

## **LINDE PROCESS PLANTS, INC.**

*Responses to questions. Note that an appointment must be made with OK Ethics Founder in order to discuss supporting documentation for these answers. That's usually where the "meat" of the application falls.*

### **I. Leading with Integrity:**

#### **A. How does your company hold managers accountable for ensuring that integrity is an integral component of your company's success?**

Integrity is one of our four key principles that underpin all of our decisions, actions and behaviors. We instill integrity in our day to day culture through several means.

Our managers and employees participate in a mid-year and annual performance review process. As part of this process, employees are rated on and receive feedback on our Linde Leadership Competencies, i.e. Visible Leadership, Customer Focus and Cross-cultural communication and collaboration, to name a few. Each employee's level of performance on the competencies is directly tied to their annual merit increase.

Every two years employees are provided the opportunity to participate in an employee survey. The survey is divided into 11 dimensions, one of them being Integrity. The integrity dimension consists of the following questions:

1. The Leadership team of my organization is committed to ethical business practices and conduct.
2. I can report unethical practices without fear of reprisal.
3. I know how to report suspected unethical business practices.
4. I am aware of the Compliance policies applicable to me.

The results of the surveys are reported by manager and reviewed carefully by every member of the leadership team. Departments that require attention become part of our action planning process. Action plans are tracked and monitored via an online system to ensure follow through.

Department audits are conducted intermittently from our corporate office in Munich, Germany.

#### **B. What indicators do you use to determine the effectiveness of your management team's endeavors to promote ethical behavior?**

Feedback via the employee survey is one indicator as it allows the organization to pinpoint if a manager is lacking within the integrity dimension.

Direct feedback from employees as well as department audits can be indicators of how effective management is conveying and modeling the ethical behavior that is expected of all employees.

## **II. Cultivating an Ethical Culture:**

### **A. Please provide a definition of ethical behavior as it relates to your particular organization. Explain how you ascertained your definition.**

Our actions are honest, fair and ethical. We have the right to expect honesty and fairness from one another and adhere to this in dealings with customers, suppliers and other stakeholders.

This definition comes from our corporate office in Munich, Germany and is communicated consistently throughout all Linde entities.

### **B. Describe any codes, principles or values that are inherent in your organization.**

Linde Code of Ethics:

Linde employees worldwide adhere to the detail and spirit set out in the Linde Code of Ethics. The Code of Ethics is structured to reflect the expectations of our main stakeholder groups. Each Linde employee is expected to learn and comply with the standards and laws that apply to their job. Linde actively monitors the standards set out in the code.

Code of Conduct:

The Code of Conduct calls on all employees to comply with the applicable legal provisions while also respecting high ethical standards. Employees are expected to demonstrate a high degree of integrity, respect for others and responsible actions.

Our Principles:

Safety, Integrity, Sustainability and Respect

Our Values:

Passion to excel, Innovating for customers, Empowering people and Thriving through diversity

### **1. What steps does your company take in the selection process to ensure that new recruits' values are consistent with that of the organization?**

All prospective employees go through an interview process that entails meeting with multiple employees in the organization i.e. leadership, human resources and peers. This ensures a well-rounded evaluation of the applicant can be obtained. Prospective employees also complete a job profile assessment which provides insight into their overall fit with our organization culture.

### **2. What is your process for ensuring that the organization's values are embraced by new employees?**

New employees receive an extensive onboarding to ensure their success and effective acclimation to our culture. Organizational values and expectations are specifically reviewed in the following ways:

Linde Spirit Presentation: This presentation outlines our core values and principles. Detailing conduct expectations and reporting options.

Code of Ethics e-learning course: Within the new employees first week, they are invited to take an online course that reviews in detail our Code of Ethics. Employees must complete this course within the first two weeks of their employment.

**C. Describe any other processes that your company may have in place to ensure that an ethical culture is consistently reinforced. In sharing these examples, please provide measures the company uses to determine the effectiveness of these processes.**

Our Anti-Corruption Compliance Guide (ACC Guide), provides guidelines on gifts, meals and invitations to events. The guide was developed because our business success is not only based on our customers' trust in the quality of our products and services, but also on our impeccable business conduct. The ACC Guide provides employees with the necessary tools to conduct business in a legal and legitimate way. It is designed to help employees avoid violations of the Linde Code of Ethics and the relevant anti-corruption laws.

Managers are provided training on the general and specific guidelines associated with the ACC Guide. This training is tracked and reported.

**D. How does your organization recognize and/or reward those employees, customers, vendors or partners who have gone "above and beyond" in the demonstration of highly ethical principles?**

There is not a specific recognition program in place that pertains to rewarding employees for demonstrating ethical behavior. Highly ethical conduct is expected from every employee at all times. It is not regarded as an option.

Swift and immediate action is taken to mitigate any infractions that violate our policies, codes and procedure. Our process is universally applied throughout the organization, regardless of rank or seniority.

**E. How does your company monitor and respond to breaches of ethical behavior?**

Employees have multiple reporting options within the organization for any issue. Locally they are encouraged to speak to their line manager, human resources or any executive team member. All parties involved sign a confidentiality agreement and if the situation warrants, a third party investigator is utilized.

Linde also offers globally, the Linde Integrity Line. The Integrity Line is managed collaboratively by the Linde Integrity Committee, which is represented by Corporate Communications, Human Resources, Internal Audit and Legal departments.

Employee concerns are addressed immediately and appropriate actions are taken to mitigate the issue. We strive to create an open, honest work environment for all employees.

### **III. Forthright Communications:**

#### **A. How does your company demonstrate open/transparent communication occurs throughout the organization?**

Communication is of the highest priority to our organization and we facilitate a continuous flow of information to employees through many channels.

1. Monthly Department Manager Meetings: All managers and supervisors attend a monthly meeting that reviews the most current news and updates. Managers then take this information back to their teams to share. All managers facilitate at minimum one monthly meeting with their teams.
2. Internal Publications: Employees receive a bi-monthly newsletter that is specific to our entity. In addition, employees receive weekly email newsletters from the region and quarterly publications from the global platform.
3. Intranet: Information, resources and tools are housed on our company intranet page. The site is updated daily to ensure the most current information is accessible to employees.
4. Mass Communications: Employees receive emails of updates, information and news covering topics that range from organizational changes to upcoming events.
5. Training: we work diligently to ensure our employees have every opportunity to learn and understand new tools, processes and organizational changes.

#### **B. How has the effectiveness of these communiqües been measured?**

We receive feedback and suggestions directly from managers on the monthly meetings. Internal publications are measured on readership. We are able to track the overall effectiveness of organizational communications via our employee survey.

#### **IV. Corporate Social Responsibility:**

##### **A. Describe your company's strategy with regard to issues of social responsibility or corporate philanthropy.**

We strive to support the community activities and charitable causes that interest our employees and their families. We find this engages employees more in our community involvement and creates a bigger impact for the charities. We support several events/drives that have become staples year after year. However, we also try to balance our dedication to those specific charities with flexibility in supporting causes that arise unexpectedly, i.e. 2012 OK Wild fires, 2011 Joplin Tornado, etc.

##### **B. What has been your company's direct impact on the community?**

###### **i. Your company's involvement in the community:**

**Junior Achievement** – For the past six years, we have sponsored a store in BizTown, a mock city where 5th grade students come to spend the day learning about the business world. In BizTown, all students are assigned to work for a particular company and are given actual jobs with very real responsibilities. At the LPP store, there is a CEO, CFO, Sales Manager, and two Research Scientists.

We also participate in the Classroom Volunteer program where LPP employees go into the classrooms of kindergartener through 4th grade to talk about financial literacy and real world business experiences. To date, we have volunteered in 42 classrooms around the Tulsa Metro Area for a total of 894 students.

**Tulsa's Future** – LPP joined numerous business leaders throughout the community to support the Tulsa Metro Chamber's economic development initiative, Tulsa's Future. This program is focused on enhancing the Tulsa region's standing as a place for business, residents, visitors, and students of all ages. While business retention, expansion, and attraction remain at the core, small business, workforce attraction and quality of life issues – such as downtown revitalization and education – will become a part of a bigger plan for regional economic prosperity.

**American Heart Association Heart Walk** - LPP is very proud of our wellness program. To further encourage a healthy lifestyle and support the community, we have partnered for the past 4 years with the American Heart Association to sponsor their annual Heart Walk. In addition to our financial contribution, LPP has worked over the past few years to increase our participation in the event by encouraging employees and their families to join us on Walk Day.

**Assistance in Healthcare Swing Fore Assistance** - Assistance in Healthcare is a not-for-profit organization that offers financial assistance to cancer patients currently treating within the Tulsa area. These funds provide relief from rent, utilities, car payments, and various other needs. The

organization exists only to provide this support and make a difference in their lives. Each year, they host a charity golf tournament, Swing Fore Assistance, and LPP has been a proud sponsor for the past two years.

**American Red Cross** - LPP employees have consistently shown a desire to help those in need. When the tornadoes ripped through Joplin, MO we hosted a water drive. Employees helped us collect over 140 cases of water. LPP again pulled together to host a food and donation drive to support the wild fire victims last year.

**Happy Hands** - Happy Hands Education Center is an educational center for children who are deaf and hard of hearing and children with other communicative disorders. Our purpose is to empower these special children with confidence, education, life skills and the abilities necessary to achieve all of their dreams. Happy Hands strives to provide opportunities to help these children and their families flourish in every area of their lives.

LPP has supported Happy Hands for over 10 years and provides a financial contribution to support their fundraising events throughout the year, such as their Happy Feet Fun Run and Holes Fore Happy Hands golf tournament.

**The Little Lighthouse** - The Little Lighthouse is a local non-profit organization that provides services to children from birth to the age of six with physical and mental challenges that cause a developmental delay. These conditions include Down Syndrome, Spina Bifida, Cerebral Palsy, Autism, and sensory deprivations such as blindness. LPP has been a proud supporter of The Little Lighthouse for over 10 years and sponsors their various learning programs.

**LPP Winter Challenge** - Every November, we hold a Winter Challenge to encourage employees to donate to organizations throughout the Tulsa area. Our campaigns have been diverse including:

2009 – Warm weather gear, including blankets, pillows, coats, etc., for Tulsa Day Center for the Homeless, Salvation Army, and John 3:16 Mission.

2010 – Toiletries for DVIS – Domestic Violence Intervention Services, Inc.

2011 – Food drive to support the Community Food Bank of Eastern Oklahoma

2012 – Toy drive to support Toys for Tots

**Linde Cares** – annual charity campaign sponsored internally to promote financial contributions to United Way, American Heart Association, American Lung Association and American Cancer Association. Employee contributions are matched dollar for dollar. Employees are also able to contribute to any 501-3(c) they choose; those matched dollars go to our local United Way affiliate.

**ii. Benefits to the community:**

Our continuous activity in supporting the Tulsa community provides financial and volunteer benefits to the charitable organizations that are important to our employees.

**C. To what extent are employees actually engaged in the company's social responsibility activities?**

The level of engagement varies from one activity to the next. The Annual Heart Walk engages 25-30% of employees. While the Winter Challenge is more significant with 70-80% participating. We have a diverse work force and support the diversity of our people by engaging in multiple community activities and organizations.

**V. Building Trust in Customer Relations**

**How does your company monitor the effectiveness of customer relations, specifically as it pertains to handling of customer concerns in a forthright and fair manner?**

Customer responsiveness is very important to our organization; in fact, one of the four key pillars of our culture model is Customer Focus. Supporting our customers and fostering strong relationships are the keys to our success and we regard them as such. Customers are provided an opportunity to complete a satisfaction survey throughout the project completion process. We also have a quality assurance work instruction in place to ensure employees understand their role in collecting and acting on the data received from our customers.

## **VI. Looking to the Future**

### **A. What are some of the major ethical issues that you anticipate your employees or organization will likely encounter in the future?**

We are continuing to develop our business into regions of the world outside of the US. This development will require interactions, meetings and ultimately business deals and contracts with cultures that our employees may not be accustom to working with.

Our biggest concern is ensuring that all interactions stay consistent with our principles, codes and policies as well as foster new business relationships with cultures around the world.

### **B. What proactive approaches are you taking now, or considering taking in the near future, so that your organization is better prepared to effectively handle these types of issues?**

Preparing our employees and providing them with the tools and resources to be successful in diverse work environments is very important to our organization. We currently offer an online culture tool called CultureWizard. This tool supports a number of different learning objectives including:

- Building global business skills
- Learning to appreciate global cultural diversity
- Learning country-specific culturally appropriate personal and business manners
- Providing tools to support business travellers, global leadership programs and diversity initiatives.

We also offer RosettaStone to employees interested in taking their cultural integration and awareness to the next level.