We support the United Nations Global Compact. In our Corporate Responsibility Report, we explain how we implement the ten principles of the Global Compact. Content relevant to the Global Compact is identified as such at the end of each section of the page. Links to this content are also given in the GRI and Global Compact Index in the online report.

We report in accordance with the Advanced Level of the UN Global Compact, the highest reporting level of the Communication on Progress (COP). To meet the requirements of this reporting level, we provide voluntary information about 21 criteria on the UN Global Compact website alongside the Corporate Responsibility Report. We also consider the Blueprint for Corporate Sustainability Leadership, an action plan initiated by the Global Compact LEAD platform.

The following table provides an overview of the commitments, standards and management systems which help us incorporate the principles of the UN Global Compact into our business processes. We also report on how we measure and monitor our performance and on the progress we have made, the measures we propose to implement and the goals we have set ourselves.

<table>
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<th>Human rights</th>
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<td><strong>Principle 1:</strong> Support and respect the protection of internationally proclaimed human rights</td>
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<td><strong>Principle 2:</strong> Make sure that the company is not complicit in human rights abuses</td>
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### Strategy
- Linde undertakes to respect and protect human rights. We comply with international principles and guidelines such as:
  - the UN Universal Declaration of Human Rights,
  - the UN Guiding Principles on Business and Human Rights and
  - the OECD Guidelines for Multinational Enterprises.
- Our aim is to make a contribution towards supporting human rights within the sphere of influence of our company: in our business activities, in the protection of our employees and in relationships with our stakeholders.

### Implementation and monitoring
- Our commitments to protect human rights are set out in our Group guidelines which are binding on all our employees. These include our Code of Ethics and a position paper on human rights. Our Code of Ethics is supplemented by other global guidelines and standards, including the global policy on health, safety and environmental protection. In our Code of Conduct for Suppliers, we also require our suppliers to protect human rights and comply with minimum social standards.
- We review our commitments to protect human rights by applying a multistage implementation and monitoring process:
  - We provide our employees with training on the contents of our Code of Ethics.
  - Training and audits are an integral part of our safety management system. We include contractors and other business partners in our training.
  - We use global surveys in all regions to verify the implementation of fair working conditions.
  - Our dialogue with employee representatives also includes discussion and consultation about labour standards.
  - We address the impact of our procurement practices and have set out minimum standards for suppliers. We test compliance on a sample basis.
  - Employees and external stakeholders can use the confidential Linde Integrity Line to report grievances, anonymously if they so wish.
Human rights

Progress in the reporting year

- Global survey conducted within the Group on processes which ensure respect for human rights
- More than 60 audits covering social topics were conducted
- Occupational health and safety audits were conducted at just under 52 percent of operating sites; around 17 percent of operating sites certified in accordance with OHSAS 18001
- Global Safety Day took place; in addition, health and safety awareness-raising activities and training carried out in many countries for managers, employees and contractors
- More than 120 managers and employees worldwide were provided with training on how to handle risks
- Reduction of around 5 percent in workplace accidents per million hours worked compared with 2016
- Work carried out on a human rights guideline and on the implementation of corresponding control mechanisms and discussed by the Executive Board
- Over 80 suppliers reviewed to ensure they comply with guidance on environmental and safety issues and other issues relating to sustainability

Outlook

- Implement measures to achieve our global targets:
  - Continuously reduce workplace accidents by 2020 (base year 2012)
  - Increase proportion of female managers
  - Reduce frequency of serious transport incidents per million kilometres travelled by 20 percent compared with base year 2015

Labour standards

**Principle 3:** Uphold the freedom of association and recognise the right to collective bargaining

**Principle 4:** Uphold the elimination of all forms of forced labour

**Principle 5:** Uphold the abolition of child labour

**Principle 6:** Uphold the elimination of discrimination in respect of employment and occupation

Strategy

Linde is committed to upholding international labour rights and standards and to dealing fairly with its employees. We are guided here by the principles set out in the core labour standards of the International Labour Organisation (ILO).

These include:

- recognising the right of employees to freedom of association and collective bargaining to the extent that this is permitted by local legislation and promoting open dialogue between employees and management where there are no designated employee representatives;
- rejecting any form of forced labour or human trafficking;
- complying with requirements about the minimum age for employees, as set out in local legislation and international agreements;
- observing guidelines on equal opportunities and fair treatment and adopting a policy of zero tolerance for any form of illegal discrimination or employee harassment.

We also expect our suppliers to comply with these labour standards.
Our commitments to the protection of human rights and of social standards are set out in guidelines which are mandatory for all employees. These include our Code of Ethics and a position paper on human rights. Our Code of Ethics is supplemented by other global guidelines and standards. These include the global policy on health, safety and environmental protection. In our Code of Conduct for Suppliers, we also require our suppliers to protect human rights and comply with minimum social standards.

We have implemented various measures to ensure compliance with labour rights:

- Linde has a central works council for the Group as a whole as well as a European Works Council which currently has 28 members and is responsible for cross-regional topics. In other countries, employee representation is at regional level. Our dialogue with employee representatives also includes discussions and consultation about labour standards.
- Employees are provided with training on the content of our Code of Ethics.
- Our diversity management programme aims to exclude any form of discrimination and actively promote equal opportunities.
- We use a global survey to conduct a regular review of the extent to which systems are implemented to exclude any form of forced labour or child labour.
- We set out minimum requirements in the area of social standards with which our suppliers must comply. We test compliance on a sample basis.
- Any grievances can be reported via the Linde Integrity Line, anonymously if so desired.

Global survey conducted within the Group on processes which ensure that human rights are being respected
More than 60 audits covering social topics were conducted
Support provided for networking events, workshops, training programmes for women with management responsibility and leadership potential, and mentoring schemes
Various activities undertaken which seek among other things to encourage potential female executives: for example, in China and South Asia
Proportion of women in the first management tier below the Executive Board is 15 percent (2016: 16 percent)
Proportion of women in the second management tier below the Executive Board is 14.5 percent (2016: 18 percent)
Linde worked together with employee representatives and trade unions based on partnership and trust, aiming to reconcile the interests of the Group and the workforce
Over 100 suppliers reviewed to ensure they comply with guidance on environmental and safety issues and other issues relating to sustainability
Around 80 percent of our strategic suppliers have signed up to our Code of Conduct for Suppliers

- Implement measures to achieve our global target: to increase the proportion of female managers
- Increase the proportion of women in the first management tier below the Executive Board to 18 percent in 2022
- Increase the proportion of women in the second management tier below the Executive Board to 22 percent in 2022
Environmental protection

Principle 7: Support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Strategy

Linde is committed to making a contribution towards protecting the environment. We focus in particular on the Group’s sites, the transportation of products and their use by customers. We concentrate on minimising safety risks and our environmental impact, as well as on the efficient use of energy, resources and materials.

Our products and services support our customers’ efforts to make their business processes safer and more environmentally friendly.

Within the context of our social commitment, we also support environmental protection.

Implementation and monitoring

Our commitment to protecting the environment is outlined in our mandatory Code of Ethics for employees and our Code of Conduct for Suppliers. Our global guidelines on health, safety and environmental protection and on product stewardship define the framework for implementation in this area.

Our environmental management system and our risk management system are geared towards minimising the environmental risks that might arise from our processes and products. Measures include risk analyses and certification of our sites in accordance with international standards as well as control mechanisms such as audits.

Training is one of the ways in which we raise awareness of environmental and safety issues among our employees.

We have a wide-ranging portfolio of technologies which help reduce the environmental impact of fossil fuels and cut CO₂ emissions. We are also driving forward the development of alternative fuels and renewable energy sources. Furthermore, our gases are used to improve the quality of untreated water and drinking water as well as to clean waste water.

Progress in the reporting year

- We have conducted around 1,360 health, safety and environmental audits.
- Since 2009, we have avoided a total of 4.1 million tonnes of CO₂ emissions, of which 0.9 million tonnes were direct emissions and 3.2 million tonnes were indirect emissions.
- Around 170 projects have been identified which increase energy efficiency; their implementation has generated cost savings of more than EUR 18 m and has reduced CO₂ emissions by around 126,000 tonnes.
- Nine locations in Asia and Eastern Europe for example certified externally for the first time in accordance with the updated environmental standard ISO 14001 (revised in 2015).
- Potential savings of around 70,000 cubic metres of water and cost savings of around EUR 70,000 per annum identified in China and Indonesia.
- More than 50 percent of our research and development projects aimed to achieve an environmental benefit.
- 500 patents in the chemical and environmental sectors, clean energy and hydrogen technologies.
- More than 18 million tonnes of CO₂ emissions avoided just as a result of customers using one key Linde technology.
Environmental protection

- Around 14,500 tonnes of NOx emissions avoided at customers’ plants by using LoTox™ systems
- Around 790 million cubic metres of water brought up to drinking water quality in six countries using Linde’s SOLVOCARB® process installed by our customers
- Around 100 employees took part in special training courses on water management
- Over 100 suppliers reviewed to ensure they comply with guidance on environmental and safety issues and other issues relating to sustainability

Outlook

- Avoid a total of 6 million tonnes of CO2 emissions by 2020 compared with 2009
- Certify other sites in accordance with the updated environmental standard ISO 14001 (revised in 2015)

Anti-corruption

Principle 10: Work against corruption in all its forms, including extortion and bribery

Strategy

Good corporate governance is an essential prerequisite of our business success. It involves complying with laws, regulations and voluntary commitments.

The aim of our global compliance programme is to prevent misconduct and to investigate and follow up any violations.

Implementation and monitoring

Our key compliance guidelines have been set out in our Code of Ethics for employees and our Code of Conduct for Suppliers and in other supplementary guidelines. To prevent misconduct, our global compliance programme is based on three pillars: communication, training and personal advice.

At the same time, we encourage our employees to report any violations of our Code of Ethics, other Group guidelines or legal regulations, and we offer them advice on doing so. Employees and third parties can use the Linde Integrity Line to report any doubts or suspicions they may have. Each report to the Integrity Line is examined. Our Integrity Line guideline defines the exact process to be followed and ensures that reports remain confidential and that data is protected. If the suspicion proves justified, this entails consequences.

We apply the knowledge we gain from dealing with these cases to make further improvements in our compliance programme.

Progress in the reporting year

- Around 38,000 e-learning sessions on our Code of Ethics completed
- Around 4,000 employees provided with on-site training by qualified instructors
- Employees provided with new e-learning programmes about dealing with healthcare compliance and data protection to raise awareness of these subjects
- Around 8,500 queries handled by compliance officers

Outlook

- Further measures to expand the compliance programme

MORE ABOUT

- Global Compact website