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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended 30 September 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number **001-04534**

AIR PRODUCTS AND CHEMICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**23-1274455**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1940 Air Products Boulevard
Allentown, Pennsylvania 18106-5500
(Address of principal executive offices) (Zip Code)

610-481-4911
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $1.00 per share	APD	New York Stock Exchange
0.500% Euro Notes due 2028	APD28	New York Stock Exchange
2.950% Euro Notes due 2031	APD31	New York Stock Exchange
0.800% Euro Notes due 2032	APD32	New York Stock Exchange
3.250% Euro Notes due 2032	APD32B	New York Stock Exchange
4.000% Euro Notes due 2035	APD35	New York Stock Exchange
3.450% Euro Notes due 2037	APD37	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.	Yes ☒	No ☐
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.	Yes ☐	No ☒
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.	Yes ☒	No ☐
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).	Yes ☒	No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.	☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.	☒
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.	☐
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).	☐
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).	Yes ☐ No ☒

The aggregate market value of the voting stock held by non-affiliates of the registrant on 31 March 2026 was approximately $63.4 billion. For purposes of the foregoing calculations, all directors and/or executive officers have been deemed to be affiliates, but the registrant disclaims that any such director and/or executive officer is an affiliate.
The number of shares of common stock issued and outstanding as of 31 October 2026 was 222,693,409.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the 2027 Annual Meeting of Shareholders are incorporated by reference into Part III.

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
ANNUAL REPORT ON FORM 10-K
For the fiscal year ended 30 September 2026

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains “forward-looking statements” within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts and can generally be identified by words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” "future," “goal,” “intend,” “may,” “outlook,” “plan,” “position,” “possible,” “potential,” “project,” “should,” “target,” “will,” “would,” and similar expressions or variations thereof, or the negative thereof, but these terms are not the exclusive means of identifying such statements. Forward-looking statements are based on management’s expectations and assumptions as of the date of this report and are not guarantees of future performance. You are cautioned not to place undue reliance on our forward-looking statements.

Forward-looking statements may relate to a number of matters, including expectations regarding revenue, margins, expenses, earnings, tax provisions, cash flows, pension obligations, share repurchases or other statements regarding economic conditions or our business outlook; statements regarding capital expenditures and plans, projects, investment opportunities, and potential transactions that are subject to ongoing negotiations and their expected impact and timing; strategies and objectives for our future operations, including our ability to win new projects and execute the projects in our backlog; and statements regarding our expectations with respect to pending legal claims or disputes. 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, without limitation:

- changes in global or regional economic conditions, inflation, and supply and demand dynamics in the market segments we serve, including demand for technologies and projects to limit the impact of global climate change;
- changes in the financial markets may affect the availability and terms on which we may obtain financing;
- the ability to execute agreements with customers and implement price increases to offset cost increases;
- disruptions to our supply chain and related distribution delays and cost increases;
- risks associated with having extensive international operations, including political risks, risks associated with unanticipated government actions and risks of investing in developing markets;
- project delays, scope changes, cost escalations, contract terminations, customer cancellations, or postponement of projects and sales;
- our ability to safely develop, operate, and manage costs of large-scale and technically complex projects;
- the future financial and operating performance of major customers, joint ventures, and equity affiliates;
- our ability to safely and effectively develop, implement, and operate new technologies and to market products produced utilizing new technologies;
- our ability to execute the projects in our backlog and refresh our pipeline of new projects;
- tariffs, economic sanctions and regulatory activities in jurisdictions in which we, our affiliates and joint ventures, and our customers and other counterparties operate;
- the impact of environmental, tax, safety, or other legislation, as well as regulations and other public policy initiatives affecting our business and the business of our affiliates and related compliance requirements, including legislation, regulations, or policies intended to address global climate change;
- changes in tax rates and other changes in tax law;
- safety incidents relating to our operations;
- the timing, impact, and other uncertainties relating to acquisitions, divestitures, joint venture activities and other commercial transactions, as well as our ability to integrate acquisitions and separate divested businesses, respectively;
- risks relating to cybersecurity incidents, including risks from the interruption, failure or compromise of our information systems or those of our business partners or service providers;

FORWARD-LOOKING STATEMENTS (CONTINUED)

- catastrophic events, such as natural disasters and extreme weather events, pandemics and other public health crises, acts of war, including Russia's invasion of Ukraine, the conflict with Iran and other new and ongoing conflicts in the Middle East, or terrorism;
- the impact on our business and customers of price fluctuations in oil and natural gas and disruptions in markets and the economy due to oil and natural gas price volatility;
- costs and outcomes of legal or regulatory proceedings and investigations;
- asset impairments due to economic conditions or specific events;
- significant fluctuations in inflation, interest rates and foreign currency exchange rates from those currently anticipated;
- damage to facilities, pipelines or delivery systems, including those we are constructing or that we own or operate for third parties;
- availability and cost of electric power, natural gas, and other raw materials; and
- the commencement and success of any productivity and operational improvement programs.

In addition to the foregoing factors, forward-looking statements contained herein are qualified with respect to the risks disclosed elsewhere in this document, including in Item *1A, Risk Factors,* Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, and Item 7A, *Quantitative and Qualitative Disclosures About Market Risk*. Any of these factors, as well as those not currently anticipated by management, could cause our results of operations, financial condition, or liquidity to differ materially from what is expressed or implied by any forward-looking statement. Except as required by law, we disclaim any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in assumptions, beliefs, or expectations or any change in events, conditions, or circumstances upon which any such forward-looking statements are based.

PART I

Item 1. Business

As used in this report, unless the context indicates otherwise, the terms “we,” “our,” “us,” the “Company,” "Air Products," or “registrant” include our controlled subsidiaries and affiliates.

Additional information about Air Products is available on our website at www.airproducts.com. References to our website within this report are inactive textual references only. The content of our website is not incorporated by reference into, and does not form part of, this Annual Report on Form 10-K.

Air Products trades on the New York Stock Exchange under the symbol "APD". All periodic and current reports, registration statements, proxy statements, and other filings that we are required to file with the Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), are available free of charge through our website as soon as reasonably practicable after electronic filing of the material with the SEC. All such reports filed during the period covered by this report were available on our website on the same day as filing. Additionally, these filings are available free of charge on the SEC's website, www.sec.gov.

Notes to the consolidated financial statements that are referenced in the disclosures that follow can be found under Item 8, *Financial Statements and Supplementary Data*, of this Annual Report on Form 10-K.

About Air Products

Air Products and Chemicals, Inc., a Delaware corporation founded in 1940, is a world-leading industrial gases company. Serving energy, environmental, and emerging markets, the Company is generating a cleaner future by providing essential industrial gases, related equipment, and applications expertise that help customers improve productivity, efficiency, and sustainability across a wide range of industries, including energy, chemicals, electronics, metals, manufacturing, food, medical, and space.

We are focused on profitably growing our core industrial gases business by accelerating growth in areas of competitive strength and extending our reach through disciplined opportunities that create long-term value. We develop, engineer, build, own, and operate large-scale hydrogen projects and have extensive capabilities in air separation technology, engineering, and plant operations. Through our sale of equipment businesses, we provide specialized products such as turbomachinery, membrane systems, and cryogenic containers globally.

For the fiscal year ended 30 September 2026, we managed our operations, assessed performance, and reported earnings under five reportable segments: Americas, Asia, Europe, Middle East and India, and Corporate and other. Refer to Note 24, *Business Segment and Geographic Information*, to the consolidated financial statements for additional information.

Our Businesses

Regional Industrial Gases

Our industrial gases business, which is organized and operated regionally in the Americas, Asia, Europe, and Middle East and India segments, produces and sells atmospheric gases such as oxygen, nitrogen, and argon (primarily recovered by the cryogenic distillation of air); process gases such as hydrogen, helium, carbon dioxide ("CO_2"), carbon monoxide, and syngas (a mixture of hydrogen and carbon monoxide); and specialty gases. Overall regional industrial gases sales constituted over 90% of consolidated sales in fiscal years 2026, 2025, and 2024, approximately half of which were attributable to atmospheric gases.

Each of the regional industrial gases segments competes against three global industrial gas companies: Air Liquide S.A., Linde plc, and Messer Group GmbH, as well as regional competitors. Competition in industrial gases is based primarily on price, reliability of supply, and the development of industrial gas applications. We derive a competitive advantage in locations where we have pipeline networks, which enable us to provide a reliable and economic supply of products to our larger customers.

Production
Industrial gases are generally produced at or near the point of use due to the complexity and inefficiency of storing molecules at low temperatures. The industrial gases business develops, builds, and operates equipment for the production and processing of gases. Atmospheric gases are produced through various air separation processes, with cryogenic distillation being the most prevalent, while process gases are produced by methods other than air separation.

Hydrogen is a process gas that is typically produced by purifying byproduct sources obtained from chemical and petrochemical industries without carbon capture, commonly referred to as “gray hydrogen.” We primarily produce gray hydrogen. In addition, we are advancing projects that produce low-carbon hydrogen from hydrocarbons with carbon capture (“blue hydrogen”) and carbon-free hydrogen from renewable energy (“green hydrogen”), such as the NEOM Green Hydrogen Project in Saudi Arabia. In fiscal years 2026 and 2025, we exited certain clean energy projects as discussed in Note 4, *Business and Asset Actions*, to the consolidated financial statements. We remain focused on completing our remaining energy transition projects while taking a disciplined approach to evaluating future opportunities.

Electricity is the largest cost component in the production of atmospheric gases. To produce hydrogen, carbon monoxide, and syngas, steam methane reformers use natural gas as the primary raw material, while gasifiers use liquid and solid hydrocarbons. We mitigate electricity, natural gas, and hydrocarbon price fluctuations contractually through pricing formulas, surcharges, cost pass-through provisions, and tolling arrangements. During fiscal year 2026, we did not encounter significant difficulties in obtaining adequate supplies of power and natural gas.

Helium is produced as a byproduct of gases extracted from underground reservoirs, primarily natural gas and CO_2 purified before resale. Because helium is generally sourced globally at long distances from point of sale, we maintain an inventory of helium in our fleet of ISO containers as well as in underground storage facilities in Amarillo, Texas and Beaumont, Texas.

Supply Modes
We distribute product to our industrial gas customers through either our on-site or merchant supply mode depending on various factors, including the customer's volume requirements and location. Each sale of gas supply mode is described below:

- *On-site Gases*— This supply mode serves customers primarily in the energy production and refining, chemical, metals, and electronics industries worldwide, where large and relatively consistent volumes of industrial gases are required. Gases are produced and supplied through large facilities constructed or acquired on or near customer facilities, or by pipeline systems from centralized production locations. These sale of gas arrangements are generally governed by long-term contracts ranging from 15- to 20-years. We also deliver smaller quantities of product through small on-site plants (cryogenic or non-cryogenic generators), generally under 10- to 15-year contracts. Contracts in this supply mode commonly include fixed monthly charges and/or minimum purchase requirements with price escalation provisions that are typically based on external indices. Our on-site supply mode generates approximately half our total company sales.
- *Merchant Gases*— This supply mode includes liquid bulk and packaged gas products. Liquid bulk gases are delivered in either liquid or gaseous form via tanker or tube trailer and stored, usually in its liquid state, in equipment that we typically design and install at the customer’s site for vaporizing into a gaseous state as needed. Packaged gases customers receive small quantities of product delivered in either cylinders or dewars, with operations in Europe, Asia, and Latin America. Sales of both liquid bulk and packaged gases do not include minimum purchase requirements, as they are governed by contracts and/or purchase orders that reflect the customer's specific needs. These contracts contain stated terms that are generally five years or less.

We maintain inventory in locations that facilitate supply of products to customers on a reasonable delivery schedule. Inventory consists primarily of crude helium, specialty gases, and other industrial gases supplied via the merchant gases supply mode.

End Use

The refining industry uses hydrogen to facilitate the conversion of heavy crude feedstock and lower the sulfur content of gasoline and diesel fuels. This produces cleaner transportation fuels that can be used with other equipment to significantly reduce emissions that contribute to climate change. Many other industries that already benefit from hydrogen's unique properties to improve quality, optimize performance, and reduce costs are also looking to hydrogen as a fuel that can help decarbonize their manufacturing processes.

The chemicals industry uses hydrogen, oxygen, nitrogen, carbon monoxide, and syngas as feedstocks in the production of many basic chemicals. The energy production industry uses nitrogen injection for enhanced recovery of oil and natural gas and oxygen for gasification. Oxygen is used in combustion and industrial heating applications, including in the steel, certain nonferrous metals, glass, and cement industries. Nitrogen applications are used in food processing for freezing and preserving flavor, and nitrogen is used for inerting in various fields, including the metals, chemical, and semiconductor industries. Helium is used for its unique properties as an inert gas with an extremely low boiling point. It is widely used in semiconductor and fiber optics manufacturing, MRI magnet cooling, and for purging and pressurizing rocket fuel systems in aerospace launches. Additional applications include use in laboratories, cryogenics, and as a shielding gas in arc welding. Argon is used in the metals and other industries for its unique inerting, thermal conductivity, and other properties. Industrial gases are also used in welding and providing healthcare and are utilized in various manufacturing processes to make them more efficient and to optimize performance.

Industrial Gases Equipment

We design and manufacture equipment for air separation, hydrocarbon recovery and purification, and liquid helium and liquid hydrogen transport and storage. The Corporate and other segment includes activity related to the sale of cryogenic and gas processing equipment for air separation. The equipment is sold worldwide to customers in a variety of industries, including chemical and petrochemical manufacturing, oil and gas recovery and processing, and steel and primary metals processing. The Corporate and other segment also includes the results of our Rotoflow business, which manufactures turboexpanders and other precision rotating equipment, and our Gardner Cryogenics business, which fabricates helium and hydrogen transport and storage containers. Our sale of equipment supply mode constituted less than 10% of consolidated sales in fiscal years 2026, 2025, and 2024. Our fiscal year 2024 results also included our former liquefied natural gas ("LNG") process technology and equipment business, which was sold in September 2024. Refer to Note 6, *Gain on Sale of Business*, to the consolidated financial statements for additional information.

Steel, aluminum, and capital equipment subcomponents such as compressors are the principal raw materials in the manufacturing of equipment. Raw materials for individual projects typically are acquired under firm purchase agreements. Equipment is produced at our manufacturing sites with certain components procured from subcontractors and vendors.

Competition in the equipment business is based primarily on plant efficiency and technological performance, service, technical know-how, and price, as well as schedule and plant performance guarantees.

Customers

We do not have a homogeneous customer base or end market, and no single customer accounts for more than 10% of our consolidated sales. We do have concentrations of customers in specific industries, primarily energy, chemicals, and electronics. Within each of these industries, we have several large-volume customers with long-term contracts. A negative trend affecting one of these industries, or the loss of one of these major customers, although not material to our consolidated sales, could have an adverse impact on our financial results.

Seasonality

While seasonality does not materially affect our long-term performance, it may result in variability in quarterly financial results.

Governmental Contracts

Our business is not subject to a government entity's renegotiation of profits or termination of contracts that would be material to our business as a whole.

Equity Affiliates

Our reporting segments include our share of the results of joint ventures accounted for under the equity method. Our share of our investees' net earnings is primarily presented net of income taxes within “Equity affiliates’ income" on our consolidated income statements. The carrying value of our equity method investments is reflected as "Investment in net assets of and advances to equity affiliates" on our consolidated balance sheets. All of our equity method investments are in foreign industrial gas producers, the largest of which operate in China, India, Italy, Mexico, and Saudi Arabia. For additional information regarding these investments, refer to Note 8, *Equity Affiliates*, to the consolidated financial statements.

International Operations

Through our subsidiaries, affiliates, and joint ventures accounted for using the equity method, we conduct business in approximately 50 countries and regions outside the United States. Our international businesses are subject to risks customarily encountered in foreign operations, including fluctuations in foreign currency exchange rates and controls, tariffs, trade sanctions, import and export controls, and other economic, political, and regulatory policies of local governments described in Item 1A, *Risk Factors*, of this Annual Report on Form 10-K.

We have controlling interests in foreign subsidiaries that operate in Canada and approximately 10 countries in Latin America (primarily Chile and Brazil); approximately 10 countries and regions in Asia (primarily China, Taiwan, and South Korea); approximately 25 countries in the Europe and Africa region (primarily the Netherlands, the countries of the United Kingdom, and Spain); and approximately five countries in the Middle East, (primarily Saudi Arabia). As discussed under "Equity Affiliates" above, we also own non-controlling interests in entities operating in Asia, Europe, Latin America, and the Middle East.

Financial information related to our foreign operations and investments can be found in the consolidated financial statements under Note 8, *Equity Affiliates*; Note 22, *Income Taxes*; and Note 24, *Business Segment and Geographic Information*.

Details regarding foreign currency translation are provided in Note 1, *Basis of Presentation and Major Accounting Policies*, to the consolidated financial statements, under “Foreign Currency”.

Our exposure to currency fluctuations is discussed in Note 13, *Financial Instruments*, to the consolidated financial statements and Item 7A, *Quantitative and Qualitative Disclosures About Market Risk*, under “Foreign Currency Exchange Rate Risk”.

Technology Development

We pursue a market-oriented approach to technology development through research and development, engineering, and commercial development processes. We conduct research and development principally in our laboratories located in the United States, the United Kingdom, Spain, China, and Saudi Arabia. We also fund and cooperate in research and development programs conducted by a number of major universities and undertake research work funded by others, including the United States government.

Development of technology for use within the industrial gases business focuses primarily on new and improved processes and equipment for the production and delivery of industrial gases and new or improved applications for industrial gas products.

During fiscal year 2026, we owned approximately 560 United States patents, approximately 2,600 foreign patents, and were a licensee under certain patents owned by others. While the patents and licenses are considered important, we do not consider our business as a whole to be materially dependent upon any particular patent, patent license, or group of patents or licenses.

Environmental Regulation

We are subject to various environmental laws, regulations, and public policies in the countries in which we have operations. Compliance with these measures often results in higher capital expenditures and costs. In the normal course of business, we are involved in legal proceedings under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA," the federal Superfund law); Resource Conservation and Recovery Act ("RCRA"); and similar state and foreign environmental laws relating to the designation of certain sites for investigation or remediation. Our accounting policy for environmental expenditures is discussed in Note 1, *Basis of Presentation and Major Accounting Policies*, and environmental loss contingencies are discussed in Note 17, *Commitments and Contingencies*, to the consolidated financial statements.

Some of our operations are within jurisdictions that have adopted or are developing regulatory regimes governing emissions of greenhouse gases ("GHG"), including CO_2. These include the European Union Emission Trading System and similar programs in California, China, South Korea, Canada, Taiwan, and other jurisdictions in which we operate. Additionally, various jurisdictions have adopted or are implementing requirements for corporate GHG emissions reporting, climate-related financial risk disclosures, and broader sustainability reporting. Examples include California's climate disclosure legislation and the European Union's Corporate Sustainability Reporting Directive and Corporate Sustainability Due Diligence Directive. Regulatory requirements in these areas continue to evolve, including in the United States where certain federal climate-related reporting and emissions regulations remain subject to rulemaking, legal challenges, or other governmental actions. These evolving requirements may require changes to our reporting processes, internal controls, data systems, third-party assurance processes, and public disclosures, which could result in increased compliance costs and, in certain cases, higher capital, operating, and energy costs.

Increased policy and regulatory focus may result in more international and/or regional requirements to reduce or mitigate the effects of GHG emissions. Although uncertain, these developments could increase our costs related to consumption of electric power, hydrogen production and application of our gasification technology. We expect to mitigate some of the costs related to the consumption of electric power through the use of renewable electricity and some of the other increased costs through contractual terms. However, the lack of definitive legislation or regulatory requirements prevents an accurate estimate of the long-term impact these measures will have on our operations. Any legislation that limits or taxes GHG emissions could negatively impact our growth, increase our operating costs, or reduce demand for certain of our products.

Regulation of GHG emissions may also produce new opportunities for us, including the use of industrial gases in applications that improve energy efficiency and reduce emissions. We continue to develop technologies to help our facilities and our customers lower energy consumption, improve efficiency, and lower emissions. The pace and extent of these opportunities will continue to depend on policy support, customer demand, and project economics.

Expenditures for capital projects intended to control pollution from existing operating facilities as required under current environmental regulations were not material in fiscal years 2026, 2025, and 2024. We do not expect material expenditures for these projects in fiscal year 2027.

For additional information regarding environmental matters, refer to Note 17, *Commitments and Contingencies*, to the consolidated financial statements.

Sustainability

Sustainability is integrated into how we operate our business. We pursue opportunities to enhance operational efficiency, improve resource utilization, and reduce emissions across our operations. Additionally, our customers rely on our expertise, technologies, and applications to improve efficiency, enhance yields, and reduce their environmental footprint. Our offerings include industrial gases, equipment, technologies, and related services that help customers avoid GHG emissions, improve process efficiency, enable the use of by-product gases, and support the recycling and recovery of resources.

Additional information regarding our sustainability programs, priorities, performance, and governance is available in our Sustainability Report, at www.airproducts.com/company/sustainability/sustainability-report.

Human Capital Management

We are focused on attracting, developing, and retaining a highly skilled workforce that delivers excellent service to our customers. We strive to build a workforce that reflects our customers and the communities where we do business. By valuing the experiences and perspectives of our employees and fostering a culture of respect and collaboration, we create an environment where employees are encouraged to contribute ideas and perform at their best. Our talent and culture are integral to our corporate strategy and are supported by our leaders across the organization.

As of 30 September 2026, we had approximately 19,600 employees, with more than 99% working full-time and approximately 75% based outside the United States. We maintain collective bargaining agreements with unions and works councils at certain locations, which expire at various times over the next three years. Approximately 25% of our global workforce is covered by these agreements, compared with approximately 22% in the prior year based on a consistent methodology.

We provide employees with opportunities to develop the capabilities, skills, and experiences needed to grow their careers and support our evolving business needs. Employees establish learning and development goals aligned with their roles and responsibilities, as well as current and anticipated business needs. We continue to invest in learning platforms and learner-centric experiences that support ongoing development and help build and retain critical skills.

Safety

Safety is a core operating principle at Air Products. We view it as a fundamental responsibility to seek to ensure that every employee returns home safe and healthy each day. Our goal is zero accidents and incidents, and we are committed to continuously improving the safety and health of our employees, contractors, customers, and the communities where we operate.

We use a multidisciplinary approach to safety and health, which includes a global Environment, Health and Safety ("EHS") policy; goals for employee, contractor, and transportation safety; a Global EHS Management System that supports the principles of ISO 45001; employee training based on job function; risk assessment processes for workers, operations, products, transportation, and regulatory requirements, including an escalation process for engaging our EHS Risk Council; compliance audits conducted by our EHS Assurance Team; review of performance by our Board of Directors, Sustainability Leadership Council, businesses and operations, and members of our Safety and Health Centers of Excellence at least annually; internal reporting of results on a monthly basis; and external reporting on safety performance through our annual Sustainability Report, public website, and responses to various stakeholders.

Compensation

By aligning our pay practices with business goals, we support the financial well-being of our workforce and reinforce our commitment to responsible corporate citizenship. Sustainable and equitable pay is essential to fostering a workplace where employees feel valued and supported. Our compensation practices are designed to ensure fairness and promote long-term economic stability for our workforce. We are committed to ethical pay practices that align with our values of social responsibility, ensuring that all employees receive equitable compensation regardless of gender, race, religion, disability, age, or any other personal characteristic.

We strive to offer competitive pay in the local markets where we operate, balancing financial sustainability with our ability to attract and retain talent. To support this, we benchmark our compensation to remain aligned with market conditions and provide competitive pay and benefits. Our compensation programs generally include base pay, annual variable pay (bonus), and long-term incentives (stock awards under the Air Products Long-Term Incentive Plan) for eligible employees.

Our Executive Officers

The table below identifies each executive officer by name, age, and offices held as of 19 November 2026. Information with respect to offices held is stated in fiscal years.

Name	Age	Office
Eduardo Menezes	63	Chief Executive Officer and Director (Principal Executive Officer) since February 2025. Prior to joining the Company, Mr. Menezes served as Executive Vice President of Linde plc from 2018 to 2021, with responsibility for Europe, Middle East and Africa. Mr. Menezes previously served for over three decades in progressively senior roles at Praxair, Inc., prior to its merger with Linde in 2018. From 2012 through the time of the merger, Mr. Menezes served as an Executive Vice President of Praxair, with responsibility for its businesses in Asia, Europe, Mexico and South America, as well as for global hydrogen operations. Mr. Menezes also served from 2010 to 2011 as head of the North American Industrial Gases business and Praxair's packaged gas business and from 2007 to 2010 as President of Praxair Europe. Mr. Menezes is a member of the Board of Directors and a member of the Executive Committee of the Board of Directors.
Melissa N. Schaeffer	47	Executive Vice President and Chief Financial Officer (became Senior Vice President and Chief Financial Officer in August 2021 and Executive Vice President in October 2024). Ms. Schaeffer joined the Company in 2016 and most recently served as Vice President, Finance – GEMTE, Americas, Middle East, and India from 2020 to 2021 and previously served as Vice President, Chief Audit Executive from 2016 to 2020. Before joining the Company, Ms. Schaeffer was global director, Internal Audit at Trinseo S.A. and worked for 10 years at Ernst & Young LLP. Ms. Schaeffer also serves on the board of directors of Trane Technologies plc, where she serves as a member of the Audit Committee.
Kurt Lefevere	56	Group President, Americas since November 2026. In this capacity Mr. Lefevere has responsibility for our Americas business as well as our Membrane Solutions, Gardner Cryogenics and Rotoflow equipment businesses, Global HyCO Project Delivery, Equipment Sales and Plant Support and our interests in joint ventures in his areas. Mr. Lefevere previously served as President, Asia from June 2024 to November 2026, Vice President, Northern Continent, Europe from 2015 to June 2024, Manager, Strategy Development and Performance Enhancement for the Company's Global Merchant division from 2013 until 2014, and General Manager for the Packaged Gases division in Asia from 2011 until 2013. Mr. Lefevere joined the Company in 1994.
Matthew Lepore	56	Executive Vice President, General Counsel, Chief Compliance Officer and Secretary since August 2025. Mr. Lepore previously served as Group General Counsel, President for Legal, Compliance and Insurance, Chief Compliance Officer, Chief Human Rights Officer and Corporate Secretary at BASF SE (Ludwigshafen am Rhein, Germany) from 2021 to August 2025, Senior Vice President and Global Head of Legal at BASF SE from 2018 to 2021, Senior Vice President and General Counsel, Chief Compliance Officer and Corporate Secretary of BASF Corporation (New Jersey) from 2014 to 2018, and Corporate Secretary and Chief Governance Officer at Pfizer Inc. from 2008 to 2014.
Francesco Maione	57	Group President, EMEA and Asia since November 2026. In this capacity, Mr. Maione has responsibility for our businesses and operations in Asia, Europe and Africa, the Middle East and India, Helium and Rare Gases, Global Air Separation Unit and Standard Plant Solutions Project Delivery and our interests in joint ventures in his areas. Mr. Maione previously served as President, Americas from December 2020 to November 2026, and Global Helium & Rare Gases from June 2025 to November 2026, as President, Atmospheric Gases, Americas during 2020, as Vice President and General Manager, South America from 2019 until early 2020, as Vice President, Northern Region, Americas, from 2018 to 2019 and Vice President, Southern Region, Americas, from 2016 to 2018. Mr. Maione joined the Company in 1998.

Item 1A. Risk Factors

Our operations and financial results are subject to various risks and uncertainties, many of which are beyond our control. When evaluating an investment in the Company and the forward-looking information contained in this Annual Report on Form 10-K and our other disclosures, readers should carefully consider the risk factors discussed below. Any of these risks could materially and adversely affect our business, results of operations, financial condition, cash flows, or the value of our securities, and could cause actual results to differ materially from those reflected in forward-looking statements. The risks described below are not intended to be exhaustive but are designed to highlight the factors that we believe are most important to our business and financial performance. Similarly, references to past events are provided for illustrative purposes only and are not intended to be a complete description of all similar events or circumstances that may have affected us in the past. Additional risks and uncertainties that are not presently known to us, that we currently believe are immaterial, or that are common to businesses generally may also adversely affect our business, performance, or financial condition.

Risks Related to Economic Conditions

Changes in global and regional economic conditions, the markets we serve, or the financial markets may adversely affect our results of operations, financial condition, and cash flows.

Demand for our products and services depends in part on the general economic conditions affecting the regions and markets in which we do business. Weak economic conditions and changing supply and demand balances in the markets we serve have negatively impacted demand for our products and services in the past and may do so in the future. In addition, certain of our green and blue hydrogen projects are largely based on expected demand for technologies and products to reduce carbon emissions and limit the impact of climate change. Demand for our solutions could also be negatively impacted if the public and private sectors reduce their efforts to lower carbon emissions. Reduced demand for our products and services would have a negative impact on our revenues and earnings and could decrease our margins, constrain our operating flexibility, reduce efficient utilization of our manufacturing capacity, or result in unexpected charges. Excess capacity in our manufacturing facilities or those of our competitors could decrease our ability to maintain pricing and generate profits.

In addition, our operating results in one or more segments have in the past, and may in the future, be affected by uncertain or deteriorating economic conditions for particular customer markets and changes in supply and demand for certain products. A decline in the industries served by our customers or adverse events or circumstances affecting individual customers can reduce demand for our products and services and impair the ability of such customers to satisfy their obligations to us, resulting in uncollected receivables, unanticipated contract terminations, project delays or the inability to recover plant investments, any of which may negatively impact our financial results. Weak economic conditions or adverse changes in the financial condition of our customers or other counterparties may also adversely affect the recoverability of our financing receivables and increase our exposure to expected credit losses.

Weak overall demand or specific customer conditions may also cause customer shutdowns or defaults or otherwise make us unable to operate facilities profitably and may force sale or abandonment of facilities and equipment or prevent projects from coming on-stream when expected. These or other events associated with weak economic conditions or specific market, industry, product, or customer events may also require us to record an impairment on tangible assets, such as facilities and equipment, or intangible assets, such as customer relationships, intellectual property, or goodwill. Any charges relating to such impairments could be significant and could have a material adverse impact on our financial condition and results of operations.

Our extensive international operations can be adversely impacted by operational, economic, political, security, legal, and currency translation risks that could adversely affect our results of operations, financial condition, and cash flows.

In fiscal year 2026, approximately 60% of our sales were derived from customers outside the United States and many of our operations, suppliers, customers, and employees are located outside the United States. Our operations in foreign jurisdictions may be subject to risks including exchange control regulations, import and trade restrictions, tariffs, sanctions, changing trade policies, and other potentially detrimental domestic and foreign governmental practices or policies that adversely affect U.S. companies doing business abroad. Changing economic and political conditions within foreign jurisdictions, strained relations between countries, or the imposition, extension, or expansion of tariffs or sanctions can cause fluctuations in demand, price volatility, supply disruptions, or loss of property. We have experienced these events in the past and the occurrence of any of these risks in the future could have a material adverse impact on our financial condition, results of operations, and cash flows.

Certain of our larger and more complex projects are located in markets outside the United States, such as China, India, the Middle East, and Uzbekistan, including in locations where there is the potential for significant economic and political disruptions. We are actively investing large amounts of capital and other resources, in some cases through joint ventures, in developing markets, which we believe to have high growth potential. Our operations in these markets may be subject to greater risks than those faced by our operations in mature economies, including political and economic instability, project delay or abandonment due to unanticipated government actions, inadequate investment in infrastructure, undeveloped property rights and legal systems, unfamiliar regulatory environments, relationships with local partners, language and cultural differences and increased difficulty recruiting, training and retaining qualified employees. In addition, our properties and contracts in these locations may be subject to seizure and cancellation, respectively, without full compensation for loss. Successful operation of particular facilities or execution of projects have in the past and may in the future be disrupted by civil unrest, acts of war, sabotage, or terrorism, and other local security concerns. Such concerns may require us to incur greater costs for security or require us to shut down operations for a period of time.

Furthermore, because the majority of our revenue is generated from sales outside the United States, we are exposed to fluctuations in foreign currency exchange rates. Our business is primarily exposed to translational currency risk as the results of our foreign operations are translated into U.S. dollars at current exchange rates throughout the fiscal period. Our policy is to minimize cash flow volatility from changes in currency exchange rates. We choose not to hedge the translation of our foreign subsidiaries' earnings into dollars. Accordingly, reported sales, net earnings, cash flows, and fair values have been, and in the future will be, affected by changes in foreign exchange rates. For a more detailed discussion of currency exposure, see Item 7A, *Quantitative and Qualitative Disclosures About Market Risk*, below.

Changes in global and regional economic conditions may increase our borrowing costs or impair our ability to obtain financing, which may adversely impact our operations and financial results.

Volatility and disruption in the U.S., European and global credit, capital, and money markets could increase our borrowing costs or make it more difficult for us to obtain financing for our operations, potentially adversely affecting our results of operations and liquidity. In addition, our borrowing costs can be affected by short and long-term debt ratings assigned by independent rating agencies. A decrease in these debt ratings could increase the cost of borrowing or make it more difficult to obtain financing.

Risks Related to Our Business

Risks related to the approval, execution, and operation of our projects, particularly with respect to our largest projects, may adversely affect our operations or financial results.

A significant portion of our business involves clean hydrogen, carbon capture, gasification, and other large-scale projects that involve challenging engineering, permitting, procurement, and construction phases that may last several years and involve the investment of billions of dollars. These projects are technically complex, often reliant on extensive interaction with government authorities, and face significant financing, development, operational, and reputational risks. These projects may also be subject to complex government approvals, as well as legal or regulatory challenges by government authorities or third parties. Delays in receiving required approvals, litigation and execution difficulties have required us and could in the future require us to delay or abandon certain projects, which may result in higher costs, lower returns, the loss of invested capital, and reputational damage.

We have in the past and may in the future encounter difficulties related to the development of projects that may result in delays, scope changes and additional costs, or project cancellations. Such difficulties may relate to engineering, delays in designs or materials provided by the customer or a third party, equipment and materials delivery delays, failure of delivered equipment to perform to expectations, schedule changes, customer scope changes, delays related to obtaining regulatory permits and rights-of-way, inability to find adequate sources of labor in the locations where we are building new plants, weather-related delays, delays by customers' contractors in completing their portion of a project, technical or transportation difficulties, cost overruns, supply difficulties, geopolitical risks, and other factors, many of which are beyond our control, that may impact our ability to complete a project within the original delivery schedule. In some cases, delays and additional costs have been and may in the future be substantial and could have a material adverse effect on our financial condition and results of operations. We also may be required to cancel a project and/or compensate the customer for the delay, which may also cause us to incur material costs that we may be unable to recover. In addition, in some cases we seek financing for large projects and face market risk associated with the availability and terms of such financing. These financing arrangements may require that we comply with certain performance requirements which, if not met, could result in default and restructuring costs or other losses, as well as potential acceleration of cash outflows. All of these factors could also negatively impact our reputation or relationships with our customers, suppliers and other third parties, any of which could adversely affect our ability to secure new projects in the future.

In addition, our large-scale clean hydrogen projects are being built before finalization of offtake agreements for a substantial percentage of expected production, which may create uncertainty regarding future demand, pricing, and other commercial terms. If we are unable to enter into favorable commercial agreements with prospective customers, our projected returns could be adversely impacted, which may harm our business and financial performance. In addition, uncertainty regarding future offtake agreements for our clean hydrogen projects may lead to greater uncertainty regarding our prospects, which may adversely affect the market prices for our securities and our credit ratings.

Unanticipated problems at, or downtime affecting our facilities and those operated by our equity affiliates, could have a material adverse effect on our results of operations.

Our ability to produce and distribute products depends on the continued operation of our facilities, and our ability to realize income from our equity affiliates depends on their ability to operate their facilities effectively. Our facilities, pipelines, and delivery systems and those of our equity affiliates are subject to periods of scheduled maintenance, unscheduled outages, and other operational risks that require continuous oversight and control, such as pipeline leaks and ruptures, fire, explosions, toxic releases, mechanical failures, vehicle accidents, cyber incidents, or acts of war or terrorism. We and our affiliates have experienced similar events in the past, and if these risks materialize in the future, they could result in loss of life, environmental damage, loss of production, asset damage, regulatory liabilities, and other adverse consequences that could negatively impact our reputation, business, results of operations, financial condition, and cash flows. In addition, our operating results depend on the continued operation of our production facilities and those of our equity affiliates. Failure by us or our equity affiliates to properly maintain, refurbish, or replace aging assets could increase the likelihood of operational disruptions, reduce production, and adversely affect our ability to meet customer requirements.

We are subject to extensive government regulation in the jurisdictions in which we do business. Failure to comply with applicable regulations addressing, among other things, import/export restrictions, anti-bribery and corruption, and taxes, can negatively impact our financial condition, results of operations, and cash flows.

We are subject to government regulation in the United States and in the foreign jurisdictions where we conduct business. The application of laws and regulations to our business is sometimes unclear. Compliance with laws and regulations may involve significant costs or require changes in business practices that could result in reduced profitability. If there is a determination that we have failed to comply with applicable laws or regulations, we may be subject to penalties or sanctions, including the possible suspension or revocation of permits, licenses, or other authorizations necessary to conduct our business, any of which could adversely impact our reputation and financial results. Compliance with changes in laws or regulations can result in increased operating costs and require additional, unplanned capital expenditures. Export controls or other regulatory restrictions could prevent us from shipping our products to and from some markets or increase the cost of doing so. Changes in tax laws and regulations and international tax treaties could affect the financial results of our businesses. Increasingly aggressive enforcement of anti-bribery and anti-corruption requirements, including the U.S. Foreign Corrupt Practices Act, the United Kingdom Bribery Act, and the China Anti-Unfair Competition Law, could subject us to criminal or civil sanctions if a violation is deemed to have occurred. In addition, we are subject to laws and sanctions imposed by the U.S. and other jurisdictions where we do business that may prohibit us, or certain of our affiliates, from doing business in certain countries or with certain customers, suppliers, and other third parties or restrict the kind of business that we may conduct. Such restrictions may provide a competitive advantage to competitors who are not subject to comparable restrictions or prevent us from taking advantage of growth opportunities.

Further, we cannot guarantee that our internal controls and compliance systems will always prevent violations of applicable laws by employees, agents, business partners, or acquired businesses, including the laws governing payments to government officials, bribery, fraud, kickbacks, false claims, pricing, sales and marketing practices, conflicts of interest, competition, export and import compliance, money laundering, data privacy, and emerging regulations governing artificial intelligence. Any such improper actions or allegations of such acts could damage our reputation and subject us to civil or criminal investigations in the U.S. and in other jurisdictions, as well as related shareholder lawsuits. These matters could lead to substantial civil and criminal, monetary and non-monetary penalties, and could cause us to incur significant legal and investigatory fees. In addition, the government may seek to hold us liable as a successor for violations committed by companies in which we invest or that we acquire.

We may be unable to successfully identify, execute or effectively integrate acquisitions, manage our joint ventures, or effectively disentangle divested businesses.

Our ability to grow revenue, earnings, and cash flow at anticipated rates depends in part on our ability to identify, successfully acquire and integrate businesses and assets at appropriate prices, and realize expected growth, synergies, and operating efficiencies. We may not be able to complete transactions on favorable terms, on a timely basis, or at all. In addition, our results of operations and cash flows may be adversely impacted by the failure of acquired businesses or assets to meet expected returns, the failure to successfully integrate acquired businesses, the inability to dispose of non-core assets and businesses on satisfactory terms and conditions, and the discovery of unanticipated liabilities or other problems in acquired businesses or assets for which we lack adequate contractual protections or insurance. In addition, we may incur asset impairment charges related to acquisitions that do not meet expectations.

In addition, some of our largest projects involve joint ventures. These arrangements may involve significant risks and uncertainties, including our ability to cooperate with our strategic partners, our strategic partners having interests or goals that are inconsistent with ours, and the potential that our strategic partners may be unable to meet their economic or other obligations to the joint venture, which may negatively impact the expected benefits of the joint venture and cause us to incur additional expense or suffer reputational damage. In addition, due to the nature of these arrangements, we may have limited ability to direct or influence the management of the joint venture, including its accounting, legal, governance, human resources, information technology, and other administrative functions. This may expose us to additional risks and uncertainties because we may be dependent upon and subject to liability, losses, or reputational damage relating to systems, controls, and personnel that are not under our control. These risks may be augmented when the joint venture is operating outside the United States due to differences in language, culture, and regulation, as well as the factors listed above that are relevant to our international operations.

We continually assess the strategic fit of our existing businesses and may divest businesses that are deemed not to fit with our strategic plan or are not achieving the desired return on investment. These transactions pose risks and challenges that could negatively impact our business and financial results. For example, when we decide to sell or otherwise dispose of a business or assets, we may be unable to do so on satisfactory terms within our anticipated time frame or at all. In addition, divestitures or other dispositions may dilute our earnings per share, have other adverse financial and accounting impacts, distract management, give rise to disputes with buyers or others, and require the separation of shared assets and personnel. In addition, we have agreed, and may in the future agree, to indemnify buyers against known and unknown contingent liabilities. Our financial results could be impacted adversely by claims under these indemnification provisions.

The security of our information technology systems could be compromised, which could adversely affect our ability to operate.

We depend on information technology to enable us to operate safely and efficiently and interface with our customers as well as to maintain our internal control environment and financial reporting accuracy and efficiency. Our information technology capabilities are delivered through a combination of internal and external services and service providers. If we do not allocate and effectively manage the resources necessary to build and sustain the proper technology infrastructure, we could be subject to transaction errors, processing inefficiencies, the loss of customers, business disruptions, property damage, or the loss, corruption, or unauthorized disclosure of our confidential business information due to a security breach. In addition, our information technology systems may be damaged, disrupted or shut down due to attacks by computer hackers, computer viruses, employee error or malfeasance, power outages, hardware failures, telecommunication or utility failures, catastrophes or other unforeseen events, and in any such circumstances our system redundancy and other disaster recovery planning may be ineffective or inadequate. Security breaches of our systems (or the systems of our customers, suppliers or other business partners) could result in the misappropriation, destruction or unauthorized access or disclosure of confidential information or personal data belonging to us or to our employees, partners, customers or suppliers, and may subject us to legal liability.

As with most large systems, our information technology systems have in the past been, and in the future likely will be subject to computer viruses, malicious codes, unauthorized access and other cyber-attacks, and we expect the sophistication and frequency of such attacks to continue to increase. In addition, advancements in, and the deployment of, intelligent automation, including artificial intelligence agents, by threat actors may increase the scale and effectiveness of cyber-attacks and our and our vendors' vulnerability to such attacks. To date, we are not aware of any significant impact on our operations or financial results from such attempts; however, unauthorized access could disrupt our business operations, result in the loss of assets, and have a material adverse effect on our business, financial condition, or results of operations. Any of the attacks, breaches or other disruptions or damage described above could: interrupt our operations at one or more sites; delay production and shipments; result in the theft of our and our customers' intellectual property and trade secrets; damage customer and business partner relationships and our reputation; result in defective products or services, physical damage to facilities, pipelines or delivery systems, including those we own or operate for third parties; result in legal claims and proceedings, including liability and penalties under applicable privacy laws; lead to increased costs for security and remediation; or raise concerns regarding our internal control environment and internal control over financial reporting. Each of these consequences could adversely affect our business, reputation and our financial results.

Our business involves the use, storage, and transmission of information about our employees, vendors, and customers. The protection of such information, as well as our proprietary information, is critical to us. The regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements. We have established policies and procedures to help protect the security and privacy of this information. We also, from time to time, transfer sensitive customer data and technical information to recipients outside the United States. Breaches of our security measures or the accidental loss, inadvertent disclosure, or unauthorized dissemination of proprietary information or sensitive or confidential data about us or our customers, including the potential loss or disclosure of such information or data as a result of fraud, trickery, or other forms of deception, could expose us, our customers, or the individuals affected to a risk of loss or misuse of this information, which could ultimately result in litigation and potential legal and financial liability. These events could also damage our reputation or otherwise harm our business.

Interruption in ordinary sources of raw material, or energy supply or an inability to recover increases in energy, and raw material costs from customers could result in lost sales or reduced profitability.

Hydrocarbons, including natural gas, are the primary feedstock for the production of hydrogen, carbon monoxide, and syngas. Energy, including electricity, natural gas, and diesel fuel for delivery trucks, is the largest cost component of our business. Because our industrial gas facilities use substantial amounts of electricity, inflation and energy price fluctuations have impacted our revenues and earnings and may continue to do so in the future. A disruption in raw material sources, or the supply of energy or components, whether due to market conditions, legislative or regulatory actions, natural disasters, public health crises and pandemics, or other disruption, could prevent us from meeting our contractual commitments and harm our business and financial results.

Our supply of crude helium for purification and resale is largely dependent upon natural gas production by crude helium suppliers. Changes in natural gas production resulting from natural gas pricing dynamics, supplier operating or transportation issues, or other changes to the global supply of crude helium can affect pricing for helium for our customers, which can adversely affect our results of operations.

We typically contract to pass-through cost increases in energy, and raw materials to customers, but such cost pass-through results in declining margins, and cost variability can negatively impact our other operating results. For example, we may be unable to raise prices as quickly as costs rise, or competitive pressures may prevent full recovery of such costs. In addition, increases in energy, or raw material costs that cannot be passed on to customers for competitive or other reasons may negatively impact our revenues and earnings. Even where costs are passed through, price increases can cause lower sales volume.

New technologies create performance risks that could impact our financial results or reputation, and failure to develop new technologies may harm our competitive position.

We are continually developing and implementing new technologies and product offerings. Existing technologies, including those procured exclusively from third-party suppliers, are being implemented in products and designs or at scales beyond our experience base. These technological expansions can create nontraditional performance risks to our operations. Failure of these technologies to perform as expected, or unintended consequences arising from new designs or uses, could lead to cost overruns, project delays, financial penalties, or reputational harm. We may face difficulties marketing products produced using new technologies including, but not limited to, green hydrogen and blue hydrogen, which may adversely impact our sales and financial results. In addition, certain large-scale projects may contain processes or technologies that we have not operated at the same scale or in the same combination, and although such projects generally include technologies and processes that have been demonstrated previously by others, such technologies or processes may be new to us and may introduce new risks to our operations.

Further, if we are unsuccessful in developing new technologies, including the development and application of artificial intelligence, if our development activities do not keep pace with those of our competitors, or if we fail to develop products and services that benefit customers, our competitive position and operating results may be negatively affected. Additionally, technologies that we develop may become obsolete, be replaced by competing alternatives, or fail to achieve commercial acceptance. Performance difficulties on these larger projects may adversely affect our reputation and our ability to obtain future contracts and negatively impact our financial results.

Protecting our intellectual property is critical to our technological development, and we may suffer competitive harm if we are unable to obtain, enforce, or defend our intellectual property rights.

As we develop new technologies, it is critical that we protect our intellectual property assets. We own a number of patents, trade secrets, proprietary technologies, and other forms of intellectual property related to our products and services. As we develop new technologies, there is a risk that our patent applications may not be granted and that our patents and other intellectual property rights may be challenged, invalidated, circumvented, or otherwise fail to protect our proprietary interests. In addition, the measures that we take to protect our intellectual property and confidential information may not be effective, and our competitors and other third parties may independently develop similar technologies or otherwise obtain and use our proprietary information without our authorization. We may also expend considerable resources to obtain, maintain, enforce, or defend our intellectual property rights, or to defend claims that we have infringed the rights of others. Any failure to adequately protect our intellectual property or any successful claim of infringement against us could adversely affect our business, results of operations, financial condition, and cash flows.

Risks related to pension benefit plans may adversely impact our results of operations and cash flows.

Pension benefits represent significant financial obligations that will be ultimately settled in the future with employees who meet eligibility requirements. Because of the uncertainties involved in estimating the timing and amount of future payments and asset returns, significant estimates are required to calculate pension expense and liabilities related to our plans. We utilize the services of third-party actuaries, whose models support these calculations.

In addition to complying with local regulatory requirements for recognizing pension expense, liabilities, and cash flows, several key assumptions are used in the actuarial models to calculate pension expense and liability amounts recorded in the consolidated financial statements as well as the amounts that we contribute to such plans. These assumptions include, but are not limited to, discount rates, expected long-term rates of return on plan assets, and demographic factors. Changes in actuarial assumptions, interest and inflation rates, plan demographics, and volatility in capital markets may adversely impact pension expense, the valuation of pension liabilities, and the performance of asset portfolios.

Additionally, significant changes in actual investment returns on pension assets, discount rates, or regulatory developments could impact future results of operations and required pension contributions.

Legal and Regulatory Risks

Legislative, regulatory, societal, and market efforts to address global climate change may impact our business and create financial risk.

We are the world's leading supplier of hydrogen, the primary use of which is the production of ultra-low sulfur transportation fuels that have significantly reduced transportation emissions and helped improve human health. To make the high volumes of hydrogen needed by our customers, we have historically used steam methane reforming to produce hydrogen without carbon capture (i.e., "gray hydrogen"), which results in the emission of CO_2. In addition, gasification enables the conversion of lower value feedstocks into cleaner energy and value-added products; however, our gasification projects also produce CO_2. Some of our operations are within jurisdictions that have or are developing regulatory regimes governing disclosure of GHG emissions, including CO_2, which may lead to direct and indirect costs on our operations. We could also face scrutiny from stakeholders regarding our reporting under various frameworks for disclosing GHG emissions-related data, including those we use currently in our sustainability reporting. If our GHG emissions-related data, processes, and reporting are incomplete or inaccurate, or if we fail to comply with relevant reporting frameworks from newly emerging regulations, we may incur monetary penalties and reputational harm, and we could become subject to litigation or government investigations, which may also adversely affect our reputation and business.

Increased public concern and governmental action may result in more international, U.S. federal and/or regional requirements to reduce or mitigate the effects of GHG emissions or increased demand for technologies and projects to limit the impact of global climate change. Although uncertain, these developments could increase our costs related to consumption of electric power, hydrogen (including clean hydrogen) production, and application of our gasification technology. We believe we will be able to mitigate some of the increased costs through contractual terms, but the lack of definitive legislation or regulatory requirements prevents an accurate estimate of the long-term impact these measures may have on our operations. Any legislation or governmental action that limits, taxes, or otherwise imposes costs based on GHG emissions could negatively impact our growth, increase our operating costs, or reduce demand for certain of our products, particularly for our core industrial gases business.

In addition, certain of our projects are partially dependent on a regulatory environment that favors technologies focused on limiting the impact of climate change, in particular toward the production and distribution of clean hydrogen. If there is a reversal in the regulatory environment or a discontinuation or reduction of incentives or benefits for the development of technologies limiting the impact of climate change, particularly those focused on low- and zero-carbon hydrogen production, or significant uncertainty regarding such efforts, certain of our projects may be threatened and for completed projects demand for our products may be less than we anticipate and certain projects could be adversely affected. For example, in fiscal year 2025, we cancelled a green liquid hydrogen project in the U.S., based in part on a regulatory development that rendered existing hydroelectric power supply ineligible for the Clean Hydrogen Production Tax Credit (45V) and incurred a significant impairment charge for the amount that we had invested in the project. Further negative regulatory developments could adversely affect our projected returns, which could lead us to re-evaluate certain projects and may harm our business and financial performance.

Our operations may present a safety risk to our employees and others.

Notwithstanding our emphasis on the safety of our employees and contractors and the precautions we take related to health and safety, we may be unable to avoid safety incidents relating to our operations that result in injuries or deaths or damage or destruction of our facilities. Certain safety incidents may result in legal or regulatory action that could result in increased expenses or reputational damage. We maintain workers' compensation insurance to address the risk of incurring material liabilities for injuries or deaths, but there can be no assurance that the insurance coverage will be adequate or will continue to be available on terms acceptable to us, or at all, which could result in material liabilities to us for any injuries or deaths. Changes to federal, state, and local employee health and safety regulations, and legislative, regulatory, or societal responses to safety incidents may result in heightened regulations or public scrutiny that may increase our compliance costs or result in reputational damage.

The manufacturing and sale of our products, as well as the construction and sale of plants and facilities, may give rise to risks associated with the production, filling, storage, handling, and transport of raw materials, goods, or waste. Our products and services, if defective or not handled or performed appropriately, have in the past and may in the future lead to personal injuries, business interruptions, environmental damages, or other significant damages, which may result, among other consequences, in litigation, losses, monetary penalties, or compensation payments, environmental clean-up costs, or other costs and expenses, the loss of customers, exclusion from certain market sectors deemed important for future development of the business, and/or loss of reputation, all of which could have a material adverse effect on our business and results of operations.

Our business depends on our ability to attract, develop, engage, and retain qualified employees.

Our success depends on our ability to attract, develop, engage, and retain employees with the skills necessary to our business. Competitive labor market conditions have resulted in increased demand for qualified personnel, which makes it difficult to attract, hire, and retain employees with specialized technical experience. In addition, the increasing number of experienced employees becoming retirement-eligible amplifies this challenge. Our results of operations have been and in the future could be adversely affected by increased costs due to increased competition for skilled talent in the market as well as by actions we have taken to efficiently manage the size of our workforce. In addition, increased turnover and decreased tenure of employees may impact productivity, costs, and organizational culture. We undertake significant efforts to hire, engage, and retain our employees and to effectively manage workforce costs, even with rapid political, social, and economic shifts in our markets. If these efforts are unsuccessful, our growth may be limited and we may suffer financial or reputational harm that could have a material adverse effect on our business, financial condition, or results of operations.

Our financial results may be affected by various legal and regulatory proceedings, including antitrust, tax, environmental, or other matters.

We are subject to litigation and regulatory investigations and proceedings in the normal course of business and could become subject to additional claims in the future, some of which could be material. While we seek to limit our liability in our commercial contractual arrangements, there are no guarantees that each contract will contain suitable limitations of liability or that limitations of liability will be enforceable. Also, the outcome of existing legal proceedings may differ from our expectations because the outcomes of litigation, including regulatory matters, are often difficult to predict reliably. Various factors or developments can lead us to change current estimates of liabilities and related insurance receivables, where applicable, or make such estimates for matters previously not susceptible to reasonable estimates, such as a significant judicial ruling or judgment, a significant settlement, significant regulatory developments, or changes in applicable law. A future adverse ruling, settlement, or unfavorable development could result in charges that could have a material adverse effect on our financial condition, results of operations, and cash flows in any particular period.

Costs and expenses resulting from compliance with environmental regulations may negatively impact our operations and financial results.

We are subject to extensive federal, state, local, and foreign environmental and safety laws and regulations concerning, among other things, emissions in the air; discharges to land and water; and the generation, handling, treatment, and disposal of hazardous waste and other materials. We take our environmental responsibilities very seriously, but there is a risk of adverse environmental impact inherent in our manufacturing operations and in the transportation of our products. Future developments and more stringent environmental regulations may require us to make additional unforeseen environmental expenditures. In addition, laws and regulations may require significant expenditures for environmental protection equipment, compliance, and remediation. These additional costs may adversely affect our financial results. For a more detailed description of these matters, see Item 1, *Business–Environmental Regulation*, above.

A change of tax law in key jurisdictions could result in a material increase in our tax expense.

The multinational nature of our business subjects us to taxation in the United States and numerous foreign jurisdictions. Due to economic and political conditions, tax rates in various jurisdictions may be subject to significant change. Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, global minimum taxes related to the new tax framework established by the Organization for Economic Co-operation and Development, or changes in tax laws or their interpretation.

Changes to income tax laws and regulations in any of the jurisdictions in which we operate, or in the interpretation of such laws, could significantly increase our effective tax rate and adversely impact our financial condition, results of operations, or cash flows. Various levels of government, including the U.S. federal government, are increasingly focused on tax reform and other legislative action to increase tax revenue. Further changes in tax laws in the U.S. or foreign jurisdictions where we operate could have a material adverse effect on our business, results of operations, or financial condition.

General Risk Factors

Catastrophic events could disrupt our operations or the operations of our suppliers, customers, or partners, having a negative impact on our business, financial results, and cash flows.

Our operations have been, and in the future could be, impacted by catastrophic events outside our control, including severe weather conditions such as hurricanes, floods and storms, earthquakes, epidemics, pandemics, acts of war, and terrorism. Any such event could cause a serious business disruption that could affect our ability to produce and distribute products and possibly expose us to third-party liability claims. Additionally, such events could impact our suppliers, customers, and partners, which could cause energy and raw materials to be unavailable to us, or our customers to be unable to purchase or accept our products and services. Any such occurrence could have a negative impact on our operations and financial results.

Inability to compete effectively in a segment could adversely impact sales and financial performance.

We face strong competition from large global competitors and many smaller regional competitors in many of our business segments. Introduction by competitors of new technologies, competing products, or additional supply or capacity could weaken demand for, or impact pricing of our products, negatively impacting our financial results. In addition, competitors' pricing policies could affect our profitability or market share.

Item 1B. Unresolved Staff Comments

We have not received any written comments from the Commission staff that remain unresolved.

Item 1C. Cybersecurity

Cybersecurity risk management and oversight are of utmost importance to Air Products and are necessary to maintain the trust and confidence of our customers, employees, and other stakeholders. The Company has implemented a thorough cybersecurity program for assessing, identifying, and managing material risks from cybersecurity threats as a fully integrated component of the Company's overall Enterprise Risk Management ("ERM") process.

In fiscal year 2026, we achieved our primary cybersecurity risk management objective of having no material cybersecurity incidents. Over the past three years, we have not experienced any material information security breaches and have not incurred material expenses from cybersecurity incidents, including those arising at third parties.

Cybersecurity Risk Management and Strategy

Our cybersecurity risk management program is designed as a holistic program focused on predicting, preventing, detecting, and responding to cybersecurity threats across enterprise systems as well as the operational technology systems for our plants and pipelines. This program involves relevant employees as well as third-party subject matter experts who collaborate to identify and proactively address risks.

The Company regularly assesses industry best practices, frameworks, and standards, and leverages them to advance its cybersecurity risk management maturity. These frameworks include the International Society of Automation and the International Electrotechnical Commission standards for industrial automation (ISA 62443) and information security (ISO 27001), as well as the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF).

Our cybersecurity program includes risk-based procedures for the detection, analysis, and mitigation of cybersecurity incidents. Our cybersecurity incident response includes criteria for prioritization and escalation based on severity under an established incident prioritization framework. Incidents are reported internally to senior management, the Board or the Board's Audit and Finance Committee, as appropriate based on this framework. Incidents that are elevated based on their potential severity, including any event that is potentially material, are promptly escalated and analyzed for potential external reporting requirements.

As part of the Company's information security training program, all employees participate in various cybersecurity awareness activities, including an annual Information Security Awareness training module and monthly simulated email phishing events.

In addition to our internal resources, we leverage third-party service partners to expand the capabilities of our cybersecurity program, including for the purpose of assessing information security risks. These processes may include testing the program's protection measures as well as services for incident detection, investigation, and recovery. We also leverage third-party service providers to conduct tabletop exercises and perform assessments against cybersecurity frameworks. In fiscal year 2026, Air Products evaluated cybersecurity controls across its information and operational technology environments through both an internal audit and an independent third-party assessment benchmarked against recognized frameworks and industry standards.

Our suppliers and third-party service providers are subject to cybersecurity obligations. As part of our third-party cybersecurity risk management process, prior to engagement, we assess the cybersecurity posture of third-party service providers who store, process, or transmit Air Products' information. In many cases, our agreements include requirements for suppliers and other service providers to notify us if they suffer a cybersecurity incident that may affect us.

The Company maintains policies and procedures for preventive controls for enterprise applications including, but not limited to, access controls and change management. In addition, we maintain relevant business continuity and disaster recovery plans as part of our overall cybersecurity risk management strategy.

For a discussion of risks related to potential cybersecurity incidents, please refer to Item 1A, *Risk Factors*, of this Annual Report on Form 10-K.

Cybersecurity Governance

Our Board of Directors recognizes the importance of cybersecurity and has oversight responsibility for cybersecurity risks. The Board of Directors receives updates on our cybersecurity program at least quarterly from our Chief Information Officer ("CIO") and Chief Information Security Officer ("CISO"). In addition, the Board's Audit and Finance Committee, which is composed entirely of independent directors, receives quarterly reports regarding our ERM program and top risks, including those relating to cybersecurity.

Our CIO is a member of the Company's senior executive leadership team and is responsible for the administration of the cybersecurity risk management program. Prior to joining the Company in 2020, our CIO spent 24 years in the aerospace and defense industry and held multiple senior leadership roles within digital technology, leading large global organizations in all aspects of digital technology, including cybersecurity risk management.

Under the direction of our CIO, our CISO oversees the development and implementation of our enterprise-wide cybersecurity risk management program, ensuring the protection of both enterprise and operational technology systems. Our CISO joined the Company in 2025 with an extensive background in cybersecurity strategy, governance, risk, compliance, and data protection. Prior to joining Air Products, our CISO spent over 25 years in executive security and operations management across the industrial manufacturing, software, and financial services industries. Our CISO maintains professional certifications in cybersecurity and information management, including as a Certified Chief Information Security Officer, Certified Information Systems Security Professional, and Certified Information Systems Manager. The CISO is supported by an information security leadership team whose members have relevant cybersecurity experience and professional certifications.

Item 2. Properties

Air Products and Chemicals, Inc. owns its principal administrative offices located at the Company's global headquarters and co-located research and development facility in Allentown, Pennsylvania, as well as regional offices in Medellin, Colombia; and Santiago, Chile. We lease the principal administrative offices in Shanghai, China; Pune, India; Vadodara, India; and Dhahran, Saudi Arabia. We lease administrative offices in the United States, Canada, England, Spain, Malaysia, and China, primarily for our Finance and Business Services organization.

Descriptions of the properties used by our five business segments are provided below. We believe that our facilities are suitable and adequate for our current and anticipated future levels of operation.

Americas

Our Americas segment operates from approximately 440 production and distribution facilities in North and South America. Of these facilities, approximately 20% are located on owned property. We have sufficient property rights and permits for the ongoing operation of our pipeline systems in the Gulf Coast, California, and Arizona in the United States and Alberta and Ontario in Canada. Management and sales support is based in our Allentown, Medellin, and Santiago offices, and at approximately 30 leased properties located throughout North and South America.

Asia

Our Asia segment operates from approximately 290 production and distribution facilities within the region, of which approximately 40% are on owned property or long-duration term grants. We have sufficient property rights and permits for the ongoing operation of our pipeline systems in China, South Korea, Taiwan, Malaysia, and Indonesia. Management and sales support for this business segment is based in Shanghai, China, and Kuala Lumpur, Malaysia, and in approximately 30 leased office locations throughout the region.

Europe

Our Europe segment operates from approximately 220 production and distribution facilities in Europe, of which approximately 35% are on owned property. We have sufficient property rights and permits for the ongoing operation of our pipeline systems in the Netherlands, the United Kingdom, Belgium, and France. Management and sales support for this business segment is based in Chertsey, England; and Barcelona, Spain; and at approximately 20 leased regional office sites and 15 leased local office sites throughout the region.

Middle East and India

Our Middle East and India segment operates from approximately 20 production and distribution facilities throughout the region, all of which are leasehold properties. Management and sales support for this business segment are based in Dhahran, Saudi Arabia as well as approximately 10 leased local office sites throughout the region.

Corporate and other

This business segment includes our sale of equipment businesses for which equipment is manufactured in Missouri in the United States; Shanghai, China; and Johor, Malaysia. The Gardner Cryogenics business operates at facilities in Pennsylvania and Kansas in the United States. The Rotoflow business operates manufacturing and service facilities in Pennsylvania in the United States with management, engineering, and sales support based in the Allentown offices referred to above and a nearby leased office.

Research and development activities are primarily conducted at owned locations in the United States and the United Kingdom.

Helium is processed at multiple sites in the United States, Algeria, and Qatar, and distributed globally through a network of transfill sites.

Our Corporate and other segment also has management, sales, engineering support, and corporate administrative functions that are based in our administrative offices referred to above.

Item 3. Legal Proceedings

In the normal course of business, we and our subsidiaries are involved in various legal proceedings, including commercial, contractor, competition, environmental, intellectual property, regulatory, product liability, and insurance matters. Although litigation with respect to these matters is routine and incidental to the conduct of our business, such litigation could result in large monetary awards, especially if compensatory and/or punitive damages are awarded.

From time to time, we are also involved in proceedings, investigations, and audits involving governmental authorities in connection with environmental, health, safety, competition, and tax matters.

We are a party to proceedings under CERCLA, RCRA, and similar state and foreign environmental laws relating to the investigation or remediation of certain sites. Presently there are 25 sites for which a final settlement or remediation has not been achieved where we, usually along with others, have been designated as a potentially responsible party by environmental authorities or are otherwise engaged in investigation or remediation, including cleanup activity at certain of our former and current manufacturing sites. We do not expect that any sums we may have to pay in connection with these environmental matters would have a material adverse impact on our consolidated financial position. Additional information concerning these environmental matters is included under Item 1, *Business–Environmental Regulation*, and Note 17, *Commitments and Contingencies*, to the consolidated financial statements.

As discussed in Note 17, *Commitments and Contingencies*, to the consolidated financial statements, we are involved in multiple proceedings with contractors for which we may incur losses in excess of amounts accrued, and an unfavorable outcome relative to the amounts accrued could have a material impact on our results of operations in the period of resolution. Apart from these matters, we do not believe it is reasonably possible that the resolution of any individual legal proceeding would have a material impact on our financial condition, results of operations, or cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Our common stock is listed on the New York Stock Exchange under the symbol "APD". As of 31 October 2026, there were 3,804 record holders of our common stock.

The Board of Directors determines whether to declare cash dividends on our common stock and the timing and amount based on financial condition and other factors it deems relevant. Dividends are paid quarterly, usually during the sixth week after the close of the fiscal quarter. We have increased our quarterly dividend for 44 consecutive years. Dividend information for each quarter of fiscal years 2026 and 2025 is summarized below:

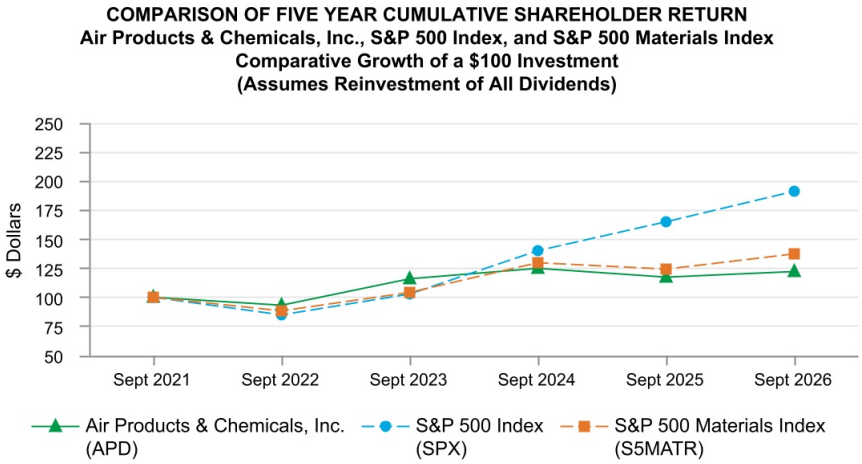
	2026	2025
Fourth quarter	**$1.81**	$1.79
Third quarter	**1.81**	1.79
Second quarter	**1.81**	1.79
First quarter	**1.79**	1.77
Total	**$7.22**	$7.14

Purchases of Equity Securities by the Issuer

On 15 September 2011, the Board of Directors authorized the repurchase of up to $1.0 billion of our outstanding common stock. This program does not have a stated expiration date. If we repurchase shares pursuant to this authorization, we may do so under Rules 10b5-1 and 10b-18 under the Exchange Act through repurchase agreements established with one or more brokers. We have not purchased any of our outstanding shares under this program since fiscal year 2013. As of 30 September 2026, $485.3 million in share repurchase authorization remained available. Any future purchases will be completed at our discretion while maintaining sufficient funds for investing in our business and pursuing growth opportunities.

Performance Graph

The performance graph below compares the five-year cumulative returns of our common stock with those of the Standard & Poor's 500 Index ("S&P 500 Index") and the Standard & Poor's 500 Materials Index ("S&P 500 Materials Index"). The figures assume an initial investment of $100 and the reinvestment of all dividends.



	Sept 2021	Sept 2022	Sept 2023	Sept 2024	Sept 2025	Sept 2026
Air Products & Chemicals, Inc.	100	93	116	125	117	122
S&P 500 Index	100	85	103	140	165	191
S&P 500 Materials Index	100	88	104	130	124	137

Item 6. [Reserved]

Not applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

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This Management's Discussion and Analysis contains "forward-looking statements" within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding business outlook. These forward-looking statements are based on management's expectations and assumptions as of the date of this Annual Report on Form 10-K and are not guarantees of future performance. Actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors not anticipated by management. These factors include, without limitation, those described in "*Forward-Looking Statements"* and Item 1A, *Risk Factors*, of this Annual Report on Form 10-K.

This discussion should be read together with the consolidated financial statements and related accompanying notes included in this Annual Report on Form 10-K. Financial information is presented on a continuing operations basis.

The financial measures discussed below are presented in accordance with U.S. generally accepted accounting principles ("GAAP"), except as noted. We discuss certain financial measures on an "adjusted", or "non-GAAP", basis, which exclude gains or losses that management does not consider to be representative of our underlying business operations. These adjustments, which are described below for the periods presented, are not reflected in the results of our reportable segments. When viewed together with our GAAP results, we believe these non-GAAP financial measures offer a more complete understanding of the factors and trends affecting our financial performance and support analysis of our results on a more consistent basis. For each non-GAAP financial measure, including adjusted operating income, adjusted operating margin, adjusted earnings per share, adjusted effective tax rate, and capital expenditures, we present a reconciliation to the most directly comparable financial measure calculated in accordance with GAAP. These reconciliations and further explanations of our use of non-GAAP financial measures are presented under "*Reconciliations of Non-GAAP Financial Measures*".

Comparisons included in the discussion that follows are for fiscal year 2026 versus ("vs.") fiscal year 2025. A discussion of changes from fiscal year 2024 to fiscal year 2025 and other financial information related to fiscal year 2024 is available in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of our Annual Report on Form 10-K for the fiscal year ended 30 September 2025, which was filed with the SEC on 20 November 2025.

For information concerning activity with our related parties, refer to Note 23, *Supplemental Information*, to the consolidated financial statements.

BUSINESS OVERVIEW

Air Products and Chemicals, Inc., a Delaware corporation founded in 1940, is a world-leading industrial gases company. Serving energy, environmental, and emerging markets, the Company is generating a cleaner future by providing essential industrial gases, related equipment, and applications expertise that help customers improve productivity, efficiency, and sustainability across a wide range of industries, including energy, chemicals, electronics, metals, manufacturing, food, medical, and space.

We are focused on profitably growing our core industrial gases business by accelerating growth in areas of competitive strength and extending our reach through disciplined opportunities that create long-term value. We develop, engineer, build, own, and operate large-scale hydrogen projects and have extensive capabilities in air separation technology, engineering, and plant operations. Through our sale of equipment businesses, we provide specialized products such as turbomachinery, membrane systems, and cryogenic containers globally. For additional information on our product and service offerings, including production, distribution, and end use, refer to Item 1, *Business*, of this Annual Report on Form 10-K.

We conduct business in approximately 50 countries and regions throughout the world. Our industrial gases business is organized and operated regionally in the Americas, Asia, Europe, and Middle East and India segments and generates the majority of our sales via our on-site and merchant supply modes. Approximately half our total revenue is generated through the on-site supply mode, which is governed by contracts that are generally long-term in nature with provisions that allow us to pass through changes in energy costs to our customers.

Our Corporate and other segment includes the results of our sale of equipment businesses, costs for corporate support functions and global management activities, and other income and expenses not directly associated with the regional segments, such as foreign exchange gains and losses.

For additional information regarding our supply modes and business segments, refer to Note 5, *Revenue Recognition*, and Note 24, *Business Segment and Geographic Information*, to the consolidated financial statements.

2026 IN SUMMARY

In fiscal year 2026, we continued to execute our strategic priorities of improving performance in our core industrial gas business, optimizing our project portfolio, and maintaining disciplined capital allocation. Higher on-site volumes from base business expansion and new assets, favorable currency, pricing, and productivity drove improved underlying results. We also strengthened our backlog, including significant new electronics projects, and advanced the NEOM Green Hydrogen Project through a long-term marketing and distribution agreement with Yara International ASA ("Yara"). At the same time, we decided to exit the Louisiana Clean Energy Complex and certain other clean energy projects and took further actions to exit two coal gasification plants in China, one of which was sold in October 2026. These actions required charges in fiscal year 2026 but are expected to better position the Company over the long term to pursue opportunities with strong commercial support, strategic alignment, and attractive returns.

Key results versus the prior year include:

- Sales of $13.0 billion increased 8%, or $953.6 million, driven by 4% higher volumes, 2% higher energy cost pass-through, and 2% favorable currency.
- Operating income of $23.3 million improved 103%, or $900.3 million, from an operating loss of $877.0 million in the prior year, while operating margin improved to a positive 0.2% from a negative 7.3%. Both periods reflect significant charges related to business and asset actions, primarily associated with previously announced project exit decisions.
- Adjusted operating income of $3.2 billion increased 11%, or $317.5 million, and adjusted operating margin improved to 24.4% from 23.7% in the prior year. The improvement was driven primarily by higher on-site volumes, favorable currency, and higher non-helium pricing, partially offset by higher costs. These non-GAAP results exclude losses resulting from charges for business and asset actions, as well as other items, as described in the "Reconciliations of Non-GAAP Financial Measures" section below.
- Equity affiliates' income of $745.9 million increased 15%, or $98.2 million, primarily driven by affiliates in the Americas, Middle East and India, and Europe segments.
- Earnings per share ("EPS") of $2.39 increased $4.13, compared with a loss per share of $1.74 in the prior year. On a non-GAAP basis, adjusted EPS of $13.45 increased 12%, or $1.42, compared to $12.03 in the prior year. A summary table of changes in earnings (loss) per share is presented below.
- Cash used for investing activities of $4.1 billion decreased 42%, or $3.0 billion, reflecting lower spending on the NEOM Green Hydrogen Project as construction advances toward completion and the impact of certain project cancellations. On a non-GAAP basis, capital expenditures of $3.3 billion decreased 35%, or $1.8 billion.
- We believe providing a consistent dividend plays a critical part in the creation of shareholder value. During fiscal year 2026, we marked our 44th consecutive year of increasing our dividends and returned approximately $1.6 billion to our shareholders through dividend payments.

Changes in Diluted EPS Attributable to Air Products

Per share data is calculated and presented on a diluted basis in U.S. Dollars per weighted average common share. The per share impacts for the items presented in the table below were calculated independently and may not sum to the total change in diluted EPS due to rounding.

	Fiscal Year Ended 30 September		
	2026	2025	Change vs. Prior Year
Earnings (Loss) per share	**$2.39**	**($1.77)**	**$4.16**
Less: Loss per share from discontinued operations	—	(0.04)	0.04
Earnings (Loss) per share from continuing operations	**$2.39**	**($1.74)**	**$4.13**
% Change from prior year			**237%**
Operating Items			
Underlying business:			
Volume			$1.01
Price, net of variable costs			0.12
Other costs			(0.20)
Currency			0.23
Business and asset actions[A]			2.74
Shareholder activism-related costs			0.32
Gain on sale of business			(0.23)
Gain on sale of other assets[B]			(0.11)
Total Operating Items			**$3.88**
Other Items			
Equity affiliates:			
Equity affiliates' income			$0.34
Equity method investment impairment associated with business and asset actions[A]			0.01
Interest expense			(0.02)
Other non-operating income/expense, net:			
Gain on de-designation of cash flow hedges[C]			(0.03)
Non-operating expense associated with business and asset actions[A]			(0.02)
Non-service pension cost, net			0.10
Other non-operating			0.02
Change in effective tax rate, excluding discrete items below			0.04
Tax reform adjustment related to deemed foreign dividends			(0.22)
Tax on repatriation of foreign earnings			0.14
Noncontrolling interests [A][C]			(0.11)
Total Other Items			**$0.25**
Total Change			**$4.13**
% Change from prior year			**237%**

[A] Per share impacts were calculated based on total after-tax charges for business and asset actions attributable to Air Products of $2.4 billion and $3.0 billion for fiscal years 2026 and 2025, respectively, with $40.3 million and $10.7 million attributable to noncontrolling partners.

[B] Reflected on the consolidated income statements within "Other income (expense), net."

[C] Per share impact reflected within "Gain on de-designation of cash flow hedges" was calculated based on an after-tax gain attributable to Air Products of $7.2 million in fiscal year 2025. The gain attributable to our noncontrolling partners was $17.6 million.

The table below summarizes the per share impact of our non-GAAP adjustments for fiscal years 2026 and 2025. These impacts were calculated independently and may not sum to totals due to rounding.

Fiscal Year Ended 30 September	**2026**	2025	Change vs. Prior Year
Earnings (Loss) per Share	**$2.39**	**($1.74)**	**$4.13**
Business and asset actions	10.95	13.68	(2.73)
Shareholder activism-related costs	—	0.32	(0.32)
Gain on sale of business	—	(0.23)	0.23
Gain on sale of other assets	—	(0.11)	0.11
Gain on de-designation of cash flow hedges	—	(0.03)	0.03
Non-service pension cost, net	0.05	0.15	(0.10)
Tax reform adjustment related to deemed foreign dividends	0.06	(0.16)	0.22
Tax on repatriation of foreign earnings	—	0.14	(0.14)
Adjusted Earnings per Share	**$13.45**	**$12.03**	**$1.42**
% Change from prior year			**12%**

OUTLOOK

Statements regarding business outlook should be read in conjunction with the Forward-Looking Statements of this Annual Report on Form 10-K.

As we begin the new year, we remain focused on profitably growing our core industrial gases business and deploying capital in a disciplined manner.

For fiscal year 2027, we expect earnings growth supported by contributions from new assets, pricing and productivity actions that offset inflation, and modest volume growth from our existing assets.

From a cash flow and capital allocation perspective, we expect to continue investing in our traditional industrial gas backlog while progressing our remaining energy transition projects toward completion. We will continue to prioritize investments with strong commercial support that meet our risk-adjusted return requirements. We also remain focused on strengthening our balance sheet while maintaining our longstanding commitment to returning value to shareholders through dividends.

RESULTS OF OPERATIONS

DISCUSSION OF CONSOLIDATED RESULTS

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026	2025	Change vs. Prior Year $	Change vs. Prior Year %/bp
GAAP Measures				
Sales	$12,990.9	$12,037.3	$953.6	8%
Operating income (loss)	23.3	(877.0)	900.3	103%
Operating margin	0.2%	(7.3%)		750 bp
Equity affiliates' income	$745.9	$647.7	$98.2	15%
Non-GAAP Measures				
Adjusted operating income	$3,175.2	$2,857.7	$317.5	11%
Adjusted operating margin	24.4%	23.7%		70 bp

Sales

The table below summarizes the major factors that impacted consolidated sales for the periods presented:

Volume	4%
Price	—%
Energy cost pass-through	2%
Currency	2%
Total Consolidated Sales Change	**8%**

Sales of $13.0 billion increased 8%, or $953.6 million, due to higher volumes of 4%, higher energy cost pass-through of 2%, and favorable currency impacts of 2%. Volume growth was driven by on-sites, primarily from a significant asset sale associated with an early contract termination in the Americas segment, HyCO facilities, and new assets. The asset sale was structured as a financing arrangement that includes payments through April 2035. These benefits were partially offset by favorable non-recurring items in the prior year, including a significant helium sale to an existing merchant customer and a one-time customer contract amendment in the Americas segment. Currency was favorable as the U.S. Dollar weakened, most notably against the Chinese Renminbi and Euro. Higher energy cost pass-through reflects higher natural gas rates compared to fiscal year 2025, primarily in the Americas and Europe segments. Pricing was flat as improvement across non-helium product lines was offset by lower helium pricing.

Cost of Sales and Gross Margin

Cost of sales of $8.9 billion increased 8%, or $631.8 million, primarily due to higher costs attributable to sales volumes of $209 million, largely driven by the asset sale in the Americas, higher energy cost pass-through of $177 million, and unfavorable currency impacts of $167 million. Other unfavorable costs of $63 million were primarily due to fixed-cost inflation and higher incentive compensation, partially offset by lower depreciation expense. Higher variable costs of $16 million were driven by higher power costs, partially offset by lower product sourcing costs. Gross margin of 31.6% increased 20 bp from 31.4% in the prior year driven by higher volumes, partially offset by higher costs and energy cost pass-through.

Selling and Administrative Expense

Selling and administrative expense of $903.2 million decreased $2.9 million, with expense as a percentage of sales improving 50 bp to 7.0%. This primarily reflects productivity improvements that more than offset fixed-cost inflation, higher incentive compensation, and unfavorable currency impacts.

Research and Development Expense

Research and development expense of $88.9 million decreased 8%, or $7.4 million. Research and development expense as a percentage of sales decreased to 0.7% from 0.8% in the prior year.

Business and Asset Actions

During fiscal year 2026, the Company recognized business and asset actions charges of approximately $3.2 billion pre-tax ($2.4 billion attributable to Air Products after tax, or $10.95 per share). These charges primarily related to project exit decisions announced in the third quarter and further actions taken to exit two coal gasification plants in China, one of which was sold in October 2026. During fiscal year 2025, charges of approximately $3.7 billion pre-tax ($3.0 billion attributable to Air Products after tax, or $13.68 per share) related to project exit decisions approved in the second quarter of fiscal year 2025 and separation costs associated with our global cost reduction plan. Charges for business and asset actions are not reflected in the results of our reportable segments. For additional information, refer to Note 4, *Business and Asset Actions*, to the consolidated financial statements.

Shareholder Activism-Related Costs

During fiscal year 2025, costs of $86.3 million pre-tax ($71.7 million after tax, or $0.32 per share) were recorded in connection with a proxy contest that concluded in January 2025 following certification of the directors elected at the 2025 Annual Meeting of Shareholders. These costs were not reflected in the results of our reportable segments. For additional information, refer to Note 23, *Supplemental Information*, to the consolidated financial statements.

Gain on Sale of Business

In fiscal year 2025, we recognized a gain of $67.3 million pre-tax ($51.9 million after tax, or $0.23 per share) on the sale of our 100% ownership interest in a consolidated subsidiary in Singapore. This gain was not reflected in the results of the Asia segment. Refer to Note 6, *Gain on Sale of Business*, to the consolidated financial statements for additional information.

Other Income (Expense), Net

Other income of $64.2 million decreased 42%, or $45.9 million, primarily due to a prior-year gain of $31.3 million pre-tax ($23.8 million after tax, or $0.11 per share) on the sale of a regional office in Hersham, England, which was not reflected in the results of the Europe segment.

Operating Income (Loss) and Operating Margin

Operating income of $23.3 million improved 103%, or $900.3 million, from an operating loss of $877.0 million in the prior year. Both periods included significant business and asset action charges, which totaled approximately $3.2 billion pre-tax ($2.4 billion attributable to Air Products after tax, or $10.95 per share) in fiscal year 2026 compared to $3.7 billion ($3.0 billion attributable to Air Products after tax, or $13.68 per share) in fiscal year 2025. Additionally, the prior year included pre-tax gains totaling approximately $99 million in connection with the sale of a consolidated subsidiary and a regional office, partially offset by shareholder activism-related costs of $86 million.

Volume impacts were favorable by $276 million driven primarily by on-site, including new assets and HyCO facilities. The current year also benefited from a significant asset sale associated with an early contract termination, which was more than offset by favorable non-recurring items in the prior year, including a one-time customer contract amendment and a significant helium sale to an existing merchant customer. Each of these items related to the Americas segment. Currency was favorable by $63 million, and pricing, net of power costs, improved $34 million driven by non-helium merchant products. Costs were unfavorable by $55 million, as fixed-cost inflation and higher incentive compensation were partially offset by productivity improvements and lower depreciation expense.

Operating margin of 0.2% improved 750 bp from a negative operating margin of 7.3% in the prior year. The improvement primarily reflects lower charges for business and asset actions.

On a non-GAAP basis, which excludes the charges for business and asset actions, prior-year sales of businesses and other assets, and prior-year shareholder activism-related costs, adjusted operating income of $3.2 billion increased 11%, or $317.5 million, primarily due to higher on-site volumes, favorable currency, and higher non-helium pricing. These benefits were partially offset by higher costs. Adjusted operating margin improved 70 bp to 24.4% from 23.7% in the prior year, primarily due to higher volumes, partially offset by higher costs and energy cost pass-through.

Equity Affiliates' Income

Equity affiliates' income of $745.9 million increased 15%, or $98.2 million, primarily driven by affiliates in the Americas, Middle East and India, and Europe segments.

Interest Expense

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026	2025
Interest incurred	$674.8	$615.8
Less: Capitalized interest	454.4	401.8
Interest expense	**$220.4**	**$214.0**

Interest expense increased 3%, or $6.4 million, driven by higher interest incurred on principal borrowings from Euro- and U.S. Dollar-denominated senior fixed-rate notes issued in fiscal year 2025, partially offset by an increase in capitalized interest due to a higher carrying value of projects under construction.

Other Non-Operating Income (Expense), Net

Other non-operating income of $3.2 million increased 23%, or $0.6 million. Favorable impacts from lower non-service pension costs and higher income from excluded components from the assessment of effectiveness of our derivatives were partially offset by lower interest income on cash equivalents and short-term investments. The prior year also included a gain on certain interest rate swaps held by the NEOM Green Hydrogen Company joint venture. Refer to Note 3, *Variable Interest Entities*, to the consolidated financial statements for additional information.

Effective Tax Rate

The effective tax rate equals the income tax expense (benefit) divided by income (loss) before taxes. Equity affiliates' income is primarily included net of income taxes within income (loss) before taxes on our consolidated income statements. The table below outlines the calculation of the effective tax rate for fiscal years ended 30 September:

(Millions of U.S. Dollars; rates stated as a percentage of income before taxes)	2026	2025
Income tax expense (benefit)	$1.6	($94.3)
Income (loss) from continuing operations before taxes	552.0	(440.7)
Effective tax rate	0.3%	21.4%

As discussed in Note 4, *Business and Asset Actions*, to the consolidated financial statements, we recorded charges for business and asset actions, primarily related to project exit decisions, that contributed to significant variability in our effective tax rate for the periods presented. During fiscal year 2026, we recognized net tax benefits of $680.3 million associated with these charges, primarily reflecting tax benefits recognized at statutory income tax rates in the U.S. Included in the fiscal year 2026 net tax benefit were $56.3 million of foreign income tax costs related to valuation allowances and tax costs on the outside basis difference in subsidiaries. In the prior year, a net tax benefit of $695.2 million was recognized primarily during the second quarter. The net tax benefit in fiscal year 2025 included an $11.3 million cost for an uncertain tax position reserve and a net tax cost of $197.4 million due to valuation allowances on deferred tax assets related to the future disposal of certain foreign subsidiaries. For additional information, refer to Note 22, *Income Taxes*, to the consolidated financial statements.

The current-year rate was also lower due to earning a greater share of income in jurisdictions with lower tax rates, increased income from equity affiliates, and higher foreign and domestic tax credits and incentives. These decreases were partially offset by a higher cost of U.S. tax on foreign earnings in the current year, larger excess tax benefits on share-based compensation in the prior year, and a prior-year benefit from a U.S. state tax law change. The prior year also included a net tax benefit for a U.S. Tax Cuts and Jobs Act refund claim, compared to a decrease in the expected benefit in the current fiscal year.

Our adjusted effective tax rate, which excludes the impact of project exit costs and other adjustments described in the "Reconciliations of Non-GAAP Financial Measures" section, was 18.0% and 18.2% for fiscal years 2026 and 2025, respectively. A reconciliation of the adjusted measures to the effective tax rate calculated in accordance with GAAP is provided on page 42.

Loss from Discontinued Operations

In fiscal year 2025, we recorded a pre-tax loss from discontinued operations of $10.6 million ($8.0 million after tax, or $0.04 per share) primarily to increase existing liabilities for retained environmental remediation obligations associated with businesses sold in 2008. Refer to the "Piedmont" discussion under Note 17, *Commitments and Contingencies*, for additional information. The loss did not result in cash flows from discontinued operations.

DISCUSSION OF RESULTS BY BUSINESS SEGMENT

Americas

			Change vs. Prior Year	
Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026	2025	$	%/bp
Sales	$5,681.7	$5,125.9	$555.8	11%
Operating income	1,642.2	1,519.6	122.6	8%
Operating margin	28.9%	29.6%		(70 bp)
Equity affiliates' income	$218.3	$157.0	$61.3	39%

The table below summarizes the major factors that impacted sales in the Americas segment for the periods presented:

Volume	8%
Price	1%
Energy cost pass-through	2%
Currency	—%
Total Americas Sales Change	**11%**

Sales of $5.7 billion increased 11%, or $555.8 million, due to higher volumes of 8%, higher energy cost pass-through of 2%, and higher pricing of 1%. Volume growth was driven by on-sites, including a significant asset sale associated with an early contract termination, higher volumes from HyCO facilities, and a new asset contribution. The asset sale was structured as a financing arrangement that includes payments through April 2035. These benefits were partially offset by favorable non-recurring items in the prior year, including a significant helium sale to an existing merchant customer and a one-time customer contract amendment. Higher energy cost pass-through reflects higher natural gas rates compared to fiscal year 2025. Pricing improvements across non-helium product lines were partially offset by lower helium pricing.

Operating income of $1.6 billion increased 8%, or $122.6 million, as higher volumes of $144 million, higher pricing, net of power costs, of $20 million, and favorable currency of $7 million were partially offset by higher costs of $48 million. Higher costs were primarily driven by fixed-cost inflation, increased incentive compensation, and higher product distribution and dislocation costs, partially offset by lower depreciation expense. Operating margin of 28.9% decreased 70 bp from 29.6% in the prior year, primarily due to increased costs and higher energy cost pass-through, partially offset by volume growth. The headwind from higher energy cost pass-through was approximately 50 bp.

Equity affiliates' income of $218.3 million increased 39%, or $61.3 million, driven by higher volumes under a short-term contract at an affiliate in Mexico.

Asia

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026	2025	Change vs. Prior Year $	Change vs. Prior Year %/bp
Sales	$3,458.7	$3,271.0	$187.7	6%
Operating income	978.9	851.1	127.8	15%
Operating margin	28.3%	26.0%		230 bp
Equity affiliates' income	$45.5	$42.3	$3.2	8%

The table below summarizes the major factors that impacted sales in the Asia segment for the periods presented:

Volume	3%
Price	(1%)
Energy cost pass-through	1%
Currency	3%
Total Asia Sales Change	**6%**

Sales of $3.5 billion increased 6%, or $187.7 million, as higher volumes of 3%, favorable currency of 3%, and higher energy cost pass-through of 1% were partially offset by lower pricing of 1%. Volume growth was driven by on-sites, including contributions from new assets, as well as helium. Favorable currency was primarily attributable to the weakening of the U.S. Dollar against the Chinese Renminbi. The decline in pricing was broad-based across merchant product lines, including helium.

Operating income of $978.9 million increased 15%, or $127.8 million, as higher volumes of $111 million, favorable currency impacts of $22 million, and lower costs of $17 million were partially offset by lower pricing, net of power costs, of $22 million. Operating margin of 28.3% increased 230 bp from 26.0% in the prior year, primarily reflecting volume growth and favorable costs, partially offset by lower pricing. Depreciation expense was lower in fiscal year 2026, primarily due to the classification of certain gasification assets as held for sale.

Equity affiliates' income of $45.5 million increased 8%, or $3.2 million, driven primarily by affiliates in China and Thailand.

Europe

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026	2025	Change vs. Prior Year $	Change vs. Prior Year %/bp
Sales	$3,242.2	$2,984.5	$257.7	9%
Operating income	906.9	844.7	62.2	7%
Operating margin	28.0%	28.3%		(30 bp)
Equity affiliates' income	$120.1	$101.9	$18.2	18%

The table below summarizes the major factors that impacted sales in the Europe segment for the periods presented:

Volume	1%
Price	1%
Energy cost pass-through	2%
Currency	5%
Total Europe Sales Change	**9%**

Sales of $3.2 billion increased 9%, or $257.7 million, due to favorable currency of 5%, higher energy cost pass-through of 2%, higher volumes of 1%, and higher pricing of 1%. Favorable currency primarily reflected the weakening of the U.S. Dollar against the Euro. Higher energy cost pass-through reflects higher natural gas rates compared to fiscal year 2025. Volume growth reflected favorable on-sites, including the impact of a prior-year turnaround, and higher merchant volumes, partially offset by weaker helium. Pricing improvements across non-helium product lines were partially offset by lower helium pricing.

Operating income of $906.9 million increased 7%, or $62.2 million, due to volume growth of $50 million, favorable currency of $30 million, and higher pricing, net of lower power costs, of $30 million. These benefits were partially offset by higher costs of $48 million driven by fixed-cost inflation and higher depreciation expense. Operating margin of 28.0% decreased 30 bp from 28.3% in the prior year primarily due to higher costs and an approximately 50 bp headwind from higher energy cost pass-through, partially offset by volume growth and pricing.

Equity affiliates' income of $120.1 million increased 18%, or $18.2 million, driven primarily by an affiliate in Italy.

Middle East and India

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026	2025	Change vs. Prior Year $	Change vs. Prior Year %
Sales	$129.1	$135.9	($6.8)	(5%)
Operating income	22.1	9.6	12.5	130%
Equity affiliates' income	362.0	340.9	21.1	6%

Sales of $129.1 million decreased 5%, or $6.8 million, due to lower volumes and unfavorable impact from currency, partially offset by higher pricing. Operating income of $22.1 million improved from $9.6 million in the prior year, primarily due to lower costs from productivity improvements and the fiscal year 2025 deconsolidation of the Blue Hydrogen Industrial Gases Company ("BHIG") joint venture in Saudi Arabia.

Equity affiliates' income of $362.0 million increased 6%, or $21.1 million, driven primarily by an affiliate in Saudi Arabia.

Corporate and other

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026	2025	Change vs. Prior Year $	Change vs. Prior Year %
Sales	$479.2	$520.0	($40.8)	(8%)
Operating loss	(374.9)	(367.3)	(7.6)	(2%)
Equity affiliates' income	2.0	12.4	(10.4)	(84%)

Sales of $479.2 million decreased 8%, or $40.8 million, primarily due to lower equipment volumes. Operating loss of $374.9 million increased 2%, or $7.6 million. The impact on operating loss was partially offset by lower changes in cost estimates on certain sale of equipment projects and productivity improvements.

Equity affiliates' income of $2.0 million decreased 84%, or $10.4 million, driven primarily by an affiliate in Algeria.

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

(Millions of U.S. Dollars unless otherwise indicated, except for per share data)

We present certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP") because they exclude items that management does not consider to be representative of our underlying business operations. We provide these adjusted non-GAAP financial measures to allow investors, potential investors, securities analysts, and others to evaluate our business in the same manner as management. When viewed together with our GAAP results, we believe these non-GAAP financial measures offer a more complete understanding of the factors and trends affecting our financial performance and support analysis of our results on a more consistent basis.

Readers are cautioned that non-GAAP financial measures have inherent limitations and should not be considered in isolation or as a substitute for the corresponding GAAP measures. Our definitions and calculations of non-GAAP financial measures may differ from those used by other companies, which may limit comparability.

Non-GAAP Performance Measures

Management uses non-GAAP performance measures, including adjusted operating income, adjusted operating margin, and adjusted earnings per share ("EPS"), to assess our performance because these measures exclude items that management does not consider to be representative of our underlying business operations. In addition, adjusted operating income and adjusted EPS are important components of our incentive compensation plans. We also use adjusted operating margin to assess operational efficiency, cost discipline, and overall profitability.

Our non-GAAP performance measures are adjusted to exclude gains or losses that management believes are not associated with the ongoing operations of our business. These adjustments, which are described below for the periods presented, are not reflected in the results of our reportable segments. Although these items are often difficult to predict, readers should be aware that similar gains or losses may occur in future periods. The related tax effects reflect the expected current and deferred income tax impacts of our non-GAAP adjustments, which are primarily driven by the statutory tax rates of the applicable jurisdictions and the taxability of the underlying adjustments in those jurisdictions.

We reconcile each non-GAAP performance measure to its most directly comparable GAAP measure in the table below, followed by descriptions of each non-GAAP adjustment. Amounts presented in the reconciliation are in millions of U.S. Dollars, except for per share data. Margins are calculated by dividing the applicable line item by consolidated sales for the relevant period.

In addition to our non-GAAP performance measures, we also present components used in calculating adjusted EPS to illustrate the per share effect of our non-GAAP adjustments. All per share amounts are calculated on a diluted basis from continuing operations attributable to Air Products. Because margins and per share amounts are calculated independently, the individual components may not sum to the related totals due to rounding.

FY2026 vs. FY2025	Operating Income/Loss	Operating Margin	Equity Affiliates' Income	Other Non-Operating Inc/Exp, Net	Income Tax Expense/Benefit	Net Income/Loss Attributable to Air Products	Earnings/ Loss per Share
FY2026 GAAP Measures	$23.3	0.2%	$745.9	$3.2	$1.6	$532.1	$2.39
FY2025 GAAP Measures	(877.0)	(7.3%)	647.7	2.6	(94.3)	(386.5)	(1.74)
$ GAAP Change	$900.3						$4.13
%/bp GAAP Change	103%	750 bp					237%
FY2026 GAAP Measures	**$23.3**	**0.2%**	**$745.9**	**$3.2**	**$1.6**	**$532.1**	**$2.39**
Business and asset actions[A]	3,151.9	24.3%	2.0	6.3	680.3	2,439.6	10.95
Non-service pension cost, net	—	—%	—	15.7	4.0	11.7	0.05
Tax reform adjustment related to deemed foreign dividends	—	—%	—	—	(14.2)	14.2	0.06
FY2026 Adjusted Measures	**$3,175.2**	**24.4%**	**$747.9**	**$25.2**	**$671.7**	**$2,997.6**	**$13.45**
FY2025 GAAP Measures	**($877.0)**	**(7.3%)**	**$647.7**	**$2.6**	**($94.3)**	**($386.5)**	**($1.74)**
Business and asset actions[A]	3,747.0	31.1%	6.8	—	695.2	3,047.9	13.68
Shareholder activism-related costs	86.3	0.7%	—	—	14.6	71.7	0.32
Gain on sale of business	(67.3)	(0.6%)	—	—	(15.4)	(51.9)	(0.23)
Gain on sale of other assets[B]	(31.3)	(0.3%)	—	—	(7.5)	(23.8)	(0.11)
Gain on de-designation of cash flow hedges[C]	—	—%	—	(27.0)	(2.2)	(7.2)	(0.03)
Non-service pension cost, net	—	—%	—	45.0	11.3	33.7	0.15
Tax reform adjustment related to deemed foreign dividends	—	—%	—	—	34.9	(34.9)	(0.16)
Tax on repatriation of foreign earnings	—	—%	—	—	(31.4)	31.4	0.14
FY2025 Adjusted Measures	**$2,857.7**	**23.7%**	**$654.5**	**$20.6**	**$605.2**	**$2,680.4**	**$12.03**
$ Adjusted Change	$317.5						$1.42
%/bp Adjusted Change	11%	70 bp					12%

[A] Charge attributable to noncontrolling interests was $40.3 million and $10.7 million for fiscal years 2026 and 2025, respectively.
[B] Reflected on the fiscal year 2025 consolidated income statement in "Other income (expense), net."
[C] Gain attributable to noncontrolling interests was $17.6 million in fiscal year 2025.

NON-GAAP ADJUSTMENTS

Business and Asset Actions

During fiscal year 2026, we recorded pre-tax charges of approximately $3.2 billion ($2.4 billion attributable to Air Products after tax, or $10.95 per share). These charges primarily related to project exit actions announced on 30 June 2026, including the exit of a clean energy complex under construction in Louisiana, a green hydrogen production facility under construction in Casa Grande, Arizona, and certain other clean energy projects. Full-year charges attributable to noncontrolling interests were $40.3 million.

Included in the fiscal year 2026 charges were $224.5 million pre-tax ($203.0 million after tax, or $0.91 per share) recorded during the fourth quarter, primarily to update the carrying value of two coal gasification plants in China that were previously impaired and classified as held for sale. The charges reflected updated estimates of fair value less costs to sell based on information obtained through the marketing process. We fully impaired the remaining assets of one plant due to limited buyer interest, while the carrying value of the other plant was updated to reflect the terms of a sales agreement. The plant subject to the sales agreement was subsequently sold in October 2026. Fourth quarter charges attributable to noncontrolling interests were $39.7 million.

During fiscal year 2025, we recorded pre-tax charges of approximately $3.7 billion ($3.0 billion attributable to Air Products after tax, or $13.68 per share), including $795.0 million ($741.9 million attributable to Air Products after tax, or $3.33 per share) recorded during the fourth quarter. These charges reflected costs associated with project exits, including certain clean-energy generation and distribution projects and the initial impairment of the two China coal gasification plants, as well as separation costs in connection with our global cost reduction plan. Charges attributable to noncontrolling interests were $10.7 million for fiscal year 2025, including $7.2 million recorded during the fourth quarter.

For additional information, refer to Note 4, *Business and Asset Actions*, to the consolidated financial statements.

Estimates related to business and asset actions reflect management's best judgment based on information available at the time the charges were recorded. Final settlement may differ materially from these estimates and could impact our consolidated financial statements in future periods.

Non-Service Related Pension Items

Non-service related pension items resulted in net non-operating costs of $15.7 million ($11.7 million after tax, or $0.05 per share) in fiscal year 2026 compared to $45.0 million ($33.7 million after tax, or $0.15 per share) in fiscal year 2025. Non-service related components are recurring, non-operating items that include interest cost, expected return on plan assets, prior service cost amortization, actuarial loss amortization, as well as special termination benefits, curtailments, and settlements. The net impact of non-service related components is reflected within “Other non-operating income (expense), net” on our consolidated income statements. Adjusting for the impact of non-service pension components provides management and users of our financial statements with a more accurate representation of our underlying business performance because these components are driven by factors that are unrelated to our operations, such as volatility in equity and debt markets. Further, non-service related components are not indicative of our defined benefit plans’ future contribution needs due to the funded status of the plans.

Tax Reform Adjustment Related to Deemed Foreign Dividends

During the second quarter of fiscal year 2025, we recorded a net income tax benefit of $34.9 million ($0.16 per share) related to our intent to file a refund claim for the 2018 tax year. Our intent to pursue the refund claim was based on a review of several U.S. Tax Court cases regarding the U.S. taxation of deemed foreign dividends in the transition year of the U.S. Tax Cuts and Jobs Act. The benefit was net of a $67.8 million liability for an uncertain tax position.

In September 2026, a subsequent U.S. Tax Court decision provided additional guidance regarding the calculation of the refund amount. As a result, we recorded income tax expense of $14.2 million ($0.06 per share) during the fourth quarter of fiscal year 2026 to increase the related liability for an uncertain tax position.

Other Fiscal Year 2025 Adjustments

The following adjustments impacted fiscal year 2025 results only.

Shareholder Activism-Related Costs

We incurred shareholder activism-related costs in fiscal year 2025 associated with a proxy contest that concluded in January 2025 following the certification of director election results at the 2025 Annual Meeting of Shareholders. Total pre-tax costs of $86.3 million ($71.7 million after tax, or $0.32 per share) were recognized during the first three quarters of fiscal year 2025. No shareholder activism-related costs were incurred in the fourth quarter.

Gain on Sale of Business

In April 2025, we completed the sale of our 100% ownership interest in a consolidated subsidiary in Singapore for cash proceeds of $104.3 million. We recognized a gain of $67.3 million pre-tax ($51.9 million after-tax, or $0.23 per share) as a result of the transaction during the third quarter of fiscal year 2025.

Gain on Sale of Other Assets

In June 2025, we sold a regional office in Hersham, England, for cash proceeds of $37.7 million. We recognized a gain on sale of $31.3 million pre-tax ($23.8 million after-tax, or $0.11 per share) during the third quarter of fiscal year 2025 that is presented within “Other income (expense), net” on our consolidated income statements.

Gain on De-designation of Cash Flow Hedges

In fiscal year 2024, we discontinued cash flow hedge accounting for certain interest rate swaps due to changes in the anticipated drawdown timeline for hedged borrowings related to the NEOM Green Hydrogen Project. These swaps are held by NEOM Green Hydrogen Company, a consolidated joint venture accounted for under the variable interest model, in which Air Products holds a one-third ownership interest. As a result of the de-designation, unrealized gains and losses related to the affected swaps were recorded in "Other non-operating income (expense), net" on our consolidated income statements. During fiscal year 2025, we recorded a net unrealized gain of $27.0 million pre-tax ($7.2 million attributable to Air Products after tax, or $0.03 per share), with $17.6 million attributable to our noncontrolling partners.

We re-designated the affected swaps as cash flow hedges when the outstanding borrowings under the available project financing became commensurate with the swaps' notional values. As of 1 January 2026, all swaps were re-designated as cash flow hedges. The unrealized gain on swaps that remained de-designated during the first quarter of fiscal year 2026 was not material.

Tax on Repatriation of Foreign Earnings

During the second quarter of fiscal year 2025, we recorded an income tax expense of $31.4 million ($0.14 per share) related to estimated withholding taxes on foreign earnings that we no longer intended to indefinitely reinvest.

Loss From Discontinued Operations

Our non-GAAP financial measures are presented on a continuing operations basis, which excludes a pre-tax loss from discontinued operations of $10.6 million ($8.0 million after tax, or $0.04 per share) recorded during the third quarter of fiscal year 2025 primarily to increase retained environmental remediation obligations associated with businesses sold in 2008.

ADJUSTED EFFECTIVE TAX RATE

The effective tax rate equals the income tax expense (benefit) divided by income (loss) from continuing operations before taxes. We calculate our adjusted effective tax rate by adjusting the numerator and denominator to exclude the tax and before tax impacts of our non-GAAP adjustments, respectively. The table below presents a reconciliation of the GAAP effective tax rate to our adjusted effective tax rate for the fiscal years ended 30 September:

(Millions of U.S. Dollars; rates stated as a percentage of income before taxes)	**2026**	2025
Income tax expense (benefit)	**$1.6**	($94.3)
Income (loss) from continuing operations before taxes	**552.0**	(440.7)
Effective tax rate	**0.3%**	21.4%
Reconciliations of GAAP to Non-GAAP:		
Income tax expense (benefit)	**$1.6**	($94.3)
Business and asset actions tax impact	**680.3**	695.2
Shareholder activism-related costs tax impact	**—**	14.6
Gain on sale of business tax impact	**—**	(15.4)
Gain on sale of other assets tax impact	**—**	(7.5)
Gain on de-designation of cash flow hedges tax impact	**—**	(2.2)
Non-service pension cost, net tax impact	**4.0**	11.3
Tax reform adjustment related to deemed foreign dividends	**(14.2)**	34.9
Tax on repatriation of foreign earnings	**—**	(31.4)
Adjusted income tax expense	**$671.7**	$605.2
Income (loss) from continuing operations before taxes	**$552.0**	($440.7)
Business and asset actions[(A)]	**3,160.2**	3,753.8
Shareholder activism-related costs	**—**	86.3
Gain on sale of business	**—**	(67.3)
Gain on sale of other assets	**—**	(31.3)
Gain on de-designation of cash flow hedges	**—**	(27.0)
Non-service pension cost, net	**15.7**	45.0
Adjusted income from continuing operations before taxes	**$3,727.9**	$3,318.8
Adjusted effective tax rate	**18.0%**	18.2%

[(A)] Includes equity affiliates' losses of $2.0 million and $6.8 million in fiscal years 2026 and 2025, respectively. Fiscal year 2026 also includes $6.3 million of other non-operating expense.

CAPITAL EXPENDITURES

Capital expenditures is a non-GAAP financial measure that management uses to evaluate our deployment of capital and assess alignment with our strategic priorities. Our calculation of this measure begins as the sum of cash paid for additions to plant and equipment, including long-term deposits, acquisitions (less cash acquired), investment in and advances to unconsolidated affiliates, and investment in financing receivables, each of which are reported on our consolidated statements of cash flows.

We then adjust this amount to exclude spending for additions to plant and equipment by our consolidated joint venture, NEOM Green Hydrogen Company ("NGHC"), to the extent such spending is funded by sources other than Air Products' cash. These other funding sources include NGHC's project financing, which is non-recourse to Air Products, as well as equity contributions from the other joint venture partners. Management believes this adjustment provides a more useful view of the capital we deploy to support the ongoing growth of our business.

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025
Cash used for investing activities	**$4,146.0**	$7,168.7
Proceeds from sale of assets and investments	**153.2**	245.8
Purchases of short-term investments	**—**	(117.6)
Proceeds from short-term investments	**—**	122.5
Proceeds from other investing activities	**31.5**	115.4
NGHC expenditures not funded by Air Products' equity[(A)]	**(1,024.9)**	(2,470.7)
Capital expenditures	**$3,305.8**	$5,064.1

[(A)] Reflects the portion of "Additions to plant and equipment, including long-term deposits" that is associated with NGHC, less our approximate cash investment in the joint venture. Substantially all the funding we provide to NGHC is limited for use by the joint venture for its capital expenditures.

LIQUIDITY AND CAPITAL RESOURCES

We believe we have sufficient cash, cash flows from operations, and access to funding sources to meet our liquidity needs. As discussed in "Cash Flows From Financing Activities", we are able to raise capital through a variety of financing activities, including accessing capital or commercial paper markets or drawing upon our credit facilities.

As of 30 September 2026, we held cash and cash items of $1.3 billion, of which $968.3 million was held outside the U.S. We do not expect a significant portion of the earnings from our foreign subsidiaries and affiliates to be subject to U.S. income tax upon repatriation. Depending on the country in which these entities operate, repatriation of earnings may be subject to foreign withholding and other taxes. However, we intend to indefinitely reinvest the majority of our foreign cash and cash items that would be subject to additional taxes outside the U.S.

Cash Flows From Operations

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025
Net income (loss) from continuing operations attributable to Air Products	**$532.1**	($386.5)
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and amortization	**1,521.9**	1,564.2
Deferred income taxes	**(456.1)**	(554.8)
Tax reform adjustment related to deemed foreign dividends	**14.2**	(34.9)
Gain on sale of business	**—**	(67.3)
Business and asset actions	**3,151.9**	3,747.0
Undistributed earnings of equity method investments	**(197.1)**	(269.8)
Gain on sale of assets and investments	**(19.7)**	(66.4)
Share-based compensation	**50.4**	76.4
Noncurrent lease receivables	**49.0**	52.5
Other adjustments	**136.8**	48.0
Changes in working capital accounts	**(102.7)**	(851.6)
Cash Provided by Operating Activities	**$4,680.7**	$3,256.8

In fiscal year 2026, cash provided by operating activities was $4.7 billion. Charges for business and asset actions totaled $3.2 billion, primarily driven by project exit costs as described in Note 4, *Business and Asset Actions*, to the consolidated financial statements. The adjustment for deferred income taxes of $456.1 million was largely attributable to tax deductions associated with these costs, partially offset by tax benefits realized in fiscal year 2026 that related to charges in the prior year.

Working capital changes in fiscal year 2026 resulted in a net use of cash of $102.7 million. A use of cash of $236.7 million related to payables and accrued liabilities was primarily due to payments for contract terminations associated with our business and asset actions, incentive compensation under the fiscal year 2025 plan, and severance costs previously accrued under our global cost reduction plan. Partially offsetting these uses, other working capital provided cash of $87.5 million, primarily reflecting customer collections related to our sale of equipment projects.

In fiscal year 2025, cash provided by operating activities was $3.3 billion. Charges for business and asset actions totaled $3.7 billion, primarily driven by project exit costs. The adjustment for deferred income taxes of $554.8 million was largely attributable to tax deductions associated with these costs.

Working capital changes in fiscal year 2025 resulted in a net use of cash of $851.6 million. Other working capital used cash of $562.6 million driven by accrued income taxes. In fiscal year 2025, we made approximately $395 million in tax payments related to the 2024 sale of the LNG business. Payables and accrued liabilities were a use of cash of $224.0 million, primarily due to payments for contract terminations associated with our business and asset actions and previously accrued severance actions under our global cost reduction plan.

Cash Flows From Investing Activities

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025
Additions to plant and equipment, including long-term deposits	**($4,203.9)**	($7,022.6)
Acquisitions, less cash acquired	**—**	(59.9)
Investments in and advances to unconsolidated affiliates	**(126.8)**	(390.4)
Investments in financing receivables	**—**	(61.9)
Proceeds from sale of assets and investments	**153.2**	245.8
Purchases of short-term investments	**—**	(117.6)
Proceeds from short-term investments	**—**	122.5
Proceeds from other investing activities	**31.5**	115.4
Cash Used for Investing Activities	**($4,146.0)**	($7,168.7)

In fiscal year 2026, cash used for investing activities was $4.1 billion, primarily driven by additions to plant and equipment, including long-term deposits. These additions were lower than the prior year, reflecting lower spending on the NEOM Green Hydrogen Project as construction advances toward completion and the impact of certain project cancellations. NEOM-related additions totaled $1.3 billion. Investments in and advances to unconsolidated affiliates of $126.8 million related to BHIG. Partially offsetting these uses were cash proceeds from sales of assets and investments of $153.2 million, which included approximately $100 million from asset disposals associated with business and asset actions.

In fiscal year 2025, cash used for investing activities was $7.2 billion, primarily driven by additions to plant and equipment, including long-term deposits. These additions included $3.0 billion related to the NEOM Green Hydrogen Project. Other uses of cash included $390.4 million for investments in and advances to unconsolidated affiliates, including approximately $238 million related to BHIG and approximately $115 million for our final investment in the JIGPC joint venture. We also invested $61.9 million in financing receivables related to a natural gas-to-syngas processing facility in Uzbekistan and paid $59.9 million, net of cash acquired, for our acquisition of an independent industrial gases company in Belgium.

Partially offsetting these uses in fiscal year 2025 were $245.8 million of cash proceeds from sales of assets and investments, which primarily included $104.3 million from the sale of a subsidiary in Singapore and $37.7 million from the sale of a regional office in Hersham, England. Maturities of short-term investments provided cash of $122.5 million, which exceeded purchases of $117.6 million.

Capital Expenditures *(Non-GAAP Financial Measure)*

The components of our capital expenditures are detailed in the table below. Refer to "*Reconciliations of Non-GAAP Financial Measures*" for a definition of this non-GAAP financial measure as well as a reconciliation to cash used for investing activities.

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025
Additions to plant and equipment, including long-term deposits	**$4,203.9**	$7,022.6
Acquisitions, less cash acquired	**—**	59.9
Investments in and advances to unconsolidated affiliates	**126.8**	390.4
Investments in financing receivables	**—**	61.9
NGHC expenditures not funded by Air Products' equity[(A)]	**(1,024.9)**	(2,470.7)
Capital expenditures	**$3,305.8**	$5,064.1

[(A)] Reflects the portion of "Additions to plant and equipment, including long-term deposits" that is associated with NGHC, less our approximate cash investment in the joint venture. Substantially all the funding we provide to NGHC is limited for use by the joint venture for its capital expenditures. For additional information on this adjustment, refer to the reconciliation to cash used for investing activities.

Capital expenditures in fiscal year 2026 totaled $3.3 billion compared to $5.1 billion in fiscal year 2025. Capital expenditures for both periods primarily reflected investments in clean energy initiatives, including the NEOM Green Hydrogen Project and our net-zero hydrogen energy complex in Alberta, Canada, as well as ongoing capital spending to maintain and replace assets in our core industrial gases business.

Outlook for Investing Activities

It is not possible, without unreasonable efforts, to reconcile our forecasted capital expenditures to future cash used for investing activities because management is unable to identify the timing or occurrence of our future investment activity, which is driven by our assessment of competing opportunities at the time we enter into transactions. These decisions, either individually or in the aggregate, could have a significant effect on our cash used for investing activities. Accordingly, management is unable to fully reconcile, without unreasonable efforts, our forecasted capital expenditures to future cash used for investing activities.

We expect capital expenditures for fiscal year 2027 to be approximately $3.0 billion to $3.5 billion. Over $1 billion is expected to support growth in our traditional industrial gas business, with significant investment in projects serving the electronics industry. Approximately $1.5 billion is expected to support our remaining energy transition projects as they progress toward completion. Our forecast also includes ongoing maintenance spending within our core business.

We anticipate funding these expenditures through our existing cash balance and cash generated from continuing operations. We also have access to capital and money market financing as well as other sources of funding as discussed in "Financing and Capital Structure".

Cash Flows From Financing Activities

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025
Long-term debt proceeds	**$827.3**	$4,386.7
Payments on long-term debt	**(686.6)**	(429.9)
Net increase (decrease) in commercial paper and short-term borrowings	**84.0**	(74.7)
Dividends paid to shareholders	**(1,603.1)**	(1,584.1)
Investments by noncontrolling interests	**353.7**	594.6
Distributions to noncontrolling interests	**(4.0)**	(7.2)
Other financing activities	**(37.5)**	(90.2)
Cash (Used for) Provided by Financing Activities	**($1,066.2)**	$2,795.2

In fiscal year 2026, cash used for financing activities was $1.1 billion. Uses of cash primarily included dividend payments to shareholders of $1.6 billion and long-term debt repayments of $686.6 million. Long-term debt repayments included the repayment of $550.0 million aggregate principal amount of 1.50% senior notes due October 2025. These uses were partially offset by $827.3 million of long-term debt proceeds, primarily from incremental borrowings under the project financing arrangement available to NGHC for the NEOM Green Hydrogen Project. Other sources of cash included $353.7 million from investments by noncontrolling interests, primarily related to NGHC and an $84.0 million net increase in short-term borrowings.

In fiscal year 2025, cash provided by financing activities was $2.8 billion. The primary source of cash was long-term debt proceeds of $4.4 billion, which included $2.7 billion from Euro- and U.S. Dollar-denominated senior fixed-rate notes issued in February and June 2025. Net proceeds from the notes were used to repay commercial paper obligations, including those incurred prior to the closing of the February 2025 Offering that were used to repay €300 million (approximately $311 million) aggregate principal amount outstanding of our 1.000% Euro-denominated senior fixed-rate notes at maturity, plus accrued interest, and for general corporate purposes. Long-term debt proceeds also included $1.6 billion from project financing available to NGHC. Other sources of cash included $594.6 million in contributions from noncontrolling interests, primarily related to NGHC. These sources were partially offset by dividend payments to shareholders of $1.6 billion.

Financing and Capital Structure

Debt

Total debt increased to $17.8 billion as of 30 September 2026 compared to $17.7 billion as of 30 September 2025. Total debt included related party debt of $244.0 million and $236.5 million as of 30 September 2026 and 30 September 2025, respectively.

Fiscal year 2026 borrowings primarily consisted of $740.3 million drawn under non-recourse project financing available to the NGHC joint venture. These proceeds were partially offset by the repayment of $550.0 million aggregate principal amount of 1.50% senior notes due October 2025.

Various debt agreements to which we are a party include financial covenants and other restrictions, including restrictions on our ability to create property liens and enter into certain sale and leaseback transactions. As of 30 September 2026, we were in compliance with all financial and other covenants under our debt agreements.

Committed Credit Facilities

On 26 March 2026, we amended our existing 364-day $500 million revolving credit agreement to extend its maturity date from 26 March 2026 to 25 March 2027. The amendment also provides that if we elect to convert the facility into a term loan, the maturity date of the term loan would be 25 March 2028. Fees incurred in connection with the amendment were not material.

We also maintain a five-year $3.0 billion revolving credit agreement that matures on 31 March 2029. Both the 364-day agreement and the five-year agreement are syndicated committed facilities that provide a source of liquidity and support our commercial paper program through the availability of senior unsecured debt to us and certain of our subsidiaries. No borrowings were outstanding under either of the agreements as of 30 September 2026 or 30 September 2025.

Separately, certain of our foreign subsidiaries maintain access to committed credit facilities with a combined maximum borrowing capacity of $386.0 million, all of which was borrowed and outstanding as of 30 September 2026. The amount available and borrowed as of 30 September 2025 was $394.0 million.

NEOM Green Hydrogen Project Financing

To support the NEOM Green Hydrogen Project, NGHC has access to project financing of approximately $6.1 billion, which is expected to fund about 69% of the project and is being drawn over the construction period, as well as additional credit facilities totaling approximately $500 million primarily for NGHC's working capital needs. Creditors of NGHC do not have recourse to the general credit of Air Products.

As of 30 September 2026, the joint venture had total principal borrowings of $5.7 billion compared to $4.9 billion as of 30 September 2025. The 2026 balance included $70.3 million of short-term borrowings and $109.1 million of long-term debt due within the next twelve months.

Refer to Note 3, *Variable Interest Entities*, to the consolidated financial statements for additional information.

Dividends

We believe that providing a consistent dividend plays a critical role in creating shareholder value. The Board of Directors determines whether to declare cash dividends on our common stock, and the timing and amount of those dividends, based on our financial condition and other factors it deems relevant. In January 2026, the Board of Directors approved a $0.02 per share increase to our quarterly dividend, raising it to $1.81 per share and marking our 44th consecutive year of dividend increases. For fiscal year 2027, maintaining our track record of increasing the dividend remains a priority, with future dividends subject to the discretion of the Board of Directors.

Dividends are paid quarterly, typically during the sixth week following the close of the fiscal quarter. In fiscal year 2026, we paid approximately $1.6 billion in dividends to shareholders. Dividends declared but unpaid as of 30 September 2026, as well as dividends subsequently declared through the date of this report, are as follows:

Declaration Date	Dividend Per Share	Record Date	Date Payable
22 July 2026	$1.81	1 October 2026	9 November 2026
22 October 2026	$1.81	4 January 2027	8 February 2027

PENSION BENEFITS

We and certain of our subsidiaries sponsor defined benefit pension plans and defined contribution plans that cover a substantial portion of our worldwide employees. The principal defined benefit pension plans are the U.S. salaried pension plan and the U.K. pension plan. These plans were closed to new participants in 2005, after which defined contribution plans were offered to new employees. For additional information, refer to Note 16, *Retirement Benefits*, to the consolidated financial statements.

Net Periodic Cost

The table below summarizes the components of net periodic cost for our U.S. and international defined benefit pension plans:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025
Service cost	**$19.0**	$20.7
Non-service related costs	**15.7**	45.0
Other	**1.1**	0.3
Net Periodic Cost	**$35.8**	$66.0

Net periodic cost was $35.8 million and $66.0 million in fiscal years 2026 and 2025, respectively. The lower non-service related costs are the result of higher expected return on plan assets from increases in the return assumption and a decrease in actuarial loss amortization. The net impact of non-service related items are reflected within "Other non-operating income (expense), net" on our consolidated income statements.

Service costs result from benefits earned by active employees and are reflected as operating expenses primarily within "Cost of sales" and "Selling and administrative expense" on our consolidated income statements. The amount of service costs capitalized in fiscal years 2026 and 2025 was not material.

The table below summarizes the assumptions used in the calculation of net periodic cost for the fiscal years ended 30 September:

	2026	2025
Weighted average discount rate – Service cost	**5.3%**	4.9%
Weighted average discount rate – Interest cost	**4.8%**	4.6%
Weighted average expected rate of return on plan assets	**6.0%**	5.4%
Weighted average expected rate of compensation increase	**3.5%**	3.5%

2027 Outlook

In fiscal year 2027, we expect to recognize pension expense of approximately $30 million to $40 million, which includes approximately $15 million to $25 million of non-service related costs. The increase in non-service related costs are the result of higher interest costs and lower expected return on assets due to a smaller beginning balance of plan assets that is partially offset by lower actuarial loss amortization. Due to a decline in active participants in our U.S. salaried pension plan, actuarial losses will be amortized over the average remaining life expectancy of plan participants beginning in fiscal year 2027. This change is expected to reduce the annual actuarial loss amortization included in net periodic pension cost.

In fiscal year 2026, we recognized net actuarial gains of $18.7 million in other comprehensive income. Actuarial gains and losses are amortized into pension expense over prospective periods to the extent they are not offset by future gains or losses. Future changes in the discount rate and actual returns on plan assets could impact the actuarial gain or loss and resulting amortization in years beyond fiscal year 2027.

Pension Funding

Funded Status

The projected benefit obligation represents the actuarial present value of benefits attributable to employee service rendered to date, including the effects of estimated future salary increases. The plan funded status is calculated as the difference between the projected benefit obligation and the fair value of plan assets at the end of the period.

The table below summarizes the projected benefit obligation, the fair value of plan assets, and the funded status for our U.S. and international plans:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Projected benefit obligation	**$3,412.9**	$3,795.3
Fair value of plan assets at end of year	**3,403.4**	3,727.6
Plan Funded Status	**($9.5)**	($67.7)

The net unfunded liability of $9.5 million as of 30 September 2026 decreased $58.2 million from $67.7 million as of 30 September 2025, as the decreases to the projected benefit obligation from actuarial gains due to higher discount rates were greater than the impact of increases to the projected benefit obligation from interest cost and actual losses on plan assets.

Company Contributions

Pension funding includes both contributions to funded plans and benefit payments for unfunded plans, which are primarily non-qualified plans. With respect to funded plans, our funding policy is that contributions, combined with appreciation and earnings, will be sufficient to pay benefits without creating unnecessary surpluses.

In addition, we make contributions to satisfy all legal funding requirements while managing our capacity to benefit from tax deductions attributable to plan contributions. With the assistance of third-party actuaries, we analyze the liabilities and demographics of each plan, which help guide the level of contributions. During fiscal years 2026 and 2025, our cash contributions to funded pension plans and benefit payments for unfunded pension plans were $27.1 million and $29.9 million, respectively.

For fiscal year 2027, cash contributions to defined benefit plans are estimated to be $20 million to $30 million. The estimate is based on expected contributions to certain international plans and anticipated benefit payments for unfunded plans, which are dependent upon the timing of retirements. Actual future contributions will depend on future funding legislation, discount rates, investment performance, plan design, and various other factors.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Refer to Note 1, *Basis of Presentation and Major Accounting Policies*, and Note 2, *New Accounting Guidance*, to the consolidated financial statements for a description of our major accounting policies and information concerning the implementation and impact of new accounting guidance.

The accounting policies and estimates discussed below are those that we consider to be the most critical to understanding our financial statements because they require management's most difficult, subjective, or complex judgments, often as the result of the need to make estimates about the effects of matters that are inherently uncertain. These estimates reflect our best judgment about current and/or future economic and market conditions and their potential effects based on information available as of the date of our consolidated financial statements. If conditions change, actual results may differ materially from these estimates. Our management has reviewed these critical accounting policies and estimates and related disclosures with the Audit and Finance Committee of our Board of Directors.

Depreciable Lives of Plant and Equipment

Plant and equipment, net as of 30 September 2026 totaled approximately $25.3 billion, and depreciation expense totaled approximately $1.5 billion during fiscal year 2026. Disclosures related to plant and equipment are included in Note 9, *Plant and Equipment, net*, to the consolidated financial statements.

Plant and equipment is recorded at cost and depreciated using the straight-line method, which recognizes the cost of each asset on a straight-line basis over its estimated economic useful life. Economic useful life is the period over which an asset is expected to be productively employed by us, which may be less than its physical life. Factors considered in estimating useful lives include, among others: wear and tear, obsolescence, technical standards, contract life, market demand, competitive position, raw material availability, and geographic location.

The estimated economic useful life of an asset is monitored to determine its appropriateness, especially when business circumstances change. For example, changes in technology, estimated future demand for products, excessive wear and tear, or unanticipated government actions may result in a shorter estimated useful life than originally anticipated. In these cases, we would depreciate the remaining net book value over the new estimated remaining life, thereby increasing depreciation expense on a prospective basis. Likewise, if the estimated useful life is increased, depreciation expense would decrease on a prospective basis.

Our regional industrial gas segments have numerous long-term customer supply contracts for which we construct an on-site plant on or near the customer’s facility. These contracts typically have initial contract terms of 10 to 20 years. Depreciable lives of the production assets related to long-term supply contracts are generally matched to the contract lives. Extensions of these contracts frequently occur prior to expiration of the initial term. Upon extension, we reassess the estimated useful lives of the related production assets, which are generally adjusted to align with the revised contract term not to exceed the assets’ remaining physical lives.

Our regional industrial gas segments also have contracts for liquid or gaseous bulk supply and, for smaller customers, packaged gases. The depreciable lives of production facilities associated with these contracts are generally 15 years. These depreciable lives are based on historical experience and management’s judgment regarding future conditions such as technological advances, potential obsolescence, and competitors’ actions.

In addition, we may purchase assets through transactions accounted for as either asset acquisitions or business combinations. Depreciable lives are assigned to acquired assets based on the age and condition of the assets, the remaining duration of long-term supply contracts served by the assets, and our historical experience with similar assets. We reassess the estimated useful lives of these assets as circumstances change and adjust them when appropriate.

We continue to depreciate assets that are temporarily idle. Depreciation is discontinued when assets meet the criteria for classification as held for sale.

Impairment of Assets

In fiscal year 2026, we made decisions to exit certain projects as discussed in Note 4, *Business and Asset Actions*, to the consolidated financial statements. As a result, we assessed the recoverability of the affected project assets and, where applicable, measured impairment based on the amount by which their carrying values exceeded their estimated fair values. The resulting impairment charges are discussed under "Impairment of Assets: Plant and Equipment."

No triggering events were identified in fiscal year 2026 that required impairment testing for any of our reporting units containing goodwill or indefinite-lived intangible assets. We completed our annual impairment assessments and concluded that no impairments were required. Refer to "*Impairment of Assets: Goodwill*" and "*Impairment of Assets: Intangible Assets*" for additional detail.

Impairment of Assets: Plant and Equipment

Plant and equipment meeting the held for sale criteria are reported at the lower of carrying amount or fair value less cost to sell. Plant and equipment to be disposed of other than by sale may be reviewed for impairment upon the occurrence of certain triggering events, such as decisions to discontinue or exit projects, unexpected contract terminations, or unforeseen foreign government-imposed restrictions or expropriations. Plant and equipment held for use are grouped for impairment testing at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Impairment testing of the asset group occurs whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Such circumstances may include:

- a significant decrease in the market value of a long-lived asset group;
- a significant adverse change in the manner in which the asset group is being used or in its physical condition;
- an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the long-lived asset;
- a reduction in revenues that is other than temporary;
- a history of operating or cash flow losses associated with the use of the asset grouping; or
- changes in the expected useful life of the long-lived assets.

If such circumstances are determined to exist, the estimated undiscounted future cash flows expected to result from the use and eventual disposition of the asset group are compared to its carrying amount to determine whether the asset group is recoverable. If an asset group is determined to be impaired, the loss is measured as the difference between the asset group's fair value and its carrying amount. Fair value is estimated using valuation techniques appropriate to the facts and circumstances, which may include discounted cash flows or estimates of proceeds from the sale or other disposition of the assets.

The assumptions underlying the undiscounted future cash flow projections require significant management judgment. Factors that management considers include, but are not limited to, industry and market conditions, sales volumes and prices, costs to produce, and inflation. The assumptions underlying the cash flow projections represent management's best estimates at the time of the impairment review and may include probability weighting of cash flow projections associated with multiple potential future scenarios. Our impairment reviews are based on assumptions that reflect information available at the time; however, changes in key assumptions or actual conditions that differ from our estimates could result in additional impairment charges.

In connection with the project exit decisions discussed in Note 4, *Business and Asset Actions*, to the consolidated financial statements, we assessed the recoverability of certain project assets and recorded impairment charges of approximately $2.2 billion in fiscal year 2026. The impairment charges were measured as the amount by which the carrying amount of the affected plant and equipment exceeded its estimated fair value. Because observable market prices were not available, the related fair value estimates reflected expected proceeds from the sale or other disposition of the assets, considering their condition, location, and available market information. As of 30 September 2026, the estimated fair value of plant and equipment expected to be sold or otherwise disposed of was $233.9 million.

In addition, following initial impairment charges recognized in fiscal year 2025, changes in facts and circumstances in fiscal year 2026 resulted in updated fair value measurements and additional impairment charges of $206.3 million related to plant and equipment associated with two China gasification plants. For one plant, the fair value estimate was developed using information obtained through the marketing process. Significant unobservable inputs included the likelihood of completing a sale and the amount of proceeds that could be obtained based on the limited level of buyer interest. These inputs supported a significantly lower fair value estimate, and we fully impaired the remaining plant and equipment. Any potential recovery related to this disposal group will be recognized in the period in which the applicable recognition criteria are met. For the other plant, we estimated fair value less costs to sell based on the terms of a definitive sales agreement executed on 1 October 2026. The measurement was based on the fixed consideration provided for in the agreement, adjusted for estimated costs to sell. The impairment charge was measured as the amount by which the carrying amount of the assets exceeded their estimated fair value less costs to sell. As of 30 September 2026, the estimated fair value of the plant and equipment associated with this plant was $261.2 million and was presented within "Assets held for sale" on our consolidated balance sheet.

These estimates were considered critical because they involved significant assumptions regarding future cash flows, expected disposition proceeds, asset disposition strategies, and market conditions, including available market information and the level of buyer interest. Additionally, certain project exit activities remain ongoing, including efforts to sell, redeploy, or otherwise dispose of the affected assets. Changes in the intended use or disposition of these assets, or further project-related decisions, could affect their recoverability or estimated fair value and result in additional impairment charges or adjustments to previously recognized impairment charges in future periods.

Other than the impairment charges discussed above, no additional asset groups required impairment testing during fiscal year 2026, as no other events or changes in circumstances indicated that their carrying amounts may not be recoverable.

Impairment of Assets: Goodwill

The acquisition method of accounting for business combinations requires us to use estimates and judgments to allocate the purchase price of an acquired business to the fair value of its net tangible and identifiable intangible assets. Goodwill represents the excess of the aggregate purchase price, plus the fair value of any noncontrolling interest and previously held equity interest in the acquiree, over the fair value of the identifiable net assets acquired. Goodwill, net was $948.6 million as of 30 September 2026. Disclosures related to goodwill are included in Note 10, *Goodwill*, to the consolidated financial statements.

We review goodwill for impairment annually in the fourth quarter of the fiscal year and whenever events or changes in circumstances indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying value. The impairment test is performed at the reporting unit level, which is defined as an operating segment or one level below an operating segment for which discrete financial information is available and whose operating results are regularly reviewed by segment management. At the time of our fiscal year 2026 testing, we had five reportable business segments, six operating segments, and 10 reporting units, eight of which had a goodwill balance. Reporting units are primarily based on products and subregions within each reportable segment. The majority of our goodwill is assigned to reporting units within our regional industrial gases segments. Refer to Note 24, *Business Segment and Geographic Information*, for additional information.

As part of our annual goodwill impairment testing, we have the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. Our qualitative evaluation considers relevant facts, events, and circumstances affecting a reporting unit, including, but not limited to: business performance, strategy, and outlook; macroeconomic conditions; local market dynamics; cost management; and significant changes in key personnel, customers, operating assets, or product mix. We perform a quantitative test when qualitative factors alone are not sufficient to conclude whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. We may also elect to bypass the qualitative assessment and proceed directly to the quantitative test. If we perform a quantitative test, an impairment loss is recognized for the amount by which the carrying value of the reporting unit exceeds its fair value, not to exceed the total amount of goodwill allocated to that reporting unit.

In the fourth quarter of fiscal year 2026, we performed our annual goodwill impairment test and concluded that it was more likely than not that the fair value of each reporting unit was greater than its carrying value.

Impairment of Assets: Intangible Assets

Disclosures related to intangible assets other than goodwill are included in Note 11, *Intangible Assets*, to the consolidated financial statements.

Intangible assets, net with determinable lives as of 30 September 2026 totaled $226.3 million and consisted primarily of customer relationships. Finite-lived intangible assets are tested for impairment as part of the long-lived asset group impairment tests. Impairment testing of an asset group is performed whenever events or changes in circumstances indicate that its carrying value may not be recoverable. See the impairment discussion above under "*Impairment of Assets: Plant and Equipment*" for a description of how impairment losses are determined.

Indefinite-lived intangible assets as of 30 September 2026 totaled $36.4 million and consisted of trade names and trademarks. Indefinite-lived intangibles are subject to impairment testing at least annually or more frequently if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. As part of our annual indefinite-lived intangible asset impairment testing, we have the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of the intangible asset is less than its carrying value. Our evaluation of qualitative factors considers relevant facts, events, and circumstances including, but not limited to: business performance, strategy and outlook; macroeconomic conditions; local market dynamics; and significant changes in key personnel, customers, operating assets, or product mix. We perform a quantitative test when qualitative factors alone are not sufficient to conclude whether it is more likely than not that the fair value of the intangible asset is less than its carrying value. If we perform a quantitative test, an impairment loss is recognized for the amount by which the carrying value of the indefinite-lived intangible asset exceeds its fair value, not to exceed the carrying value of the asset.

In the fourth quarter of fiscal year 2026, we performed our annual indefinite-lived intangible asset impairment assessment and concluded that it was more likely than not that the fair value of each asset was greater than its carrying value.

Impairment of Assets: Equity Method Investments

Investments in net assets of and advances to equity affiliates totaled approximately $5.7 billion as of 30 September 2026. All of our equity method investments are foreign affiliates, the majority of which are ventures with other industrial gas companies. Summarized financial information for our equity affiliates is included in Note 8, *Equity Affiliates*, to the consolidated financial statements.

We review our equity method investments for impairment whenever events or changes in circumstances indicate that a loss in value of an investment may have occurred. An impairment loss is recognized when a decline in fair value below the carrying amount of an investment is determined to be other than temporary. We estimate the fair value of our investments using the income approach, which considers the estimated discounted future cash flows expected to be generated by the investee, and/or the market approach, which considers market multiples of revenue and earnings derived from comparable publicly-traded industrial gas companies. Changes in key assumptions about the financial condition of an investee or actual conditions that differ from our estimates could result in an impairment charge.

In connection with certain project exit decisions, we recorded impairment charges related to equity method investments of $2.0 million in fiscal year 2026. Additional information regarding these project exit decisions is provided in Note 4, *Business and Asset Actions*, to the consolidated financial statements. In fiscal year 2026, there were no other events or changes in circumstances that indicated an other-than-temporary loss in value of our equity method investments.

Revenue Recognition: Cost Incurred Input Method

Revenue from sale of equipment contracts is generally recognized over time as we have an enforceable right to payment for performance completed to date and our performance under the contract terms does not create an asset with alternative use. We use a cost incurred input method under which costs incurred to date relative to total estimated costs at completion are used to measure progress toward satisfying performance obligations. Costs incurred include material, labor, and overhead costs and represent work that contributes proportionately to the transfer of control to the customer.

Accounting for contracts using the cost incurred input method requires management judgment in estimating total contract revenues and costs and assessing the risks that may affect those estimates. Our estimates are impacted by factors such as the potential for incentives or penalties on performance, schedule delays, technical issues, cost inflation, labor productivity, the complexity of work performed, the availability of materials, and performance of subcontractors. When adjustments to estimated total contract revenues or estimated total costs are required, changes in estimated profit from prior estimates are recognized in the current period based on the inception-to-date effect of the change. When estimates of total costs to be incurred on a contract exceed estimates of total revenues to be earned, a provision for the entire estimated loss on the contract is recorded in the period in which the loss is determined.

In addition to the typical risks associated with the performance of engineering, project procurement, and construction activities, our sale of equipment projects within our Corporate and other segment require judgment in monitoring risks associated with schedule, geography, and other aspects of the contract and their effects on our estimates of total revenues and total costs to complete the contract.

We assess the performance of our sale of equipment projects as they progress. Our earnings could be positively or negatively impacted by changes to our contractual revenue and cost forecasts on these projects. Changes to project revenue and cost estimates unfavorably impacted operating results by approximately $90 million in fiscal year 2026.

Revenue Recognition: On-site Customer Contracts

For customers who require large volumes of gases on a long-term basis, we produce and supply gases under long-term contracts from large facilities that we build, own, and operate on or near the customer's facilities. Certain of these on-site contracts contain complex terms and provisions regarding tolling arrangements, minimum payment requirements, variable components, pricing provisions, and amendments, which require significant judgment to determine the amount and timing of revenue recognition.

Income Taxes

We account for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the tax effects of temporary differences between the financial reporting and tax basis of assets and liabilities measured using enacted tax rates in effect for the year in which the differences are expected to be recovered or settled. As of 30 September 2026, accrued income taxes were $114.1 million, and our net deferred income tax liability was $52.2 million. Unrecognized tax benefits as of 30 September 2026 were $188.5 million, excluding interest and penalties. Income tax expense for the fiscal year ended 30 September 2026 was $1.6 million.

Management judgment is required in estimating our tax liabilities, including those associated with uncertain tax positions, and assessing the realizability of deferred tax assets. These estimates are subject to uncertainty because they depend on the interpretation of complex tax laws and regulations, the outcome of examinations by taxing authorities, and assumptions regarding future taxable income.

Actual income taxes paid may vary from estimates, depending upon changes in income tax laws, actual results of operations, and the final audit of tax returns by taxing authorities. Tax assessments may arise several years after tax returns have been filed. We believe that our recorded tax liabilities adequately provide for these assessments.

Deferred tax assets are recorded for operating losses and tax credit carryforwards. However, when we do not expect sufficient sources of future taxable income to realize the benefit of the operating losses or tax credit carryforwards, these deferred tax assets are reduced by a valuation allowance. A valuation allowance is recognized if, based on the weight of available evidence, it is considered more likely than not that some portion or all of the deferred tax asset will not be realized. The factors used to assess the likelihood of realization include forecasted future taxable income and available tax planning strategies that could be implemented to realize or renew net deferred tax assets in order to avoid the potential loss of future tax benefits. Our assessment requires significant judgment because the amount of future taxable income may be affected by changes in our operating results, the timing and nature of taxable income in individual jurisdictions, and changes in tax laws. Changes in these factors could result in an increase or decrease in the valuation allowance. The effect of a change in the valuation allowance is reported in income tax expense.

A 1% increase or decrease in our effective tax rate would result, assuming no change in income before taxes, in a decrease or increase to net income, respectively, of approximately $6 million.

Disclosures related to income taxes are included in Note 22, *Income Taxes*, to the consolidated financial statements.

Pension and Other Postretirement Benefits

The amounts recognized in the consolidated financial statements for pension and other postretirement benefits are determined on an actuarial basis utilizing numerous assumptions. The discussion that follows provides information on the significant assumptions, expense, and obligations associated with the defined benefit plans.

Actuarial models are used in calculating the expense and liability related to the various defined benefit plans. These models have an underlying assumption that the employees render service over their service lives on a relatively consistent basis; therefore, the expense of benefits earned should follow a similar pattern.

Several assumptions and statistical variables are used in the models to calculate the expense and liability related to the plans. We determine assumptions about the discount rate, the expected rate of return on plan assets, and the rate of compensation increase. Note 16, *Retirement Benefits*, to the consolidated financial statements includes disclosure of these rates on a weighted-average basis for both the U.S. and international plans. The actuarial models also use assumptions about demographic factors such as retirement age, mortality, and turnover rates. Mortality rates are based on the most recent U.S. and international mortality tables. We believe the actuarial assumptions are reasonable. However, actual results could vary materially from these actuarial assumptions due to economic events and differences in rates of retirement, mortality, and turnover.

One of the assumptions used in the actuarial models is the discount rate used to measure benefit obligations. This rate reflects the prevailing market rate for high-quality, fixed-income debt instruments with maturities corresponding to the expected timing of benefit payments as of the annual measurement date for each of the various plans. We measure the service cost and interest cost components of pension expense by applying spot rates along the yield curve to the relevant projected cash flows. The rates along the yield curve are used to discount the future cash flows of benefit obligations back to the measurement date. These rates change from year to year based on market conditions that affect corporate bond yields. A higher discount rate decreases the present value of the benefit obligations and results in lower pension expense. With respect to impacts on pension benefit obligations, a 50 bp increase or decrease in the discount rate may result in a decrease or increase, respectively, to pension expense of approximately $11 million per year.

The expected rate of return on plan assets represents an estimate of the long-term average rate of return to be earned by plan assets reflecting current asset allocations. In determining estimated asset class returns, we take into account historical and future expected long-term returns and the value of active management, as well as the interest rate environment. Asset allocation is determined based on long-term return, volatility and correlation characteristics of the asset classes, the profiles of the plans' liabilities, and acceptable levels of risk. Lower returns on the plan assets result in higher pension expense. A 50 bp increase or decrease in the estimated rate of return on plan assets may result in a decrease or increase, respectively, to pension expense of approximately $18 million per year.

We use a market-related valuation method for recognizing certain investment gains or losses for our significant pension plans. Investment gains or losses are the difference between the expected return and actual return on plan assets. The expected return on plan assets is determined based on a market-related value of plan assets. This is a calculated value that recognizes investment gains and losses on equities over a five-year period from the year in which they occur and reduces year-to-year volatility. The market-related value for non-equity investments equals the actual fair value. Expense in future periods will be impacted as gains or losses are recognized in the market-related value of assets.

The expected rate of compensation increase is another key assumption. We determine this rate based on review of the underlying long-term salary increase trend characteristic of labor markets and historical experience, as well as comparison to peer companies. A 50 bp increase or decrease in the expected rate of compensation may result in an increase or decrease to pension expense, respectively, of approximately $3 million per year.

Loss Contingencies

In the normal course of business, we encounter various contingencies that involve uncertainty as to their ultimate resolution and potential impact on our financial statements. Our loss contingencies primarily include litigation and environmental matters. Additional information is provided in Note 17, *Commitments and Contingencies*, to the consolidated financial statements.

We accrue a liability for loss contingencies when we determine it is probable that a loss has been incurred and the amount can be reasonably estimated. When a range of possible loss can be reasonably estimated, the most probable amount in the range is accrued. If no amount within the range is a better estimate than any other, the minimum amount is accrued.

Significant judgment is required to evaluate the likelihood of an unfavorable outcome and determine whether the amount or range of potential loss can be reasonably estimated. These determinations are based on the information available at the time, including the status of proceedings, relevant laws and regulations, opinions of legal counsel, and our experience with similar matters, as applicable. As additional information becomes available, we reassess our conclusions and estimates. Changes in these judgments and estimates could result in the recognition or adjustment of a liability and could materially affect our results of operations in the period in which the change occurs.

For example, due to the inherent uncertainties in estimating environmental exposures, our estimates could change significantly if a new site is designated, the scope of remediation is increased, a different remediation alternative is identified, or our proportionate share of the liability increases. Similarly, changes in our estimates of regulatory fines or damage awards associated with litigation could have a significant impact on our net income in the period in which an accrual is recorded or adjusted.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Our earnings, cash flows, and financial position are exposed to market risks arising from fluctuations in interest rates and foreign currency exchange rates. It is our policy to minimize our cash flow exposure to adverse changes in currency exchange rates and to manage the financial risks inherent in funding with debt capital.

We address these financial exposures through a controlled program of risk management that includes the use of derivative financial instruments. We have established counterparty credit guidelines and generally enter into transactions with financial institutions of investment grade or better, thereby minimizing the risk of credit loss. All instruments are entered into for other than trading purposes. For details on the types and use of these derivative instruments and related major accounting policies, refer to Note 1, *Basis of Presentation and Major Accounting Policies*, and Note 13, *Financial Instruments*, to the consolidated financial statements. Additionally, we mitigate adverse energy price impacts through our cost pass-through contracts with customers and price increases.

Our derivative and other financial instruments consist of long-term debt, including the current portion and amounts owed to related parties; interest rate swaps; cross currency interest rate swaps; and foreign exchange-forward contracts. The net market value of these financial instruments combined is referred to below as the "net financial instrument position" and is disclosed in Note 14, *Fair Value Measurements*, to the consolidated financial statements. Our net financial instrument position decreased from a liability of approximately $17.2 billion at 30 September 2025 to a liability of approximately $16.5 billion at 30 September 2026. The decrease was primarily due to the repayment of $550.0 million principal amount outstanding of our 1.50% U.S. senior note at maturity in October 2025 and a decrease in the fair value of our remaining U.S. senior notes and Euro-denominated debt due to higher interest rates. These decreases were partially offset by $694 million of additional long-term principal borrowings under the project financing associated with the NEOM Green Hydrogen Project as discussed in Note 3, *Variable Interest Entities*, to the consolidated financial statements.

The analysis below presents the sensitivity of the market value of our financial instruments to selected changes in market rates and prices. Market values are the present values of projected future cash flows based on the market rates and prices chosen. The market values for interest rate risk and foreign currency risk are calculated by us using a third-party model that utilizes standard pricing models to determine the present value of the instruments based on market conditions as of the valuation date, such as interest rates, spot and forward exchange rates, and implied volatility.

Interest Rate Risk

Including the effect of currency and interest rate swap agreements, our debt portfolio consisted of 91% fixed-rate debt and 9% variable-rate debt as of both 30 September 2026 and 2025.

The sensitivity analysis related to the interest rate risk on the fixed portion of our debt portfolio assumes an instantaneous 100 bp parallel move in interest rates from the level at 30 September 2026, with all other variables held constant. A 100 bp increase in market interest rates would result in a decrease of $936 million and $1,128 million in the net liability position of financial instruments at 30 September 2026 and 2025, respectively. A 100 bp decrease in market interest rates would result in an increase of $1,049 million and $1,290 million in the net liability position of financial instruments at 30 September 2026 and 2025, respectively.

Based on the variable-rate debt included in our debt portfolio, including the interest rate swap agreements, a 100 bp increase in interest rates would result in an additional $17 million and $16 million of interest incurred per year at 30 September 2026 and 2025, respectively. A 100 bp decline in interest rates would lower interest incurred by $17 million and $16 million per year at 30 September 2026 and 2025, respectively.

Foreign Currency Exchange Rate Risk

The sensitivity analysis related to foreign currency exchange rates assumes an instantaneous 10% change in the foreign currency exchange rates from their levels at 30 September 2026 and 2025, with all other variables held constant. A 10% strengthening or weakening of the functional currency of an entity versus all other currencies would result in a decrease or increase, respectively, of $772 million and $565 million in the net liability position of financial instruments at 30 September 2026 and 2025, respectively. The increase in sensitivity is primarily due to the origination of cross currency interest rate swaps between the U.S. Dollar and each of the Chinese Renminbi, South Korean Won, and New Taiwan Dollar in fiscal year 2026.

The primary currency pairs for which we have exchange rate exposure are the Chinese Renminbi and U.S. Dollar and Euro and U.S. Dollar. Foreign currency debt, cross currency interest rate swaps, and foreign exchange-forward contracts are used in countries where we do business, thereby reducing our net asset exposure. Foreign exchange-forward contracts and cross currency interest rate swaps are also used to hedge our firm and highly anticipated foreign currency cash flows. Thus, there is either an asset or liability or cash flow exposure related to all of the financial instruments in the above sensitivity analysis for which the impact of a movement in exchange rates would be in the opposite direction and materially equal to the impact on the instruments in the analysis.

The majority of our sales are denominated in foreign currencies as they are derived outside the United States. Therefore, financial results will be affected by changes in foreign currency rates. The Chinese Renminbi and the Euro represent the largest exposures in terms of our foreign earnings. We estimate that a 10% reduction in either the Chinese Renminbi or the Euro versus the U.S. Dollar would lower our annual operating income by approximately $50 million and $36 million, respectively.

Item 8. Financial Statements and Supplementary Data

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Air Products' management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting, which is defined in the following sentences, is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of inherent limitations, internal control over financial reporting can only provide reasonable assurance and may not prevent or detect misstatements. Further, because of changes in conditions, the effectiveness of our internal control over financial reporting may vary over time. Our processes contain self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified.

Management has evaluated the effectiveness of its internal control over financial reporting based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this evaluation, management concluded that, as of 30 September 2026, the Company's internal control over financial reporting was effective.

Deloitte & Touche LLP, an independent registered public accounting firm, has issued its opinion on the Company's internal control over financial reporting as of 30 September 2026 as stated in its report which appears herein.

/s/ Eduardo F. Menezes	/s/ Melissa N. Schaeffer
Eduardo F. Menezes	Melissa N. Schaeffer
Chief Executive Officer and Director	Executive Vice President and
(Principal Executive Officer)	Chief Financial Officer
19 November 2026	19 November 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Air Products and Chemicals, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Air Products and Chemicals, Inc. and subsidiaries (the "Company") as of September 30, 2026 and 2025, the related consolidated income statements, comprehensive income statements, statements of equity, and statements of cash flows, for each of the three years in the period ended September 30, 2026, and the related notes (collectively referred to as the "financial statements"). We also have audited the Company's internal control over financial reporting as of September 30, 2026, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of September 30, 2026 and 2025, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2026, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2026, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – On-site Customer Contracts – Refer to Notes 1 and 5 to the Financial Statements

Critical Audit Matter Description

On-site industrial gas customer contracts involve large capital investments to serve customers who require large volumes of gases and have relatively constant demand. The Company builds, owns and operates facilities on or near the customer's facilities to produce and supply the customer with gases under a long-term arrangement. Typically, these contracts have 15- to 20-year terms and contain fixed monthly charges and/or minimum purchase requirements. Revenue associated with these contracts is generally recognized over time during the period in which the Company delivers or makes available the agreed upon quantity of gases. In addition, certain on-site industrial gas contracts contain complex terms and provisions such as tolling arrangements, minimum payment requirements, and pricing provisions that are specific to a customer arrangement. These arrangements may require greater judgment in determining when contractual requirements have been met, impacting the amount of revenue to be recorded.

We identified revenue recognition for certain on-site industrial gas customer contracts with complex terms and provisions as a critical audit matter because of the judgments necessary for management to evaluate these contract terms, including amendments, in order to determine the amount of revenue to be recognized. This required a high degree of auditor judgment when performing procedures to audit management's determination of the amount of revenue recognition and evaluating the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to revenue recognition for certain on-site industrial gas customer contracts with complex terms and provisions included the following procedures, among others:

- We tested the effectiveness of the Company's controls related to the amount of revenue recognition, including controls over the evaluation of complex terms and provisions in certain on-site industrial gas customer contracts.
- We evaluated the terms included within original customer contracts and related amendments to assess the accounting for provisions such as minimum payment requirements, pricing provisions, and settlement terms that require management to apply judgment in determining revenue recognition associated with the contract.
- We evaluated customer transactions and agreed the amount of revenue recognized to underlying contracts, customer invoices, and cash receipts.
- We inquired of personnel who oversee financial results and revenue recognition as to the presence of contract amendments, and interpretation of contract terms.

/s/ Deloitte & Touche LLP
Philadelphia, Pennsylvania
November 19, 2026

We have served as the Company's auditor since 2018.

Air Products and Chemicals, Inc. and Subsidiaries
CONSOLIDATED INCOME STATEMENTS
For the Fiscal Years Ended 30 September

(Millions of U.S. Dollars, except for share and per share data)	**2026**	2025	2024
Sales	**$12,990.9**	$12,037.3	$12,100.6
Cost of sales	**8,887.8**	8,256.0	8,168.7
Selling and administrative expense	**903.2**	906.1	942.4
Research and development expense	**88.9**	96.3	100.2
Business and asset actions	**3,151.9**	3,747.0	57.0
Shareholder activism-related costs	**—**	86.3	—
Gain on sale of business	**—**	67.3	1,575.6
Other income (expense), net	**64.2**	110.1	58.2
Operating Income (Loss)	**23.3**	(877.0)	4,466.1
Equity affiliates' income	**745.9**	647.7	647.7
Interest expense	**220.4**	214.0	218.8
Other non-operating income (expense), net	**3.2**	2.6	(73.8)
Income (Loss) From Continuing Operations Before Taxes	**552.0**	(440.7)	4,821.2
Income tax expense (benefit)	**1.6**	(94.3)	944.9
Income (Loss) From Continuing Operations	**550.4**	(346.4)	3,876.3
Loss from discontinued operations, net of tax	**—**	(8.0)	(13.9)
Net Income (Loss)	**550.4**	(354.4)	3,862.4
Net income attributable to noncontrolling interests	**18.3**	40.1	34.2
Net Income (Loss) Attributable to Air Products	**$532.1**	($394.5)	$3,828.2
Net Income (Loss) Attributable to Air Products			
Net income (loss) from continuing operations	**$532.1**	($386.5)	$3,842.1
Net loss from discontinued operations	**—**	(8.0)	(13.9)
Net Income (Loss) Attributable to Air Products	**$532.1**	($394.5)	$3,828.2
Per Share Data[A] *(U.S. Dollars per share)*			
Basic earnings (loss) per share from continuing operations	**$2.39**	($1.74)	$17.27
Basic loss per share from discontinued operations	**—**	(0.04)	(0.06)
Basic Earnings (Loss) Per Share Attributable to Air Products	**$2.39**	($1.77)	$17.21
Diluted earnings (loss) per share from continuing operations	**$2.39**	($1.74)	$17.24
Diluted loss per share from discontinued operations	**—**	(0.04)	(0.06)
Diluted Earnings (Loss) Per Share Attributable to Air Products	**$2.39**	($1.77)	$17.18
Weighted Average Common Shares *(in millions)*			
Basic	**222.8**	222.7	222.5
Diluted	**222.9**	222.7	222.8

[A] Earnings (loss) per share is calculated independently for each component and may not sum to total earnings (loss) per share due to rounding.

The accompanying notes are an integral part of these statements.

Air Products and Chemicals, Inc. and Subsidiaries
CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS
For the Fiscal Years Ended 30 September

(Millions of U.S. Dollars)	**2026**	2025	2024
Net Income (Loss)	**$550.4**	($354.4)	$3,862.4
Other Comprehensive Income, net of tax:			
Translation adjustments, net of tax of $5.1, ($61.4), and ($33.0)	**93.6**	(95.6)	381.5
Net gain (loss) on derivatives, net of tax of $48.7, ($1.8), and $10.7	**396.8**	40.0	(159.5)
Pension and postretirement benefits, net of tax of $4.1, ($10.2), and $9.6	**13.0**	(32.3)	32.0
Reclassification adjustments:			
Currency translation adjustment	**0.9**	5.7	(1.5)
Derivatives, net of tax of ($19.5), $12.0, and ($9.7)	**(55.0)**	41.2	(33.7)
Pension and postretirement benefits, net of tax of $13.1, $14.7, and $18.1	**38.2**	46.0	55.9
Total Other Comprehensive Income	**487.5**	5.0	274.7
Comprehensive Income (Loss)	**1,037.9**	(349.4)	4,137.1
Net Income Attributable to Noncontrolling Interests	**18.3**	40.1	34.2
Other Comprehensive Income (Loss) Attributable to Noncontrolling Interests	**182.9**	65.1	(147.0)
Comprehensive Income (Loss) Attributable to Air Products	**$836.7**	($454.6)	$4,249.9

The accompanying notes are an integral part of these statements.

Air Products and Chemicals, Inc. and Subsidiaries
CONSOLIDATED BALANCE SHEETS
As of the Fiscal Years Ended 30 September

(Millions of U.S. Dollars, except for share and per share data)	**2026**	2025
Assets		
Current Assets		
Cash and cash items	**$1,331.7**	$1,856.0
Trade receivables, net	**1,840.2**	1,901.2
Inventories	**741.2**	776.5
Prepaid expenses	**165.5**	174.9
Assets held for sale	**272.8**	427.7
Other receivables and current assets	**665.0**	689.5
Total Current Assets	**$5,016.4**	$5,825.8
Investment in net assets of and advances to equity affiliates	**5,714.0**	5,366.1
Plant and equipment, net	**25,308.4**	25,337.8
Goodwill, net	**948.6**	963.9
Intangible assets, net	**262.7**	293.5
Operating lease right-of-use assets, net	**739.6**	944.0
Noncurrent lease receivables	**270.8**	307.1
Financing receivables	**1,152.7**	1,000.0
Other noncurrent assets	**1,796.6**	1,021.3
Total Noncurrent Assets	**$36,193.4**	$35,233.7
Total Assets[(A)]	**$41,209.8**	$41,059.5
Liabilities and Equity		
Current Liabilities		
Payables and accrued liabilities	**$3,570.9**	$3,237.7
Accrued income taxes	**114.1**	179.4
Short-term borrowings	**77.0**	34.7
Current portion of long-term debt	**921.7**	716.3
Liabilities held for sale	**25.2**	50.5
Total Current Liabilities	**$4,708.9**	$4,218.6
Long-term debt	**16,607.7**	16,769.9
Long-term debt – related party	**172.4**	177.5
Noncurrent operating lease liabilities	**451.3**	616.0
Other noncurrent liabilities	**1,445.1**	1,348.1
Deferred income taxes	**673.6**	579.6
Total Noncurrent Liabilities	**$19,350.1**	$19,491.1
Total Liabilities[(A)]	**$24,059.0**	$23,709.7
Commitments and Contingencies - See Note 17		
Air Products Shareholders' Equity		
Common stock (par value $1 per share; issued 2026 and 2025 - 249,455,584 shares)	**$249.4**	$249.4
Capital in excess of par value	**1,338.6**	1,306.5
Retained earnings	**16,479.3**	17,558.6
Accumulated other comprehensive loss	**(1,783.2)**	(2,087.8)
Treasury stock, at cost (2026 - 26,765,581 shares; 2025 - 26,867,328 shares)	**(2,003.3)**	(2,001.8)
Total Air Products Shareholders' Equity	**$14,280.8**	$15,024.9
Noncontrolling Interests[(A)]	**2,870.0**	2,324.9
Total Equity	**$17,150.8**	$17,349.8
Total Liabilities and Equity	**$41,209.8**	$41,059.5

[(A)] Includes balances associated with a consolidated variable interest entity ("VIE"), including amounts reflected in "Total Assets" that can only be used to settle obligations of the VIE of $8,577.0 million and $7,134.7 million as of 30 September 2026 and 2025, respectively, as well as liabilities of the VIE reflected within "Total Liabilities" for which creditors do not have recourse to the general credit of Air Products of $5,628.9 million and $4,937.7 million as of 30 September 2026 and 2025, respectively. Refer to Note 3, *Variable Interest Entities*, for additional information regarding the NEOM Green Hydrogen Company joint venture.

The accompanying notes are an integral part of these statements.

Air Products and Chemicals, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Fiscal Years Ended 30 September

(Millions of U.S. Dollars)	**2026**	2025	2024
Operating Activities			
Net income (loss)	**$550.4**	($354.4)	$3,862.4
Less: Net income attributable to noncontrolling interests of continuing operations	**18.3**	40.1	34.2
Net income (loss) attributable to Air Products	**532.1**	(394.5)	3,828.2
Net loss from discontinued operations	**—**	8.0	13.9
Net income (loss) from continuing operations attributable to Air Products	**532.1**	(386.5)	3,842.1
Adjustments to reconcile net income (loss) to cash provided by operating activities:			
Depreciation and amortization	**1,521.9**	1,564.2	1,451.1
Deferred income taxes	**(456.1)**	(554.8)	(69.3)
Tax reform adjustment related to deemed foreign dividends	**14.2**	(34.9)	—
Gain on sale of business	**—**	(67.3)	(1,575.6)
Business and asset actions	**3,151.9**	3,747.0	57.0
Undistributed earnings of equity method investments	**(197.1)**	(269.8)	(206.0)
Gain on sale of assets and investments	**(19.7)**	(66.4)	(31.4)
Share-based compensation	**50.4**	76.4	61.8
Noncurrent lease receivables	**49.0**	52.5	116.2
Other adjustments	**136.8**	48.0	183.8
Working capital changes that provided (used) cash, excluding effects of acquisitions:			
Trade receivables	**59.5**	(36.3)	(111.0)
Inventories	**37.9**	(35.8)	(137.8)
Other receivables	**(50.9)**	7.1	34.4
Payables and accrued liabilities	**(236.7)**	(224.0)	(338.7)
Other working capital	**87.5**	(562.6)	370.1
Cash Provided by Operating Activities	**4,680.7**	3,256.8	3,646.7
Investing Activities			
Additions to plant and equipment, including long-term deposits	**(4,203.9)**	(7,022.6)	(6,796.7)
Acquisitions, less cash acquired	**—**	(59.9)	—
Investments in and advances to unconsolidated affiliates	**(126.8)**	(390.4)	—
Investments in financing receivables	**—**	(61.9)	(403.0)
Proceeds from sale of assets and investments	**153.2**	245.8	1,878.8
Purchases of short-term investments	**—**	(117.6)	(141.4)
Proceeds from short-term investments	**—**	122.5	470.7
Proceeds from other investing activities	**31.5**	115.4	72.4
Cash Used for Investing Activities	**(4,146.0)**	(7,168.7)	(4,919.2)
Financing Activities			
Long-term debt proceeds	**827.3**	4,386.7	4,678.3
Payments on long-term debt	**(686.6)**	(429.9)	(486.2)
Net increase (decrease) in commercial paper and short-term borrowings	**84.0**	(74.7)	(289.9)
Dividends paid to shareholders	**(1,603.1)**	(1,584.1)	(1,564.9)
Investments by noncontrolling interests	**353.7**	594.6	428.5
Distributions to noncontrolling interests	**(4.0)**	(7.2)	(25.8)
Other financing activities	**(37.5)**	(90.2)	(124.6)
Cash (Used for) Provided by Financing Activities	**(1,066.2)**	2,795.2	2,615.4
Effect of Exchange Rate Changes on Cash	**7.2**	(7.0)	19.8
(Decrease) Increase in cash and cash items	**(524.3)**	(1,123.7)	1,362.7
Cash and cash items – Beginning of year	**1,856.0**	2,979.7	1,617.0
Cash and Cash Items – End of Period	**$1,331.7**	$1,856.0	$2,979.7

The accompanying notes are an integral part of these statements.

Air Products and Chemicals, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF EQUITY
For the Fiscal Years Ended 30 September

(Millions of U.S. Dollars, except for per share data)	Common Stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Air Products Shareholders' Equity	Non-controlling Interests	Total Equity
Balance as of 30 September 2023	**$249.4**	**$1,190.5**	**$17,289.7**	**($2,449.4)**	**($1,967.3)**	**$14,312.9**	**$1,347.4**	**$15,660.3**
Net income	—	—	3,828.2	—	—	3,828.2	34.2	3,862.4
Other comprehensive income (loss)	—	—	—	421.7	—	421.7	(147.0)	274.7
Dividends on common stock ($7.06 per share)	—	—	(1,569.7)	—	—	(1,569.7)	—	(1,569.7)
Distributions to noncontrolling interests	—	—	—	—	—	—	(25.4)	(25.4)
Share-based compensation	—	58.3	—	—	—	58.3	—	58.3
Issuance of treasury shares for stock option and award plans	—	3.9	—	—	(16.8)	(12.9)	—	(12.9)
Investments by noncontrolling interests	—	—	—	—	—	—	428.5	428.5
Other equity transactions	—	0.5	(2.5)	—	—	(2.0)	(0.5)	(2.5)
Balance as of 30 September 2024	**$249.4**	**$1,253.2**	**$19,545.7**	**($2,027.7)**	**($1,984.1)**	**$17,036.5**	**$1,637.2**	**$18,673.7**
Net income (loss)	—	—	(394.5)	—	—	(394.5)	40.1	(354.4)
Other comprehensive income (loss)	—	—	—	(60.1)	—	(60.1)	65.1	5.0
Dividends on common stock ($7.14 per share)	—	—	(1,588.9)	—	—	(1,588.9)	—	(1,588.9)
Distributions to noncontrolling interests	—	—	—	—	—	—	(7.2)	(7.2)
Share-based compensation	—	72.0	—	—	—	72.0	—	72.0
Issuance of treasury shares for stock option and award plans	—	(18.9)	—	—	(17.7)	(36.6)	—	(36.6)
Investments by noncontrolling interests	—	—	—	—	—	—	595.6	595.6
Purchase of noncontrolling interests	—	—	—	—	—	—	(5.9)	(5.9)
Other equity transactions	—	0.2	(3.7)	—	—	(3.5)	—	(3.5)
Balance as of 30 September 2025	**$249.4**	**$1,306.5**	**$17,558.6**	**($2,087.8)**	**($2,001.8)**	**$15,024.9**	**$2,324.9**	**$17,349.8**
Net income	—	—	532.1	—	—	532.1	18.3	550.4
Other comprehensive income	—	—	—	304.6	—	304.6	182.9	487.5
Dividends on common stock ($7.22 per share)	—	—	(1,607.7)	—	—	(1,607.7)	—	(1,607.7)
Distributions to noncontrolling interests	—	—	—	—	—	—	(4.1)	(4.1)
Share-based compensation	—	46.6	—	—	—	46.6	—	46.6
Issuance of treasury shares for award plans	—	(11.2)	—	—	(1.5)	(12.7)	—	(12.7)
Investments by noncontrolling interests	—	—	—	—	—	—	344.7	344.7
Purchase of noncontrolling interests	—	(3.3)	—	—	—	(3.3)	3.3	—
Other equity transactions	—	—	(3.7)	—	—	(3.7)	—	(3.7)
Balance as of 30 September 2026	**$249.4**	**$1,338.6**	**$16,479.3**	**($1,783.2)**	**($2,003.3)**	**$14,280.8**	**$2,870.0**	**$17,150.8**

The accompanying notes are an integral part of these statements.

Air Products and Chemicals, Inc. and Subsidiaries
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Millions of U.S. Dollars unless otherwise indicated, except for share and per share data)

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1. BASIS OF PRESENTATION AND MAJOR ACCOUNTING POLICIES

As used in this report, unless the context indicates otherwise, the terms “we,” “our,” “us,” the “Company,” "Air Products," or “registrant” include our controlled subsidiaries and affiliates.

About Air Products

Air Products and Chemicals, Inc., a Delaware corporation founded in 1940, is a world-leading industrial gases company. Serving energy, environmental, and emerging markets, the Company is generating a cleaner future by providing essential industrial gases, related equipment, and applications expertise that help customers improve productivity, efficiency, and sustainability across a wide range of industries, including energy, chemicals, electronics, metals, manufacturing, food, medical, and space.

We are focused on profitably growing our core industrial gases business by accelerating growth in areas of competitive strength and extending our reach through disciplined opportunities that create long-term value. We develop, engineer, build, own, and operate large-scale hydrogen projects and have extensive capabilities in air separation technology, engineering, and plant operations. Through our sale of equipment businesses, we provide specialized products such as turbomachinery, membrane systems, and cryogenic containers globally.

We manage our operations, assess performance, and report earnings under five reportable segments: Americas, Asia, Europe, Middle East and India, and Corporate and other. Refer to Note 24, *Business Segment and Geographic Information*, for additional information.

Basis of Presentation

The accompanying consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and include the accounts of Air Products and Chemicals, Inc. and those of its controlled subsidiaries. The notes that follow are an integral part of our consolidated financial statements. These notes, unless otherwise indicated, are presented on a continuing operations basis. Intercompany transactions and balances are eliminated in consolidation. Certain prior period information has been reclassified to conform to the current year presentation.

As further described in Note 2, *New Accounting Guidance*, we adopted Accounting Standards Update (“ASU”) 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures,” in fiscal year 2026. As a result of our prospective adoption, the expanded disclosure requirements under the new guidance are provided for fiscal year 2026 only in Note 22, *Income Taxes*.

Discontinued Operations

The comparative consolidated income statements include losses from discontinued operations of $10.6 million ($8.0 million after tax) and $19.4 million ($13.9 million after tax) in fiscal years 2025 and 2024, respectively. These amounts primarily related to environmental remediation matters associated with previously divested businesses. Refer to the "Piedmont" and "Pace" discussions under Note 17, *Commitments and Contingencies*, for additional information.

The comparative results of discontinued operations are presented separately from continuing operations and segment results. These losses did not impact cash flows.

Estimates and Assumptions

Preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

Consolidation Principles

We consolidate all entities we control under either the voting interest model, which generally applies when we hold a majority of the voting interest of an entity, or the variable interest model, which applies to arrangements for which we are the primary beneficiary of a variable interest entity ("VIE"). For consolidated subsidiaries in which our ownership is less than 100%, the outside shareholders' interests are reflected as non-controlling interests on our consolidated financial statements.

We are considered the primary beneficiary of a VIE when we have both the power to direct the activities that most significantly impact the economic performance of the VIE and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. We are the primary beneficiary of the NEOM Green Hydrogen Company and consolidate the joint venture within our Middle East and India segment. For additional information, refer to Note 3, *Variable Interest Entities*. We are not the primary beneficiary of any other material VIEs.

We account for a VIE for which we have an equity interest and exercise significant influence but are not the primary beneficiary, such as the Jazan Integrated Gasification and Power Company joint venture, as an equity method investment. For additional information on this joint venture, refer to Note 8, *Equity Affiliates*.

Revenue Recognition

We recognize revenue when or as performance obligations are satisfied, which occurs when control is transferred to the customer. We determine the transaction price of our contracts based on the amount of consideration to which we expect to be entitled to receive in exchange for the goods or services provided. Our contracts within the scope of revenue guidance generally do not contain payment terms that include a significant financing component. Consistent with industry business practice, we generally do not accept sales returns or provide return allowances.

Our sale of gas contracts are either accounted for over time during the period in which we deliver or make available the agreed upon quantity of goods or at a point in time when the customer receives and obtains control of the product, which generally occurs upon delivery. We generally recognize revenue from our sale of gas contracts based on the right to invoice practical expedient.

Our sale of equipment contracts are generally comprised of a single performance obligation as the individual promised goods or services contained within the contracts are integrated with or dependent upon other goods or services in the contract for a single output to the customer. Revenue from our sale of equipment contracts is generally recognized over time as we have an enforceable right to payment for performance completed to date and our performance under the contract terms does not create an asset with alternative use. We recognize these contracts using a cost incurred input method by which costs incurred to date relative to total estimated costs at completion are used to measure progress toward satisfying performance obligations.

Amounts billed for shipping and handling fees are classified as sales in the consolidated income statements. Shipping and handling activities for our sale of equipment contracts may be performed after the customer obtains control of the promised goods. In these cases, we have elected to apply the practical expedient to account for shipping and handling as activities to fulfill the promise to transfer the goods.

Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue-producing transactions are presented on a net basis and excluded from sales in the consolidated income statements.

For additional information, refer to Note 5, *Revenue Recognition*.

Cost of Sales

Cost of sales predominantly represents the cost of tangible products sold. These costs include labor, raw materials, plant engineering, power, depreciation, production supplies and materials packaging costs, and maintenance costs. Costs incurred for shipping and handling are also included in cost of sales.

Depreciation

Depreciation is recorded using the straight-line method, which deducts equal amounts of the cost of each asset from earnings every year over its estimated economic useful life. The principal lives for major classes of plant and equipment are summarized in Note 9, *Plant and Equipment, Net*.

We continue to depreciate assets that are temporarily idle. Depreciation is discontinued when assets meet the criteria for classification as held for sale.

Selling and Administrative Expense

The principal components of selling and administrative expense are costs related to compensation, administrative functions, and professional fees.

Postemployment Benefits

We offer ongoing benefit arrangements that provide various nonretirement postemployment benefits, including severance, to involuntarily terminated employees. We record a liability for these benefits when we determine it is probable that the benefits will be paid in an amount that can be reasonably estimated. These criteria are met when management, with the appropriate level of authority, approves and commits to a termination plan that identifies impacted employees and their related benefits and is expected to be substantially completed within one year. We do not provide material one-time benefit arrangements.

Fair Value Measurements

We are required to measure certain assets and liabilities at fair value, either upon initial measurement or for subsequent accounting or reporting. For example, fair value is used in the initial measurement of assets and liabilities acquired in a business combination; on a recurring basis in the measurement of derivative financial instruments; and on a nonrecurring basis when long-lived assets are written down to fair value when held for sale or determined to be impaired. Refer to Note 14, *Fair Value Measurements*, and Note 16, *Retirement Benefits*, for information on the methods and assumptions used in our fair value measurements.

Financial Instruments

We address certain financial exposures through a controlled program of risk management that includes the use of derivative financial instruments. The types of derivative financial instruments permitted for such risk management programs are specified in policies set by management. Refer to Note 13, *Financial Instruments*, for further detail on the types and use of derivative instruments into which we enter.

Major financial institutions are counterparties to all of these derivative contracts. We have established counterparty credit guidelines and generally enter into transactions with financial institutions of investment grade or better. Management believes the risk of incurring losses related to credit risk is remote, and any losses would not be material to the consolidated financial results, financial condition, or liquidity.

We recognize derivatives on the balance sheet at fair value. On the date the derivative instrument is entered into, we generally designate the derivative as either (1) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge), (2) a hedge of a net investment in a foreign operation (net investment hedge), or (3) a hedge of the fair value of a recognized asset or liability (fair value hedge).

The following details the accounting treatment of our cash flow, fair value, net investment, and non-designated hedges:

- Changes in the fair value of a derivative that is designated as and meets the cash flow hedge criteria are recorded in accumulated other comprehensive loss ("AOCL") to the extent effective and then recognized in earnings when the hedged items affect earnings.
- Changes in the fair value of a derivative that is designated as and meets all the required criteria for a fair value hedge, along with the gain or loss on the hedged asset or liability that is attributable to the hedged risk, are recorded in current period earnings.
- Changes in the fair value of a derivative and foreign currency debt that are designated as and meet all the required criteria for a hedge of a net investment are recorded as translation adjustments in AOCL.
- Changes in the fair value of a derivative that is not designated as a hedge are recorded immediately in earnings.

We formally document the relationships between hedging instruments and hedged items, as well as our risk management objective and strategy for undertaking various hedge transactions. This process includes relating derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the balance sheet or to specific firm commitments or forecasted transactions. We also formally assess, at the inception of the hedge and on an ongoing basis, whether derivatives are highly effective in offsetting changes in fair values or cash flows of the hedged item. If it is determined that a derivative is not highly effective as a hedge, or if a derivative ceases to be a highly effective hedge, we will discontinue hedge accounting with respect to that derivative prospectively.

Foreign Currency

Since we do business in many foreign countries, fluctuations in currency exchange rates affect our financial position and results of operations.

In most of our foreign operations, the local currency is considered the functional currency. Foreign subsidiaries translate their assets and liabilities into U.S. dollars at current exchange rates in effect as of the balance sheet date. The gains or losses that result from this process are shown as translation adjustments in AOCL in the equity section of the balance sheet.

The revenue and expense accounts of foreign subsidiaries are translated into U.S. dollars at the average exchange rates that prevail during the period. Therefore, the U.S. dollar value of these items on the consolidated income statements fluctuates from period to period, depending on the value of the U.S. dollar against foreign currencies. Some transactions are made in currencies different from an entity's functional currency. Gains and losses from these foreign currency transactions, and the impact of related hedges, are generally reflected in "Other income (expense), net" on our consolidated income statements as they occur and were not material for the periods presented in this report.

Foreign exchange gains and losses from the foreign currency remeasurement of balances associated with income tax assets and liabilities, intercompany and third-party financing transactions, and the impact of related hedges are reflected within "Other non-operating income (expense), net" and were not material for the periods presented in this report.

In addition, foreign currency forward points and currency swap basis differences that are excluded from the assessment of hedge effectiveness of our net investment hedges and cash flow hedges of intercompany loans ("excluded components") are recorded within "Other non-operating income (expense), net" on a straight-line basis. Excluded components were income of $6.3 million in fiscal year 2026 and expenses of $20.4 million and $31.4 million in fiscal years 2025 and 2024, respectively.

Government Assistance

We receive various types of government assistance, primarily in the form of grants or refundable tax credits. Government assistance is recognized when there is reasonable assurance that we have complied with relevant conditions and the assistance will be received. Government assistance is recognized in the consolidated income statements on a systematic basis over the periods in which we recognize the related costs for which the government assistance is intended to compensate. Government assistance related to assets is included in the balance sheet as a reduction of the cost of the asset and results in reduced depreciation expense over the useful life of the asset. Government assistance that relates to expenses is recognized in the income statement as a reduction of the related expense or as a component of other income (expense), net. Government assistance did not have a material impact on our consolidated financial statements for the periods presented in this report.

Environmental Expenditures

Accruals for environmental loss contingencies are recorded when it is probable that a loss has been incurred and the amount can be reasonably estimated. Remediation costs are capitalized if the costs improve our property as compared with the condition of the property when originally constructed or acquired, or if the costs prevent environmental contamination from future operations. We expense environmental costs related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible. The amounts charged to income from continuing operations related to environmental matters totaled $30.8 million, $37.7 million, and $27.0 million in fiscal years 2026, 2025, and 2024, respectively.

In fiscal years 2025 and 2024, we recorded losses from discontinued operations to increase existing liabilities for retained environmental remediation obligations associated with previously divested businesses. Refer to the "Piedmont" and "Pace" discussions under Note 17, *Commitments and Contingencies*, for additional information.

The measurement of environmental liabilities is based on an evaluation of currently available information with respect to each individual site and considers factors such as existing technology, presently enacted laws and regulations, and prior experience in remediation of contaminated sites. An environmental liability related to cleanup of a contaminated site might include, for example: site investigation and testing costs, remediation costs, post-remediation monitoring costs, natural resource damages, and outside legal fees. These liabilities include costs related to other potentially responsible parties to the extent that we have reason to believe such parties will not fully pay their proportionate share. Our environmental liabilities do not reflect potential recoveries from insurance or other parties and are not discounted. The accruals for environmental liabilities are reflected in the consolidated balance sheets, primarily as part of other noncurrent liabilities.

As assessments and remediation progress at individual sites, estimated costs are reviewed and the liability is adjusted to reflect additional technical and legal information that becomes available. Management has an established process to identify and monitor our environmental exposures. Our environmental accrual analysis considers all known environmental loss contingencies, including those for which an accrual has not been established. This analysis facilitates ongoing communication among our technical experts, environmental managers, environmental lawyers, and financial management to ensure that environmental exposures are appropriately evaluated for accrual and disclosure.

Due to inherent uncertainties in evaluating environmental exposures, actual costs at identified sites may vary from our estimates. Refer to Note 17, *Commitments and Contingencies*, for additional information on our environmental loss contingencies.

Litigation

In the normal course of business, we are involved in various legal proceedings. We accrue a liability for such matters when it is probable that a loss has been incurred and the amount can be reasonably estimated. When only a range of possible loss can be established, the most probable amount in the range is accrued. If no amount within this range is a better estimate than any other, the minimum amount in the range is accrued. The accrual for a litigation loss contingency includes estimates of potential damages and directly related costs expected to be incurred. Refer to Note 17, *Commitments and Contingencies*, for additional information on our current legal proceedings.

Share-Based Compensation

We expense the grant-date fair value of our share-based awards over the vesting period during which employees perform related services. Expense recognition is accelerated for retirement-eligible individuals who would meet the requirements for vesting of awards upon their retirement. Refer to Note 19, *Share-Based Compensation*, for additional information regarding our awards, including the models and assumptions used to determine their grant-date fair value.

Income Taxes

We account for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the tax effects of temporary differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to be recovered or settled. A principal temporary difference results from the excess of tax depreciation over book depreciation because accelerated methods of depreciation and shorter useful lives are used for income tax purposes. The cumulative impact of a change in tax rates or regulations is included in income tax expense in the period that includes the enactment date. We recognize deferred tax assets net of existing valuation allowances to the extent we believe that these assets are more likely than not to be realized considering all available evidence.

A tax benefit for an uncertain tax position is recognized when it is more likely than not that the position will be sustained upon examination based on its technical merits. This position is measured as the largest amount of tax benefit that is greater than 50% likely of being realized. Interest and penalties related to unrecognized tax benefits are recognized as a component of income tax expense.

We have elected as an accounting policy to account for Global Intangible Low Tax Income ("GILTI") as a period cost when incurred.

For additional information regarding our income taxes, refer to Note 22, *Income Taxes*.

Other Non-Operating Income (Expense), net

"Other non-operating income (expense), net" includes interest income associated with our cash and cash items, certain foreign currency remeasurements and impacts from the related hedging activities discussed in the *Foreign Currency* section above, and non-service cost components of net periodic pension and postretirement benefit cost. Our non-service costs primarily include interest cost, expected return on plan assets, amortization of actuarial gains and losses, and settlements.

Additionally, during fiscal years 2024 and 2025, "Other non-operating income (expense), net" included unrealized gains and losses related to certain interest rate swaps associated with financing for the NEOM Green Hydrogen Project during periods in which the swaps did not qualify for cash flow hedge accounting. Refer to Note 3, *Variable Interest Entities*, and Note 13, *Financial Instruments*, for additional information.

Cash and Cash Items

"Cash and cash items" include cash, time deposits, and treasury securities acquired with an original maturity of three months or less.

Credit Losses

We are exposed to credit losses primarily through sales of products and services. We evaluate customer creditworthiness using qualitative and quantitative factors, including credit scores from external providers, financial condition, and past payment experience.

Allowances are evaluated by portfolio on a collective basis where similar characteristics exist. A provision for customer defaults is made on a general formula basis as the risk of some default is expected but cannot yet be associated with specific customers. The factors considered in assessing the likelihood of default depend on the nature of the receivable and include the length of time the receivables are past due, historical experience, and existing economic conditions.

For current trade receivables and contract assets, we have elected the practical expedient to assume that current conditions as of the balance sheet date do not change over the remaining lives of those assets. For lease and financing receivables, which are not subject to the practical expedient, we also consider forward-looking information about economic conditions that may affect customers' ability to pay.

When we identify specific customers with known collectability issues, the assessment for credit losses is performed on an individual basis, considering current and forward-looking information about the customer. We also consider variables that may mitigate the inherent credit risk of a particular transaction, such as the estimated fair value of the collateral, whether by use or sale.

Although we historically have not experienced significant credit losses, our exposure to credit losses may increase if our customers are adversely affected by economic pressures or uncertainty associated with local or global economic recessions, or other customer-specific factors. We review our allowances for credit losses on a quarterly basis.

Trade receivables comprise amounts owed to us through our operating activities and are presented net of allowances for credit losses. Changes to the carrying amount of the allowance for credit losses on trade receivables are summarized below:

(Millions of U.S. Dollars)	
Balance at 30 September 2023	$22.9
Provision for credit losses	10.7
Write-offs charged against the allowance	(8.5)
Currency translation and other	1.2
Balance at 30 September 2024	$26.3
Provision for credit losses	10.3
Write-offs charged against the allowance	(7.5)
Currency translation and other	1.1
Balance at 30 September 2025	$30.2
Provision for credit losses	14.5
Write-offs charged against the allowance	(9.5)
Currency translation and other	0.2
Balance at 30 September 2026	**$35.4**

Lease and financing receivables are presented net of their respective allowances for credit losses. The allowance for credit losses on lease receivables was not material for the periods presented. For financing receivables, we established a $300 million allowance for credit losses equal to the carrying amount of a financing receivable in connection with our exit from the sustainable aviation fuel expansion project with World Energy in fiscal year 2025. The allowance remained unchanged as of 30 September 2026. Refer to Note 3, *Variable Interest Entities*, and Note 4, *Business and Asset Actions*, for additional information. There were no other identified credit quality concerns related to our financing receivables for the periods presented.

Inventories

We carry inventories consisting of finished goods, work-in-process, raw materials, and supplies.

Inventories are stated at the lower of cost or net realizable value and are presented net of applicable reserves on our consolidated balance sheets. Cost is determined using the first-in, first-out ("FIFO") method. We write down our inventories for estimated obsolescence or when inventories become unmarketable based on assumptions about future demand and market conditions. Refer to Note 7, *Inventories*, for further detail.

Equity Method Investments

We apply the equity method of accounting when we have the ability to exercise significant influence but do not control the operating and financial decisions of an investee, which generally applies when our ownership interest in common stock or in-substance common stock of the investee is between 20% and 50%. Under the equity method, we initially record our investment at cost and subsequently adjust the investment to recognize our share of net earnings or losses, distributions received, and other-than-temporary impairments. The carrying value of our equity method investments is reflected as "Investment in net assets of and advances to equity affiliates" on our consolidated balance sheets. We use the cumulative earnings approach for determining cash flow presentation of cash distributions received from equity method investees. Equity investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable.

Our share of the investee's net earnings is primarily presented net of income taxes within “Equity affiliates’ income" on our consolidated income statements. Profits or losses related to intra-entity sales with our equity method investees are eliminated consistent with our ownership percentage in the entity until realized by the investee through a transaction with a third party. In addition, “Equity affiliates’ income” includes interest income from shareholder loans viewed as in-substance common stock.

Plant and Equipment, Net

Plant and equipment, net is stated at cost less accumulated depreciation. Construction costs, labor, and applicable overhead related to installations are capitalized. Expenditures for additions and improvements that extend the lives or increase the capacity of plant assets are capitalized. The costs of maintenance and repairs of plant and equipment are expensed as incurred.

Fully depreciated assets are retained in the gross plant and equipment and accumulated depreciation accounts until they are removed from service. In the case of disposals or abandonments, assets and related accumulated depreciation are removed from the accounts, and the net amounts, less proceeds from disposal, are included in income. Refer to Note 9, *Plant and Equipment, Net*, for further detail.

Computer Software

We capitalize costs incurred to purchase or develop software for internal use. Capitalized costs include purchased computer software packages, payments to vendors/consultants for development and implementation or modification to a purchased package to meet our requirements, payroll and related costs for employees directly involved in development, and interest incurred while software is being developed. Capitalized costs are reflected in "Plant and equipment, net" on the consolidated balance sheets and are depreciated over the estimated useful life of the software, generally a period of three to five years.

We capitalize costs incurred with the implementation of a cloud computing arrangement that is a service contract, consistent with our policy for software developed or obtained for internal use. However, the capitalized costs are reflected in "Other noncurrent assets" on our consolidated balance sheets and expensed over the term of the related hosting arrangement.

Leases as Lessee

As lessee, we recognize a right-of-use ("ROU") asset and lease liability on the balance sheet for all leases with terms in excess of 12 months. We evaluate whether an arrangement contains a lease at inception by determining whether there is an identifiable asset, we obtain substantially all the economic benefits from that asset, and we direct how and for what purpose the asset is used during the term of the arrangement. We apply a practical expedient to exclude arrangements with initial terms of 12 months or less from our balance sheet.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Since our leases generally do not provide an implicit discount rate, we use our incremental borrowing rates based on the information available at the commencement date in determining the present value of lease payments. To determine the incremental borrowing rate, we consider our unsecured borrowings and published market rates, and then adjust those rates to assume full collateralization and to factor in the individual lease term, geography, and payment structure.

Our lease term includes periods covered by options to extend or terminate the lease when it is reasonably certain that we will exercise an option to extend or not exercise an option to terminate. Lease payments consider our practical expedient to combine amounts for lease and related non-lease components for all classes of underlying assets in which we are lessee. Fixed payments and payments associated with escalation clauses based on an index are included in the ROU asset and lease liability at commencement. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. Our variable lease payments primarily include the impact from escalation clauses that are not fixed or based on an index. Prepaid lease payments are included in the recognition of ROU assets. Our lease agreements do not contain any material lease incentives, residual value guarantees or restrictions or covenants.

Leases as Lessor

Certain contracts associated with facilities that are built to provide product to a specific customer are accounted for as containing embedded leases. Our lease receivables are primarily long-term in nature and relate to sales-type leases on certain on-site assets for which payments are collected over the contract term. Revenue representing interest income from the financing component of the lease receivable is reflected as sales over the life of the contract.

In cases for which operating lease treatment is appropriate, there is no difference in revenue recognition over the life of the contract as compared to accounting for the contract under a sale of gas agreement. These contracts qualify for a practical expedient available to lessors to combine the lease and non-lease components and account for the combined component in accordance with the accounting treatment for the predominant component. We elected to apply this practical expedient and have accounted for the combined component as product sales under the revenue standard as we control the operations and maintenance of the assets that provide the supply of gas to our customers.

There have been no new arrangements that qualified as a lease for which we are the lessor in fiscal year 2026.

Financing Receivables

We record financing receivables at amortized cost, net of any allowances for credit losses, on our consolidated balance sheets. Financing receivables are primarily classified as noncurrent assets, with amounts expected to be collected within the next twelve months included in “Other receivables and current assets". Payments received are allocated between a reduction of the financing receivable and interest income. Interest income is presented within “Sales” on our consolidated income statements, along with revenue from operating assets under certain acquisition-related arrangements. Accrued interest is presented within "Trade receivables, net" and was not material for the periods presented.

Financing receivables may arise in connection with certain acquisitions when contractual terms provide the seller with both the right to receive all output from the acquired asset for an agreed upon term and the right to reacquire the asset at a future date. We evaluate these arrangements to determine whether we have obtained control of the underlying asset or whether the transaction represents a financing arrangement. In fiscal year 2023, we entered into an investment agreement with the Government of the Republic of Uzbekistan and Uzbekneftegaz JSC to acquire a natural gas-to-syngas processing facility in Uzbekistan that included a 15-year on-site customer contract. Financing receivables associated with this arrangement were $973.2 million and $1.0 billion as of 30 September 2026 and 2025, respectively.

Financing receivables may also arise from sales transactions when control of an asset transfers to the buyer and the timing of payments provides a significant financing component. During fiscal year 2026, we executed an agreement with PBF Energy Company LLC ("PBF") for the early termination of an on-site customer contract in the Americas segment and the sale of two hydrogen production plants located at the customer's refinery. The transaction included the transfer of approximately $200 million of plant and equipment, net, to PBF in a noncash exchange for a financing receivable. The financing receivable was $232.4 million as of 30 September 2026, with payments due through April 2035.

Impairment of Long-Lived Assets

Long-lived assets are grouped for impairment testing at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. We assess recoverability by comparing the carrying amount of the asset or asset group to estimated undiscounted future cash flows expected to be generated by the asset group. If an asset group is determined to be impaired, the impairment loss to be recognized is measured as the amount by which the asset group’s carrying amount exceeds its estimated fair value. An estimate of the asset group's fair value is based on the discounted value of its estimated cash flows.

Long-lived assets intended for disposal through means other than sale are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or disposal group may not be recoverable. Long-lived assets that meet the criteria to be classified as held for sale are reported at the lower of their carrying amount or fair value less cost to sell. The fair value of a disposal group is estimated based on available information, which may include discounted cash flow analyses, market indications, negotiated transaction values, and other relevant facts and circumstances.

In fiscal years 2026 and 2025, we recorded impairment charges related to long-lived assets as part of our business and asset actions. A portion of the affected plant and equipment is capable of being marketed through secondary equipment channels but does not meet the criteria for classification as held for sale. The estimated net realizable value of these assets was $233.9 million, which is classified within “Plant and equipment, net” on our consolidated balance sheet as of 30 September 2026. The impairment charges also included amounts related to two coal gasification plants in China that had been classified as held for sale and measured at fair value less costs to sell. The related long-lived assets included in “Assets held for sale” on our consolidated balance sheet were $261.2 million as of 30 September 2026. Refer to Note 4, *Business and Asset Actions*, and Note 14, *Fair Value Measurements*, for additional information.

Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred. The fair value of the liability is measured using discounted estimated cash flows and is adjusted to its present value in subsequent periods as accretion expense is recorded. The corresponding asset retirement costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the asset’s useful life. Our asset retirement obligations are primarily associated with on-site long-term supply contracts under which we have built a facility on land owned by the customer and are obligated to remove the facility at the end of the contract term. Refer to Note 17, *Commitments and Contingencies*, for further detail.

Goodwill

Business combinations are accounted for using the acquisition method. The purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values. Any excess purchase price (plus the fair value of any noncontrolling interest and previously held equity interest in the acquiree) over the fair value of the net assets acquired, including identified intangibles, is recorded as goodwill. Preliminary purchase price allocations are made at the date of acquisition and finalized when information about facts and circumstances that existed as of the acquisition date needed to finalize underlying estimates is obtained or when we determine that such information is not obtainable, within a maximum measurement period of one year.

Goodwill is tested for impairment at least annually, and more frequently if events or changes in circumstances indicate that goodwill may be impaired. During fiscal year 2026, no triggering events were identified that would require impairment testing for any of our reporting units containing goodwill. We completed our annual goodwill impairment test and concluded there were no indications of impairment.

Refer to Note 10, *Goodwill*, for further detail.

Intangible Assets

Intangible assets with determinable lives primarily consist of customer relationships. The cost of intangible assets with determinable lives is amortized on a straight-line basis over the estimated period of economic benefit. No residual value is estimated for these intangible assets. Indefinite-lived intangible assets consist of trade names and trademarks. Indefinite-lived intangibles are tested for impairment at least annually, and more frequently if events or changes in circumstances indicate that the assets may be impaired. During fiscal year 2026, no triggering events were identified that would require impairment testing for any of our indefinite-lived intangible assets. We completed our annual impairment test for these assets and concluded there were no indications of impairment.

Customer relationships are generally amortized over periods of five to 25 years. Purchased patents and technology and other finite-lived intangibles are generally amortized over periods of five to 15 years. Other intangibles includes certain land use rights, which are generally amortized over a period of 50 years. Amortizable lives are adjusted whenever there is a change in the estimated period of economic benefit. Refer to Note 11, *Intangible Assets*, for further detail.

Retirement Benefits

Our retirement benefit plans are discussed in Note 16, *Retirement Benefits*. The cost of benefits we contribute to defined contribution plans is recognized in the year earned. The cost of benefits under our defined benefit and other post-retirement plans is generally recognized over the employees’ service period. We use actuarial methods and assumptions in the valuation of defined benefit obligations and the determination of expense. Differences between actual and expected results or changes in the value of obligations and plan assets are recognized systematically over subsequent periods.

2. NEW ACCOUNTING GUIDANCE

Accounting Guidance Implemented in Fiscal Year 2026

Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures”, to expand income tax disclosures, primarily through disaggregation requirements for the rate reconciliation and income taxes paid. We adopted the update in fiscal year 2026 and implemented the expanded disclosure requirements on a prospective basis in Note 22, *Income Taxes*.

Measurement of Credit Losses for Accounts Receivable and Contract Assets

In July 2025, the FASB issued ASU 2025-05, “Measurement of Credit Losses for Accounts Receivable and Contract Assets”, which allows an entity to elect a practical expedient to assume that current conditions as of the balance sheet date do not change when estimating expected credit losses on current trade receivables and contract assets. We adopted the update prospectively as of 30 September 2026 and elected the practical expedient. It did not have a material impact on our financial statements.

New Accounting Guidance to be Implemented

Climate-Related Disclosures

In March 2024, the SEC issued Release No. 33-11275, "The Enhancement and Standardization of Climate-Related Disclosures for Investors", which includes final rules for providing annual qualitative and quantitative disclosures regarding certain climate-related topics. As a result of legal challenges, the SEC issued an order in April 2024 to stay the effectiveness of the rules pending the completion of judicial review of the consolidated challenges before the United States Court of Appeals for the Eighth Circuit.

In May 2026, the SEC issued a formal proposal to rescind the 2024 climate disclosure rules in their entirety. We will continue to monitor litigation related to the SEC's climate rule as well as the SEC's proposal to rescind the rule.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, “Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses”, which requires additional disclosures of certain costs and expenses, including purchases of inventory, employee compensation, depreciation, intangible asset amortization, as well as selling expenses in the notes to the financial statements. In January 2025, the FASB clarified that the update will be effective in our Annual Report on Form 10-K for the fiscal year ending 30 September 2028 as well as interim periods thereafter, although early adoption is permitted. The amendments should be applied either prospectively after the effective date or retrospectively to any or all periods presented. We are evaluating the impact this update will have on our disclosures.

Accounting for Internal-Use Software

In September 2025, the FASB issued ASU 2025-06, “Targeted Improvements to the Accounting for Internal-Use Software”, which establishes criteria for commencing cost capitalization for software projects. This update will be effective at the beginning of fiscal year 2029, although early adoption is permitted at the beginning of an annual period. The amendments can be applied prospectively, retrospectively, or via a modified prospective transition method. We are evaluating the impact this update will have on our financial statements.

Government Grants

In December 2025, the FASB issued ASU 2025-10, “Accounting for Government Grants Received by Business Entities”, which provides guidance on the recognition, measurement, and presentation of government grants. This update will be effective at the beginning of fiscal year 2030, although early adoption is permitted. The amendments can be applied on a modified prospective approach, modified retrospective approach, or a full retrospective approach. We are evaluating the impact this update will have on our financial statements.

Interim Reporting

In December 2025, the FASB issued ASU 2025-11, “Interim Reporting (Topic 270): Narrow-Scope Improvements”. This guidance addresses the form and content of interim financial statements, lists interim disclosures required by other codification topics, and establishes a principle for disclosing events since the end of the last annual reporting period that have a material impact. This update will be effective for interim periods beginning in fiscal year 2029, although early adoption is permitted. The ASU can be applied prospectively or retrospectively. We are evaluating the impact this update will have on our disclosures.

Environmental Credits and Environmental Credit Obligations

In May 2026, the FASB issued ASU 2026-02, “Environmental Credits and Environmental Credit Obligations (Topic 818)” which establishes recognition, measurement, presentation, and disclosure requirements for environmental credits and environmental credit obligations. This update will be effective at the beginning of fiscal year 2029, although early adoption is permitted as of the beginning of an annual reporting period. The amendment should be applied on a retrospective basis through a cumulative-effect adjustment to the opening balance of retained earnings as of the beginning of the annual reporting period of adoption. We are evaluating the impact this update will have on our financial statements.

3. VARIABLE INTEREST ENTITIES

We are the primary beneficiary of the NEOM Green Hydrogen Company joint venture ("NGHC"), a variable interest entity ("VIE") that is consolidated in our Middle East and India segment. We are not the primary beneficiary of any other material VIEs.

Our other material VIEs are those in which we hold variable interests but are not the primary beneficiary. We have an equity interest and exercise significant influence in the Jazan Integrated Gasification and Power Company joint venture ("JIGPC"), which we account for as an equity method investment in our Middle East and India segment. We have no equity interest in World Energy, LLC ("World Energy"), but hold a variable interest through a financing receivable that was fully reserved in connection with our exit from the sustainable aviation fuel expansion project during the second quarter of fiscal year 2025.

NGHC Joint Venture

The NEOM Green Hydrogen Project is a multi-billion U.S. Dollar green hydrogen-based ammonia production facility that is being constructed in NEOM City, Saudi Arabia. Owned and operated by NGHC, the facility will be powered by renewable energy to produce green ammonia for Air Products as the exclusive offtaker under a 30-year take-if-tendered agreement. Refer to Note 17, *Commitments and Contingencies*, for information regarding our purchase commitments.

In fiscal year 2026, Air Products entered into a marketing and distribution agreement with Yara International ASA ("Yara") for an initial period of production. Under this agreement, Yara will, on a commission basis, commercialize and distribute renewable ammonia not used by Air Products to produce green hydrogen.

Air Products is an equal owner in NGHC with our joint venture partners, ACWA Power and NEOM Company. While we only hold one-third of the voting interests in the joint venture, substantially all the activities of the joint venture involve or are conducted on behalf of Air Products. Since we have disproportionately few voting rights relative to our economic interests in the joint venture, we determined that NGHC is a VIE. In addition, we determined that we are the primary beneficiary of NGHC since we have the power to unilaterally direct certain significant activities, including key design and construction decisions, and we share power with our joint venture partners related to other activities that are significant to the economic performance of NGHC. Therefore, we consolidate NGHC within the Middle East and India segment.

Pursuant to the project's financing arrangement, the assets of NGHC can only be used to settle obligations of the joint venture, and creditors of NGHC do not have recourse to the general credit of Air Products. A table summarizing balances associated with NGHC as reflected on our consolidated balance sheets is included in the NGHC Balance Sheet section of this note.

Project Financing

In May 2023, NGHC finalized the $6.7 billion engineering, procurement, and construction agreement, naming Air Products as the main contractor and system integrator for the facility. To support the project, NGHC secured project financing that is non-recourse to Air Products of approximately $6.1 billion, which is expected to fund about 69% of the project and is being drawn over the construction period. At the same time, NGHC secured additional credit facilities totaling approximately $500 million, primarily for NGHC's working capital needs. These facilities are also non-recourse to Air Products.

Total principal borrowings were $5.7 billion and $4.9 billion as of 30 September 2026 and 2025, respectively. These balances include short-term borrowings of $70.3 million and $24.0 million, respectively, under a variable-rate Saudi Riyal facility, which carried an interest rate of 5.72% as of 30 September 2026. The remaining borrowings were under long-term facilities and are presented net of unamortized discounts and debt issuance costs within “Long-term debt” and the “Current portion of long-term debt” on our consolidated balance sheets.

The following table summarizes the coupon interest rates, fiscal year maturities, and carrying amounts of NGHC's long-term debt, including the current portion:

30 September *(Millions of U.S. Dollars)*	Fiscal Year Maturities	**2026**	2025
Payable in U.S. Dollars			
U.S. Dollar variable-rate facilities 5.20%[A]	2027 to 2053	**$3,287.9**	$2,911.0
U.S. Dollar variable-rate facility 4.85%[A]	2027 to 2041	**650.0**	630.6
U.S. Dollar stated-rate facility 5.00%	2027 to 2053	**415.7**	368.0
Total Payable in U.S. Dollars		**$4,353.6**	$3,909.6
Payable in other currencies			
Saudi Riyal stated-rate facility 2.00%	2028 to 2041	**1,250.1**	1,000.1
Total principal amount		**$5,603.7**	$4,909.7
Less: Unamortized discount and debt issuance costs		**235.7**	232.1
Long-term debt, including current maturities		**$5,368.0**	$4,677.6
Less: Current portion of long-term debt		**109.1**	—
Total NGHC long-term debt		**$5,258.9**	$4,677.6

[A] Reflects a daily compounded SOFR as of 30 September 2026 plus an annual margin of 1.31% and 0.96%, respectively. These rates do not include the impact of our floating-to-fixed interest rate swaps, which result in an overall lower interest rate for the borrowings.

Interest Rate Swaps

In May 2023, NGHC entered into floating-to-fixed interest rate swaps designed to hedge long-term variable-rate debt facilities available under the project financing during the construction period. In fiscal year 2024, we discontinued cash flow hedge accounting for certain swaps due to changes in the anticipated drawdown timeline for the hedged borrowings. As a result of the de-designation, unrealized gains and losses related to the affected swaps were recorded in "Other non-operating income (expense), net" on our consolidated income statements.

We subsequently re-designated the affected swaps as cash flow hedges when the outstanding borrowings under the available project financing became commensurate with the swaps' notional values. As of 1 January 2026, all affected swaps had been re-designated as cash flow hedges. The unrealized gain on swaps that remained de-designated during the first quarter of fiscal year 2026 was not material. The amounts recognized within "Other non-operating income (expense), net" in fiscal years 2025 and 2024 are summarized in the following table:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2025	2024
Gain (loss) on de-designation of cash flow hedges	$27.0	($16.3)
Amount attributable to noncontrolling partners in NGHC	17.6	(10.6)
Amount attributable to Air Products after tax	7.2	(4.3)

NGHC Balance Sheet

The following table summarizes balances associated with NGHC as reflected on our consolidated balance sheets:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Assets		
Cash and cash items	**$84.8**	$40.3
Trade receivables, net	**—**	1.1
Prepaid expenses	**7.8**	20.7
Other receivables and current assets	**124.3**	107.2
Total Current Assets	**$216.9**	$169.3
Plant and equipment, net	**7,729.9**	6,593.9
Operating lease right-of-use assets, net	**207.0**	218.0
Other noncurrent assets	**423.2**	153.5
Total Noncurrent Assets	**$8,360.1**	$6,965.4
Total Assets	**$8,577.0**	$7,134.7
Liabilities		
Payables and accrued liabilities	**$107.9**	$201.7
Accrued income taxes	**1.2**	1.2
Short-term borrowings	**70.3**	24.0
Current portion of long-term debt	**109.1**	—
Total Current Liabilities	**$288.5**	$226.9
Long-term debt	**5,258.9**	4,677.6
Noncurrent operating lease liabilities	**18.4**	17.8
Other noncurrent liabilities	**27.3**	1.6
Deferred income taxes	**35.8**	13.8
Total Noncurrent Liabilities	**$5,340.4**	$4,710.8
Total Liabilities	**$5,628.9**	$4,937.7
Equity		
Accumulated other comprehensive income	**$110.1**	$38.3
Noncontrolling interests	**2,004.0**	1,493.6

JIGPC Joint Venture

JIGPC is a joint venture with Saudi Aramco Power Company (a subsidiary of Aramco), ACWA Power, and Air Products Qudra ("APQ"). JIGPC entered into project financing to purchase power blocks, gasifiers, air separation units, syngas cleanup assets, and utilities to supply electricity, steam, hydrogen, and utilities to Aramco's refinery and terminal complex under a 25-year agreement, which commenced in the first quarter of fiscal year 2022. JIGPC recorded financing receivables upon acquisition of the assets and recognizes financing income over the supply term.

We determined JIGPC is a VIE for which we exercise significant influence but are not the primary beneficiary as we do not have the power to direct the activities that are most significant to its economic performance. Instead, these activities, including plant dispatch, operating and maintenance decisions, budgeting, capital expenditures, and financing, require unanimous approval of the owners or are controlled by the customer. Accordingly, we account for our 55% investment, which includes 4% that is attributable to the noncontrolling partner of APQ, under the equity method within the Middle East and India segment.

Our loss exposure is limited to our investment in the joint venture. The carrying value of our investment, including amounts attributable to noncontrolling interests, totaled approximately $3.2 billion and $3.1 billion as of 30 September 2026 and 2025, respectively. Our investment in JIGPC primarily consists of shareholder loans that qualify as in-substance common stock in the joint venture. Certain shareholders receive a preferred cash distribution pursuant to the joint venture agreement, which specifies each shareholder's share of income after considering the amount of cash available for distribution. As such, the earnings attributable to Air Products may not be proportionate to our ownership interest in the venture.

World Energy

In November 2023, we purchased a sustainable aviation fuel ("SAF") facility in Paramount, California, from World Energy and accounted for the transaction as a financing arrangement because the agreement contained an embedded sales-type lease. Additionally, we entered into a Master Project Agreement ("MPA") that included terms for operation of the acquired facility and the construction and operation of an SAF expansion project at the same location.

In February 2025, we terminated the MPA and announced our decision to exit the SAF expansion project.

Cumulative project exit charges recorded in connection with this decision totaled approximately $1.9 billion, including approximately $1.6 billion to write down project assets and $300 million to establish an allowance for credit loss equal to the value of the financing receivable. The majority of these charges were recognized in the second quarter of fiscal year 2025. Additional information regarding project exit charges is provided in Note 4, *Business and Asset Actions*.

The fully reserved financing receivable represents our variable interest in World Energy, which we determined is a VIE. We are not the primary beneficiary because we do not control the key operating decisions that most significantly impact its economic performance. We have no further loss exposure associated with this variable interest; however, additional impacts to earnings may occur as we finalize our exit from the project.

4. BUSINESS AND ASSET ACTIONS

The following table summarizes charges for business and asset actions within our consolidated income statements. These charges were not recorded in segment results.

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Project exit decisions	**$3,151.9**	$3,623.3	$—
Global cost reduction plan	**—**	123.7	57.0
Charges recorded to operating income/loss	**$3,151.9**	$3,747.0	$57.0
Project exit-related non-operating charges[A]	**8.3**	6.8	—
Charges recorded to income/loss from continuing operations before taxes	**$3,160.2**	$3,753.8	$57.0
Income tax benefit	**680.3**	695.2	13.2
Amount attributable to noncontrolling interests	**40.3**	10.7	—
Charges attributable to Air Products, after-tax	**$2,439.6**	$3,047.9	$43.8

[A] Non-operating expenses in fiscal year 2026 were primarily recorded through "Other non-operating income (expense), net" for losses on cross-currency interest rate swaps terminated in connection with the early repayment of intercompany loans for a coal gasification plant in China. Non-operating expenses in fiscal year 2025 were recorded through "Equity affiliates' income" and reflected an other-than-temporary impairment of a joint venture in China that had been formed to develop clean hydrogen infrastructure.

Project Exit Decisions

The Company approved actions in fiscal years 2025 and 2026 to exit certain projects in order to focus resources on projects we believe will deliver the greatest value to our shareholders. The following table summarizes cumulative charges associated with our project exit decisions by major type of cost through 30 September 2026, categorized based on the fiscal year in which the underlying decisions were made. These decisions did not result in the impairment of goodwill or intangible assets.

(Millions of U.S. Dollars)	FY2026 Project Exit Decisions	FY2025 Project Exit Decisions[A]	Total Project Exit Decisions
Asset write-downs (primarily plant and equipment)	$2,234.5	$3,542.9	$5,777.4
Other exit costs[B]	662.4	350.5	1,012.9
Cumulative charges through 30 September 2026	$2,896.9	$3,893.4	$6,790.3

[A] Charges related to FY2025 Project Exit Decisions include $3,630.1 million recorded in fiscal year 2025 and $263.3 million recorded in fiscal year 2026. The charges recorded in fiscal year 2026 were primarily recorded during the fourth quarter and related to updated estimates associated with two coal gasification plants in China.

[B] Primarily reflects estimated costs to terminate contractual commitments and settle asset retirement obligations.

FY2026 Project Exit Decisions

In June 2026, the Company made the decision to cancel a clean energy complex under construction in Louisiana within the Americas segment that had been designed to produce low-carbon hydrogen and ammonia. The decision was based on the determination that the expected financial returns from the project would not meet the Company's return criteria. In addition, the Company approved the exit of a green hydrogen production facility under construction in Casa Grande, Arizona, within the Americas segment, as well as certain other smaller-scale projects supporting clean energy distribution. These decisions reflected challenging commercial conditions, project-specific economic factors, and slower-than-expected development in certain end markets.

Certain plant and equipment associated with these project exits is not in use and does not meet the criteria for classification as held for sale. Refer to Note 14, *Fair Value Measurements,* for additional information, including the methodology for determining fair value.

FY2025 Project Exit Decisions

In February 2025, the Company approved the exit of certain projects, primarily involving clean-energy generation and distribution initiatives. These actions included three U.S.-based projects within the Americas segment, several smaller-scale projects across the global portfolio, and two coal gasification plants in China.

Due to customer-related challenges, we committed to a plan to market the coal gasification plants in China for sale. The related disposal groups were classified as held for sale and measured at the lower of carrying amount or fair value less costs to sell, resulting in an initial noncash impairment charge of approximately $425 million in fiscal year 2025, primarily related to plant and equipment. As of 30 September 2025, assets held for sale associated with these disposal groups totaled $427.7 million and primarily included plant and equipment reported within the Asia segment. Related liabilities held for sale were $50.5 million.

During the fourth quarter of fiscal year 2026, we recorded additional noncash impairment charges of $231.2 million, primarily related to plant and equipment, to update our estimates of fair value less costs to sell based on information obtained through the marketing process for each disposal group. For one disposal group, we fully impaired the remaining assets due to limited buyer interest. Any potential recovery related to this disposal group will be recognized in the period in which the applicable recognition criteria are met. For the other disposal group, the carrying amount was updated to reflect the terms of a sales agreement entered into on 1 October 2026. As of 30 September 2026, assets and liabilities held for sale related to this disposal group totaled $272.8 million and $25.2 million, respectively. The assets held for sale primarily consisted of plant and equipment. Refer to Note 14, *Fair Value Measurements,* for additional information regarding the measurement of these assets.

In October 2026, we completed the sale of the disposal group subject to the sales agreement for total consideration of approximately $275 million.

The table below provides a reconciliation of the Company's accrued liability associated with project exit decisions included within "Payables and Accrued Liabilities" on the consolidated balance sheets:

(Millions of U.S. Dollars)	FY2026 Project Exit Decisions	FY2025 Project Exit Decisions	Total Project Exit Decisions
Liability as of 30 September 2024	$—	$—	$—
Estimated project exit costs accrued	—	340.6	340.6
Cash payments	—	(174.4)	(174.4)
Currency translation adjustment	—	12.1	12.1
Liability as of 30 September 2025	$—	$178.3	$178.3
Estimated project exit costs accrued	662.4	—	662.4
Changes in estimates	—	(13.3)	(13.3)
Cash payments	(68.3)	(90.7)	(159.0)
Currency translation adjustment	—	1.1	1.1
Liability as of 30 September 2026	$594.1	$75.4	$669.5

Estimates related to project exit decisions reflect management's best judgment based on information available when the charges were recorded. Actual results may differ from current estimates due to the resolution of contractual matters, the commercialization, redeployment, or disposition of assets, and other events that could materially impact future-period results. Certain activities associated with project exit decisions remain ongoing, including efforts to maximize the redeployment of assets to existing or future projects or the sale of assets to third parties, and to reduce exposure under existing contractual arrangements.

Global Cost Reduction Plan

In June 2023, we initiated a global cost reduction plan that provides severance and other postemployment benefits to employees designated for involuntary separation. In accordance with our accounting policy, we recognize related costs in the period management formally commits to a defined set of actions under the plan. Benefits are determined based on the terms of our established ongoing benefit arrangements. Since the plan was initiated, we have incurred cumulative costs totaling $207.7 million for over 3,600 employees globally.

The table below provides a reconciliation of the beginning and ending liability balances associated with our global cost reduction plan, which are reflected within "Payables and Accrued Liabilities" on our consolidated balance sheets:

(Millions of U.S. Dollars)	
Liability as of 30 September 2023	$19.8
Estimated separation costs accrued	57.0
Cash payments	(43.6)
Currency translation adjustment	0.8
Liability as of 30 September 2024	$34.0
Estimated separation costs accrued	123.7
Cash payments	(57.5)
Currency translation adjustment	1.4
Liability as of 30 September 2025	$101.6
Cash payments	(63.3)
Currency translation adjustment	(0.6)
Liability as of 30 September 2026	**$37.7**

The remaining liability as of 30 September 2026 primarily relates to employees identified for separation whose terminations have not yet been completed. The timing and settlement of these obligations vary based on operational considerations and applicable legal requirements in the relevant jurisdictions; however, we expect the remaining liability to be substantially settled within the next twelve months.

5. REVENUE RECOGNITION

Nature of Goods and Services

The principal activities from which we generate revenue under our contracts with customers are described below, along with the related revenue recognition policies. For a comprehensive overview of these policies, including payment terms and presentation, refer to Note 1, *Basis of Presentation and Major Accounting Policies*.

Regional Industrial Gases

Our industrial gases business, which is organized and operated regionally in the Americas, Asia, Europe, and Middle East and India segments, produces and sells atmospheric gases such as oxygen, nitrogen, and argon (primarily recovered by the cryogenic distillation of air); process gases such as hydrogen, helium, carbon dioxide, carbon monoxide, and syngas (a mixture of hydrogen and carbon monoxide); and specialty gases. The majority of our revenue is generated from our sale of gas customers within these regional industrial gases segments.

We distribute product to our industrial gas customers through either our on-site or merchant supply mode depending on various factors, including the customer's volume requirements and location. Each sale of gas supply mode is described below:

On-site Gases—This supply mode serves customers who require large volumes of gases and have relatively constant demand. Gases are produced and supplied through large facilities constructed or acquired on or near customer facilities, or by pipeline systems from centralized production locations. These sale of gas arrangements are generally governed by long-term contracts ranging from 15- to 20-years. We also deliver smaller quantities of product through small on-site plants (cryogenic or non-cryogenic generators), generally under 10- to 15-year contracts. Contracts in this supply mode commonly include fixed monthly charges and/or minimum purchase requirements with price escalation provisions that are typically based on external indices. Revenue associated with this supply mode is generally recognized over time during the period in which we deliver or make available the agreed upon quantity of goods.

Merchant Gases—This supply mode includes liquid bulk and packaged gas products. Liquid bulk gases are delivered in either liquid or gaseous form via tanker or tube trailer and stored, usually in its liquid state, in equipment that we typically design and install at the customer's site for vaporizing into a gaseous state as needed. Packaged gases customers receive small quantities of product delivered in either cylinders or dewars. Sales of both liquid bulk and packaged gases do not include minimum purchase requirements, as they are governed by contracts and/or purchase orders that reflect the customer's specific needs. These contracts contain stated terms that are generally five years or less. Performance obligations associated with this supply mode are satisfied at a point in time when the customer receives and obtains control of the product, which generally occurs upon delivery.

The timing of revenue recognition for our regional industrial gases business is generally consistent with our right to invoice the customer. Variable components of consideration that may not be resolved within the month, such as the ability to earn an annual bonus or incur a penalty, are more relevant to on-site contracts and are considered constrained as they can be impacted by a single significant event such as a plant outage, which could occur at the end of a contract period. We consider contract modifications on an individual basis to determine appropriate accounting treatment. However, contract modifications are generally accounted for prospectively as they relate to distinct goods or services associated with future periods of performance.

We mitigate energy and natural gas price risk contractually through pricing formulas, surcharges, and cost pass-through arrangements.

Equipment

We design and manufacture equipment for air separation, hydrocarbon recovery and purification, and liquid helium and liquid hydrogen transport and storage. The Corporate and other segment includes activity related to the sale of cryogenic and gas processing equipment for air separation. The Corporate and other segment also includes the results of our Rotoflow business, which manufactures turboexpanders and other precision rotating equipment, and our Gardner Cryogenics business, which fabricates helium and hydrogen transport and storage containers.

Our sale of equipment contracts are generally comprised of a single performance obligation as the individual promised goods or services contained within the contracts are integrated with or dependent upon other goods or services in the contract for a single output to the customer. Revenue from our sale of equipment contracts is generally recognized over time as we have an enforceable right to payment for performance completed to date and our performance under the contract terms does not create an asset with alternative use. Otherwise, sale of equipment contracts are satisfied at the point in time the customer obtains control of the equipment, which is generally determined based on the shipping terms of the contract. For contracts recognized over time, we primarily recognize revenue using a cost incurred input method by which costs incurred to date relative to total estimated costs at completion are used to measure progress toward satisfying performance obligations. Costs incurred include those for materials, labor, and overhead and represent work contributing and proportionate to the transfer of control to the customer.

Since our contracts are generally comprised of a single performance obligation, contract modifications are typically accounted for as part of the existing contract and are recognized as a cumulative adjustment for the inception-to-date effect of such change. In addition, changes in estimates on sale of equipment projects accounted for under the cost incurred input method are recognized as a cumulative adjustment for the inception-to-date effect of such changes. Changes to project revenue and cost estimates unfavorably impacted operating results by approximately $90 million in fiscal year 2026, $85 million in fiscal year 2025, and $175 million in fiscal year 2024.

Disaggregation of Revenue

The tables below present our consolidated sales disaggregated by supply mode for each of our reportable segments. We believe this presentation best depicts the nature, timing, type of customer, and contract terms for our sales.

	Americas	Asia	Europe	Middle East and India	Corporate and other	Total	%
2026							
On-site	$3,491.3	$2,349.8	$1,129.9	$62.0	$—	$7,033.0	54%
Merchant	2,190.4	1,108.9	2,112.3	67.1	—	5,478.7	42%
Sale of equipment	—	—	—	—	479.2	479.2	4%
Total	**$5,681.7**	**$3,458.7**	**$3,242.2**	**$129.1**	**$479.2**	**$12,990.9**	**100%**
2025							
On-site	$2,918.2	$2,190.9	$992.7	$78.6	$—	$6,180.4	52%
Merchant	2,207.7	1,080.1	1,991.8	57.3	—	5,336.9	44%
Sale of equipment	—	—	—	—	520.0	520.0	4%
Total	**$5,125.9**	**$3,271.0**	**$2,984.5**	**$135.9**	**$520.0**	**$12,037.3**	**100%**
2024							
On-site	$2,844.4	$2,066.4	$910.5	$71.4	$—	$5,892.7	49%
Merchant	2,195.7	1,157.9	1,912.9	63.0	—	5,329.5	44%
Sale of equipment[(A)]	—	—	—	—	878.4	878.4	7%
Total	**$5,040.1**	**$3,224.3**	**$2,823.4**	**$134.4**	**$878.4**	**$12,100.6**	**100%**

[(A)] Through the end of fiscal year 2024, our Corporate and other segment included the liquefied natural gas ("LNG") process technology and equipment business, which was sold to Honeywell International Inc. on 30 September 2024. Refer to Note 6, *Gain on Sale of Business*, for additional information regarding the sale.

Interest income associated with financing and lease arrangements accounted for approximately 1% of our total consolidated sales in fiscal years 2026, 2025, and 2024.

Remaining Performance Obligations

As of 30 September 2026, the transaction price allocated to remaining performance obligations is estimated to be approximately $28 billion. This amount includes fixed-charge contract provisions associated with our on-site and sale of equipment supply modes. We estimate that approximately half of this revenue will be recognized over the next five years and the balance thereafter.

Our remaining performance obligations do not include (1) expected revenue associated with new on-site plants that are not yet on-stream; (2) consideration associated with contracts that have an expected duration of less than one year; and (3) variable consideration for which we recognize revenue at the amount to which we have the right to invoice, including energy cost pass-through to customers.

In the future, actual amounts will differ due to events outside of our control, including, but not limited to, inflationary price escalations; currency exchange rates; and amended, terminated, or renewed contracts.

Contract Balances

The table below details balances arising from contracts with customers:

30 September *(Millions of U.S. Dollars)*	Balance Sheet Location	**2026**	2025
Assets			
Contract assets – current	Other receivables and current assets	**$43.3**	$152.6
Contract fulfillment costs – current	Other receivables and current assets	**66.2**	85.4
Contract assets – noncurrent	Other noncurrent assets	**104.9**	82.3
Contract fulfillment costs – noncurrent	Other noncurrent assets	**40.7**	33.8
Liabilities			
Contract liabilities – current	Payables and accrued liabilities	**$272.4**	$253.4
Contract liabilities – noncurrent	Other noncurrent liabilities	**259.6**	283.6

Contract assets and liabilities result from differences in timing of revenue recognition and customer invoicing. These balances are reported on the consolidated balance sheets on a contract-by-contract basis at the end of each reporting period. Current contract balances primarily relate to sale of equipment contracts, while noncurrent balances primarily relate to long-term on-site customer agreements.

Contract assets represent unbilled revenue, which occurs when revenue recognized under the measure of progress exceeds the amount invoiced to our customers. Our ability to invoice the customer for contract asset balances is not only based on the passage of time, but also the achievement of certain contractual milestones.

We defer contract fulfillment costs for sale of equipment projects that cannot be inventoried due to their custom nature and alignment with specific customer specifications. These costs are expected to be recovered when revenue is recognized, which generally occurs upon transfer of control at project completion. We also defer contract fulfillment costs incurred to enhance on-site supply assets, which are expected to be recovered as performance obligations are satisfied under the corresponding customer agreement.

Costs to obtain a contract, or "contract acquisition costs," are capitalized at the time we establish a contract with the customer. We elected to apply the practical expedient to expense these costs as they are incurred if the amortization period of the asset that would have otherwise been recognized is one year or less. Our contract acquisition costs capitalized as of 30 September 2026 and 2025 were not material.

Contract liabilities include advanced payments or right to consideration prior to performance under the contract and are recognized as revenue when or as we perform. Increases to our contract liabilities primarily relate to new sale of equipment projects as balances associated with our sale of gas contracts are generally related to fixed charges and are relatively consistent period over period. During the fiscal year ended 30 September 2026, we recognized sales of approximately $140 million associated with sale of equipment contracts that were included within our current contract liabilities balance as of 30 September 2025. Advanced payments from our customers do not represent a significant financing component as these payments are intended for purposes other than financing, such as to meet working capital demands or to protect us from our customer failing to meet its obligations under the terms of the contract.

6. GAIN ON SALE OF BUSINESS

Fiscal Year 2025 Sale of Singapore Business

In April 2025, we completed the sale of our 100% ownership interest in a consolidated subsidiary located in Singapore that primarily supplied merchant gases within our Asia segment. Cash proceeds of $104.3 million were received in full upon closing. The transaction resulted in a pre-tax gain of $67.3 million ($51.9 million after tax) that was presented as “Gain on sale of business” on our consolidated income statement for fiscal year 2025. The gain was not recorded in the results of the Asia segment.

Fiscal Year 2024 Sale of LNG Business

On 30 September 2024, we completed the sale of our liquefied natural gas ("LNG") process technology and equipment business to Honeywell International Inc. for approximately $1.8 billion in an all-cash transaction. As a result of the transaction, we recorded a pre-tax gain of approximately $1.6 billion ($1.2 billion after tax) during the fourth quarter of fiscal year 2024 that was presented within "Gain on sale of business" on our consolidated income statements. This gain was not recorded in the results of the Corporate and other segment.

7. INVENTORIES

The components of inventories are as follows:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Finished goods	**$199.4**	$191.9
Work in process	**61.5**	42.4
Raw materials, supplies, and other	**480.3**	542.2
Inventories	**$741.2**	$776.5

8. EQUITY AFFILIATES

Our investment in net assets of and advances to equity affiliates on our consolidated balance sheets was approximately $5.7 billion and $5.4 billion as of 30 September 2026 and 2025, respectively.

As of 30 September 2026, all of our equity method investments were foreign affiliates. These investments primarily consist of ventures with other industrial gas companies. Our principal equity method investments were as follows:

Equity Affiliates	**Ownership**
Abdullah Hashim Industrial Gases & Equipment Co., Ltd.	25%
Air Products South Africa (Proprietary) Limited	50%
Bangkok Cogeneration Company Limited	49%
Bangkok Industrial Gases Co., Ltd.	49%
Blue Hydrogen Industrial Gases Company	26%
Chengdu Air & Gas Products Ltd.	50%
Helios S.p.A.	49%
INFRA Group	40%
INOX Air Products Limited	50%
Jazan Integrated Gasification and Power Company ("JIGPC")[A]	51%
Kulim Industrial Gases Sdn. Bhd.	50%
Sapio Produzione Idrogeno Ossigeno S.r.l.	49%

[A] We hold a 55% ownership interest in the JIGPC joint venture, of which a 4% interest is attributable to the noncontrolling partner of APQ. We determined that JIGPC is a VIE in which we have an equity interest and exercise significant influence but for which we are not the primary beneficiary. Refer to Note 3, *Variable Interest Entities*, for additional information.

Dividends and other distributions received from equity affiliates were $552.4 million, $385.5 million, and $441.7 million in fiscal years 2026, 2025, and 2024, respectively.

As of 30 September 2026 and 2025, our equity method investments included equity method goodwill of $35.1 million and $34.5 million, respectively.

Summarized Financial Information

The summarized financial information presented below reflects the combined financial statements of our equity affiliates on a 100% basis.

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Current assets	**$4,291.4**	$3,968.5
Noncurrent assets	**17,182.3**	16,490.1
Current liabilities	**2,205.4**	1,441.4
Noncurrent liabilities	**11,505.0**	12,626.3

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Net sales[(A)]	**$5,831.4**	$5,831.7	$5,666.4
Gross profit	**3,303.8**	2,849.0	2,722.0
Operating income	**2,499.3**	2,206.6	2,149.3
Net income	**1,504.0**	1,263.6	1,209.5

[(A)] Includes financing revenue of $1,152.8 million, $1,137.3 million, and $1,128.6 million in fiscal years 2026, 2025, and 2024, respectively. Financing revenue primarily relates to the JIGPC joint venture.

Project Exit-Related Impairments of Equity Method Investments

In connection with certain project exit decisions, we recorded impairment charges related to equity method investments of $2.0 million and $6.8 million in fiscal years 2026 and 2025, respectively. Additional information regarding our business and asset actions is provided in Note 4, *Business and Asset Actions*. In fiscal year 2026, there were no other events or changes in circumstances that indicated an other-than-temporary loss in value of our equity method investments.

9. PLANT AND EQUIPMENT, NET

The major classes of plant and equipment are as follows:

30 September *(Millions of U.S. Dollars)*	Useful life	**2026**	2025
Land		**$417.9**	$343.0
Buildings	30 years	**1,784.6**	1,766.1
Production facilities[A]	10-20 years	**22,149.9**	21,412.9
Distribution and other machinery and equipment[B]	5-25 years	**5,841.6**	5,776.0
Construction in progress		**13,401.0**	13,456.8
Plant and equipment, at cost		**$43,595.0**	$42,754.8
Less: Accumulated depreciation		**18,286.6**	17,417.0
Plant and equipment, net		**$25,308.4**	$25,337.8

[A] Depreciable lives of production facilities related to long-term customer supply contracts are generally matched to the contract lives.

[B] The depreciable lives for various types of distribution equipment are: 10 to 25 years for cylinders, depending on the nature and properties of the product; 20 years for tanks; generally 7.5 years for customer stations; and 5 to 15 years for tractors and trailers.

Depreciation expense was $1,490.2 million, $1,526.9 million, and $1,419.6 million in fiscal years 2026, 2025, and 2024, respectively.

10. GOODWILL

Changes to the carrying amount of consolidated goodwill by segment are as follows:

(Millions of U.S. Dollars)	Americas	Asia	Europe	Middle East and India	Corporate and other	Total
Goodwill, net as of 30 September 2024	$146.3	$174.7	$534.3	$15.8	$34.0	$905.1
Acquisition	—	—	31.3	—	—	31.3
Currency translation and other	(2.8)	(2.2)	32.3	—	0.2	27.5
Goodwill, net as of 30 September 2025	$143.5	$172.5	$597.9	$15.8	$34.2	$963.9
Currency translation and other	(0.5)	2.1	(17.0)	—	0.1	(15.3)
Goodwill, net as of 30 September 2026	**$143.0**	**$174.6**	**$580.9**	**$15.8**	**$34.3**	**$948.6**

30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Goodwill, gross	**$1,220.0**	$1,238.6	$1,199.8
Accumulated impairment losses[(A)]	**(271.4)**	(274.7)	(294.7)
Goodwill, net	**$948.6**	$963.9	$905.1

[(A)] Accumulated impairment losses are attributable to our Latin America reporting unit ("LASA") within the Americas segment and include the impact of currency translation.

We review goodwill for impairment annually in the fourth quarter of the fiscal year and whenever events or changes in circumstances indicate that the carrying value of goodwill might not be recoverable. The impairment test for goodwill involves an optional assessment of qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If qualitative factors alone are not sufficient to support this conclusion, we perform quantitative testing that involves calculating the fair value of each reporting unit. If the fair value of the reporting unit is less than its carrying value, the difference is recorded as a goodwill impairment charge, not to exceed the total amount of goodwill allocated to that reporting unit.

During the fourth quarter of fiscal year 2026, we conducted our annual goodwill impairment test and concluded that it was more likely than not that the fair value of each reporting unit was greater than its carrying value.

11. INTANGIBLE ASSETS

The table below summarizes the major classes of our intangible assets:

	2026			2025		
30 September *(Millions of U.S Dollars)*	**Gross**	**Accumulated Amortization/ Impairment**	**Net**	Gross	Accumulated Amortization/ Impairment	Net
Finite-lived:						
Customer relationships	**$517.8**	**($332.5)**	**$185.3**	$532.3	($318.5)	$213.8
Patents and technology	**24.7**	**(16.6)**	**8.1**	31.1	(21.0)	10.1
Other	**63.8**	**(30.9)**	**32.9**	64.4	(29.9)	34.5
Total finite-lived intangible assets	**$606.3**	**($380.0)**	**$226.3**	$627.8	($369.4)	$258.4
Indefinite-lived:						
Trade names and trademarks	**46.1**	**(9.7)**	**36.4**	44.6	(9.5)	35.1
Total intangible assets	**$652.4**	**($389.7)**	**$262.7**	$672.4	($378.9)	$293.5

Amortization expense for intangible assets was $31.7 million, $37.3 million, and $31.5 million in fiscal years 2026, 2025, and 2024, respectively. For details on the amortization periods applicable to each major class of intangible assets, refer to Note 1, *Basis of Presentation and Major Accounting Policies*.

The table below details the amount of amortization expense expected to be recorded for our finite-lived intangible assets in each of the next five years and thereafter:

(Millions of U.S. Dollars)	
2027	$30.8
2028	26.4
2029	22.9
2030	22.5
2031	20.6
Thereafter	103.1
Total	$226.3

Indefinite-lived intangible assets are subject to impairment testing at least annually or more frequently if events or changes in circumstances indicate that potential impairment exists. The impairment test for indefinite-lived intangible assets involves an optional assessment of qualitative factors to determine whether it is more likely than not that the fair value of the asset is less than its carrying value. If qualitative factors alone are not sufficient to support this conclusion, we perform quantitative testing that involves calculating the fair value of the indefinite-lived intangible asset. If the fair value of the asset is less than its carrying value, the difference is recorded as an impairment loss, not to exceed the total carrying value of the asset. During the fourth quarter of fiscal year 2026, we conducted our annual impairment test and concluded that it was more likely than not that the fair value of each indefinite-lived intangible asset was greater than its carrying value.

12. LEASES

Lessee Accounting

We are the lessee under various agreements for real estate, vehicles, and other equipment that are accounted for as operating leases. Our finance leases principally relate to the right to use machinery and equipment and are not material.

Amounts associated with operating leases and their presentation on our consolidated balance sheets are as follows:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Operating lease right-of-use assets, net	**$739.6**	$944.0
Operating lease liabilities		
Payables and accrued liabilities	**65.1**	91.8
Noncurrent operating lease liabilities	**451.3**	616.0
Total operating lease liabilities	**$516.4**	$707.8

30 September	**2026**	2025
Weighted-average remaining lease term in years[A]	**19.0**	20.7
Weighted-average discount rate[B]	**3.8%**	2.9%

[A] Calculated on the basis of the remaining lease term and the lease liability balance for each lease as of the reporting date.

[B] Calculated on the basis of the discount rate used to calculate the lease liability for each lease and the remaining balance of the lease payments for each lease as of the reporting date.

The following maturity analysis of our operating lease liabilities as of 30 September 2026 presents the undiscounted cash flows for each of the next five years and thereafter with a reconciliation to the lease liability recognized on our balance sheet:

(Millions of U.S. Dollars)	Operating Leases
2027	$82.1
2028	63.9
2029	51.3
2030	45.7
2031	41.0
Thereafter	492.5
Total undiscounted lease payments	776.5
Imputed interest	(260.1)
Present value of lease liability recognized on balance sheet	**$516.4**

Operating lease expense was $111.1 million, $124.0 million, and $122.4 million for fiscal years 2026, 2025, and 2024, respectively. These amounts do not include short-term and variable lease expenses, which were not material. The impacts associated with our operating leases on the consolidated statements of cash flows are reflected within "Other adjustments" within operating activities. This includes the noncash operating lease expense as well as a use of cash of $116.1 million, $125.2 million, and $154.6 million for payments on amounts included in the measurement of the lease liability for fiscal years 2026, 2025, and 2024, respectively.

We recorded noncash right-of-use asset adjustments of approximately $31 million, $65 million, and $159 million in fiscal years 2026, 2025, and 2024, respectively.

Lessor Accounting

Certain contracts associated with facilities that are built to provide product to a specific customer have been accounted for as containing embedded leases. Refer to Note 1, *Basis of Presentation and Major Accounting Policies*, for a description of our accounting policy for arrangements in which we are the lessor.

"Lease receivables, net" relate to sales-type leases on certain on-site assets for which payments are collected over the contract term. The table below details balances associated with our lease receivables:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Current lease receivables, net[(A)]	**$49.0**	$49.4
Noncurrent lease receivables, net	**270.8**	307.1
Total lease receivables, net	**$319.8**	$356.5

[(A)] Presented within "Other receivables and current assets" on our consolidated balance sheets.

The majority of our leases are of high credit quality and were originated prior to fiscal year 2017. As of 30 September 2026 and 2025, the credit quality of lease receivables did not require a material allowance for credit losses.

The table below summarizes lease payments collected in fiscal years 2026, 2025, and 2024:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Payments that reduced the lease receivable balance	**$50.1**	$56.2	$122.1
Payments recognized as interest income	**29.4**	32.6	42.6
Total lease payments collected	**$79.5**	$88.8	$164.7

As of 30 September 2026, minimum lease payments expected to be collected were as follows:

(Millions of U.S. Dollars)	
2027	$75.0
2028	71.9
2029	68.9
2030	66.4
2031	35.3
Thereafter	110.8
Total	428.3
Unearned interest income	(108.5)
Lease receivables, net	**$319.8**

Our contracts generally do not have the option to extend or terminate the lease or provide the customer the right to purchase the asset at the end of the contract term. Instead, renewal of such contracts requires negotiation of mutually agreed terms by both parties. Unless the customer terminates within the required notice period, the contract will go into evergreen. Given the long-term duration of our contracts, there is no assumed residual value for the assets at the end of the lease term.

13. FINANCIAL INSTRUMENTS

Currency Price Risk Management

Our earnings, cash flows, and financial position are exposed to foreign currency risk from foreign currency-denominated transactions and net investments in foreign operations. It is our policy to seek to minimize our cash flow volatility from changes in currency exchange rates. This is accomplished by identifying and evaluating the risk that our cash flows will change in value due to changes in exchange rates and by executing strategies necessary to manage such exposures. Our objective is to maintain economically balanced currency risk management strategies that provide adequate downside protection.

Forward Exchange Contracts

We enter into forward exchange contracts to reduce the cash flow exposure to foreign currency fluctuations associated with highly anticipated cash flows and certain firm commitments, such as the purchase of plant and equipment. We also enter into forward exchange contracts to hedge the cash flow exposure on intercompany loans and third-party debt. This portfolio of forward exchange contracts consists primarily of the U.S. Dollar and each of the Chinese Renminbi, Canadian Dollar, and South Korean Won. The maximum remaining term of any forward exchange contract currently outstanding and designated as a cash flow hedge at 30 September 2026 is 2.6 years.

Forward exchange contracts are also used to hedge the value of investments in certain foreign subsidiaries and affiliates by creating a liability in a currency in which we have a net equity position. The primary currency pair in this portfolio of forward exchange contracts was the U.S. Dollar and Chilean Peso at 30 September 2025.

We also utilize forward exchange contracts that are not designated as hedges. These contracts are used to economically hedge foreign currency-denominated monetary assets and liabilities, primarily working capital. The primary objective of these forward exchange contracts is to protect the value of foreign currency-denominated monetary assets and liabilities from the effects of volatility in foreign exchange rates that might occur prior to their receipt or settlement. This portfolio of forward exchange contracts consists of multiple foreign currency pairs, with a profile that changes from time to time depending on our business activity and sourcing decisions.

The table below summarizes our outstanding currency price risk management instruments:

	2026		2025	
30 September *(Millions of U.S. Dollars)*	**US$ Notional**	**Years Average Maturity**	US$ Notional	Years Average Maturity
Forward Exchange Contracts				
Cash flow hedges	**$4,932.8**	**0.5**	$3,625.5	0.6
Net investment hedges	**—**	**0.0**	73.9	0.8
Not designated	**1,745.4**	**1.2**	2,968.6	1.2
Total Forward Exchange Contracts	**$6,678.2**	**0.7**	$6,668.0	0.9

The increase in the notional value of cash flow hedges is primarily due to the origination of forward exchange contracts designated as cash flow hedges of intercompany loans. The decrease in the notional value of forward exchange contracts that are not designated is primarily due to maturities.

We also use foreign currency-denominated debt to hedge the foreign currency exposures of our net investment in certain foreign subsidiaries. The designated foreign currency-denominated debt and related accrued interest was €3,104.2 million ($3,517.4 million) at 30 September 2026 and €3,188.1 million ($3,741.5 million) at 30 September 2025. The designated foreign currency-denominated debt is presented within "Long-term debt" on our consolidated balance sheets.

Debt Portfolio Management

It is our policy to identify, on a continuing basis, the need for debt capital and to evaluate the financial risks inherent in funding the Company with debt capital. Reflecting the result of this ongoing review, we manage our debt portfolio and hedging program with the intent to (1) reduce funding risk with respect to borrowings made by us to preserve our access to debt capital and provide debt capital as required for funding and liquidity purposes, and (2) manage the aggregate interest rate risk and the debt portfolio in accordance with certain debt management parameters.

Interest Rate Management Contracts

We enter into interest rate swaps to change the fixed/variable interest rate mix of our debt portfolio in order to maintain the percentage of fixed- and variable-rate debt within the parameters set by management. In accordance with these parameters, the agreements are used to manage interest rate risks and costs inherent in our debt portfolio. Our interest rate management portfolio generally consists of fixed-to-floating interest rate swaps (which are designated as fair value hedges), pre-issuance interest rate swaps and treasury locks (which hedge the interest rate risk associated with anticipated fixed-rate debt issuances and are designated as cash flow hedges), and floating-to-fixed interest rate swaps (which are designated as cash flow hedges). As of 30 September 2026, the outstanding interest rate swaps were denominated in U.S. Dollars. The notional amount of the interest rate swap agreements is equal to or less than the designated debt being hedged. When interest rate swaps are used to hedge variable-rate debt, the indices of the swaps and the debt to which they are designated are the same. It is our policy not to enter into any interest rate management contracts which lever a move in interest rates on a greater than one-to-one basis.

Cross Currency Interest Rate Swap Contracts

We enter into cross currency interest rate swap contracts when our risk management function deems necessary. These contracts may entail both the exchange of fixed- and floating-rate interest payments periodically over the life of the agreement and the exchange of one currency for another currency at inception and at a specified future date. The contracts are used to hedge either certain net investments in foreign operations or non-functional currency cash flows related to intercompany loans. The current cross currency interest rate swap portfolio consists of fixed-to-fixed swaps primarily between the U.S. Dollar and each of the Chinese Renminbi, South Korean Won, and New Taiwan Dollar.

The table below summarizes our outstanding interest rate management contracts and cross currency interest rate swaps:

	2026				2025			
30 September	**US$ Notional**	**Average Pay %**	**Average Receive %**	**Years Average Maturity**	US$ Notional	Average Pay %	Average Receive %	Years Average Maturity
Interest rate swaps (fair value hedge)	**$600.0**	**SOFR**	**1.80%**	**1.6**	$800.0	SOFR	1.64%	2.0
Interest rate swaps (cash flow hedge)[A]	**$3,671.5**	**2.82%**	**SOFR**	**19.1**	$3,106.0	2.78%	SOFR	20.1
Interest rate swaps (not designated)[A]	**$—**	**—%**	**—%**	**0.0**	$269.1	3.28%	SOFR	20.2
Cross currency interest rate swaps (net investment hedge)	**$2,995.0**	**1.58%**	**3.62%**	**2.2**	$70.3	4.86%	4.53%	0.5
Cross currency interest rate swaps (cash flow hedge)	**$44.4**	**4.47%**	**2.22%**	**0.7**	$247.7	5.21%	3.12%	1.6
Cross currency interest rate swaps (not designated)	**$37.5**	**0.23%**	**1.90%**	**0.6**	$—	—%	—%	0.0

[A] We temporarily discontinued cash flow hedge accounting for certain floating-to-fixed interest rate swaps related to project financing for the NEOM Green Hydrogen Project beginning in the third quarter of fiscal year 2024 due to changes in the anticipated drawdown timeline for the hedged borrowings. As of 1 January 2026, all swaps were re-designated as cash flow hedges. Refer to Note 3, *Variable Interest Entities*, for additional information.

The table below provides the amounts recorded on the consolidated balance sheets related to cumulative basis adjustments for fair value hedges:

	Carrying amounts of hedged item		Cumulative hedging adjustment, included in carrying amount	
30 September *(Millions of U.S. Dollars)*	**2026**	2025	**2026**	2025
Current portion of long-term debt	**$645.5**	$549.7	**($4.1)**	($0.3)
Long-term debt	**$875.6**	$1,522.5	**($21.7)**	($23.1)

The table below summarizes the fair value and balance sheet location of our outstanding derivatives:

30 September	Balance Sheet Location	**2026**	2025	Balance Sheet Location	**2026**	2025
Derivatives Designated as Hedging Instruments:						
Forward exchange contracts	Other receivables and current assets	**$119.9**	$50.7	Payables and accrued liabilities	**$20.3**	$21.4
Interest rate management contracts	Other receivables and current assets	**5.7**	13.1	Payables and accrued liabilities	**39.3**	0.3
Forward exchange contracts	Other noncurrent assets	**22.9**	10.1	Other noncurrent liabilities	**10.1**	3.4
Interest rate management contracts	Other noncurrent assets	**434.8**	138.2	Other noncurrent liabilities	**126.7**	23.8
Total Derivatives Designated as Hedging Instruments		**$583.3**	$212.1		**$196.4**	$48.9
Derivatives Not Designated as Hedging Instruments:						
Forward exchange contracts	Other receivables and current assets	**$4.0**	$17.8	Payables and accrued liabilities	**$5.5**	$14.2
Interest rate management contracts	Other receivables and current assets	**—**	—	Payables and accrued liabilities	**2.6**	—
Forward exchange contracts	Other noncurrent assets	**0.4**	2.7	Other noncurrent liabilities	**28.7**	30.5
Interest rate management contracts	Other noncurrent assets	**—**	11.8	Other noncurrent liabilities	**—**	—
Total Derivatives Not Designated as Hedging Instruments		**$4.4**	$32.3		**$36.8**	$44.7
Total Derivatives		**$587.7**	$244.4		**$233.2**	$93.6

Refer to Note 14, *Fair Value Measurements*, which defines fair value, describes the method for measuring fair value, and provides additional disclosures regarding fair value measurements.

The tables below summarize gains (losses) recognized in other comprehensive income during the period related to our net investment and cash flow hedging relationships:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025
Net Investment Hedging Relationships		
Forward exchange contracts	**($3.1)**	$2.8
Foreign currency debt	**127.8**	(232.8)
Cross currency interest rate swaps[(A)]	**(115.9)**	1.2
Total Amount Recognized in OCI	**8.8**	(228.8)
Tax effects	**(2.2)**	54.8
Net Amount Recognized in OCI	**$6.6**	($174.0)

[(A)] Excluded components for cross currency interest rate swaps are recognized in "Payables and accrued liabilities" and "Other receivables and current assets" as a component of accrued interest payable and accrued interest receivable, respectively. These excluded components are recorded in "Other non-operating income (expense), net" over the life of the cross currency interest rate swap consistent with forward exchange contracts.

Derivatives in Cash Flow Hedging Relationships		
Forward exchange contracts	**$130.1**	($56.4)
Forward exchange contracts, excluded components	**(22.1)**	(9.6)
Other[(B)]	**337.5**	104.2
Total Amount Recognized in OCI	**445.5**	38.2
Tax effects	**(48.7)**	1.8
Net Amount Recognized in OCI	**$396.8**	$40.0

[(B)] Other primarily includes interest rate and cross currency interest rate swaps for which excluded components are recognized in "Payables and accrued liabilities" and "Other receivables and current assets" as a component of accrued interest payable and accrued interest receivable, respectively. These excluded components are recorded in "Other non-operating income (expense), net" over the life of the cross currency interest rate swap consistent with forward exchange contracts. Other also includes the recognition of our share of gains and losses, net of tax, related to interest rate swaps held by our equity affiliates.

The table below summarizes the location and amounts recognized in income related to our cash flow and fair value hedging relationships by contract type:

	Sales		Cost of Sales		Interest Expense		Other Non-Operating Income (Expense), Net	
(Millions of U.S. Dollars)	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Total presented in consolidated income statements that includes effects of hedging below	**$12,990.9**	$12,037.3	**$8,887.8**	$8,256.0	**$220.4**	$214.0	**$3.2**	$2.6
(Gain) Loss Effects of Cash Flow Hedging:								
Forward Exchange Contracts:								
Amount reclassified from OCI into income	**($1.6)**	($0.2)	**$11.9**	$7.5	**$—**	$—	**($116.5)**	$39.7
Amount excluded from effectiveness testing recognized in earnings based on amortization approach	**—**	—	**—**	—	**—**	—	**22.4**	15.1
Other:								
Amount reclassified from OCI into income	**—**	—	**—**	—	**(1.5)**	—	**10.8**	(8.9)
Total (Gain) Loss Reclassified from OCI to Income	**(1.6)**	(0.2)	**11.9**	7.5	**(1.5)**	—	**(83.3)**	45.9
Tax effects	**—**	—	**(1.7)**	(1.5)	**0.4**	(0.1)	**20.8**	(10.4)
Net (Gain) Loss Reclassified from OCI to Income	**($1.6)**	($0.2)	**$10.2**	$6.0	**($1.1)**	($0.1)	**($62.5)**	$35.5
(Gain) Loss Effects of Fair Value Hedging:								
Other:								
Hedged items	**$—**	$—	**$—**	$—	**($2.4)**	$13.2	**$—**	$—
Derivatives designated as hedging instruments	**—**	—	**—**	—	**2.4**	(13.2)	**—**	—
Total (Gain) Loss Recognized in Income	**$—**	$—	**$—**	$—	**$—**	$—	**$—**	$—

The table below summarizes the location and amounts recognized in income related to our derivatives not designated as hedging instruments by contract type:

	Other Income (Expense), Net		Other Non-Operating Income (Expense), Net	
Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	**2026**	2025
The Effects of Derivatives Not Designated as Hedging Instruments:				
Forward exchange contracts	**($0.3)**	($3.0)	**($2.5)**	($2.2)
De-designated interest rate swaps	**—**	—	**(1.9)**	(27.0)
Other	**—**	—	**1.7**	(1.7)
Total (Gain) Loss Recognized in Income	**($0.3)**	($3.0)	**($2.7)**	($30.9)

The amount of unrealized gains and losses related to cash flow hedges as of 30 September 2026 that are expected to be reclassified to earnings in the next twelve months is not material.

The cash flows related to derivative contracts are generally reported in the operating activities section of the consolidated statements of cash flows.

Credit Risk-Related Contingent Features

Certain derivative instruments are executed under agreements that require us to maintain a minimum credit rating with both Standard & Poor's and Moody's. If our credit rating falls below this threshold, the counterparty to the derivative instruments has the right to request full collateralization on the derivatives' net liability position. The net liability position of derivatives with credit risk-related contingent features was $174.8 million and $43.3 million as of 30 September 2026 and 2025, respectively. Because our current credit rating is above the various pre-established thresholds, no collateral has been posted on these liability positions.

Counterparty Credit Risk Management

We execute financial derivative transactions with counterparties that are highly rated financial institutions, all of which are investment grade at this time. Some of our underlying derivative agreements give us the right to require the institution to post collateral if its credit rating falls below the pre-established thresholds with Standard & Poor's, Moody's, or Fitch. The collateral that the counterparties would be required to post was $446.4 million and $174.0 million as of 30 September 2026 and 2025, respectively. No financial institution is required to post collateral at this time, as all have credit ratings at or above threshold.

14. FAIR VALUE MEASUREMENTS

Fair value is defined as an exit price, or the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

- *Level 1*—Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*—Inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the asset or liability.
- *Level 3*—Inputs that are unobservable for the asset or liability based on our own assumptions about the assumptions market participants would use in pricing the asset or liability.

The methods and assumptions used to measure the fair value of financial instruments are as follows:

Derivatives

The fair value of our interest rate management contracts and forward exchange contracts are quantified using the income approach and are based on estimates using standard pricing models. These models consider the value of future cash flows as of the balance sheet date, discounted to a present value using discount factors that match both the time to maturity and currency of the underlying instruments. These standard pricing models utilize inputs that are derived from or corroborated by observable market data such as interest rate yield curves as well as currency spot and forward rates; therefore, the fair value of our derivatives is classified as a Level 2 measurement. On an ongoing basis, we randomly test a subset of our valuations against valuations received from the transaction's counterparty to validate the accuracy of our standard pricing models. Counterparties to these derivative contracts are highly rated financial institutions.

Refer to Note 13, *Financial Instruments*, for a description of derivative instruments, including details related to the balance sheet line classifications.

Long-term Debt, Including Related Party

The fair value of our debt is based on estimates using standard pricing models that consider the value of future cash flows as of the balance sheet date, discounted to a present value using discount factors that match both the time to maturity and currency of the underlying instruments. These standard valuation models utilize observable market data such as interest rate yield curves and currency spot rates; therefore, the fair value of our debt is classified as a Level 2 measurement.

The carrying values and fair values of financial instruments were as follows:

	2026		2025	
30 September *(Millions of U.S. Dollars)*	**Carrying Value**	**Fair Value**	Carrying Value	Fair Value
Assets				
Derivatives				
Forward exchange contracts	**$147.2**	**$147.2**	$81.3	$81.3
Interest rate management contracts	**440.5**	**440.5**	163.1	163.1
Liabilities				
Derivatives				
Forward exchange contracts	**$64.6**	**$64.6**	$69.5	$69.5
Interest rate management contracts	**168.6**	**168.6**	24.1	24.1
Long-term debt, including current portion and related party	**17,701.8**	**16,861.4**	17,663.7	17,348.7

The carrying amounts reported on the consolidated balance sheets for cash and cash items, trade receivables, payables and accrued liabilities, accrued income taxes, and short-term borrowings approximate fair value due to the short-term nature of these instruments. Accordingly, these items have been excluded from the above table.

The table below summarizes assets and liabilities on the consolidated balance sheets that are measured at fair value on a recurring basis:

30 September *(Millions of U.S. Dollars)*	**2026**				2025			
	Total	**Level 1**	**Level 2**	**Level 3**	Total	Level 1	Level 2	Level 3
Assets at Fair Value								
Derivatives								
Forward exchange contracts	**$147.2**	**$—**	**$147.2**	**$—**	$81.3	$—	$81.3	$—
Interest rate management contracts	**440.5**	**—**	**440.5**	**—**	163.1	—	163.1	—
Total Assets at Fair Value	**$587.7**	**$—**	**$587.7**	**$—**	$244.4	$—	$244.4	$—
Liabilities at Fair Value								
Derivatives								
Forward exchange contracts	**$64.6**	**$—**	**$64.6**	**$—**	$69.5	$—	$69.5	$—
Interest rate management contracts	**168.6**	**—**	**168.6**	**—**	24.1	—	24.1	—
Total Liabilities at Fair Value	**$233.2**	**$—**	**$233.2**	**$—**	$93.6	$—	$93.6	$—

Nonrecurring Fair Value Measurements – Project Exit Activities

We estimate fair value of certain long-lived assets associated with exited projects using Level 3 inputs under the fair value hierarchy due to the absence of observable market prices and the significant reliance on management judgment and estimation techniques. These measurements include long-lived assets classified as held for sale, which are reported at the lower of carrying amount or fair value less costs to sell, as well as other long-lived assets evaluated for impairment in connection with our project exit activities. These assets are described below. For additional information regarding project exit activities, refer to Note 4, *Business and Asset Actions*.

Following initial impairment charges recognized in fiscal year 2025, changes in facts and circumstances resulted in updated fair value measurements and additional impairment charges of $206.3 million related to plant and equipment associated with two China gasification plants in fiscal year 2026.

For one plant, the fair value estimate was developed using information obtained through the marketing process. Significant unobservable inputs included the likelihood of completing a sale and the amount of proceeds that could be obtained based on the limited level of buyer interest. These inputs supported a significantly lower fair value estimate, and we fully impaired the remaining plant and equipment. Any potential recovery related to this disposal group will be recognized in the period in which the applicable recognition criteria are met.

For the other plant, we estimated fair value less costs to sell based on the terms of a definitive sales agreement executed on 1 October 2026. The measurement was based on the fixed consideration provided for in the agreement, adjusted for estimated costs to sell.

In addition, certain plant and equipment associated with other exited projects was evaluated for recoverability during the third quarter of fiscal year 2026. Based on these assessments, we recorded impairment charges of approximately $2.2 billion through "Business and asset actions" in accordance with ASC 360, Property, Plant, and Equipment. The fair value measurements used to determine the impairment charges were primarily based on expected proceeds from the sale or other disposition of the assets, considering their condition, location and available market information.

The table below presents the nonrecurring fair value measurements of these long-lived assets, categorized within the fair value hierarchy:

Balance Sheet Location *(Millions of U.S. Dollars)*	Total Estimated Value	Level 1	Level 2	Level 3
Assets held for sale	$261.2	$—	$—	$261.2
Plant and equipment, net	233.9	—	—	233.9

15. DEBT

The table below summarizes our total outstanding debt as reflected on our consolidated balance sheets:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Short-term borrowings[A]	**$77.0**	$34.7
Current portion of long-term debt[B]	**921.7**	716.3
Long-term debt	**16,607.7**	16,769.9
Long-term debt – related party	**172.4**	177.5
Total Debt	**$17,778.8**	$17,698.4

[A] Short-term borrowings include bank obligations with weighted-average interest rates of 5.2% and 5.0% as of 30 September 2026 and 2025, respectively.
[B] Current portion of long-term debt included $71.6 million and $59.0 million owed to related parties as of 30 September 2026 and 2025, respectively.

Related Party Debt

As of 30 September 2026, total debt owed to related parties was $244.0 million, primarily consisting of shareholder loans with our joint venture partner, Lu'An Clean Energy Company. As of 30 September 2025, total debt owed to related parties was $236.5 million.

Summary of Long-Term Debt Instruments

The table below summarizes the coupon interest rates, fiscal year maturities, and amounts of our long-term debt, including the current portion and amounts owed to related parties. Variable rates are determined as of 30 September 2026.

30 September *(Millions of U.S. Dollars; rates stated as percentages)*	FY Maturities	**2026**	2025
Payable in U.S. Dollars			
7.6% Medium-term Series E Notes (weighted average rate)	2026	**$—**	$17.2
1.500% Senior Notes	2026	**—**	550.0
1.850% Senior Notes	2027	**650.0**	650.0
4.300% Senior Notes	2028	**600.0**	600.0
4.600% Senior Notes	2029	**750.0**	750.0
2.050% Senior Notes	2030	**900.0**	900.0
4.750% Senior Notes	2031	**600.0**	600.0
4.800% Senior Notes	2033	**600.0**	600.0
4.900% Senior Notes	2033	**500.0**	500.0
4.850% Senior Notes	2034	**1,150.0**	1,150.0
2.700% Senior Notes	2040	**750.0**	750.0
2.800% Senior Notes	2050	**950.0**	950.0
2.969% Industrial Revenue Bonds (weighted average variable-rate)	2035 to 2050	**618.9**	618.9
Payable in Other Currencies			
0.500% Euro-denominated Notes	2028	**566.6**	586.8
2.950% Euro-denominated Notes	2031	**566.6**	586.8
0.800% Euro-denominated Notes	2032	**566.6**	586.8
3.250% Euro-denominated Notes	2032	**566.6**	586.8
4.000% Euro-denominated Notes	2035	**793.2**	821.5
3.450% Euro-denominated Notes	2037	**566.6**	586.8
1.86% New Taiwan Dollar Loan Facility	2027 to 2028	**56.5**	98.5
2.66% New Taiwan Dollar Loan Facility	2027 to 2029	**150.7**	197.0
2.75% New Taiwan Dollar Loan Facility (variable-rate)	2027 to 2030	**84.8**	98.5
2.60% New Taiwan Dollar Loan Facility (variable-rate)	2028 to 2031	**94.2**	—
4.07% Other (weighted average rate)	2030 to 2034	**9.6**	10.0
Related Party Debt			
5.5% Chinese Renminbi	2027 to 2030	**218.3**	236.5
5.7% Chinese Renminbi	2033	**25.7**	—
Non-Recourse Debt Associated With NGHC[A]	2027 to 2053	**5,603.7**	4,909.7
Other Finance Obligations			
Foreign 11.4% (weighted average rate)	2027 to 2052	**92.0**	54.2
Total Principal Amount		**$18,030.6**	$17,996.0
Less: Unamortized discount and debt issuance costs[A]		**303.0**	308.9
Less: Fair value hedge accounting adjustments[B]		**25.8**	23.4
Total Long-term Debt		**$17,701.8**	$17,663.7
Less: Current portion of long-term debt[A]		**921.7**	716.3
Less: Long-term debt – related party		**172.4**	177.5
Long-term Debt		**$16,607.7**	$16,769.9

[A] Refer to Note 3, *Variable Interest Entities*, for additional information on the non-recourse debt associated with NGHC.
[B] Refer to Note 13, *Financial Instruments*, for additional information on the fair value hedge accounting adjustments.

Principal maturities of long-term debt, including the current portion and amounts owed to related parties, for each of the next five years and thereafter are as follows:

30 September *(Millions of U.S. Dollars)*	
2027	$926.1
2028	1,428.7
2029	1,177.3
2030	1,205.9
2031	1,331.6
Thereafter	11,961.0
Total	**$18,030.6**

Interest

The table below reconciles interest incurred to interest expense as presented on our consolidated income statements. Capitalized interest represents interest incurred during the construction of qualifying plant and equipment.

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Interest incurred	**$674.8**	$615.8	$507.9
Less: Capitalized interest	**454.4**	401.8	289.1
Interest expense	**$220.4**	$214.0	$218.8

Cash paid for interest, net of amounts capitalized, was $217.3 million, $192.2 million, and $198.2 million in fiscal years 2026, 2025, and 2024, respectively.

Debt Covenants

Various debt agreements to which we are a party include financial covenants and other restrictions, including restrictions on our ability to create property liens and enter into certain sale and leaseback transactions. As of 30 September 2026, we were in compliance with all financial and other covenants under our debt agreements.

Committed Credit Facilities

On 26 March 2026, we amended our existing 364-day $500 million revolving credit agreement to extend its maturity date from 26 March 2026 to 25 March 2027. The amendment also provides that if we elect to convert the facility into a term loan, the maturity date of the term loan would be 25 March 2028. Fees incurred in connection with the amendment were not material.

We also maintain a five-year $3.0 billion revolving credit agreement that matures on 31 March 2029. Both the 364-day agreement and the five-year agreement are syndicated committed facilities that provide a source of liquidity and support our commercial paper program through the availability of senior unsecured debt to us and certain of our subsidiaries. No borrowings were outstanding under either of the agreements as of 30 September 2026 or 30 September 2025.

Separately, certain of our foreign subsidiaries maintain access to committed credit facilities with a combined maximum borrowing capacity of $386.0 million, all of which was borrowed and outstanding as of 30 September 2026. The amount available and borrowed as of 30 September 2025 was $394.0 million.

16. RETIREMENT BENEFITS

We and certain of our subsidiaries sponsor defined benefit pension plans and defined contribution plans that cover a substantial portion of our worldwide employees. The principal defined benefit pension plans are the U.S. salaried pension plan and the U.K. pension plan. These plans were closed to new participants in 2005, after which defined contribution plans were offered to new employees. The principal defined contribution plan is the Retirement Savings Plan, in which a substantial portion of the U.S. employees participate. A similar plan is offered to U.K. employees. We also provide other postretirement benefits consisting primarily of healthcare benefits to U.S. retirees who meet age and service requirements.

Defined Benefit Pension Plans

Pension benefits earned are generally based on years of service and compensation during active employment. The components of net periodic cost for our defined benefit pension plans for fiscal years 2026, 2025, and 2024 were as follows:

	Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*								
	2026			2025			2024		
	U.S.	**Inter-national**	**Total**	U.S.	Inter-national	Total	U.S.	Inter-national	Total
Service cost	**$7.5**	**$11.5**	**$19.0**	$9.1	$11.6	$20.7	$9.6	$11.3	$20.9
Non-service cost (benefit):									
Interest cost	**116.2**	**59.6**	**175.8**	119.5	57.0	176.5	134.9	60.0	194.9
Expected return on plan assets	**(140.9)**	**(68.6)**	**(209.5)**	(132.6)	(60.0)	(192.6)	(120.1)	(47.3)	(167.4)
Prior service cost amortization	**1.0**	**1.0**	**2.0**	1.1	1.0	2.1	1.1	0.9	2.0
Actuarial loss amortization	**34.8**	**10.1**	**44.9**	46.8	9.7	56.5	57.3	12.9	70.2
Settlements	**1.4**	**1.1**	**2.5**	0.8	0.5	1.3	1.1	1.2	2.3
Curtailments	**—**	**—**	**—**	1.2	—	1.2	—	—	—
Other	**—**	**1.1**	**1.1**	—	0.3	0.3	—	0.9	0.9
Net Periodic Cost	**$20.0**	**$15.8**	**$35.8**	$45.9	$20.1	$66.0	$83.9	$39.9	$123.8

Our service costs are primarily included within "Cost of sales" and "Selling and administrative expense" on our consolidated income statements. The amount of service costs capitalized in fiscal years 2026, 2025 and 2024 were not material. The non-service related impacts are presented outside operating income within "Other non-operating income (expense), net."

Certain of our pension plans provide for a lump sum benefit payment option at the time of retirement, or for corporate officers, six months after their retirement date. A participant's vested benefit is considered settled upon cash payment of the lump sum. We recognize pension settlement losses when cash payments exceed the sum of the service and interest cost components of net periodic cost of the plan for the fiscal year. We recognized pension settlement losses of $1.4 million, $0.8 million and $1.1 million in fiscal years 2026, 2025 and 2024, respectively, to accelerate recognition of a portion of actuarial losses deferred in accumulated other comprehensive loss associated with the U.S. supplementary pension plan.

We calculate net periodic cost for a given fiscal year based on assumptions developed at the end of the previous fiscal year. The following table sets forth the weighted average assumptions used in the calculation of net periodic cost:

	2026		2025		2024	
	U.S.	**International**	U.S.	International	U.S.	International
Discount rate – Service cost	**5.5%**	**5.2%**	5.1%	4.6%	6.1%	5.3%
Discount rate – Interest cost	**4.8%**	**4.8%**	4.7%	4.5%	6.0%	5.1%
Expected return on plan assets	**6.3%**	**5.5%**	5.8%	4.8%	5.8%	4.3%
Rate of compensation increase	**3.5%**	**3.4%**	3.5%	3.4%	3.5%	3.4%

The projected benefit obligation ("PBO") is the actuarial present value of benefits attributable to employee service rendered to date, including the effects of estimated future salary increases. The following table sets forth the weighted average assumptions used in the calculation of the PBO:

	2026		2025	
	U.S.	**International**	U.S.	International
Discount rate	**6.4%**	**6.0%**	5.2%	5.2%
Rate of compensation increase	**3.5%**	**3.4%**	3.5%	3.4%

The following tables reflect the change in the PBO and the change in the fair value of plan assets based on the plan year measurement date, as well as the amounts recognized in the consolidated balance sheets:

	2026		2025	
30 September *(Millions of U.S. Dollars)*	**U.S.**	**International**	U.S.	International
Change in Projected Benefit Obligation				
Obligation at beginning of year	**$2,515.7**	**$1,279.6**	$2,613.1	$1,338.7
Service cost	**7.5**	**11.5**	9.1	11.6
Interest cost	**116.2**	**59.6**	119.5	57.0
Amendments	**0.2**	**1.1**	0.3	—
Actuarial gain	**(210.7)**	**(85.8)**	(44.7)	(88.7)
Curtailments	**—**	**—**	1.2	—
Settlements	**(5.4)**	**(4.5)**	(3.0)	(6.0)
Participant contributions	**—**	**0.7**	—	0.7
Benefits paid	**(184.1)**	**(65.7)**	(179.8)	(59.7)
Currency translation and other	**—**	**(23.0)**	—	26.0
Obligation at End of Year	**$2,239.4**	**$1,173.5**	$2,515.7	$1,279.6

	2026		2025	
30 September *(Millions of U.S. Dollars)*	**U.S.**	**International**	U.S.	International
Change in Plan Assets				
Fair value at beginning of year	**$2,409.0**	**$1,318.6**	$2,533.0	$1,374.5
Actual return on plan assets	**(83.5)**	**15.2**	52.1	(31.1)
Settlements	**(5.4)**	**(4.5)**	(3.0)	(6.0)
Company contributions	**9.1**	**18.0**	6.7	23.2
Participant contributions	**—**	**0.7**	—	0.7
Benefits paid	**(184.1)**	**(65.7)**	(179.8)	(59.7)
Currency translation and other	**—**	**(24.0)**	—	17.0
Fair Value at End of Year	**$2,145.1**	**$1,258.3**	$2,409.0	$1,318.6
Funded Status at End of Year	**($94.3)**	**$84.8**	($106.7)	$39.0

30 September *(Millions of U.S. Dollars)*	2026 U.S.	2026 International	2025 U.S.	2025 International
Amounts Recognized				
Noncurrent assets	**$41.9**	**$196.1**	$44.9	$166.0
Accrued liabilities	**5.0**	**3.7**	9.8	2.7
Noncurrent liabilities	**131.2**	**107.6**	141.8	124.3
Net (Liability) Asset Recognized	**($94.3)**	**$84.8**	($106.7)	$39.0

The changes in plan assets and benefit obligation that have been recognized in other comprehensive income on a pretax basis during fiscal years 2026 and 2025 consist of the following:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	2026 U.S.	2026 International	2025 U.S.	2025 International
Net actuarial loss (gain) arising during the period	**$13.7**	**($32.4)**	$37.0	$2.4
Amortization of net actuarial loss	**(36.2)**	**(11.2)**	(48.8)	(10.2)
Prior service cost arising during the period	**0.2**	**1.1**	0.3	—
Amortization of prior service cost	**(1.0)**	**(1.0)**	(1.1)	(1.0)
Total	**($23.3)**	**($43.5)**	($12.6)	($8.8)

The net actuarial gains and losses represent the actual changes in the estimated obligation and plan assets that have not yet been recognized in the consolidated income statements and are included in accumulated other comprehensive loss. Actuarial gains arising during fiscal year 2026 are primarily attributable to higher discount rates that were partially offset by lower than expected returns on plan assets. Beginning in fiscal year 2027, actuarial losses for our U.S. salaried pension plan will be amortized over the average remaining life expectancy of plan participants, which is approximately 17 years as of 1 October 2026. For fiscal year 2026, accumulated actuarial gains and losses that exceed a corridor are amortized over the average remaining service period of active U.S. participants, which was approximately six years. For U.K. participants, accumulated actuarial gains and losses that exceed a corridor are amortized over the average remaining life expectancy, which was approximately 21 years as of 30 September 2026.

The components recognized in accumulated other comprehensive loss on a pretax basis consisted of the following:

30 September *(Millions of U.S. Dollars)*	2026 U.S.	2026 International	2025 U.S.	2025 International
Net actuarial loss	**$381.0**	**$384.4**	$403.5	$428.0
Prior service cost	**4.2**	**10.1**	5.0	10.0
Net transition liability	**—**	**0.4**	—	0.4
Total	**$385.2**	**$394.9**	$408.5	$438.4

The accumulated benefit obligation ("ABO") is the actuarial present value of benefits attributed to employee service rendered to a particular date, based on current salaries. The ABO for all defined benefit pension plans was $3,355.4 million and $3,715.6 million as of 30 September 2026 and 2025, respectively.

The following table provides information on pension plans where the benefit liability exceeds the value of plan assets:

	2026		2025	
30 September *(Millions of U.S. Dollars)*	**U.S.**	**International**	U.S.	International
Pension Plans with PBO in Excess of Plan Assets:				
PBO	**$2,096.8**	**$278.5**	$2,356.3	$315.3
Fair value of plan assets	**1,960.5**	**167.2**	2,204.7	188.3
PBO in excess of plan assets	**$136.3**	**$111.3**	$151.6	$127.0
Pension Plans with ABO in Excess of Plan Assets:				
ABO	**$2,066.6**	**$98.8**	$2,313.9	$152.0
Fair value of plan assets	**1,960.5**	**3.2**	2,204.7	45.9
ABO in excess of plan assets	**$106.1**	**$95.6**	$109.2	$106.1

The tables above include several pension arrangements that are not funded because of jurisdictional practice. The ABO and PBO related to these plans as of 30 September 2026 were $53.7 million and $61.1 million, respectively.

Pension Plan Assets

Our pension plan investment strategy is to invest in diversified portfolios to earn a long-term return consistent with acceptable risk in order to pay retirement benefits and meet regulatory funding requirements while minimizing company cash contributions over time. De-risking strategies are also employed for closed plans as funding improves, generally resulting in higher allocations to long duration bonds. The plans invest primarily in actively and passively managed equity, debt, and real estate securities and funds. Equity investments are diversified geographically and by investment style and market capitalization. Fixed income portfolios may include investment grade and high yield investments in sovereign, corporate, emerging market debt, asset-backed securities, distressed and convertible debt, loans, and private credit instruments generally denominated in the currency of the plan. The U.S. and U.K. plans' investment managers are authorized to utilize derivatives to manage interest and inflation exposure.

Asset allocation targets are established based on the long-term return, volatility and correlation characteristics of the asset classes, the profiles of the plans' liabilities, and acceptable levels of risk. As of 30 September 2026, the U.S. and international pension plans were within the allowable target allocation ranges. We continue to monitor the investment portfolios and various investment markets and will take action accordingly. Assets are routinely rebalanced through contributions, benefit payments, and otherwise as deemed appropriate. The actual and target allocations at the measurement date are as follows:

	2026 Target Allocation		2026 Actual Allocation		2025 Actual Allocation	
	U.S.	**International**	**U.S.**	**International**	U.S.	International
Asset Category						
Equity securities	**15 - 25%**	**5 - 22%**	**20%**	**15%**	16%	14%
Fixed income securities	**60 - 74%**	**70 - 87%**	**66%**	**76%**	72%	77%
Real estate	**5 - 8%**	**—%**	**6%**	**—%**	5%	—%
Alternative credit	**5 - 8%**	**4 - 12%**	**7%**	**8%**	6%	9%
Cash	**—%**	**—%**	**1%**	**1%**	1%	—%
Total			**100%**	**100%**	100%	100%

In fiscal year 2026, the 6.3% expected return for U.S. plan assets was based on a weighted average of estimated long-term returns of major asset classes. In determining the estimated long-term asset class returns, we take into account historical long-term returns of asset classes and the value of active management, as well as other economic and market expectations, and input from our actuaries and investment advisors.

In fiscal year 2026, the 5.5% expected rate of return for international plan assets was based on a weighted average return for plans outside the U.S., which vary significantly in size, asset structure and expected returns. The expected asset return for the U.K. plan, which represents approximately 80% of the assets of our International plans, was 6.0% and was derived from expected equity and debt security returns.

The table below summarizes pension plan assets measured at fair value by asset class (see Note 14, *Fair Value Measurements*, for definition of the levels):

	2026				2025			
30 September *(Millions of U.S. Dollars)*	**Total**	**Level 1**	**Level 2**	**Level 3**	Total	Level 1	Level 2	Level 3
U.S. Qualified Pension Plans								
Cash and cash equivalents	**$15.5**	**$15.5**	**$—**	**$—**	$15.4	$15.4	$—	$—
Equity securities	**320.3**	**320.3**	**—**	**—**	271.5	271.5	—	—
Equity pooled funds	**114.4**	**—**	**114.4**	**—**	109.3	—	109.3	—
Fixed income securities	**1,414.3**	**—**	**1,414.3**	**—**	1,747.7	—	1,747.7	—
Total U.S. Qualified Pension Plans at Fair Value	**$1,864.5**	**$335.8**	**$1,528.7**	**$—**	$2,143.9	$286.9	$1,857.0	$—
Real estate pooled funds[(A)]	**123.9**				129.5			
Alternative credit pooled funds[(B)]	**156.7**				135.6			
Total U.S. Qualified Pension Plans	**$2,145.1**				$2,409.0			
International Pension Plans								
Cash and cash equivalents	**$5.0**	**$5.0**	**$—**	**$—**	$5.4	$5.4	$—	$—
Equity pooled funds	**192.8**	**—**	**192.8**	**—**	180.4	—	180.4	—
Fixed income pooled funds	**770.4**	**—**	**770.4**	**—**	810.2	—	810.2	—
Alternative credit pooled funds	**104.7**	**—**	**—**	**104.7**	115.4	—	—	115.4
Other pooled funds	**18.2**	**—**	**18.2**	**—**	18.9	—	18.9	—
Insurance contracts	**167.2**	**—**	**—**	**167.2**	188.3	—	—	188.3
Total International Pension Plans	**$1,258.3**	**$5.0**	**$981.4**	**$271.9**	$1,318.6	$5.4	$1,009.5	$303.7

[(A)] Real estate pooled funds consist of funds that invest in properties. These funds generally allow for quarterly redemption with 30 days' notice. Timing for redemption could be delayed based on the priority of our request and the availability of funds. Interests in these funds are valued using the net asset value ("NAV") per share practical expedient and are not classified in the fair value hierarchy.

[(B)] Alternative credit pooled funds in our U.S. plans generally allow for monthly redemption with approximately 30 days' notice. Timing for redemption could be delayed based on the priority of our request and the availability of funds. Interests in these funds are valued using the net asset value ("NAV") per share practical expedient and are not classified in the fair value hierarchy. For additional information related to these funds, refer to the *Alternative Credit Pooled Funds* description below.

The table below summarizes changes in fair value of the pension plan assets classified as Level 3:

(Millions of U.S Dollars)	Insurance Contracts	Alternative Credit Pooled Funds	Total Level 3
Balance at 30 September 2024	$187.8	$113.6	$301.4
Purchases, sales, and settlements, net	(4.2)	(7.5)	(11.7)
Actual return on plan assets held at end of year	4.7	9.3	14.0
Balance at 30 September 2025	$188.3	$115.4	$303.7
Purchases, sales, and settlements, net	(4.9)	(13.1)	(18.0)
Actual return on plan assets held at end of year	(16.2)	2.4	(13.8)
Balance at 30 September 2026	**$167.2**	**$104.7**	**$271.9**

The descriptions and fair value methodologies for the U.S. and International pension plan assets are as follows:

Cash and Cash Equivalents
The carrying amounts of cash and cash equivalents approximate fair value due to the short-term maturity.

Equity Securities
Equity securities are valued at the closing market price reported on a U.S. or international exchange where the security is actively traded and are therefore classified as Level 1 assets.

Equity Pooled Funds
Units of pooled funds are valued at the per unit NAV determined by the fund manager based on the value of the underlying traded holdings and are classified as Level 2 assets.

Fixed Income Securities
Corporate and government bonds, and related fixed income securities, are classified as Level 2 assets, as they are either valued at quoted market prices from observable pricing sources at the reporting date or valued based upon comparable securities with similar yields and credit ratings. U.S. plan fixed income investments primarily include U.S. corporate bonds, U.S. treasury investments, interest rate swaps, total return swaps, and U.S. treasury future contracts.

Fixed Income Pooled Funds
Fixed income pooled funds may hold government bonds, index linked bonds, corporate bonds, cash, and derivative instruments. The fixed income pooled funds are classified as Level 2 assets since the NAV of these assets is based on quoted market pricing from observable pricing sources or valued based upon comparable securities with similar yields, credit ratings, or factors as of the reporting date.

Alternative Credit Pooled Funds
Alternative credit pooled funds may hold high yield bonds, emerging market debt, loans, structured credit, distressed and convertible debt, private credit, and other instruments. Due to the limited market activity of the underlying securities, the NAV of these assets is based on the fund manager's estimate of the fair value of the shares held as of the reporting date. Alternative credit pooled funds are classified as either Level 3 assets or measured using the NAV per share practical expedient, based on how frequently the NAV is determined and how much advance notice is required for redemption.

Other Pooled Funds
Other pooled funds are classified as Level 2 assets, as they are valued at the NAV of the shares held at year end, which is based on the fair value of the underlying investments.

Insurance Contracts
Insurance contracts are classified as Level 3 assets, as they are carried at contract value, which approximates the estimated fair value. The estimated fair value is based on the fair value of the underlying investment of the insurance company and discount rates that require inputs with limited observability.

Contributions and Projected Benefit Payments

Pension contributions to funded plans and benefit payments for unfunded plans for fiscal year 2026 were $27.1 million. Contributions for funded plans resulted primarily from contractual and regulatory requirements. Benefit payments to unfunded plans were due primarily to the timing of retirements. We anticipate contributing $20 million to $30 million to the defined benefit pension plans in fiscal year 2027. These contributions are anticipated to be driven primarily by contractual and regulatory requirements for funded plans and benefit payments for unfunded plans, which are dependent upon timing of retirements.

Projected benefit payments, which reflect expected future service, are as follows:

(Millions of U.S. Dollars)	U.S.	International
2027	$188.6	$72.7
2028	189.9	73.2
2029	191.6	75.8
2030	192.6	79.0
2031	192.6	80.8
2032-2036	943.3	441.4

These estimated benefit payments are based on assumptions about future events. Actual benefit payments may vary significantly from these estimates.

Defined Contribution Plans

We maintain a non-leveraged employee stock ownership plan ("ESOP") which forms part of the Air Products and Chemicals, Inc. Retirement Savings Plan ("RSP"). The ESOP was established in May of 2002. The balance of the RSP is a qualified defined contribution plan including a 401(k) elective deferral component. A substantial portion of U.S. employees are eligible and participate.

We treat dividends paid on ESOP shares as ordinary dividends. Under existing tax law, we may deduct dividends which are paid with respect to shares held by the plan. Shares of our common stock in the ESOP totaled 1,348,385 as of 30 September 2026.

Our contributions to the RSP include a Company core contribution for certain eligible employees who do not receive their primary retirement benefit from the defined benefit pension plans, with the core contribution based on a percentage of pay that is dependent on years of service. For the RSP, we also make matching contributions on overall employee contributions as a percentage of the employee contribution and include an enhanced contribution for certain eligible employees that do not participate in the defined benefit pension plans. Worldwide contributions expensed to income in fiscal years 2026, 2025, and 2024 were $84.8 million, $81.0 million, and $82.6 million, respectively.

Other Postretirement Benefits

We provide other postretirement benefits consisting primarily of healthcare benefits to certain U.S. retirees who meet age and service requirements. The healthcare benefit is a continued medical benefit until the retiree reaches age 65. Healthcare benefits are contributory, with contributions adjusted periodically. The retiree medical costs are capped at a specified dollar amount, with the retiree contributing the remainder. The cost of these benefits was not material in fiscal years 2026, 2025, and 2024. Accumulated postretirement benefit obligations as of the end of fiscal years 2026 and 2025 were $5.6 million and $8.3 million, respectively, of which $2.0 million and $3.3 million were current obligations, respectively.

We recognize changes in other postretirement benefit plan obligations in other comprehensive income on a pretax basis. During fiscal years 2026 and 2025 we recognized a loss of $0.3 million and $2.8 million, respectively, that arose during the period, and ($1.9) million and $0.4 million of net actuarial (loss) gain amortization, respectively.

The net actuarial loss recognized in accumulated other comprehensive loss on a pre-tax basis was $1.4 million and $3.0 million as of 30 September 2026 and 2025, respectively.

17. COMMITMENTS AND CONTINGENCIES

Litigation

We are involved in various legal proceedings, including commercial, competition, environmental, intellectual property, regulatory, product liability, and insurance matters. Such proceedings are generally subject to inherent uncertainty, and their outcomes and any related damages may not be reasonably predictable or estimable.

We are also involved in multiple proceedings with contractors who have asserted claims for additional compensation relating to contract terminations, delays, and changes in scope for work completed on various projects. We evaluate these matters on a quarterly basis to determine whether a loss is probable and reasonably estimable and whether disclosure is required. As of 30 September 2026, we had recorded aggregate accruals of approximately $15 million for these matters, which represents our current best estimate of our potential losses on such matters. We are unable to reasonably estimate the possible loss or range of possible loss in excess of the accrual for these proceedings and certain other matters due to the stage of the proceedings, unresolved legal or factual issues, the absence of specified damages or penalties, and other matter-specific uncertainties. We may incur losses in excess of amounts accrued, and an unfavorable outcome relative to the amounts accrued could have a material impact on our results of operations in the period of resolution.

Apart from these matters, we do not believe it is reasonably possible that the resolution of any individual legal proceeding would have a material impact on our financial condition, results of operations, or cash flows.

Environmental

In the normal course of business, we are involved in legal proceedings under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA," the federal Superfund law), the Resource Conservation and Recovery Act ("RCRA"), and similar state and foreign environmental laws relating to the designation of certain sites for investigation or remediation. Presently, there are 25 sites on which a final settlement or remediation has not been achieved where we, usually along with others, have been designated as a potentially responsible party by environmental authorities or are otherwise engaged in investigation or remediation, including cleanup activity at certain of our former and current manufacturing sites. We continually monitor these sites for which we have environmental exposure.

Accruals for environmental loss contingencies are recorded when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. As of 30 September 2026 and 2025, the consolidated balance sheets included accruals of $81.8 million and $85.6 million, respectively, primarily as part of other noncurrent liabilities. These environmental liabilities will be paid over a period of up to 30 years. We estimate the exposure for environmental loss contingencies to range from $81 million to a reasonably possible upper exposure of $95 million as of 30 September 2026.

Actual costs to be incurred at identified sites in future periods may vary from the estimates, given inherent uncertainties in evaluating environmental exposures. Using reasonably possible alternative assumptions of the exposure level could result in an increase to the environmental accrual. Due to these inherent uncertainties, a significant increase to the reasonably possible upper exposure level could occur if a new site is designated, the scope of remediation is increased, a different remediation alternative is identified, or a significant increase in our proportionate share occurs. We do not expect that any sum we may have to pay in connection with environmental matters in excess of the amounts recorded or disclosed above would have a material adverse impact on our financial position or results of operations in any one year.

Pace

As of 30 September 2026, $52.5 million of the environmental accrual was related to our facility in Pace, Florida.

In 2006, we sold our Amines business, which included operations at the Pace facility and recognized a liability for retained environmental obligations associated with remediation activities at the facility. We are required by the Florida Department of Environmental Protection ("FDEP") and the United States Environmental Protection Agency ("USEPA") to continue our remediation efforts. We recognized a before-tax expense of $42 million in fiscal year 2006 in results from discontinued operations and recorded an environmental accrual of $42 million in continuing operations on the consolidated balance sheets.

In the first quarter of 2015, we entered into a consent order with the FDEP requiring us to continue our remediation efforts at the Pace facility and complete a cost review every five years. In fiscal year 2020, we completed an updated cost review of the environmental remediation status at the Pace facility and increased our environmental accrual for this site by $19 million in continuing operations on the consolidated balance sheets and recognized a before-tax expense of $19 million in results from discontinued operations. In fiscal year 2024, we completed our most recent cost review of the environmental remediation status at the Pace facility. Based on our review, we expect ongoing activities to continue for 30 years. Additionally, we increased our estimate of near-term spending for an optimized groundwater recovery system and future annual costs due to higher inflation. As a result of these changes, we increased our environmental accrual for this site by $19 million in continuing operations on the consolidated balance sheets and recognized a before-tax expense of $19 million in results from discontinued operations in fiscal year 2024. There have been no significant changes to the estimated exposure.

We have implemented many of the remedial corrective measures at the Pace facility required under the 1995 consent orders issued by the FDEP and the USEPA. Contaminated soils have been bioremediated, and the treated soils have been secured in a lined on-site corrective action management unit. Several groundwater recovery systems have been installed to contain and remove contamination from groundwater. We completed an extensive assessment of the site to determine the efficacy of existing measures, what additional corrective measures may be needed, and whether newer remediation technologies that were not available in the 1990s might be better suited for groundwater remediation. Based on assessment results, we completed a focused feasibility study that identified alternative approaches that may more effectively remove contaminants. We continue to review alternative remedial approaches with the FDEP, and we completed additional field work during 2021 to support the design of an improved groundwater recovery network. This network targets areas of higher contaminant concentration and avoids areas of high groundwater iron which has proven to be a significant operability issue for the project. The design of the optimized recovery system was completed in fiscal year 2024, with construction expected to begin in fiscal year 2027. In the fourth quarter of fiscal year 2024, we completed an updated cost review which resulted in a change in assumptions regarding future operating costs as discussed above.

Piedmont

As of 30 September 2026, $9.6 million of the environmental accrual was related to a production facility site in Piedmont, South Carolina.

On 30 June 2008, we sold our Elkton, Maryland, and Piedmont, South Carolina, production facilities and the related North American atmospheric emulsions and global pressure sensitive adhesives businesses. In connection with the sale, we recognized a liability for retained environmental obligations associated with remediation activities at the Piedmont site. This site is under active remediation for contamination caused by an insolvent prior owner.

We are required by the South Carolina Department of Environmental Services ("SCDES") to address both contaminated soil and groundwater. Numerous areas of soil contamination have been addressed, and contaminated groundwater is being recovered and treated. The SCDES issued its final approval to the site-wide feasibility study on 13 June 2017 and the Record of Decision for the site on 27 June 2018, after which we signed a Consent Agreement Amendment memorializing our obligations to complete the cleanup of the site.

Remediation has progressed in accordance with the design, which has included in-situ chemical oxidation treatment, as well as soil vapor extraction to remove volatile organic compounds from the unsaturated soils beneath the impacted areas of the plant. We currently estimate that source area remediation and groundwater recovery and treatment will continue through 2033. Thereafter, we currently expect this site to go into a state of monitored natural attenuation through 2038. We recognized a before-tax expense of $24 million in 2008 as a component of income from discontinued operations and recorded an environmental liability of $24 million in continuing operations on the consolidated balance sheets.

In the third quarter of fiscal year 2025, we completed an updated cost review of the environmental remediation status at Piedmont. Based on our review, we increased our estimate of remaining costs due to the extended period of time that will be required to complete the remediation along with higher annual costs due to inflation. As a result of these changes, we increased the environmental accrual for this site by $9 million in continuing operations on the consolidated balance sheets and recognized a before-tax expense of $9 million in results from discontinued operations.

Pasadena

As of 30 September 2026, $9.5 million of the environmental accrual was related to a production facility site in Pasadena, Texas.

During fiscal year 2012, management committed to permanently shutting down our polyurethane intermediates production facility in Pasadena, Texas. In shutting down and dismantling the facility, we have undertaken certain obligations related to soil and groundwater contaminants. We have been pumping and treating groundwater to control off-site contaminant migration in compliance with regulatory requirements and under the approval of the Texas Commission on Environmental Quality ("TCEQ"). We estimate that the pump and treat system will continue to operate until 2042.

We continue to perform additional work to address other environmental obligations at the site. This additional work includes remediating impacted soils as required, maintaining recovery wells, continuing post closure care for two closed RCRA surface impoundment units, and maintaining engineering controls. Additionally, we have conducted an interim corrective action to treat impacted soils as recommended in the TCEQ 2019 Annual Report. We have renewed the site's RCRA permit during 2026. In 2012, we estimated the total exposure at this site to be $13 million. There have been no significant changes to the estimated exposure.

Asset Retirement Obligations

Our asset retirement obligations are primarily associated with long-term on-site supply contracts under which we have built a facility on land owned by the customer and are obligated to remove the facility at the end of the contract term. The retirement of assets includes the contractually required removal of a long-lived asset from service and encompasses the sale, removal, abandonment, recycling, or disposal of the assets as required at the end of the contract term. These obligations are primarily reflected within "Other noncurrent liabilities" on the consolidated balance sheets. The timing and/or method of settlement of these obligations are conditional on a future event that may or may not be within our control.

Changes to the carrying amount of our asset retirement obligations were as follows:

(Millions of U.S. Dollars)	
30 September 2024	$334.7
Additional accruals[(A)]	87.5
Liabilities settled	(11.7)
Accretion expense	13.0
Currency translation adjustment	(1.6)
Reclass to liabilities held for sale	(15.7)
30 September 2025	$406.2
Additional accruals[(A)]	87.9
Liabilities settled[(A)]	(50.8)
Accretion expense	14.2
Currency translation adjustment and other	2.3
30 September 2026	**$459.8**

[(A)] Driven by project exit decisions discussed in Note 4, *Business and Asset Actions*.

Warranties

We, in the normal course of business operations, have issued product warranties related to equipment sales. Also, contracts often contain standard terms and conditions which typically include a warranty and indemnification to the buyer that the goods and services purchased do not infringe on third-party intellectual property rights. The provision for estimated future costs relating to warranties is not material to the consolidated financial statements.

Guarantees

To date, we have not been required to make any payments under the guarantees discussed below. We do not expect that any sum we may have to pay in connection with guarantees will have a material adverse effect on our consolidated financial condition, liquidity, or results of operations.

We issued performance guarantees as a condition of project financing associated with the NEOM Green Hydrogen Project that would require us to pay up to approximately $780 million in the event of nonperformance in our role as EPC contractor. Our exposure will decline over time before expiring in November 2028. Refer to Note 3, *Variable Interest Entities*, for additional information regarding the project.

We also guarantee the repayment of certain borrowings of BHIG, a joint venture in Saudi Arabia that we account for as an equity method investment. The guarantees were issued in connection with project financing for the joint venture's industrial gas facilities and relate to financing arrangements maturing in 2030 and 2034. The guarantees would require us to perform if BHIG fails to meet its obligations under the guaranteed financing arrangements. Our maximum potential future payments under the guarantees total approximately $400 million, including U.S. dollar-denominated guarantees of approximately $120 million and Saudi riyal-denominated guarantees of approximately SAR 1 billion (approximately $280 million). Our joint venture partner has indemnified us for approximately $200 million of our maximum exposure under the guarantees. Based on BHIG's outstanding borrowings as of 30 September 2026, our payment under the guarantees would be approximately $350 million. The joint venture is current on the guaranteed obligations, and the fair value of the liability associated with the guarantees is not material.

We also have a long-term sale of equipment contract with the JIGPC joint venture to engineer, procure, and construct the industrial gas facilities that will supply gases to Aramco. We provided bank guarantees to the joint venture to support our performance under the contract. As of 30 September 2026, our maximum potential payments were $244.5 million.

Unconditional Purchase Obligations

We are obligated to make future payments under unconditional purchase obligations as summarized below:

(Millions of U.S. Dollars)	
2027	$3,867
2028	604
2029	547
2030	544
2031	543
Thereafter	3,051
Total	**$9,156**

Approximately $3.4 billion of our unconditional purchase obligations relate to open purchase orders for plant and equipment, of which approximately $0.7 billion relates to the NEOM Green Hydrogen Project. Although open purchase orders are considered enforceable and legally binding, the terms generally allow us to reschedule, cancel, or otherwise modify the orders based on our business needs. The table above reflects our estimate of the timing of these payments; however, the actual timing may vary.

Approximately $3.7 billion of our unconditional purchase obligations relate to medium- to long-term helium sourcing agreements that include take-if-tendered provisions. These agreements provide for purchases of crude feedstock supplied to helium refining plants in North America as well as refined helium from sources around the world. Approximately 50% of these obligations are due after fiscal year 2031.

Our unconditional purchase obligations also include commitments for power and natural gas supply as well as feedstock supply for numerous HyCO (hydrogen, carbon monoxide, and syngas) facilities. Our long-term sales contracts to customers are generally matched to the term of these obligations and provide recovery of price increases. As a result, we do not believe these purchase obligations would have a material effect on our financial condition or results of operations.

We are also party to a 30-year take-if-tendered agreement to purchase all green ammonia produced by NGHC, a joint venture we currently consolidate in our financial statements, following commencement of commercial production. While this does not represent a third-party purchase obligation as of 30 September 2026, we expect to incur significant purchase obligations under the agreement following commencement of commercial production. Refer to Note 3, *Variable Interest Entities*, for additional information about NGHC and the NEOM Green Hydrogen Project.

18. CAPITAL STOCK

Common Stock

Authorized common stock consists of 300 million shares with a par value of $1 per share. As of 30 September 2026, 249 million shares were issued, with 223 million issued and outstanding.

On 15 September 2011, the Board of Directors authorized the repurchase of up to $1.0 billion of our outstanding common stock. This program does not have a stated expiration date. If we repurchase shares pursuant to this authorization, we may do so under Rules 10b5-1 and 10b-18 under the Exchange Act through repurchase agreements established with one or more brokers. We have not purchased any of our outstanding shares under this program since fiscal year 2013. As of 30 September 2026, $485.3 million in share repurchase authorization remained available.

A summary of the changes in common shares issued and outstanding in fiscal year 2026 is presented below:

Fiscal Year Ended 30 September	**2026**	2025	2024
Number of common shares, beginning of year	**222,588,256**	222,372,418	222,199,845
Issuance of treasury shares for stock option and award plans	**101,747**	215,838	172,573
Number of common shares, end of year	**222,690,003**	222,588,256	222,372,418

Preferred Stock

Authorized preferred stock consisted of 25 million shares with a par value of $1 per share. There were no preferred shares issued or outstanding as of 30 September 2026 and 2025.

19. SHARE-BASED COMPENSATION

Our share-based compensation program includes performance and time-based deferred stock units. We issue shares from treasury stock upon the payout of deferred stock units. As of 30 September 2026, there were 0.6 million shares available for future grant under our Long-Term Incentive Plan ("LTIP"), which is shareholder approved.

Share-based compensation cost recognized on the consolidated income statements is summarized below:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Before-tax share-based compensation cost[(A)]	**$50.7**	$76.6	$61.7
Income tax benefit	**(12.0)**	(18.3)	(14.9)
After-tax share-based compensation cost	**$38.7**	$58.3	$46.8

[(A)] Fiscal year 2025 includes noncash executive separation costs of $22.4 million to accelerate vesting of share-based awards. Refer to the "Shareholder Activism-Related Costs" disclosure in Note 23, *Supplemental Information*, for additional information.

Before-tax share-based compensation cost is primarily included in "Selling and administrative expense" on our consolidated income statements. The amount of share-based compensation cost capitalized in fiscal years 2026, 2025, and 2024 was not material.

Deferred Stock Units

We have granted deferred stock units to executives, selected employees, and outside directors. These deferred stock units entitle the recipient to one share of common stock upon vesting, which is conditioned, for employee recipients, on continued employment during the deferral period and may be conditioned on achieving certain performance targets. We grant deferred stock unit awards with a two- to five-year deferral period that are subject to payout upon death, disability, or retirement. Deferred stock units issued to outside directors are paid after their service on the Board of Directors ends at the time elected by the director (not to exceed ten years after service ends).

Performance-based deferred stock units vest as long as the employee continues to be employed by the Company and upon the achievement of the performance target over a three-year performance period beginning 1 October of the fiscal year of grant.

Beginning in fiscal year 2026, the award conditions are equally weighted between market-based conditions, which consider total shareholder return ("TSR") measured against a fixed group of companies that comprise the S&P 500 Industrials Index and the S&P 500 Materials Index, and an internal performance measure for return on capital. Outstanding awards from prior years are conditioned on TSR in relation to the S&P 500 Index.

We granted 100,048, 95,490, and 102,120 performance-based deferred stock units in fiscal years 2026, 2025, and 2024, respectively.

The fair value of awards granted in 2026 and subject to the achievement of return on capital targets were valued based on the closing stock price of $260.86 on the grant date. The fair value of awards subject to market conditions was estimated using a Monte Carlo simulation model. The model utilizes multiple input variables that determine the probability of satisfying the market condition stipulated in the grant and calculates the fair value of the awards. The estimated grant-date fair value of market-based deferred stock units was $275.21, $470.13, and $302.10 per unit in fiscal years 2026, 2025, and 2024, respectively.

The calculation of the fair value of market-based deferred stock units used the following assumptions:

	2026	2025	2024
Expected volatility	**34.5%**	30.3%	25.0%
Risk-free interest rate	**3.6%**	4.1%	4.3%
Expected dividend yield	**2.7%**	2.1%	2.6%

In addition, in fiscal year 2026, we granted 133,441 time-based deferred stock units at a weighted average grant-date fair value of $261.07. In fiscal years 2025 and 2024, we granted 143,059 and 146,947 time-based deferred stock units at a weighted average grant-date fair value of $328.54 and $270.86, respectively.

We generally expense the grant-date fair value of awards on a straight-line basis over the applicable vesting period; however, expense recognition is accelerated for retirement eligible individuals who meet the requirements for vesting upon retirement. For the portion of performance shares subject to the achievement of return on capital, we consider the probability of meeting performance targets when recording compensation expense throughout the performance period. We have elected to account for forfeitures as they occur, rather than to estimate them. Forfeitures have not been significant historically.

A summary of deferred stock unit activity in fiscal year 2026 is presented below:

	Shares (000)	Weighted Average Grant-Date Fair Value
Deferred stock units outstanding at 30 September 2025	633	$329.23
Granted	233	264.06
Paid out	(165)	351.40
Forfeited	(49)	369.43
Deferred stock units outstanding at 30 September 2026	**652**	**$297.31**

Cash payments made for deferred stock units totaled $3.9 million, $4.6 million, and $2.7 million in fiscal years 2026, 2025, and 2024, respectively. As of 30 September 2026, there was $68.9 million of unrecognized compensation cost related to deferred stock units. This cost is expected to be recognized over a weighted average period of 1.7 years. The total fair value of deferred stock units paid out during fiscal years 2026, 2025, and 2024, including shares vested in prior periods, was $39.9 million, $94.5 million, and $24.1 million, respectively.

Stock Options

We have not issued stock option awards since fiscal year 2015. These awards generally vested incrementally over three years and remained exercisable for ten years from the date of grant. The intrinsic value of stock options exercised during fiscal years 2025 and 2024 was $10.5 million and $35.1 million, respectively. The final outstanding stock options were exercised in fiscal year 2025.

20. ACCUMULATED OTHER COMPREHENSIVE LOSS

The table below summarizes changes in accumulated other comprehensive loss ("AOCL"), net of tax, attributable to Air Products:

(Millions of U.S. Dollars)	Derivatives qualifying as hedges	Foreign currency translation adjustments	Pension and postretirement benefits	Total
Balance at 30 September 2023	**$61.1**	**($1,913.3)**	**($597.2)**	**($2,449.4)**
Other comprehensive (loss) income before reclassifications	(159.5)	381.5	32.0	254.0
Amounts reclassified from AOCL	(33.7)	(1.5)	55.9	20.7
Net current period other comprehensive (loss) income	(193.2)	380.0	87.9	274.7
Amount attributable to noncontrolling interests	(159.3)	12.0	0.3	(147.0)
Balance at 30 September 2024	**$27.2**	**($1,545.3)**	**($509.6)**	**($2,027.7)**
Other comprehensive income (loss) before reclassifications	40.0	(95.6)	(32.3)	(87.9)
Amounts reclassified from AOCL	41.2	5.7	46.0	92.9
Net current period other comprehensive income (loss)	81.2	(89.9)	13.7	5.0
Amount attributable to noncontrolling interests	59.1	5.5	0.5	65.1
Balance at 30 September 2025	**$49.3**	**($1,640.7)**	**($496.4)**	**($2,087.8)**
Other comprehensive income before reclassifications	396.8	93.6	13.0	503.4
Amounts reclassified from AOCL	(55.0)	0.9	38.2	(15.9)
Net current period other comprehensive income	341.8	94.5	51.2	487.5
Amount attributable to noncontrolling interests	181.0	2.1	(0.2)	182.9
Balance at 30 September 2026	**$210.1**	**($1,548.3)**	**($445.0)**	**($1,783.2)**

The table below summarizes the reclassifications out of AOCL and the affected line item on the consolidated income statements:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
(Gain) Loss on Cash Flow Hedges, net of tax			
Sales	**($1.6)**	($0.2)	$—
Cost of sales	**10.2**	6.0	1.9
Interest expense	**(1.1)**	(0.1)	2.3
Other non-operating income (expense), net	**(62.5)**	35.5	(37.9)
Total (Gain) Loss on Cash Flow Hedges, net of tax	**($55.0)**	$41.2	($33.7)
Currency Translation Adjustment			
Gain on sale of business	**$—**	$0.1	($1.5)
Business and asset actions	**—**	1.0	—
Other income (expense), net	**0.9**	4.6	—
Currency Translation Adjustment	**$0.9**	$5.7	($1.5)
Pension and Postretirement Benefits, net of tax[(A)]	**$38.2**	$46.0	$55.9

[(A)] The components of net periodic benefit cost reclassified out of AOCL include items such as prior service cost amortization, actuarial loss amortization, settlements, and curtailments and are included in “Other non-operating income (expense), net” on the consolidated income statements. Refer to Note 16, *Retirement Benefits*, for additional information.

21. EARNINGS (LOSS) PER SHARE

The table below details the computation of basic and diluted earnings (loss) per share:

Fiscal Year Ended 30 September	**2026**	2025	2024
Numerator *(Millions of U.S. Dollars)*			
Net income (loss) from continuing operations	**$532.1**	($386.5)	$3,842.1
Net loss from discontinued operations	**—**	(8.0)	(13.9)
Net Income (Loss) attributable to Air Products	**$532.1**	($394.5)	$3,828.2
Denominator (*millions*)			
Weighted average common shares — Basic	**222.8**	222.7	222.5
Effect of dilutive securities			
Employee stock option and other award plans	**0.1**	—	0.3
Weighted average common shares — Diluted	**222.9**	**222.7**	**222.8**
Per Share Data[A] *(U.S. Dollars per share)*			
Basic earnings (loss) per share from continuing operations	**$2.39**	($1.74)	$17.27
Basic earnings (loss) per share from discontinued operations	**—**	(0.04)	(0.06)
Basic earnings (loss) per share attributable to Air Products	**$2.39**	($1.77)	$17.21
Diluted earnings (loss) per share from continuing operations	**$2.39**	($1.74)	$17.24
Diluted earnings (loss) per share from discontinued operations	**—**	(0.04)	(0.06)
Diluted earnings (loss) per share attributable to Air Products	**$2.39**	($1.77)	$17.18

[A] Earnings (loss) per share is calculated independently for each component and may not sum to total earnings (loss) per share due to rounding.

Diluted earnings (loss) per share attributable to Air Products reflects the potential dilution that could occur if share-based awards were exercised or converted into common stock. The dilutive effect is computed using the treasury stock method, which assumes all share-based awards are exercised, and the hypothetical proceeds from exercise are used by the Company to purchase common stock at the average market price during the period. To the extent they would have been dilutive, the incremental shares, or the difference between shares assumed to be issued versus purchased, are included in the denominator of the diluted EPS calculation. Antidilutive outstanding share-based awards were not material in fiscal years 2026, 2025 and 2024. Due to the net loss reported for the fiscal year ended 30 September 2025, outstanding share-based awards of 0.2 million were excluded from the computation of diluted loss per share, as their inclusion would have been antidilutive.

22. INCOME TAXES

The table below summarizes income from U.S. and foreign operations before taxes:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
United States income (loss)	**($1,947.2)**	($1,911.8)	$2,602.5
Foreign income	**1,753.3**	823.4	1,571.0
Equity affiliates' income	**745.9**	647.7	647.7
Income (Loss) From Continuing Operations Before Taxes	**$552.0**	($440.7)	$4,821.2

The table below details the components of our income tax provision:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Current Tax Provision			
Federal	**$46.4**	$38.0	$550.3
State	**10.0**	5.6	109.2
Foreign	**401.3**	416.9	354.7
Total Current Tax Provision	**$457.7**	$460.5	$1,014.2
Deferred Tax (Benefit) Provision			
Federal	**(429.3)**	(497.4)	(97.8)
State	**(82.9)**	(95.0)	(15.0)
Foreign	**56.1**	37.6	43.5
Total Deferred Tax (Benefit) Provision	**(456.1)**	(554.8)	(69.3)
Total Income Tax (Benefit) Provision	**$1.6**	($94.3)	$944.9

Effective Tax Rate Reconciliation After Adoption of ASU 2023-09

The effective tax rate equals the income tax provision divided by income from continuing operations before taxes. In fiscal year 2026, we adopted ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, on a prospective basis. Accordingly, the reconciliation of the U.S. federal statutory income tax rate to our effective tax rate for fiscal year 2026 is presented below in accordance with the new disclosure requirements:

(Millions of U.S. Dollars; rates stated as a percentage of income before taxes)	Amount	Rate
U.S. Federal Statutory Tax Rate	$115.9	21.0%
State and Local Income Taxes, Net of Federal Income Tax Effect [A]	(53.8)	(9.7%)
Foreign Tax Effects		
Canada		
Foreign Tax Rate Differential	(16.3)	(3.0%)
Equity Affiliate Income	(12.0)	(2.2%)
Other	0.6	0.2%
China		
Foreign Tax Rate Differential	12.8	2.3%
Other Tax Credits	(18.9)	(3.4%)
Tax on Outside Basis Difference of Subsidiary	20.7	3.8%
Valuation Allowances	31.0	5.6%
Other	0.6	0.1%
Mexico		
Effect of Cross-Border Tax Laws	14.2	2.6%
Other	0.4	0.1%
Netherlands		
Investment Tax Allowance	(21.3)	(3.9%)
Other	2.4	0.4%
Saudi Arabia		
Equity affiliates' income	(44.5)	(8.1%)
Other	2.6	0.5%
Uzbekistan	(15.5)	(2.8%)
Other Foreign Jurisdictions	86.7	15.7%
Effect of Cross-Border Tax Laws [B]		
Tax on Foreign Repatriated Earnings	(14.9)	(2.7%)
Global Intangible Low-Taxed Income	17.8	3.2%
Other	2.6	0.5%
Tax Credits		
Foreign Tax Credit	(35.7)	(6.5%)
Other Tax Credits	(24.6)	(4.5%)
Changes in Valuation Allowances	16.3	3.0%
Nontaxable or Nondeductible Items		
Equity affiliates' income	(65.2)	(11.8%)
Changes in Unrecognized Tax Benefits	2.4	0.4%
Other Adjustments	(2.7)	(0.5%)
Effective Tax Rate	1.6	0.3%

[A] Louisiana, Pennsylvania, Tennessee, and California made up the majority (greater than 50 percent) of the tax effect in this category.

[B] Tax benefit and cost items included in the Effect of Cross-Border Tax Laws category are reflected net of related foreign tax credits.

Business and Asset Actions

As discussed in Note 4, *Business and Asset Actions*, to the consolidated financial statements, we recorded $3.2 billion in charges for business and asset actions, primarily related to project exit decisions, that significantly impacted our effective tax rate for the current fiscal year. Net tax benefits of $680.3 million associated with these charges consisted primarily of tax benefits recognized at local statutory income tax rates in the U.S. Included in the net tax benefit were $56.3 million of foreign income tax costs related to valuation allowances and tax costs on the outside basis difference in subsidiaries.

Equity Affiliates' Income

Equity affiliates' income is primarily presented net of income taxes on our consolidated income statements and resulted in a 24.0% reduction in our effective tax rate. See Note 8, *Equity Affiliates*, for additional information.

Income Tax Holidays

Our foreign tax effects category includes a combined reduction in foreign taxes of $26.4 million related to income tax holidays and credits across multiple foreign jurisdictions. These holidays and credits are conditioned upon us satisfying certain requirements and are effective through fiscal years 2030 and 2033, and may be extended. The benefit of the tax holidays and credits on net income per share was $0.12.

Effective Tax Rate Reconciliation Prior to Adoption of ASU 2023-09

(Rates stated as a percentage of income before taxes)	2025	2024
U.S. federal statutory tax rate	21.0%	21.0%
State taxes, net of federal benefit	16.1	1.5
Income from equity affiliates	26.6	(2.4)
Foreign tax differentials	5.6	0.3
Business and asset actions	(49.0)	—
Other	1.1	(0.8)
Effective Tax Rate [(A)]	21.4%	19.6%

[(A)] As a result of an overall net loss in fiscal year 2025, our Effective Tax Rate Reconciliation reflects reconciling items differently for fiscal year 2025 compared to fiscal year 2024. Reconciling items presented as negative amounts in fiscal year 2025 represent income tax benefits, while in fiscal years 2026 and 2024, income tax benefits are presented as positive amounts.

In fiscal year 2025, our effective tax rate was impacted by pre-tax charges of approximately $3.7 billion related to our decision to exit various projects and other cost reduction measures. These charges, which primarily related to our U.S. operations, resulted in an overall loss from continuing operations before taxes in fiscal year 2025. The related net tax benefit of these actions totaled $695.2 million, which includes an $11.3 million cost for reserves established for uncertain tax positions related to the deductibility of certain costs in foreign subsidiaries. We also recorded a net tax cost of $197.4 million resulting from a $364.9 million increase in our valuation allowance net of $167.5 million of deferred tax assets related to the future disposal of certain foreign subsidiaries.

The approximately $3.7 billion of business and asset actions inflated the presentation of regular, recurring effective tax rate reconciling items. The sale of our LNG business in the prior year resulted in a gain of approximately $1.6 billion. This gain diluted the impact of recurring effective tax rate reconciling items for fiscal year 2024. Fiscal year 2024 also included business and asset actions recorded at applicable statutory income tax rates.

Shareholder Activism-Related Costs

In fiscal year 2025, we incurred costs of $86.3 million related to a proxy contest led by an activist shareholder as further discussed in Note 23, *Supplemental Information*. The related net tax benefit recorded in fiscal year 2025 was $14.6 million. Tax costs related to non-deductible amounts are included within "Business and asset actions" in our effective tax rate reconciliation.

Tax on Repatriation of Foreign Earnings

"Tax on foreign repatriated earnings" includes costs related to U.S. taxation of foreign operations (net of foreign tax credits) and foreign taxation on the repatriation of foreign earnings. Our fiscal year 2025 includes an income tax expense of $31.4 million recorded in our second quarter related to withholding taxes on foreign earnings that we no longer intend to indefinitely reinvest. Our fiscal year 2025 also includes a net income tax benefit of $34.9 million related to our intent to file a refund claim after a review of several U.S. Tax Court cases regarding the U.S. taxation of deemed foreign dividends in the transition year of the U.S. Tax Cuts and Jobs Act (our fiscal year 2018). While we were not a party to these cases, the opinions resulted in a change to our intent to pursue a refund claim. The $34.9 million income tax benefit is net of a $67.8 million reserve for an uncertain tax position related to the calculation of the refund amount. The uncertain tax position was subsequently adjusted in fiscal year 2026. See Unrecognized Tax Benefits below for additional information.

Foreign Tax Differentials

"Foreign tax differentials" represent the differences between foreign earnings subject to foreign tax rates that are different than the U.S. federal statutory rate and include tax holidays, credits, and other incentives. The impact of the tax holidays decreased foreign taxes by $30.3 million and $25.7 million for fiscal years 2025 and 2024, respectively. The benefit of the tax holidays on net income per share was $0.14 and $0.12 per diluted share for fiscal years 2025 and 2024, respectively.

Fiscal year 2025 includes an overall net benefit for foreign tax differentials primarily due to business and asset actions that reduced our overall earnings in foreign jurisdictions with higher tax rates.

Deferred Tax Assets and Liabilities

The significant components of deferred tax assets and liabilities are as follows:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Gross Deferred Tax Assets		
Basis difference in foreign subsidiaries	**$173.0**	$182.3
Revenue recognition	**168.1**	148.5
Tax loss carryforwards	**171.8**	137.5
Reserves and accruals	**97.9**	115.6
Currency losses	**34.8**	60.3
Retirement benefits and compensation accruals	**46.5**	59.2
Tax credits and other tax carryforwards	**84.7**	49.9
Other	**68.2**	76.2
Valuation allowance	**(574.9)**	(506.3)
Deferred Tax Assets	**$270.1**	$323.2
Gross Deferred Tax Liabilities		
Plant and equipment	**$133.8**	$623.5
Unremitted earnings of foreign entities	**151.7**	125.4
Partnership and other investments	**17.3**	18.1
Intangible assets	**16.1**	5.2
Other	**3.4**	2.7
Deferred Tax Liabilities	**$322.3**	$774.9
Net Deferred Income Tax Liability	**$52.2**	$451.7

Deferred tax assets and liabilities are included within the consolidated balance sheets as follows:

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Deferred Tax Assets		
Other noncurrent assets	**$621.3**	$127.9
Deferred Tax Liabilities		
Deferred income taxes	**673.6**	579.6
Net Deferred Income Tax Liability	**$52.2**	$451.7

A significant portion of the $3.2 billion business and asset actions charges were not recognized in the current year for income tax purposes and resulted in a significant reduction in our net deferred tax liabilities. The majority of these deferred deductions impacted plant and equipment within the United States. We believe it is more likely than not that future earnings and the reversal of deferred tax liabilities will be sufficient to recognize the benefit of these deductions in the future.

As of 30 September 2026, we had the following deferred tax assets for certain tax credits:

Jurisdiction	Gross Tax Asset	Expiration Period
U.S. State	$1.9	2028 - 2040
U.S. Federal	60.3	2032 - 2046
Credits in Foreign Jurisdictions	19.8	2033; Indefinite

Of the $19.8 million of credits in foreign jurisdictions, $19.4 million have indefinite carryforward periods.

As of 30 September 2026, we had the following loss carryforwards:

Jurisdiction	Gross Loss Carryforward	Expiration Period
U.S. State Net Operating Loss	$604.8	2027 - 2045
U.S. State Capital Loss	1.5	2031 - 2041
U.S. Federal Capital Loss	7.3	2031
Foreign Net Operating Loss	428.6	2027 - 2036; Indefinite
Foreign Capital Loss	205.5	Indefinite

Of the $428.6 million of foreign net operating loss carryforwards, $270.0 million have indefinite carryforward periods.

The valuation allowance was $574.9 million and $506.3 million as of 30 September 2026 and 2025, respectively. As of 30 September 2026, the balance primarily related to deferred tax assets of $448.8 million, including those established from foreign business and asset actions, $49.9 million related to foreign capital losses, $47.8 million of foreign loss carryforwards and credits, and $27.2 million of U.S. federal foreign income tax credits.

We record income taxes on the undistributed earnings of our foreign subsidiaries and corporate joint ventures unless those earnings are indefinitely reinvested. A provision has not been made for any additional foreign income or withholding taxes at September 30, 2026 on unremitted foreign earnings on which the company intends to remain indefinitely reinvested or on other outside basis differences in its investments unrelated to unremitted earnings. A determination of deferred taxes related to these items is not practicable.

Cash Paid for Income Taxes (Net of Cash Refunds)

Income tax payments, net of refunds, are summarized below:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	**2025**	**2024**
Federal	**$62.8**		
State	**4.4**		
Foreign			
China	**136.9**		
South Korea	**44.5**		
United Kingdom	**50.4**		
Other foreign	**190.4**		
Total cash paid for income taxes (net of refunds)	**$489.4**		
Disclosure requirements prior to ASU 2023-09:			
Total cash paid for income taxes (net of refunds)		**$940.7**	**$615.9**

Income tax payments in fiscal year 2025 included approximately $395 million related to the gain on the sale of the LNG business in fiscal year 2024. Income tax payments in fiscal year 2024 include cash paid to purchase approximately $50 million of transferable tax credits that were used to offset estimated tax payments in fiscal year 2024.

Unrecognized Tax Benefits

A reconciliation of the beginning and ending amount of unrecognized tax benefits, which excludes interest and penalties, is as follows:

30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Unrecognized tax benefits balance at beginning of year	**$194.8**	$101.0	$96.5
Additions for tax positions of the current year	**7.0**	21.2	14.6
Additions for tax positions of prior years	**23.7**	92.6	1.4
Reductions for tax positions of prior years	**(27.9)**	(0.6)	(0.3)
Settlements	**(1.9)**	—	(3.7)
Statute of limitations expiration	**(8.6)**	(20.0)	(9.9)
Foreign currency translation	**1.4**	0.6	2.4
Unrecognized tax benefits balance at end of year	**$188.5**	$194.8	$101.0

Of our unrecognized tax benefits as of 30 September 2026, $166.5 million would impact the effective tax rate from continuing operations if recognized.

In fiscal year 2025, we recorded a $67.8 million reserve related to our intent to file a refund claim after a review of several U.S. Tax Court cases regarding the U.S. taxation of deemed foreign dividends in the transition year of the U.S. Tax Cuts and Jobs Act. In fiscal year 2026, we recorded a $14.2 million reserve increase related to this refund claim after a subsequent U.S. Tax Court decision provided additional guidance regarding the calculation of the refund amount. In fiscal year 2025, we also recorded a total of $11.3 million in reserves for uncertain tax positions related to the deductibility of business and asset actions incurred in foreign subsidiaries.

Interest and penalties related to unrecognized tax benefits are recorded as a component of income tax expense and resulted in benefits of $5.1 million and $0.2 million in fiscal years 2026 and 2025, respectively, and expense of $1.8 million in fiscal year 2024. Benefits may result from the release of reserves, typically due to the expiration of various statutes of limitation. Our accrued balance for interest and penalties was $23.8 million and $27.8 million as of 30 September 2026 and 2025, respectively.

Income Tax Examinations

We generally remain subject to examination in the following major tax jurisdictions for the years indicated below:

Major Tax Jurisdiction	Open Tax Years
United States – Federal	2023 - 2026
United States – State	2015 - 2026
Canada	2019 - 2026
China	2011 - 2026
Netherlands	2021 - 2026
Saudi Arabia	2021 - 2026
South Korea	2015 - 2026
Spain	2018 - 2026
Taiwan	2021 - 2026
United Kingdom	2023 - 2026

23. SUPPLEMENTAL INFORMATION

Related Party Transactions

We have related party sales to some of our equity affiliates and joint venture partners as well as other income primarily from fees charged for use of Air Products' patents and technology. Sales to and other income from related parties totaled approximately $360 million, $355 million, and $350 million in fiscal years 2026, 2025, and 2024, respectively. Sales agreements with related parties include terms that are consistent with those that we believe would have been negotiated at an arm's length with an independent party. As of 30 September 2026 and 2025, our consolidated balance sheets included related party trade receivables of approximately $115 million and $105 million, respectively.

Refer to Note 15, *Debt*, for information concerning debt owed to related parties. Additionally, we guarantee certain borrowings of BHIG, a joint venture accounted for as an equity method investment. Refer to Note 17, *Commitments and Contingencies*, for additional information.

Shareholder Activism-Related Costs

Our consolidated income statement for fiscal year 2025 includes shareholder activism-related costs totaling $86.3 million ($71.7 million after tax) recorded in connection with a proxy contest that concluded in January 2025 following the certification of the election of directors at the 2025 Annual Meeting of Shareholders.

Of the total, $31.9 million related to legal and other professional service fees and proxy solicitation expenses incurred directly by Air Products, and $29.7 million related to executive separation costs following the appointment of a new Chief Executive Officer by the Board of Directors. These separation costs included a noncash charge of $22.4 million associated with accelerated vesting of share-based awards and $7.3 million in severance and other cash benefits.

The remaining $24.7 million was authorized and paid during the third quarter of fiscal 2025 as a reimbursement to Mantle Ridge LP and certain of its affiliated entities (collectively, "Mantle Ridge", a related party) for expenses incurred in connection with the proxy contest. The reimbursement was unanimously approved by our Board of Directors, with one director abstaining from the vote due to his role as founder and Chief Executive Officer of Mantle Ridge. Reimbursed costs included legal counsel, proxy engagement services, governance advisory services, communication expenses, and other out-of-pocket costs associated with Mantle Ridge's engagement with Air Products.

Sale of Other Assets

In June 2025, we sold a regional office in Hersham, England, for cash proceeds of $37.7 million. We recognized a gain on sale of $31.3 million ($23.8 million after tax) that is presented within "Other income (expense), net" on our consolidated income statements for the fiscal year ended 30 September 2025. The gain was not recorded in the results of the Europe segment.

Business Combinations
On 30 April 2025, we acquired a 100% interest in Ijsfabriek Strombeek, an independent industrial gases company located in Belgium. Total consideration, net of cash acquired, was $74.2 million, which included $59.9 million paid in cash at closing. Ijsfabriek Strombeek produces and distributes a portfolio of merchant gases, including medical gases, dry ice, and carbon dioxide. We accounted for the acquisition as a business combination within our Europe segment.

Supplemental Balance Sheet Information

Other Receivables and Current Assets

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Derivative instruments	**$129.6**	$81.6
Value added tax receivable	**243.2**	243.4
Contract fulfillment costs	**66.2**	85.4
Contract assets	**43.3**	152.6
Current lease receivables	**49.0**	49.4
Current financing receivables	**52.9**	—
Other	**80.8**	77.1
Other receivables and current assets	**$665.0**	$689.5

Other Noncurrent Assets

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Pension benefits	**$238.0**	$210.9
Derivative instruments	**458.1**	162.8
Deferred tax assets	**621.3**	127.9
Prepaid tax	**47.9**	100.4
Contract assets	**104.9**	82.3
Contract fulfillment costs	**40.7**	33.8
Other	**285.7**	303.2
Other noncurrent assets	**$1,796.6**	$1,021.3

Payables and Accrued Liabilities

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Trade creditors	**$1,286.5**	$1,437.0
Dividends payable	**403.1**	398.4
Accrued payroll and employee benefits	**329.4**	303.3
Contract liabilities	**272.4**	253.4
Project exit costs	**669.5**	178.3
Accrued interest	**148.6**	138.8
Severance and other postemployment benefits	**37.7**	101.6
Current lease obligations	**65.1**	91.8
Derivative instruments	**67.7**	35.9
Pension and postretirement benefits	**10.7**	15.8
Other	**280.2**	283.4
Payables and accrued liabilities	**$3,570.9**	$3,237.7

Other Noncurrent Liabilities

30 September *(Millions of U.S. Dollars)*	**2026**	2025
Asset retirement obligations	**$355.3**	$328.8
Contract liabilities	**259.6**	283.6
Pension benefits	**238.8**	266.1
Postretirement benefits	**3.6**	5.0
Contingencies related to uncertain tax positions	**102.0**	120.7
Environmental liabilities	**68.1**	71.8
Derivative instruments	**165.5**	57.7
Other	**252.2**	214.4
Other noncurrent liabilities	**$1,445.1**	$1,348.1

24. BUSINESS SEGMENT AND GEOGRAPHIC INFORMATION

We determine our reportable segments based on the manner in which our Chief Operating Decision Maker ("CODM") reviews financial results and allocates resources. The accounting policies applied to our reportable segments are consistent with those used in the preparation of our consolidated financial statements. Our reportable segments are as follows:

- Americas;
- Asia;
- Europe;
- Middle East and India; and
- Corporate and other

The Americas, Asia, Europe, and Middle East and India segments represent the operations of our regional industrial gases business. Each of these segments qualifies as an individual operating segment and does not reflect the aggregation of multiple operating segments. Corporate and other consists of two operating segments that meet the aggregation criteria under GAAP. All segments also include our share of results from several equity method joint ventures, the largest of which operate in China, India, Italy, Mexico, and Saudi Arabia.

Our CODM, who is our Chief Executive Officer, evaluates the performance of our reportable segments through segment operating income. This measure is reviewed regularly in internal management reports and serves as a key metric to monitor actual results against forecasts and prior periods. Segment operating income informs decisions related to resource allocation, including capital investments and employees, and supports strategic planning and long-term project development.

Segment operating income does not include gains or losses that we do not consider to be indicative of our underlying business performance, such as charges related to business and asset actions.

Regional Industrial Gases

The industrial gases business in the regional segments produces and sells gases to diversified customers in dozens of industries, including those in energy, chemicals, electronics, metals, manufacturing, food, medical, and space. Our industrial gas portfolio includes atmospheric gases such as oxygen, nitrogen, and argon; process gases such as hydrogen, helium, carbon dioxide, carbon monoxide, and syngas (a mixture of hydrogen and carbon monoxide), and specialty gases. We offer our industrial gas products through either the on-site gases supply mode or the merchant gases supply mode, both of which are described in Note 5, *Revenue Recognition*.

Electricity is the largest cost component in the production of atmospheric gases. To produce hydrogen, carbon monoxide, and syngas, steam methane reformers use natural gas as the primary raw material, while gasifiers use liquid and solid hydrocarbons. We mitigate electricity, natural gas, and hydrocarbon price fluctuations contractually through pricing formulas, surcharges, cost pass-through provisions, and tolling arrangements.

Each of the regional industrial gases segments competes against global industrial gas companies as well as regional competitors. Competition in industrial gases is based primarily on price, reliability of supply, and the development of industrial gas applications. We derive a competitive advantage in locations where we have pipeline networks, which enable us to provide a reliable and economic supply of products to our larger customers.

Corporate and other

The Corporate and other segment includes sales of cryogenic and gas processing equipment for air separation that is sold worldwide to customers in a variety of industries, including chemical and petrochemical manufacturing, oil and gas recovery and processing, and steel and primary metals processing. Our Corporate and other segment also includes the results of our turbo machinery and distribution sale of equipment businesses. Competition for our sale of equipment businesses is based primarily on plant efficiency and technological performance, service, technical know-how, and price, as well as schedule and plant performance guarantees.

Our Corporate and other segment also incurs costs to provide corporate support functions and global management activities that benefit all segments. These costs include those for product development, research and development, and administrative support. The results of our Corporate and other segment also include income and expense not directly associated with the regional segments, such as foreign exchange gains and losses.

In addition to assets of the global businesses included in this segment, other assets include cash and cash items, deferred tax assets, and financial instruments.

Through the end of fiscal year 2024, our Corporate and other segment also included the liquefied natural gas ("LNG") process technology and equipment business, which was sold to Honeywell International Inc. on 30 September 2024. Refer to Note 6, *Gain on Sale of Business*, to the consolidated financial statements for additional information regarding the sale.

Business Segment Information

(Millions of U.S. Dollars)	Americas	Asia	Europe	Middle East and India	Corporate and other	Total
2026						
Sales[A]	$5,681.7	$3,458.7	$3,242.2	$129.1	$479.2	$12,990.9
Cost of sales	(3,840.2)	(2,366.6)	(2,074.9)	(88.6)	(517.5)	(8,887.8)
Selling and administrative expense	(222.6)	(121.5)	(265.4)	(21.6)	(272.1)	(903.2)
Other segment items[B]	23.3	8.3	5.0	3.2	(64.5)	(24.7)
Operating income (loss)[C]	$1,642.2	$978.9	$906.9	$22.1	($374.9)	$3,175.2
Other segment information:						
Depreciation and amortization	708.3	468.6	284.3	23.9	36.8	1,521.9
Equity affiliates' income	218.3	45.5	120.1	362.0	2.0	747.9
Investments in net assets of and advances to equity affiliates	625.7	357.3	676.1	3,936.4	118.5	5,714.0
Total assets	10,474.7	6,690.3	7,249.0	12,239.5	4,556.3	41,209.8
Expenditures for long-lived assets	1,680.7	471.1	722.3	1,226.9	102.9	4,203.9
2025						
Sales[A]	$5,125.9	$3,271.0	$2,984.5	$135.9	$520.0	$12,037.3
Cost of sales	(3,423.5)	(2,323.3)	(1,893.2)	(107.4)	(508.6)	(8,256.0)
Selling and administrative expense	(206.6)	(118.3)	(254.0)	(24.1)	(303.1)	(906.1)
Other segment items[B]	23.8	21.7	7.4	5.2	(75.6)	(17.5)
Operating income (loss)[C]	$1,519.6	$851.1	$844.7	$9.6	($367.3)	$2,857.7
Other segment information:						
Depreciation and amortization	732.1	518.9	247.4	25.9	39.9	1,564.2
Equity affiliates' income[D]	157.0	42.3	101.9	340.9	12.4	654.5
Investments in net assets of and advances to equity affiliates	555.2	331.3	649.9	3,713.2	116.5	5,366.1
Total assets	12,058.7	6,712.2	6,916.8	10,919.4	4,452.4	41,059.5
Expenditures for long-lived assets	2,610.7	406.6	1,010.6	2,868.6	126.1	7,022.6
2024						
Sales[A]	$5,040.1	$3,224.3	$2,823.4	$134.4	$878.4	$12,100.6
Cost of sales	(3,284.8)	(2,255.8)	(1,783.7)	(101.0)	(743.4)	(8,168.7)
Selling and administrative expense	(212.5)	(122.0)	(243.2)	(28.2)	(336.5)	(942.4)
Other segment items[B]	22.3	12.7	13.5	0.7	(91.2)	(42.0)
Operating income (loss)[C]	$1,565.1	$859.2	$810.0	$5.9	($292.7)	$2,947.5
Other segment information:						
Depreciation and amortization	699.3	471.0	207.1	26.6	47.1	1,451.1
Equity affiliates' income	158.8	32.9	88.1	347.5	20.4	647.7
Investments in net assets of and advances to equity affiliates	472.9	322.9	573.8	3,317.7	105.2	4,792.5
Total assets	12,383.8	7,436.5	5,849.2	8,477.4	5,427.7	39,574.6
Expenditures for long-lived assets	2,733.1	574.8	865.2	2,517.5	106.1	6,796.7

[A] Sales relate to external customers only. We do not have a homogeneous customer base or end market, and no single customer accounts for more than 10% of our consolidated sales. All intersegment sales are eliminated in consolidation.

[B] For the regional segments, other segment items primarily include impacts from transactions not directly related to our principal earnings activities, such as technology and royalty income and gains and losses on asset sales. For the Corporate and other segment, other segment items primarily include research and development expense and the net impact of gains and losses on foreign currency transactions.

[C] Operating income (loss) for our reportable segments does not include gains or losses that management does not consider to be indicative of underlying business performance, such as charges related to business and asset actions. Refer below for a reconciliation of total segment operating income to consolidated results.

[D] Segment equity affiliates' income excludes impairment charges of $2.0 million recorded during the fourth quarter of fiscal year 2026 and $6.8 million recorded during the second quarter of fiscal year 2025, both of which were recognized as part of our business and asset actions. As a result, total segment equity affiliates' income does not reconcile to equity affiliates' income for the total company as reported on the consolidated income statements for the fiscal years ended 30 September 2026 and 2025.

Reconciliation of Total Segment Operating Income to Consolidated Results

The table below reconciles total segment operating income to income (loss) from continuing operations before taxes as reflected on our consolidated income statements:

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
Total Segment Operating Income	**$3,175.2**	$2,857.7	$2,947.5
Business and asset actions	**(3,151.9)**	(3,747.0)	(57.0)
Shareholder activism-related costs	**—**	(86.3)	—
Gain on sale of business	**—**	67.3	1,575.6
Gain on sale of other assets [A]	**—**	31.3	—
Consolidated Operating Income (Loss)	**$23.3**	($877.0)	$4,466.1
Equity affiliates' income	**745.9**	647.7	647.7
Interest expense	**220.4**	214.0	218.8
Other non-operating income (expense), net	**3.2**	2.6	(73.8)
Income (Loss) From Continuing Operations Before Taxes	**$552.0**	($440.7)	$4,821.2

[A] Reflected on the consolidated income statements within "Other income (expense), net."

Geographic Information

The geographic information presented below is based on country of origin.

Sales to External Customers

Fiscal Year Ended 30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
United States	**$5,132.3**	$4,692.5	$4,914.0
China	**2,064.7**	1,933.5	1,951.5
Other foreign operations	**5,793.9**	5,411.3	5,235.1
Total	**$12,990.9**	$12,037.3	$12,100.6

Long-Lived Assets[A] *(Plant and equipment, net)*

30 September *(Millions of U.S. Dollars)*	**2026**	2025	2024
United States	**$6,545.4**	$8,909.1	$9,159.3
Saudi Arabia[B]	**8,023.6**	6,910.6	5,080.2
China	**2,594.6**	2,654.6	3,845.7
Other foreign operations	**8,144.8**	6,863.5	5,285.7
Total	**$25,308.4**	$25,337.8	$23,370.9

[A] In fiscal years 2026 and 2025, we recorded impairment charges to long-lived assets associated with various project exits, as described in Note 4, *Business and Asset Actions*. These charges impacted all regions, with the majority related to projects in the United States.

[B] Long-lived assets in Saudi Arabia primarily relate to the NEOM Green Hydrogen Project as discussed in Note 3, *Variable Interest Entities*.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

We maintain a comprehensive set of disclosure controls and procedures (as defined in Rules 13a-15 (e) and 15d-15(e) under the Exchange Act). Under the supervision of the Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of our disclosure controls and procedures as of 30 September 2026. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of 30 September 2026, the disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Management has evaluated the effectiveness of our internal control over financial reporting as of 30 September 2026 based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on that evaluation, management concluded that, as of 30 September 2026, our internal control over financial reporting was effective. Management's Report on Internal Control over Financial Reporting is provided under Part II, Item 8, of this Annual Report on Form 10-K.

There was no change in our internal control over financial reporting during the fourth quarter of fiscal year 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Deloitte & Touche LLP, our independent registered public accounting firm, has audited our internal control over financial reporting as of 30 September 2026. The Report of the Independent Registered Public Accounting Firm is provided under Part II, Item 8, of this Annual Report on Form 10-K.

Item 9B. Other Information

Rule 10b5-1 Trading Plans

None of the Company's directors or Section 16 reporting officers adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K) during the fourth quarter of fiscal year 2026.

Item 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item relating to our directors and nominees is incorporated herein by reference to the section captioned “The Board of Directors” in the Proxy Statement for the 2027 Annual Meeting of Shareholders. The information required by this item relating to our executive officers is set forth in Part I, Item 1. *Business* of this Annual Report on Form 10-K.

The information required by this item relating to our Audit and Finance Committee and our Audit and Finance Committee Financial Expert is incorporated herein by reference to the sections captioned “Board Structure–Standing Committees of the Board” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

The information required by this item relating to our procedures regarding the consideration of candidates recommended by shareholders and a procedure for submission of such candidates is incorporated herein by reference to the section captioned “The Board of Directors–Selection of Directors” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

The information required by this item relating to Section 16(a) Beneficial Ownership Reporting Compliance is incorporated herein by reference to the section captioned “Section 16(a) Beneficial Ownership Reporting” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

The information required by this item relating to our insider trading policies and procedures is incorporated herein by reference to the section captioned “Insider Trading Policy” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

We have adopted a Code of Conduct that applies to all employees, including the Chief Executive Officer, the Chief Financial Officer, and the Principal Accounting Officer. The Code of Conduct can be found at our website at www.airproducts.com/company/governance/code-of-conduct.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to the sections captioned “Executive Compensation” and “Compensation of Directors” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to the sections captioned "Information About Stock Ownership" and “Equity Compensation Plan Information” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated herein by reference to the sections captioned “The Board of Directors–Director Independence” and “Board Practices, Processes and Policies–Transactions with Related Persons” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated herein by reference to the section captioned “Fees of Independent Registered Public Accounting Firm” in the Proxy Statement for the 2027 Annual Meeting of Shareholders.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) The following documents are filed as a part of this report:

(1) *Financial Statements.*

The following is a list of the Consolidated Financial Statements of Air Products and Chemicals, Inc. and its subsidiaries included in Part II, Item 8. *Financial Statements and Supplementary Data*:

Report of Deloitte & Touche LLP, Independent Registered Public Accounting Firm	61
Consolidated Income Statements – Fiscal Years Ended 30 September 2026, 2025, and 2024	63
Consolidated Comprehensive Income Statements – Fiscal Years Ended 30 September 2026, 2025, and 2024	64
Consolidated Balance Sheets – 30 September 2026 and 2025	65
Consolidated Statements of Cash Flows – Fiscal Years Ended 30 September 2026, 2025, and 2024	66
Consolidated Statements of Equity – Fiscal Years Ended 30 September 2026, 2025, and 2024	67

(2) *Financial Statement Schedules.*

Financial statement schedules are omitted as they are either not required or the information is otherwise included in the consolidated financial statements or notes thereto.

(3) *Exhibits.*

The exhibits filed as a part of this report as required by Item 601 of Regulation S-K are listed in the Index to Exhibits beginning on page 141.

Item 16. Form 10-K Summary

None.

INDEX TO EXHIBITS

Exhibit No.	Description
(3)	Articles of Incorporation and Bylaws.
3.1	Restated Certificate of Incorporation of the Company. (Filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 30 June 2023.)*
3.2	Amended and Restated Bylaws of the Company. (Filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2025.)*
(4)	Instruments defining the rights of security holders, including indentures. Upon request of the Securities and Exchange Commission, the Company hereby undertakes to furnish copies of the instruments with respect to its long-term debt.**
4.1	Indenture, dated as of 30 April 2020, between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee. (Filed as Exhibit 4.1 to the Company's Current Report on Form 8-K filed 30 April 2020.)*
4.2	Description of Securities. (Filed as Exhibit 4.3 to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2025.)*
(10)	Material Contracts.
10.1	Air Products and Chemicals, Inc. 2021 Long-Term Incentive Plan. (Filed as Exhibit 4.5 to the Company's Registration Statement on Form S-8 (File No. 333-252722) filed on 4 February 2021.)*†
10.1(a)	Form of Restricted Stock Unit Award Agreement under the Long-Term Incentive Plan of the Company, used for FY2023 Awards. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2022.)*†
10.1(b)	Form of Restricted Stock Unit Award Agreement under the Long-Term Incentive Plan of the Company, used for FY2024 Awards. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2023.)*†
10.1(c)	Form of Performance Share Award Agreement under the Long-Term Incentive Plan of the Company, used for FY2024 Awards. (Filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2023.)*†
10.1(d)	Form of Restricted Stock Unit Award Agreement under the Long-Term Incentive Plan of the Company, used for FY2025 Awards. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2024.)*†
10.1(e)	Form of Performance Share Award Agreement under the Long-Term Incentive Plan of the Company, used for FY2025 Awards. (Filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2024.)*†
10.1(f)	Form of Restricted Stock Unit Award Agreement under the Long-Term Incentive Plan of the Company, used for FY2026 Awards. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2025.)*†
10.1(g)	Form of Performance Share Award Agreement under the Long-Term Incentive Plan of the Company, used for FY2026 Awards. (Filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2025.)*†
10.2	Air Products and Chemicals, Inc. Annual Incentive Plan as amended and restated effective 1 October 2022.†
10.3	Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 1 January 2022. (Filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2021.)*†

INDEX TO EXHIBITS

Exhibit No.	Description
10.3(a)	Amendment No. 1 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 1 January 2022. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 30 June 2022.)*†
10.3(b)	Amendment No. 2 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 1 January 2022. (Filed as Exhibit 10.3(b) to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2024.)*†
10.3(c)	Amendment No. 3 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 1 January 2022. (Filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2023.)*†
10.3(d)	Amendment No. 4 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 1 February 2024.†
10.3(e)	Amendment No. 5 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 26 August 2024.†
10.3(f)	Amendment No. 6 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 30 September 2024.†
10.3(g)	Amendment No. 7 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 31 January 2025.†
10.3(h)	Amendment No. 8 to the Air Products and Chemicals, Inc. Retirement Savings Plan as amended and restated effective 1 January 2022.†
10.4	Supplementary Pension Plan of Air Products and Chemicals, Inc. as Amended and Restated effective 1 August 2014. (Filed as Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2014.)*†
10.4(a)	Amendment No. 1 dated as of 30 September 2015 to the Supplementary Pension Plan of Air Products and Chemicals, Inc. as Amended and Restated effective 1 August 2014. (Filed as Exhibit 10.10(a) to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2015.)*†
10.4(b)	Amendment No. 2 dated as of 30 September 2016 to the Supplementary Pension Plan of Air Products and Chemicals, Inc. as Amended and Restated effective 1 August 2014. (Filed as Exhibit 10.7(b) to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2016.)*†
10.4(c)	Amendment No. 3 dated as of 26 July 2017 to the Supplementary Pension Plan of Air Products and Chemicals, Inc. as Amended and Restated effective 1 August 2017. (Filed as Exhibit 10.7(c) to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2017.)*†
10.5	Deferred Compensation Plan as Amended and Restated effective 1 January 2018. (Filed as Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2017.)*†
10.6	Air Products and Chemicals, Inc. Executive Separation Program as amended effective as of 19 November 2025. (Filed as Exhibit 10.5 to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2025.)*†
10.7	Air Products and Chemicals, Inc. Senior Management Severance Plan and Summary Plan Description effective 1 August 2022. (Filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended 30 June 2022.)*†
10.8	Form of Change in Control Severance Agreement for an Executive Officer. (Filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated 23 September 2014.)*†
10.9	Compensation Program for Nonemployee Directors amended and restated effective 19 November 2025. (Filed as Exhibit 10.8 to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2025.)*†

INDEX TO EXHIBITS

Exhibit No.	Description
10.10	Deferred Compensation Program for Directors, effective 7 October 2019. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 December 2019.)*†
10.11	5-Year Revolving Credit Agreement dated as of 28 March 2024 for $3,000,000,000. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 March 2024.)*
10.11(a)	Amendment No. 1 to 5-Year Revolving Credit Agreement dated as of 22 August 2024. (Filed as Exhibit 10.12(a) to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2024.)*
10.12	364-Day Revolving Credit Agreement dated as of 28 March 2024 for $500,000,000. (Filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 March 2024.)*
10.12(a)	Amendment No. 1 to 364-Day Revolving Credit Agreement dated as of 27 March 2025. (Filed as Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 March 2025.)*
10.12(b)	Amendment No. 2 to 364-Day Revolving Credit Agreement dated as of 26 March 2026. (Filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended 31 March 2026.)*
(19)	Insider Trading Policies and Procedures
19.1	Air Products and Chemicals, Inc. Insider Trading Policy. (Filed as Exhibit 19.1 to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2024.)*
(21)	Subsidiaries of the Registrant.
21.1	Subsidiaries of the Registrant.
(23)	Consents of Experts and Counsel.
23.1	Consent of Independent Registered Public Accounting Firm.
(24)	Power of Attorney.
24.1	Power of Attorney.
(31)	Rule 13a-14(a)/15d-14(a) Certifications.
31.1	Certification by the Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
(32)	Section 1350 Certifications.
32.1	Certification by the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.††

INDEX TO EXHIBITS

Exhibit No.	Description
(97)	Policy Relating to Recovery of Erroneously Awarded Compensation.
97.1	Air Products and Chemicals, Inc. Compensation Recoupment Policy and Supplemental Executive Officer Recoupment Policy, effective as of 1 October 2023. (Filed as Exhibit 97.1 to the Company's Annual Report on Form 10-K for the fiscal year ended 30 September 2023.)*
(101)	Interactive Data Files.
101.INS	Inline XBRL Instance Document. The XBRL Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File, formatted in Inline XBRL (included in Exhibit 101).

* Previously filed as indicated and incorporated herein by reference. Exhibits incorporated by reference are located in SEC File No. 001-04534 unless otherwise indicated.

** Long-term debt instruments under which the total amount of securities authorized does not exceed 10 percent of our consolidated total assets are not filed as exhibits to this Annual Report on Form 10-K. We will furnish a copy of these agreements to the Securities and Exchange Commission upon request.

† Indicates management contract or compensatory arrangement.

†† The certification attached as Exhibit 32.1 that accompanies this Annual Report on Form 10-K, is not deemed filed with the SEC and is not to be incorporated by reference into any filing of Air Products and Chemicals, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AIR PRODUCTS AND CHEMICALS, INC.
(Registrant)

By: /s/ Melissa N. Schaeffer
Melissa N. Schaeffer
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: 19 November 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature and Title	Date
/s/ Eduardo F. Menezes Eduardo F. Menezes Chief Executive Officer and Director (Principal Executive Officer)	19 November 2026
/s/ Melissa N. Schaeffer Melissa N. Schaeffer Executive Vice President and Chief Financial Officer (Principal Financial Officer)	19 November 2026
/s/ William J. Pellicciotti William J. Pellicciotti Vice President, Controller, and Chief Accounting Officer (Principal Accounting Officer)	19 November 2026
* Tonit M. Calaway Director	19 November 2026
* Andrew W. Evans Director	19 November 2026
* Jessica Trocchi Graziano Director	19 November 2026

Signature and Title	Date
*	19 November 2026
Paul C. Hilal Director	
*	19 November 2026
Bhavesh V. Patel Director	
*	19 November 2026
Dennis H. Reilley Director Vice Chairman of the Board of Directors	
*	19 November 2026
Wayne T. Smith Director Chairman of the Board of Directors	
*	19 November 2026
Alfred Stern Director	
*	19 November 2026
Howard Ungerleider Director	

* Matthew Lepore, Executive Vice President, General Counsel, Chief Compliance Officer and Secretary, by signing his name hereto, does sign this document on behalf of the above noted individuals, pursuant to a power of attorney duly executed by such individuals, which is filed with the Securities and Exchange Commission herewith.

/s/ Matthew Lepore
Matthew Lepore
Executive Vice President, General Counsel, Chief Compliance Officer and Secretary

Date: 19 November 2026