

# Corporate Responsibility in 2010.

BOC UK and Ireland.

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# Introduction.

Welcome to the first Corporate Responsibility report for BOC in the UK and Ireland. We pride ourselves that BOC as a business serves virtually every market sector, from steelmaking and power production, through healthcare services and food preparation to fizzy drinks and party balloons. We are involved in every aspect of life in the UK and Ireland today.

Yet our engagement is much wider and deeper than purely an economic one. As an organisation we have traditionally been closely involved with the communities in which we are based and those which we serve. Whether through our environmental stewardship procedures or our education programmes, we aim to protect the environment and promote social engagement.

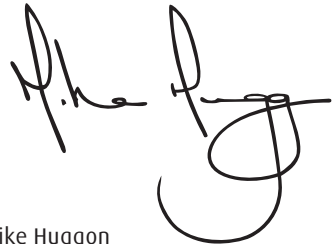
This engagement is, in fact, an integral part of our culture and, as this report shows, it is not just at a corporate level that we aim to contribute. Many of our staff are personally involved in their communities – raising funds for good causes, acting as school governors, giving their time and money to improve the wellbeing of their neighbours.

Like this first Corporate Responsibility report, this engagement is still a work in progress. New opportunities and new challenges appear over time. As an organisation made up of many individuals, our involvement

too adapts to those changing currents. Yet the strength of our commitment does not diminish, either at a corporate or individual level.

Our Corporate Responsibility activities reflect our values and vision. They are an integral part of BOC – they help define who we are. As an organisation at the heart of UK society in so many ways, these activities bind us even more closely to the communities in which we live and work.

This report explains how our Corporate Responsibility strategy grows out of our drive to be of service – through our products and services as well as through our personal and corporate engagement with others.



**Mike Huggon**  
Managing Director  
BOC UK and Ireland

# BOC – part of The Linde Group.

BOC in the UK and Ireland is part of The Linde Group. BOC is an industrial, healthcare and special gases provider supplying compressed and bulk gases, chemicals and equipment. For more than a century the company's gases and expertise have contributed to advances in many areas of everyday life in a host of different industrial sectors.

The Linde Group is a world-leading gases and engineering company with around 48,300 employees working in more than 100 countries worldwide. In the 2010 financial year, it achieved sales of €12.868 billion. The strategy of The Linde Group is geared towards long-term profitable growth and focuses on the expansion of its international business with forward-looking products and services. Linde acts responsibly towards its shareholders, business partners, employees, society and the environment, in all of its business areas, regions and locations across the globe. Linde is committed to technologies and products that unite the goals of customer value and sustainable development.

This report focuses on Corporate Responsibility activities within the UK and Ireland during the course of 2010.

# BOC in the UK and Ireland.

BOC has been supplying gases and related equipment to industry and commerce for more than 120 years. Today it makes around 6,500 daily deliveries to UK customers in industry, healthcare, entertainment and food processing to name just a few. Gases are supplied by pipeline to larger users, in liquefied form for medium-sized users and compressed in cylinders for smaller users.

BOC has over 3,400 employees in the UK and Ireland and a fleet of over 500 delivery vehicles.

There are seven major sites operating Air Separation Units (ASUs) in the UK and Ireland, producing the oxygen, nitrogen and argon which are the company's main products. A wide range of other gases and gas mixtures are also offered, many from our dedicated Special Gases site at Immingham.

In addition to 18 cylinder-filling sites for our industrial, special and healthcare products, BOC has a network of over 70 retail stores which are open to the public.

PRODUCTS	Atmospheric Gases Oxygen Nitrogen Argon	Carbon Dioxide	Helium	Hydrogen	Special Gases	Fuel Gases
MARKETS	Steel/Metals Chemicals Health Care MOD Electronics Food Water treatment Glass	Food Carbonation Water treatment Fumigation Oil Recovery	MRI Balloons SCUBA Breathing mixes Labs	Electronics Chemicals Refineries Heat Treating Glass	Lighting Electronics Lasers Labs MOD	Fabrication Construction Household/ Leisure

# Vision and values.

The Linde Group's vision is to be the world's leading global gases and engineering group – admired for our people who create innovative solutions that make a difference to the world. This vision defines who we are in BOC and what we do. It inspires our corporate values of:

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

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

Corporate Responsibility encapsulates our approach to the wider community, including our staff and customers, but reaching beyond these core constituencies as well.

Our Corporate Responsibility agenda is divided into a number of strategic areas:

- Employees
- SHEQ (Safety, Health, Environment, Quality)
- Corporate Citizenship
- Ethics and Compliance.

As part of The Linde Group, we are committed to continually improving, benchmarking and documenting our performance across all the areas on our corporate responsibility agenda. The Group as a whole has a further element to its CR agenda:

- Capital Markets, which focuses on Socially Responsible Investment (SRI)

# Employees.



Executive Board Member Dr Aldo Belloni with recipients of 40 year service awards

Many organisations pay lip service to the idea that their staff are their greatest assets – but at BOC we believe in putting that idea into practice. And it works: many of our people have been with us 20, 40 and even 50 years.

The key to retaining our best people is to make them feel valued, to give them opportunities to make a contribution as well as improve their own levels of skill and experience. This all goes to make up what we call our policy of ‘People Excellence’.

Training is involved in almost any role within BOC. Our products and services are technically demanding and require specific knowledge about: the business, the products, our customers and our values.

But we do not just employ people to do a job and nothing more. We seek to provide an environment where individuals can grow and develop. Being an organisation that operates across the UK and Ireland, with a multiplicity of roles and activities, and that is part of a worldwide group of companies, means that individuals may have a number of different roles at various times in their careers with us – yet all within BOC and The Linde Group.

We also regularly recruit engineers as they complete their studies at university. We have a special programme which enables them to take part in a broad range of activities within the company and at the same time prepare for Chartership with the Institutions of Mechanical or Chemical Engineers (IMechE and IChemE).

Training and development opportunities are available to individuals who wish to pursue their own programmes of study or training. We also run a mentoring scheme for staff.

A number of other programmes operate, including ‘Benefits of Choice’ which gives employees access to special deals and discounts, subsidised social clubs, and cycle to work schemes.

We run a scheme entitled ‘Flexible Futures’. This gives staff the ability to take a certain amount of time off as unpaid leave during the year, over and above normal holiday allowance, in order to follow their own activities.

Staff in the UK can also take advantage of childcare vouchers.

# Safety, Health, Environment and Quality (SHEQ).

At the heart of our approach to these inter-related subjects is our fundamental pledge that: in The Linde Group we do not want to cause harm to people or the environment.

## Safety

If our people are our most important assets, then their safety is our number one priority, along with that of our customers and the communities where we work.

All our sites have comprehensive safety protocols and anyone coming onto the premises – staff, contractors and visitors – is expected to adhere rigorously to them. This includes wearing appropriate Personal Protective Equipment (PPE).

Our drivers undergo regular training to ensure that they will not present a hazard to themselves or anyone else on the roads. This includes not only our fleet drivers but also anyone who drives a vehicle – the company's or their own – on business.

Each site also has its own SHEQ committee which continually reviews procedures and enhances them regularly to take account of changing circumstances. Representatives of our delivery drivers also review the safety of our delivery points with a view to making them even safer for both our staff and the customers.

The safe handling of gases – whether compressed gases in cylinders or cryogenic liquids in tanks – requires special techniques. All our staff are given appropriate training and we provide training and information to all our customers. We run additional safety courses for customers on specific subjects, for example our Sureserve division, which supplies the licensed victuallers trade, runs courses on 'Safe Cellars' and can provide carbon dioxide and oxygen monitors for licensees to check on the gas content of the cellar environment.

Our product stewardship programme includes ensuring that all our products comply with developing legislation, such as the European Union's REACH (Registration, Evaluation and Authorisation of Chemicals) regulations. We are also continually updating our product safety datasheets and reviewing training for safe handling and use of our gases.

We are working, as part of The Linde Group, to ensure that all product classification is compliant with the requirements set out in the Globally Harmonised System for Classification and Labelling of Chemicals (GHS) within the European Union.

Part of the responsibility of the SHEQ function is to develop Emergency Plans for each site within the business. These are regularly reviewed and updated.

## Health

If safety is our first priority, then close behind that comes the health of our staff. Our Occupational Health department deals with the relationship between work and employee health. The staff in this department are registered nurses and doctors with specialist qualifications in Occupational Health. They focus on both the effects of work on health and of health on work. This is to enable staff to work safely and reduce the risk of ill health to themselves and others.

BOC runs regular employee health screening days at different sites. Individual sites can choose to develop their own schemes as well. For example, Scunthorpe commissioned a new Air Separation Unit in 2010 as part of a new 15 year contract with a major customer. This provided a platform to launch a health and wellbeing campaign entitled Fit for Fifteen, a scheme which encouraged staff to 'get in shape' ready for the start of the new contract.

BOC also runs a private healthcare scheme which is open to staff.

## Environment

The pledge to 'do no harm' to the environment is a fundamental part of BOC's approach to business.

As a major consumer of energy and water in its air separation processes, a key priority for BOC – as everywhere in The Linde Group – is to permanently reduce the water and energy consumed in these processes and to cut resulting air and water emissions as well as waste volumes.

We are centralising the control and monitoring of our ASUs to ensure that we optimise operations and reduce waste. As we replace older ASUs in our portfolio, we switch to much more energy-efficient units like Scunthorpe (completed in 2010) and the one planned for Motherwell. In addition, we look to make other environmental improvements wherever possible. At Scunthorpe, for example, we have found a way of channelling our waste water to a nearby facility for them to use in their own manufacturing process. In this way, the overall amount of fresh water needed is drastically reduced.

Many of our larger sites, such as the Air Separation Units and our cylinder-filling operations, are covered by specific permits issued by the Environment Agency or other statutory bodies. We aim to be 100% compliant at all times.



In 2010, BOC launched Hymera, a 150W hydrogen-powered fuel cell aimed at providing off-grid power for energy efficient applications like low energy lighting



The new Air Separation Unit at Scunthorpe has been built with energy efficiency in mind

With our expertise in handling gases we are at the forefront in developing hydrogen applications for vehicle fuelling and for portable power supply. We aim to be at the leading edge of technologies for a low carbon economy.

As the leading supplier of refrigerants in the UK and Ireland, BOC has been helping the Heating, Ventilating & Air Conditioning (HVAC) industry move away from ozone-depleting chemicals to more environmentally friendly 'natural' alternatives. BOC's efforts to encourage the industry to adopt new technologies through a dedicated education campaign won an industry award in 2010.

Our efforts to reduce the waste streams generated in the business have been strengthened through an initiative with environmental management company Veolia. This is providing the data from which we are benchmarking current performance and targeting reductions.

BOC has challenging targets for reducing energy consumption, carbon emissions and waste. We have a robust system of environmental monitoring in place, in line with the requirements of ISO 14001.

## Quality

### Customer satisfaction

BOC strives to provide the best possible experience for all our customers. We take customer feedback very seriously and regularly carry out telephone surveys in order to ensure we fully understand customer needs. BOC also monitors internal performance against its service promise through a series of Key Performance Indicators (KPIs) which reflect vital interaction points along the customer journey. Monitoring internal performance against external perception allows us to constantly improve our processes and so ensure that the experience is as effortless as possible and that our customers feel valued every step of the way.

### Externally audited standards

The international ISO 9001 (Quality Systems) standard allows BOC to demonstrate that it consistently provides products that meet the requirements of customers as well as satisfying the applicable statutory

and regulatory requirements. The corporate certificate details the full scope of approval for the business. Individual certificates are issued for certain parts of the business.

### Internal auditing

Internal management system audits, including focussed audits of particular elements, are conducted to a pre-determined schedule and are completed by trained, competent and approved auditors.

### Supplier audits

Supplier audits ensure that materials and equipment are purchased from suppliers of known capability and that major suppliers are assessed for their quality and continued performance. The supplier audit programme is reviewed at six-monthly intervals.

#### BOC is accredited to a number of international quality standards:

- ISO 9001 Quality Systems
- ISO 14001 Environmental Management Systems
- ISO 14001 17020 (Cylinder Test Shop)
- ISO 17025 (Calibration Laboratories)
- ISO Guide 34 (Reference Material Producers)

Audit Certificates are available for all to view.

# Corporate Citizenship.



The winners of the BOC Year 9 Science Challenge from Sale Grammar, pictured outside BOC's Customer Service Centre in Worsley, Manchester



BOC Scottish Apprentice Welder 2010 Jordan Swan with (left) Tony Clough of the Scottish Welding and Joining Society and (right) Nathan Palmer, BOC Head of Sales

## Education

A major feature of BOC's Corporate Citizenship activity is its longstanding commitment to education, especially to encouraging science and engineering within schools and colleges.

### Science ambassadors

A number of BOC staff take part in the Government's Science and Engineering Ambassadors Scheme. Through visits to schools and colleges, or as part of BOC's schools competition, they promote science and engineering careers to school students.

### Schools competitions

BOC currently holds competitions for schools at its two largest sites, Guildford and Manchester. Competitions have been organised for Year 9 students (13-14 year olds) and Year 12 (16-17 year olds).

The structure of the English education system means that Year 9 students will soon choose whether to specialise in a science-based curriculum or an arts-based one. The Year 9 Science Challenge aims to give them a taste of how interesting and exciting science can be – and so encourage them to opt for science as they embark on a two-year course to the GCSE national public examinations. Year 12 students are in the middle of their A-level courses and the Year 12 Science and Engineering Challenge is to give them a better idea of the commercial world as they not only have to investigate the theory of the topic but also develop a business plan to market the results of their research.

Each team has at least one BOC mentor, a volunteer member of staff who provides a link between the school and the business. The mentor will also visit each school during the course of the competition and, in the case of the Year 12 schools, the mentor will deliver a briefing on how to construct a business plan.

### Gas demonstrations

BOC has developed a programme of demonstrations of the properties of gases for schools and colleges entitled "It's a Gas". This includes experiments with helium, CO<sub>2</sub>, liquid nitrogen, hydrogen and oxygen.

We continually receive requests from schools for suitably qualified staff to give these demonstrations. Two years ago we ran these at the National Festival of Science held at Surrey University.

### Inspiring Gases

In 2004, BOC launched a major education programme called Inspiring Gases in collaboration with the Royal Society of Chemistry. This included posters, CDs and a website. The demand for these materials continues unabated.

### The Apprentice Welder competition

The Apprentice Welder scheme was set up two years ago to enhance the standard of welding amongst apprentices and trainees in Further Education colleges across the UK.

At the initial level, colleges run competitions internally to select their best students. These then proceed to a regional competition followed by final assessments and prizegivings in Scotland, Wales and England. In the last two years, the Scottish Government and the Welsh Assembly have supported this competition with extra funding.

### Other education activities

There are numerous other activities that BOC supports, notably the Schools Environmental Awards we sponsor in conjunction with NEPIC (the North East Process Industry Cluster, an organisation of more than 50 industrial companies on Teesside in the north of England).

Many staff are involved individually as school governors.

### Environmental volunteering

A team from the Guildford headquarters took part in an environmental volunteering day, spending a day working with a local wildlife trust improving a wetland habitat. Plans are underway to replicate this in other parts of the country.

### Matched giving

Members of staff generously support a huge number of charitable ventures across the UK and Ireland as well as far beyond. BOC recognises the value of that support by offering to match financial contributions made to charity. In the year to December, the company contributed over £114,000 through the Charities Aid Foundation in 2010.

### Other activities

On an individual basis, our staff are involved in a host of activities around the country. Many take part in sponsored events for charities or coach youth sports groups.



Transport Services Manager Nikki Halligan abseils down from the tower at Guildford Cathedral, raising funds for Cancer Research and St John Ambulance

## Ethics and compliance.

BOC, as a member of The Linde Group, is committed to integrity in all its business dealings. This is non-negotiable. The Linde Code of Ethics anchors ethical conduct across the organisation, setting out guidelines to ensure we act in accordance with legal and internal Group regulations. The Code is supplemented by ethical/legal procurement guidelines.

The Code is reinforced at local level by training for staff in relevant ethical issues and procedures.

Integrity is one of our four guiding principles. It is the fabric of our moral and ethical codex, ensuring that we always act with honesty and fairness. The Linde Integrity Line is a means by which both internal and external stakeholders can raise issues and is available around the clock.

The Linde Code of Ethics is available in a number of different languages. We also have a central compliance office and regional compliance managers.

## Socially Responsible Investment.

Linde strives for inclusion within indices and funds that exclusively list companies managed in accordance with the principles of sustainable growth.

# BOC and Linde – Fast Facts.

The Linde Group	2010
Sales	€12.868 bn
Employees	48,430
CO <sub>2</sub> emissions (Mt)	
→ Direct	5.4
→ Indirect	9.5
Water consumption* (million m <sup>3</sup> )	43.0

BOC UK & Ireland	2010
Employees	3,400
CO <sub>2</sub> emissions (Mt)	
→ Direct	0.3
→ Indirect	0.9
Water consumption* (million m <sup>3</sup> )	3.6

\* The water consumption relates to drinking water and industrial water used and does not include once-through water for cooling systems. Once-through water is returned to the original source without contamination



**BOC**

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