% = Merchant price +3%
  - Operating Income and adjusted EBITDA* higher due to favorable volume and price
  - Margins improved primarily driven by volume and price
- Sequentially, spot sales benefited prior quarter

* Non-GAAP financial measure. See website for reconciliation.

Europe Power Costs
Remained elevated



- Natural gas and power passed-through in onsite business
- Merchant price increases recovered power cost increase

Power based on published country day-ahead power prices for those countries where AP operates

Europe

	Q1FY23	Fav/(Unfav) vs. Q1FY22	Fav/(Unfav) vs. Q4FY22
Sales	$792	6%	(8%)
- Volume		(6%)	(4%)
- Price		14%	1%
- Energy cost pass-through		9%	(6%)
- Currency		(11%)	1%
Adjusted EBITDA*	$208	28%	(4%)
*- Adjusted EBITDA Margin**	*26.2%*	*430bp*	*110bp*
Operating Income	$146	47%	(3%)
- Operating Margin	*18.4%*	*510bp*	*100bp*

- Versus prior year:
  - Improved results driven by +14% price (merchant price +24%)
  - Volume lower due to reduced hydrogen demand and modestly weaker merchant
  - Adjusted EBITDA* up significantly driven primarily by price
  - Energy cost pass-through negatively impacted adjusted EBITDA margin* ~200bp
- Sequentially:
  - Volume unfavorable due to weaker merchant in current quarter and favorable contract amendment in prior quarter

* Non-GAAP financial measure. See website for reconciliation.

Americas

	Q1FY23	Fav/(Unfav) vs. Q1FY22	Fav/(Unfav) vs. Q4FY22
Sales	$1,384	13%	(10%)
- Volume		6%	(3%)
- Price		9%	2%
- Energy cost pass-through		(1%)	(9%)
- Currency		(1%)	-%
Adjusted EBITDA*	$515	13%	-%
*- Adjusted EBITDA Margin**	*37.2%*	*(10bp)*	*380bp*
Operating Income	$343	28%	3%
- Operating Margin	*24.8%*	*300bp*	*320bp*

- Versus prior year:
  - Underlying sales up 15%
  - Price +9% = merchant price +26%
  - Volume up due to improvement in merchant and on-site
  - Operating Income and Operating Margin up driven primarily by strong price
  - Adjusted EBITDA* and adjusted EBITDA margin* negatively impacted by lower EAI
- Sequentially:
  - Merchant price +7% but volume down following a strong prior quarter
  - Lower energy cost pass-through improved adjusted EBITDA* margin 300 basis points

* Non-GAAP financial measure. See website for reconciliation.

Middle East & India

	Q1FY23	Fav/(Unfav) vs. Q1FY22	Fav/(Unfav) vs. Q4FY22
Sales	$41	$18	$-
Operating Income	$7	$2	$2
Equity Affiliates’ Income	**$64**	**($28)**	**$1**
Adjusted EBITDA*	$77	($26)	$2

- Sales and Operating Income increased due to an acquisition
- Higher maintenance activities negatively impacted Operating Income
- Jazan
  - One-time Jazan ASU finalization benefited prior year Equity Affiliates’ Income
  - Jazan Project Phase II completed in January 2023

* Non-GAAP financial measure. See website for reconciliation.

Corporate and Other

	Q1FY23	Fav/(Unfav) vs. Q1FY22
Sales	$179	($42)
Adjusted EBITDA*	($62)	($4)
Operating Income	($79)	($10)

- Sales and profit lower on reduced sale of equipment activity
- Additional resources to support growth strategy
- LNG inquiries increasing

* Non-GAAP financial measure. See website for reconciliation.

Outlook*

Q2 FY23 Adjusted EPS*	vs Prior Year	FY23 Adjusted EPS*	vs Prior Year
$2.50 to $2.70	+7% to +15%	$11.20 to $11.50	+9% to +12%

FY23 Capital Expenditures* $5.0 - $5.5 billion

*Non-GAAP financial measure.
Fiscal year 2022 comparisons have been updated to reflect adjustment for non-service-related pension impacts. See website for reconciliation.

Our Competitive Advantage

The only sustainable element

of long-term competitive

advantage is the degree of

commitment and **motivation**

of the people in the enterprise

Appendix slides

Major Projects

Moving forward

Plant	Customer/Location	Project Size	Timing	Market
ONSTREAM (last five quarters)				
Liquid H2	LaPorte, TX	~30 tons per day	Q1 FY22	Merchant
ASU/Gasifier/ Power	AP / ACWA / SA / APQ – Jazan, Saudi Arabia – Phase I	~$12 billion total JV	Q1 FY22	Gasif to Refinery
ASU/Liquid	Eastman, Kingsport, Tennessee	Not disclosed	Q2 FY22	Gasif/Merchant
ASU/Gasifier/ Power	AP / ACWA / SA / APQ – Jazan, Saudi Arabia – Phase II	~$12 billion total JV	Q2 FY23	Gasif to Refinery
PROJECT COMMITMENTS				
ASU/Gasifier	AP 100% - Jiutai – China	~$0.65 billion	Q2 FY23	Gasif to Chemicals
SMR/ASU/PL	GCA – Texas City	~$500 million	Q3 FY23	Ammonia
ASU/Gasifier	AP (80%) / Debang – Lianyung City, China	~$250 million total JV	1H FY24	Gasif to Chemicals / Merchant
Net-zero H_2	Alberta, Canada	~$1.6 billion CAD	2024	Pipeline / Transportation
ASU/Gasifier/ MeOH	Indonesia	~$2 billion	2025	Gasif to Methanol
H2/SAF	World Energy, California	~$2.5 billion	2025	Sustainable Aviation Fuel
Carbon-free H_2	NEOM Saudi Arabia	~$8.5 billion total JV	2026	Air Products
Low-carbon H_2	Downstream H_2 supply chain	~$2 billion	2025-2028	Transportation / Industrial
Blue H_2	Louisiana	~$4.5 billion	2026	Pipeline / Transportation
Semiconductor	Kaohsuing, Taiwan	~$900 million	Not disclosed	Semiconductor
Green H_2	New York	~$0.5 billion	2026 / 2027	Mobility / Industrial

Project capital represents 100%, not APD share

AIR PRODUCTS

Capital Expenditures*

Moving forward

FY	$MM
2023	$5.0 - $5.5 billion[#]
2022	$4,650[a]
2021	$2,551
2020	$2,717
2019	$2,129
2018	$1,914
2017	$1,056
2016	$908
2015	$1,201

FY23	$MM
Q1	$834
Q2	
Q3	
Q4	
YTD	$834

Capital expenditures are calculated independently for each quarter and may not sum to full year amount due to rounding.

* Non-GAAP financial measure. See website for reconciliation.
\# Outlook
a Q1FY22 CAPEX includes $0.1B of minority partner's investment

AIR PRODUCTS

Moving forward

Thank you

tell me more