



Corporate Responsibility

AT A GLANCE 2014

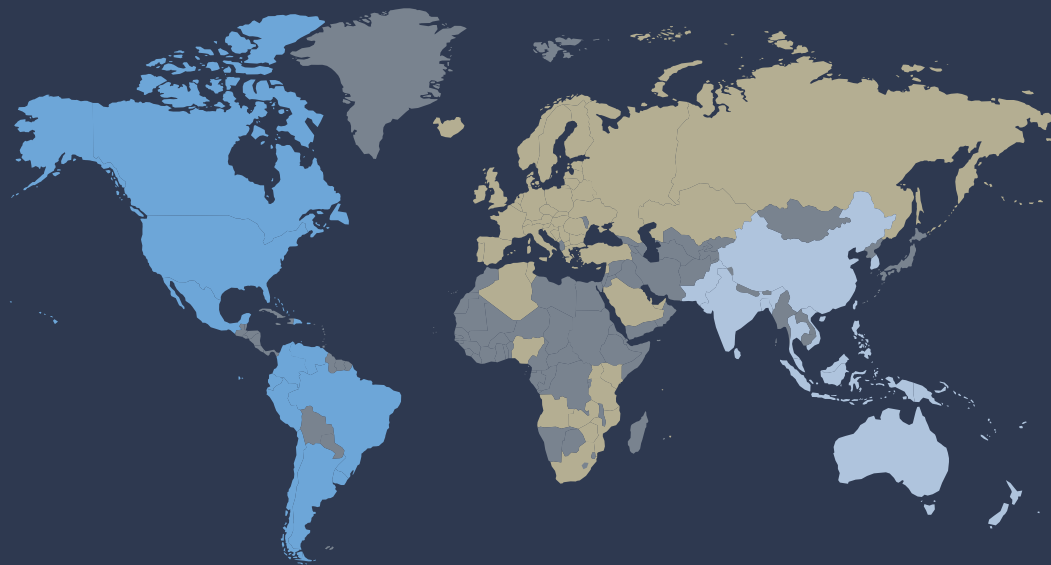
CORPORATE PROFILE

THE LINDE GROUP

In the 2014 financial year, The Linde Group generated revenue of EUR 17.047 billion, making it the largest gases and engineering company in the world with approximately 65,500 employees working in more than 100 countries worldwide. Our strategy is geared towards long-term profitable growth and focuses on the expansion of our international business with forward-looking products and services. We act responsibly towards our shareholders, business partners, employees, society and the environment – in every one of our business areas, regions and locations across the globe. We are committed to technologies and products that unite the goals of customer value and sustainable development.

THE LINDE WORLD

The Group comprises three divisions: Gases and Engineering (the two core divisions) and Other Activities (our logistics services company Gist). The largest division, Gases, has three reportable segments – EMEA (Europe, Middle East and Africa), Asia/Pacific and the Americas. These reportable segments are further subdivided into nine Regional Business Units (RBUs)¹. This structure means that we are in the best position to respond to local and regional market conditions in the gases business and to meet our gases customers' requirements as effectively as possible. Active all over the world, the Engineering Division specialises in olefin plants, natural gas plants, air separation plants and hydrogen and synthesis gas plants.



SEGMENTS WITHIN THE GASES DIVISION

■ AMERICAS ■ EMEA ■ ASIA/PACIFIC ■ REGIONS WITHOUT LINDE GASES BUSINESS

¹ The new segment structure applies as from 15 January 2015.

Ladies and Gentlemen,

Looking forward, we are directing our attention to those areas which are important for the future development of our Group. Our priorities are to build strong customer relationships, concentrate on our core business and systematically develop new business opportunities. Each of these factors in turn will enable us to strengthen our business model which remains geared towards sustainability. For us, major drivers of sustainability are efficient, safe processes and our products in the energy, environmental and healthcare sectors. One of our strengths is the global Linde team. Around the world, our employees are passionate about using their skills to devise tailor-made solutions for our customers and in cooperation with our customers.

We will continue to conduct rigorous evaluations of our structures and processes in the context of our evolution as a learning organisation. Safety is a key issue for us here. Linde's overriding view as a company is that every workplace accident is absolutely unacceptable. We have therefore launched a number of measures worldwide to ensure the highest possible levels of safety. The cardinal rule is that safety is the responsibility of each and every employee. We have also set ourselves a new target. By 2020, we want to achieve a continuous reduction in the number of workplace accidents resulting in lost working days per million hours worked by employees in comparison with the figure for 2012. For 2015, we are planning to invite a third party to conduct a review of our global safety management.



In the environmental sphere, we value eco-efficiency, which we aim to achieve by combining excellent operating processes with environmental protection. In 2014, we identified over 250 projects worldwide which help reduce our energy consumption. In addition, we implemented more than 20 projects to ensure that water is used more efficiently. These initiatives have enabled us to reduce our emissions and our water consumption and to make cost savings of over EUR 24 million. In 2014, we were able to achieve early the global target we had set ourselves for the efficiency of our air separation plants. Since 2008, we have avoided around 1.8 million tonnes of CO₂ emissions. Initiatives such as these also enable us to support the principles of the UN Global Compact. In this report, we explain in detail how we implement these principles in our day-to-day business.

We also see it as our responsibility and duty to help our customers make their processes more efficient and environmentally friendly. In 2014, around 50 percent of our research projects had an environmental benefit as their objective. This is what sustainability means to us – an investment in the future, not only the future of our Group, but also the future of the society of which we form a part.

DR WOLFGANG BÜCHELE
[CHIEF EXECUTIVE OFFICER OF LINDE AG]

SUSTAINABILITY IN OUR CORPORATE STRATEGY

Opportunities and risks

Sustainability is a vital component of our Group strategy – one of four principles underlying the Linde Spirit. The Linde Spirit defines the values of our Group and applies to all our employees around the world. We want to apply our foundational principle of sustainability to an even greater extent to drive our business operations. In the field of energy and environmental technologies, we are continuing to broaden our product portfolio. An important growth market for us is Healthcare. Our therapies for respiratory disorders and our range of clinical and non-clinical care services help to improve the lives of patients.

We minimise risk by adopting responsible business practices and making constant improvements to our operations. Our use of global management systems, for example, allows us to implement standards of sustainable business practices in our business processes worldwide.

We support
the United Nations
Global Compact.



Organisation

At Linde, the Corporate Responsibility Council makes decisions about the key sustainability topics. The Council regularly discusses the achievement of targets and identifies focus areas for sustainability management. In 2014, the Corporate

Responsibility Council advised on such topics as customer requirements in relation to sustainability and the introduction of a global safety target for the Group.

Topics

We are constantly evaluating issues that have an impact on the sustainable development of our Group and consider information from more than 20 main sources. These include surveys as well as the dialogue between the Group and our shareholders, customers and other business partners. We also record enquiries from our stakeholders. In 2014, our Corporate Responsibility department answered more than 2,000 questions posed by stakeholders about sustainability at Linde. On the basis of the materiality analysis, we determine focus areas for our sustainability management and reporting. This process helps us identify key topics at an early stage.

Innovation

In 2014, we spent a total of EUR 106 million on research and development and had 390 of our employees working in this field. 260 new patents were filed across the Group over the course of the reporting year. As of 31 December 2014, Linde technologies were protected by a total of 2,783 patents, many of which address sustainability issues. More than 300 patents were relevant to the key sectors chemicals and environment as well as hydrogen technology.

We develop new gases applications in the context of commissions, which involves close coordination with our customers, taking into account their individual requirements. We pay particular attention to the environmental compatibility of our production processes. We focus here in particular

FOCUS AREAS

Products

Energy and climate technologies;
healthcare solutions

Partnership

Customer focus for innovation and project development;
sustainability in relationships with suppliers

Corporate governance

Business in compliance with legislation and Group guidelines

PROGRESS

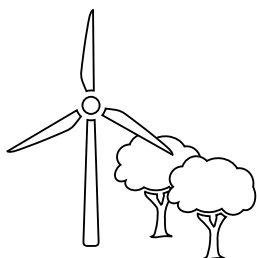
300

suppliers
to construction sites assessed for sustainability

At

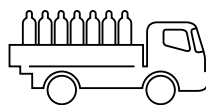
500
sites

safety training in contractor management



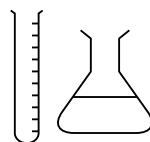
11%

of our investors
are focused on sustainability.



80%

of our strategic suppliers
have signed up to the Code of Conduct for Suppliers.



260
new patents filed
to protect our innovations

70

projects relating to customer satisfaction



100

suppliers
asked to provide information about their sustainability performance

49,000

e-learning courses

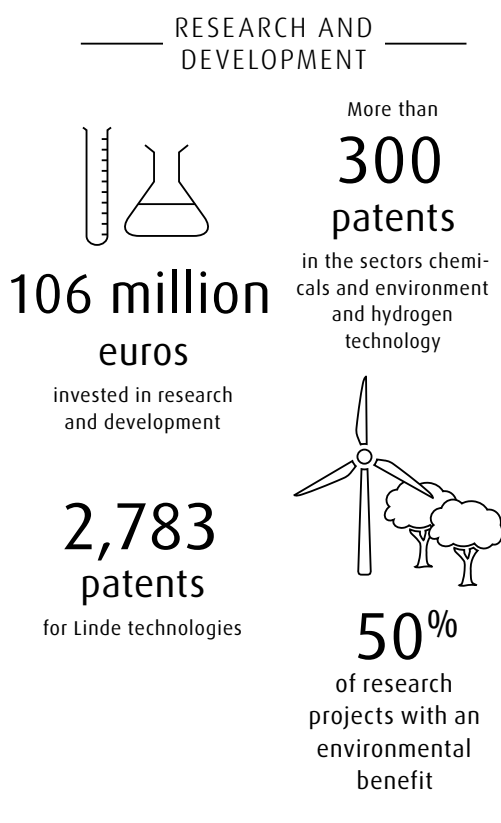
on the Code of Ethics since the programme started

5,000

requests for legal advice

handled by our compliance officers

on the use of hydrogen as a fuel and its environmentally friendly production, large-scale energy storage and the conversion of biomass into fuels or into basic materials for use in the chemical industry. Around 50 percent of our research projects in 2014 incorporated an environmental benefit as one of their aims.



Stakeholders

We consult our major stakeholders about key topics. These stakeholders include our employees, shareholders, customers and suppliers. Other stakeholders are politicians and the research and scientific community, non-governmental organisations, neighbours in the vicinity of our sites and the general public. We engage in debate with experts on specialist topics. In 2014, for example, we once again hosted the Linde Olefin Academy in Pullach. Experts and new entrants to the profession take part in this two-week event to learn and exchange information about aspects of ethylene production. Alongside the technical and economic topics, issues relating to environmental protection and safety form part of the agenda. Once again in 2014, our dialogue with politicians and society focused on securing a competitive and environmentally friendly energy supply.

Value for customers

One of the key elements of our corporate strategy is a strong customer focus. Our gases applications and services are tailored to the needs of over 2 million Linde customers

worldwide. In 2014, we conducted a customer satisfaction survey in the 12 countries where our Gases Division generates the most revenue. On the basis of the survey findings, we launched more than 70 projects across all our divisions. The aim is to further increase customer satisfaction and loyalty. Moreover, in 2015 we are planning to conduct a survey of selected patient groups about their level of satisfaction with the goods and services we offer. Linde's homecare segment is currently serving around 1.5 million patients worldwide.

Products

We provide our customers across different industry sectors with gases and technologies that reduce the consumption of natural resources and encourage the use of renewable energy. In 2014, the application of our oxyfuel technology alone cut CO₂ emissions by around 20 million tonnes. This technology, which is installed at our customers' sites, involves using pure oxygen instead of ambient air to make the combustion process more efficient, in such settings as a steelworks.

During the reporting year, we again received recognition from a number of different business partners. In the United States, we received an award from a long-standing customer in the food industry for our joint development of a more efficient and more environmentally friendly solution for the supply of liquefied nitrogen. One of the benefits of this solution is that it reduces delivery distances by around 35,000 miles per year.

Suppliers

When selecting suppliers, we consider not only commercial criteria such as quality, price and availability, but also aspects such as safety and environmental protection. We maintain business relationships with suppliers in more than 100 countries. Approximately 70 percent of our goods and services are being purchased locally in the countries where they are needed.

In 2013, we introduced a global Code of Conduct for Suppliers, which defines minimum standards of safety, environmental protection, labour rights and human rights, as well as ethical business practices. By the end of 2014, around 80 percent of our strategic suppliers had signed up to the Code of Conduct.

We also arranged for a risk analysis to be conducted for our supply chain. In 2014, based on the analysis, we requested around 100 suppliers in higher-risk areas to provide us with information about their sustainability performance. We also involve our suppliers in our own safety and environmental management processes. In 2014, we provided training on safety issues in the management of service providers at more than 500 sites dealing with contractors. In 2015, we are planning to work together with around 50 selected suppliers to develop business continuity plans. These plans should ensure that business operations can resume as efficiently as possible following unexpected events such as natural disasters.

PRODUCTS

**-20 million
tonnes of CO₂**

as a result of our customers
using our oxyfuel technology –
more than 80% of Linde's direct
and indirect CO₂ emissions

**250 million
cubic metres of water**

brought up to drinking water quality
through the Solvcarb® process
installed by Linde customers in Germany –
around 25 times as much drinking
water as Linde consumed worldwide



**-15,000
tonnes of
NO_x emissions**

as a result of Linde LoTox systems
installed at plants – more than
twice the amount of NO_x emissions
generated by Linde

**2.3 million
tonnes of waste**



recycled in a Californian
joint venture to extract biogas –
more than 24 times the total amount
of waste generated by Linde

Sustainable investment

During the reporting year, we conducted over 800 conversations with investors around the world. At the Capital Market Day we held in 2014 for the second time, investors and analysts were given the chance to find out about our Clean Technology work as well as our strategy and activities in the area of sustainable development. The proportion of Linde investors who are focused on sustainability has increased to over 11 percent.

We also made progress in terms of sustainability ratings in the capital market. In September 2014, Linde was again included in the global Dow Jones Sustainability Index (DJSI World).

Compliance

Our aim is to prevent rather than manage compliance incidents. We therefore rely on the three pillars of prevention that support our global compliance programme: communication, training and personal advice. The year 2014 saw the roll-out of our new Healthcare Compliance Guide. By the end of the year, we had held over 49,000 e-learning sessions on our Code of Ethics and more than 14,500 members of staff across the globe were provided with instructor-led training between 2009 and 2014. Our compliance officers received more than 5,000 requests for legal advice in 2014.

The Linde Integrity Line, our global reporting system, is another key element in our compliance programme. It enables employees and external stakeholders to report suspected violations. In 2014, the Integrity Line was contacted 734 times in total. The Internal Audit department, Human Resources, Legal Services and the department for Health, Safety and the Environment conducted 127 investigations on the basis of reports received via the Integrity Line.

As one of the signatories of the UN Call to Action: Anti-Corruption and the Global Development Agenda, we have joined other companies in demonstrating our commitment to the ongoing development of efficient anti-corruption measures. Over the next few years, we are planning to increase our involvement in joint compliance projects.

For further information, go to
--> linde.com/cr-report2014/strategy

OUTLOOK

Products

Expand our product
portfolio in the energy
and environmental sector;
implement projects
designed to improve
customer satisfaction

Sustainability in the
supply chain

Develop business
continuity plans with
50 selected suppliers

Corporate
governance

Increase our
involvement in compliance
cooperations

SAFETY AND ENVIRONMENTAL PROTECTION

Strategy

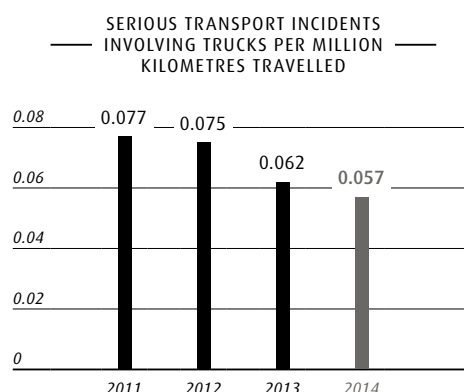
Our management systems for safety and environmental protection are based on global standards. We focus on minimising safety risks and the Group's environmental impact and on ensuring the efficient use of energy, resources and materials. Our products and technologies support customers' efforts to make their business processes more cost-effective, safer and more environmentally friendly.

Production

Our experts around the world assess risks that might arise from the operation of our plants. We have introduced the Major Hazards Review Programme to standardise the way we record the greatest potential hazards worldwide. This system enables us to set up control mechanisms to minimise risks arising from our plants. We are also planning to introduce a global standard for quantitative risk analyses on our sites in 2015. Around 750 occupational safety and health protection audits and some 640 environmental audits were carried out on our sites in 2014.

Transport

We work continuously to bring down the number of transport-related incidents. By the end of 2017, we aim to halve the number of serious transport incidents per million kilometres travelled compared with 2012. One of the ways we are doing this is by continuing to develop our commercial vehicle rollover avoidance training programmes. Since 2007, the number of rollovers across our commercial vehicle fleet has fallen by 65 percent. This represents not only an improvement to our safety performance, but also cost savings of several million euros. We have introduced a global audit



programme to review the measures we have implemented and aim to audit 20 percent of sites with transport operations each year.

Products

Product safety is monitored along our entire product value chain. In 2014, we conducted pilot projects in Malaysia and Bangladesh, where acetylene cylinders were fitted with a new and particularly safe type of sealing cap. In parallel, we launched a training initiative to raise awareness among customers of the potential risks of transporting acetylene. We invested a total of around EUR 40,000 in these measures.

The Group complies with legal regulations. When operating production plants for medical gases, for example, we comply with good manufacturing practice for pharmaceutical products. Against this background, we invested around EUR 24 million in Brazil between 2011 and 2014 to further improve quality assurance in production processes.

FOCUS AREAS

Safety

Improvements in
process, product and
transport safety

Operational Excellence

Environmentally friendly
cost-effective processes

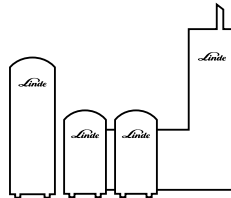
Resources

Protection of
natural resources
and ecosystems

PROGRESS

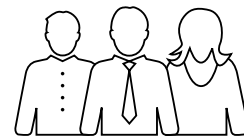


-24%
serious transport
incidents
per million
kilometres travelled
since 2012



**-1.8 million
tonnes**

of CO₂ emissions since
2008 as a result
of improved energy
intensity of air
separation plants



5,800
participants
in training
programmes

for customers and
employees in Europe



24 million
euros invested

in Brazil to improve
quality assurance in
production processes in
the Healthcare segment

-24 million
euros of costs

as a result of
implementing energy
efficiency projects



-2.6 million
cubic metres

of water use as
a result of two
efficiency projects
in Europe

39
sites

in Europe inspected
to evaluate sustainable
use of water



40,000
euros invested

in safety initiatives
relating to the handling of
acetylene gas cylinders

20
projects

for the efficient use
of water

-1.8 million
tonnes of CO₂ emissions

since 2008 as a result of
improved energy intensity of installed
air separation plants

1,400

safety, environmental protection
and health protection audits were
conducted at our sites.

-2.6 million

cubic metres
of water

as a result of two efficiency
projects in Europe

More than
600

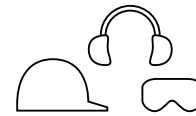
air separation plants,
hydrogen plants and
CO₂ plants are in operation
around the world.

PRODUCTION



65,591

employees from more than
130 countries work for Linde.



63%

of our employees in the
Gases Division received training on
safety and environmental issues.

SUSTAINABILITY IN THE VALUE CHAIN

26.2 million

MWh of electricity

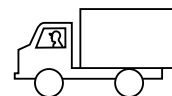
are the most important consuma-
ble for our plants. We pay particular
attention here to energy efficiency.

RAW MATERIALS



25 million

gas cylinders are our
most commonly used form
of packaging.



In more than

100

countries, we work together
with suppliers.

50.7 million

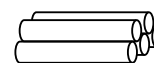
cubic metres of water
were consumed by Linde.

Air

is our most important raw
material. We generate
most of our revenue from
air gases.

80%

of our strategic suppliers
have signed up to our code
of conduct for suppliers.



70%

of the products and services
we purchase on average are
procured by us in the countries
in which they are needed.



2.3 million
tonnes of landfill waste

is the amount of raw material per year which we use to generate biogas in a Californian joint venture – enough to fuel 300 waste trucks and generate electricity for 8,500 households in the region.



4

times a year are we re-using our gas cylinders on average – over a lifespan of many years.

13,000

trucks are used worldwide by Linde. They cover more than 950 million km per year.

At
500
sites,

we delivered safety training in contractor management, including transport safety.

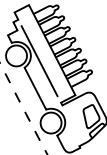
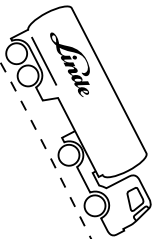
TRANSPORT

5 million

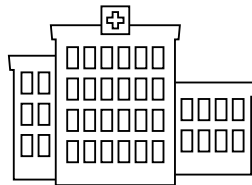
deliveries are made each year by drivers to our customers.

-7%

serious transport incidents in 2014 compared with 2013



WASTE DISPOSAL



20,000

hospitals trust our medical gases, gas therapies and medical devices.

1.5 million
patients

rely on Linde's respiratory care offerings such as oxygen therapy in their own homes.

-20 million

tonnes of CO₂

as a result of improved energy efficiency – from customers using our oxyfuel technology alone



2 million

customers are served by Linde across various industry sectors.

CUSTOMERS

4,000

plants were built by our Engineering Division for our customers.



5,800
participants

benefited from our training programme in Europe for customers and employees on the safe handling of gases.

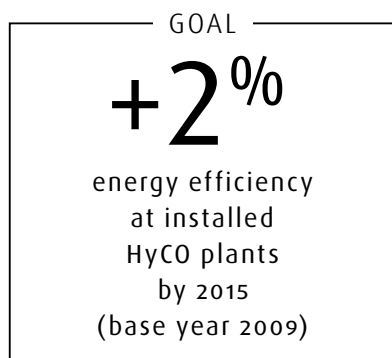
We organise training to assist with the responsible handling of our products. In 2014, just one of these training programmes provided around 5,800 participants in nine European countries with instruction on how to handle gases safely.

Raw materials

The most important raw material used in our production is air from the earth's atmosphere. Measured by weight, over 80% of the gases sold by Linde in 2014 were derived from this renewable resource. Our key packaging material is gas cylinders. A typical Linde cylinder has a lifespan of many years and is refilled on average four times a year. In 2014, we continued to work on the development of technologies in the field of renewable raw materials. One example of this is the Fraunhofer Centre for Chemical Biotechnological Processes (CBP) in Leuna, Germany. Linde was involved in establishing CBP and was awarded several contracts in 2014 to set up other process engineering units.

Energy and climate

In 2014, we identified around 250 projects worldwide that helped us reduce our energy consumption. These projects enabled us to make cost savings of over EUR 24 million and avoid around 160,000 tonnes of CO₂ emissions. Energy consumption at Linde rose by just over 2 percent in 2014 compared with the prior year, mainly as a result of increased production in the regions of South & East Asia and Greater China.



Global targets

60 percent of our CO₂ emissions are by-products of the electricity generated by our energy providers. Most of this electricity is required for the operation of more than 400 air separation plants. Our target is to improve the average energy intensity of our installed air separation plants by 5 percent by 2017. The reference year is 2008. We achieved this target early in the course of the reporting year. By the end of 2014, we had achieved efficiency improvements of 5.4 percent in the plants concerned. In this way, we have been able to save a total of around 1.8 million tonnes of CO₂ since 2008.

Direct emissions stem mainly from the operation of our hydrogen plants (HyCO plants). We have set ourselves the target of increasing the energy efficiency of our HyCO plants

installed around the world by 2 percent by the end of 2015 compared with the reference year of 2009. We were able to improve the energy efficiency by 1.9 percent in 2014. Hereby, we saved a total of around 650,000 tonnes of CO₂ in the period between 2009 and 2014. We are planning to decide on new targets in 2015.



Water

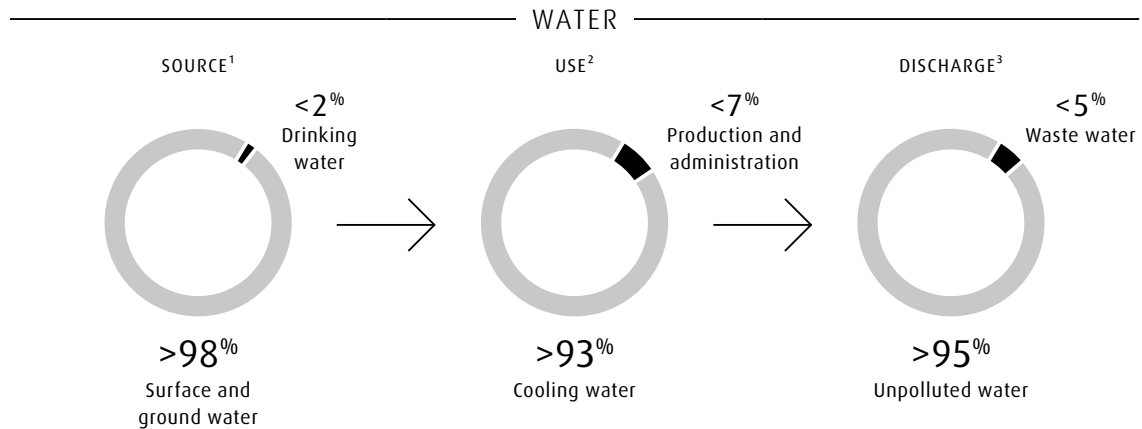
In 2014, we identified more than 20 projects that helped us use water more efficiently and cut costs by more than EUR 300,000. At two sites, one in the Czech Republic and the other in the Netherlands, we optimised water flow and reduced water consumption by around 2.6 million cubic metres by using improved valves. In Europe, Linde experts in plant construction, water and water chemistry have joined forces to create an interdisciplinary network. The aim of this project is to optimise the use of water and cooling water systems. To achieve this aim, we have so far inspected 39 plants in the region to ensure the sustainable use of water resources and we have implemented various improvements accordingly. We expect to achieve total cost savings of more than EUR 2 million by 2016 as a result of this initiative.

In 2014, we also implemented a number of projects to reduce the quantity of chemicals used in water treatment.

We offer our customers products and technologies that can be used throughout the water cycle. The Solvcarb® process, installed by Linde customers in Germany, has brought around 250 million cubic metres of water up to drinking water quality in 2014.

Air

Normally, the operation of our air separation plants produces almost no direct emissions to air. Other production processes can result in emissions of inorganic gases such as carbon monoxide (CO), sulphur oxides (SO_x), nitrogen oxides (NO_x), ammonia (NH₃) and volatile organic compounds (VOCs). We are cooperating with our customers and other partners to develop solutions that will reduce emissions to air. Linde's LoTOx™ technology installed on our customers' sites separates nitrogen oxides from waste gases that arise from combustion processes. The LoTOx™ systems, which have so far been installed mainly in plants in the United States and in China, are preventing more than 15,000 tonnes of NO_x per annum being emitted into the air.



¹ More than 98% of the water used at Linde's sites comes from surface water, sea water or ground water sources which do not meet drinking water quality standards. Less than 2% of the demand at Linde's sites is covered by water which meets drinking water quality standards.

² More than 93% of the water used in Linde's processes is used for cooling purposes, including once-through cooling water and sea water. Less than 7% of the water used in Linde's processes is consumed in the process or discharged into the sewerage system after use.

³ More than 95% of the water discharged is unpolluted cooling water which can be fed back into the water system without need for further treatment. Less than 5% of the discharged water is piped to a waste water treatment plant or facility.

Waste

Closed-loop systems for products help us increase our resource efficiency and cut the volume of waste produced. In 2014, we launched an initiative designed to record gas cylinders stored worldwide that require special means of disposal. The aim is to ensure that these cylinders are disposed of in the most efficient and environmentally friendly way possible. In addition, we are currently analysing the results of a pilot waste management project in the South & East Asia region in order to develop measures we can apply to waste management across the regions. We also continue to work on further cutting waste in the Healthcare product area: for example, by reducing the proportion of electrical waste generated by medical devices.

Since 2009, we have been involved in a joint venture with a Californian waste service provider to extract biogas from waste. Around 2.3 million tonnes of waste are recycled annually in this way.

For further information, go to

--> linde.com/cr-report2014/safety

OUTLOOK

Safety

Introduce a global standard for quantitative risk analyses on our sites; audit 20 percent of sites with transport operations

Operational excellence

Cost savings of more than EUR 2 million expected by 2016 through optimised use of water; decision about new environmental targets

Resources

Evaluate the results of regional pilot waste management projects and devise measures for other regions; reduce electrical waste generated by medical devices

OUR TEAM

Winning talent

We cooperate with universities and research institutions around the world in order to attract newly qualified graduates embarking on their careers. In the South & East Asia region, for example, we concluded our first graduate programme in 2014 where participants are being placed in several different countries in the region. Linde also provides training opportunities in various technical and commercial areas – in 18 different professions in Germany alone.

We invested around EUR 15 million in the continuing professional development of our employees in 2014. Through the Linde University we deliver a Group-wide professional development programme, focusing on subject areas such as leadership, intercultural communication and diversity. Since the programme was launched, more than 20,000 Linde staff have attended training courses at Linde University. As part of the Group-wide Six Sigma programme, we provide employee training on how to successfully identify opportunities for optimisation in operating and administrative processes. During the reporting year, more than 2,300 employees took part in these training courses and over 1,000 optimisation projects were completed, leading to cost savings of around EUR 70 million.

In 2014, we convened 100 focus groups, comprising employees from 15 countries, that considered how to be an attractive employer. We will be able to use the results of these focus groups to strengthen and enhance our reputation as an employer.

Work-life balance

We help our employees achieve a work-life balance through a range of initiatives. The measures we have introduced are designed to suit specific local circumstances and demands.

We focus in particular on flexible working models, supporting employees who are reliant on childcare or have a family member who requires care, and providing assistance during periods of poor health or social hardship. In several regions, such as the Middle East and Eastern Europe, we introduced new flexible working schemes in 2014. So far, more than 900 employees in these regions have benefited from such schemes.

To promote the physical and mental health of our employees, we offer a range of advisory services in many countries covering such areas as family crises and addiction problems, as well as initiatives designed to prevent illness. In North America, for example, we introduced a free health advisory service in 2014, which has now been used by more than 1,800 members of our staff. In many regions, we supported employees by offering a range of sporting activities or subsidised membership of sports facilities.

Salaries and social benefits

The remuneration package of Linde employees comprises not only a fixed salary component but also variable remuneration components depending on the position of the employee within the Group. We also offer our staff additional benefits in line with the conditions that apply in the different regions. These benefits include occupational pensions and contributions towards health insurance or medical screening. We review the remuneration levels of our employees using internal and external comparisons to ensure that they are appropriate and in line with the market. In 2014, we provided managers who are responsible for staff in the South Pacific region with information on the topic of equal pay for male and female employees, in order to raise awareness of this important issue.

FOCUS AREAS

Safety

Continuous improvement
in occupational safety

The best teams

Assembling and promoting
the best teams

**Attractiveness as
an employer**

Attractive working conditions
and corporate culture

PROGRESS

1,000
projects

implemented in the Six
Sigma programme,
exploiting opportunities
for optimisation



1,800
employees

used our free
health advisory service
in North America.

85%

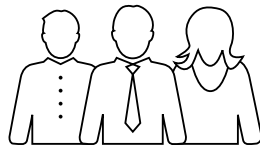
of Linde staff
responded
to our global
employee survey.

27%

female participants
in our development
programme for
senior managers

70 million
euros
of savings

generated from the
implementation of
optimisation projects
by employees



100

employee
focus groups
created to
strengthen our profile
as an employer

1,400

employees and
contractors
took part in motorcycle
safety training in Asia

400,000
euros of savings

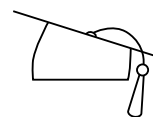
generated by imple-
menting employee
suggestions in the
Engineering Division
in Germany

900
employees

in the Middle East and
in Eastern Europe
benefit from new flexible
working schemes.

6%

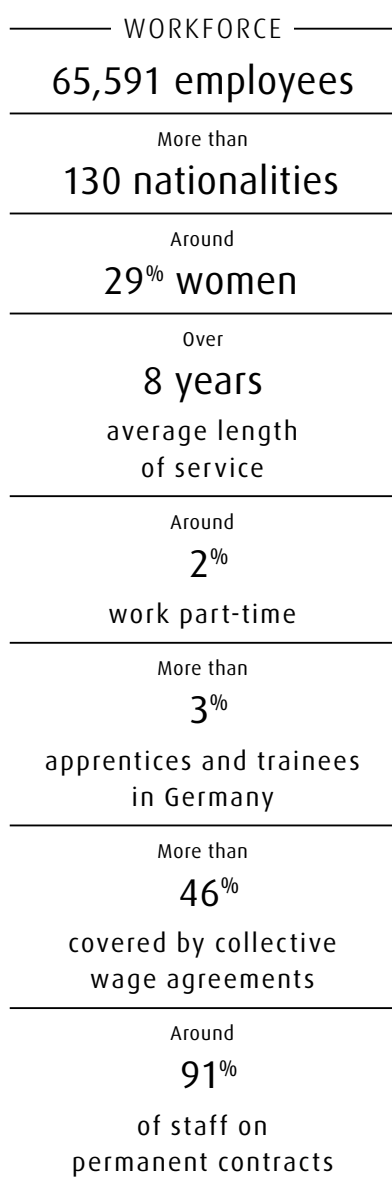
increase
in the number of Linde
staff taking part in
continuing professional
development
compared with 2013



20,000
Participants

in training courses
at Linde University

Employees in more than 50 countries have access to occupational pensions and healthcare benefits. Around 80 percent of our employees are members of occupational pension schemes. In the course of 2014, we extended the range of optional additional benefits we offer our employees in a number of regions. These included, for example, free health checks and the extension of insurance cover to include employees' family members.



Diversity

As a group with global operations, we rely on employees who understand local markets and are able to use their different experiences and perspectives to enrich the work of their team. As of 31 December 2014, Linde employed staff from 136 different countries. Over 70 percent of our senior managers were from countries other than Germany, with more than 54 nations represented at this level. We are planning to conduct a global analysis in 2015 of the international experience of our senior management.

For several years now, diversity as a value has been an integral part of our executive development programmes. The promotion of diversity is also one of the targets included in the target-setting agreements made with individual managers in appropriate positions. In the first half of 2015, we are planning to run information and communication workshops on the topic of gender diversity for top management.

We have set ourselves the target of increasing the proportion of women in senior management positions to between 13 and 15 percent by 2018. In 2014, the proportion of female senior managers was around 14 percent. The proportion of women taking part in the Global Leadership Development Circle, the development programme for senior managers, rose in 2014 to 26.5 percent (2013: 23.4 percent).

Involving employees

We keep our employees informed about changes in the Group and rely on their feedback to implement improvements. In 2014, we conducted our third global employee survey. Around 85 percent of our employees responded to the survey. The engagement index, which measures employee satisfaction and loyalty to the company, was around 71 percent. This means that just fewer than three-quarters of employees expressed very positive views about Linde as an employer. Areas rated particularly highly by our employees were customer focus and global compliance with safety standards. An area where they see a need for improvement is the Group-wide communication of our global corporate strategy. The results are currently being analysed in all regions and appropriate measures are being devised in response.

We encourage our employees to use their individual skills and experience to come up with ideas for improvement for the Group. In the Engineering Division in Germany, for example, we achieved total cost savings of around EUR 400,000 in 2014 as a result of implementing employee suggestions. In China, we implemented more than 50 employee improvement suggestions, generating cost savings of more than EUR 1.2 million.



Labour standards and human rights

We commit to the principles of the UN Human Rights Charter, the core labour standards of the International Labour Organisation (ILO) and to other international standards. Through regular reviews across all regions, we collate information on the processes in place to ensure compliance with labour standards and the upholding of human rights. In 2014, the Executive Board of Linde AG adopted an official Group position in which Linde reiterates its support for human rights and

describes the processes within the Group that confirm this commitment. Over the past three years, more than 190 audits have been conducted at our business sites which covered social topics. To detect potential weaknesses, we also evaluate the information supplied to our Integrity Line. This is a service our employees and external stakeholders can use to report any breaches of our Code of Conduct. In various regions we took steps to raise employee awareness. In 2014, for example, we held events in India to provide information and raise awareness of the issue of workplace harassment.

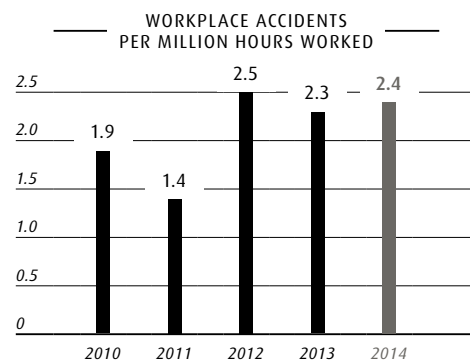


Occupational safety and health protection

To ensure that our staff remain in good health and fit for work, we have set out global standards governing occupational safety and health protection. Moreover, we carry out risk assessments and audits to ascertain whether the right conditions are in place to ensure safety at work. We want to continue to bring down the number of workplace accidents. In 2014, we set ourselves a new global target: As a next step, we want to achieve a continuous reduction in the number of workplace accidents resulting in lost working days per million hours worked by employees by 2020. The base year is 2012.

When implementing our health protection initiatives, we focus in particular on the risks associated with manual or repetitive activities. One such initiative was a pilot project

we launched in 2014 on a North American site, in which magnets are used to lift manhole covers, allowing employees to avoid heavy physical exertion. We also set up free preventive health checks for employees during the reporting year in several regions, including Asia and South America. In 2015, we are planning to introduce employee training on the optimal use of loading systems at all the sites of our subsidiary Lincare.



Another area on which we focus is road safety. We have devised safety training in the South & East Asia region for employees and contractors who use a motorcycle for work or to travel to and from work. By the end of 2014, more than 1,400 of the 1,600 or so employees affected in the region had taken part in the training.

For further information, go to
--> linde.com/cr-report2014/employees

OUTLOOK

Occupational safety

Global analysis of safety culture; training on the optimal use of loading systems at all Lincare sites

The best teams

Analysis of the international experience of our senior managers; information and communication workshops on gender diversity for top management; specifying our target to increase the proportion of female managers

Attractiveness as an employer

Discuss the findings of the global employee survey and plan measures to respond to those findings; evaluate the results from 100 focus groups about our attractiveness as an employer

SOCIAL COMMITMENT

We are involved in a variety of projects across the world with a focus on the regions and initiatives most closely linked to our business activities. Above all, we are committed to projects in the field of education. We also promote projects close to our business locations, covering areas such as safety, environmental protection, health and social affairs. In 2014, Linde provided funding of more than EUR 6.6 million for projects and initiatives worldwide, of which around EUR 2.8 million were donated by us. This allowed us to support more than 200 projects. As a result of our social commitment during the reporting year, we were able to reach, among others, over 100,000 children, school pupils and students.

Our employees are also engaged in volunteering. We support this by granting staff time off work and, in some regions, by matching employees' donations. In North America, for example, more than 140 employees took part in around 15 social projects in 2014.

Access to education

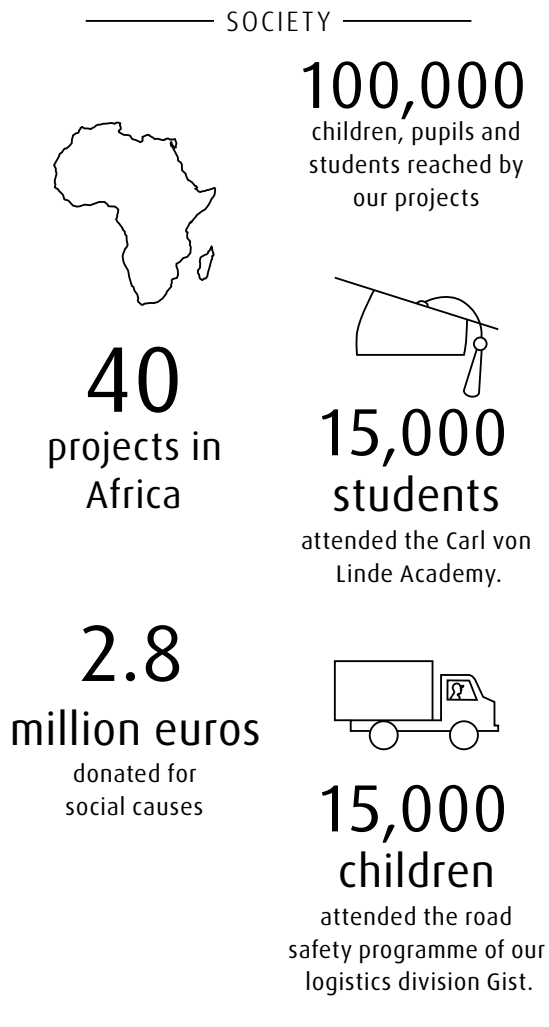
Linde provided foundation capital amounting to over EUR 8 million to set up the Carl von Linde Academy at the Technical University of Munich (TUM). By the end of the 2014 summer semester, more than 15,000 students had attended courses offered by the Academy. The principal aim of the institution is to provide engineering, IT and natural science students with key skills that extend beyond the limits of their theoretical subjects, covering such areas as business ethics and innovation. In 2014, we embarked on a cooperative venture with a number of technical schools in South Africa. Our local subsidiary donated around EUR 90,000 for the renovation of training centres for welding technology and for teacher training.

We also sponsor scientific and technical exhibitions, experiments and competitions in several countries. In keeping with the importance we place on safety, we are involved in a number of traffic education schemes across several countries. In 2014, more than 15,000 children took part in the Child Road Safety Programme organised by Gist, our logistics division. As part of this programme, truck drivers visit primary schools, bringing their vehicles with them, and talk to pupils about road traffic risks.

Better living conditions

In many countries, we sponsor projects that aim to improve living conditions for the people in that particular region. In 2014, for example, we supported around 40 local initiatives in Africa specifically designed to help socially disadvantaged children. In Mexico, we are sponsoring an initiative to create jobs for women in a recycling project. In 2014, we awarded three grants from our REALfund. The beneficiaries of these REALfund grants are three scientists working on projects that have the potential to make significant improvements to the lives of patients with chronic respiratory disease.

For further information, go to
--> linde.com/cr-report2014/society



As well as providing financial resources, we also donate products for charitable purposes. In several regions, we donated medical gases or medical devices in 2014 to charities. We are a global partner in the Shell Eco-marathon, and supply the hydrogen to fill the fuel-cell vehicles used in the annual competition designed to promote energy-efficient mobility.

KEY FIGURES

		2014	2013
<i>Finance</i>			
Revenue	€ million	17,047	16,655
Operating profit ¹	€ million	3,920	3,966
EBIT	€ million	1,885	2,171
Profit for the year	€ million	1,162	1,430
Share closing price	€	154.20	152.05
Earnings per share – undiluted (before non-recurring items) ²	€	7.13	7.10
Market capitalisation (at year-end closing price)	€ million	28,625	28,219
Capital expenditure (excluding financial assets)	€ million	1,954	2,268
Equity ratio	%	41.4	41.5
Return on capital employed (ROCE)	%	9.5	9.7
Expenditure for research and development	€ million	106	92
<i>Employees</i>			
Number of employees	as of Dec. 31	65,591	63,487
Apprentices and trainees in total workforce	%	0.9	0.9
Number of new hires		12,049	8,955
Proportion of female employees			
in total workforce	%	28.7	27.3
in senior management positions	%	13.9	13.2
of new hires	%	46.2	41.6
Non-German nationalities among senior managers in Germany	%	71.0	72.9
Staff turnover rate ³	%	10.0	9.4
Staff covered by collective wage agreements	%	46.5	45.6
Training days per employee		3.1	3.0
Workplace accidents with at least one day of absence of employees	per million hours worked	2.4	2.3
Personnel expenses	€ billion	3,536	3,423
Pension costs	€ million	293	281
<i>Safety and environmental protection</i>			
Electricity consumption	million MWh	26.2	23.4
Natural gas consumption	million MWh	39.5	36.4
Consumption of other energy sources ⁴	million MWh	10.7	14.8
Raw materials and supplies	t	52,770	57,750
Total water consumption ⁵	million m ³	50.7	44.5
of which drinking water	million m ³	9.9	9.7
Direct greenhouse gas emissions (Scope 1)	million t CO ₂ e	9.3	9.2
Indirect greenhouse gas emissions (Scope 2)	million t CO ₂ e	15.0	13.0
Other emissions to the air ⁶	t	11,354	8,676
Emissions to water ⁷			
Chemical oxygen demand (COD)	t	1,770	2,157
Biochemical oxygen demand (BOD)	t	195	163
Nitrates	t	56	89
Phosphates	t	2	3
Total waste ⁸	thousand t	94.1	124.9
Serious transport incidents involving trucks ⁹	per 1 million km	0.057	0.062

¹ EBIT adjusted for amortisation of intangible assets and depreciation of tangible assets

² Based on the weighted average number of shares

³ Staff turnover rate relates to employees who left the Group voluntarily during the period under review.

⁴ Other energy sources include for example thermal energy, heating oil, biofuel energy, propane, butane and diesel fuel. In 2014, Linde sold a plant in Southern Europe which previously consumed mainly other energy sources. Indicators for this plant are no longer included in the reported figure. The increased consumption of other energies in 2011 resulted from the inclusion of additional other energy sources (e.g. naphtha and methanol) into the indicator scope.

⁵ Water consumption relates to drinking water and industrial water used. Once-through water is drawn from a natural or other sources, solely warmed and ultimately piped back to the original source at a temperature not posing any risk to the surrounding ecosystem.

⁶ In 2014, Linde has refined the determination method for emissions to the air. Where available, measurements were used for the new methodology. For production sites for which no measurements were available, we estimated the figures. Where possible, the reported figures for 2013 were recalculated based on these new methods. The determination method for VOC emissions could not be applied retroactively. Therefore, the values for this indicator are not comparable for the years 2013 and 2014.

⁷ In 2014, we have developed a methodology to determine emissions to water (COD, BOD, nitrates, phosphates) for the Linde Group. This methodology is based on measurements and extrapolations. There are significant inherent limitations in this methodology, however full measurement of emissions to water at all Linde sites is not economically viable. The reported numbers of water emission performance indicators of the Linde Group therefore serve as an approximation to our emissions.

⁸ The lower figure for waste in 2014 is mainly due to a reduction in construction waste.

⁹ Severe traffic incidents (e.g. with heavy effects on the health of the employees involved or with reportable emissions to the environment) as well as transport incidents leading to material costs above a defined threshold

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[GO TO LINDE'S
CORPORATE RESPONSIBILITY
REPORT 2014]



[ABOUT THIS REPORT]

This brochure contains extracts from Linde's Corporate Responsibility Report 2014.
You can find the full report at: www.linde.com/cr-report2014

This report contains statements relating to the future which are based on management's current estimates about future developments. These statements are not to be understood as guarantees that these expectations will prove to be true. The future development and the results actually achieved by The Linde Group and its affiliated companies are dependent on a number of risks and uncertainties and may therefore deviate significantly from the statements relating to the future.

Linde has no plans to update its statements relating to the future, nor does it accept any obligation to do so.