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Climate protection and resource efficiency

Natural resources are finite, which means we are under growing pressure to find alternatives. Making the most of available resources brings its own set of challenges for us and our customers, which is why this year's report puts the spotlight on climate and environmental protection plus resource efficiency.

Environmental and climate protection

Linde has identified climate change as one of the factors that is set to influence our business in the future. Its impact is not only evident in the changes we are experiencing today; it will be magnified by shifting customer requirements, new legal regulations and stricter government policies. Environmental policy in many of our target countries also provides a defining framework for our business as we explore ways our technologies can help customers comply even more efficiently with local environmental laws.

Our Gases and Engineering Divisions already offer a broad portfolio of environment-, climate- and resource-aware products and processes. Our aim is to focus our R&D efforts even more and intensify our search for economically viable, competitive alternatives to fossil fuels. However, climate and environmental protection also puts the spotlight on our own processes and the need to optimise resource, emission and waste levels. Following the introduction of an IT system to capture environmental indicators, we have been able to improve the quality of this data. And so for the first time we have decided to set voluntary Group-wide environmental targets for 2010.

Infinite stream of ideas for a finite supply of resources

The Linde Corporate Responsibility Report 2010 looks in particular at innovative, forward-looking technologies, targeted especially at energy, water and secondary raw materials. Our pilot plant in Leuna (Germany) is a case in point. From autumn 2010 onwards, this plant will be producing "green hydrogen" from crude glycerol – a by-product of rapeseed-based biodiesel production. Development breakthroughs and the increasing deployment of low-carbon energy technologies are also opening up short- and long-term growth opportunities for our Gases Division. This growth will be fuelled by rising demand for our products and services to support various industrial processes such as solar cell manufacturing and wind turbine welding. Our patented applications have been shown to raise productivity and quality levels in metal processing.

Supplies of natural resources are finite, which is why conservation is so important. Water is the most important raw material we have. Yet it is not evenly distributed around the globe and is becoming increasingly scarce. According to the United Nations Children's Fund (UNICEF), 1.1 billion people already live without access to clean drinking water. To alleviate this situation, we are working hard to find new solutions to condition drinking water, reduce consumption of fresh water, increase grey water recycling and remove impurities such as hormones.

We are also focusing our efforts on secondary raw materials. These materials are recycled from waste products such as used glass, plastic, aluminium, tin and compound materials. Turning waste into reusable materials as efficiently as possible is crucial, as recycled materials ease pressure on primary resources. Compared with conventional processes, recycling with industrial gases can help to lower emissions and energy consumption across a wide range of materials including aluminium and rubber.

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The Linde Group

The Linde Group is a world leading gases and engineering company with almost 48,000 employees working in more than 100 countries worldwide. In the 2009 financial year, it achieved sales of EUR 11.2 bn.

Gases Division

The Group comprises three divisions: Gases and Engineering (the two core divisions) and Gist (logistics services). The largest division, Gases, has four operating segments, Western Europe, the Americas, Asia & Eastern Europe, and South Pacific & Africa, which are subdivided into nine Regional Business Units (RBUs). The Gases Division also includes the two Global Business Units (GBUs) – Healthcare (medical gases) and Tonnage (on-site) – and the two Business Areas (BAs) – Merchant & Packaged Gases (liquefied and cylinder gases) and Electronics (electronic gases). We offer a wide range of compressed and liquefied gases as well as chemicals and we are therefore an important and reliable partner for a huge variety of industries. Our gases are used, for example, in the energy sector, in steel production, chemical processing, environmental protection and welding, as well as in food processing, glass production and electronics. We are also investing in the expansion of our fast-growing Healthcare business, i.e. medical gases, and we are a leading global player in the development of environmentally friendly hydrogen technology.

Engineering Division

Our Engineering Division is successful throughout the world, with its focus on promising market segments such as olefin plants, natural gas plants and air separation plants, as well as hydrogen and synthesis gas plants. In contrast to virtually all our competitors, we are able to call on our own extensive process engineering know-how in the planning, project development and construction of turnkey industrial plants. Linde plants are used in a wide variety of fields: in the petrochemical and chemical industries, in refineries and fertiliser plants, to recover air gases, to produce hydrogen and synthesis gases, to treat natural gas and in the pharmaceutical industry. We enjoy worldwide reach with around 5,700 employees staffing over 20 Group companies and local offices. More than 4,000 plants in 100 countries and over 1,000 process engineering patents bear testament to the exceptional scope of this business area.

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Key indicators

Our CR indicators help us meet the information demands of our stakeholders. We also use the data as an aid to steer and improve our sustainability performance.

Financial indicators

Our financial indicators are reported according to the International Financial Reporting Standard (IFRS) in our Group financial statements. You will find more information in our 2009 Financial Report.

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		2009	2008	2007
Sales	million €	11,211	12,663	12,306
In Germany	%	10.8	10.5	10.2
Outside Germany	%	89.2	89.5	89.8
Operating Profit ¹	million €	2,385	2,555	2,424
Earnings before interest and taxes on income (EBIT) ²	million €	1,460	1,703	1,591
Earnings before taxes on income (EBT)	million €	838	1,006	1,375
Earnings after taxes on income	million €	591	717	952
Adjusted earnings per share ³	€	4.58	5.46	5.02
Dividend per share	€	1.80	1.80	1.70
Market capitalisation (at closing rate)	million €	14,215	10,084	15,046
Capital expenditure (excluding financial assets)	million €	1,137	1,470	1,035
Cashflow from operating activities as a percentage of sales	%	19.1	14.8	14.4
Equity ratio	%	37.7	34.6	36.9
Return on capital employed (ROCE)	%	10.4	12.4	10.3
Research and development costs	million €	89	104	97

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HR indicators

We have adapted and consolidated our Human Resources indicators to reflect The Linde Group's organisational structure. The figures are reported as full-time equivalents, with 31 December as the closing date for each year.



To improve the accuracy and depth of reporting across the entire Group, we started rolling out a new Group-wide IT system especially for HR indicators. This new standardised reporting system renders it easier for us to make HR information available to the entire organisation in near real-time. It will also allow us to add new indicators step by step and gradually standardise and streamline data capture. Group-wide rollout will be completed in the course of fiscal 2010.

		2009	2008	2007
Number of employees		47,731	51,908	50,485
In Germany	%	15.4	14.7	14.1
Outside Germany	%	84.6	85.3	85.9
Employees with limited contracts	%	1.8	4.7	6.7
Female staff	%	19.9	20.2	19.4
Staff turnover rate ¹	%	4.2	6.6	7.2
Employees who have taken up training	%	53.8	56.9	54.1
Personnel costs	million €	2,319	2,380	2,449

¹ Staff turnover rate relates to employees who left the Group voluntarily during the period under review.

Health, Safety, Environment (HSE) indicators

Our key HSE figures relate to national and international production, sales and administration locations and cover around 95 percent of the consolidated companies.

In 2009, we have continued to improve the data collection methods to increase the quality and transparency of the information we present.

We realise that the data pool on which HSE indicators are based involves uncertainty due to limited controls at local and regional level and the actual nature of the data. This is compounded by the fact that measurement methods may vary and some key indicators are based on estimates or calculations that have to be regularly updated.

During the reporting period, we further developed the environmental reporting system introduced in 2008. We attach particular value to detailed checking of the data and on various data validation measures. For the second year running, selected HSE indicators were independently reviewed and subsequently assured by KPMG Sustainability. The indicators within the assurance scope are identified by an asterisk (*). The Assurance Report is available [here](#).

It is our aim to improve the quality and comparability of our data. In particular, this involves further enhancement of internal data quality controls at regional and local level and optimizing process efficiencies at the collection stage. You will find additional indicators and detailed information on our CR accounting processes online at www.linde.com/cr.

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		2009	2008	2007
Consumption of electricity	TWh	*17.7	*20.0	19.9
Electricity consumption by air separation plants	TWh	*16.0	*17.5	16.9
Consumption of natural gas	TWh	*23.6	*23.2 ¹	21.9
Natural gas Consumption by HyCO plants ²	TWh	*21.3	*20.7 ¹	21.2
Direct CO ₂ emissions	Million tonnes	*4.6	*4.5	4.7
Direct CO ₂ emissions from HyCO plants	Million tonnes	*3.9	*3.4	3.3
Indirect CO ₂ emissions	Million tonnes	*9.0	*9.7	9.7
Indirect CO ₂ emission from air separation plants	Million tonnes	*8.0	*8.4	8.0
Consumption of Water ³	Million m ³	*38.9	*41.4 ¹	54.8
Water consumption by air separation plants	Million m ³	*24.3	*26.8 ¹	33.8
Number of workplace accidents per million hours worked by Linde employees (Lost Time Injury Rate; LTIR)		*2.0	*2.1	2.6
Number of working days lost per million hours worked		37.3	34.1	42.3
Number of fatal industrial accidents involving Linde employees		3	2	6

* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

¹ The previous year's figures have been updated due to greater accuracy in the data collection process. Therefore, these figures differ from those disclosed in the 2008 financial report or 2009 CR report.

² HyCO plants is a collective term for plants producing hydrogen, carbon monoxide and synthesis gas. This includes steam reformers, partial oxidation plants and methanol crackers.

³ Water consumption refers to drinking water and process water. It does not include once-through water for cooling systems, which is simply drawn from local water sources and heated. After use, it is pumped back into the original water source.

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All consolidated companies

Our Corporate Responsibility Report 2010 is an online document that went live on 2 November 2010, accompanied by a fast facts printed brochure. Similar to the 2009 report, the report covers all consolidated companies in which Linde has at least a 50 per cent stake.

Spotlight topics

This year's Corporate Responsibility Report is framed by the global issues that pose challenges to politics, businesses and society as a whole. Climate and environmental protection as well as resource efficiency are key sustainability topics as they already affect our business operations, or are set to do so in the near future. This report focuses on evolving customer needs and showcases innovations we are developing to meet these needs. We have assessed the impact of our business operations on society and the environment in synch with the value chain processes of our Gases and Engineering Divisions. This in-depth analysis is available online at: www.linde.com/cr.

Our CR guidelines

The Linde Corporate Responsibility Report 2010 covers the 2009 fiscal year. It follows current internationally recognised recommendations by the Global Reporting Initiative (GRI), and corresponds to application level B+. Both this report and the accompanying fast facts brochure ("Corporate Responsibility 2010. At a Glance.") are available in English and German. The copy deadline was 31 August 2010. The report also includes the annual Communication on Progress report (COP) under the UN Global Compact. The Linde Group plans to continue publishing regular sustainability reports. The publication date for the next report will be announced in good time on our website.

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One of the biggest challenges we face is the need to reduce emissions the world over

This calls for intelligent technologies that balance the need for environmental and climate protection with advancing industrialisation in emerging economies and economic development in general.

Letter to our stakeholders

Dear Stakeholders,

The most recent economic and ecological crises have sent shockwaves around the world, forcing society to take a closer look at many aspects of economic and political life. Global warming and its predicted impact continue to take centre stage. Identifying the changes we need to make now and in the future is an essential step.

Scientists currently estimate that the temperature of the earth's atmosphere could realistically rise by between two and four degrees Celsius. This would have severe consequences, ranging from floods, water scarcity and a 30 percent or more loss of biodiversity through irreversible melting of ice sheets in Greenland and the west Antarctic. Yet despite these worrying scenarios, levels of harmful emissions remain on an upward path. Rising greenhouse gas concentrations are partly due to economic growth and rising standards of living in emerging and developing markets. The People's Republic of China has now overtaken the United States as the world's largest emitter of carbon dioxide (CO₂). Global mitigation, in other words, the reduction of greenhouse gases, is unavoidable. And so we need an intelligent mitigation strategy that supports continuing industrialisation in emerging countries and economic growth as a whole, creates jobs and promotes consumer spending. This can only be achieved through innovative technologies that reduce our CO₂ footprint.

Yet mitigation is not the only "must". We also have to adapt now to the current effects of global warming. A number of key global action items have been defined here. These include securing food and water supplies worldwide, providing services to populations in ever-growing megacities as well as dealing with the aftermaths of floods and hurricanes.

As a leading, international industrial gases and engineering company, Linde offers a wide range of technologies and solutions that reduce emissions and increase resource efficiency. You can find examples of processes already available and innovations currently at the development stage in the Spotlight section.

We continuously collect Health, Safety, Environment (HSE) and Human Resources (HR) indicators across the Group in order to track and assess the ecological and social impact of our business activities at all times.

We are committed to continually improving the quality of indicator reporting. For the first time ever, we will be publishing global emission targets for our air separation plants in this report. In addition, during the period under review, we started systematically identifying and assessing climate-related risks for Linde on a Group-wide basis. Both customers and investors welcome these process efficiencies and increase in transparency.

We have further intensified dialogue with our customers on sustainability issues, focusing on climate change in particular. Our main mission here is to explore how our products and services can support our customers' sustainability strategies. Sustainable Asset Management (SAM) named Linde "Sector Mover of the Year" for the period under review. This award is given to companies that have outperformed peers worldwide in advancing sustainability. In keeping with our undertaking to always act responsibly, we have committed to the ten principles of the UN Global Compact in the areas of human rights, labour, environment and climate and anti-corruption.

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Our Corporate Responsibility Report 2010 showcases our achievements thus far and outlines our targets for the future.

Professor Dr. Wolfgang Reitzle
Chief Executive Officer of Linde AG

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Putting our values into practice

At Linde, corporate responsibility management means gradually weaving our values and guidelines into our processes. It thus bridges the gap between abstract ideas and concrete value management.

Corporate Responsibility Council

The cornerstones of our corporate responsibility strategy are defined by the Corporate Responsibility Council, a body that was founded in 2004. The Council comprises Professor Wolfgang Reitzle, Chief Executive Officer of Linde AG, and Dr Aldo Belloni, Member of the Executive Board, together with managers responsible for the following corporate functions: Corporate Communications & Investor Relations, Group HR, Internal Audit, Group Legal and Group SHEQ. The Council's remit involves making decisions on the five following action items: Employees, SHEQ (Safety, Health, Environment, Quality), Corporate Citizenship, Ethics and Compliance and Capital Markets, where we focus on Socially Responsible Investments (SRI). The Corporate Responsibility Council creates a roadmap detailing goals for the five action items. These objectives align with our Corporate Responsibility Policy. The decisions reached by the Council are binding for the entire organisation. The Corporate Responsibility department is responsible for implementing the Council's decisions. This central function is anchored within the umbrella Corporate Communications & Investor Relations department at company headquarters. Depending on the area in question, the Council must also work very closely with other departments such as Innovation Management or Corporate Strategy.

During the period under review, the Corporate Responsibility Council met on 30 September 2009 in Munich.

Corporate Responsibility Roadmap

We are committed to continually improving, benchmarking and documenting our performance across all five action items on our corporate responsibility agenda. Each year, we create a roadmap outlining our corporate responsibility goals and activities. We check that the objectives and action plan reflect the principles of sound corporate governance and – above all – are realistic and attainable. In the medium term, we intend to improve the significance, measurability and transparency of the information presented in our roadmap by quantifying goals based on our key indicators. During fiscal 2010, for example, we followed through on the Corporate Responsibility Council's resolution to define Group-wide quantitative environmental targets aimed at lowering emissions. Various departments and lines of business were involved in this initiative.

As sustainability is an increasingly important indicator of a company's value, our roadmap is also evolving into a key tool for analysts.

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Our vision

Our vision is to be the world's leading global gases and engineering group - admired for our people, who create innovative solutions that make a difference to the world. This vision defines who we are and what we do and inspires our corporate values.

Our values

- Passion to excel
- Innovating for customers
- Empowering people
- Thriving through diversity

We are guided by a strong sense of safety, sustainability, integrity and respect. Our corporate culture is built on the vision, values and principles that guide the way we do business. All of which are anchored in the Linde Spirit.

Key guidelines and codes

Our Code of Ethics provides an ethical framework that aligns with legal and internal company regulations. Just like the Code of Ethics, the Linde Group's Corporate Responsibility Policy also builds on the values and principles set down in the Linde Spirit. Our SHEQ (Safety, Health, Environment, Quality) Policy frames and inspires the continuous worldwide improvement of our performance in these areas. Together, these guidelines create an umbrella framework that steers the actions of all Linde employees and divisions across the globe. Our ethical/legal procurement guidelines also give valuable guidance.

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Linde's Corporate Responsibility Roadmap

Every year, the Corporate Responsibility Council pinpoints goals to improve our sustainability performance. To ensure that this process remains transparent and traceable, we publish our goals as a roadmap.

Structuring the roadmap

The roadmap lays out our goals and measures for achieving these goals for each of our five action items: Employees, Safety, Health, Environment, Quality (SHEQ), Corporate Citizenship, Ethics and Compliance and Capital Markets (Socially Responsible Investments). Above all, we want to be seen as an attractive investment for people with a sense of social responsibility. Each action item is assigned certain topics that we consider to be important. Following the roadmap shows you whether we have reached our targets, are still working on a particular challenge, or have not managed to reach a milestone for specific reasons.

Key Corporate Responsibility targets 2010/2011

The spotlight will remain on environmental and climate protection in the coming fiscal year. We have already reached one important milestone by improving the quality of data capture across the Group and having our indicators audited by an independent service provider. Fiscal 2010 will see us fulfil a further objective as we set quantitative emissions targets for our air separation plants for the first time. We will follow up on this move with targets for our HyCO plants.

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Open dialogue with our stakeholders

The trust our stakeholders place in us is one of our greatest assets, and we strive to justify and strengthen this trust through open dialogue.

Spotlight on climate change and information transparency

Our stakeholders include current and future employees, analysts and investors, as well as decision-makers and players from research and science, government and non-government organisations, politics and other associations. We use numerous channels to maintain close ties with these interest groups.

Several years ago, we conducted a survey among our stakeholders. The resulting recommendations continue to influence our activities and dialogue with these groups.

We discovered, for example, that increased transparency about the risks and opportunities of climate change for the Group and a clear and public commitment to this issue are important for stakeholders.

Further items on the stakeholder agenda included increased alignment with international standards, sustainable product development and closer ties between our voluntary social engagement and core business.

The majority of our stakeholder groups also prioritised clear communication from Linde on the dilemmas and challenges of sustainability.

These recommendations continue to play a defining role for our CR objectives.

Stakeholder dialogue during the period under review

During the period under review, we stepped up dialogue with our customers on sustainability issues. Interest in Linde's CR activities is growing across all industries, although this trend was particularly pronounced in the food and drinks sector. Here the focus is on the product carbon footprint (PCF) of our gases and the ecological gains they offer our customers.

At the same time, we have been working more closely with analysts specialised in socially responsible investments. They are looking for increasingly detailed information about our sustainability performance.

Linde actively participates in important evaluation programmes such as the Carbon Disclosure Project (CDP). In fiscal 2009, we achieved our highest ever ratings in benchmark reports compiled by agencies such as Sustainable Asset Management (SAM) and oekom research.

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Guiding principle

The overarching guideline of our SHEQ policy, "At The Linde Group, we do not want to harm people or the environment", inspires our people to always make the right decisions about occupational safety, health and the environment.

Aims

Certify new locations and recertify existing locations to OHSAS, ISO 14001, ISO 9001.

Measures

Audits according to internal standards defined in our integrated management system.
Numerous awareness-raising safety and environmental training programmes worldwide.

Facts and figures

Percentage of certified locations

► The Linde Group

	2009
Percentage of locations certified to DIN ISO 9001	71
Percentage of locations certified to DIN ISO 14001	27
Percentage of locations certified to OHSAS 18001 or SCC	22

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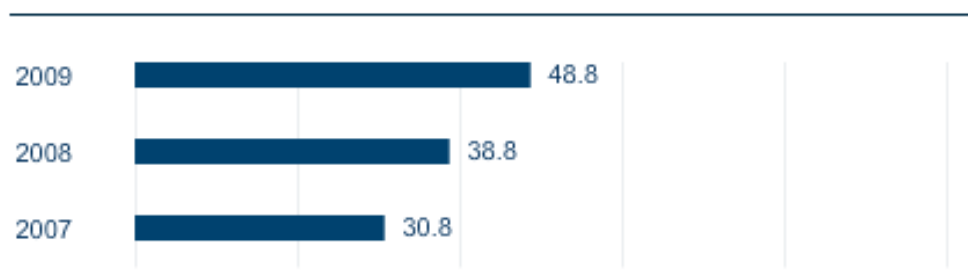
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**Percentage of HSE-audited locations****The Linde Group**

	2009	2008 ¹
Proportion of sites in which occupational health and safety audits have been conducted	55.1	50.8
Proportion of sites in which environmental protection audits have been conducted	48.3	46.1

1) As we changed our HSE audits indicator in 2008, we do not have any comparable data for 2007.

Percentage of employees who have taken up HSE training opportunities**The Linde Group****Next steps**

Accelerate roll-out of our Behaviour SHEQ programme to intensify environmental and safety awareness.

Integrated management systems (IMS)

Integrated management systems systematically steer and manage Safety, Health, Environment, Quality (SHEQ) matters across all lines of business at Linde.

These systems allow us to identify, model, consolidate and improve our processes. They also help us to ensure compliance with legal and Group guidelines and minimise hazards to people and the environment. Each IMS is closely aligned with the actual processes executed by the relevant line of business.

Linde Management Systems and Standards (LIMSS), a web-based database, provides employees in our Gases Division with information on Group-wide core SHEQ requirements and best practices.

For our Engineering Division, occupational safety, health, environmental protection and quality have always been top priorities when planning and building plants all over the world.

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Since the vast majority of the Engineering Division's customers use the abbreviation "HSE", the Division decided in consultation with the Executive Board to use "QHSE" instead of the "SHEQ" abbreviation usually used throughout the Group. This is not indicative of any shift in value or weighting of the individual elements.

The QHSE policy of our Engineering Division aligns with the SHEQ policy of The Linde Group. Linde Engineering's integrated management system provides an umbrella framework incorporating process, quality and HSE management. The system helps Linde Engineering achieve its strategic goals. Process know-how is a core element of IMS and forms the basis of all our optimisation initiatives.

Training and audits

Regular, systematic Health, Safety, Environment (HSE) training and audits are key to the successful implementation of our integrated SHEQ management system. These activities enable us to raise awareness among employees and ensure that our integrated management systems are hardwired throughout our Group Divisions. We regularly assess the need for employee training at individual locations and organise training programmes accordingly. In parallel, we also implement campaigns and initiatives aimed at raising awareness. During fiscal 2009, we increased HSE training in particular in the Regional Business Units Northern Europe and South America. As a result, the percentage of employees who took part in HSE training opportunities increased to around 49 percent (previous year: 39 percent). Regular internal and external audits to examine HSE risks and inspect management systems on site are also an integral part of our integrated management systems. In 2009, we performed or commissioned occupational safety and healthcare audits at over 55 percent of our sites, plus environmental audits at around 48 percent of our sites.

Certification

We attach great importance to achieving certification to internationally applicable standards at our various locations. Certification proves that our integrated management systems are of a provably high standard, and our customers see certification as a seal of quality. In our Gases and Engineering Divisions, the ISO 9001 set of quality management standards is of particular significance when it comes to ensuring continuous improvement of our products and services. For locations with high environmental impact, we aim for certification to the environmental management standard ISO 14001. And, as far as health and safety management is concerned, many of our locations are certified to the OHSAS 18001 (Occupational Health and SAFety management Systems) standard or to SCC (Safety Certification Contractors).

We plan to certify additional Linde Engineering and Linde Gas locations to the standards mentioned above.

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Linde as a sustainable investment

Linde is viewed as exhibiting strong potential to assume an exemplary role for its sustainability performance. Anchoring sustainable business practices into our corporate strategy is one of the most important ways we ensure continued progress in our ratings.

Aims

Further improve ratings from SRI analysts. Gain admission to additional SRI funds and indices.

Measures

Transparent, factual reporting on our sustainability performance according to international standards. Open, steady dialogue with analysts, investors, shareholders and rating agencies.

Facts and figures

During the period under review, we considerably improved our sustainability rankings and were also named one of Sustainable Asset Management's (SAM) "Sustainability Leaders 2009/2010" (SAM Bronze Class) for the first time.

Next steps

Continue close dialog with analysts and investors; gain admission to additional SRI funds and indices.

Sustainable indices and SRI funds

Linde communicates directly with a number of different stakeholder groups. Investor relations form a particularly important part of our corporate communications. Our financial reporting is targeted at our shareholders and all other capital market players, including investors, analysts and financial players.

In the medium term, Linde aims to be admitted to indices and funds that exclusively list companies managed in accordance with the principles of sustainable growth. Admission to these indices requires companies to satisfy strict criteria. Alongside economic factors, prospective companies are also evaluated for the degree of responsibility they show towards natural resources, employees and society as a whole.

According to our stakeholders, particular challenges facing Linde as a company within the chemical sector include demographic trends and climate change. Integrating sustainability in our corporate strategy and focusing on long-term shareholder value are also of great importance here.

Current Linde share ratings

Investment company Sustainable Asset Management (SAM) recognised Linde in two separate categories. The first award, "Sector Mover of the Year" for 2009, was awarded to Linde for outperforming peers worldwide on the CR front. The second award named Linde one of the "Sustainability Leaders 2009/2010" (SAM Bronze Class) in the chemicals sector for the first time.

The rating agency oekom research also awarded Linde "B-" status overall, thus placing us in the prime category. This means that listed Linde shares qualify as ecologically sound and socially responsible investments.

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In August 2009, Linde was also added to the Ethibel EXCELLENCE Investment Register. This register is the foundation for the Ethibel Label and Ethibel Sustainability Index (ESI). Over 20 funds currently use the Ethibel Label.

An “above-average” rating from Sarasin qualifies Linde for the bank’s sustainable investment universe. Linde is currently included in various sustainability funds and portfolios held by Sarasin including DAXglobal Sarasin Sustainability Germany.

Linde continues to be rated as a top investment in fourteen international SRI funds.

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Community involvement through education

Education, science and research are important dimensions of our Corporate Responsibility agenda. We cooperate with schools, higher education and other institutes in areas closely linked to our core business. These projects embody the traditional values advocated by company founder Carl von Linde.

Aims

Engage with local communities by voluntarily supporting education, promote science studies in schools and higher education institutes, encourage particularly talented students at second and third-level education.

Measures

Promote physics studies through measures such as an award programme for the best physics dissertations completed in Bavaria in 2009. School projects in Australia, Germany, Great Britain and South Africa. Support of higher education institutes primarily in Germany.

Facts and figures

Support for schools and school children in Australia and South Africa through community involvement programmes. Extension of existing collaborations with higher education institutes, particularly in Germany.

Next steps

Report all community involvement projects worldwide, including educational projects and partnerships.

Collaboration with schools

In order to encourage the engineers of tomorrow, we must foster interest in natural sciences among children and young people. Which is why Linde participates actively in several national educational initiatives in Germany and has also established a number of its own sponsorship programmes.

We have long-standing sponsorship links with schools named after our founder. The best natural science students at the Carl von Linde Realschule in Kulmbach and the Carl von Linde Gymnasium in Kempten (second-level schools, both located in Bavaria, Germany) receive awards on completion of their school studies. At the Carl von Linde Gymnasium, this tradition goes back 47 years.

A further sponsorship programme that encourages natural science enthusiasts is our annual dissertation award. Here we give prizes for the ten best dissertations in advanced-level physics each year. We work closely with the physics faculties and departments of all Bavarian universities for this award.

For a number of years now, Linde has also been one of the partner companies affiliated with the Schloss Hansenberg boarding school in Hessen, Germany. This is currently the only state school in Germany that is run as a public-private partnership. The challenging curriculum aims to help students become well-rounded individuals ready and willing to assume responsibility within society.

Collaboration in higher education and promotion of research

Linde AG is headquartered in Munich, Germany. The Technical University of Munich (TUM) is therefore an obvious choice of partner. The TUM has hosted the Carl von Linde Academy for

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the last 5 years. We founded the Academy along with the Carl von Linde Chair of Philosophy and Scientific Theory. As a central, interdisciplinary scientific body, the Academy gives young engineers, computer scientists and scientists a grounding in intellectual, cultural and social studies to further their subsequent professional careers. The Carl von Linde Academy thus extends the concept of education beyond pure technical knowledge. The Academy also provides further training for mathematics and science staff. Each semester, highly qualified Linde engineers and HR managers give hands-on guest lectures at the university. The Technical University of Munich is also home to the Carl von Linde Foundation. It was founded as early as 1932 with the aim of supporting education and research and helping to train young scientists and engineers in the German state of Bavaria.

Since 2007, LKCA Dresden, our Engineering subsidiary, has been involved in a dual study programme for field engineering at Dresden International University (DIU). This offers a combination of practical training and in-depth scientific knowledge, preparing students for future challenges in the company. After three and a half years, students simultaneously qualify as industrial mechanics and Bachelors of Engineering (BEng).

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Community projects worldwide

Corporate Responsibility extends beyond national borders. Linde is appraised not only as an industrial gases and engineering company, but also as a corporate citizen and part of the local societies and cultures in which we are active.

Aims

Systematically record all community projects worldwide in which we as a company or our employees are involved. Identify best-practice projects.

Measures

Establish an internal contact network.

Facts and figures

In fiscal 2009, Linde sponsored over 20 separate projects at Group level. Our South and East Asia RBU donated over 100,000 euros to emergency relief efforts following the floods in Pakistan in 2010.

Next steps

Report all community involvement projects worldwide.

Activities in Europe, Americas and Asia

In Great Britain and Ireland, our sense of corporate social responsibility is expressed mainly through education and medical research. This is flanked by employee involvement in community projects in these countries. In Great Britain, for example, we match the donations made by our employees to charitable causes. In the UK and Ireland Regional Business Unit (RBU), we also support selected community involvement programmes.

Although the South American economy is generally up-and-coming, standards of living still vary considerably throughout the region. We are committed to supporting the entire region, largely through numerous local community projects, many of which benefit from the direct and active involvement of our people. Donations and the personal commitment of our employees underpin our commitment to education, health and environmental protection.

North America, on the other hand, is one of the most highly developed and advanced regions. Many companies have traditionally focussed their activities on community projects – and we also take our responsibility to society very seriously in this region. Our activities include supporting the ill and disadvantaged and investing in professional training for young people in North America.

South and East Asia is regularly stricken by natural disasters such as strong earthquakes and/or the accompanying tsunamis, as well as widespread flooding. In the event of such disasters, we act as quickly as possible by contributing to emergency relief operations. One example is the donation made by our South and East Asia RBU towards the victims of the floods in Pakistan this year. In future, the community activities of the countries in this RBU will be bundled into a single programme called HELP. This stands for “Healthcare, Education, Local community development, Protecting the environment”, which are the four areas on which all future initiatives and projects will be focussed.

Community involvement programmes

Our community involvement and community investment programmes provide the overarching structure for our corporate social responsibility activities in the South Pacific

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and Africa RBUs. In Australia and New Zealand, the programme essentially comprises three sponsoring projects. These offer assistance to children suffering from cancer (Redkite Initiative), promote road safety awareness among school children, and support environmental projects focusing on water protection in particular.

In South Africa, our subsidiary Afrox is bound by law to show a sense of Corporate Responsibility. Companies must prove that they comply with a strict corporate governance codex before they can do business with public bodies or government authorities in this country. However, long before legal Corporate Responsibility requirements were even put into place, Afrox had already founded the Community Involvement Programme (CIP) that gives employees the opportunity to support community projects run by local organisations. Our engagement here includes implementation of the Broad Based Black Economic Empowerment (BBBEE) guideline, a donations programme, support for a vocational welding school, as well as support for the education and training of underprivileged students.

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Diverse healthcare measures

Occupational safety and healthcare go hand in hand. At Linde, the SHEQ and Human Resources departments cooperate closely to continuously improve our performance in this area.

Aims

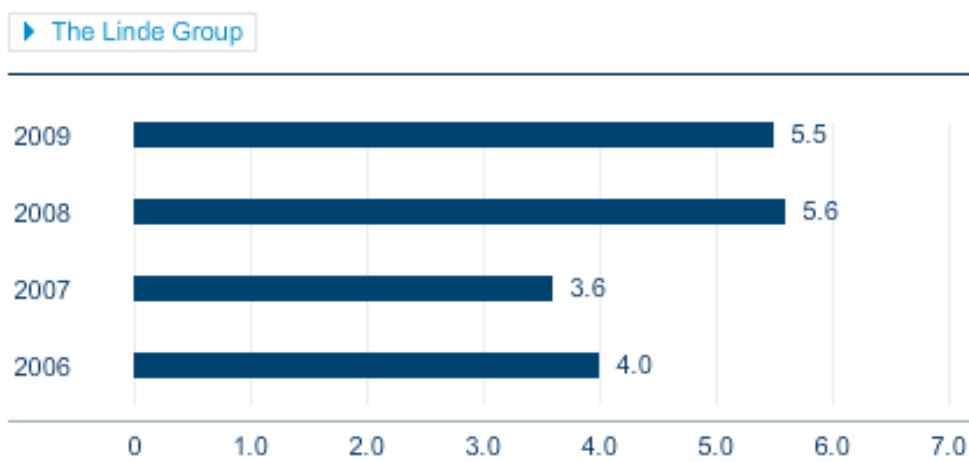
Implement a healthcare strategy and create uniform standards for healthcare services throughout the Group. Reduce the number of days lost due to sickness, encourage employees to adopt a healthier lifestyle.

Measures

Identification of health risks at the workplace, measures to tackle these risks, education and training, efficiency checks for each measure.

Facts and figures

Average number of days sick leave per employee



Next steps

Continue Group-wide programme aimed at minimising health risks to employees, particularly those involved in manual work. This includes noise protection and training in the correct handling of chemicals.

Group-wide healthcare management

Our healthcare management programme – referred to internally as Health and Occupational Hygiene – focuses mainly on promoting the health of Linde employees and protecting them against any risks and hazards they may be exposed to in the course of their work. Here we follow the overarching guideline of our Safety, Health, Environment, Quality (SHEQ) policy: “At The Linde Group, we do not want to harm people or the environment.” To achieve this, we have put proactive, Group-wide programmes in place for our employees, contractors and customers. These help us to gradually harmonise healthcare standards across the Group and ensure compliance with local health and safety laws and, if necessary, international regulations.

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Health and occupational hygiene is a strategic focus for Linde, as exemplary healthcare management can increase our productivity and overall performance as a company. Our aim is to reduce sick leave and prevent accidents which may be partly attributable to poor general health. We systematically identify workplace health risks across the Group and define measures to control these risks. Employees and all other people exposed to these risks receive dedicated safety training. We follow this up by checking that our measures are effective and suited to the risk in question. This process includes documenting and communicating standards and regulations plus benchmarking and evaluating results against key performance indicators. Some of these indicators are published in this Corporate Responsibility Report.

Healthcare schemes in the Engineering Division

For many employees, being part of our international plant engineering business means living and working abroad. However, unfamiliar climates and standards of hygiene can quickly cause illness and premature termination of overseas postings. Our Engineering Division therefore has a strong focus on preventive healthcare, and offers comprehensive travel services. Appropriate medical check-ups are mandatory for Engineering Division employees prior to any business travel abroad or on-site assignments. These ascertain medical fitness for overseas travel, for instance via stress ECGs, and ensure that the employee has the requisite immunisations. In addition, every employee receives a first-aid kit tailored to their particular country of destination. We also ensure it is clear beforehand how they can obtain reliable medical care once they have relocated.

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Climate protection across different value chains

We deliver a range of products and processes to render renewable energies cost-effective, dramatically cut consumption of natural resources and help reduce or even eliminate harmful emissions.

Aims

Improve energy efficiency, reduce greenhouse gas emissions, define Group-wide climate protection targets (achieved in 2010).

Measures

Improve energy efficiency of air separation units. Provide gas solutions that enable our customers to reduce emissions and increase energy efficiency. Research and develop environmentally friendly processes in plant engineering, such as third-generation biofuels.

Facts and figures

CO₂ emissions in million tonnes

The Linde Group						
	2009	2008	2007	2006	2005	2004
Direct CO ₂ emissions	4.6*	4.5*	4.7	4.2	2.3	1.9
Indirect CO ₂ emissions	9.0*	9.7*	9.7	10.0	4.3	4.2
Total CO₂ emissions	13.6	14.2	14.4	14.2	6.6	6.1

* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

Next steps

Develop a uniform Group-wide calculation method for the Product Carbon Footprint (PCF) of certain industrial gases.

Cornerstones

In our Corporate Responsibility and SHEQ policies, we make a firm commitment to protecting the environment, offering safe, eco-friendly products and services and pursuing research and development into particularly sustainable products, services and technologies. We regularly measure and evaluate company processes that have an impact on the environment and climate, publishing the results in our annual Corporate Responsibility Report in accordance with internationally approved standards. Measures to support climate protection are in place in both Divisions, albeit at different stages of the respective process chains. The deployment of our industrial gases and process technologies offers numerous opportunities to conserve

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energy, reduce emissions, utilise solar energy in a more efficient and environmentally friendly fashion and produce fuel from biogenic raw materials.

Climate protection in the Gases Division

Climate protection in this Division focuses primarily on our most energy-intensive production facilities: air separation units and HyCO plants, whose primary products are hydrogen and carbon monoxide. We are also working to optimise our route planning for road transit – whether for gas cylinders that must be transported by road or liquid gas in tank vehicles – to cut fuel consumption and thus emissions. Our gases also enable highly diverse applications geared towards climate protection, both by reducing and substituting harmful emissions. We have already prepared lifecycle assessments evaluating the eco balance of oxygen and hydrogen.

Climate protection in the Engineering Division

In this Division, climate protection is integrated into all three process levels – management, core and support.

At a management level, climate protection is covered under the QHSE management programme. At a core process level, the spotlight is on the preparation of tenders and plant planning. Whenever possible, our Engineering Division offers tried-and-tested process technologies that extend beyond the customer's RFQ and/or local environmental regulations. Here we always undertake to advise our customers of the benefits of these solutions and demonstrate how they could be integrated into the relevant project. Another of our HSE Essentials, this undertaking is a further example of the Engineering Division's new QHSE policy in practice.

Our engineering and environmental safety department ensures that the plant is engineered in accordance with customer specifications, applicable laws and statutory regulations, established guidelines and standards, and the latest advances in engineering and environmental safety.

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Achieving a good work/life balance

We support our employees in achieving a successful balance between private and professional goals in many countries, Germany included.

Aims

Embed work/life balance within the larger context of demographic trends.

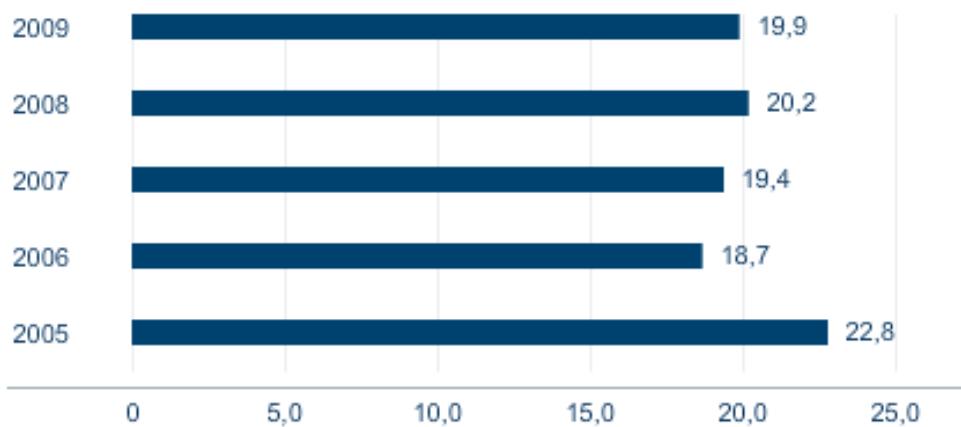
Measures

Help in locating family services (childcare, advice on care options for elderly or sick family members) in Germany, similar offers in other countries.

Facts and Figures

Total percentage of female staff

The Linde Group



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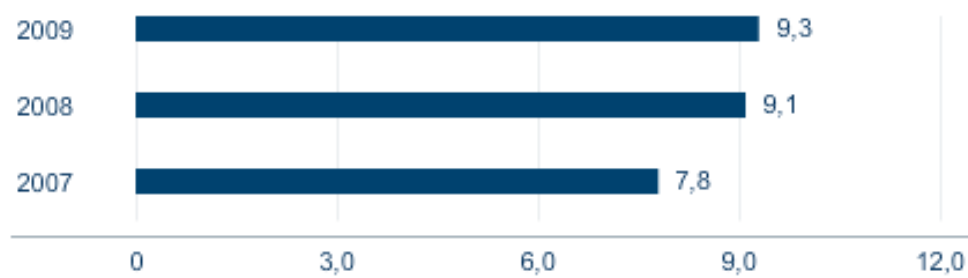
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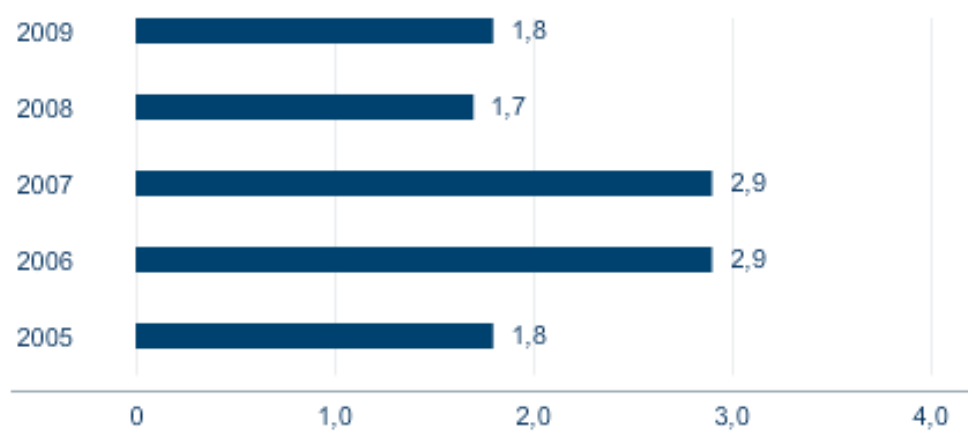
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**Percentage of women in management positions**

The Linde Group

**Percentage of part-time employees**

The Linde Group

**Next steps**

Continue to work closely with employee representatives, securing childcare places in and around Munich.

Family services in Germany

A successful career also hinges on a good balance between private and professional goals. To support its employees in this regard, Group headquarters, the Gases and Engineering Divisions, and participating subsidiaries in Germany have joined forces with an external consultant to help employees find appropriate childcare. This system has been in place for more than three years now, and caters for children of all ages. Having reviewed the age structure of our employees, we also introduced a Homecare or Eldercare service in January 2008 to support employees with family members who are ill or require special care. Offering support when family members become ill or require special care is becoming more and more valuable, as a significant number of Linde employees belong to the sandwich generation - in

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other words, they are raising children while their parents are arriving at an age where they may also require special care. What makes the situation all the more difficult is the need to act quickly, as illness or the need for special care can often arise without warning. Support services offered by an employer can be vital in such cases. As an employer, Linde covers all consultation and service-finding fees. The actual care services such as childminders, crèche facilities, or nursing care for the elderly are paid for by the employee. From autumn 2010 onwards, we will also offer 15 daycare places in and around Munich for employees' children up to the age of three. The places will be awarded according to specific criteria agreed with employee representatives. At our other sites, we offer daycare subsidies. Again, needs-based criteria for these subsidies are agreed with employee representatives.

Childcare vouchers in Great Britain

Employees at our British subsidiary can take advantage of childcare vouchers. These are classed as non-cash benefits and the value of the voucher is added to the gross salary before tax. The vouchers can be redeemed at state-approved childcare facilities. We are currently conducting an international review in order to determine the Linde locations where similar family-oriented programmes have already been introduced.

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Environmental protection and management

The production of industrial gases accounts for the largest share of our environmental footprint. But environmental protection is not only important at our production locations. We cast an equally critical eye on environmental performance at our administration locations.

Aims

Attain exemplary environmental management standards at all locations worldwide. Train employees regularly on topics related to the environment. Run regular internal and external audits.

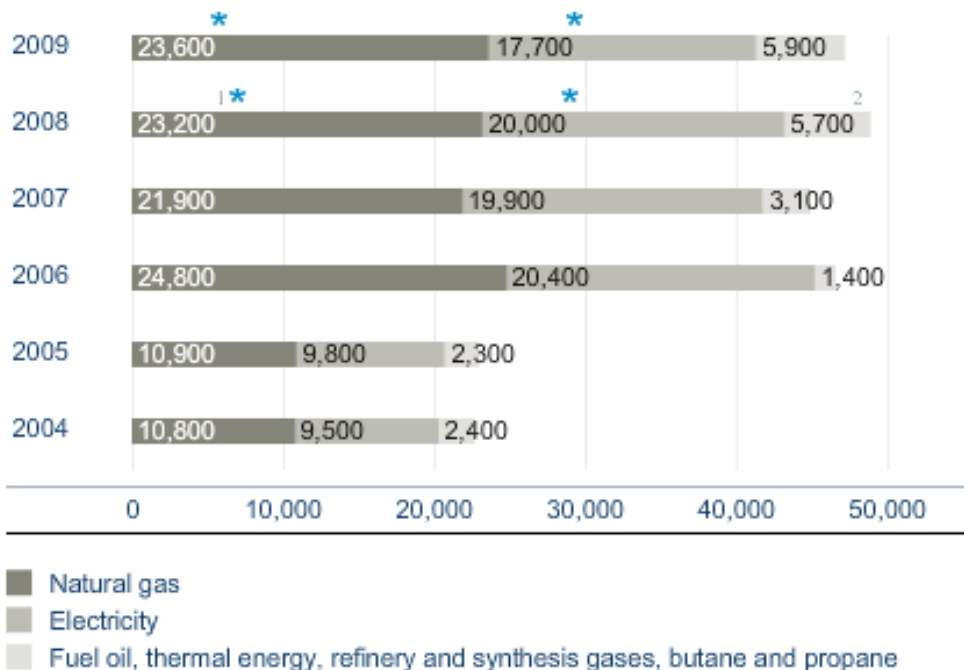
Measures

Improve environmental reporting at all locations worldwide. Conserve resources, particularly water and electricity.

Facts and figures

Energy consumption in GWh

► The Linde Group



* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

1) The previous year's figures have been updated due to greater accuracy in the data collection process. Therefore, these figures differ from those disclosed in the 2008 Financial Report or 2009 CR Report.

2) In 2008, we extended reporting to companies previously not consolidated and to new locations. The increase relative to last year is primarily attributable to a newly consolidated HyCO plant that uses heavy oil to produce hydrogen.

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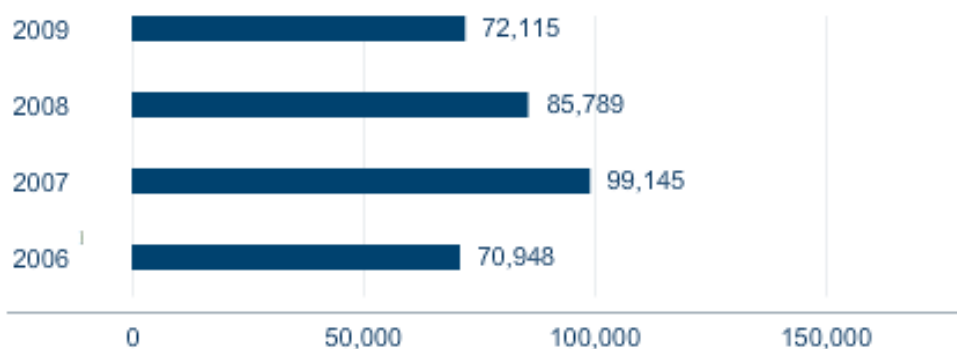
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**Total waste in tonnes**

▶ The Linde Group



1) When reviewing the waste data, it should be noted that the figures for 2006 cover fewer locations and do not include Spain, Portugal, France and certain locations in North America and Africa. In 2007, these locations generated 10,918 tonnes of waste.

Percentage of waste by disposal method

▶ The Linde Group

	2009	2008	2007	2006
Recycled materials	28	47	54	29
Landfill waste	35	30	32	52
Incineration waste	28	15	14	19
Other disposal methods ¹	9	7	n.a.	n.a.

1) Other disposal methods is a new category introduced in 2008. It covers waste that cannot be explicitly assigned to one of the defined disposal methods. In previous years, we reported this type of waste under incineration waste.

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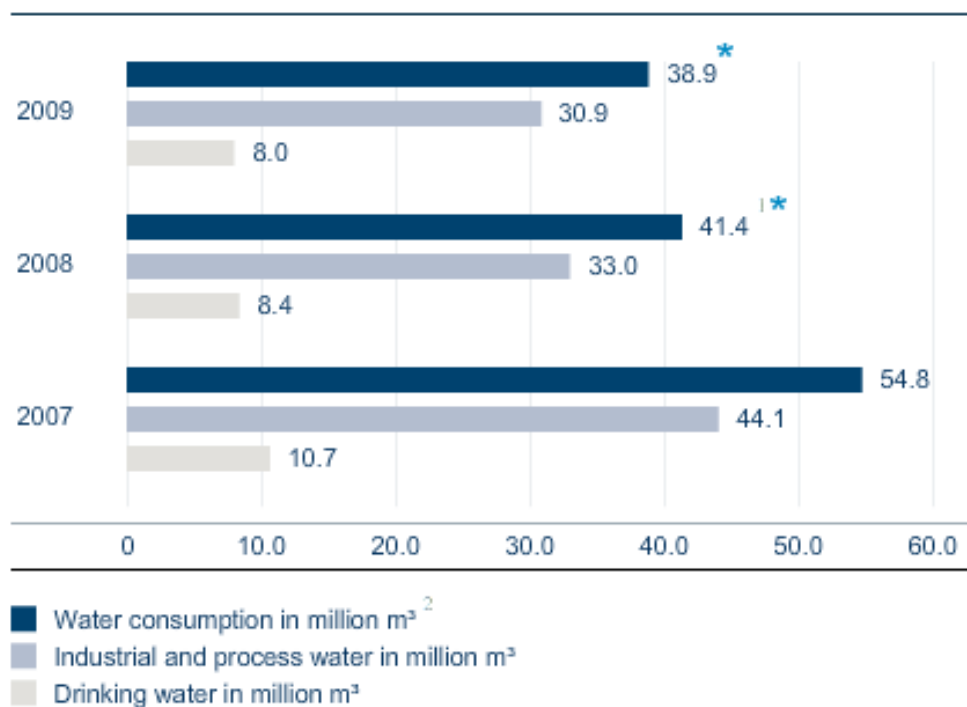
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**Water consumption in million m³**

▶ The Linde Group



* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

1) The previous year's figures have been updated due to greater accuracy in the data collection process. Therefore, these figures differ from those disclosed in the 2008 Financial Report or 2009 CR Report.

2) Water consumption refers to drinking water and process water. It does not include once-through water for cooling systems, which is simply drawn from local water sources and heated. After use, it is pumped back into the original water source.

Next steps

Communicate Group-wide environmental standards internally through the Linde Integrated Management Systems and Standards ("LiMMS") online platform.

In-house environmental protection in the Gases Division

In our Group Corporate Responsibility policy, we make a firm commitment to protecting the environment and conserving natural resources. At Linde, environmental protection includes the various measures taken within and by our company, for example at our production sites. In-house environmental protection in the Gases Division includes the certification of locations to ISO 14001, measures to cut energy consumption, reduction of direct and indirect greenhouse gas and other air emissions, waste management, eco-friendly management of water consumption and wastewater disposal, documentation and, where applicable, a reduction in materials consumption (metal, packaging materials) and reporting on key environmental indicators.

One of our big ongoing projects in this area involves raising minimum environmental

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standards as part of the existing Integrated Management System (IMS). This is based on a more detailed impact analysis and an action plan to better monitor, reduce or – even better – eliminate our environmental impact in certain areas. Regular training and audits will ensure compliance with the new standards.

Environmental protection in the Engineering Division

The Engineering Division operates over twenty locations worldwide, the majority of which are planning offices. Here our facility management activities ensure the careful use of resources such as energy and water. We measure the ecological footprint of this division's locations by largely the same criteria applied to the Gases Division, with the exception of plant-specific data. However, the scale of consumption here pales in comparison to that of a production site.

So our engineers take all the more care in plant planning, considering both the bill of materials (e.g. tonnes of steel required for the plant) as well as future energy consumption requirements plus air, noise and wastewater emissions during operation. Communication with our customers is very important at the planning stage, to convince them of the merits of the latest green technologies. We generate a detailed environmental protection plan for every plant we engineer. This comprises an emissions list, a framework for obtaining official environmental clearance and specifications for noise protection measures. The emissions list, in turn, consists of a drainage and wastewater treatment plan and an air pollution control concept. These are incorporated in the plant operating manuals.

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Opportunities for innovative work structures

Aging populations in industrialised countries and the need to develop talent in less developed countries are not just challenges for global players such as Linde. They also provide opportunities for reorganising work structures.

Aims

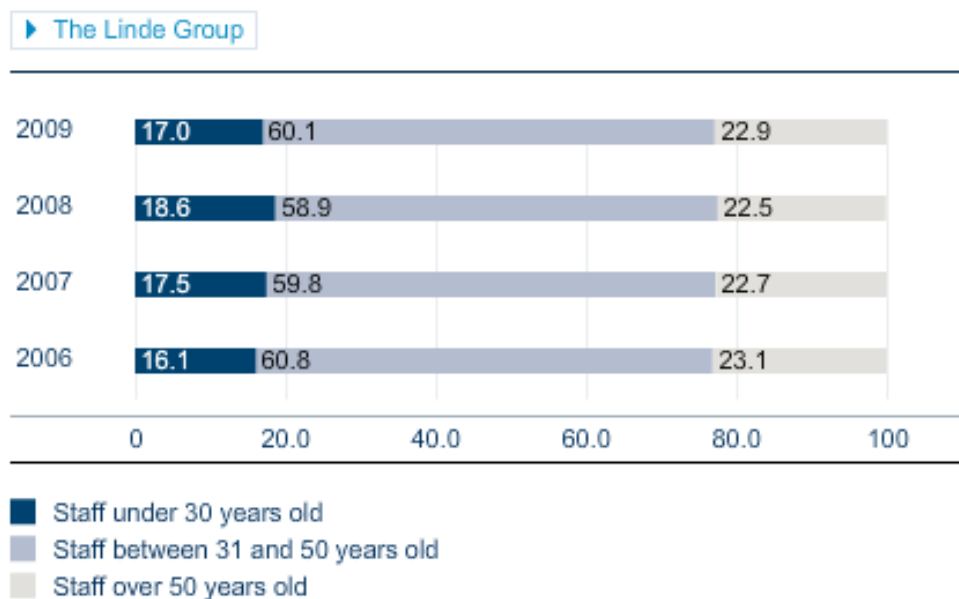
Ongoing implementation of a standardised, Group-wide Leadership Excellence Model. Greater flexibility to balance work/life. Better occupational healthcare. Systematic knowledge management within the company.

Measures

Ongoing implementation of development programmes for specialist and management staff; training programmes for older and less-qualified employees at Linde Gas Germany; dedicated talent development projects in the individual divisions.

Facts and figures

Age structure of employees



Next steps

Increased support for child- and family care; cooperation with internal and external health management partners; identification of knowledge champions within the company.

Demographics now shaping collective wage agreements

The impact of demographic change affects us all. Childless couples or adults caring for their parents are now commonplace in society.

Populations in Germany and other industrialised countries are aging. There are several factors that have triggered this phenomenon and continue to shape it. These include low birth rates,

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higher life expectancy – whereby the number of years spent in good health is also increasing – and age structures that are not conducive to population growth. In other words, baby boom generations are getting older and subsequent generations are having smaller families. The impact of an aging population on workforce structures is gradually becoming a topic of public debate. Companies must therefore consider how they can maintain and strengthen innovative drive and competitiveness against the backdrop of a workforce revealing a growing share of older employees.

Linde recognises the importance of this trend and has created a taskforce comprising employer and employee representatives to address the effects of demographic change. We have also carried out a demographics analysis for Linde companies in Germany.

During the period under review, Linde and the Mining, Chemical and Energy Industrial Union (IG BCE) added a new dimension to their joint collective wage agreements. Both organisations believe that demographic change requires a sustainable, forward-looking HR policy.

Under this new umbrella, the companies have set up a demographics fund to balance working life with changing demographics. Employers contribute to this fund, which helps collective wage employees by financing the challenges facing an older workforce. At Linde, this money is channelled into a deferred compensation plan to improve pension prospects and more flexible part-time schemes for older workers.

We are also maintaining or expanding existing initiatives targeting the effects of shifting demographics. Examples here include measures aimed at lifelong learning, a healthy work/life balance and better occupational healthcare. Know-how transfer is also a key action area and reflects our commitment to safeguarding employee expertise for the company.

Global perspective on talent development

Global companies such as Linde need to take a global perspective on talent development. For instance, we need to develop skills specifically in emerging nations where economics, politics and society are on the development path. These countries are set to play a key role in our future success. Local training programmes flanked by global HR development measures will be a key success factor in consolidating our position in these markets and building our people's skills.

A large number of people from different countries and cultures work closely together at Linde. We see this diversity as a vast potential hotbed of innovative and creative ideas. This view is reflected in our Leadership Excellence Model, where intercultural communication and cooperation are the core skills required of all our managers.

We believe in developing talent from the ground up in as global a context as possible. The Junior Circle of our Gases Division, for example, networks talented young employees from across the world at a regional level, thus encouraging the creation of competence networks that complement traditional hierarchical structures.

Under the umbrella of our People Excellence programme, our various HR skill-building initiatives are designed in a modular fashion to meet the varied professional needs of different audiences throughout the Group. This reflects the sheer diversity of professional profiles across the company.

Group-wide examples of this in practice include training schemes for future managers. They are coached by Linde-certified trainers who are qualified as engineers, scientists or technicians. Our Line Manager Training Programme is targeted at top and second-level managers as these carry the largest direct responsibility for staff at Linde. One of the core competencies acquired with this course is people management - how to effectively steer and actively engage employees in such a way as to strengthen the company's position as a whole.

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Evaluating customer satisfaction

Customer satisfaction with our products and services is a key success factor for all our divisions and business areas. And so we regularly and systematically ask our customers how we rate.

Aims

Maintain high levels of customer satisfaction with Linde's products, services and technologies.

Measures

Regular customer surveys across all divisions and lines of business.

Facts and figures

In 2009, we surveyed around 500 Linde Gas Deutschland customers. We also continued to implement the Global Quality Roadmap in the Electronics Business Area.

Next steps

Channel customer feedback into improvement measures.

Examples of customer surveys

Each year, Linde Gas Germany commissions an independent body to conduct a customer satisfaction survey on our products and services.

Close cooperation with our customers has proven a wise strategy in times of economic crisis. In 2009, the seventh customer satisfaction survey run by an independent body confirmed this with strong ratings for Linde Gas Deutschland. We largely retained the high levels recorded in 2008. A representative sample of 500 customers from all over Germany were contacted by telephone. Key survey topics included field staff, customer service/care and satisfaction with complaints handling, as well as service awareness among customers. Eighty percent of customers said that they were satisfied or very satisfied with Linde as a gas supplier. When asked about innovations, new products and services, the customers surveyed expressed trust in our solutions. Across the board, our customers' willingness to recommend Linde to others has increased compared with the previous year.

Customers in the Electronics Business Area are particularly demanding when it comes to quality. These exacting demands have largely shaped the Global Quality Roadmap established by the this Business Area. This programme provides guidelines and an indicator system to help employees in this unit meet customer expectations and demands more effectively.

It is also very important to evaluate customer satisfaction among our medical gases customers. As our medical gases are used by both homecare and hospitalised patients, satisfaction extends beyond statutory quality and purity levels to include soft factors such as the delivery service offered by our field staff.

In the Engineering Division, customer satisfaction is also surveyed and reported each year.

Ensuring that customers handle our gases correctly

In the Gases Division, our product stewardship activities include customer screening. Here, specially trained Linde technicians perform pre-delivery audits at customer sites to ensure the processes and infrastructure are in place to handle gases correctly. We have drawn up a product list specifying the gases that are subject to this screening. By the same token, our customers can expect support from us around the clock.

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Should any problems with gas cylinders arise outside business hours or at the weekend, our emergency teams are on hand to prevent accidents, for instance resulting from leaks. What's more, we dispose of residual CO₂ when storage facilities and tanks are dismantled or tested, for example. We are the only gases supplier with our own vehicle specially designed to empty CO₂ for this purpose. We also encourage customers to return residual gases, cylinders and valves, and actively help customers to recycle and reuse gases in an appropriate manner.

See our website at www.linde.com/cr for more information on product stewardship and the significance of REACH (Registration, Evaluation and Authorisation of Chemicals) for us and for our customers.

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Engineering and operational safety

We systematically identify and evaluate safety risks at our plants - both those planned by our Engineering Division and those operated by our Gases Division.

Aims

Minimise risks and comply with legal and internal regulations.

Measures

Systematic risk analysis during plant planning (Hazard and Operability Study, HAZOP) and operation (Major Hazard Review Program, MHRP)

Facts and figures

In 2009, around 300 Linde Gas locations with larger production facilities or particularly hazardous operations were awarded internal licenses according to MHRP.

Next steps

Implement the Major Hazards Review Programme (MHRP) gradually across all Linde Gas sites worldwide, perform Gate Reviews in the Engineering Division to systematically verify compliance with QHSE requirements during each planning phase of an engineering project.

Operational safety

Risks that our plants might pose to employees and any neighbouring companies or people living in the vicinity must be systematically identified and evaluated. We have rolled out a Group-wide management system, the Major Hazards Review Programme (MHRP) for this purpose.

Its objectives include identifying the maximum potential hazards and managing them effectively. It is also important to measure risks on a uniform basis for all locations and introduce controls that minimise these risks as far as possible. Monitoring the maximum potential hazards encompasses all key aspects of occupational health, safety and environmental protection.

As a minimum requirement under the MHRP, all locations operated by Linde that store or process hazardous substances (including pipeline transport) must possess a valid licence awarded following an internal audit.

We are approaching completion on the new Linde Group MHRP standard. In future it will divide all locations into three categories, with category 1 representing the greatest hazard potential.

At a regional level, we pursue other risk prevention programmes as well as Major Accident Prevention Policies (MAPP) under the umbrella of our SHEQ policy. These programmes and policies define concrete areas of responsibility and support The Linde Group in achieving its aim of avoiding harm to people and the environment.

Engineering safety

Almost every plant we build is unique; tailored to individual process requirements, capacity demands and site conditions. To ensure effective project execution that complies with all QHSE (Quality, Health, Safety, Environment) specifications, our engineering process follows a clearly defined, step-by-step blueprint. Design reviews play an important role here, with interdisciplinary teams checking requirements are implemented in line with QHSE regulations. These mandatory reviews also include a hazard and operability study (HAZOP). Experts,

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usually led by an external supervisor, analyse in detail occupational safety for each individual part of the plant. This process – often requested by the customer – may take between one and two months, depending on the plant size and type. Although the customer is responsible for plant safety after handover, Linde Engineering builds up to this with in-depth advice and training, also supporting operations post-handover if required.

This stringent quality assurance process ensures that QHSE specifications are systematically incorporated at all plant engineering steps.

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Innovating to protect the environment and climate

In future, our capability to innovate the market for renewable energies and emission-reducing technologies will become even more critical. That is why we are already systematically measuring and evaluating our environmental performance.

Aims

Permanently measure and evaluate our environmental and climate innovation performance, channel these findings into a concrete action plan.

Measures

Environmental Innovation Performance (EIP) leading indicator. Apply EIP across the Group.

Facts and figures

Quantitative data gathered for the Engineering and Gases Divisions over time, can thus be published as of 2011.

Next steps

Benchmark EIP across all Engineering Division product lines; introduce EIP for Research and Development in the Gases Division in 2010.

Leading indicator for environmental performance

Our long-term success hinges on lively research and development activities within both our Gases and our Engineering Divisions. We are concentrating more clearly than ever on developing environmentally sound gas applications and process technologies. This is the only way we can meet rapidly rising ecology standards among customers. This trend positions innovations aimed at protecting the environment and climate as an increasingly important success factor in our business. As a result, we no longer rely solely on lagging indicators (such as the absolute number of patents registered in a fiscal year) to measure our innovation performance. We have also introduced an Environmental Innovation Performance (EIP) leading indicator to benchmark our Engineering Division's innovative contribution to environmental and climate protection. During the period under review, we have extended EIP reporting to our Gases Division.

We systematically promote inventiveness and creativity in The Linde Group by presenting an annual prize, the Patent & Innovation Award. Here we award prizes for the ten best patents registered during a calendar year in each of the following categories: technological invention, commercial invention and Group innovation. The Linde Innovators Club now has 90 members.

Environmental Innovation Performance (EIP) indicator

The EIP indicator benchmarks our Engineering and Gases Divisions' strategic environmental performance. The first step in measuring environmental innovation performance involves documenting all current development projects. These are assigned to "eco classes" depending on their focus. These eco classes are divided, for example, into technologies based on renewable resources, carbon capture, storage and recycling and ways of reducing other emissions. This includes projects for treating wastewater emissions and reducing acid gases that combine with water to create acids. The next step involves defining the current level of maturity according to our ranking system. This allows us to check whether the technology is in the incubation, accelerated development or final phase. Development

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projects are then mapped to a matrix where the ecological potential of a project is multiplied by a given maturity factor. Additional indicators allow us to plot changes in ecological potential over time. The EIP gives us the chance to evaluate our environmental innovation capability in quantitative and qualitative terms.

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Rich spectrum of professional opportunities

Linde offers a wide variety of tasks in numerous different fields worldwide, so we are constantly looking for highly qualified new talent. We look for results-driven people who combine an entrepreneurial, hands-on approach with team spirit and a passion for what they do.

Aims

Increase Linde's appeal as an employer - particularly for engineering and natural science graduates. Promote skill development schemes for all employees across all age groups.

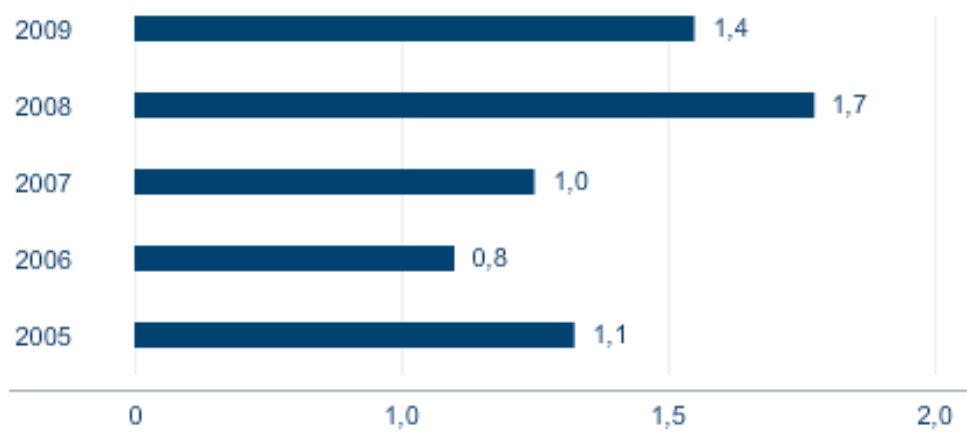
Measures

Various recruitment activities; wide range of training opportunities at Linde; skill-building after starting career.

Facts and figures

Percentage of trainees

► The Linde Group



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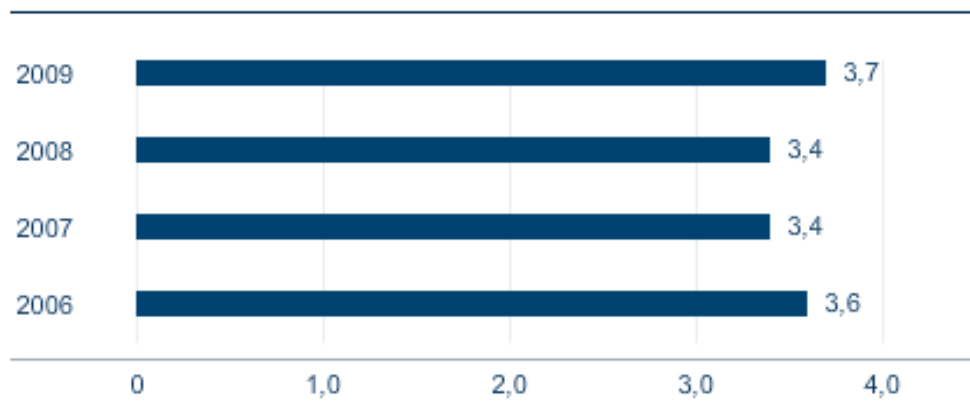
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**Percentage of trainees in Germany**

The Linde Group

**Next steps**

Promote Continuous Qualification Process (CQP) at Linde Gas Germany, including safety training sessions and specialist training for drivers and sales engineers. Extend "CONTINUE" student loyalty programme at Linde Engineering.

Internships and training opportunities

Anyone who is fascinated by gases and engineering will receive a warm welcome at Linde and discover a host of interesting training opportunities, ranging from initial work experience and student internships to trainee placements overseas. Our Action programme was specially created to support high-flying students – offering supplementary seminars, help searching for a suitable internship abroad and assistance with dissertations, for instance.

Any student can apply to prepare their dissertation or thesis project at The Linde Group. Our dissertation forum offers a range of topics. We also offer student apprentices the opportunity to flank their studies with practical experience in one of our areas of expertise. In addition, Linde regularly participates in job fairs.

We offer a wide range of industrial/technical and commercial training opportunities, both in Germany and worldwide. Our vocational training is not only about transferring knowledge, it also fosters personal development and a sense of initiative. Linde companies in Germany support vocational schools by offering supplementary tuition, voluntary further training sessions and even short-term apprenticeships abroad.

In addition, we offer dual study programmes as an alternative to traditional higher education courses. These programmes combine practical training with studies at a vocational institute or state academy. In Germany, Linde partners with state academies in Stuttgart and Mannheim. An in-house agreement ensures that Linde Engineering offers employment to every trainee who achieves the grade "satisfactory" (equivalent to grade C) or higher. Over the past 15 years, Linde Engineering has hired between 13 and 15 young people every year after they successfully completed their training. Over 90 per cent of these former trainees are either still with the company or have returned to Linde after obtaining a degree in technology or engineering. One of our trainee plant engineers who completed his apprenticeship in 2010 was even awarded the Bavarian State Prize for his outstanding grade average.

Talent management and Linde University

Under the umbrella of our People Excellence initiative, we run a variety of talent development programmes to support our employees in gaining leadership and specialist skills

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once they have started their careers. Talent management at Linde bundles all processes that harmoniously align each individual's professional growth with Linde's business objectives. At Linde, employees have a wealth of opportunities waiting for them, including the option to change division, team or actual job across national boundaries. Our graduate and exchange programmes are designed to foster international know-how transfer, and allow our people to build networks across the Linde world.

We also offer our employees a challenging and rewarding suite of education programmes at regional and global levels. These programmes aim to develop the key qualities and skills we look for in our people. Under the umbrella of The Linde University, we have an established global training and development framework for leadership and business management skills, as well as ongoing professional development. The Linde University curriculum combines both classroom-based and online, interactive learning programmes. To channel the latest scientific findings and academic insights into the learning experience, we partner with leading universities around the world. And we involve our most senior managers in our education programmes to create learning experiences with lasting practical impact.

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Safety is no accident

Long-term success is only possible if we are constantly vigilant in all our actions and areas of responsibility. Safety is our top priority. And that applies across the board - to all Linde divisions, lines of business and locations.

Aims

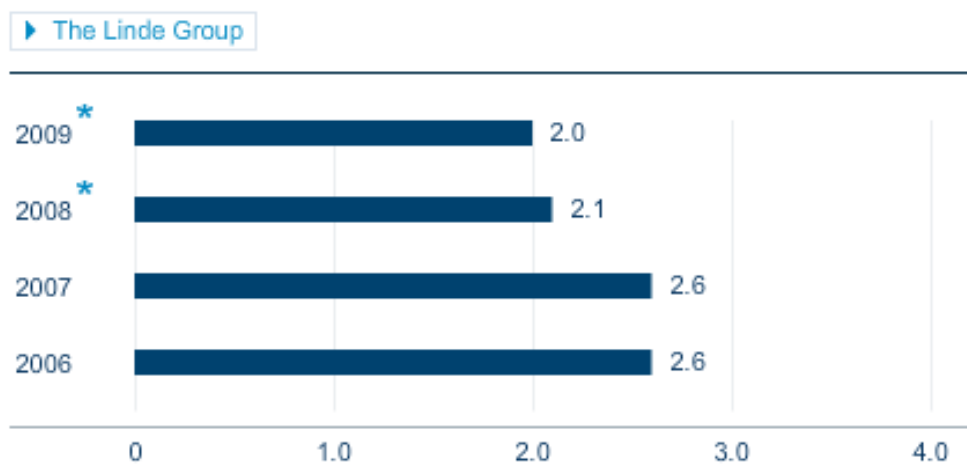
Strengthen safety culture at all locations, promote safety awareness among employees and management, zero accidents and product safety, ensure compliance with legal and internal regulations.

Measures

Intensive training for employees and management; Integrated Management System (IMS) for Safety, Health, Environment, Quality (SHEQ); data capture; external and internal safety reporting.

Facts and figures

Number of workplace accidents per million hours worked by Linde employees (LTIR)



* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

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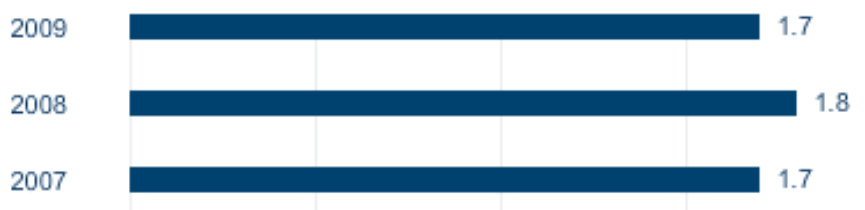
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**Number of workplace accidents per million hours worked by contractors (LTIR)****The Linde Group**

When reviewing this data, it should be noted that we rely on our contractors to supply us with accurate, reliable figures.

Number of fatal industrial accidents**The Linde Group**

	2009	2008	2007	2006	2005
Number of fatal industrial accidents involving Linde employees	3	2	6	1	3
Number of fatal industrial accidents involving contractors	7	5	9	7	1

Next steps

Reduce the number of traffic accidents and lower the Lost Time Injury Rate (LTIR), introduce the Golden Rules for Safety worldwide to strengthen safety awareness within the company.

Safety – for Linde and our customers

Our Safety, Health, Environment, Quality (SHEQ) policy guides our safety management activities. The core principle of this policy states that “At The Linde Group, we do not want to harm people or the environment”.

In reality, this means that all Linde employees, partner employees, contractors and customers must look beyond getting maximum return on our gases to also prevent accidents and damage.

Linde’s safety culture is defined by Group-wide safety regulations, which are then adapted and implemented at regional and local level in line with the applicable requirements.

The integrated management systems deployed by our Gases, Engineering and Gist logistics Divisions provide the tools to monitor and steer safety management. They form a basic

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framework that governs our behaviour across the board and especially at management level. Each employee must comply with safety regulations. In other words, he or she must assume responsibility for their personal and for collective safety.

We systematically train our employees to identify risks. However, our training extends beyond identification. Through films and a risk matrix, we also ensure our employees are able to correctly assess risks. After all, correct classification is the only way of ensuring that suitable preventive measures are implemented.

Meeting legal regulations governing safety in the workplace can pose a major challenge for many operators of gas plants. So, in many countries, we bundle the requisite know-how and measures into safety programmes, enabling precise implementation of relevant occupational safety guidelines. Our customers can therefore be sure that they are fulfilling their specific obligations to the letter. We also provide thorough support for customers purchasing cylinder gases, advising them on a range of issues from safe transport to correct disposal methods.

Anchoring safety at process level

Our comprehensive safety management programme includes product stewardship, REACH (Registration, Evaluation and Authorisation of Chemicals), safety datasheets, training, transport safety, plant safety, occupational safety and healthcare.

For example, transport is the core business of our Gist Division, but is also a core activity for our larger Gases and Engineering Divisions. While the Gases Division delivers its products to customers itself, either by pipeline or transport fleet, the main focus for the Engineering Division is on careful selection of transport service providers and precise timing. Safety plays a central role in all our transport activities.

The transport of gases is regulated by ADR (European Agreement concerning the International Carriage of Dangerous Goods by Road, from the French Accord européen relatif au transport international des marchandises Dangereuses par Route). The potential hazards of gas transport are significantly reduced by handling the products correctly, knowing their properties and optimising packaging.

Transport incidents can be very hazardous and are among the safety risks we particularly focus on. Our aim is to reduce the number and frequency of transport-related accidents – both among Linde employees and our contractual partners.

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Systematic process optimisation

Our aim is to permanently reduce the water and energy consumed by our production processes and cut resulting air and water emissions and waste volumes.

Aims

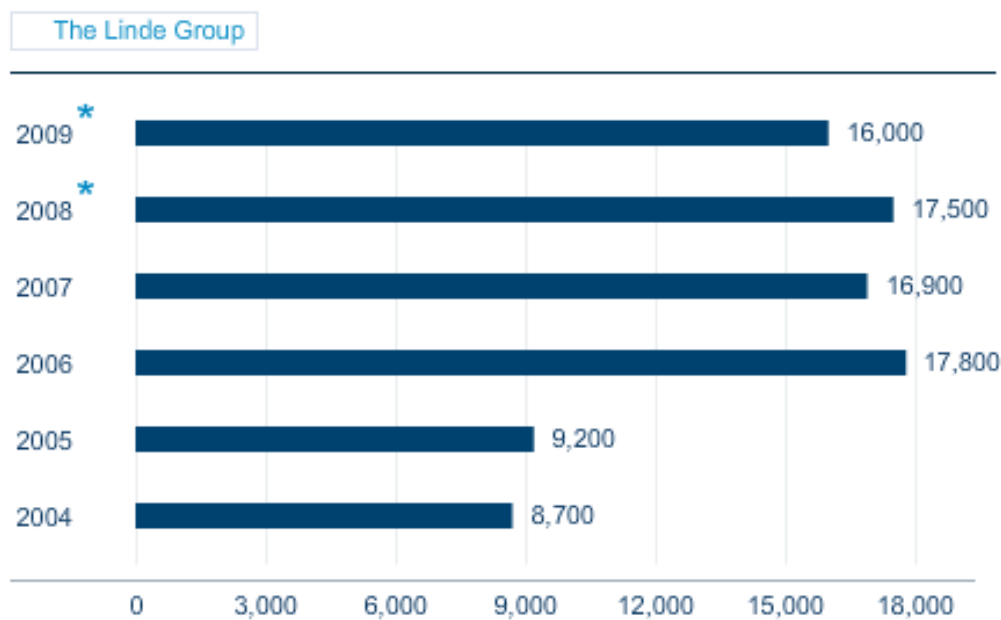
Reduce energy consumption and promote energy efficiency in production processes, eliminate or continue to reduce greenhouse gases and other air emissions, reduce water consumption and water emissions, decrease the volume of waste, reduce its hazardous potential, improve our disposal policy, assess and reduce noise emissions and improve transport logistics.

Measures

Measurement and evaluation of our environmental performance, environmental optimisation projects at many locations worldwide.

Facts and figures

Electricity consumption by air separation plants in GWh



* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

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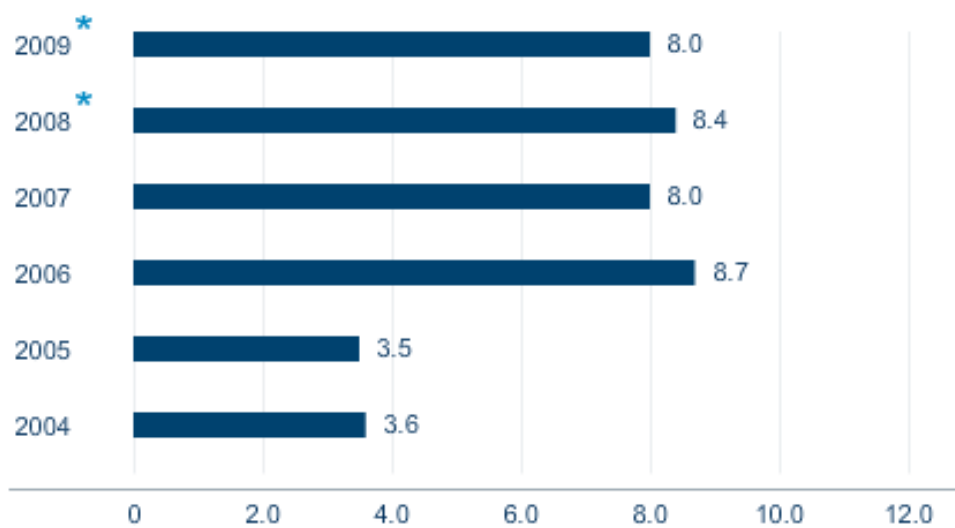
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Indirect CO₂ emissions from air separation plants in million tonnes

The Linde Group



* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

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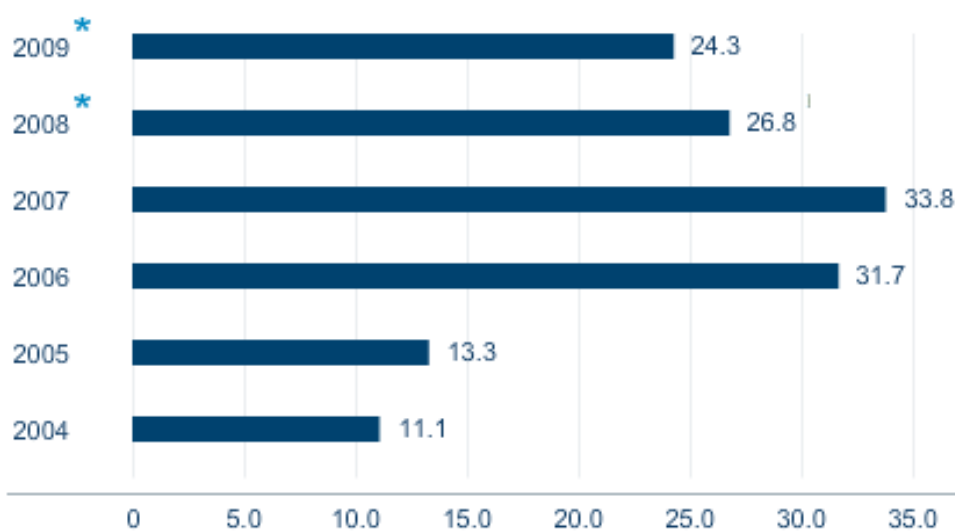
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**Water consumption by air separation plants in million m³**

The Linde Group



Water consumption refers to drinking water and process water. It does not include once-through water for cooling systems, which is simply drawn from local water sources and heated. After use, it is pumped back into the original water source.

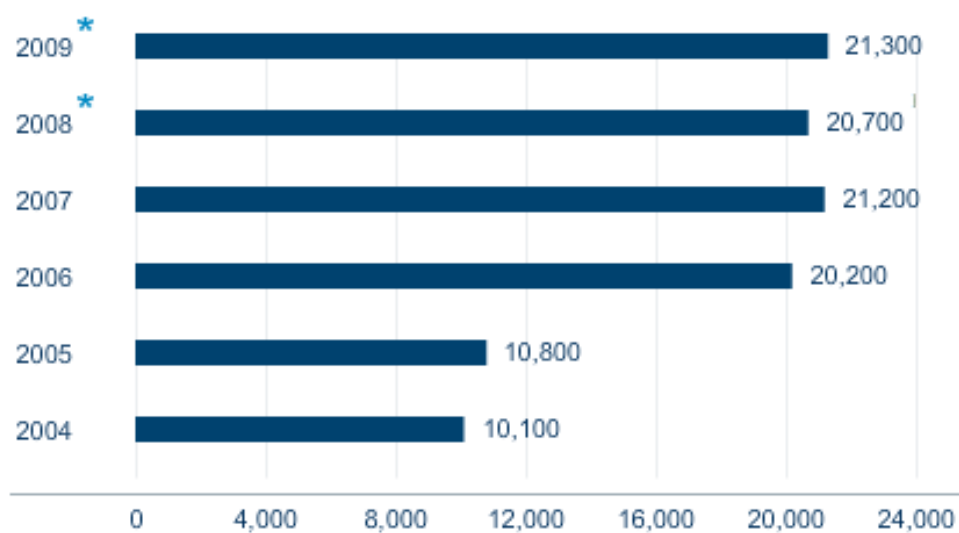
* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

1) The previous year's figures have been updated due to greater accuracy in the data collection process. Therefore, these figures differ from those disclosed in the 2008 Financial Report or 2009 CR Report.

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**Natural gas consumption by HyCO plants in GWh**

The Linde Group



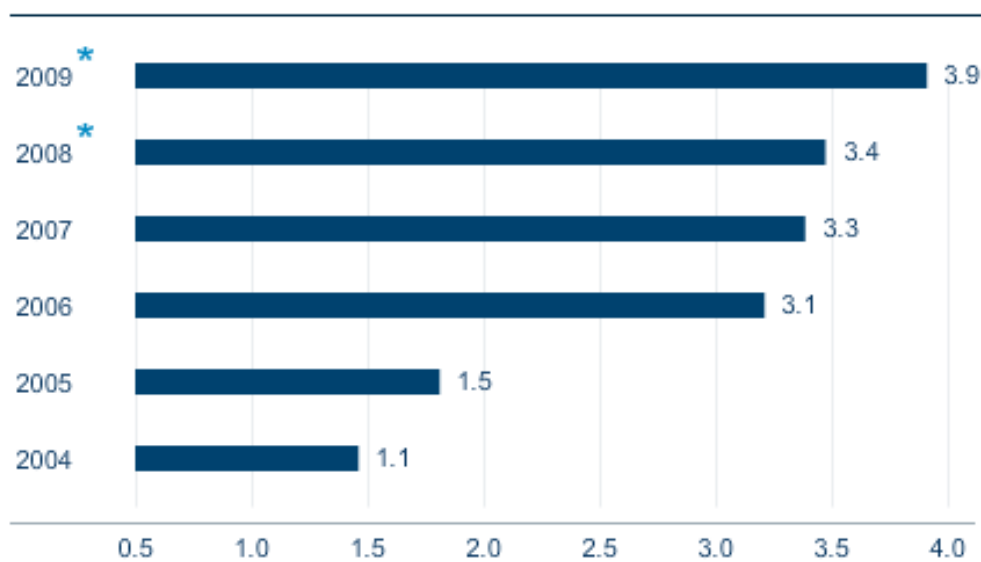
* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

1) The previous year's figures have been updated due to greater accuracy in the data collection process. Therefore, these figures differ from those disclosed in the 2008 Financial Report or 2009 CR Report.

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**Direct CO₂ emissions from HyCO plants in million tonnes**

The Linde Group



* Within KPMG assurance scope. The assurance report is available [here](#). You will find the report for the 2008 figures in our 2009 CR Report.

Next steps

Introduce a quantitative energy consumption target for our air separation units.

Improving productivity at our air separation units

Resource efficiency is essential to optimise energy consumption, air and water emissions, water consumption, waste volumes and transport logistics.

The business of producing industrial gases is energy-intensive, so cutting consumption and using energy efficiently is one of our main production challenges. All progress on this front helps reduce greenhouse gas emissions.

The Linde Group's total energy consumption includes fuels we use in production and energy procured from external power plants, such as electrical energy and district heating. Electricity and natural gas are our main sources of energy here, required in particular to operate our air separation and HyCO plants. Over 80 percent of the electricity we consume is used in the course of air separation. At 90 percent, our HyCO plants account for the majority of our natural gas consumption.

We are constantly optimising our production processes to improve the productivity and energy efficiency of our plants. Innovations and energy management programmes are the key to a more economical use of energy and lowered greenhouse gas emissions.

Worldwide environmental projects

We pursue a number of channels to optimise our plant and delivery process efficiency.

Our air separation units at several locations in India, Malaysia and Germany, for example, produce water by extracting moisture from ambient air. The water is then fed into the cooling

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circulation systems. Our air separation unit in Brunsbüttel, Germany, for example, reduces fresh water consumption by around 12,000 m³ each year using this method. Since energy consumption at our air separation units is a key economic and ecological indicator, we deploy energy management systems across the company to highlight energy saving potential, for example. Our Danish subsidiary has even had its energy management system certified to the national standard DS 2403:2001 (corresponds to EN 16001:2009) and defines annual goals and action plans as part of its policy.

Gas transport is another efficiency hotspot. We have a number of ongoing projects worldwide aimed at cutting the number of kilometres driven by our delivery trucks each year as well as reducing fuel consumption and lowering transport costs. In addition to modernising our fleets and holding driver training courses, we also right-size on-site customer tanks which we regularly replenish. Our main aim here is to provide our customers with exactly the amount of gases they need, eliminating supply bottlenecks and the need for multiple delivery runs. We transfer programmes that have successfully minimised environmental impact to projects at other sites across the globe in line with our best-practice policy.

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Core HSE requirements are an integral part of contractual agreements with contractors

For our Engineering Division, occupational safety, health, environmental protection and quality have always been top priorities when planning and building plants all over the world.

Aims

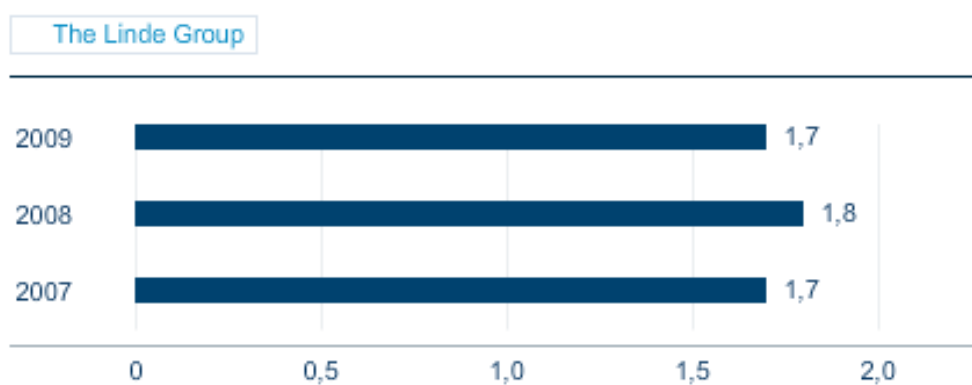
Ensure contractors comply with core HSE requirements on construction sites.

Measures

The authorisation process for site contractors working for the Engineering division must be repeated to ensure HSE compliance with each new project.

Facts and figures

Number of workplace accidents per million hours worked by contractors (LTIR)



Next steps

Continue quarterly reports on Lost Time Injury Rates (LTIR) among contractors working for The Linde Group.

HSE Essentials in the Engineering Division

Linde management has defined a set of core regulations called HSE Essentials (Health, Safety, Environment). These also cover HSE requirements on non-Linde construction sites and the procedure in the event of unacceptable risks to Linde Engineering employees on sites not under Linde's jurisdiction. These Essentials are binding for all the subsidiaries of our Engineering Division.

Core HSE requirements for construction sites are defined in our HSE "Site" programme. This regulates areas such as risk assessment, HSE coordination, work-permit procedures, HSE training, personal protective equipment (PPE), scaffolding work, and health and environmental protection. Compliance with these core requirements is not only a binding HSE Essential for all Engineering Division employees, but also an integral element of our agreements with contractors working on sites on our behalf.

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Enforcing safety on construction sites

Our close coordination of contractors in relation to HSE extends well beyond legal regulations. This is essential in order to guarantee the highest possible safety standards on our construction sites.

Concrete project-specific HSE requirements are also anchored in agreements with contractors working on construction sites on our behalf. Evaluation of feedback from contractors shows that project-specific framework conditions have a significant influence. So, Linde Engineering decided to repeat the authorisation process for site contractors with each new project. We view this as an important precondition in ensuring compliance with QHSE standards on our construction sites.

Where hazardous operations are involved, our experts conduct a thorough inspection of safety measures before work gets underway.

If our employees identify unacceptable risks at customer construction sites not under Linde's jurisdiction, they are obliged to make an immediate request that the supervisors undertake appropriate improvements. If no such measures are taken, we reserve the right to withdraw our staff from the site for safety reasons.

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Ethics and compliance at Linde

The Linde Group is committed to integrity in all its business dealings. This is non-negotiable.

Aims

Ensure company compliance with legal regulations through appropriate instruments.

Measures

The Linde Code of Ethics is available in a number of different languages. Our Integrity Line can be reached 24 hours a day, 7 days a week. We have a central compliance office and regional compliance managers.

Facts and figures

The Executive Board and the audit committee of the Supervisory Board are regularly informed about current developments and progress within the compliance organisation, including measures aimed at communicating existing rules of conduct to employees, training employees in those rules and updating them as necessary.

Next steps

Employee training.

Code of Ethics and Integrity Line

Integrity is one of our four guiding principles. It is the fabric of our moral and ethical codex, ensuring that we always act with honesty and fairness. Our Code of Ethics anchors ethical conduct within our organisation, setting out guidelines to ensure we act in accordance with legal and internal Group regulations. The Code is supplemented by our ethical/legal procurement guidelines. The Linde Integrity Line is an integral element of ethics and compliance at The Linde Group, providing a channel for both internal and external stakeholders to raise legitimate issues.

Our compliance organisation

To reinforce compliance with both legal regulations and voluntarily adopted principles, we have set up a global compliance organisation. The Executive Board has established a compliance office within the Group Legal department. Compliance officers have been appointed in the divisions, business areas and operating segments to support Group-wide observance of the compliance programme.

The global compliance officer coordinates and oversees execution of the various compliance measures. The Executive Board and the audit committee of the Supervisory Board are regularly informed about current developments and progress within the compliance organisation, including measures aimed at communicating existing rules of conduct to employees, training employees in those rules and updating them as necessary. Training is provided for our employees worldwide. Classroom-based courses are supplemented by a Group-wide e-learning programme.

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Group-wide climate protection goals

As part of our climate protection commitment, we have defined concrete, quantitative, Group-wide environmental targets for the first time.

Aims

Goal for 2013: 3% improvement in energy intensity of our air separation plants relative to 2008.

Measures

Continuous reduction in energy intensity by improving the design of air separation units and closing operational efficiency gaps.

Facts and figures

Potential saving of around 630 GWh of electricity.

Next steps

Continuous monitoring.

Improving plant efficiency

The manufacture of air gases accounts for around 80% of our electricity bill. We have therefore made improving energy efficiency at these plants a top priority. We are continually working on improving air separation technologies with a view to conserving resources and preventing indirect greenhouse gas emissions. Over the years, we have systematically designed plants to be increasingly efficient, thus improving energy intensity. We intend to maintain this trend and have set ourselves goals.

Improving energy intensity by 3% in plant design

By 2013, we aim to improve energy intensity in our plant designs by three percent per quantity of gas produced. We have chosen 2008 as our baseline year. This goal represents a potential saving corresponding to around 630 GWh of electricity. Based on a global average value used to calculate CO₂ emissions, this translates to a saving of 270,000 tonnes of CO₂.

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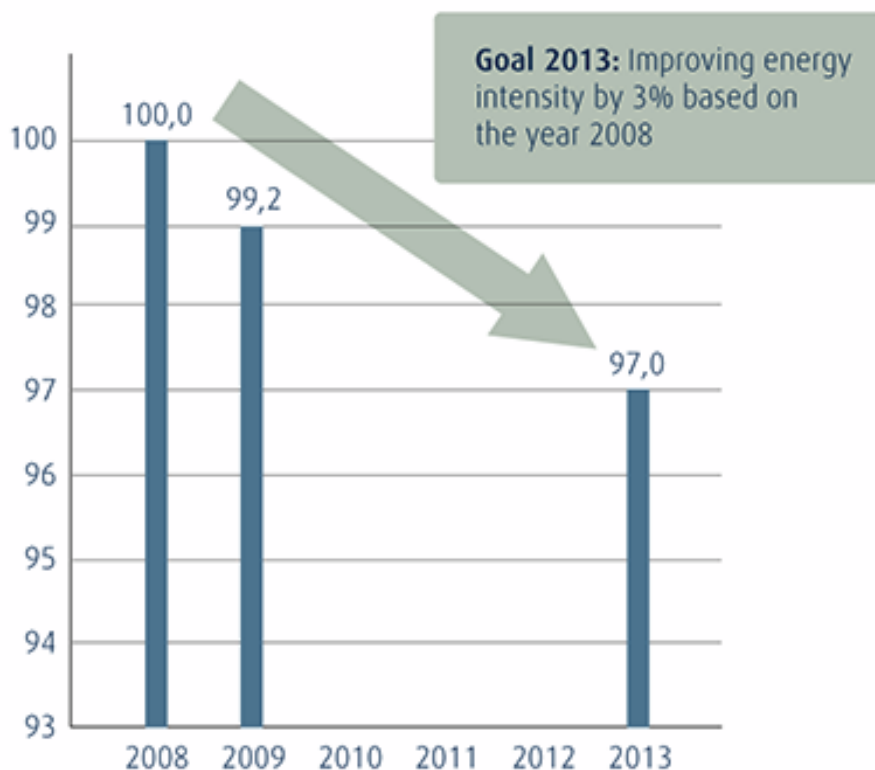
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Specific energy intensity air separation units (design)



The efficiency goal applies to our entire air separation portfolio. We have indexed our target for external reporting purposes and have set the 2008 baseline value at 100. Based on these figures, our aim is to reach 97.0 by the target year.

In addition, we will continue to focus on further reducing energy requirements and indirect CO₂ emissions in our daily operations. We are doing this through a variety of approaches at our sites across the globe. Concrete measures include improving efficiency management with the help of online monitoring tools, closing efficiency gaps using advanced process control tools and replacing old, inefficient equipment with state-of-the-art technology.

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Water

Our gases have been successfully used to increase water quality for many years now. We focus on using water as sparingly as possible in our production processes and reducing fresh water consumption.

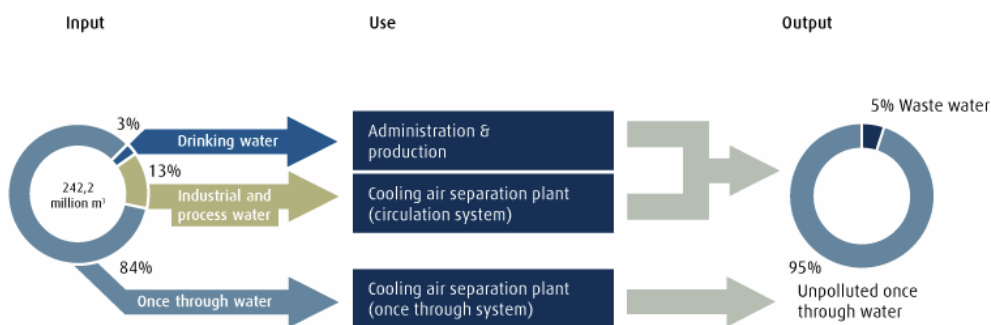
The one and only

Most people will feel the effects of climate change through water. It is the most essential of the earth's natural resources. Without it life could not exist. Unlike fossil energy sources, there is no alternative to water. Global warming will increasingly lead to droughts and sinking ground water levels, particularly in warmer regions. Other parts of the world will face rising water levels and a growing threat of floods. Varying availability of water is already causing supply bottlenecks today. In the face of these anticipated changes, companies must also use water more efficiently, focusing, for example, on using water as sparingly as possible and reducing fresh water consumption.

Water balance 2009

Conservation and efficient consumption of water are top priorities of our in-house environmental management policy. To save water, we employ water circulation systems and replace drinking water with grey water where possible.

Water balance 2009



In 2009, The Linde Group's water consumption totalled almost 240 million m³. The majority of water is sourced from rivers and lakes and used as once-through water to cool our plants. Our consumption of drinking and process water in 2009 amounted to 38.9 million m³. Around 80 percent of this was industrial and process water and 20 percent drinking water.

We mainly use water to produce gases, generate steam, cool our plants and serve our office buildings. At around eighty percent, the vast majority of the water we consume is used to cool our plants, either in circulation or once-through systems. [Click here for further information on cooling circulation systems.](#)

Where necessary, we purify the wastewater from our production and sanitary facilities either using our own treatment systems or by sending it to municipal or industrial plants. It goes without saying that we always comply with emissions limits.

The amounts of phosphorus, nitrogen, heavy metals and organic compounds we release are the most important indicators within our water balance. We are constantly working to reduce our emissions into water.

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Supporting natural water cycles

Rising demand for fresh water worldwide, increased contamination of ground and surface water supplies as well as increasingly stringent legal regulations governing the quality of drinking water are major challenges for utility companies. Our gases have been successfully used to increase water quality for many years now. Oxidation of dissolved matter using oxygen and controlling pH value with carbon dioxide are two of the most common applications here.

Dissolved organic matter can also be removed using ozone. Here, the ozone transforms substances to such a degree that they can be further treated with biological processes. Ozone is generated on-site from dry air or oxygen. It reacts rapidly with dissolved matter and decomposes to form oxygen, which does not contaminate water.

As an industry leader, we have a global network for supplying and delivering gases for these processes. Our experts develop entire engineering solutions for storing, metering and injecting gases into water.

Community projects

Our South Pacific Regional Business Unit (RBU) in New Zealand has been supporting the environmental organisation Water New Zealand since 2002. The Where There's Water programme – which was originally initiated by our employees - is funded at ground level by Linde and administered and run by Water New Zealand. The Where There's Water programme comprises a large number of individual projects, each allocated funds of up to EUR 2,500. The overall aim of the programme is to help communities and groups such school children better understand and protect their water cycles and environment. The projects not only focus on rivers, lakes and moors but also on beaches near towns.

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Energy

We are constantly optimising our production processes to improve the productivity and energy efficiency of our plants.

Creating alternatives

Meeting rising demand for energy worldwide while simultaneously reducing emissions will pose a huge challenge over the coming years. If renewable sources are to account for up to ninety percent of the EU's energy mix by 2050, non-fossil energy sources will have to be developed more efficiently and smart grids (that connect power generation with consumption) more widely deployed.

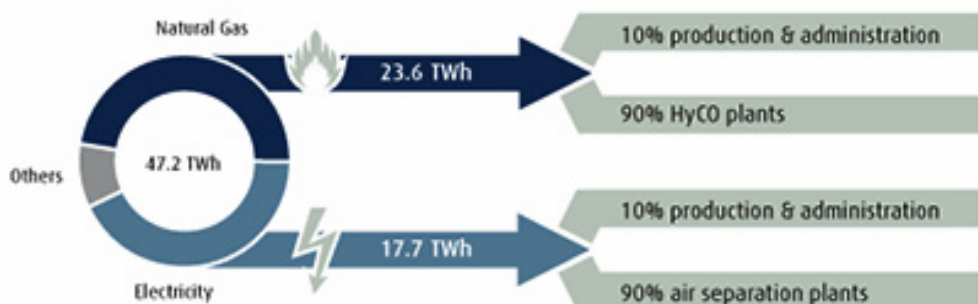
Renewable energy technologies have not yet been developed to the point where they have the capacity to replace fossil fuels. So interdisciplinary research and development projects are essential to ensure a successful transition to a more renewable landscape.

Our Gases and Engineering Divisions are committed to securing current energy supplies. This includes making the recovery, transport and processing of fossil fuels as ecologically sound as possible. But they are equally committed to driving the economic viability of non-fossil energy carriers.

Energy balance 2009

In 2009, we launched over one hundred projects across the Group aimed at cutting energy consumption and/or emissions. We are following a strategic path here, focusing on three main issues: ongoing improvement of energy efficiency levels in our plants, the development of new, energy-saving technologies and raising employee awareness in these areas.

Energy balance 2009



Our total energy consumption for 2009 amounted to around 47 TWh (2008: 49 TWh; 2007: 45 TWh). At almost ninety percent, electricity and natural gas are the main sources of energy here. We primarily use them to operate our air separation and HyCO plants. Over ninety percent of the electricity we consume is required to operate our air separation units. Our HyCO plants account for the vast majority (around ninety percent) of our total natural gas consumption. Within the framework of comprehensive efficiency audits, we analyse and assess plants and processes to ensure that resources are utilised as efficiently as possible.

Ongoing R&D

We deploy a broad spectrum of technologies to directly develop non-fossil energy carriers and deliver gas applications that further reduce the environmental impact of solar cell

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and wind turbine production. Examples here include transforming methane that escapes from landfill sites into liquid fuel and using the biogenic raw material glycerol to produce green hydrogen. We are also working closely with energy providers to develop technical solutions for greener electricity and fuels. In addition, we are involved in research into carbon capture and storage (CCS) technologies to separate carbon dioxide (CO₂) from flue gas at coal-fired power plants. This can then be stored underground or used in other processes. Following successful trials of flue gas scrubbing at a pilot plant, we are now developing solutions for demonstration facilities and industrial-scale power plants along with our cooperation partners. The first demonstration power plants are set to go on stream in 2015. This technology could then be used to remove over ninety percent of carbon dioxide from flue gases generated by coal-fired power plants.

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Air

Protecting the atmosphere is a top priority for Linde. We continually measure and evaluate air emissions that stem from our own business activities.

Protecting the atmosphere.

"Treasures of the atmosphere" was how Carl von Linde, founder of Linde AG, referred to the elements of the air. Together with gases from fossil sources, these treasures still form the natural cornerstones of our day-to-day business.

Air comprises a mixture of different elements in varying proportions, including nitrogen, oxygen, argon, carbon dioxide and helium. Each of these gases is an important raw material for us and plays a crucial role in both day-to-day and more unusual applications.

Global warming and climate change are now recognised as reality. Greenhouse gas emissions caused by humans are the main drivers of climate change. And although fossil fuels are key contributors, agricultural trends, especially tropical rain forest clearance, also play an important role.

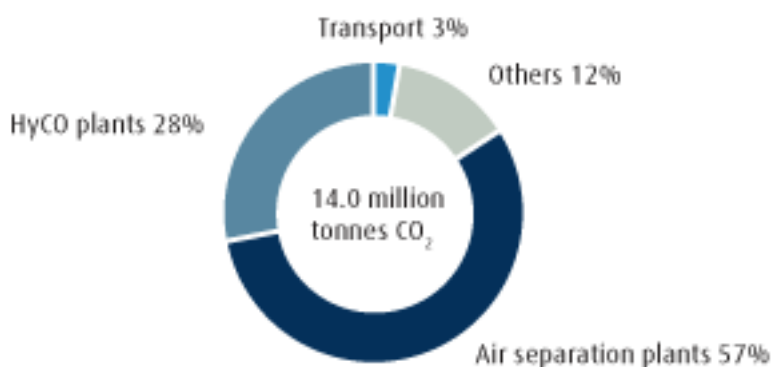
Against this backdrop, we have broadened our strategic agenda to also focus on protecting these treasures that are so valuable to our daily business. Which is why we take great care to measure and evaluate our own air emissions.

Emissions balance 2009

We base our calculations for direct and indirect greenhouse gas emissions on the methods detailed in the "Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard" (referred to as GHG Protocol in the following). The GHG Protocol is issued by the World Resources Institute (WRI) in collaboration with the World Business Council for Sustainable Development (WBCSD).

At well over 90 percent, carbon dioxide (CO₂), accounts for the vast majority of the greenhouse gases we release, so our main focus here is on recording direct and indirect CO₂ emissions.

Breakdown of direct and indirect CO₂ emissions 2009



From 2007 on, we expanded the range of greenhouse gases we record at all locations legally obliged to report these emissions. Now, we not only record carbon dioxide, but also other greenhouse gases specified in the Kyoto protocol, in other words, methane (CH₄), nitrous oxide (laughing gas, N₂O), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs) and sulphur

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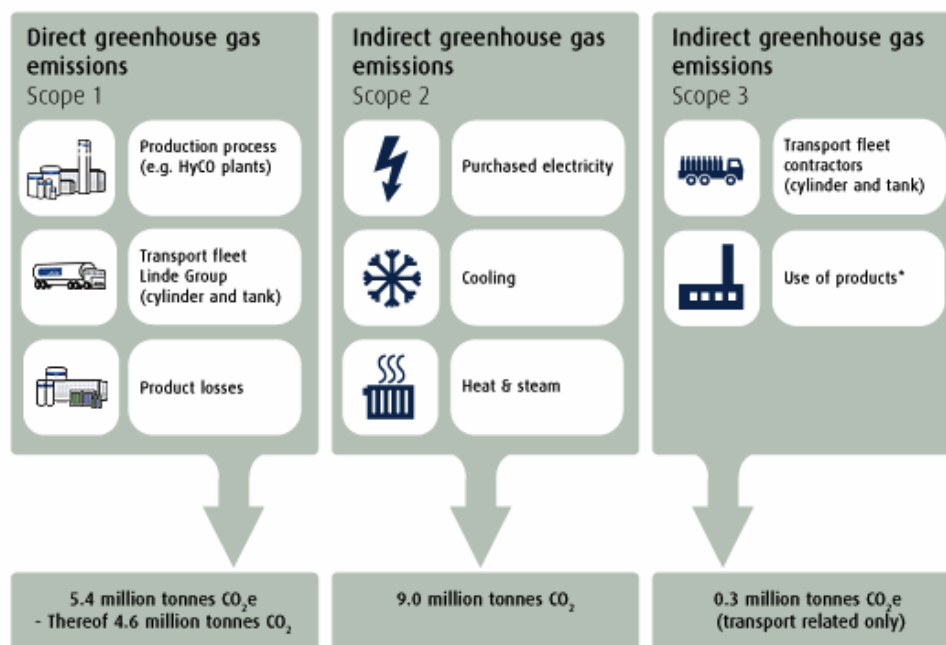
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hexafluoride (SF₆). We report our total greenhouse gas emissions as CO₂ equivalent. CO₂ equivalent is a measure that describes the global warming impact of different greenhouse gases in terms of carbon dioxide. Emissions are converted to CO₂ equivalent using conversion factors in the GHG Protocol.

Corporate Carbon footprint 2009 according to Greenhouse Gas Protocol (in CO₂ equivalents)



* For selected gas applications, we report greenhouse gas emissions resulting from product use.

We calculate emissions from the main sources named in Scopes 1, 2 and 3 of the GHG Protocol. This includes all direct CO₂ emissions from stationary sources that are owned or controlled by the Group (Scope 1), such as combustion processes in our HyCO plants. Indirect CO₂ emissions stem from purchased electricity and district heating (Scope 2). Emissions from our contractors' transport fleets are reported across the Group as indirect emissions as defined under Scope 3. For selected gas applications, we also report greenhouse gas emissions resulting from product use. Click here for examples. For further information on data capture, click here.

Reducing emissions

We work closely with our customers to help them improve productivity and product quality and develop more environmentally sound applications.

Pure oxygen, in particular, offers a range of benefits for heat treatment and combustion applications in foundries, steelworks, non-ferrous metalworks, waste treatment plants and recycling facilities. Replacing air with oxygen eliminates nitrogen ballast in combustion and heating processes. It also improves energy efficiency and significantly reduces harmful CO₂ and NO_x emissions.

In addition, thermal and catalytic combustion/oxidation is often the most cost-effective, safe and climate-friendly option for cleaning polluted flue gases, exhaust emissions and liquid residues. Selas-Linde is a subsidiary of Linde Engineering. The company's portfolio includes a technology known as flameless thermal oxidation (FTO), which can be used to thermally treat gaseous waste streams. Plants equipped with FTO technology reduce emissions ten-fold or more compared with conventional plants. Flameless thermal oxidation

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is a process where combustible waste gas flows or fluids are oxidised with air and fuel in controlled conditions to release clean gas and heat without flame. These facilities are tailored to customer specifications and can either be incorporated in the actual incinerator or be part of upstream processes for the recovery of energy or recyclable material. They can also be used for treating flue gases and waste water.

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Applications

Gases can be deployed across the widest diversity of industries to make processes kinder to the environment and our climate. They achieve this by replacing substances, raising combustion efficiency levels, cutting emissions or reducing waste, for example.

Gases play a key role in many industries

Satellites racing through space, perfectly polished glass, wind turbines, a golden, ripe banana or sparkling clean lake – not everyone immediately thinks of gases here.

Nevertheless, they are part of everyday life. Gases are required for welding, freezing and transporting as well as for heating, industrial cleaning and testing.

Gases can be deployed across the widest diversity of industries to make processes kinder to the environment and our climate. They achieve this by replacing substances, raising combustion efficiency levels, cutting emissions or reducing waste, for example.

In 2009, the R&D department of our Gases Division identified six megatrends. These provide the defining framework for future development projects, with the ultimate goal of harmonising ecological and business sustainability in every area. They have been named as follows: reduced environmental impact; efficient industrial processes; clean energy; healthy and convenient food; geographic and demographic shifts and performance materials.

Reduced environmental impact

Industrial gases are used for a wide range of applications in the chemical industry. They are not only crucial to chemical synthesis, but also help make processes and plants more cost-efficient, raise product quality and plant safety levels, and protect the environment.

Hydrogen, for example, is essential for desulphurising petroleum products via hydrogenation (reaction of sulphur compounds with hydrogen), a process that prevents toxic sulphur dioxide emissions being released during combustion. High sulphur levels also inhibit a vehicle's exhaust cleaning system as they interfere with the catalytic converter.

Carbon dioxide and nitrogen, on the other hand, are now established as environmentally friendly blowing agents for different industrial foaming procedures. We developed various innovative injection applications that have allowed these ozone-friendly gases to replace chlorofluorocarbons (CFC) and thus reduce the carbon footprint of blowing processes.

Since demand for foamed plastics remains high among a diverse range of industries and end-users, eco-friendly production has a massive impact in many areas.

Efficient industrial processes

Laser technology is already widely used for industrial and private purposes, providing effective alternatives to existing applications. Lasers basically convert an external energy source (an electrical current, a beam from a flashlight or a laser diode) to light in the narrow wavelength spectrum.

The laser can use either a gas (gas laser) or solid medium (solid-state laser). Whereas telecom fibreglass, scanners, barcode readers, CD players and remote controls only require low-power lasers, a lot more power is needed for materials processing. Cutting, welding or treating metal surfaces all require high-performance lasers that ensure extremely precise results and high cutting speeds.

Gas lasers require special laser gases. Linde produces a laser gas mixture, for example, that comprises 60-85 % helium, 13-55 % nitrogen and 1-9 % carbon dioxide specifically for CO₂ lasers. Some lasers also require small amounts of other gases such as oxygen, hydrogen or xenon. All of these gases are produced and distributed worldwide by our Gases Division.

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Healthy food

The freshness, taste and consistency of foods and beverages are largely determined by the way they are processed. Post-slaughter and post-harvest processes are therefore key success factors.

We offer a range of tunnel freezers that use cryogenic carbon dioxide and nitrogen to cool and freeze foodstuffs such as fish, meat, dairy products and seafood. This technology is a hygienic way to preserve the quality of fresh, sensitive foodstuffs. Most importantly, our tunnels use less coolant and are thus kinder to the environment.

Our technology portfolio for the food industry also extends to tailor-made, cost-effective, eco-friendly solutions for maintaining the cold chain while transporting fresh food to consumers, even over long distances. Our Snowcool system, for example, keeps food cool using dry ice snow (CO₂ snow) that has a temperature of -78°C. The exact amount of CO₂ snow required for the specific product and the distance it has to be transported can be measured and fed into special transport containers known as isotainers. Isotainers guarantee consistent temperatures in any vehicle for up to 72 hours. They do not require a power supply and are therefore kinder to the environment. A system that cools food products without requiring power supply, for example, is particularly useful when foodstuffs are transported by ship.

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Roadmap

Human Resources

It is a top priority for Linde to remain in tune with shifts in our economic and social environment. Our HR action item is firmly embedded in our CR strategy. Through it, we address issues at the vital interface between individual employees, the company and society at large.

SHEQ

Effective management of issues surrounding Safety, Health, Environment and Quality (SHEQ) is of key importance to all our stakeholders, but particularly to our customers and employees. We are committed to continuously improving the quality of our products and services, while at the same time maintaining high levels of occupational safety, general health and environmental protection.

Corporate Citizenship

At The Linde Group, corporate citizenship is an important facet of our identity. We take great care to ensure that our communal activities underpin the strategic areas we wish to promote – education, science and research. Against this background, we initiate projects that are closely linked to our core business and play an active role in the societies where Linde people live and work around the globe.

Ethics and Compliance

The Linde Group is committed to integrity in all its business dealings. This is non-negotiable. We can only achieve our vision of being a leading and exemplary gases and engineering company across the board by living out our values and principles on a daily basis.

Capital Markets (Socially Responsible Investments)

Linde increasingly aims to be admitted to indices and funds that exclusively list companies managed in accordance with the principles of sustainable growth. Linde has strong potential to assume an exemplary role for its sustainability performance.

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area of activity

Achieved in 2008

Human Resources

Demographic trends

- ▶ **Increased support for child and family care:** Eldercare service available to all employees in Germany from 1 January 2008, entailing advice and support for staff with relatives requiring care and assistance.

Winning and developing talent

- ▶ **Continuous Qualification Process (CQP):** Successful introduction of CQP, structured programme aimed at ongoing training to further qualifications of all 2,500 employees at Linde Gas Germany. Linde awarded HR Best Practice Award 2008 for CQP.

Work/life balance

- ▶ **Taskforce comprising employer and employee representatives:** Foundation of Work and Family taskforce.

SHEQ

Plant safety

- ▶ Continuation of Major Hazard Review Programme (MHRP) at Linde Gas. Systematic Hazard and Operability (HAZOP) study at Linde Engineering during plant planning.

HSE management

- ▶ Regular internal and external HSE (Health, Safety, Environment) audits, regular HSE training for employees (Behavioural SHEQ), extending certification at our locations to international standards (e.g. ISO 14001, ISO 9001).

HSE management among contractors

- ▶ Ensuring compliance with HSE (Health, Safety, Environment) standards among site contractors by Linde Engineering. Reporting Lost Time Injury Rate (LTIR) among contractors working for Linde Gas and Linde Engineering.

Safe handling of gases

- ▶ **Data capture:** ongoing, Group-wide recording of occupational safety indicators, such as Lost Time Injury Rate (LTIR).

Healthcare for our employees

- ▶ **Healthcare management:** Minimising occupational health risks, especially for employees involved in manual labour.

Environmental management

- ▶ In-house environmental management programme (e.g. energy savings, waste disposal) according to uniform Group-internal standards and, if applicable, to international standards (ISO 14001). Regular internal and external environmental management audits.

Resource-efficient production

- ▶ Continuous measurement and evaluation of our production processes to identify efficiency potential/gains; local environmental projects both within and beyond company walls; greater efficiency in consumption of resources such as water and energy.

Green innovations

- ▶ Annual Patent & Innovation Award, also in honour of patented inventions by Linde employees that contribute to environmental or climate protection.

Customer satisfaction

- ▶ Annual customer surveys and evaluations in the Gases and Engineering Divisions; Global Quality Roadmap in the Electronics Business Area to ensure consistently high product quality in this area.

Corporate Citizenship

Education, science, research

- ▶ **Collaboration:** Long-term partnerships with schools and universities in all Regional Business Units (RBUs).

Community involvement of employees

- ▶ As far as possible, central record of all measures to support voluntary community projects in which Linde employees are engaged worldwide.

Ethics and Compliance

Compliance programme

- ▶ Ongoing training to ensure our employees comply with the Code of Ethics.

Capital Markets

SRI criteria

- ▶ Ongoing dialogue with sustainability analysts and rating agencies, publication of annual sustainability report to international standards.

area of activity

2009 objectives

Human Resources

Demographic trends

- ▶ Plan nursery in Pullach.

Winning and developing talent

- ▶ Close collaboration between individual departments and works council to scope standard tasks and define supporting qualifications.
- ▶ New talent development programmes under the umbrella of People Excellence as the foundation for a High-Performance Organisation (HPO).

Work/life balance

- ▶ Develop comprehensive programme to improve work/life balance.

area of activity

Achieved in 2009

Human Resources

Demographic trends

- ▶ Plans for nursery in Pullach halted for internal reasons.
- ▶ New understanding reached under the collective wage agreement "working life and changing demographics".

Winning and developing talent

- ▶ Employee qualification under CQP (basics, basic training, qualification).
- ▶ Implementation of Group-wide leadership excellence model, succession planning process and performance management process.

Work/life balance

- ▶ Embedding work/family balance under the umbrella of demographic trends.

Capital Markets

SRI-Kriterien

- ▶ **Awards:** Linde named Sector Mover of the year 2009/2010 by Sustainable Asset Management (SAM).
- ▶ **Indices*:** Linde admitted to the Ethibel EXCELLENCE Investment Register in August 2009.

area of activity

2010 objectives

Human Resources

Demographic trends

- ▶ Continuation of service-finding scheme for childcare and Eldercare in Germany. Similar programmes for Linde Group employees in other countries.
- ▶ Foundation of demography fund.

Winning and developing talent

- ▶ Continuation of employee qualification under CQP (basics, basic training, qualification).
- ▶ Implementation of a development programme for line managers, targeted development of technical skilled staff.

Work/life balance

- ▶ Continuation of taskforce.
- ▶ Agreement on securing childcare places.

SHEQ

Healthcare for our employees

- ▶ Development and introduction of Group-wide healthcare management standards.

Green innovations

- ▶ **Environmental Innovation Performance (EIP) indicator:** Group-wide roll-out of EIP (Gases and Engineering Division).

area of activity

Achieved by mid-2010

Human Resources

Winning and developing talent

- ▶ Continuation of development programme for line managers and Global Leadership Development Circle (GLDC) within the framework of Linde university.

Work/life balance

- ▶ Agreement reached by Work and Family taskforce.

SHEQ

Safe handling of gases

- ▶ Introduction and implementation of the Golden Rules of Safety across the Group.

Climate protection aims

- ▶ **Quantitative targets:** Introduction and monitoring of targets for indirect CO₂ emissions (Scope 2) from our air separation units.

Corporate Citizenship

Education, science, research

- ▶ **Community involvement programme (CIP):** Introduction of a CIP in the South and East Asia RBU.

Capital Markets

SRI criteria

- ▶ **Funds:** Linde rated as top investment in fourteen international sustainability funds.



area of activity

2010/2011 objectives

Human Resources

Demographic trends

- ▶ Continue or build initiatives such as life-long learning.

Winning and developing talent

- ▶ Extend CONTINUE student loyalty programme.
- ▶ Complete GLDC programme in 2010.

Work/life balance

- ▶ Reserve childcare places in and around Munich.
- ▶ Introduce needs-based subsidy model for all locations in Germany.

SHEQ

Climate protection strategy

- ▶ **Product Carbon Footprint (PCF):** Group-wide calculation method.

Climate protection aims





- ▶ **Improved energy intensity*:** 3% increase in energy intensity at our air separation units by 2013.
- ▶ Define other quantitative environmental targets.

Capital Markets

SRI-Kriterien

- ▶ Listing of Linde share in further sustainability indices.
- ▶ Listing of Linde share in further sustainability funds.

GRI Index

UNGC ¹	GRI ²	Name of GRI key indicator	Status	Links
Strategy and analysis				
* ³	1.1	Statement from the Chief Executive Officer		 
	1.2	Description of key impacts, risks and opportunities		 
	2	Organisational profile		
	2.1	Name of the organisation		
	2.2	Primary brands, products and/or services		  
	2.3	Operational structure		 
	2.4	Location of organisation's headquarters		 
	2.5	Countries where the organisation operates		
	2.6	Nature of ownership and legal form		
	2.7	Markets served		
	2.8	Markets served Scale of the reporting organisation		  
	2.9	Significant changes during the reporting period regarding size, structure or ownership		
	2.10	Awards received in the reporting period		
	3	Reporting parameters		
	3.1	Reporting period		
	3.2	Date of the most recent previous report		
	3.3	Reporting cycle		 
	3.4	Contact point for questions		
	3.5	Definition of report content and stakeholders		 
	3.6	Boundaries of the report		
	3.7	Limitations on the scope of the report		
	3.8	Joint ventures, subsidiaries, outsourcing		   
	3.9	Data measurement techniques and basis of calculations		 
	3.10	Effects of new re-statement of information		 
	3.11	Changes from previous reporting periods		 
	3.12	GRI content index		
	3.13	External assurance statement		 
	4	Governance, commitments and engagement		
	4.1	Governance structure, including responsibility for sustainability		 
	4.2	Independence of Supervisory Board Chairman		
	4.3	Management bodies and statement regarding independence of members of the highest governance body, senior managers and executives		 
	4.4	Mechanisms to provide recommendations to the highest governance bodies		  
	4.5	Linkage between the compensation for members of the highest governance body, senior managers and executives, and the organisation's performance with regard to sustainability		
	4.6	Processes to ensure conflicts of interest are avoided		
	4.7	Qualifications and expertise of the members of the highest governance body with regard to sustainability		
1	4.8	Missions, values and codes of conduct		 
	4.9	Procedures employed by the highest governance body to monitor the organisation's performance with regard to sustainability		
	4.10	Processes for evaluating the highest governance body's own performance		
	4.11	Implementation of the precautionary principle		
	4.12	Support of external initiatives		

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






















































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-  Covered in part
-  Not covered
-  Low priority
-  Not usable/relevant

Links

-  Link within the CR-Report
-  Link to the Linde-Group
-  PDF-Document

	4.13	Memberships in associations		
	4.14	List of stakeholder groups engaged by the organisation		
	4.15	Basis for identification of stakeholders		
	4.16	Approaches to stakeholder dialogue		 
	4.17	Statement on key concerns raised by stakeholders		 
	Key economic indicators			
		Management approach		
	EC1	Direct generated economic value		 
7	EC2	Financial implications of climate change		
	EC3	Scope of the organisation's defined benefit plan obligations		 
	EC4	Financial assistance received from government		
	EC6	Procedures for selecting local suppliers		
6	EC7	Procedures for local hiring		 
	EC8	Infrastructure investments and services provided primarily for public benefit		 
	Key environmental indicators			
		Management approach		    
8	EN1	Materials used by weight or volume		
8, 9	EN2	Percentage of materials used that are recycled input materials		
8	EN3	Direct energy consumption by primary energy source		  
8	EN4	Indirect energy consumption by primary source		  
8	EN8	Total water withdrawal by source		  
8	EN11	Land in, or adjacent to, protected areas		
8	EN12	Impact on biodiversity		
8	EN16	Greenhouse gas emissions		  
8	EN17	Other greenhouse gas emissions		
7, 8, 9	EN18	Initiatives to reduce greenhouse gas emissions		    
8	EN19	Emissions of ozone-depleting substances		
8	EN20	NOx, SOx and other air emissions		
8	EN21	Water discharge		
8	EN22	Waste by type and disposal method		
8	EN23	Total number and volume of significant spills		
7, 8, 9	EN26	Initiatives to mitigate environmental impact of products and services		    
8, 9	EN27	Reclaimed packaging material		
8	EN28	Sanctions for non-compliance with environmental laws and regulations		
	Key social indicators: Labour practices and decent work			
		Management approach		
	LA1	Total workforce by employment type, employment contract, and region		 
6	LA2	Employee turnover		
1, 3	LA4	Employees covered by collective bargaining agreements		
3	LA5	Minimum notice period regarding significant operational changes		 
1	LA7	Rates of injury, occupational diseases, lost days, and absenteeism		
1	LA8	Risk-control programmes in place regarding serious diseases		 
	LA10	Employee training		  
1, 6	LA13	Composition of governance bodies		 
1, 6	LA14	Differences in salary according to gender		
	Key social indicators: Human rights			
		Management approach		
1 to 6	HR1	Significant investment agreements		
1 to 6	HR2	Screening of suppliers with regard to human rights issues		

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










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1, 2, 6	HR4	Incidents of discrimination		
1, 2, 3	HR5	Operations involving significant risk to exercise freedom of association and collective bargaining agreements		
1, 2, 5	HR6	Operations involving significant risk of child labour		
1, 2, 4	HR7	Operations involving significant risk of forced or compulsory labour		
Key social indicators: Society				
		Management approach		
	SO1	Impact on local communities		
	SO2	Risks related to corruption		
10	SO3	Anti-corruption training		 
10	SO4	Actions taken in response to alleged incidents of corruption		 
10	SO5	Public policy positions and lobbying		
	SO8	Sanctions for non-compliance with laws and regulations		
Key social indicators: Product responsibility				
		Management approach		
	PR1	Impact on health and safety throughout the product lifecycle		   
	PR3	Product information		  
	PR6	Laws and standards related to advertising		
	PR9	Sanctions for non-compliance with laws and regulations concerning products and services		

¹ UN GC: Communication on Progress (the ten principals of the UN Global Compact initiative).

² GRI: GRI key indicator number.

³ Additional information.



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Independent Assurance Report

Introduction

We have been engaged by the Executive Board of Linde AG (further referred to as 'Linde') to provide limited assurance on the 2009 data for the indicators listed in the section 'Context and scope' together with the related explanatory information in the publication: 'Corporate Responsibility Report 2010.' (further referred to as 'The Report'). The Executive Board of Linde is responsible for preparing The Report, including the identification of stakeholders and material issues. Our responsibility is to provide an assurance report on the 2009 data for the indicators listed in the section 'Context and scope' together with the related explanatory information in The Report.

Context and scope

Our engagement was designed to provide readers of The Report with limited assurance on whether the 2009 data for the indicators listed in the table below together with the related explanatory information are prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines (G3) of the Global Reporting Initiative together with internal reporting criteria as published on Linde's website.

CO₂ emissions	Direct CO₂ emissions
	Indirect CO₂ emissions
	Direct CO₂ emissions from HyCO plants
	Indirect CO₂ emissions from air separation plants
Consumption of energy	Consumption of electricity
	Electricity consumption by air separation plants
	Consumption of natural gas
	Natural gas consumption by HyCO plants
Consumption of water	Consumption of water
	Consumption of drinking water
	Consumption of industrial and process water
	Water consumption by air separation plants
Safety	Number of workplace accidents per million hours worked by Linde employees (Lost Time Injury Rate-LTIR)

Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance.



Reporting criteria

Linde applies the Sustainability Reporting Guidelines (G3) of the Global Reporting Initiative together with its internal reporting criteria for reporting on sustainability as described on Linde's website. We believe that these criteria are suitable in view of the purpose of our assurance engagement.

Assurance standards

We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. This Standard requires, amongst others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand and review sustainability information, and that they comply with the requirements of the Code of Ethics for Professional Accountants from the International Federation of Accountants to ensure their independence.

Work undertaken

Our procedures included the following:

- Performing a media analysis and internet search to obtain information on relevant sustainability issues for Linde in the reporting period;
- Reviewing the design and existence of the systems and processes for data management, internal control and processing of the selected indicators as defined under Context and scope at corporate, regional and local level by:
 - Interviewing staff at corporate level responsible for the collection, analysis and reporting of the data
 - Visiting four selected regional offices in Europe, Middle East, Asia and Australia
 - Visiting five selected production sites in Germany, Romania, Hungary, China and Australia;
- Performing analytical review procedures of the data reported by the production sites under operational control of Linde;
- Reviewing data trends and discussions with management thereto.

As part of our assurance procedures we discussed changes to the draft reports with Linde and reviewed the final version of The Report to ensure that it reflected our findings.

Our conclusion

Based on our procedures performed, nothing came to our attention to indicate that the data for the indicators as defined under Context and scope together with the related explanatory information are not prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines (G3) of the Global Reporting Initiative together with internal reporting criteria as published on Linde's website.

Emphasis of matter

Without qualifying our opinion above, we draw attention to the paragraph 'Health, Safety, Environment (HSE) indicators' under Fast facts, which explains the uncertainty related to the CO₂ emissions, consumption of energy and consumption of water data.

Amstelveen, 2 November 2010

KPMG Sustainability
W.J. Bartels