W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Linde plc is a public limited company formed under the laws of Ireland with its principal offices in the United Kingdom. Linde plc was formed in 2017 in accordance with the requirements of the business combination agreement, dated June 1, 2017, as amended, between Linde plc, Praxair, Inc. ("Praxair") and Linde Aktiengesellschaft ("Linde AG"). Effective October 31, 2018, the business combination was completed and Linde plc is comprised of the businesses of Praxair and Linde AG (hereinafter the combined group will be referred to as "the company" or "Linde"). The business combination brought together two leading companies in the global industrial gases industry, leveraging the proven strengths of each. Linde believes the merger will combine Linde AG’s long-held expertise in technology with Praxair’s efficient operating model, thus creating a global leader. The company is expected to enjoy strong positions in key geographies and end markets and will create a more diverse and balanced global portfolio.

Linde is the largest industrial gas company worldwide. It continues to be a major technological innovator in the industrial gases industry. Its primary products in its industrial gases business are atmospheric gases (oxygen, nitrogen, argon, and rare gases) and process gases (carbon dioxide, helium, hydrogen, electronic gases, specialty gases, and acetylene). The company also designs, engineers, and builds equipment that produces industrial gases primarily for internal use and offers its customers a wide range of gas production and processing services such as olefin plants, natural gas plants, air separation plants, hydrogen and synthesis gas plants and other types of plants. The surface technologies segment supplies wear-resistant and high-temperature corrosion resistant metallic and ceramic coatings and powders.

Linde serves a diverse group of industries including healthcare, petroleum refining, manufacturing, food, beverage carbonation, fiber-optics, steel making, aerospace, chemicals and water treatment.

In 2018, the company, Praxair and Linde AG entered into various agreements with regulatory authorities to satisfy antitrust requirements to secure approval to consummate the business combination. These agreements required the sale of the majority of Praxair’s European industrial gases business (completed on December 3, 2018), the majority of Linde AG’s Americas industrial gases business (completed on March 1, 2019), as well as certain divestitures of other Praxair and Linde AG businesses in Asia that are expected to be sold in 2019. As of December 31, 2018 and until the completion of the majority of such divestitures, Linde AG and Praxair were obligated to operate their businesses globally as separate and independent companies, and not coordinate any of their commercial operations. The U.S. Federal Trade Commission’s (the “FTC”) hold separate order (“HSO”) restrictions were lifted March 1, 2019, concurrent with the sale of the required merger-related divestitures in the United States.

Praxair was determined to be the accounting acquirer in the business combination (also called “successor in interest”). Accordingly, the historical financial statements of Praxair for the periods prior to the business combination are considered to be the historical financial statements of the company. The results of Linde AG are included in Linde’s consolidated results from the date of the completion of the business combination forward (thus, for 2 months for the financial year of 2018).

Since Praxair was the accounting acquirer, and since Praxair and Linde AG businesses were obligated to operate as separate and independent entities until March 1, 2019, we provide in this response mostly Praxair-only information for 2018 (Praxair accounted for 80 percent of reported revenue for 2018). Because of the HSO, Board and management decisions could not be made prior to issuing this response on a combined sustainable development strategy or related KPIs and targets; nor could we start work on aligning methodologies. In these circumstances, we made the decision to report 2018 sustainable development performance against targets using Praxair’s Sustainable Development 2020 (SD 2020) targets and reporting for Praxair only. We provide as appropriate combined data for 2018 for Linde plc in the comments fields, using the same accounting methodology as the financial performance data (12 months Praxair plus two months Linde AG).

Where combined governance has already been established, and where information is sourced from the most recent annual report, we reference policies and practices of the new Linde plc as these now fully represent Praxair.

W-CH0.1a

(W-CH0.1a) Which activities in the chemical sector does your organization engage in?

Bulk inorganic chemicals
Specialty inorganic chemicals

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Start date</th>
<th>End date</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1 2018</td>
<td>December 31 2018</td>
</tr>
</tbody>
</table>
(W0.3) Select the countries/regions for which you will be supplying data.

- Argentina
- Bahrain
- Belgium
- Bolivia (Plurinational State of)
- Brazil
- Canada
- Chile
- China
- Colombia
- Costa Rica
- Denmark
- France
- Germany
- India
- Italy
- Japan
- Mexico
- Norway
- Panama
- Paraguay
- Peru
- Portugal
- Puerto Rico
- Republic of Korea
- Russian Federation
- Spain
- Sweden
- Taiwan, Greater China
- Thailand
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Uruguay
- Venezuela (Bolivarian Republic of)

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

- Companies, entities or groups over which financial control is exercised

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

(W0.6a) Please report the exclusions.

<table>
<thead>
<tr>
<th>Exclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>We do not report water withdrawal for sites for which domestic sanitary</td>
<td>Praxair excludes these sites because their water use is insignificant compared to the amount of water withdrawn by our plants. Many of our smaller sites are leased offices. These sites are not separately metered and we do not have financial or operational control over water policies at these sites.</td>
</tr>
<tr>
<td>use is the primary water usage, or for sites that have no significant</td>
<td></td>
</tr>
<tr>
<td>process-related water usage. This means that sites do not report if their</td>
<td></td>
</tr>
<tr>
<td>water usage is less than 10,000 gallons (38 cubic meters or 38,000 liters)</td>
<td></td>
</tr>
<tr>
<td>per month or 120,000 gallons (455 cubic meters or 455,000 liters) per year.</td>
<td></td>
</tr>
</tbody>
</table>
W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

<table>
<thead>
<tr>
<th>Direct use importance rating</th>
<th>Indirect use importance rating</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Important</td>
<td>Important at all</td>
<td>Praxair withdrew about 340,700 megaliters of fresh water in 2018, including once-through non-contacting cooling water which is returned to its original source or pumped after usage. About 90% of this water is drawn from fresh surface water sources. Having access to clean, high quality fresh water reduces the need for treating the water, which saves energy and reduces waste. Primary use of water is for cooling and boiler systems. Supply Chain: As an industrial gas company, our raw materials consist largely of air and natural gas as a feedstock. 98% of our raw materials by weight are from renewable sources. Therefore, we do not consider water to be a significant issue in our supply chain. Future fresh water dependency is expected to increase in proportion to increases in production and constructing new facilities. Water efficiency measures are expected to keep these increases in check.</td>
</tr>
<tr>
<td>Neutral</td>
<td>Not important at all</td>
<td>Praxair used 34,200 megaliters of industrial/relayed water in 2018; this is 9% of the total water withdrawn from all sources (fresh water + non-fresh water sources).</td>
</tr>
</tbody>
</table>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

<table>
<thead>
<tr>
<th>% of sites/facilities/operations</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water withdrawals – total volumes</td>
<td>Water withdrawal is a key performance indicator for Praxair and is managed as part of the company’s sustainable productivity activity. Water withdrawal is monitored by Praxair’s productivity organization as part of sustainable productivity efforts and is reported annually into the Sustainable Development Management System (SDMS). In addition, as part of Praxair’s SD 2020 targets, water withdrawal at Praxair sites with high water use in areas of water stress (hi-hi sites) is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP). Water withdrawal at the corporate level is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water withdrawals – volumes from water stressed areas</td>
<td>Water withdrawal is a key performance indicator for Praxair and is managed as part of the company’s sustainable productivity activity. In addition, as part of Praxair’s SD 2020 targets, water withdrawal at Praxair sites with high water use in areas of water stress (hi-hi sites) is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water withdrawals – volumes by source</td>
<td>Water withdrawal is a key performance indicator for Praxair and is managed as part of the company’s sustainable productivity activity. Praxair tracks total volume by source. In addition, as part of Praxair’s SD 2020 targets, water withdrawal at Praxair sites with high water use in areas of water stress (hi-hi sites) is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Entrained water associated with your metals &amp; mining sector activities - total volumes (only metals and mining sectors)</td>
<td>Entrained water associated with your metals &amp; mining sector activities - total volumes (only metals and mining sectors) is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Produced water associated with your oil &amp; gas sector activities - total volumes (only oil and gas sector)</td>
<td>Produced water associated with your oil &amp; gas sector activities - total volumes (only oil and gas sector) is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water withdrawals quality</td>
<td>Water withdrawal is a key performance indicator for Praxair and is managed as part of the company’s sustainable productivity activity. Water withdrawal is monitored by Praxair’s productivity organization as part of sustainable productivity efforts and is reported annually into the Sustainable Development Management System (SDMS). In addition, as part of Praxair’s SD 2020 targets, water withdrawal at Praxair sites with high water use in areas of water stress (hi-hi sites) is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water discharges – total volumes</td>
<td>The majority of water discharges are related to once-through non-contacting cooling water which is returned back to its original source unpolluted after completion of the cooling cycle. Praxair began tracking detailed water discharge data in 2018. The number of sites reporting to corporate has been steadily increasing. The work process is described in Praxair’s WW SDMS 008 water SOP: Facilities operating under a Water Management Plan (which represent about 52% of Praxair water withdrawal) report on a quarterly basis; all other sites report annually. Water discharges – total volumes is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water discharges – volumes by destination</td>
<td>Water discharges – volumes by destination is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water discharges – volumes by treatment method</td>
<td>Praxair does not track wastewater discharge volumes by treatment method. Some facilities treat their wastewater - these are requirements of their discharge permits. Only permit exceedances are tracked at the corporate level. Water discharges – volumes by treatment method is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water discharge quality – by standard efficient parameters</td>
<td>Water discharge quality – by standard efficient parameters is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water discharge quality – temperature</td>
<td>Water discharge quality – temperature is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water consumption – total volume</td>
<td>Water consumption – total volume is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
<tr>
<td>Water recycled/reused</td>
<td>Water recycled/reused is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include monitoring of water withdrawal.</td>
</tr>
</tbody>
</table>

W1.2b

The provision of fully-functioning, safely managed WASH services to all workers | Praxair’s Human Rights Policy states: “Praxair provides appropriate access to a safe and hygienic work environment, including safe water, sanitation and hygiene for all employees and contractors in premises under Praxair’s control.” All employees are responsible for complying with this policy.
(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

<table>
<thead>
<tr>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total withdrawals</td>
<td>Lower</td>
<td>Total withdrawals include water consumptions as well as once-through non-contacting cooling water. The reduction in total water withdrawals is primarily due to company divestitures which were required due to the merger with Linde AG (see also &quot;Introduction&quot;). Divestitures on Praxair side happened by end of November 2018 which means that for those sites one month of water withdrawals/usage is missing. Moreover, for divested sites reporting figures were estimated based on 2017 reporting figures.</td>
</tr>
<tr>
<td>Total discharges</td>
<td>Lower</td>
<td>Total discharges mainly consist of once-through non-contacting cooling water returned to its original source unpolluted after withdrawal and completion of cooling cycle. The reduction in total water discharges is primarily due to company divestitures which were required due to the merger with Linde AG (see also &quot;Introduction&quot;). Divestitures on Praxair side happened by end of November 2018 which means that for those sites one month of water withdrawals/usage is missing. Moreover, for divested sites reporting figures were estimated based on 2017 reporting figures. As withdrawals decreased, also discharges decreased.</td>
</tr>
<tr>
<td>Total consumption</td>
<td>Lower</td>
<td>The reduction in total water consumption is primarily due to company divestitures which were required due to the merger with Linde AG (see also &quot;Introduction&quot;). Divestitures on Praxair side happened by end of November 2018 which means that for those sites one month of water withdrawals/usage is missing. Moreover, for divested sites reporting figures were estimated based on 2017 reporting figures.</td>
</tr>
</tbody>
</table>

(W1.2d) Provide the proportion of your total withdrawals sourced from water stressed areas.

<table>
<thead>
<tr>
<th>% withdrawn from stressed areas</th>
<th>Comparison with previous reporting year</th>
<th>Identification tool</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 49%</td>
<td>Higher</td>
<td>WBCSD Global Water Tool</td>
<td>In 2018, the percentage of water withdrawal (excluding once-through non-contacting cooling water) from stressed areas was 49%. Total water consumption from water stressed areas is a key performance indicator for Praxair and is managed as part of the company’s sustainable productivity activity. As part of Praxair’s SD2020 targets, the company uses WBCSD Global Water Tool to assess water stress areas in regions where it operates or plans to site new facilities. In addition, water withdrawal at sites with high water use in areas of water stress (hi-hi sites) is monitored quarterly as part of the SDMS, and those sites must provide and report results quarterly against a Water Management Plan (WMP), which must include water withdrawal volume. In 2018 the percentage of withdrawals (excluding once-through non-contacting cooling water) from water stressed areas increased. Reasons for the increase are among others new plant start-ups or ramp ups to full load in water stressed areas in 2018 as well as an increase in production at sites in stressed areas. Furthermore one US site in a water-stressed area changed water supply from customer supplied once-through cooling water (not included in the measurement) to cooling tower - this increased the water consumption for this site and the total water consumption of sites in water stressed areas compared to total water consumption.</td>
</tr>
</tbody>
</table>

(W1.2h) Provide total water withdrawal data by source.

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water, including rainwater, water from wetlands, rivers, and lakes</td>
<td>Relevant</td>
<td>321100</td>
<td>About the same</td>
</tr>
<tr>
<td>Brackish surface water/Seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Groundwater – renewable</td>
<td>Relevant</td>
<td>5400</td>
<td>Lower</td>
</tr>
<tr>
<td>Groundwater – non-renewable</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Produced/Entrained water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Third party sources</td>
<td>Relevant</td>
<td>23200</td>
<td>About the same</td>
</tr>
</tbody>
</table>

(W1.2j) What proportion of your total water use do you recycle or reuse?

<table>
<thead>
<tr>
<th>% recycled and reused</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>76-99%</td>
<td>Praxair recycles water through cooling towers. The proportion of water recycled remains fairly consistent year to year.</td>
</tr>
</tbody>
</table>

(W-CH1.3) Do you calculate water intensity for your activities in the chemical sector?

Yes
(W-CH1.3a) For your top five products by production weight/volume, provide the following water intensity information associated with your activities in the chemical sector.

**Product type**
Bulk inorganic chemicals

**Product name**
All products: For reasons of confidentiality of business data, Praxair is reporting water intensity for all products under a single row, rather than per product type.

**Water intensity value (m3)**
0.94

**Numerator: water aspect**
Total water consumption

**Denominator: unit of production**
Ton

**Comparison with previous reporting year**
About the same

**Please explain**
The divestitures required on Praxair side led to a decrease in production quantity along with a decrease in water consumption compared to previous year. Water intensity remained about the same (slight improvement).

---

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?
Yes, fines, enforcement orders or other penalties but none that are considered as significant
No

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

**Row 1**

<table>
<thead>
<tr>
<th>Total number of fines</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total value of fines</td>
<td>1200</td>
</tr>
<tr>
<td>% of total facilities/operations associated</td>
<td>0.01</td>
</tr>
<tr>
<td>Number of fines compared to previous reporting year</td>
<td>Much lower</td>
</tr>
</tbody>
</table>

Comment

---

W3. Procedures

W-CH3.1
Praxair has operating permits that limit pollutant levels in wastewater discharge at certain sites. The permitting agency identifies the water pollutants that Praxair must monitor. Praxair follows standard protocols for monitoring wastewater. Praxair has not identified any additional water pollutants beyond those in the permits.

Praxair is an industrial gas company whose primary products are air - oxygen, hydrogen, etc. Our raw materials do not contain significant amounts of chemicals that are classified as potential water pollutants.

Water-related impacts are not considered in Praxair's supply chain. As an industrial gas company, our raw materials consist largely of air and natural gas as a feedstock. 98% of our raw materials by weight are from renewable sources. Therefore, we do not consider water to be a significant issue in our supply chain.

(W-CH3.1a) Describe how your organization minimizes adverse impacts of potential water pollutants on water ecosystems or human health. Report up to ten potential pollutants associated with your activities in the chemical sector.

<table>
<thead>
<tr>
<th>Potential water pollutant</th>
<th>Value chain stage</th>
<th>Description of water pollutant and potential impacts</th>
<th>Management procedures</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemical Oxygen Demand (COD)</td>
<td>Direct operations</td>
<td>Chemical Oxygen Demand is an important water quality parameter because it provides an index to assess the effect discharged wastewater will have on the receiving environment. Several of Praxair's plants operate under wastewater discharge permits issued by a government body that require us to monitor and manage COD levels.</td>
<td>Compliance with effluent quality standards</td>
<td>83% of Praxair's freshwater consumption is once-through cooling water that is returned to surface water sources (either directly or through a municipal utility) at the same or better quality than it was withdrawn. For this reason, we do not view water quality as a material issue and do not manage wastewater discharge beyond regulatory requirements. To our knowledge, our wastewater discharges have not had a negative impact on any water body we discharge to.</td>
</tr>
</tbody>
</table>

(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed
(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

**Direct operations**

**Coverage**
- Full

**Risk assessment procedure**
- Water risks are assessed as part of an enterprise risk management framework

**Frequency of assessment**
- Annually

**How far into the future are risks considered?**
- 1 to 3 years

**Type of tools and methods used**
- Tools on the market
- Enterprise Risk Management
- Other

**Tools and methods used**
- WBCSD Global Water Tool
- External consultants
- National-specific tools or standards
- Other, please specify (Water Management Plan, tool to assess current water status, water risks and mitigation actions.)

**Comment**
- Praxair's Water Management plans (WMPs) program is rolled out to all high water use sites that are in areas of water stress. See also W8. Targets.

**Supply chain**

**Coverage**
- None

**Risk assessment procedure**
- <Not Applicable>

**Frequency of assessment**
- <Not Applicable>

**How far into the future are risks considered?**
- <Not Applicable>

**Type of tools and methods used**
- <Not Applicable>

**Tools and methods used**
- <Not Applicable>

**Comment**
- As an industrial gas company, our raw materials consist largely of air and natural gas as a feedstock. 98% of our raw materials by weight are from renewable sources (that are not water). Therefore, we do not consider water to be a significant issue in our supply chain and do not include suppliers in the water risk assessment.

**Other stages of the value chain**

**Coverage**
- None

**Risk assessment procedure**
- <Not Applicable>

**Frequency of assessment**
- <Not Applicable>

**How far into the future are risks considered?**
- <Not Applicable>

**Type of tools and methods used**
- <Not Applicable>

**Tools and methods used**
- <Not Applicable>

**Comment**
- W3.3b
Which of the following contextual issues are considered in your organization's water-related risk assessments?

<table>
<thead>
<tr>
<th>Issue</th>
<th>Relevance &amp; Inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water availability at a basin/catchment level</td>
<td>Relevant, always included</td>
<td>Water is required to make our products. Therefore, water availability is relevant to our operations. Tool: Praxair uses the WBCSD Global Water Tool, which provides information on water availability (current and projected) at each location.</td>
</tr>
<tr>
<td>Water quality at a basin/catchment level</td>
<td>Relevant, sometimes included</td>
<td>Water quality is considered in locations where Praxair has a regulatory compliance obligation to meet wastewater discharge pollutant limits. In these locations, the quality of incoming water is only sometimes monitored, but outgoing discharges are monitored according to permit requirements. Tool: National specific standards includes national (and in some cases local) discharge pollutant limits, which are specified in a site's wastewater discharge permit.</td>
</tr>
<tr>
<td>Stakeholder conflicts concerning water resources at a basin/catchment level</td>
<td>Relevant, always included</td>
<td>Some of our facilities are located in areas where water issues are a concern to the local community. In these cases, we engage with key stakeholders and consider these concerns, as they may impact our license to operate.</td>
</tr>
<tr>
<td>Water-related regulatory frameworks</td>
<td>Relevant, always included</td>
<td>Praxair closely monitors regulatory developments related to water, particularly if they will result in restrictions to the amount of water one of our facilities may withdraw. Praxair uses a third-party service to review the environmental regulatory requirements for sites globally. Tool: Praxair has a monthly subscription service that provides updates on current and future regulatory developments.</td>
</tr>
<tr>
<td>Status of ecosystems and habitats</td>
<td>Relevant, always included</td>
<td>Praxair manages the risk to biodiversity impacts from its operations through a risk assessment process, its criteria for pre-investment site assessment, and a broad program of employee environmental awareness that has a special focus on biodiversity. Only one site has been identified to be near an IUCN Red list species - the Sao Francisco sparrow, which is categorized as “near threatened.” Restoring habitats is considered to be the best strategy to allow the sparrow to return to previous levels, and Praxair is actively engaged in this undertaking. Praxair employees have planted trees to restore an area of forest and are helping to maintain this area as an animal refuge and ecological corridor. Thanks to these efforts, the area is now in an advanced stage of regeneration. Tool: Praxair uses the WBCSD Global Water Tool, which provides a watershed report.</td>
</tr>
<tr>
<td>Access to fully-functioning, safely managed WASH services for all employees</td>
<td>Relevant, always included</td>
<td>Praxair’s human rights policy requires Praxair to provide appropriate access to a safe and hygienic work environment, including safe water, sanitation and hygiene for all employees and contractors in premises under Praxair’s control. Tool: Access to WASH services is identified as a human right and therefore automatically included in Praxair’s enterprise risk assessment.</td>
</tr>
<tr>
<td>Other contextual issues, please specify</td>
<td>Please select</td>
<td></td>
</tr>
<tr>
<td>Stakeholders</td>
<td>Relevance &amp; Inclusion</td>
<td>Please explain</td>
</tr>
<tr>
<td>--------------</td>
<td>----------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Customers</td>
<td>Relevant, always included</td>
<td>Praxair includes customers because customers provide ~20% of the water we use to operate our facilities. We also measure how our products help our customers provide safe drinking water. For example, in 2018 Praxair signed a long-term agreement, with a utility in Canada, to provide carbon dioxide and related gas-dissolution technologies for a new drinking water treatment facility. The carbon dioxide system will help provide safe and reliable drinking water to the city served by this facility.</td>
</tr>
<tr>
<td>Employees</td>
<td>Relevant, always included</td>
<td>We strive to continually improve our water performance through employee training and awareness. Employees are incentivized to help Praxair meet our 2020 sustainable development targets, which include saving $460 million from sustainable productivity (cumulative, 2016-2020). Sustainable productivity measures financial and environmental savings in Praxair’s environmental KPI areas, including water management.</td>
</tr>
<tr>
<td>Investors</td>
<td>Relevant, always included</td>
<td>Water is considered in Praxair’s enterprise-wide annual risk assessment process. However, water has not been identified as a business risk in our annual 10-K filing.</td>
</tr>
<tr>
<td>Local communities</td>
<td>Relevant, always included</td>
<td>Local communities are critical to our license to operate and our reputation as a responsible corporate citizen. Our activities support conservation in local communities, and our products and services help communities access to safe drinking water. In 2018, Praxair enabled the delivery of safe drinking water to 325 million people.</td>
</tr>
<tr>
<td>NGOs</td>
<td>Not relevant, explanation provided</td>
<td>We have not partnered with an NGO in the preparation of our water risk assessment. We will consider a partnership in the future if the risk assessment process identifies water-related risks that can be best managed by partnering with an NGO.</td>
</tr>
<tr>
<td>Other water users at a basin/catchment level</td>
<td>Not relevant, explanation provided</td>
<td>Praxair has not evaluated the needs of other water users in our water risk assessment. The primary stakeholders of our risk assessment are identified in the other rows in this section. Other water users are not expected to become relevant stakeholders in the short or medium term.</td>
</tr>
<tr>
<td>Regulators</td>
<td>Relevant, always included</td>
<td>Praxair considers current and future regulatory developments in regions where we operate and in areas we consider for siting new facilities.</td>
</tr>
<tr>
<td>River basin management authorities</td>
<td>Not relevant, explanation provided</td>
<td>Praxair does not consider the needs of river basin management authorities relevant in our water risk assessment. We will consider engaging with river basin management authorities in the future if the risk assessment process identifies water-related risks that can be best managed by this engagement.</td>
</tr>
<tr>
<td>Statutory special interest groups at a local level</td>
<td>Not relevant, explanation provided</td>
<td>Praxair does not consider the needs of statutory special interest groups relevant in our water risk assessment. We do not have plans to include these groups in the future, as we do not currently consider these relevant stakeholders.</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Not relevant, explanation provided</td>
<td>Praxair does not consider water needs of suppliers to be relevant. As an industrial gas company, our raw materials consist largely of air and natural gas as a feedstock. 98% of our raw materials by weight are from renewable sources. Therefore, we do not consider water to be a significant issue in our supply chain, now or in the future.</td>
</tr>
<tr>
<td>Water utilities at a local level</td>
<td>Relevant, always included</td>
<td>Praxair considers the needs of water utilities - both those supplying water to our sites, and those to whom we provide wastewater treatment products and services. Engagement with our water treatment suppliers has yielded more than a 20 percent increase in cycles since 2006 and water savings of more than 2 million $ from monitoring and optimizing cooling tower cycles along with treatment.</td>
</tr>
<tr>
<td>Other stakeholder, please specify</td>
<td>Not considered</td>
<td></td>
</tr>
</tbody>
</table>
Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

During 2018, Praxair collected responses to the annual enterprise risk survey to business management and functional leads worldwide, including sustainable development. To assess the potential size and scope of identified risks, respondents identified risks in their area against an incidence/severity index. The results were subjected to a range of analyses to establish significance/priority concerns. Risks and opportunities were evaluated based on their potential financial implications up to the highest consequence, i.e., loss of life as well as the probability of occurrence. Substantive financial impact includes, for example, the replacement cost of a single large production facility, which could be more than $100 million.

Risks were reviewed by the full Board of Directors, as they have done annually. As part of that review, the Board decided which Board Committees would oversee each risk area on an ongoing basis. Each Committee then addressed its risk areas during its recurring meetings.

Linde's full Board of Directors has responsibility to review environmental risk at each Board meeting.

At Linde, water risks are evaluated as part of environmental risk/sustainability. In addition, a sustainable development materiality assessment is conducted to assess the non-financial priority of factors expected to have a significant impact, positive or negative, on growth drivers over the next 5 years. At Praxair, six sustainable development priority factors have been identified, including sustainable productivity (of which water management is a component). As such, a target was established to implement a globally standardized water management plan (WMP) at 100% of Praxair high-water use sites in areas of water stress, as defined by the WBCSD Global Water Tool, by 2020.

The tools identified in W3.3a are used annually. We use an enterprise risk management process (bottom-up risk reporting process) and tool to identify all substantive business risks and report these in our Annual Report in Item 1A Risks. We also use the WBCSD Global Water Tool to assess current and future water risk at each site and monthly subscription services to monitor regulatory developments related to water availability and quality (this must be monitored frequently as regulations are being considered constantly in different jurisdictions). We consult with insurance providers at least annually who use tools to assess risks related to company assets. These tools help us better understand local circumstances.

Praxair high-water use sites in areas of water stress are obliged to report their water withdrawal quarterly into Praxair's environmental reporting tool, to monitor and track the site water availability. In addition, the water management plan includes a process for annual review of potential water-related risks pertaining to water regulations, permitting and pricing structures changes as well as projected changes, to confirm the site is in compliance and to minimize risk by defining mitigation actions and projects to encounter those water-stress and water-related risks.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

A wide range of factors that could materially affect the company's future operations and financial performance are identified in Praxair's 2018 Annual Report (Item 1A Risks). Risks and opportunities are evaluated based on their potential financial implications up to the highest consequence, i.e., loss of life, as well as the probability of occurrence, to establish priority concerns. An example of a substantive impact would be replacing a single large Praxair facility, which could be more than $200 million. Substantive impacts are assessed on direct operations. Praxair's risk assessment process has not identified present or future water risks that could generate such a substantive change in our business.

Water management has been identified by Praxair's Sustainable Development Materiality Assessment as a component of two priority factors and resulting 2020 SD targets. The inclusion of water management in these targets does not imply that water risk will have a substantive impact on financial results. Rather, Praxair acknowledges there are water issues in many parts of the world, and we manage water just as we manage many other issues not identified as a risk in our Annual Report.
**W4.2b** Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Risks exist, but no substantive impact anticipated</td>
</tr>
<tr>
<td></td>
<td>Water risk has not been identified in Praxair’s enterprise risk management process. Potential financial implications and probability of occurrence for water risks have not met the threshold of a priority concern. However, Praxair acknowledges that water has become a global concern, on par with climate change. While water has not been identified as a risk in our Annual Report, we have included water issues as part of two priority factors in our sustainable development materiality assessment. Even though we are not currently exposed to risks, we recognize the importance of this critical resource.</td>
</tr>
</tbody>
</table>

**W4.2c** Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Risks exist, but no substantive impact anticipated</td>
</tr>
<tr>
<td></td>
<td>Praxair does not currently consider the company to be exposed to water risks in our value chain. Water availability has not been an issue at our operating sites, nor have our suppliers experienced substantive impacts due to water issues. Energy is the single largest cost item in the production and distribution of industrial gases. The supply of energy has not been a significant issue in the geographic areas where Praxair does business. Raw materials (such as for the production of hydrogen and specialty gases) are purchased from suppliers. Praxair has contract or commitments for, or readily available sources of, most of these raw materials. Praxair, therefore, does not currently consider the company to be exposed to water risks in our supply chain.</td>
</tr>
</tbody>
</table>

**W4.3** Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

**W4.3a** Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

**Type of opportunity**
- Products and services

**Primary water-related opportunity**
- Sales of new products/services

**Company-specific description & strategy to realize opportunity**
Praxair’s research and development is directed toward developing new and improved methods for the production and distribution of industrial gases and the development of new markets and applications for these gases. The R&D group has set a target for 2016-2020 that Praxair’s sustainability portfolio should exceed 50% of revenue. In 2018, Praxair’s sustainability portfolio was 59% of revenue, or $7.1 billion. By setting targets for our sustainable growth portfolio, Praxair is able to increase the likelihood and magnitude of new environmental regulations leading to increased demand for our products and applications. We expect these opportunities to materialize within the next 3 years. For example, in 2018, Praxair made a low-carbon investment in carbon capture, utilization and storage commercial demonstration project that enables customers and business partners to 1) achieve a reduction in GHG emissions by permanently sequestering CO2 in concrete, and 2) improve process efficiency resulting in less fuel consumption and less cement production required. Worldwide adoption of this technology could result in over 30 million metric tons of CO2 sequestration and CO2 reductions from process efficiency improvements of 150 million metric tons.

**Estimated timeframe for realization**
- 1 to 3 years

**Magnitude of potential financial impact**
- Medium

**Are you able to provide a potential financial impact figure?**
- Yes, a single figure estimate

**Potential financial impact figure (currency)**
- 10000000

**Potential financial impact figure – minimum (currency)**
- <Not Applicable>

**Potential financial impact figure – maximum (currency)**
- <Not Applicable>

**Explanation of financial impact**
Praxair’s sustainable growth portfolio – applications that help customers improve their sustainability performance – was $7.1 billion. The potential financial implications can be calculated from the size of the market and the size of Praxair’s opportunity. The global water and wastewater network market is expected to grow at a compound annual growth rate of 9.6% from 2014 to 2020. Wastewater is an $80 million end market for Praxair and is growing at more than 10% per year. This represented a market opportunity of about $10 million in 2018.
W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide</td>
<td>Water issues within Linde plc are managed under the company's new Global Health, Safety and Environmental Policy which is available at <a href="https://www.linde.com/en/about-linde/safety-and-environment">https://www.linde.com/en/about-linde/safety-and-environment</a>. In addition, Praxair's Sustainable Development and Climate Change Position Statement, and Human Rights Policy still apply, and are available publicly at <a href="https://www.praxair.com/about-company/corporate-responsibility/policies-and-position-statements">https://www.praxair.com/about-company/corporate-responsibility/policies-and-position-statements</a>. These policies and position statements apply to all of Praxair. The SD Position Statement directs Praxair to establish and meet targets to address priority concerns. Water has been identified as part of Praxair’s sustainable productivity activity, and a target has been established to develop water management plans at sites in areas of high water stress. Praxair has also identified water treatment as an opportunity to create shared value and has a target to enable the delivery of safe drinking water to 250 million people through the use of our applications. Praxair's SH and E Policy describes our environmental responsibility which also includes water.</td>
</tr>
</tbody>
</table>

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?
Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

<table>
<thead>
<tr>
<th>Position of individual</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director on board</td>
<td>Praxair's Board operated until October 31, 2018. The Chairperson of the Board Committee on Technology, Safety and Sustainability (TSS) was a Director on Praxair's Board. This committee was responsible for sustainability and environmental matters, including climate change. The TSS Committee assessed current and emerging risks, and provided oversight and guidance on certain enterprise risks that are not otherwise reviewed by the full Board of Directors or its other committees, including natural disasters and plant control systems security. Linde plc’s Board was formed on October 31, 2018. Its Nomination &amp; Governance Committee has responsibility to periodically review the company's guidelines and policies governing its response to important issues in the area of corporate social responsibility, which includes climate change and water-related issues. Its Audit Committee reviews the guidelines and policies by which Linde undertakes enterprise risk assessment and risk management.</td>
</tr>
</tbody>
</table>
(W6.2b) Provide further details on the board’s oversight of water-related issues.

<table>
<thead>
<tr>
<th>Frequency that water-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which water-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1: Scheduled - some meetings</td>
<td>Monitoring implementation and performance</td>
<td>Praxair’s EVP briefs the Board, as does Praxair’s Chief Sustainability Officer, on Praxair’s performance against the company’s 2020 sustainable development targets. The Board uses various governance mechanisms to oversee all risks identified as material. While water by itself is not considered a material risk, water-related issues are integral to Linde operations and are therefore considered. For example, when choosing a location for a new plant, water availability and cost are considered as part of overall operating costs.</td>
</tr>
</tbody>
</table>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Chief Operating Officer (COO)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Annually

Please explain
Linde plc’s executive vice president is the equivalent of what CDP refers to as a COO. The EVP is the highest ranking executive officer responsible for sustainable development at Linde. She reports directly to the Board on Linde’s progress against the company’s 2020 sustainable development targets, two of which are related to water. The EVP is also a member of the executive leadership sustainability steering committee, which provides internal oversight of sustainable development. The committee meets twice per year and reviews performance to date against the 2020 targets, and reviews and approves priorities, plans and targets for the coming period.

W-FB6.4/W-CH6.4/W-EU6.4/W-OG6.4/W-MM6.4

(W-FB6.4/W-CH6.4/W-EU6.4/W-OG6.4/W-MM6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?
Yes

W-FB6.4a/W-CH6.4a/W-EU6.4a/W-OG6.4a/W-MM6.4a
### Table: Incentives Provided to C-suite Employees or Board Members

<table>
<thead>
<tr>
<th>Who is entitled to benefit from these incentives?</th>
<th>Indicator for incentivized performance</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary reward</td>
<td>Corporate executive team</td>
<td>Reduction of water withdrawals</td>
</tr>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Behavior change related indicator</td>
<td>Other, please specify (achievement of SD goal on water management plan)</td>
</tr>
<tr>
<td>Chief Financial Officer (CFO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Recognition (non-monetary)**

- Other, please specify (CEO of White Martins, Brazil)

<table>
<thead>
<tr>
<th>Indicator for incentivized performance</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction of water withdrawals</td>
<td>Every year, Praxair and Linde entities receive awards in several sustainability areas due to outstanding performance in environmental topics or due to innovations and projects implemented which help protect nature and environment. In 2018, for example, White Martins Gases Industriais Ltda., a subsidiary of Praxair in Brazil, was nominated in the 2018 edition of the EXAME Sustainability Guide (“Guia Exame de Sustentabilidade”), the largest corporate sustainability survey in the country, to be one of the best performing companies with regards to water management and a best practice example in relation to their water management plans. Praxair water management plans include the implementation of specific processes and best practices with regards to water management as well as for Brazil a water reduction target.</td>
</tr>
<tr>
<td>Effluent quality improvements</td>
<td></td>
</tr>
<tr>
<td>Behavior change related indicator</td>
<td></td>
</tr>
</tbody>
</table>

**Other non-monetary reward**

- No one is entitled to these incentives

<table>
<thead>
<tr>
<th>Indicator for incentivized performance</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

### W6.5

**Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

No

### W6.6

**Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

No, and we have no plans to do so

### W7. Business strategy

### W7.1
<table>
<thead>
<tr>
<th>W7.1</th>
<th>Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Are water-related issues integrated?</strong></td>
<td><strong>Long-term time horizon (years)</strong></td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>5-10</td>
</tr>
<tr>
<td>No, water-related issues were reviewed but not considered as strategically relevant/significant</td>
<td>21-30</td>
</tr>
</tbody>
</table>

**W7.2**

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

**Row 1**

<table>
<thead>
<tr>
<th>Water-related CAPEX (+/- % change)</th>
<th>Anticipated forward trend for CAPEX (+/- % change)</th>
<th>Water-related OPEX (+/- % change)</th>
<th>Anticipated forward trend for OPEX (+/- % change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Praxair considers this information business confidential.</td>
<td>Praxair considers this information business confidential.</td>
<td>Praxair considers this information business confidential.</td>
<td>Praxair considers this information business confidential.</td>
</tr>
</tbody>
</table>

**W7.3**

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

<table>
<thead>
<tr>
<th>Use of climate-related scenario analysis</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Linde’s newly formed Climate Change Council, led by the CSO and including the heads of engineering, R&amp;D, technology planning, environment, risk management, government relations, procurement, business development, and efficiency and cost reduction, has reviewed various existing scenarios and chosen 2DS as the primary scenario to inform Linde’s overall business strategy going forward. Linde’s scenario analysis confirms the main levers of 2DS. The Council’s recommendation will be presented to the Management Committee this summer. Quantitative analysis includes projecting GHG emissions to 2050 assuming BAU vs. increased investments in renewable energy, a strong R&amp;D and innovation strategy, CCS and energy efficiency. Qualitative and quantitative analyses are also underway to review potential future regulatory changes.</td>
</tr>
</tbody>
</table>

**W7.3a**

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

No
(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?
No, and we do not anticipate doing so within the next two years

Please explain
Water availability has not been identified as an enterprise risk in Linde's annual risk assessment (see the 2018 Annual Report, Item 1A Risks). Linde currently does not place an internal value on water because the company has not identified any current or future substantive risks to availability. At the same time, Linde does recognize the importance of water as a global issue and manages water as part of sustainable productivity.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

<table>
<thead>
<tr>
<th>Levels for targets and/or goals</th>
<th>Monitoring at Corporate level</th>
<th>Approach to setting and monitoring targets and/or goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business level specific targets and/or goals</td>
<td>Targets are monitored at the corporate level</td>
<td>Praxair sets 5-year sustainable development targets. The current set of targets run 2016-2020. Targets were chosen to align with priority factor. While water was not identified as a priority, water-related issues are included in targets for Sustainable Productivity and Product Stewardship. Praxair's sustainable development materiality assessment defined product stewardship as a priority factor. Praxair set a 5-year target to enable access to safe drinking water for 250 million people through the use of Praxair applications. In 2018, the result was 325 million people. Sustainable Productivity is also a priority factor. Praxair measures the environmental and cost savings from projects. This includes water savings from projects at our facilities that reduce water use. The 2020 target is to establish management plans at 48 sites located in areas of water stress (this number was adjusted from previous year due to divestitures). The plans will direct these sites to reduce water use and set site-specific reduction targets. Praxair's business unit in South America has set a business unit-specific water reduction target (reduce water use 1% by 2020).</td>
</tr>
<tr>
<td>Site/facility specific targets and/or goals</td>
<td>Goals are monitored at the corporate level</td>
<td></td>
</tr>
</tbody>
</table>

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number
Target 1

Category of target
Other, please specify (Water use efficiency)

Level
Company-wide

Primary motivation
Water stewardship

Description of target
Implement water management plans at 100% of high water use sites in areas of water stress. High stress means baseline water stress according to the WBCSD Global Water Tool is “medium to high,” “high,” or “extremely high.” A total of 48 sites are currently covered by this target.

Quantitative metric
Other, please specify (# of sites with water management plans)

Baseline year
2016

Start year
2016

Target year
2020

% achieved
27

Please explain
Praxair has begun the process of developing water management plans for various sites. So far, 13 of 48 sites have plans developed. In the first two years of this target, we focused on putting reporting systems in place, investigate and identify opportunities for improving water efficiency across our operations, making technology investments, and increasing the frequency of reporting from annual to quarterly. In South America, 12 sites covered by this target have established water management plans with a target to reduce total water use by 1% by 2020. From 2017 to 2018 South American sites succeeded in reducing their water use by 5%,
(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

**Goal**
Providing access to safely managed Water, Sanitation and Hygiene (WASH) in local communities

**Level**
Company-wide

**Motivation**
Shared value

**Description of goal**
Enable the delivery of safe drinking water to 250 million people (cumulatively, 2016-2020), through the use of Praxair products and applications.

**Baseline year**
2016

**Start year**
2016

**End year**
2020

**Progress**
In 2018, Praxair enabled 325 million people to have access to safe drinking water through the use of Praxair applications and technology.

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**W9. Linkages and trade-offs**

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**W9.1**

(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?

Yes

**W9.1a**

(W9.1a) Describe the linkages or tradeoffs and the related management policy or action.

**Linkage or tradeoff**

**Type of linkage/tradeoff**
Decreased wastewater treatment

**Description of linkage/tradeoff**
Linkage to chemical usage: Praxair uses water cooled-based heat exchangers to remove excess heat that is generated by mechanical systems. Additionally, water lost to evaporation in cooling towers needs to be replenished by makeup water. Reducing makeup water usage also reduces chemical treatment needs and is typically achieved by increasing cooling tower cycles of concentration. Other linkage and tradeoff: 1) Linkage with increased Energy efficiency. Decreased energy use and decreased GHG Emissions: Cooling water systems are an integral part of Praxair production operations and are primarily used to remove heat of compression from our process streams. Cooling systems and heat exchange equipment are energy and water-consuming assets, so our focus on energy efficiency improvement projects leads to benefits in reducing both energy and water use.

**Policy or action**
Praxair seeks to maximize energy and water efficiency at all sites. The linkages described above show that some projects have multiple benefits - they reduce water use while also reducing energy and GHG emissions. Praxair continues to pursue projects that address multiple environmental impacts. These linkages are managed through a tableau dashboard developed to monitor sites using large amounts of water that are located in areas of high water stress. The dashboard evaluates the linkage between efforts to improve energy efficiency and reduce water use.

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**W10. Verification**

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**W10.1**

(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?

Yes

**W10.1a**
(W10.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

<table>
<thead>
<tr>
<th>Disclosure module</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
</table>

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Chief Sustainability Officer (CSO)</td>
</tr>
</tbody>
</table>

W11.2

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

<table>
<thead>
<tr>
<th>Annual revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>12027000000</td>
</tr>
</tbody>
</table>

SW0.2

(SW0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

SW0.2a

(SW0.2a) Please share your ISIN in the table below.

<table>
<thead>
<tr>
<th>ISIN country code</th>
<th>ISIN numeric identifier (including single check digit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IE</td>
<td>060212W942</td>
</tr>
</tbody>
</table>

SW1.1

(SW1.1) Have you identified if any of your facilities reported in W5.1 could have an impact on a requesting CDP supply chain member?

Please select
SW1.2

(SW1.2) Are you able to provide geolocation data for your site facilities?
Please select

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

Requesting member
Please select

Category of project
Please select

Type of project
Please select

Motivation

Estimated timeframe for achieving project
Please select

Details of project

Projected outcome

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization’s products or services across its operations.

Product name
Water intensity value

Numerator: Water aspect
Please select

Denominator: Unit of production

Comment
Note the following focuses on legacy Praxair, adjusted for divestments. Praxair has a total of 48 sites that are implementing water management plans. These sites were determined to have high water use in areas of high water stress as defined by the World Business Council on Sustainable Development (WBCSD)/WRI Aqueduct Global Water Tool (2015 version). We determined “high stress” to mean (1) that the baseline water stress was “medium to high,” “high,” & “extremely high.” Canada, Peru, Russia & Venezuela each have 1 participating site; 8 sites participate from Brazil; 4 sites each from China, Mexico & India; 5 from Korea; & 19 from the USA. Praxair South America adopted a target to reduce 1% absolute water volume by 2020. They achieved this target at the end of 2018 with an overall water reduction of more than 950k M3 or 23.5%.

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>Public or Non-Public Submission</th>
<th>am submitting to</th>
<th>Are you ready to submit the additional Supply Chain Questions?</th>
</tr>
</thead>
</table>
| I am submitting my response     | Non-public       | Investors
|                                 |                  | Customers

Yes, submit Supply Chain Questions now

Please confirm below
I have read and accept the applicable Terms