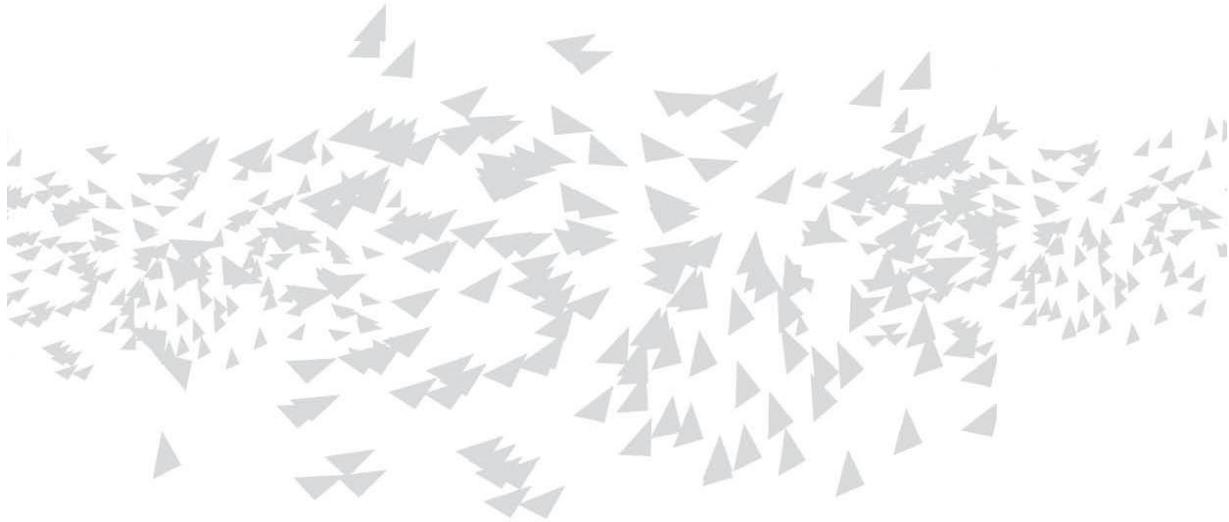


Messer Group Guidelines¹



Introduction

The Messer Group has created an organisational concept with the Messer Compliance Management System (Messer CMS), which describes the value system of the Messer Group and defines its practical implementation as well as responsibilities relating to it.

The set of rules required for it is formed by the Messer Codex.

This consists of:

- (a) the Messer Code of Conduct (CoC), which summarizes the basic principles of the value system of the Messer Group,
- (b) these Group Guidelines, which refer to
- (c) other binding guidelines, manuals and other internal regulations (“Internal Guidelines”) from which one can refer to individual central areas, explain and concretise how the general principles described in the Code of Conduct are to be implemented and actively followed.

In order that the Messer Codex can be legally valid and binding for the companies within the Messer Group, it is to be adapted to comply with the compulsory legal provisions of the concerned country, where necessary.

The basic responsibility for the implementation and supervision for compliance with the Messer Codex and thus the Group Guidelines is with the Management and the Supervisory Body of the Companies.

¹ Note: For easier reading, the differentiation between the feminine and the masculine forms is committed in the following concept. Therefore, any selected expression is considered a neutral term and includes male and female persons in an equal manner.

Each Management Body and the Senior Vice President Region (SVP Region) bear the responsibility for the communication, implementation and compliance of the present "Group Guidelines" in their respective Companies. The heads of central departments and the responsible persons of the respective local departments bear the same responsibility for binding instructions from their department (e.g. Internal Guidelines) within the framework of these Group Guidelines.

The acceptance and observance of the Messer Codex is the object of internal audit.

The local Management Body has to make the Messer Codex, consisting of the CoC, the Group Guidelines as well as the Internal Guidelines, accessible to all employees - including translation into the local language where necessary for better understanding. All employees of the first and second management level must confirm in writing (a) having read and understood the Messer Codex and (b) following it. For the members of the Management Body, this also covers all Internal Guidelines, while this obligation for other employees of the first and second management level is limited to the Internal Guidelines, which contain the regulations for the proper exercise of their activity and areas of supervision. For all other employees, the obligation for confirmation extends to the CoC, the Internal Guidelines for their department and other Internal Guidelines, if their superior regards the knowledge of them as required for the proper exercise of the respective activity. The confirmation letters are stored by Group HR in the personnel files. The first and second management level of a Company must continuously implement appropriate and required organisational steps to guarantee the action of all other employees according to the Messer Codex, wherever it is relevant in their respective area.

The regulations of the Messer Codex apply accordingly to Managing Directors, managers and employees in a non-consolidated group company, provided they have been engaged by Messer in the context of an employment relationship or work for Messer on deputation or assignment.

The Messer Codex is subject to regular revisions. To become effective, changes to the CoC, the Group Guidelines as well as the Internal Guidelines need to be formally approved by the Management Body of the Messer Group GmbH. The approval is to be recorded in writing. The Management Body of the Messer Group GmbH ensures through Corporate Communication that the CoC, the Group Guidelines as well as the Internal Guidelines are posted in the current and translated form in the Messer Intranet. Corporate Communication ensures through the local Managing Directors and Communication Managers, that the Messer Code is also presented on the respective local Messer Intranet site in the language of the country or in a language comprehensible to all employees. Beyond that, the respective current version is available with the Group Legal Department.

Integrity Test

Employees are regularly faced with decisions of which some fall in a grey zone. The question, whether a behaviour is correct and complies with the Messer Codex, is often emotional and personal, so that it is sometimes difficult to keep the necessary objectivity. In addition, laws and regulations are often complex and can be interpreted differently. Therefore, it is the more important to address problems.

Everyone should ask themselves in such a situation whether the behaviour

- is legal and consistent with the values and rules of the Messer Group.
- is in the best interest of the Messer Group and can be free from competing self-interests.
- is based on the personal conviction to have made the correct decision and to have followed the own ethical compass.
- can be shared with a clean conscience with a superior, colleagues, family or friends. How would they react if they knew of this behaviour?
- would bear a review by a third party? How would it be represented on TV, radio, Internet or in the papers?
- ensures the good reputation of the Messer Group?

If each of these questions can be answered as Yes, the behaviour is presumably acceptable. If doubts remain in view of these questions, the direct superior is generally in the best position to judge the situation and to solve the problem. The respective Compliance Officer can give qualified advice according to the Compliance Officer Guideline ("CO Guideline"). An open door policy is expected from Messer managers and Compliance Officers in respect to the questions and concerns of the employees and it is expected that they will make an honest effort to find solutions for the addressed problems.

For questions and further information on the Messer CMS and the Messer Code, the Compliance Officers identified in the CO Guideline are readily available.

Bad Soden, October 1, 2018

Messer Group GmbH

Stefan Messer
Chief Executive Officer

Dr. Uwe Bechtolf
Chief Financial Officer

Ernst Bode
Chief Operating Officer

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Definitions and Abbreviations

Fixed Assets: Tangible and intangible assets that are applied in the company operations and not intended for resale.

EGM or Extraordinary General Meeting: Extraordinary meeting of shareholders that is held in addition to the ordinary or Regular General Meeting (OGM) (see clause A 3.4.1)

Supervisory Body: Competent local body with decision making authority in which the shareholders exercise their authority and/or their voting rights directly (e.g. a shareholder meeting, a general meeting) and/or indirectly (e.g. an optional or compulsory supervisory board) as defined in more detail in section A 3. A Company can have a supervisory body in form of an advisory board (e.g. an advisory committee) as defined in section A 4 in addition or alternatively to such a supervisory body with decision making authority.

Supervisory Board: Supervisory Board of the Messer Group GmbH as main shareholder of all Messer Group subsidiaries

CapEx: Payments booked as additions of fixed assets and financial investments in the balance sheet

CCO: Corporate Compliance Officer of Messer Group GmbH

CEO: Chief Executive Officer of Messer Group GmbH

CFO: Chief Financial Officer of Messer Group GmbH

COO: Chief Operating Officer of Messer Group GmbH

CIT: Corporate IT

CSF: Central Sales Functions

EVP: Executive Vice President

Financial investment: Investment in shares of another company as well as the purchase of operations by way of asset deals

Managing Director: Member of a Management Body

Management Body: Represents the first management level of a company. By virtue of law the Management Body leads the business and represents the company vis-à-vis third parties. Members of a Management Body can be the managing director, the Board or another governing body authorised by the local law for managing the company.

General Management of the Messer Group GmbH: Managing Directors of the Messer Group GmbH are the CEO, the CFO and the COO.

Management Board: Board of the Messer Group GmbH consisting of the Managing Directors and the EVP of the Messer Group GmbH.

Rules of Procedure: Formalised procedural rules that regulate the obligations and responsibilities of a Management or Supervisory Body and that are implemented according to the templates of the Group Legal Department (GLD).

Company: Means, according to the context, the Messer Group GmbH and/or its subsidiary(ies) in question (the latter in the following also “local subsidiaries” or “local companies”)

Group HR: Group Human Resources Department (central personnel department) of the Messer Group.

GLD: Group Legal Department (central legal department) of Messer Group GmbH

Group Taxes: Corporate Tax Department of Messer Group GmbH

HR: Human Resources

Investment Forum: Governing body for all strategic investments above 2.5 mil. € within the Messer Group; defines the approval standards, guarantees the strategic suitability of an investment, proposes investment projects to the Management Board of the Messer Group GmbH for approval.

LCO: Local Compliance Officer of the local company (cf. Compliance Officer Guideline).
Management: each employee of a Company on the first or second management level

Messer Group GmbH: Messer Group GmbH, parent company and group central office in Bad Soden, Germany

Messer Group or Messer Group of Companies: All consolidated Group companies including their Managing Directors, managers and employees

MSP: Messer Strategic Process

OGM or Regular General Meeting: Annual shareholder / general meeting of the shareholders

On-site contracts: Contracts on supply of customers $\geq 250 \text{ Nm}^3/\text{h}$ through air separation units (ASU), generator or VPSA plants; no On-site contracts in this sense are contracts on the renting of tanks, sale of ASUs, generators or VPSA plants or other sale of hardware

Operative CapEx: Payments in connection with the day-to-day business, mainly sales equipment such as tanks, steel bottles, trucks and trailers or computer systems as well as replacement for used capital goods

Project CapEx: Payments relating to assets that are used in the production on expansion or acquisition of a company

SAB: Senior Advisory Board

Articles of Incorporation: The agreement among the shareholders of a company or the relevant document under local law (e.g. charter, articles of association (AoA), by-laws, statutes)

SCM: Supply Chain Management

SHEQ: Safety, Health, Environment, Quality

SVP: Senior Vice President

VP: Vice President

PART A: Conduct Principles

1. Corporate Governance

The Corporate Governance of Messer Group stands for processes and structures that include the following points:

- Protection of shareholder interests
- Transparency of the management actions and actions of the Company
- Circumspect risk management:
- Preserving Company assets

For this purpose reporting structures and obligations are defined and a Compliance Management System has been set up.

The Messer Corporate Governance means more than the obligations and powers of the Management Bodies of the Company. It follows goals that go beyond following laws and ordinances by the Company and its executives. Corporate Governance contributes towards safeguarding the existence of the Company and ensure sustainable added value. It wants to promote the trust of the finance partners, customers, employees and public in the management and monitoring of the Messer Group. It represents important legal provisions for management and monitoring of the Companies of the Messer Group and includes international and nationally recognised standards of good corporate governance.

Corporate Governance of Messer Group shall ensure that values such as honesty and trust and belief spread, beyond the competent Management Body, to all other executives and employees of the Companies of the Messer Group.

The Group Guidelines are a guidance for:

- Permissions and obligations of the members of a Management Body or a Supervisory Body
- an internal code that supports the Management Bodies in the fulfilment of their obligations
- the setting up of appropriate signature and representation rules
- all employees, to behave in conformance with the value system of the Messer Group.

2. Management Bodies

The Management Body of a Company consists of one or more persons, who are authorised and obligated to manage the Company, in accordance with the local law, regulations in the Articles of Association and the specifications in Rules of Procedure for the Management Body, either alone or otherwise together as collegial body.

The Managing Directors are authorised and obligated for the management of the business of a Company and representation of the Company towards third parties and are – insofar as legally permitted – bound to the decisions of the shareholders and, as the case may be, the Supervisory Body.

The Managing Directors have the following duties towards the Company:

2.1 Fiduciary duties

The Managing Directors are representatives of a Company and trustees in relation to its property. As trustee they must exercise the power with which they are equipped for the welfare of the Company. Every misuse of these powers or of Company property represents a breach of trust. Certain fiduciary duties, i.e. the obligation to loyalty and a behaviour in accordance with good faith, are thus imposed on the Managing Directors.

This means that the Managing Directors must act in an ethical manner and according to good faith for the welfare of the Company. In particular:

- A Managing Director must act in a manner which is in his view in the best interests of the Company; this generally corresponds to the interest of the entirety of the Shareholders. In doing so, he has to bear in mind aspects of safety and health of his employees, customers and other third parties, protection of the environment as well as the valid law and internal regulations.
- In every potential conflict between his personal interests and the Company interests, a Managing Director must disclose the type, character and scope of the conflict to the Supervisory Body as well as to the Group Legal Department. Every incidence is dealt with on a case to case basis. The same applies if he has the chance of making a profit by virtue of his position as Managing Director.

A Managing Director may only use his power within his area of responsibility and not for other purposes.

2.2 Duties in respect of professional knowledge, delegation

A Managing Director need not have any other specific professional knowledge. The legal system of a state generally demands of him the use of appropriate care when exercising his duties. In particular, a Managing Director does not need to show any higher professional knowledge than can be reasonably expected from a person with his knowledge and his experience. If he is, on the other hand, appointed or nominated, because he has a certain professional knowledge e.g. as certified accountant, he has to use the skill that can be expected from a person with such training. Managing Directors must always be aware that their actions should serve as a good example for the employees of the Company.

The Managing Director may delegate certain duties to suitable employees. Such a delegation of duties is to be defined and documented in writing for both sides, particularly if the content and scope cannot be adequately determined from the respective position and/or job specification alone.

2.3 Legal obligations

In addition to the obligation for an honest action and the use of due care, various other duties are generally imposed on the Managing Directors of a Company by the laws of the respective state. These other duties are supposed to guarantee the proper execution of the company matters. In every case, the Managing Director must show a good understanding for the business opportunities in his actions, while he has to simultaneously act with the requisite care of a prudent businessman.

2.4 Disclosure of potential conflict of interest

In case the Managing Director occupies an office and/or has a stake, which could mean a conflict of interests with regard to his powers in the Company or if he has a personal interest in the transactions of the Company, he must disclose the type, character and scope of the conflict to the representatives of the Company members (Supervisory Body and/or the shareholders) as well as to the Group Legal Department and the Group HR Department. Every incidence is dealt with on a case to case basis.

2.5 Legal relation with Managing Directors and members of a Supervisory Body

Without prior consent from the Supervisory Board of Messer Group GmbH, the Messer subsidiaries must not enter into any legal relations with its Managing Directors and the members of their Supervisory Body; excepted from this are the legal relations resulting directly from the work relationships or from the job description as Managing Director. This rule also covers the granting of a loan or a guarantee or security in connection with a loan and also extends to relations (ref. clause 9 of the Code of Conduct) of the Managing Director and the members of the Supervisory Body.

2.6 Permissions and obligations of external board members (Non-Executive Directors)

External board members are members of the Supervisory Body or of the Management Body who are not employees of the Company. They can be employees of other Companies of the Messer Group or even third parties not belonging to the Group.

The external board members bear the same legal responsibility as the other members of the Management Body or the Supervisory Body.

3. Supervisory Bodies with decision making authority

The ultimate Supervisory Body of a Company is the shareholder meeting. The shareholders can empower one or more representative to exercise their voting rights within the shareholder meeting, provided that a representative is not member of the Management Body of the concerned Company. The local law applicable to the Company in question and the regulation in the Articles of Association define whether another Supervisory Body (e.g. an optional or compulsory supervisory board, Board of Directors, Administrative Council etc.) is present and how it is to be practically designed.

3.1 Duties and powers

The duties and powers of a Supervisory Body are given within the framework of the valid mandatory local law, from the Articles of Association, from the Rules of Procedure for Management Body and the Messer Codex. In the course of regular meetings the Management Body reports about its business activities to the Supervisory Body.

Besides a regular obligation of reporting and approval to the competent Supervisory Body, also matters are defined, which are subject to or require a regular obligation of reporting and approval by further persons (e.g. SVP Region or GLD).

The general duties and powers of the shareholders and/or possibly other Supervisory Body are defined as follows:

- a) Consulting, Instruction (if legally permissible) and monitoring of the Management Body;
- b) Assigning approval of execution of measures and business transactions, which require approval according to the rules of procedure for the Management Body;
- c) On request by a Managing Director, decision on differences of opinions within the Management Body;
- d) Nomination and dismissal of managing directors, defining their compensation;
- e) Representation of the company to the Management Body;
- f) Examination and approval of the annual financial statements, decision on whether it is complete and matches the information known to the board members; deciding on dividends (if applicable);
- g) Examination of other sections of the annual report, particularly comments from the management and the decision on them whether the information is adequate and matches the knowledge of the board members on the company and its business activity;
- h) Election and nomination of the auditors for the annual report;
- i) Examination of the results of external and internal audits;
- j) Examination of material questions from the areas of accounting and reporting, including current statements of professional and supervisory authorities and recognition of their effects on the annual report;

- k) Decision about required additions to the rules of procedure for the Management Body and/or the Supervisory Body, if demanded by law or in the Articles of Association;
- l) Examination of the idea management of the company, particularly in respect of the number, quality and cost saving potential of the ideas put forth by personnel as well as regarding implementation of individual ideas within the Company.

3.2 Reserved Matters

Business activities that need approval from the Supervisory Board for implementation are defined in an approval catalogue for the Supervisory Body. Local Articles of Association and/or Rules of Procedure of the local subsidiaries can contain more or stricter consent reservations, if they are in agreement with the valid law and the regulations of the Messer Codex.

The Supervisory Body can (a) define other decisions that need written approval for implementation and (b) defining thresholds in the Rules of Procedure requiring approval. Such threshold values should be oriented to the size of the Company.

The Companies should be classified into small, medium and large companies according to defined criteria. The respective threshold values should always be as uniform as possible within this classification. The SVP Region defines common criteria for a classification and reports them to SVP Legal.

The SVP Region has to be involved early in business cases which require approval from the Supervisory Body.

Other activities not listed above can also be subject to other formal requirements and the duty for advance approval due to other regulations e.g. the Articles of Association, a joint venture contract, a signature regulation or internal policies, guideline etc.

3.3 Nomination and dismissal of members of a Supervisory Body and the Management Body

The nomination and recall of members of a Supervisory Body and the Management Body of a subsidiary of the Messer Group GmbH within the Messer Group of Companies needs prior approval from the Management Body of Messer Group GmbH. The intended nomination or dismissal has to be communicated to the Group Legal Department in advance. The legally competent body or the person empowered by law for dismissal must ensure the power to represent linked to the membership in the Supervisory Board or Management Body is immediately withdrawn from the member with the dismissal of this member.

3.4 Meetings of the Supervisory Body

Meetings of the Supervisory Body are to be held in accordance with the provisions in the Articles of Association and the rules of procedure of the respective boards. The provisions are oriented uniformly to the standardised templates made available through GLD, taking into account the mandatory local law. Also included is that to the legally possible extent (a) meetings can also be conducted as attendance-, telephone- or video conferences, (b) agenda are distributed in advance to the members, (c) the agenda of the meeting, together with all relevant documents and presentations are distributed to the members of the Supervisory Body no later than 7 days before the planned meeting, (d) the course of the meetings is noted in the minutes and as far as possible distributed by the secretary to the members of the Supervisory Body within the next four weeks and it should be permanently preserved. Within six weeks after the meeting, the company must send a copy of the minutes in the English or German language to GLD.

3.4.1 Ordinary Shareholder Meeting

Every Company must hold an annual shareholder meeting (regular general meeting or "OGM"), which usually takes place in the first 6 months of every year. All other company meetings are designated as extraordinary general meeting ("EGM").

Depending on the Articles of Association of the Company in question, the agenda of the EGM generally contains the following points:

- Examination and acceptance of the audited financial statements for the financial year and of the report of the external financial auditors for this financial statements.
- Examination and acceptance of the Management Letter created by the external financial auditors
- Notification of the dividend (if applicable)
- Release of the members of the Management Body
- Nomination of the financial auditors (after approval by the EVP Strategy) and empowerment to the Managing Director to fixing the compensation to be paid to the auditors (if applicable).

If the Company has no additional Supervisory Body, the shareholders also take up the tasks of the additional Supervisory Body (see below). In this case, the shareholder meetings are to be held at least twice a year.

3.4.2 Additional meetings of the Supervisory Body

In addition to the OGM, every company should call at least one additional meeting of the Supervisory board (e.g. shareholder meeting, general meeting, Supervisory Body) in the last four months of the year.

The agenda for this meeting should take into consideration the following points:

- Profit and Loss account
- Balance sheet
- Cash Flow Statement
- Working Capital Report
- Capital Expenditure Report
- MSP
- SAT applications
- Market analysis and competitive situation
- IT security
- Risk Management Report
- Report on Unused Assets Report
- Project status (current and future projects)
- Borrowings
- Report on Quality, Safety, Health and Environment
- Personnel matters
- Legal disputes and processes
- Idea Management
- Follow-up plan and fluctuation report

If the business circumstances require it, additional matters can be taken up by the meeting.

A comparison should be made between the approved financial plan (budget) and the results forecast for the end of the financial year. The Supervisory Body checks the annual financial statements and the Management Letter and judges whether these documents are complete and are in line with the information known to the members of the Supervisory Body.

The Supervisory Body can demand a meeting with the Management Body and the external financial auditors for auditing the annual accounts, additional results for the year as well as the results of the audit; the Board itself can participate in this meeting or through an independent representative. The type of audit varies depending on the complexity of the company structure and the business activity. It however covers the choice and application of accounting principles and calculations, the preparation of publications, Going Concern publications (if applicable), internal audit and other matters that are important for the financial reporting of the company.

3.5 Internal supervision

The Supervisory Body is responsible for the internal supervision, which is exercised through reports on the part of the Management Body, Corporate Audit, central departments and the external financial auditors as well as through discussion with these bodies. The Supervisory Body should develop an understanding for the magnitude of the internal and external supervision. Moreover, it must understand the risks to which the Company is exposed and the processes introduced for risk management.

In some cases, Supervisory Body and/or Management Body can demand creation of a special report on aspects of the operational control and the risk management system through an independent financial auditor. This demand should be coordinated with the Corporate Audit department. In such a case, the Supervisory Body must be briefed about the special nature of the task and should clarify the basis of its report with the independent financial auditor. It is the responsibility of the Supervisory Body.

- to rate whether the Management Body communicates the importance of operative control and risk management and its implementation with the right focus and
- reach an understanding whether Management Body implements the recommendations on operational control issued by internal and external audits in a timely manner.

3.6 Voting ban

A member of a Management Body or of a Supervisory Body may not participate in voting if the resolution may result in a direct advantage or disadvantage to himself, his spouse or a relative (as understood under clause 9 of Code of Conduct), or a natural or legal person representing him under law or power of attorney. Such an advantage or disadvantage does not apply in case of participation of members of the Management Body, who themselves, or their spouse or relatives are at the same time, directly or indirectly, company members of an affiliate of Messer Industrie GmbH or MEC Holding GmbH.

Participation in consultations is allowed.

4. Advisory Boards

Besides a Supervisory Body in accordance with section 3 above, an additional advising board can be implemented according to the local law or based on the Articles of Association or by shareholder resolution (e.g. advisory board). It exercises its advisory function by providing decision recommendations to the Management Body and the advising board. The resolution is then made by the competent body taking into consideration the recommendation of the advisory board.

If a Company has an Advisory Board (e.g. Advisory Board), its composition, rights and duties are according to the specifications in the Articles of Association and rules of procedure of the company. The advisory board should issue a decision recommendation regarding the listed resolution objects 3.1 and 3.2, if possible and advisable, even on other resolution matters of the Supervisory Body. Sections 3.5 and 3.6 above apply accordingly to the Advisory Board for its advisory function.

PART B: Functional and specialist areas

5. Risk Management

5.1 The risk management system of Messer Group

The risk management of Messer Group goes beyond the legal requirements, because it considers risks which threaten the goals of the company and not only for risks which threaten the existence of the company.

The risk management is an important part of the Management Body of Messer Group GmbH and is not performed by a separate department. The reporting function is performed by the Vice President Internal Audit.

The management structure and the reporting process ensure that developments that can endanger business goals e.g. EBITDA or Cash Flow are promptly and regularly reported to the functional areas of Accounting, Controlling or Treasury on the Corporate level. For legal matters, this is similarly done for the Legal functional area by a quarterly updated Litigation Report. This puts the management in a position to be able to take remedial measures on time.

5.2 Corporate Risk Manager

The main task of the Corporate Risk Manager is the annual preparation of the risk report based on management interviews. For the permanent risk analysis, the following documents are available to the risk manager.

- Minutes of the management board meetings of the Messer Group GmbH
- Management Reports
- Treasury Reports
- Litigation Reports
- Performance Reports SCM
- Audit reports from Internal audit

and it can always access:

Minutes of the Management Body and Supervisory Body of all Companies.

5.3 Quantification of risks

5.3.1 Definition of “goal-endangering” risk

A goal-endangering risk is a single risk (gross) not considered in the budget with a negative EBITDA effect of min. 1 mil. € or 2% of the net turnover of the Company.

5.3.2 Risk calculation

The starting point is the so-called gross risk, which describes the maximum extent of damage.

The net risk resulting from this is calculated as follows:

- the gross risk,
- multiplied with the probability of occurrence,
- plus the costs of counter measures.

The net risk is the amount whose recognition in financial statements must be examined.

5.4 Risk Reporting

5.4.1 Report structure for the early recognition of risks

Goal-endangering risks must be reported immediately by the concerned subsidiary or the competent European Manager to

- the next higher management level;
- the competent Management Body of the Messer Group GmbH;
- the Vice President Corporate Controlling; and
- the Corporate Risk Manager.

Risks for the continued existence must be reported in accordance with the law to the member of the Supervisory Board of Messer Group GmbH.

5.4.2 Risk report of a local subsidiary

Every company nominates a competent person as local Risk Manager. The risk report is a regular component of the meetings of the Management Body of the subsidiary in question.

5.4.3 Annual risk report

Documentation of all risk management activities in Messer Group: the Risk Manager prepares an annual risk report. This includes:

- existing, important risks with quantification and possible counter measures.
- Processes for recognition and defence against risks.
- Process for avoiding risks.

To create this report, corresponding surveys of the regional and functional manager are carried out in December/January of the year. The annual overview is distributed latest in February of the year to the Management Body and the Supervisory Board of Messer Group GmbH.

A regional and functional manager follow the development of matters mentioned in the risk report. If a risk really occurs, it should be reported immediately, as also the increase in an already known risk.

6. Messer Strategic Process (MSP)

6.1 General

The Messer Strategic Process (MSP) describes the specified standardised planning reporting of all companies of Messer Group.

6.2 Approval process

The MSP of every Company is to be checked by the concerned CFO/Controller, and approved by the Management Body of the Company. The CFO/Controller must ensure that the targets agreed at the Group level are not adversely affected by the corporate plan.

If a process for the presentation and approval of a business plan is defined in the Article of Association or Charter of a Company, the business plan must be presented and approved according to these regulations.

Reporting of MSP data to Corporate Controlling generally takes place until end September. Regional Controlling and Regional Management make an analysis of the business plan from the reporting to Corporate Controlling. The accompanying presentation and discussion on Messer Group level can lead to adjustments in the corporate plan. These adjustments are also to be checked by the CFO/Controller of the Company and approved by the Management Body of the Company.

The planning of the Messer Group consists of the consolidated MSP of all Companies of the Messer Group. It is presented to the Management Body of Messer Group GmbH by the SVPs Region and selected local Managing Directors in October. After consent by the Management Body of Messer Group GmbH, it presents this plan to the Supervisory Board of Messer Group GmbH. If other changes are required, the planning process is accordingly extended.

With the final approval by the Management Body and the Supervisory Board of Messer Group GmbH the corporate plans are passed. Every Company is responsible for adhering to their plan.

6.3 Additional examinations and approvals

When executing the activities planned and approved in MSP, the special approval requirements envisioned in the Messer Codex are to be observed without change (e.g. investments greater than EUR 1,000,000, which require approval from the Management Board of Messer Group GmbH) (also ref. to clause 8.1). The Management Board of the Messer Group GmbH can also demand, beyond the Messer Codex, that the appointment of new employees, investments, maintenance and IT activities planned and approved in MSP, should require a special approval for concrete implementation.

When performing the activities planned and approved in MSP, additional provisions e.g. for the purchase, are to be observed. Also refer to clause 8.1 in conjunction with the Policy for approval procedures in cases of capital investments and repairs.

Activities, which lead to additional, unplanned expenditures (including CapEx), require, besides the additional consent by the local Management Body, also the consent by the Supervisory Body in question, according to clause 3.2.

7. Corporate Controlling

7.1 General

The Corporate Controlling coordinates the objective target, the planning process, the variance analysis, provision of information and the reports to the Management Body of Messer Group GmbH, ensuring a higher transparency of the Group's development and a support of the strategic orientation of the business. Therefore, there will be a regular information exchange between Corporate Controlling and the Regional Management as well as the Regional Controlling and the Management Body of Messer Group GmbH.

7.2 Monthly reporting

On the 5th working day of each month, all Companies have to report their business data in a predefined, standardized reporting form to the Corporate Controlling.

Based on this information and additionally the information from the Treasury Department, Corporate Controlling issues the so-called Management Report possibly by the 10th working day. This is made available to the Management Body and Supervisory Body of Messer Group GmbH, the Regional Management and the Regional Controllers as well as selected central functions of the Corporate Office and selected external parties. The report essentially includes:

- Selected financial key group data (esp. Sales, EBITDA, CAPEX, Net Debt, WoCa and ROCE)
- Actual / Plan variance analysis
- Comments and explanations
- Selected economic data and/or market information
- Profit- & Loss Statement Presentation

If the reporting month is the end of the quarter, the Management Report will not be distributed on the 10th. working day, but only at the end of the month. For the transitional period, the Management Body of Messer Group GmbH is provided a so-called Flash Report with four selected key figures (Sales, EBITDA, CAPEX and WoCa).

7.3 Messer Strategic Process (MSP)

Corporate Controlling coordinates the planning process MSP based on the data supplied in a predefined, standardized reporting form of the companies. After an initial feasibility analysis, Corporate Controlling creates the group plan and the presentation to the Management Body of Messer Group GmbH. For more details see section 6.

7.4 Forecasts

Corporate Controlling coordinates the forecasts and prepares the group result to inform the Management Body and Supervisory Body of Messer Group GmbH about budget deviations in a timely manner.

7.5 Investment Forum

The Executive Vice President Controlling/Accounting & Strategy leads the Investment Forum, which takes place on demand basis. The members of the Investment Forum prepare a recommendation (investment forum resolution) on the investment requests presented to the Management Body of Messer Group GmbH to support their final decision. For more details see section 8.2.

8. CAPEX and Fixed Assets

8.1 General

The planning of CAPEX is a part of MSP. Its approval is to be understood only as a general approval of the budget. The subsequent execution of the investments has to be in line with the approval procedure of the investment policy of Messer Group GmbH (accessible via the Corporate Intranet "Manuals & Guidelines").

In case of investments related with the group wide organised Supply Chain Management (e.g. purchase of tanks, cylinders, filling plant equipment, trailers, cryogenic centrifugal and piston pumps, product compressors and expansion turbines etc.) additionally the relevant approval procedures described in the Policy for approval procedures in cases of capital investments and repairs (SCM/Production and Engineering) also needs to be followed.

All financial investments require the approval of the entire Management Body of Messer Group GmbH. The Management Body requests the assessment by the Investment Forum in each case as needed.

All investments above EUR 2.5 million, which are not financial investments, have to be brought to the attention of the Investment Forum with a resolution period for a decision recommendation of minimum 4 weeks. The Investment Forum will prepare a recommendation to the Management Body of Messer Group GmbH (investment forum resolution). For any critical timing issues it needs to be taken into consideration that the Management Body needs some additional time for their final decision. The process of the Investment Forum is based on the following standard approval documents:

- Messer IRR analysis (see Corporate Intranet "Investment Analysis")
- Messer project description
- Messer technical checklists

Investments higher than EUR 5 million additionally require the approval of the Supervisory Body of Messer Group GmbH.

All investments exceeding significantly the original plan for the project or operational CAPEX, require the approval by the Management Body of Messer Group GmbH. In addition thresholds are stipulated for the project CAPEX, which include the involvement of the Supervisory Body of Messer Group GmbH. For more details see section 8.2.

There are also requirements set forth in section 14 (Legal) with regard to the examination of the respective contracts which have to be applied correspondingly, where thresholds and limits stipulated herein are subject to stricter regulations included in the respective Articles of Association, the statutes and/or general orders of the local Companies.

All reporting relationships are also set forth in the "Corporate Organisation Chart". This is available in the Intranet.

8.2 Project CAPEX (individual projects; e.g. Air Separation Plants, Cylinder Filling Plants)

Deviation from the budget exceeding 10% should be notified to the Supervisory Board of the Messer Group GmbH and deviations exceeding 20% require a subsequent approval. The basic principle here is always the value that was presented by the Investment Forum for review and investment forum resolution and thus was the basis for decision-making for the Management Body and the Supervisory Board of Messer Group GmbH.

The status of all projects is objective of the agenda of the SAB meeting of Messer Group GmbH.

8.3 Operational CapEx (distribution equipment; e.g., tanks, cylinders)

Apart from the provisions of section 9, the following is also to be observed.

Before ordering new equipment, a review must be conducted to determine whether corresponding, unused assets are available within the Messer Group.

The status of the Operational CAPEX Budget has to be presented to the Management Body of Messer Group GmbH at least once a year.

8.4 Fixed Assets - Physical Inventory Control

All fixed assets must be labelled with a unique reference number and cross referencing each of the numbers to the Fixed Asset Register. A physical verification of assets included in the Fixed Asset Register must be done regularly. The Company's CFO / Controller is responsible for this.

All assets used outside the company's premises (i.e. laptops, mobile telephones) must be subject to additional care and attention by the employees who are responsible for them.

9. Finances

The guidelines for financing and financial business are documented in the Treasury Policy issued by the Group Treasury .

The responsibilities of the Group Treasury Department include inter alia to coordinate worldwide business relations to a core group of banks and financing institutions. Where possible the requirements of the individual corporate entities are taken into consideration. The number of banks with which the various corporate entities entertain relations, are to be restricted to a minimum. Approvals are to be obtained from the Group Treasury Department for the taking up of business relations with a new bank. The Group Treasury Department keeps a list of approved banks.

The prior approval of Group Treasury is required for the taking up of loans, guarantees and sureties and/ or any other banking business, which requires the granting of a credit line.

As a general rule only finance business may be conducted, which is necessary for the day to day business activities of any one subsidiary. Any financial business with a speculative background is not permitted. All finance business outside of the usual day-to-day business of a subsidiary, needs approval of the Group Treasury Department.

For all types of financial transactions, a list of authorised signatories is to be established, in accordance with the Treasury Policy (see Section: 5.1). For all financial transactions two signatories are mandatory.

All bank account statements are to be reconciled on a monthly basis by an employee, who otherwise has no duties in connection with cash and trading transactions. Furthermore, the results of such reconciliations should be made accessible to the CFO-/ Financial Controller of the individual company.

Business relations to brokers and other non-banking agencies are not permitted.

All financial business, which go beyond the normal day-to-day business, are to be coordinated with and approved by Group Treasury. Details are available in the Treasury Policy (see there, Section: 1.1, and 2.2 to 2.6).

10. Corporate Accounting

10.1 General

Corporate Accounting coordinates the preparation of quarterly and annual financial statements of the Messer Group in accordance with International Financial Reporting Standards ("IFRS"). The preparation of consolidated financial statements is provided by Law, by the lending banks and the Management Board of the Messer Group GmbH. Corporate Accounting has created a guideline to ensure uniform accounting-, reporting-, and controlling principles within the worldwide Messer Group. The guideline applies accordingly to the areas of Accounting, Controlling, Reporting and IT environments. The purpose of the herein stated guideline is to ensure uniformly defined content and structure for major reporting elements across all Messer Group companies as well as providing commonality of internal transactions.

Adherence to the Corporate Accounting Manual and the Controlling Manual will be checked during internal audits and reviews of annual financial statements.

Due to constant changes in the International Financial Reporting Standards ("IFRS"), the Accounting and Controlling Manual is revised regularly. The latest versions of both Manuals in English are accessible via the Corporate Intranet "Manuals & Guidelines".

10.2 Accounting Principles

The accounting principles are determined by:

- the local legal - and tax regulations,
- the IFRS,
- the Messer Accounting Guidelines.

10.3 Reporting Requirements

On the 10th working day after the end of the quarter all the Messer Group Companies have to report their data in the reporting tool IBM Cognos Controller to Corporate Controlling and by the 15th working day from the year end due to the fact that extensive disclosure information are required. Based on this information, Corporate Accounting creates a consolidated statement, which is provided at the end of the year with an auditor's report by the auditors and presented to the Supervisory Board of the Messer Group GmbH for approval. A truncated reporting is made to the lending banks during the year.

10.4 Selection and change of auditors for the annual audit

Selection and change of the auditor for the annual audit requires the prior consent of the EVP strategy and the approval of the Annual General Meeting of the company before any action can be taken. Selection and change of the auditors for the annual audit and consolidated financial statement audit of the Messer Group GmbH requires the approval of the Supervisory Board of the Messer Group GmbH.

11. Intra-Group Relations

11.1 Intragroup-Business

The exchange of goods, technical support, and services between Messer Group Companies must follow standard market practices in selling and purchasing. Basis for this should be purchase orders, contracts, technical and service agreements or special agreements. When none of the above exists, then all service orientated intra-group transactions (no product deliveries) must be approved by the buying entity prior to the service.

Payment terms should be 30 days net for deliveries of goods as well as for service fees. Interest will be charged for delayed payments. Companies with several invoices per week have to pay at least twice a month. The last bank transfer has to be arranged in such a way that the payment will arrive at the payee's bank account prior to month end.

When no written complaint is received within 30 days, the invoice is deemed accepted and has to be paid on time. Any difference between the buying and selling company, regarding quality or performance that could lead to rejection of an invoice or to a reduction of the price must be resolved in a timely manner. In case of disputes the respective Regional Manager shall be involved for the required solution.

11.2 Intra-Group Accounts

All business between two Messer Group Companies leads to a debit to the account receivables for the selling company and to a credit to the accounts payable for the buying company. During the consolidation process these accounts are matched, the balance should be zero. Otherwise, the difference in the Profit- & Loss Statement can affect net income.

To avoid a charge to the Profit- & Loss Statement, the companies involved

- have to book all invoices issued in the same booking period,
- or book a corresponding provision for outstanding invoices.

After the 25th day of each month no payment is allowed. The seller must confirm (by fax if necessary) that the buyer receives all invoices in the morning of the 2nd (at latest on the 3rd) working day of the following month.

Credit notes are to be issued for existing non-conformities regarding quality or services which necessitates a price reduction.

A reduction of payment without a prior written complaint within 30 days as stated in section 11.1 is not permitted.

The intra-group accounts must be reconciled at least quarterly. A suitable basis for the reconciliation is the account statement showing the invoice or credit note numbers and the amounts (in original currency). During the month-end closing process, these statements have to be exchanged in time between the employees in charge of the reconciliation. At the end of a quarter the reconciliation statement must be mandatorily signed and returned without delay within the closing date defined for the booking period. The confirmed data are the basis for the respective group reporting (IBM Cognos Controller).

11.3 Intra-Group Pricing

The intra-group businesses described above has to be made at market value (at "arm's length" basis). In addition, the regulations for inter-company sales have to be observed according to CSF policy "Intra-Group Sales".

12. Tax Issues

12.1 General

Group Taxes, under the supervision of the CFO of the Messer Group GmbH, is responsible for the optimisation of the Messer Group's tax burden worldwide. It aims to minimize the tax burden in accordance with the relevant tax law and to implement all business projects as tax-efficiently as possible.

Therefore prior to execution the CFO has to be informed about all major projects by the local Management Body, especially regarding:

- Changes in portfolio
- Cross-border financial transactions and swap agreements
- Procedures on transfer pricing
- Procedures relating to expatriates

Group Taxes should be involved in all company-related acquisitions and sales activities at the earliest possible stage in order to be able to exploit all tax-related opportunities and to customise the tax planning.

12.2 Tax Optimisation at Company Level

The Management Body of each Messer Company is responsible for the current tax issues and the tax optimisation in the individual companies. The Management is therefore obliged to be informed regarding any changes in tax law. If in doubt, a tax adviser should be consulted. In debatable cases or in cases which have major financial implications, the tax adviser's opinion should be obtained in writing.

Group Taxes has to be informed about the following:

- Beginning, interim status and completion of the tax audit, before any compromises are agreed,
- important changes in the local taxation that affect the tax burden of the Company (reduction or increase of at least 10 %)

12.3 Tax Optimisation at Group Level

Tax optimisation in the Group is the joint responsibility of Group Taxes and the individual Companies.

Optimal tax structures are required in particular in the areas of acquisitions, investments and divestitures. Significant items in this respect are withholding tax at source on dividends, royalties and interest, recipients' taxation of dividends, write down of investments, acquisition-related tax deductibility of debts and interest, taxation of gain and loss and/or in case of company liquidation, capital reductions and similar items.

Withholding of tax at source (e. g. license fees) has to be coordinated by the Companies concerned: Tax receipts to be submitted to the respective recipient of the payment. Upon request, the Companies must provide respective documents and information to avoid fiscal disadvantages (e.g. export declaration for VAT purposes, invoices which are in compliance with legal and tax regulations, etc.)

13. Internal audits by Corporate Audit and individual departments

13.1 General

Internal audits by Corporate Audit and individual department are independent and objective tasks with the aim of adequately assessing risks and contributing to security, accretion and improvement of business processes. The internal reviews and audits are also required to provide recommendations for the prevention of fraud cases and misuse of company assets. Internal audit teams of Corporate Audit and individual department shall be regarded as a partner of the audited company in order to exchange "best practices" and to improve procedures.

13.2 Internal Audit by Corporate Audit

Internal audits by Corporate Audit helps the organisation to reach its targets by the application of systematic, precise and accepted procedures of valuation and improvement of risk management, controls as well as the processes of Corporate Governance.

The function of internal audit by Corporate Audit will be performed by special Corporate Audit Teams consisting of permanent members from the corporate office and rotating members who may also be employees of affiliated companies. The rotating team members are appointed by the permanent members with the approval of the Messer Group GmbH Management Body. During the audit of a company no member of the respective company shall participate in the Corporate Audit Team. Therefore the team members will change from time to time with respect to the specific task to be performed. The Messer Group GmbH Management Body supervises and controls the Corporate Audit Teams.

Local Companies should be audited on a rotational basis every 4-5 years. A routine audit seeks to test the effectiveness of the general internal control mechanism by conducting the specific examinations and summarises in writing the resulting recommendations for improvement in an audit report.

In exceptional instances, where there are reasons to suspect fraudulent practices or irregularities, the audit is specifically customised to address the issue.

13.3 Internal Audit by Individual Departments

If a Management Body of a subsidiary or a functional area wants the examination of special issues in its company or department, it can assign an internal audit by Corporate Audit as an internal consultant.

In addition, individual departments conduct regular (or irregular) audits to verify compliance with the relevant regulations (e.g. SHEQ Audit, Medical Audit).

13.4 Enforcement of the Code of Conduct

In collaboration with the CCO the Corporate Audit also monitors the compliance with the Code of Conduct and is responsible for supervising its implementation while the CCO is the contact person for all questions relating to the Code of Conduct and the Messer Group Guidelines.

14. Legal

The Group Legal Department (GLD) is at the centre of Messer Group's legal risk management and an integrated part of its overall risk management strategy. GLD is responsible for the management of all legal issues within Messer Group except for tax law and labour law.

All Legal Counsel within the Messer Group render independent legal advice. They support their business contacts, understand the business' key activities, stakeholders and objectives and analyse and communicate the legal opportunities and risks of the alternative ways of action. They establish legal standards and conduct legal trainings in order to render processes more efficient and raise legal awareness.

14.1 Organization and Function

GLD is headed by the SVP Legal & Insurance and has the following functions:

SVP Legal & Insurance	Regional Legal Counsel
- reports to and legal contact for General Management of Messer Group GmbH	- represents Region towards SVP Legal and ensures information flow between Local Legal Counsel and SVP Legal
- determines and communicates legal strategy	- coordinates legal services within the Region
- organizes and supervises the rendering of legal services throughout Messer Group and legal contact for SVP Region	- legal contact for General Managers in Companies of Region without Local Legal Counsel
- Renders legal advice in fields of responsibility according to GLD-competence-matrix ²	- renders and organizes legal advice in Companies without Local Legal Counsel

Group Legal Counsel	Local Legal Counsel (incl. Germany)
- renders legal advice in his or her fields of responsibility according to the GLD-competence-matrix (re central departments and re legal fields of expertise)	- manages and renders legal services of and to local Company
- contact for Regional and Local Legal Counsel in Group Legal Counsel's respective fields of responsibility	- legal contact for local Company Management

The Management Body of each Company will involve the SVP Legal & Insurance in establishing and defining local legal functions and in recruiting Local Legal Counsel(s).

14.2 Companies' Core Processes

The Management Body of each Company strives to avoid and reduce legal risks to the Company and to Messer Group. For this purpose it establishes and maintains at least the following core processes:

- timely and full involvement of the responsible Legal Counsel in all relevant legal matters,
- management of external counsel,
- management of shareholding and company documents,
- contract management,
- use of standardized contracts,
- litigation management and reporting, and
- trainings.

Requirements and explanations on the above core processes can be found in the Legal Manual.

15. Insurances

15.1 Risk Management

The Group Legal Department (GLD) in cooperation with an external broker coordinates groupwide International Insurance Programs. Here as part of a preventive risk management insurable and non-insurable risks in the company are identified and to the extent possible appropriate insurance solutions in the interests of national subsidiaries are procured.

² The GLD-competence-matrix lists which Legal Counsel responsible for which Messer department, country or area of law. For a current version please see the GLD-Intranet site.

Essential elements of risk management in the insurance sector in collaboration with the Group Risk Manager and the individual departments are:

- *Risk identification:* Full coverage of all major types of risk as well as their relationships and interdependencies within the Group,
- *Risk assessment:* Analysis of cost-benefit ratio,
- *Transfer of Risk:* Insurance coverage vs. deductibles of risk within the Group,
- *Avoidance of Risk:* Implementation of prevention- and safety measures.

A detailed overview of International Insurance Programs, guidelines and information on the decentralised purchasing by local insurance companies and related regulations by the Messer Group GmbH can be found in the Insurance Guide on the Intranet under "Insurance Claims Manual".

15.2 Features

Projects:

In accordance with the Risk Management and the drafting of contracts with our suppliers and customers it is important to analyse precisely the liability clauses and the insurance requirements. The liability shall be limited to a maximum, if necessary discussed in advance with the GLD.

Delivery to the aerospace and nuclear industry:

There are restrictions on deliveries if our products are used in the aerospace / space or nuclear industry. An explicit reporting obligation is imposed on the respective national management bodies for the related contracts. Furthermore, these are agreed with the GLD / Insurance regarding the review of the corresponding coverage protection. This requirement is part of the review of the In-house audit.

15.3 Claims Management

Guidelines for practice as well as information regarding the claims settlement of the International Insurance Programs are found in the Claims Handling Manual (see above), which is valid worldwide and is binding on all Messer Group locations.

In addition to the relevant local broker the GLD / Insurance is available for queries on the industrial insurance in the Messer Group.

15.4 Additional Local Policies

Additional insurance policies, which are not part of the International Programs, are under the full responsibility of the respective national subsidiaries, as they have to take care of providing sufficient coverage. Such policies must be approved in advance by GLD, so that GLD can verify in advance whether the respective policy can be offered as part of master agreements with special premiums and conditions.

All insurances that are required by local regulations e.g. motor vehicle liability insurance, employer's liability and workers compensation, have to be procured and maintained at all times prior to business operations.

16. SHEQ – Safety, Health, Environment and Quality Management

Messer Group Management is committed to ensuring an overall SHEQ management system and to continually improving SHEQ performance in all areas and levels of Messer as expressed in the Messer SHEQ Commitment.

16.1 SHEQ Organisation

16.1.1 Corporate

SVP SHEQ leads the Corporate SHEQ department and reports directly to a member of the General Management of Messer Group GmbH. His general tasks are:

- to advise both, the Messer Group GmbH and the Company Management, on all SHEQ issues,
- to establish and maintain the Internal Guidelines for SHEQ throughout Messer, in particular the SHE Manual,
- to investigate and analyse serious incidents and propose safety improvement actions,
- to conduct SHEQ-audits at Company and
- to prepare an annual report enabling the Messer Group GmbH Management to review SHEQ performance and to set targets for continual improvements.

SVP SHEQ is supported by the SHEQ Committee, which is an advisory body and working group for all SHEQ issues. The SHEQ Committee also contributes to the development of the SHEQ strategy and serves as a platform for experience exchange between Companies.

16.1.2 Company

The Company's Management Body is accountable for SHEQ performance and provides the necessary organisation and resources. It ensures that:

- all necessary managers with direct SHEQ responsibilities (e.g. site and plant managers, head of departments,..) are appointed,
- SHEQ responsibilities are properly delegated to, accepted and understood by these managers and
- SHE/Q manager(s) are appointed to advise both, the Company Management and operating managers, on all SHEQ issues and to liaise with the SVP SHEQ.

SHE/Q Manager(s) are reporting directly to a member of the Management Body.

16.2 SHEQ – Management System

Each Company's SHEQ management system shall comply with the Messer SHEQ Commitment, these Group Guidelines, Internal Guidelines and with all applicable laws and regulations.

Each Company with production and/or filling activity establishes, documents and maintains:

- a safety and health management system in accordance with the Messer SHE Manual
- a certified quality management system in accordance with the quality standard ISO 9001
- a certified environmental management system in accordance with the standard ISO 14001 and Messer SHE Manual.

Companies without production and/or filling activity establish, document and maintain their SHEQ managements systems in accordance with local market and regulatory demands and, as appropriate, with the SHE Manual.

16.3 SHEQ objectives, management review and reporting

Each Company measures its SHEQ performance and strives for its continual improvement by defining SHEQ objectives as well as adequate and effective activities to achieve such objectives. Objectives shall be aligned with Messer Group's strategic objectives and directions.

The Management Body of each Company shall conduct a documented SHEQ management review on a periodical, at least annual, basis.

Each Company informs the SVP SHEQ about name and contact details of its SHE/Q manager(s), the status of its management system certifications and, immediately, also of changes of either. On this basis SVP SHEQ maintains SHEQ cards comprising each company's SHEQ relevant contacts and other SHEQ relevant company specific information. Reporting on SHE issues is described in the SHE Manual. Reporting of Q issues is part of the overall reporting system.

16.4 Emergency and crisis Management

The Management Body of each Company as well as the SVP SHEQ for the corporate level ensures that proper emergency and crisis plans are available, setting up in advance an organisation and communication structure capable of responding to any type of emergency and crisis quickly, decisively and in a coordinated manner.

17. Human Resources

The Group Human Resources Department ('Group HR') is the central personnel department of Messer Group. The department is headed by the Senior Vice President Human Resources ('SVP HR'). The 'Group HR' Department is responsible for the organization of management trainings and for the implementation of personnel development concepts as well as for the introduction of standardized international cross-border training courses, and for the introduction, implementation and monitoring of the Human Resources Guidelines and for the remuneration system within Group.

Whenever the Human Resources Guidelines conflict with local legislation, agreements with employer associations and trade unions or specific local constraints, the local managements and the HR managers must notify such to central 'SVP HR'.

In order to avoid abuse, it is absolutely important that:

- contracts in the field of personnel bear the authorized signatories of two different departments/divisions (e.g. a management signatory and an 'HR' signatory, or a department head signatory and an 'HR' signatory); a 4-eyes principle is set in payroll accounting for data collection and transfers
- a 2-person rule for dual control is observed in payroll accounting for registering personal data and transfers
- the declaration for settlement of travelling expenses is counterchecked by the approving person ; and
- local regulations for corporate motor vehicle use, the granting of additional benefits, as well as the compensation for travelling expenses during business travel, should be documented and monitored.

The 'HR' Department should monitor compliance with the Equal Treatment Act and organize appropriate training courses. 'HR' is also the reporting center for cases of mobbing and discrimination, etc. apart from the management and the corporate compliance officer.

The workforce members should work in a healthy environment. The individual labour situation should therefore be verified on a regular basis (i.e. during safety inspections) or on the occasions of incidents. Any changes required should be implemented also in coordination with 'SHEQ' with the backup of the management.

Realistic succession planning is of essential significance. Potential junior managers are to be included in local succession planning and reporting made in this regard to the 'Group HR' Department. In cases of substantial changes (e.g. mobility and performance appraisal), the subsequent backup plan is to be appropriately adjusted.

18. Corporate Communications

18.1 Task of Corporate Communications

The task of Corporate Communications (CC) consists of defining and implementing a general concept on internal and external communication within the Messer Group. CC is responsible for a uniform internal and also public understanding of the Messer Group, of our identity and origin, our products and processes as well as our future and strategy. In addition, CC supports the local Messer organisations to achieve corporate goals through appropriate information and communication media.

CC fulfils its responsibilities in close cooperation with the Management Board of Messer Group GmbH and the individual departments of the companies concerned in the following core areas:

- Internal communication
- Public Relations
- Communication in case of crisis and issue management
- Digital Communications, Social Media and Apps
- Public and Media Relations
- Financial and sustainability communication
- Market communication and marketing services
- Corporate Branding and Corporate Identity
- Coordination of the communication within the Messer Group

18.2 Guidelines

CC works purposefully, professionally and cost-consciously. CC pursues the highest standards and uses modern and secure communication media for this purpose.

CC is responsible for maintaining the good reputation that the Messer Group has in the eyes of its main target group, and is also in charge of successful brand marketing by means of appropriate communication activities. CC guarantees that Corporate Identity, Corporate Design and Corporate Strategy are implemented integrally and consistently in terms of the content and form of corporate and market communication.

18.3 Guidelines for the international cooperation between CC as central function and the regional centres

As service provider, CC advises and supports all companies of the Messer Group in their communication activities.

For the purpose of implementing the communication concept of the Messer Group, each group company appoints a ComManager who acts as direct contact for Corporate Communications. The ComManager and local management share the responsibility for internal and external communication of the company concerned. The central divisions and national subsidiaries are obligated to adjust their own communication activities to the corporate strategy and to emphasise the protection of the Messer brand in accordance with Corporate Branding and Corporate Identity.

The subsidiaries are obligated to announce essential information. In the interest of managing problems effectively, the respective national ComManager must forward all information about relevant communication developments, which could have significant positive or negative effects on the enterprise, immediately to CC. The relevant costs of Corporate Communications are absorbed provided that the communication serves the strategic interest of the corporate group. The respective national subsidiary/central department is responsible for regional and specific communication costs.

19. Corporate IT

19.1 Tasks

Corporate IT is competent group wide for directing all activities that relate to the information systems. It determines the strategic direction of the information systems and its quality in collaboration with the operative units.

- Definition of standards and guidelines on IT governance and monitoring of its compliance.
- Ascertainment and consolidation of the IT budget and IT costs of all business units and the creation of an annual overview. Coordination of the development of service level agreements and control of external IT service providers (see: Intranet: Central functions / Corporate IT / Service Agreements).
- Ensure that changes are controlled and implemented in a structured manner. This is guaranteed by the CAB (Change Advisory Board).
- Definition and control of the introduction of the technical environment of the Messer Group, the future specification of the IT infrastructure and corresponding infrastructure services that are provided for the companies.
- Creation of short and long-term strategic plans that support the overall business.

19.2 Messer Information Services (MIS)

As the Internal Service Provider (ISP), MIS is strictly bound by the conditions of Corporate IT of the Messer Group.

MIS undertakes the following tasks under the control of Corporate IT:

- Provision of high-quality support for the current systems and for future applications
- Creation of internal guidelines and standards to minimise double amount of work within the organisation of the Messer Group
- Definition and implementation of the IT architecture of the Messer Group
- Selection and introduction of appropriate tools that enable a fast development phase, standardised use and responsive support.
- Preparation of the training and equipment of the employees of the Messer Group

19.3 Obligations of local management

Local management is obligated

- to create the annual CapEx budget in coordination with Corporate IT;
- inform Corporate IT about each project with substantive references to the IT department;
- comply with the principles and technical standards issued by Corporate IT (see in Corporate Intranet: Messer World IT Policies").
-

CapEx budgets and IT projects should preferably only be implemented when they conform to the IT strategy of the Messer Group and are not already covered by Corporate IT.

Corporate IT reviews if locally planned IT projects have already been implemented or if these are also useful for other companies of the group. These projects can then be implemented as joint projects for multiple and/or all companies with the support of Corporate IT.

19.4 Data privacy and IT security

Data privacy in companies in Germany is obligatory and this should comply with the Federal Data Protection Act. All other subsidiaries must implement suitable guidelines according to the laws of the respective country.

The IT security guideline is binding for Messer Group GmbH and is based on the conditions of Messer Information Services GmbH. All other subsidiaries are required to formulate and implement corresponding guidelines.

20. Central Sales Functions

20.1 Signatory power

A "signatory regulation for sales and distribution", from which the authorisation to sign

- contracts,
- offers and
- credit notes

arises, must exist and be implemented by the executive body of the company; it must be confirmed by being signed by the employees. This signatory regulation for sales and distribution must guarantee the application of the "four-eyes principle" at any time.

20.2 International Key Accounts

The Management Board of the Messer Group GmbH selects certain international customers as "International Key Accounts". These customers will then primarily fall within the scope of responsibility of the "International Key Account Management Team" (IKAM) under the guidance of the SVP IKAM. The latter coordinates the distribution and marketing activities across all companies of the Messer Group, other Central Sales Functions and affiliated companies, if applicable.

20.3 Supply contracts - review and approval

Supply contracts are subject to a defined coordination, information and approval process when these fulfil the established criteria.

When the conditions are met, the respective process must take place with individual or several of the following people/functions:

- relevant functions of central and regional management
- GLD
- EVP Sales
- Executive body of the respective national subsidiary
- Responsible regional manager
- SVP Logistics

The details are determined based on the CSF policy "Supply contracts - review and approval".

20.4 Sales and distribution of medical gases/food gases

CSF Medical, Pharma & Food Gases is Messer Group's central hub for business development and for regulatory affairs support in the following areas:

- medicinal gases
- pharmaceutical gases
- medical devices
- breathing gases
- food gases
- plant protection products

Within these areas CSF Medical, Pharma & Food Gases deals in particular with authorization of products and compliance of operations. Excluded is the medical home care business, which is coordinated by the independent Messer Medical Home Care Holding GmbH.

Head of the department is the SVP Medical, Pharma and Food Gases. Messer Group's European Union Qualified Person for Pharmacovigilance for Medicinal Products is a member of his team. Further requirements on the Corporate and the Companies' organization, assigned responsibilities, products and operations are described in the binding Internal Guidelines for each of the above mentioned areas.

Each Company shall comply with the applicable statutory and regulatory requirements for its products and operations as well as the requirements of such Internal Guidelines.

20.5 Patent division

The patent division coordinates the patent affairs within the Messer Group. It files German and international patents for all group companies; national patents outside Germany are generally processed by communicating lawyers in the respective countries. The patent division manages the industrial property rights and organises patent committees in collaboration with the respective department to review the inventory of industrial property rights. The details are determined based on the CSF Policy "Intellectual property rights".

20.6 Credit monitoring, payment conditions, dunning and securing of assets

In order to minimise its risk, each company must:

- introduce a guideline for credit monitoring and
- streamline the dunning process in

terms of time.

The securing of assets (particularly with respect to lent equipment such as bundles, steel bottles, etc.) must be taken into account concerning the dunning process.

The sequence of a dunning procedure is used as an example in the CSF policy "Credit monitoring, payment conditions, dunning and securing of assets".

20.7 Bad debt regulations

Each Company has to set aside reserves conservatively for cases of bad debt. Reserves are to be set aside for special cases of bad debt as soon as the deficit is detected.

21. Purchasing

The purpose of the purchasing guideline (refer to the purchasing policy for details) is to define binding rules for the procurement of goods and services at Messer. These include:

- responsibilities,
- roles,
- vendor selection,
- vendor assessment
- sequences,
- and documentation,

and must be implemented in accordance with the specifications. It must be taken into account that certain assets, e.g. tanks, air vaporisers, cylinders, compressors and project-related components/groups are procured centrally by the Messer Group GmbH.

22. Supply Chain Management / Production and Engineering

22.1 Corporate Engineering (CE)

The Corporate Engineering department is responsible for all technical and procurement aspects in connection with the implementation of projects to generate any type of gases.

This includes the development of new projects together with the national subsidiaries and/or the Central Sales department, the formulation of supply and investment concepts as well as the determination of investment and operating costs, incl. the participation in economic efficiency assessments of investment decisions (IRR).

The Corporate Engineering department takes responsibility for the reliable and quality-compliant construction or reconstruction of appropriate plants to produce technical and medical gases. This also includes procurement/purchasing of all necessary plant components to the point of commissioning, in addition to plant design, project management and construction management.

This also applies for plants that are sold by Cryogenic Engineering GmbH or a subsidiary to third parties.

Additionally, the tasks of Corporate Engineering include the development and further development of technologies and the optimisation of existing plants, especially taking into consideration the energy efficiency, supply guarantee, optimised production costs, plant and personal safety, environmental protection and validations.

The Corporate Engineering and Corporate Production departments together support the subsidiaries in the operation and maintenance of the existing production plants (troubleshooting, maintenance planning, knowhow transfer/training courses, standardisations).

Furthermore, Corporate Engineering acts as the knowhow pool in all technical issues, apart from the pure plant construction. This includes the creation of technical expert opinions in connection with legal disputes, due diligence and the like.

22.2 Corporate Production

The "Corporate Production" department pursues the objective of coordinating and standardising the production plants in order to attain the highest extent of effectiveness and safety.

Corporate Production supports the subsidiaries in the preparation of plant and operator concepts. Additionally, they calculate costs for plants and act as coordinator between the subsidiaries and group organisation.

European Production performs review audits regularly at production sites in collaboration with the Engineering department. Essential objectives of this audit include:

- Determine operational experience of the plant operator and incorporate it in new projects.
- Provide new findings that relate to the plant operation, e.g. from other plants, from new suppliers or from gas industry boards, to the plant operators.
- Identify and assess projects together with the plant operator to facilitate a more reliable and/or efficient operation of the plant.

Corporate Production and the GEO create monthly production reports (production statistics and KPIs) for all ASU site and CO₂ production plants with the help of which the subsidiaries can classify their own performance in relation to other plants in Messer Group GmbH.

22.3 Global Energy Officer

The Global Energy Officer (GEO) pursues the goal of monitoring the energy consumption of all air separation plants and of continuously increasing the energy efficiency. This should improve the creation of value of the Messer Companies through lower energy costs and improve climate protection through less CO₂ emissions.

For this purpose, all sites with an air separation plant are obligated to report relevant production data either on a daily and automatic basis or on a monthly and manual basis. The GEO analyses these data, identifies relevant deviations from the energy-related optimal value, supports the production managers in charge of the causal analysis and monitors the implementation of optimisation measures.

Optimisation potentials are identified and improvement projects proposed through regular energy audits on-site together with the production management and engineering departments.

22.4 CO₂ Competence Centre

The CO₂ Competence Centre (CCC) is part of Corporate Engineering. ASCO Kohlensäure AG is an indispensable part of CCC. The knowledge and expertise of the Messer Group with respect to CO₂ production should be summarised in CCC (knowledge management). The members of CCC, experts in CO₂ product provisioning of the Messer Group from Europe and China and of ASCO Kohlensäure AG support the national subsidiaries in the following issues:

- Creation of concepts to produce CO₂,
- Evaluation of crude gas sources,
- Layout of production plants and the associated storage plants,
- Determination of investment and operating costs,
- Creation of project drafts and their economic feasibility studies.

The procurement (purchase or self-construction) of production plants for the Messer Group's own requirements is carried out in close cooperation with CCC of Corporate Engineering and ASCO Kohlensäure AG.

The plants and/or their components are purchased in cooperation with the purchasing department of P&E, those of ASCO Kohlensäure AG and the local purchasing departments of the companies.

The project management required to build the plant is coordinated with CCC. Generally, a local project manager (if available) as well as the project manager of CE will direct the execution of the investment until it is implemented. The project implementation is monitored by specialists of Corporate Engineering in the individual departments (pipeline construction, mechanical engineering, E&MSR technology, etc.) and coordinated in consultation with the project management.

CCC and Corporate Production collaborate on the support for all issues in connection with operating the plants, record relevant business data and support and coordinate the implementation of the recommendations derived from it for the optimal operation or to improve the plant.

As part of knowledge management, CCC works closely together with ASCO Kohlensäure GmbH and supports ASCO as needed.

22.5 European Filling Plants and European Cylinder Company

The SVP L, S & F and Managing Director of Messer GasPack (MGP) advise the management of the local Companies in all issues of managing filling plants for instance with respect to the definition of the technical and IT standards and in administrative matters.

This framework contains the following objectives:

- Delivery ex works of gases in steel bottles at the lowest possible costs through the reorganisation of the internal and external delivery networks and procedural documents of Messer;
- Introduction of the "best practice" procedures in the entire organisation by standardising and automating sequences;
- Optimisation of the safety of all filling operations by introducing Europe-wide safety standards;
- Creation of a standardised product quality for bottled gases;
- Reduction of the packaging costs by decreasing the total number of steel bottles and bottle tests;
- Reduction of the Group CapEx through active management of unused fixed assets, starting from pumps and steel bottles to complete filling plants.

Additional responsibilities of MGP:

- exclusive responsibility for the purchase of steel bottles plus accessories and planning of the steel bottle CapEx;
- Decision, investment or use of unused fixed assets;
- exclusive application of the steel bottle tests;
- Definition of the technical standards for filling plants.

The continuous internal benchmarking as well as the continuous onsite consulting constitute effective instruments to reach these goals. The following also contribute to that:

- Reports, including KPIs (performance figures) on every 5th day of a month.
- regular discussions of the local management with the European Filling Plants department about:
 - the operative planning and budgeting
 - costs and efficiency in the current year
 - plant reports that were created on the occasion of consultation visits

22.6 European Logistics

The "European Logistics" department pursues the objective of Europa-wide coordination and standardisation of the truck fleets and processing of logistical data to attain the highest extent of effectiveness and safety.

The SVP L, S & F plans, organises and coordinates the project logistics and supports the subsidiaries in:

- decisive deliveries,
- maintenance and repair,
- equipment shortages,
- vehicle procurement,
- reduction of the number of externally leased pieces of equipment.

They are responsible for the planning and implementation of:

- uniform technical standards for transport equipment,
- tenders of hauling capacities,
- standards for controlling,
- standards for the processing of logistical data,
- optimisation measures.

Furthermore, they organise training courses in the departments:

- hazardous materials transportation/ADR
- automobile technology,
- control of hauliers,
- standardisation of processes.

European Logistics supports the subsidiaries in the reduction of their costs and their CapEx thanks to said measures.

A reporting system was introduced that enables the subsidiaries to classify their own performance in relation to the other European subsidiaries.

22.7 European Product Sourcing

The objective of the "European Product Sourcing" department is to guarantee the availability of products for the Messer Group at the lowest possible costs and of the specified quality.

The SVP L, S & F coordinates the decisions "manufacture and sell" together with the local Management Body as well as the European Filling Plants and Corporate Production departments. In this regard, European Sourcing negotiates delivery contracts with internal and external suppliers in collaboration with the local Management Body if necessary.

22.7.1 Purchasing gases

The Senior Manager of Corporate Sourcing must be informed about all planned new agreements and planned changes of existing agreements with regard to the purchase of gases. He decides whether or not he would like to be involved in the negotiations. In any case, the new agreements requires the consent of the SVP L, S & F.

22.7.2 Purchasing energy

The Senior Manager of Corporate Energy Supplies must be informed about the conclusion, termination or amendment of energy delivery contracts with a term of more than 2 years or an annual load above an established threshold value. He decides whether or not he would like to be involved in the negotiations. The Senior Manager of Corporate Energy Supplies provides all group companies with a benchmarking about energy costs. He pursues the ongoing liberalisation of the energy market and coordinates and optimises the Europe-wide purchase of power.

22.8 Purchasing plants, equipment and materials

All purchases of essential tangible assets (according to the definition in the procurement guidelines) are made by "Lead Buyers". The purchase order that is issued by the respective subsidiary must be forwarded to the authorised supplier by the competent lead buyer.

22.8.1 Plants, equipment and materials in the L, S & L department

Lead buyers in SCM L, S&P are responsible for procuring plants, equipment and materials for the logistics department (tank trailer, container and accessories), the Filling Plants department (filling devices, tanks, vaporisers, filling pumps, accessories) as well as customer utility services (tanks, vaporisers, bottles and bottle bundles and accessories).

22.8.2 Plants, equipment and materials in the P & E department

The purchasing department in the P&E division is responsible for plants, equipment and materials for the P&E division (production plants and/or their components, tank farm and accessories) and also in the division of CO₂ production plants.

23. Exports

23.1 Export control

Initially, the principle of free movement of goods applies at national and also at European level in foreign trade. However, restrictions and regulations of obligations to act are possible when this is required to ensure certain so called "higher-level protective goods".

Today Messer faces the complex challenge to guarantee the compliance of international business relations. National laws as well as ordinances of the European Union are binding for Messer and also for all other companies. In other words: national and EU-law must be observed. Disregarding these regulations does not only result in high monetary penalties or imprisonment, but the lack of compliance can have far-reaching consequences beyond criminal prosecution.

Certain exports and activities with regard to foreign trade are prohibited. Furthermore, there are several embargoes in place that contain prohibitions and restrictions of foreign trade. There are embargoes as well as embargo measures at national level that are directed at individual people and groups.

Whether export is checked, approval is required or a prohibition exists, this all depends

- on what has to be delivered, implemented or sold
- in which country this has to take place
- for whom these goods are intended and
- what purpose of use is given or to be accepted.

23.2 Regulations on export control at Messer

23.2.1 Principle

All employees must comply with all statutory regulations of the applicable legal system. In principle, the German legal system applies with regard to foreign trade regulations.

If doubts or uncertainties remain, then Messer will not perform the corresponding export operation.

The Management Board of the Messer Group GmbH can establish more strict conditions in a decision or policy, particularly whether export is basically ruled out with regard to certain countries or whether it is subject to special approval by the SVP L, S & P, the Group Legal Department or the Management Board of the Messer Group GmbH. These are binding for all national subsidiaries.

When a corresponding decision of the management or the export policy prohibits export to a certain country or is subject to special approval, this can essentially not be deviated from even when the country in question is not the object of embargo measure (anymore).

23.2.2 International business operations

Messer is committed to respect and to take into account national, multinational, and supranational foreign trade regulations.

Messer, as a company with registered office in Germany, is primarily subject to the provisions of German foreign trade legislation and the directly applicable measures of the European Union.

In addition, the regulations issued by the United Nations on the prevention of the production and distribution of chemical, biological and nuclear weapons as well as their supporting systems, and the prohibition of export and re-exporting certain products, technologies and services to certain states, organisations or people to prevent international terrorism apply directly.

The corresponding foreign trade regulations are to be requested at the department Logistics, Sourcing and Filling Plants.

Furthermore, American export provisions must be adhered to on a regular basis. These are included in a list of special people and nations with whom it is prohibited to do business. This list is published by the "Office of Foreign Assets Control, U.S. Department of Treasury" ("OFAC"). They too are to be requested at the department Logistics, Sourcing and Filling Plants.

It is also prohibited to do business with people and organisations who are close to people or nations of the OFAC list or are controlled by them.

23.2.3 Export of goods, services and technologies

The direct and indirect export of gases and mixtures of gases as well as goods, services and technologies must take place in accordance with the applicable legislation and the present group guidelines. Products are only exported by Messer when it is in accordance with the applicable laws and provisions.

As previously stated, national laws as well as directives of the European Union are binding for Messer. For example, the Federal Office of Economics and Export Control (BAFA) (<http://www.bafa.de/bafa/de/>).

General export restrictions apply for certain products in addition to embargoes and restrictive measures against certain countries, people or organisations. This relates, on the one hand, to military goods and, on the other hand, to goods that can be used for civil as well as military purposes (so-called dual-use goods).

The determining factor is whether the goods of a company are "listed". The national export list and dual-use regulation of the European Union must be checked (EG-Regulation 428/2009).

If there is any doubt or uncertainties whether a corresponding product is listed or whether its export is otherwise prohibited or restricted, the corresponding export operations should be abstained from.

23.2.4 Other business relations

Messer does not enter into business relations with people or organisations on a embargo list or which are located in a nation against which an embargo or another restrictive measure has been imposed without the explicit approval of the competent authorities and institutions.

23.2.5 Indirect export

The indirect export of goods, technologies or services is also only permitted according to the regulations described here.

Hence, indirect transport via third party companies is prohibited when direct transport is prohibited or requires approval.

23.2.6 Export from non-EU member states

The above-mentioned restrictions basically also apply for export from non-EU member states. In addition, national law as applicable from time to time applies in either case. The process must be coordinated with CO SCM in case of doubt.

23.2.7 Import

The relevant foreign trade stipulations must be adhered to when importing goods from third countries. Most embargoes and other restrictive measures against people, organisations or countries restrict the import from these countries. Hence, goods from the countries concerned can only be imported when the import is permitted or was approved unequivocally. The process must be coordinated with CO SCM in case of doubt.