UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2020

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-38730

LINDE PLC

(Exact name of registrant as specified in its charter)

Ireland	**98-1448883**
(State or other jurisdiction of incorporation)	(I.R.S. Employer Identification No.)

The Priestley Centre
10 Priestley Road,
Surrey Research Park,
Guildford, Surrey GU2 7XY
United Kingdom
(Address of principal executive offices) (Zip Code)

+44 14 83 242200
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Ordinary shares (€0.001 nominal value per share)	LIN	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of RegulationS-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At September 30, 2020, 524,856,691 ordinary shares (€0.001 par value) of the Registrant were outstanding.

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Forward-looking Statements

This document contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by terms and phrases such as: anticipate, believe, intend, estimate, expect, continue, should, could, may, plan, project, predict, will, potential, forecast, and similar expressions. They are based on management's reasonable expectations and assumptions as of the date the statements are made but involve risks and uncertainties. These risks and uncertainties include, without limitation: the performance of stock markets generally; developments in worldwide and national economies and other international events and circumstances, including trade conflicts and tariffs; changes in foreign currencies and in interest rates; the cost and availability of electric power, natural gas and other raw materials; the ability to achieve price increases to offset cost increases; catastrophic events including natural disasters, epidemics, pandemics such as COVID-19, and acts of war and terrorism; the ability to attract, hire, and retain qualified personnel; the impact of changes in financial accounting standards; the impact of changes in pension plan liabilities; the impact of tax, environmental, healthcare and other legislation and government regulation in jurisdictions in which the company operates; the cost and outcomes of investigations, litigation and regulatory proceedings; the impact of potential unusual or non-recurring items; continued timely development and market acceptance of new products and applications; the impact of competitive products and pricing; future financial and operating performance of major customers and industries served; the impact of information technology system failures, network disruptions and breaches in data security; and the effectiveness and speed of integrating new acquisitions into the business. These risks and uncertainties may cause actual future results or circumstances to differ materially from accounting principles generally accepted in the United States of America, International Financial Reporting Standards or adjusted projections, estimates or other forward-looking statements.

Linde plc assumes no obligation to update or provide revisions to any forward-looking statement in response to changing circumstances. The above listed risks and uncertainties are further described in Item 1A. Risk Factors in Linde plc's Form 10-K for the fiscal year ended December 31, 2019 filed with the SEC on March 2, 2020 and in Item 1A. of Linde plc's Form 10-Q for the period ending March 31, 2020 filed with the SEC on May 7, 2020, which should be reviewed carefully. Please consider Linde plc's forward-looking statements in light of those risks.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Millions of dollars, except per share data)
(UNAUDITED)

	Quarter Ended September 30,	
	2020	2019
Sales	$ 6,855	$ 7,000
Cost of sales, exclusive of depreciation and amortization	3,835	4,061
Selling, general and administrative	770	850
Depreciation and amortization	1,168	1,095
Research and development	36	44
Cost reduction programs and other charges	48	125
Net gain on sale of businesses	—	164
Other income (expense) - net	(29)	11
Operating Profit	969	1,000
Interest expense - net	38	(3)
Net pension and OPEB cost (benefit), excluding service cost	(41)	2
Income From Continuing Operations Before Income Taxes and Equity Investments	972	1,001
Income taxes on continuing operations	265	298
Income From Continuing Operations Before Equity Investments	707	703
Income from equity investments	23	28
Income From Continuing Operations (Including Noncontrolling Interests)	730	731
Income from discontinued operations, net of tax	1	7
Net Income (Including Noncontrolling Interests)	731	738
Less: noncontrolling interests from continuing operations	(31)	(3)
Less: noncontrolling interest from discontinued operations	—	—
Net Income – Linde plc	$ 700	$ 735
Net Income – Linde plc		
Income from continuing operations	$ 699	$ 728
Income from discontinued operations	$ 1	$ 7
Per Share Data – Linde plc Shareholders		
Basic earnings per share from continuing operations	$ 1.33	$ 1.35
Basic earnings per share from discontinued operations	—	0.01
Basic earnings per share	$ 1.33	$ 1.36
Diluted earnings per share from continuing operations	$ 1.32	$ 1.34
Diluted earnings per share from discontinued operations	—	0.01
Diluted earnings per share	$ 1.32	$ 1.35
Weighted Average Shares Outstanding (000’s):		
Basic shares outstanding	525,694	539,753
Diluted shares outstanding	530,415	543,616

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Millions of dollars, except per share data)
(UNAUDITED)

	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Sales	$ 19,971	$ 21,148
Cost of sales, exclusive of depreciation and amortization	11,297	12,457
Selling, general and administrative	2,391	2,613
Depreciation and amortization	3,434	3,513
Research and development	114	135
Cost reduction programs and other charges	428	355
Net gain on sale of businesses	—	164
Other income (expense) - net	(14)	39
Operating Profit	2,293	2,278
Interest expense - net	80	30
Net pension and OPEB cost (benefit), excluding service cost	(131)	(7)
Income From Continuing Operations Before Income Taxes and Equity Investments	2,344	2,255
Income taxes on continuing operations	594	607
Income From Continuing Operations Before Equity Investments	1,750	1,648
Income from equity investments	69	90
Income From Continuing Operations (Including Noncontrolling Interests)	1,819	1,738
Income from discontinued operations, net of tax	3	105
Net Income (Including Noncontrolling Interests)	1,822	1,843
Less: noncontrolling interests from continuing operations	(91)	(62)
Less: noncontrolling interest from discontinued operations	—	(7)
Net Income – Linde plc	$ 1,731	$ 1,774
Net Income – Linde plc		
Income from continuing operations	$ 1,728	$ 1,676
Income from discontinued operations	$ 3	$ 98
Per Share Data – Linde plc Shareholders		
Basic earnings per share from continuing operations	$ 3.28	$ 3.09
Basic earnings per share from discontinued operations	0.01	0.18
Basic earnings per share	$ 3.29	$ 3.27
Diluted earnings per share from continuing operations	$ 3.25	$ 3.07
Diluted earnings per share from discontinued operations	0.01	0.18
Diluted earnings per share	$ 3.26	$ 3.25
Weighted Average Shares Outstanding (000's):		
Basic shares outstanding	527,501	542,589
Diluted shares outstanding	531,724	546,507

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Millions of dollars)
(UNAUDITED)

	Quarter Ended September 30,	
	2020	2019
NET INCOME (INCLUDING NONCONTROLLING INTERESTS)	$ 731	$ 738
OTHER COMPREHENSIVE INCOME (LOSS)		
Translation adjustments:		
Foreign currency translation adjustments	696	(1,183)
Reclassification to net income	—	—
Income taxes	7	(6)
Translation adjustments	703	(1,189)
Funded status - retirement obligations (Note 8):		
Retirement program remeasurements	(49)	(158)
Reclassifications to net income	28	55
Income taxes	(2)	23
Funded status - retirement obligations	(23)	(80)
Derivative instruments (Note 5):		
Current unrealized gain (loss)	16	(4)
Reclassifications to net income	(5)	—
Income taxes	(3)	—
Derivative instruments	8	(4)
Securities:		
Current unrealized gain (loss)	—	—
Securities	—	—
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	688	(1,273)
COMPREHENSIVE INCOME (LOSS) (INCLUDING NONCONTROLLING INTERESTS)	1,419	(535)
Less: noncontrolling interests	(71)	47
COMPREHENSIVE INCOME (LOSS) - LINDE PLC	$ 1,348	$ (488)

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Millions of dollars)
(UNAUDITED)

	Nine Months Ended September 30,	
	2020	2019
NET INCOME (INCLUDING NONCONTROLLING INTERESTS)	$ 1,822	$ 1,843
OTHER COMPREHENSIVE INCOME (LOSS)		
Translation adjustments:		
Foreign currency translation adjustments	(1,299)	(1,230)
Reclassification to net income	—	12
Income taxes	31	(1)
Translation adjustments	(1,268)	(1,219)
Funded status - retirement obligations (Note 8):		
Retirement program remeasurements	2	(192)
Reclassifications to net income	71	142
Income taxes	(26)	6
Funded status - retirement obligations	47	(44)
Derivative instruments (Note 5):		
Current period unrealized gain (loss)	(29)	(24)
Reclassifications to net income	45	—
Income taxes	(2)	4
Derivative instruments	14	(20)
Securities:		
Current year unrealized gain (loss)	—	1
Securities	—	1
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	(1,207)	(1,282)
COMPREHENSIVE INCOME (LOSS) (INCLUDING NONCONTROLLING INTERESTS)	615	561
Less: noncontrolling interests	(43)	69
COMPREHENSIVE INCOME (LOSS) - LINDE PLC	$ 572	$ 630

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Millions of dollars)
(UNAUDITED)

	September 30, 2020	December 31, 2019
Assets		
Cash and cash equivalents	$ 5,199	$ 2,700
Accounts receivable - net	4,033	4,322
Contract assets	170	368
Inventories	1,733	1,697
Assets held for sale	3	125
Prepaid and other current assets	1,127	1,140
Total Current Assets	12,265	10,352
Property, plant and equipment - net	27,945	29,064
Goodwill	27,239	27,019
Other intangible assets - net	15,731	16,137
Other long-term assets	4,029	4,040
Total Assets	$ 87,209	$ 86,612
Liabilities and equity		
Accounts payable	$ 2,903	$ 3,266
Short-term debt	4,024	1,732
Current portion of long-term debt	1,820	1,531
Contract liabilities	1,714	1,758
Liabilities of assets held for sale	1	2
Other current liabilities	4,330	3,871
Total Current Liabilities	14,792	12,160
Long-term debt	11,959	10,693
Other long-term liabilities	11,866	12,124
Total Liabilities	38,617	34,977
Redeemable noncontrolling interests	13	113
Linde plc Shareholders' Equity:		
Ordinary shares,€0.001 par value, authorized 1,750,000,000 shares, 2020 issued: 552,012,862 ordinary shares; 2019 issued: 552,012,862 ordinary shares	1	1
Additional paid-in capital	40,203	40,201
Retained earnings	16,927	16,842
Accumulated other comprehensive income (loss) (Note 11)	(5,973)	(4,814)
Less: Treasury stock, at cost (2020 – 27,156,171 shares and 2019 – 17,632,318 shares)	(4,983)	(3,156)
Total Linde plc Shareholders' Equity	46,175	49,074
Noncontrolling interests	2,404	2,448
Total Equity	48,579	51,522
Total Liabilities and Equity	$ 87,209	$ 86,612

The accompanying notes are an integral part of these financial statements.

LINDE PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Millions of dollars)
(UNAUDITED)

	Nine Months Ended September 30,	
	2020	2019
Increase (Decrease) in Cash and Cash Equivalents		
Operations		
Net income - Linde plc	$ 1,731	$ 1,774
Less: Income from discontinued operations, net of tax and noncontrolling interests	(3)	(98)
Add: Noncontrolling interests from continuing operations	91	62
Income from continuing operations (including noncontrolling interests)	1,819	1,738
Adjustments to reconcile net income to net cash provided by operating activities:		
Cost reduction programs and other charges, net of payments	240	(356)
Amortization of merger-related inventory step-up	—	12
Depreciation and amortization	3,434	3,513
Deferred income taxes	(299)	(125)
Share-based compensation	104	64
Working capital:		
Accounts receivable	(76)	(30)
Inventory	(101)	(61)
Prepaid and other current assets	1	(65)
Payables and accruals	(12)	(411)
Contract assets and liabilities, net	89	(35)
Pension contributions	(76)	(69)
Long-term assets, liabilities and other	(128)	(230)
Net cash provided by operating activities	4,995	3,945
Investing		
Capital expenditures	(2,373)	(2,667)
Acquisitions, net of cash acquired	(41)	(161)
Divestitures and asset sales, net of cash divested	435	4,960
Net cash provided by (used for) investing activities	(1,979)	2,132
Financing		
Short-term debt borrowings (repayments) - net	2,154	(231)
Long-term debt borrowings	2,763	55
Long-term debt repayments	(1,582)	(1,568)
Issuances of ordinary shares	41	60
Purchases of ordinary shares	(2,030)	(1,934)
Cash dividends - Linde plc shareholders	(1,523)	(1,422)
Noncontrolling interest transactions and other	(201)	(3,257)
Net cash provided by (used for) financing activities	(378)	(8,297)
Discontinued Operations		
Cash provided by operating activities	—	67
Cash used for investing activities	—	(59)
Cash provided by financing activities	—	5
Net cash provided by discontinued operations	—	13
Effect of exchange rate changes on cash and cash equivalents	(139)	(126)
Change in cash and cash equivalents	2,499	(2,333)
Cash and cash equivalents, beginning-of-period	2,700	4,466
Cash and cash equivalents, including discontinued operations	5,199	2,133
Cash and cash equivalents of discontinued operations	—	(13)
Cash and cash equivalents, end-of-period	$ 5,199	$ 2,120

The accompanying notes are an integral part of these financial statements.

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Notes to Condensed Consolidated Financial Statements - Linde plc and Subsidiaries (Unaudited)

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1. Summary of Significant Accounting Policies

Presentation of Condensed Consolidated Financial Statements - In the opinion of Linde management, the accompanying condensed consolidated financial statements include all adjustments necessary for a fair presentation of the results for the interim periods presented and such adjustments are of a normal recurring nature. The accompanying condensed consolidated financial statements should be read in conjunction with the notes to the consolidated financial statements of Linde plc and subsidiaries in Linde's 2019 Annual Report on Form 10-K. There have been no material changes to the company's significant accounting policies during 2020.

Accounting Standards Implemented in 2020

- **Credit Losses on Financial Instruments** –In June 2016, the FASB issued updated guidance on the measurement of credit losses. The guidance introduces a new accounting model for expected credit losses on financial instruments, including trade receivables, based on estimates of current expected credit losses. This guidance is effective for the company beginning in the first quarter 2020 and requires companies to apply the change in accounting on a modified retrospective basis. The adoption of the guidance had an immaterial impact on the consolidated financial statements.
- **Simplifying the Test for Goodwill Impairment** – In January 2017, the FASB issued updated guidance on the measurement of goodwill. The new guidance eliminates the requirement to calculate the implied fair value of goodwill to measure a goodwill impairment charge. The guidance is effective for the company beginning in the first quarter 2020. The adoption of the guidance had no impact on the consolidated financial statements.
- **Fair Value Measurement Disclosures** - In August 2018, the FASB issued guidance that modifies the disclosure requirements for fair value measurements. The guidance is effective in fiscal year 2020, with early adoption permitted. Certain amendments must be applied prospectively while other amendments must be applied retrospectively. The adoption of the guidance had an immaterial impact on the consolidated financial statements.

Accounting Standards to be Implemented

- **Retirement Benefit Disclosures** - In August 2018, the FASB issued guidance that modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement benefit plans. For Linde, the guidance is effective for the year ending December 31, 2020 and must be applied on a retrospective basis. The company is evaluating the impact this guidance will have on the disclosures in the notes to the consolidated financial statements.

Reclassifications – Certain prior periods' amounts have been reclassified to conform to the current year's presentation.

Other Developments

While the events surrounding the COVID-19 pandemic continued to evolve during the first nine months of 2020, Linde's primary focus was, and continues to be, the health and safety of its employees and the needs of its customers. The spread of COVID-19 has caused the company to modify its business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings and events), and the company may take further actions if required by government authorities or that it determines are in the best interests of the company's employees, customers, suppliers and other stakeholders. The ultimate magnitude of COVID-19, including the extent of its impact on the company's operational results, will be determined by the length of time that such circumstances continue, measures taken to prevent its spread, and the demand for the company's products and services, as well as the effect of governmental and public actions taken in response.

2. Cost Reduction Programs and Other Charges

2020 Charges

Cost reduction programs and other charges were $48 million and $428 million for the quarter and nine months ended September 30, 2020, respectively ($36 million and $318 million, after tax). The following table summarizes the activities related to the company's cost reduction charges for the quarter and nine months ended September 30, 2020:

	Quarter Ended September 30, 2020				
(millions of dollars)	Severance costs	Other cost reduction charges	**Total cost reduction program related charges**	Merger-related and other charges	Total
Americas	$ 2	$ —	$ 2	$ 6	$ 8
EMEA	17	4	21	5	26
APAC	2	—	2	—	2
Engineering	1	(1)	—	—	—
Other	9	5	14	(2)	12
Total	$ 31	$ 8	$ 39	$ 9	$ 48

	Nine Months Ended September 30, 2020				
(millions of dollars)	Severance costs	Other cost reduction charges	**Total cost reduction program related charges**	Merger-related and other charges	Total
Americas	$ 33	$ 23	$ 56	$ 12	$ 68
EMEA	155	8	163	5	168
APAC	5	2	7	3	10
Engineering	22	6	28	8	36
Other	66	10	76	70	146
Total	$ 281	$ 49	$ 330	$ 98	$ 428

Cost Reduction Programs

Total cost reduction program related charges were $39 million and $330 million for the quarter and nine months ended September 30, 2020, respectively ($29 million and $236 million, after tax).

Severance costs

Severance costs were $31 million and $281 million for the quarter and nine months ended September 30, 2020, respectively. As of September 30, 2020 these actions were substantially complete, with the remainder anticipated to be completed during 2021.

Other cost reduction charges

Other cost reduction charges of $8 million and $49 million for the quarter and nine months ended September 30, 2020, respectively, are primarily charges related to the execution of the company's synergistic actions including location consolidations and business rationalization projects, software and process harmonization, and associated non-recurring costs.

Merger-related Costs and Other Charges

Linde incurred merger-related costs and other charges which totaled $9 million and $98 million ($7 million and $82 million, after tax) for the quarter and nine months ended September 30, 2020, respectively.

Cash Requirements

The total cash requirements of the cost reduction program and other charges during the nine months ended September 30, 2020 are estimated to be approximately $338 million and are expected to be paid through 2022. Total cost reduction programs and other charges, net of payments in the condensed consolidated statements of cash flows for the nine months ended September 30, 2020 also reflects the impact of cash payments of liabilities, including merger-related tax liabilities, accrued as of December 31, 2019.

The following table summarizes the activities related to the company's cost reduction related charges for the nine months ended September 30, 2020:

(millions of dollars)	Severance costs	Other cost reduction charges	**Total cost reduction program related charges**	Merger-related and other charges	Total
Balance, December 31, 2019	$ 117	$ 16	$ 133	$ 67	$ 200
2020 Cost Reduction Programs and Other Charges	281	49	330	98	428
Less: Cash payments	(103)	(13)	(116)	(45)	(161)
Less: Non-cash charges	—	(32)	(32)	(71)	(103)
Foreign currency translation and other	8	1	9	4	13
Balance, September 30, 2020	$ 303	$ 21	$ 324	$ 53	$ 377

2019 Charges

Cost reduction programs and other charges were $125 million and $355 million for the quarter and nine months ended September 30, 2019, respectively ($90 million and $284 million, after tax), including merger-related and other charges of $92 million and $213 million for the quarter and nine months ended September 30, 2019, respectively ($64 million and $169 million, after tax and noncontrolling interest) and synergy-related charges, primarily severance, of $33 million and $142 million for the quarter and nine months ended September 30, 2019, respectively ($26 million and $115 million, after tax). Merger-related and other charges for the third quarter and nine month period include other charges for an asset impairment related to a joint venture in APAC of approximately $73 million ($42 million, after tax and noncontrolling interests) resulting from an unfavorable arbitration ruling.

Classification in the condensed consolidated financial statements

The costs are shown within operating profit in a separate line item on the consolidated statements of income. On the condensed consolidated statement of cash flows, the impact of these costs, net of cash payments, is shown as an adjustment to reconcile net income to net cash provided by operating activities. In Note 10 - Segments, Linde excluded these costs from its management definition of segment operating profit; a reconciliation of segment operating profit to consolidated operating profit is shown within the segment operating profit table.

3. Supplemental Information

Receivables

For trade receivables an expected credit loss approach was adopted as of January 1, 2020. Linde applies loss rates that are lifetime expected credit losses at initial recognition of the receivables. These expected loss rates are based on an analysis of the actual historical default rates for each business, taking regional circumstances into account. If necessary, these historical default rates are adjusted to reflect the impact of current changes in the macroeconomic environment using forward-looking information. The loss rates are also evaluated based on the expectations of the responsible management team regarding the collectability of the receivables. Gross trade receivables aged less than one year were $4,044 million and $4,390 million at September 30, 2020 and December 31, 2019 respectively and gross receivables aged greater than one year were $337 million and $249 million at September 30, 2020 and December 31, 2019 respectively. Receivables aged greater than one year are generally fully reserved unless specific circumstances warrant exceptions, such as those backed by federal governments.

Accounts receivable net of reserves were $4,033 million at September 30, 2020 and $4,322 million at December 31, 2019. Allowances for expected credit losses were $452 million at September 30, 2020 and $306 million at December 31, 2019. Provisions for expected credit losses were $136 million and $146 million for the nine months ended September 30, 2020 and 2019, respectively. The allowance activity in the nine months ended September 30, 2020 related to write-offs of uncollectible amounts, net of recoveries and currency movements is not material.

Inventories

The following is a summary of Linde's consolidated inventories:

(Millions of dollars)	September 30, 2020	December 31, 2019
Inventories		
Raw materials and supplies	$ 400	$ 396
Work in process	374	331
Finished goods	959	970
Total inventories	$ 1,733	$ 1,697

4. Debt

The following is a summary of Linde's outstanding debt at September 30, 2020 and December 31, 2019:

(Millions of dollars)	September 30, 2020	December 31, 2019
SHORT-TERM		
Commercial paper and U.S. bank borrowings	$ 3,230	$ 996
Other bank borrowings (primarily international)	794	736
Total short-term debt	4,024	1,732
LONG-TERM (a)		
(U.S. dollar denominated unless otherwise noted)		
2.25% Notes due 2020 (e)	—	300
1.75% Euro denominated notes due 2020 (e),(b)	—	1,137
0.634% Euro denominated notes due 2020	59	56
4.05% Notes due 2021	500	499
3.875% Euro denominated notes due 2021 (b)	723	711
3.00% Notes due 2021	499	499
0.250% Euro denominated notes due 2022 (b)	1,178	1,129
2.45% Notes due 2022	599	599
2.20% Notes due 2022	499	499
2.70% Notes due 2023	499	499
2.00% Euro denominated notes due 2023 (b)	802	776
5.875% GBP denominated notes due 2023 (b)	437	456
1.20% Euro denominated notes due 2024	643	615
1.875% Euro denominated notes due 2024 (b)	375	361
2.65% Notes due 2025	398	398
1.625% Euro denominated notes due 2025	582	556
3.20% Notes due 2026	725	725
3.434% Notes due 2026	196	196
1.652% Euro denominated notes due 2027	97	93
0.250% Euro denominated notes due 2027 (c)	877	—
1.00% Euro denominated notes due 2028 (b)	927	872
1.10% Notes due 2030 (d)	695	—
1.90% Euro denominated notes due 2030	122	118
0.550% Euro denominated notes due 2032 (c)	872	—
3.55% Notes due 2042	664	662
2.00% Notes due 2050 (d)	296	—
Other	10	10
International bank borrowings	355	309
Obligations under finance leases	150	149
	13,779	12,224
Less: current portion of long-term debt	(1,820)	(1,531)
Total long-term debt	11,959	10,693
Total debt	$ 17,803	$ 13,956

(a) Amounts are net of unamortized discounts, premiums and/or debt issuance costs as applicable.
(b) September 30, 2020 and December 31, 2019 included a cumulative $22 million and $38 million adjustment to carrying value, respectively, related to hedge accounting of interest rate swaps. Refer to Note 5 for additional information.
(c) In May 2020, Linde issued €750 million of 0.250% notes due 2027 and €750 million of 0.550% notes due 2032.
(d) In August 2020, Linde issued $700 million of 1.100% notes due 2030 and $300 million of 2.000% notes due 2050.
(e) In September 2020, the company repaid €1,000 million of 1.75% notes and $300 million of 2.25% notes that became due.

The company maintains a $5 billion unsecured revolving credit agreement with a syndicate of banking institutions that expires March 26, 2024. There are no financial maintenance covenants contained within the credit agreement. No borrowings were outstanding under the credit agreement as of September 30, 2020.

5. Financial Instruments

In its normal operations, Linde is exposed to market risks relating to fluctuations in interest rates, foreign currency exchange rates, energy and commodity costs. The objective of financial risk management at Linde is to minimize the negative impact of such fluctuations on the company's earnings and cash flows. To manage these risks, among other strategies, Linde routinely enters into various derivative financial instruments ("derivatives") including interest-rate swap and treasury rate lock agreements, currency-swap agreements, forward contracts, currency options, and commodity-swap agreements. These instruments are not entered into for trading purposes and Linde only uses commonly traded and non-leveraged instruments.

There are three types of derivatives that the company enters into: (i) those relating to fair-value exposures, (ii) those relating to cash-flow exposures, and (iii) those relating to foreign currency net investment exposures. Fair-value exposures relate to recognized assets or liabilities, and firm commitments; cash-flow exposures relate to the variability of future cash flows associated with recognized assets or liabilities, or forecasted transactions; and net investment exposures relate to the impact of foreign currency exchange rate changes on the carrying value of net assets denominated in foreign currencies.

When a derivative is executed and hedge accounting is appropriate, it is designated as either a fair-value hedge, cash-flow hedge, or a net investment hedge. Currently, Linde designates all interest-rate and treasury-rate locks as hedges for accounting purposes; however, cross-currency contracts are generally not designated as hedges for accounting purposes. Certain currency contracts related to forecasted transactions are designated as hedges for accounting purposes. Whether designated as hedges for accounting purposes or not, all derivatives are linked to an appropriate underlying exposure. On an ongoing basis, the company assesses the hedge effectiveness of all derivatives designated as hedges for accounting purposes to determine if they continue to be highly effective in offsetting changes in fair values or cash flows of the underlying hedged items. If it is determined that the hedge is not highly effective through the use of a qualitative assessment, then hedge accounting will be discontinued prospectively.

Counterparties to Linde's derivatives are major banking institutions with credit ratings of investment grade or better. The company has Credit Support Annexes ("CSAs") in place with their principal counterparties to minimize potential default risk and to mitigate counterparty risk. Under the CSAs, the fair values of derivatives for the purpose of interest rate and currency management are collateralized with cash on a regular basis. As of September 30, 2020, the impact of such collateral posting arrangements on the fair value of derivatives was insignificant. Management believes the risk of incurring losses on derivative contracts related to credit risk is remote and any losses would be immaterial.

The following table is a summary of the notional amount and fair value of derivatives outstanding at September 30, 2020 and December 31, 2019 for consolidated subsidiaries:

(Millions of dollars)	Notional Amounts		Fair Value			
			Assets (a)		Liabilities (a)	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Derivatives Not Designated as Hedging Instruments:						
Currency contracts:						
Balance sheet items	$ 6,714	$ 7,936	$ 30	$ 62	$ 97	$ 37
Forecasted transactions	952	748	6	14	12	15
Cross-currency swaps	427	1,029	45	35	6	40
Commodity contracts	N/A	N/A	1	—	—	—
Total	$ 8,093	$ 9,713	$ 82	$ 111	$ 115	$ 92
Derivatives Designated as Hedging Instruments:						
Currency contracts:						
Balance sheet items	$ —	$ 27	$ —	$ 2	$ —	$ 3
Forecasted transactions	479	464	6	9	14	3
Commodity contracts	N/A	N/A	1	6	2	1
Interest rate swaps	1,839	1,908	59	39	—	—
Total Hedges	$ 2,318	$ 2,399	$ 66	$ 56	$ 16	$ 7
Total Derivatives	$ 10,411	$ 12,112	$ 148	$ 167	$ 131	$ 99

(a) Current assets of $47 million are recorded in prepaid and other current assets; long-term assets of $101 million are recorded in other long-term assets; current liabilities of $119 million are recorded in other current liabilities; and long-term liabilities of $12 million are recorded in other long-term liabilities.

Balance Sheet Items

Foreign currency contracts related to balance sheet items consist of forward contracts entered into to manage the exposure to fluctuations in foreign-currency exchange rates on recorded balance sheet assets and liabilities denominated in currencies other than the functional currency of the related operating unit. Certain forward currency contracts are entered into to protect underlying monetary assets and liabilities denominated in foreign currencies from foreign exchange risk and are not designated as hedging instruments. For balance sheet items that are not designated as hedging instruments, the fair value adjustments on these contracts are offset by the fair value adjustments recorded on the underlying monetary assets and liabilities.

Forecasted Transactions

Foreign currency contracts related to forecasted transactions consist of forward contracts entered into to manage the exposure to fluctuations in foreign-currency exchange rates on (1) forecasted purchases of capital-related equipment and services, (2) forecasted sales, or (3) other forecasted cash flows denominated in currencies other than the functional currency of the related operating units. For forecasted transactions that are designated as cash flow hedges, fair value adjustments are recorded to accumulated other comprehensive income ("AOCI") with deferred amounts reclassified to earnings over the same time period as the income statement impact of the associated purchase. For forecasted transactions that do not qualify for cash flow hedging relationships, fair value adjustments are recorded directly to earnings.

Cross-Currency Swaps

Cross-currency interest rate swaps are entered into to limit the foreign currency risk of future principal and interest cash flows associated with intercompany loans, and to a more limited extent bonds, denominated in non-functional currencies. The fair value adjustments on the cross-currency swaps are recorded to earnings, where they are offset by fair value adjustments on the underlying intercompany loan or bond.

Commodity Contracts

Commodity contracts are entered into to manage the exposure to fluctuations in commodity prices, which arise in the normal course of business from its procurement transactions. To reduce the extent of this risk, Linde enters into a limited number of electricity, natural gas, and propane gas derivatives. The fair value adjustments for the majority of these contracts are recorded to AOCI and are eventually offset by the income statement impact of the underlying commodity purchase.

Net Investment Hedge

As of September 30, 2020, Linde has €2.4 billion ($2.9 billion) intercompany Euro-denominated credit facility loans and intercompany loans which are designated as hedges of the net investment positions in foreign operations. Since hedge inception, exchange rate movements have increased the credit facility loan and intercompany loans by $244 million, with the offsetting loss shown within the cumulative translation component of AOCI in the condensed consolidated balance sheets and the consolidated statements of comprehensive income.

Linde had previously designated Euro-denominated debt instruments as net investment hedges to reduce the company's exposure to changes in the currency exchange rate on investments in foreign subsidiaries with Euro functional currencies. Exchange rate movements of $206 million relating to the previously designated Euro-denominated debt incurred in the financial periods of 2019 and prior will remain in AOCI, until appropriate, such as upon sale or liquidation of the related foreign operations at which time amounts will be reclassified to the consolidated statement of income. Exchange rate movements related to the Euro-denominated debt occurring after de-designation are shown in the consolidated statement of income.

Interest Rate Swaps

Linde uses interest rate swaps to hedge the exposure to changes in the fair value of financial assets and financial liabilities as a result of interest rate changes. These interest rate swaps effectively convert fixed-rate interest exposures to variable rates; fair value adjustments are recognized in earnings along with an equally offsetting charge/benefit to earnings for the changes in the fair value of the underlying financial asset or financial liability. The notional value of outstanding interest rate swaps of Linde with maturity dates from 2021 through 2028 was $1,839 million at September 30, 2020 and $1,908 million at December 31, 2019 (see Note 4 for further information).

Terminated Treasury Rate Locks

The unrecognized aggregated losses related to terminated treasury rate lock contracts on the underlying $500 million 3.00% fixed-rate notes that mature in 2021 and the $500 million 2.20% fixed-rate notes that mature in 2022 at September 30, 2020 and December 31, 2019 were immaterial in both periods. The unrecognized gains / (losses) for the treasury rate locks are shown in AOCI and are being recognized on a straight line basis to interest expense – net over the term of the underlying debt agreements.

Derivatives' Impact on Consolidated Statements of Income

The following table summarizes the impact of the company’s derivatives on the consolidated statements of income:

	Amount of Pre-Tax Gain (Loss) Recognized in Earnings *			
	Quarter Ended September 30,		Nine Months Ended September 30,	
(Millions of dollars)	2020	2019	2020	2019
Derivatives Not Designated as Hedging Instruments				
Currency contracts:				
Balance sheet items				
Debt-related	$ (74)	$ 213	$ (213)	$ 282
Other balance sheet items	3	28	(48)	30
Total	$ (71)	$ 241	$ (261)	$ 312

* The gains (losses) on balance sheet items are offset by gains (losses) recorded on the underlying hedged assets and liabilities. Accordingly, the gains (losses) for the derivatives and the underlying hedged assets and liabilities related to debt items are recorded in the consolidated statements of income as interest expense-net. Other balance sheet items and anticipated net income gains (losses) are generally recorded in the consolidated statements of income as other income (expenses)-net.

The amounts of gain or loss recognized in AOCI and reclassified to the consolidated statement of income was immaterial for both the quarter and nine months ended September 30, 2020. Net losses expected to be reclassified to earnings during the next twelve months are also not material.

The gains (losses) on net investment hedges are recorded as a component of AOCI within foreign currency translation adjustments in the condensed consolidated balance sheets and the condensed consolidated statements of comprehensive income. The gains (losses) on treasury rate locks are recorded as a component of AOCI within derivative instruments in the condensed consolidated balance sheets and the condensed consolidated statements of comprehensive income. The gains (losses) on net investment hedges are reclassified to earnings only when the related currency translation adjustments are required to be reclassified, usually upon sale or liquidation of the investment. The gains (losses) for interest rate contracts are reclassified to earnings as interest expense –net on a straight-line basis over the remaining maturity of the underlying debt.

6. Fair Value Disclosures

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

Level 1 – quoted prices in active markets for identical assets or liabilities

Level 2 – quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 – inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table summarizes assets and liabilities measured at fair value on a recurring basis:

	Fair Value Measurements Using					
	Level 1		Level 2		Level 3	
(Millions of dollars)	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Assets						
Derivative assets	$ —	$ —	$ 148	$ 167	$ —	$ —
Investments and securities*	21	18	—	—	33	28
Total	$ 21	$ 18	$ 148	$ 167	$ 33	$ 28
Liabilities						
Derivative liabilities	$ —	$ —	$ 131	$ 99	$ —	$ —

* Investments and securities are recorded in prepaid and other current assets and other long-term assets in the company's condensed consolidated balance sheets.

Level 1 investments and securities are marketable securities traded on an exchange. Level 2 investments are based on market prices obtained from independent brokers or determined using quantitative models that use as their basis readily observable market parameters that are actively quoted and can be validated through external sources, including third-party pricing services, brokers and market transactions. Level 3 investments and securities consist of a venture fund within the Americas. For the valuation, Linde uses the net asset value received as part of the fund's quarterly reporting, which for the most part is not based on quoted prices in active markets. In order to reflect current market conditions, Linde proportionally adjusts these by observable market data (stock exchange prices) or current transaction prices.

The below summarizes the changes in level 3 investments and securities for the nine months ended September 30, 2020. Gains (losses) recognized in earnings are recorded to interest expense - net in the company's consolidated statements of income.

The level 3 investments and securities as of January 1, 2020 was $28 million. During the year-to-date period there was approximately $2 million of foreign currency movement and $3 million in gains recognized in earnings. The balance as of September 30, 2020 was $33 million.

The fair value of cash and cash equivalents, short-term debt, accounts receivable-net, and accounts payable approximate carrying value because of the short-term maturities of these instruments.

The fair value of long-term debt is estimated based on the quoted market prices for the same or similar issues. Long-term debt is categorized within either Level 1 or Level 2 of the fair value hierarchy depending on the trading volume of the issues and whether or not they are actively quoted in the market as opposed to traded through over-the-counter transactions. At September 30, 2020, the estimated fair value of Linde's long-term debt portfolio was $14,274 million versus a carrying value of $13,779 million. At December 31, 2019, the estimated fair value of Linde's long-term debt portfolio was $12,375 million versus a carrying value of $12,224 million. As Linde AG's assets and liabilities were measured at estimated fair value as of the merger date, differences between the carrying value and the fair value are insignificant; remaining differences are attributable to fluctuations in interest rates subsequent to when the debt was issued and relative to stated coupon rates.

7. Earnings Per Share – Linde plc Shareholders

Basic and diluted earnings per share is computed by dividing Income from continuing operations, Income from discontinued operations and Net income – Linde plc for the period by the weighted average number of either basic or diluted shares outstanding, as follows:

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Numerator (Millions of dollars)				
Income from continuing operations	$ 699	$ 728	$ 1,728	$ 1,676
Income from discontinued operations	1	7	3	98
Net Income – Linde plc	$ 700	$ 735	$ 1,731	$ 1,774
Denominator (Thousands of shares)				
Weighted average shares outstanding	525,339	539,504	527,177	542,360
Shares earned and issuable under compensation plans	355	249	324	229
Weighted average shares used in basic earnings per share	525,694	539,753	527,501	542,589
Effect of dilutive securities				
Stock options and awards	4,721	3,863	4,223	3,918
Weighted average shares used in diluted earnings per share	530,415	543,616	531,724	546,507
Basic earnings per share from continuing operations	$ 1.33	$ 1.35	$ 3.28	$ 3.09
Basic earnings per share from discontinued operations	—	0.01	0.01	0.18
Basic Earnings Per Share	$ 1.33	$ 1.36	$ 3.29	$ 3.27
Diluted earnings per share from continuing operations	$ 1.32	$ 1.34	$ 3.25	$ 3.07
Diluted earnings per share from discontinued operations	—	0.01	0.01	0.18
Diluted Earnings Per Share	$ 1.32	$ 1.35	$ 3.26	$ 3.25

There were no antidilutive shares for any period presented.

8. Retirement Programs

The components of net pension and postretirement benefits other than pensions ("OPEB") costs for the quarter and nine months ended September 30, 2020 and 2019 are shown below:

	Quarter Ended September 30,				Nine Months Ended September 30,			
	Pensions		OPEB		Pensions		OPEB	
(Millions of dollars)	2020	2019	2020	2019	2020	2019	2020	2019
Amount recognized in Operating Profit								
Service cost	$ 38	$ 34	$ 1	$ —	$ 111	$ 112	$ 2	$ 1
Amount recognized in Net pension and OPEB cost (benefit), excluding service cost								
Interest cost	52	61	1	3	154	194	4	6
Expected return on plan assets	(122)	(117)	—	—	(360)	(349)	—	—
Net amortization and deferral	22	17	—	(2)	67	45	(2)	(4)
Curtailment and termination benefits (a)	—	—	—	—	—	10	—	—
Settlement charge (b)	6	40	—	—	6	91	—	—
	(42)	1	1	1	(133)	(9)	2	2
Net periodic benefit cost (benefit)	$ (4)	$ 35	$ 2	$ 1	$ (22)	$ 103	$ 4	$ 3

(a) In the second quarter of 2019, Linde recorded a curtailment gain of $7 million and a charge of $17 million for termination benefits in connection with a defined benefit pension plan freeze.

(b) In the third quarter of 2020, Linde recorded a pension settlement charge of $6 million ($5 million after tax). In the first quarter of 2019, benefits of $91 million were paid related to the settlement of a U.S. non-qualified plan that was triggered due to a change in control provision. Accordingly, Linde recorded a pension settlement charge of $51 million ($38 million after tax). In the third quarter of 2019, Linde recorded a pension settlement charge of $40 million ($30 million after tax) related to lump sum payments made from a U.S. qualified plan that were triggered by merger-related divestitures.

Linde estimates that 2020 required contributions to its pension plans will be in the range of $85 million to $95 million, of which $76 million have been made through September 30, 2020.

9. Commitments and Contingencies

Contingent Liabilities

Linde is subject to various lawsuits and government investigations that arise from time to time in the ordinary course of business. These actions are based upon alleged environmental, tax, antitrust and personal injury claims, among others. Linde has strong defenses in these cases and intends to defend itself vigorously. It is possible that the company may incur losses in connection with some of these actions in excess of accrued liabilities. Management does not anticipate that in the aggregate such losses would have a material adverse effect on the company's consolidated financial position or liquidity; however, it is possible that the final outcomes could have a significant impact on the company's reported results of operations in any given period (see Note 19 to the consolidated financial statements of Linde's 2019 Annual Report on Form 10-K).

Significant matters are:

- During 2009, the Brazilian government published Law 11941/2009 instituting a new voluntary amnesty program ("Refis Program") which allowed Brazilian companies to settle certain federal tax disputes at reduced amounts. During 2009, the company decided that it was economically beneficial to settle many of its outstanding federal tax disputes and such disputes were enrolled in the Refis Program, subject to final calculation and review by the Brazilian federal government. The company recorded estimated liabilities based on the terms of the Refis Program. Since 2009, Linde has been unable to reach final agreement on the calculations and initiated litigation against the government in an attempt to resolve certain items. Open issues relate to the following matters: (i) application of cash deposits and net operating loss carryforwards to satisfy obligations and (ii) the amount of tax reductions available under the Refis Program. It is difficult to estimate the timing of resolution of legal matters in Brazil.

- At September 30, 2020 the most significant non-income and income tax claims in Brazil, after enrollment in the Refis Program, relate to state VAT tax matters and a federal income tax matter where the taxing authorities are challenging the tax rate that should be applied to income generated by a subsidiary company. The total estimated exposure relating to such claims, including interest and penalties, as appropriate, is approximately $190 million. Linde has not recorded any liabilities related to such claims based on management judgments, after considering judgments and opinions of outside counsel. Because litigation in Brazil historically takes many years to resolve, it is very difficult to estimate the timing of resolution of these matters; however, it is possible that certain of these matters may be resolved within the near term. The company is vigorously defending against the proceedings.
- On September 1, 2010, CADE (Brazilian Administrative Council for Economic Defense) announced alleged anticompetitive activity on the part of five industrial gas companies in Brazil and imposed fines. Originally, CADE imposed a civil fine of R$2.2 billion Brazilian reais ($390 million) on White Martins, the Brazil-based subsidiary of Praxair, Inc. The fine was reduced to R$1.7 billion Brazilian reais ($301 million) due to a calculation error made by CADE. The fine against White Martins was overturned by the Ninth Federal Court of Brasilia. CADE appealed this decision, and the Federal Court of Appeals rejected CADE's appeal and confirmed the decision of the Ninth Federal Court of Brasilia. CADE has filed an appeal with the Superior Court of Justice and a decision is pending.

  Similarly, on September 1, 2010, CADE imposed a civil fine of R$237 million Brazilian reais ($42 million) on Linde Gases Ltda., the former Brazil-based subsidiary of Linde AG, which was divested to MG Industries GmbH on March 1, 2019 and with respect to which Linde provided a contractual indemnity. The fine was reduced to R$188 million Brazilian reais ($33 million) due to a calculation error made by CADE. The fine against Linde Gases Ltda. was overturned by the Seventh Federal Court in Brasilia. CADE appealed this decision, and the Federal Court of Appeals rejected CADE's appeal and confirmed the decision of the Seventh Federal Court of Brasilia. CADE filed an appeal with the Superior Court of Justice, and a final decision is pending.

  Linde has strong defenses and is confident that it will prevail on appeal and have the fines overturned. Linde strongly believes that the allegations of anticompetitive activity against our current and former Brazilian subsidiaries are not supported by valid and sufficient evidence. Linde believes that this decision will not stand up to judicial review and deems the possibility of cash outflows to be extremely unlikely. As a result, no reserves have been recorded as management does not believe that a loss from this case is probable.

  On and after April 23, 2019 former shareholders of Linde AG filed appraisal proceedings at the District Court (*Landgericht*) Munich I (Germany), seeking an increase of the cash consideration paid in connection with the previously completed cash merger squeeze-out of all of Linde AG's minority shareholders for €189.46 per share. Any such increase would apply to all 14,763,113 Linde AG shares that were outstanding on April 8, 2019, when the cash merger squeeze-out was completed. The period for plaintiffs to file claims expired on July 9, 2019. The company believes the consideration paid was fair and that the claims lack merit, and no reserve has been established. We cannot estimate the timing of resolution.

10. Segments

For a description of Linde plc's operating segments, refer to Note 20 to the consolidated financial statements on Linde plc's 2019 Annual Report on Form 10-K.

The table below presents sales and operating profit information about reportable segments and Other for the quarters and nine months ended September 30, 2020 and 2019.

	Quarter Ended September 30,		Nine Months Ended September 30,	
(Millions of dollars)	2020	2019	2020	2019
SALES[(a)]				
Americas	$ 2,641	$ 2,771	$ 7,735	$ 8,252
EMEA	1,622	1,634	4,703	4,989
APAC	1,484	1,461	4,115	4,376
Engineering	678	641	2,096	2,029
Other	430	486	1,322	1,440
Total segment sales	$ 6,855	$ 6,993	$ 19,971	$ 21,086
Merger-related divestitures	—	7	—	62
Total sales	$ 6,855	$ 7,000	$ 19,971	$ 21,148

(Millions of dollars)	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
SEGMENT OPERATING PROFIT				
Americas	$ 742	$ 671	$ 2,025	$ 1,901
EMEA	370	335	1,028	1,014
APAC	337	308	912	885
Engineering	106	120	335	297
Other	(40)	(50)	(116)	(172)
Segment operating profit	1,515	1,384	4,184	3,925
Cost reduction programs and other charges (Note 2)	(48)	(125)	(428)	(355)
Net gain on sale of businesses	—	164	—	164
Merger-related divestitures	—	2	—	15
Purchase accounting impacts - Linde AG	(498)	(425)	(1,463)	(1,471)
Total operating profit	$ 969	$ 1,000	$ 2,293	$ 2,278

(a) Sales reflect external sales only. Intersegment sales, primarily from Engineering to the industrial gases segments, were not material.

11. Equity

Equity

A summary of the changes in total equity for the quarter and nine months ended September 30, 2020 and 2019 is provided below:

(Millions of dollars)	**Quarter Ended September 30,**					
	2020			2019		
Activity	Linde plc Shareholders' Equity	Noncontrolling Interests	Total Equity	Linde plc Shareholders' Equity	Noncontrolling Interests	Total Equity
Balance, beginning of period	$ 45,537	$ 2,387	$ 47,924	$ 50,564	$ 2,315	$ 52,879
Net income (b)	700	31	731	735	2	737
Other comprehensive income (loss)	648	40	688	(1,223)	(50)	(1,273)
Noncontrolling interests:						
Additions (reductions)	—	11	11	—	113	113
Dividends and other capital changes	—	(65)	(65)	—	(39)	(39)
Dividends to Linde plc ordinary share holders ($0.963 per share in 2020 and $0.875 per share in 2019)	(506)	—	(506)	(471)	—	(471)
Issuances of common stock:						
For employee savings and incentive plans	(20)	—	(20)	5	—	5
Purchases of common stock	(213)	—	(213)	(683)	—	(683)
Share-based compensation	29	—	29	26	—	26
Balance, end of period	$ 46,175	$ 2,404	$ 48,579	$ 48,953	$ 2,341	$ 51,294

(Millions of dollars)	Nine Months Ended September 30, 2020			2019		
Activity	Linde plc Shareholders' Equity	Noncontrolling Interests	Total Equity	Linde plc Shareholders' Equity	Noncontrolling Interests (a)	Total Equity
Balance, beginning of period (a)	$ 49,074	$ 2,448	$ 51,522	$ 51,596	$ 5,484	$ 57,080
Net income (b)	1,731	91	1,822	1,774	67	1,841
Other comprehensive income (loss)	(1,159)	(48)	(1,207)	(1,144)	(138)	(1,282)
Noncontrolling interests:						
Additions (reductions)	—	26	26	—	(2,953)	(2,953)
Dividends and other capital changes	—	(113)	(113)	—	(119)	(119)
Dividends to Linde plc ordinary share holders ($2.889 per share in 2020 and $2.625 per share in 2019)	(1,523)	—	(1,523)	(1,422)	—	(1,422)
Issuances of common stock:						
For employee savings and incentive plans	(28)	—	(28)	(2)	—	(2)
Purchases of common stock	(2,024)	—	(2,024)	(1,913)	—	(1,913)
Share-based compensation	104	—	104	64	—	64
Balance, end of period	$ 46,175	$ 2,404	$ 48,579	$ 48,953	$ 2,341	$ 51,294

(a) As of the beginning of the nine months ended September 30, 2019, noncontrolling interests included approximately $3.2 billion relating to the 8% of Linde AG shares which were not tendered in the Exchange Offer and were the subject of a cash-merger squeeze-out completed on April 8, 2019.

(b) Net income for noncontrolling interests excludes net income related to redeemable noncontrolling interests which is not significant for the quarters and nine months ended September 30, 2020 and September 30, 2019 which is not part of total equity.

The components of AOCI are as follows:

(Millions of dollars)	September 30, 2020	December 31, 2019
Cumulative translation adjustment - net of taxes:		
Americas	$ (4,070)	$ (3,357)
EMEA	(168)	(136)
APAC	(80)	(140)
Engineering	150	(29)
Other	(432)	282
	(4,600)	(3,380)
Derivatives - net of taxes	(13)	(27)
Pension / OPEB (net of $420 million and $446 million tax benefit in September 30, 2020 and December 31, 2019, respectively)	(1,360)	(1,407)
	$ (5,973)	$ (4,814)

12. Revenue Recognition

Revenue is accounted for in accordance with ASC 606. Revenue is recognized as control of goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled to receive in exchange for the goods or services.

Contracts with Customers

Approximately 83% of Linde's consolidated sales are generated from industrial gases and related products in three geographic segments (Americas, APAC, and EMEA) and the remaining 17% is related primarily to the Engineering segment, and to a lesser extent Other (see Note 10 for operating segment details). Linde serves a diverse group of industries including healthcare, petroleum refining, energy, manufacturing, food, beverage carbonation, fiber-optics, steel making, aerospace, chemicals and water treatment.

Industrial Gases

Within each of the company's geographic segments for industrial gases, there are three basic distribution methods: (i) on-site or tonnage; (ii) merchant or bulk liquid; and (iii) packaged or cylinder gases. The distribution method used by Linde to supply a customer is determined by many factors, including the customer's volume requirements and location. The distribution method generally determines the contract terms with the customer and, accordingly, the revenue recognition accounting practices. Linde's primary products in its industrial gases business are atmospheric gases (oxygen, nitrogen, argon, rare gases) and process gases (carbon dioxide, helium, hydrogen, electronic gases, specialty gases, acetylene). These products are generally sold through one of the three distribution methods.

Following is a description of each of the three industrial gases distribution methods and the respective revenue recognition policies:

On-site. Customers that require the largest volumes of product and that have a relatively constant demand pattern are supplied by cryogenic and process gas on-site plants. Linde constructs plants on or adjacent to these customers' sites and supplies the product directly to customers by pipeline. Where there are large concentrations of customers, a single pipeline may be connected to several plants and customers. On-site product supply contracts generally are total requirement contracts with terms typically ranging from 10-20 years and contain minimum purchase requirements and price escalation provisions. Many of the cryogenic on-site plants also produce liquid products for the merchant market. Therefore, plants are typically not dedicated to a single customer. Additionally, Linde is responsible for the design, construction, operations and maintenance of the plants and our customers typically have no involvement in these activities. Advanced air separation processes also allow on-site delivery to customers with smaller volume requirements.

The company's performance obligations related to on-site customers are satisfied over time as customers receive and obtain control of the product. Linde has elected to apply the practical expedient for measuring progress towards the completion of a performance obligation and recognizes revenue as the company has the right to invoice each customer, which generally corresponds with product delivery. Accordingly, revenue is recognized when product is delivered to the customer and the company has the right to invoice the customer in accordance with the contract terms. Consideration in these contracts is generally based on pricing which fluctuates with various price indices. Variable components of consideration exist within on-site contracts but are considered constrained.

Merchant. Merchant deliveries generally are made from Linde's plants by tanker trucks to storage containers at the customer's site. Due to the relatively high distribution cost, merchant oxygen and nitrogen generally have a relatively small distribution radius from the plants at which they are produced. Merchant argon, hydrogen and helium can be shipped much longer distances. The customer agreements used in the merchant business are usually three-to seven-year supply agreements based on the requirements of the customer. These contracts generally do not contain minimum purchase requirements or volume commitments.

The company's performance obligations related to merchant customers are generally satisfied at a point in time as the customers receive and obtain control of the product. Revenue is recognized when product is delivered to the customer and the company has the right to invoice the customer in accordance with the contract terms. Any variable components of consideration within merchant contracts are constrained however this consideration is not significant.

Packaged Gases. Customers requiring small volumes are supplied products in containers called cylinders, under medium to high pressure. Linde distributes merchant gases from its production plants to company-owned cylinder filling plants where cylinders are then filled for distribution to customers. Cylinders may be delivered to the customer's site or picked up by the customer at a packaging facility or retail store. Linde invoices the customer for the industrial gases and the use of the cylinder container(s). The company also sells hardgoods and welding equipment purchased from independent manufacturers. Packaged gases are generally sold under one to three-year supply contracts and purchase orders and do not contain minimum purchase requirements or volume commitments.

The company's performance obligations related to packaged gases are satisfied at a point in time. Accordingly, revenue is recognized when product is delivered to the customer or when the customer picks up product from a packaged gas facility or retail store, and the company has the right to payment from the customer in accordance with the contract terms. Any variable consideration is constrained and will be recognized when the uncertainty related to the consideration is resolved.

Linde Engineering

The company designs and manufactures equipment for air separation and other industrial gas applications manufactured specifically for end customers. Sale of equipment contracts are generally comprised of a single performance obligation. Revenue from sale of equipment is generally recognized over time as Linde has an enforceable right to payment for performance completed to date and performance does not create an asset with alternative use. For contracts recognized over time, revenue is recognized primarily using a cost incurred input method. Costs incurred to date relative to total estimated costs at completion are used to measure progress toward satisfying performance obligations. Costs incurred include material, labor, and overhead costs and represent work contributing and proportionate to the transfer of control to the customer. Contract modifications are typically accounted for as part of the existing contract and are recognized as a cumulative adjustment for the inception-to-date effect of such change.

Contract Assets and Liabilities

Contract assets and liabilities result from differences in timing of revenue recognition and customer invoicing. Contract assets primarily relate to sale of equipment contracts for which revenue is recognized over time. The balance represents unbilled revenue which occurs when revenue recognized under the measure of progress exceeds amounts invoiced to customers. Customer invoices may be based on the passage of time, the achievement of certain contractual milestones or a combination of both criteria. Contract liabilities include advance payments or right to consideration prior to performance under the contract. Contract liabilities are recognized as revenue as performance obligations are satisfied under contract terms. Linde has contract assets of $170 million and $368 million at September 30, 2020 and December 31, 2019, respectively. Total contract liabilities are $2,202 million at September 30, 2020 (current of $1,714 million and $488 million within other long-term liabilities in the condensed consolidated balance sheets). Total contract liabilities were $2,106 million at December 31, 2019 (current contract liabilities of $1,758 million, classified as deferred income within other current liabilities and $348 million in other long-term liabilities in the condensed consolidated balance sheets). Revenue recognized for the nine months ended September 30, 2020 that was included in the contract liability at December 31, 2019 was $1,002 million. Contract assets and liabilities primarily relate to the Linde Engineering business.

Payment Terms and Other

Linde generally receives payment after performance obligations are satisfied, and customer prepayments are not typical for the industrial gases business. Payment terms vary based on the country where sales originate and local customary payment practices. Linde does not offer extended financing outside of customary payment terms. Contract asset and liability balances and the changes in these balances are not material. Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue producing transactions are presented on a net basis and are not included in sales within the consolidated statement of income. Additionally, sales returns and allowances are not a normal practice in the industry and are not significant.

Disaggregated Revenue Information

As described above and in Note 20 to Linde's 2019 Form 10-K, the company manages its industrial gases business on a geographic basis, while the Engineering and Other businesses are generally managed on a global basis. Furthermore, the company believes that reporting sales by distribution method by reportable geographic segment best illustrates the nature, timing, type of customer, and contract terms for its revenues, including terms and pricing.

The following tables show sales by distribution method at the consolidated level and for each reportable segment and Other for the quarter and nine months ended September 30, 2020 and September 30, 2019.

(Millions of dollars)	Quarter Ended September 30, 2020						
Sales	**Americas**	**EMEA**	**APAC**	**Engineering**	**Other**	**Total**	**%**
Merchant	$ 739	$ 472	$ 526	$ —	$ 34	$ 1,771	26 %
On-Site	622	334	528	—	—	1,484	22 %
Packaged Gas	1,265	799	413	—	5	2,482	36 %
Other	15	17	17	678	391	1,118	16 %
Total	$ 2,641	$ 1,622	$ 1,484	$ 678	$ 430	$ 6,855	100 %

(Millions of dollars)	Quarter Ended September 30, 2019						
Sales	**Americas**	**EMEA**	**APAC**	**Engineering**	**Other (a)**	**Total**	**%**
Merchant	$ 760	$ 474	$ 523	$ —	$ 52	$ 1,809	26 %
On-Site	676	345	494	—	—	1,515	22 %
Packaged Gas	1,303	815	396	—	7	2,521	36 %
Other	32	—	48	641	434	1,155	16 %
Total	$ 2,771	$ 1,634	$ 1,461	$ 641	$ 493	$ 7,000	100 %

(Millions of dollars)	Nine months ended September 30, 2020						
Sales	**Americas**	**EMEA**	**APAC**	**Engineering**	**Other (a)**	**Total**	**%**
Merchant	$ 2,099	$ 1,357	$ 1,444	$ —	$ 110	$ 5,010	25 %
On-Site	1,831	981	1,486	—	—	4,298	22 %
Packaged Gas	3,750	2,329	1,135	—	16	7,230	36 %
Other	55	36	50	2,096	1,196	3,433	17 %
Total	$ 7,735	$ 4,703	$ 4,115	$ 2,096	$ 1,322	$ 19,971	100 %

(Millions of dollars)	Nine Months Ended September 30, 2019						
Sales	**Americas**	**EMEA**	**APAC**	**Engineering**	**Other (a)**	**Total**	**%**
Merchant	$ 2,198	$ 1,377	$ 1,571	$ —	$ 136	$ 5,282	25 %
On-Site	2,077	1,077	1,521	—	—	4,675	22 %
Packaged Gas	3,903	2,531	1,162	—	13	7,609	36 %
Other	74	4	122	2,029	1,353	3,582	17 %
Total	$ 8,252	$ 4,989	$ 4,376	$ 2,029	$ 1,502	$ 21,148	100 %

(a) Other/Other includes $7 million and $62 million for the third quarter and nine months ended September 30, 2019, respectively, of merger-related divestitures that have been excluded from segment sales.

Remaining Performance Obligations

As described above, Linde's contracts with on-site customers are under long-term supply arrangements which generally require the customer to purchase their requirements from Linde and also have minimum purchase requirements. The company estimates the consideration related to minimum purchase requirements is approximately $46 billion. This amount excludes all sales above minimum purchase requirements, which can be significant depending on customer needs. In the future, actual amounts will be different due to impacts from several factors, many of which are beyond the company’s control including, but not limited to, timing of newly signed, terminated and renewed contracts, inflationary price escalations, currency exchange rates, and pass-through costs related to natural gas and electricity. The actual duration of long-term supply contracts ranges up to twenty years. The company estimates that approximately half of the revenue related to minimum purchase requirements will be earned in the next five years and the remaining thereafter.

13. Merger-related Divestitures

As described in Note 4 of Linde plc's Annual Report on Form 10-K, as a condition of the European Commission ("EC"), the U.S. Department of Justice ("DOJ"), and other governmental regulatory authorities approval of the merger, Linde plc, Praxair and Linde AG were required to divest several businesses, including the following transactions that were completed in 2019 and 2020:

- In March 2019, Linde completed the sale of the majority of Linde AG’s industrial gases business in North America and certain industrial gases business activities of Linde AG's in South America for approximately $2.9 billion in net cash consideration after purchase price adjustments for certain items relating to assets and liabilities of the sold businesses. In addition, divestitures include approximately $0.5 billion of proceeds for incremental plant sales within the Americas under other agreements.

- In April 2019, Linde completed the sale of selected assets of Linde Korea with a sale price of $1.2 billion.
- In July 2019, Linde completed the sale of select assets of Praxair India with a sale price of $218 million and resulted in a gain of $164 million recognized in "Net gain on sale of businesses" in the consolidated statement of income.
- In December 2019, Linde completed the sale of select assets of Linde India with a sale price of $193 million.
- In March 2020, Linde completed the sale of select assets of Linde China with a sale price of $98 million.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A")

Non-GAAP Measures

Throughout MD&A, the company provides adjusted operating results from continuing operations exclusive of certain items such as cost reduction programs and other charges, net gains on sale of businesses, purchase accounting impacts of the Linde AG merger and pension settlement charges. Adjusted amounts are non-GAAP measures which are intended to supplement investors' understanding of the company's financial information by providing measures which investors, financial analysts and management find useful in evaluating the company's operating performance. Items which the company does not believe to be indicative of on-going business performance are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. In addition, operating results from continuing operations, excluding these items, is important to management's development of annual and long-term employee incentive compensation plans. Definitions of these non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures.

The non-GAAP measures and reconciliations are separately included in a later section in the MD&A titled "Non-GAAP Measures and Reconciliations".

Consolidated Results

The following table provides summary information for the quarter and nine months ended September 30, 2020 and 2019. The reported amounts are GAAP amounts from the Consolidated Statement of Operations. The adjusted amounts are intended to supplement investors' understanding of the company's financial information and are not a substitute for GAAP measures:

	Quarter Ended September 30,			Nine Months Ended September 30,		
(Millions of dollars, except per share data)	2020	2019	Variance	2020	2019	Variance
Sales	$ 6,855	$ 7,000	(2)%	$ 19,971	$ 21,148	(6)%
Cost of sales, exclusive of depreciation and amortization	$ 3,835	$ 4,061	(6)%	$ 11,297	$ 12,457	(9)%
As a percent of sales	55.9 %	58.0 %		56.6 %	58.9 %	
Selling, general and administrative	$ 770	$ 850	(9)%	$ 2,391	$ 2,613	(8)%
As a percent of sales	11.2 %	12.1 %		12.0 %	12.4 %	
Depreciation and amortization	$ 1,168	$ 1,095	7 %	$ 3,434	$ 3,513	(2)%
Cost reduction programs and other charges (b)	$ 48	$ 125	(62)%	$ 428	$ 355	21 %
Net gain on sale of businesses	$ —	$ 164	(100)%	$ —	$ 164	(100)%
Other income (expense) - net	$ (29)	$ 11	(364)%	$ (14)	$ 39	(136)%
Operating profit	$ 969	$ 1,000	(3)%	$ 2,293	$ 2,278	1 %
Operating margin	14.1 %	14.3 %		11.5 %	10.8 %	
Interest expense - net	$ 38	$ (3)	1367 %	$ 80	$ 30	167 %
Net pension and OPEB cost (benefit), excluding service cost	$ (41)	$ 2	(2150)%	$ (131)	$ (7)	1771 %
Effective tax rate	27.3 %	29.8 %		25.3 %	26.9 %	
Income from equity investments	$ 23	$ 28	(18)%	$ 69	$ 90	(23)%
Noncontrolling interests from continuing operations	$ (31)	$ (3)	933 %	$ (91)	$ (62)	47 %
Income from continuing operations	$ 699	$ 728	(4)%	$ 1,728	$ 1,676	3 %
Diluted earnings per share from continuing operations	$ 1.32	$ 1.34	(1)%	$ 3.25	$ 3.07	6 %
Diluted shares outstanding	530,415	543,616	(2)%	531,724	546,507	(3)%
Number of employees	74,648	80,204	(7)%	74,648	80,204	(7)%
Adjusted Amounts (a)						
Operating profit	$ 1,515	$ 1,384	9 %	$ 4,184	$ 3,925	7 %
Operating margin	22.1 %	19.8 %		21.0 %	18.6 %	
Effective tax rate	23.5 %	24.8 %		23.9 %	24.1 %	
Income from continuing operations	$ 1,140	$ 1,052	8 %	$ 3,154	$ 2,979	6 %
Diluted earnings per share from continuing operations	$ 2.15	$ 1.94	11 %	$ 5.93	$ 5.46	9 %
Other Financial Data (a)						
EBITDA from continuing operations	$ 2,160	$ 2,123	2 %	$ 5,796	$ 5,881	(1)%
As percent of sales	31.5 %	30.3 %		29.0 %	27.8 %	
Adjusted EBITDA from continuing operations	$ 2,233	$ 2,099	6 %	$ 6,298	$ 6,112	3 %
As percent of sales	32.6 %	30.0 %		31.5 %	29.0 %	

(a) Adjusted amounts and Other Financial Data are non-GAAP performance measures. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Reconciliations" sections of this MD&A.
(b) See Note 2 to the condensed consolidated financial statements.

Reported
In the third quarter of 2020, Linde's reported sales were $6,855 million, 2% below the prior year, primarily due to lower volumes due to the global macroeconomic slowdown as a result of the COVID-19 pandemic, partially offset by higher pricing across all geographic segments.

Reported operating profit for the third quarter of 2020 of $969 million, or 14.1% of sales, was 3% below the prior year. The reported year-over-year decrease was primarily due to a $164 million gain on sale of business in the prior year, a benefit in the prior year from purchase accounting measurement period adjustments of approximately $60 million and higher other expense, partially offset by lower cost reduction programs and other charges. The reported effective tax rate ("ETR") was 27.3% in the third quarter 2020 versus 29.8% in the third quarter 2019. Diluted earnings per share from continuing operations ("EPS") was $1.32, or 1% below reported EPS of $1.34 in the third quarter of 2019 primarily due to lower income from continuing operations driven largely by higher noncontrolling interest from continuing operations partially offset by lower diluted shares outstanding in the period.

Adjusted
In the third quarter of 2020, Linde's sales were $6,855 million, 2% below the prior year, primarily due to lower volumes due to the global macroeconomic slowdown as a result of the COVID-19 pandemic, partially offset by higher price across all geographic segments. Adjusted operating profit of $1,515 million, or 22.1% of sales, was 9% higher as compared to 2019 with a 230 basis point increase as a percentage of sales as the impacts of higher price and the cost reduction programs and productivity initiatives offset the impact from lower volumes. The adjusted ETR was 23.5% in the third quarter 2020 versus 24.8% in the 2019 quarter. On an adjusted basis, EPS was $2.15, 11% above the 2019 adjusted EPS of $1.94, driven by higher adjusted income from continuing operations and lower diluted shares outstanding.

Outlook

Linde believes that its project backlog is one indicator of future sales growth. The company’s sale of gas backlog represents estimated capital expenditures over $5 million for customer projects, secured by long-term contracts that lead to incremental sales and earnings growth. Linde’s sale of gas and sale of equipment backlog of approximately $8.6 billion provides a strong growth foundation for the next several years. Of this backlog, approximately $3.7 billion is for sale of gas projects where APAC and Americas represent 72% percent and 22% percent of the backlog, respectively, and the remaining backlog in EMEA. These plants will primarily supply customers in the electronics, chemicals and energy end-markets.

The ultimate magnitude of COVID-19, including the extent of its impact on the Company’s operational results, will be determined by the length of time that such circumstances continue, measures taken to prevent its spread, and the demand for the Company’s products and services, as well as the effect of governmental and public actions taken in response.

The Company is committed to the safety and well-being of its employees and to ensuring that its facilities follow the highest standards of safety and hygiene. At the same time, the Company and its employees remain committed to meeting the needs of customers and ensuring they receive products and services in a timely manner.

The above outlook should be read in conjunction with the section entitled “Forward-Looking Statements.”

Linde provides quarterly updates on operating results, material trends that may affect financial performance, and financial guidance via quarterly earnings releases and investor teleconferences. These updates are available on the company’s website, www.linde.com, but are not incorporated herein.

Results of operations

The changes in consolidated sales compared to the prior year are attributable to the following:

	Quarter Ended September 30, 2020 vs. 2019		Nine Months Ended September 30, 2020 vs. 2019	
	% Change		% Change	
Factors Contributing to Changes - Sales				
Volume	(3)	%	(4)	%
Price/Mix	2	%	2	%
Cost pass-through	—	%	(1)	%
Currency	—	%	(3)	%
Acquisitions/divestitures	(1)	%	(1)	%
Engineering	—	%	1	%
	(2)	%	(6)	%

Sales
Reported sales decreased $145 million, or 2%, for the third quarter and decreased $1,177 million, or 6% for the nine months ended September 30, 2020 versus the respective 2019 periods. On an adjusted basis sales decreased $138 million or 2% for the third quarter and decreased $1,115 million or 5% compared to the respective 2019 periods.

On a reported and adjusted basis, sales decreased 2%, for the quarter and 6% for the year-to-date period. Volume decreased sales by 3% in the quarter and 4% year-to-date primarily driven by the impact of COVID-19 in all geographic segments, partially offset by new project start-ups. Higher pricing across all geographic segments contributed 2% to sales in the quarter and year-to-date periods. Currency translation was flat in the quarter and decreased 3% in the year-to-date period, largely in Americas and APAC, driven by the weakening of the Euro, Australian dollar, Chinese yuan and Brazilian real against the U.S. dollar. Cost pass-through was flat in the quarter and decreased 1% in year-to-date periods with minimal impact on operating profit. The impact of merger-related divestitures decreased sales by $7 million in the quarter and $62 million in the year-to-date period. These sales have been excluded from the adjusted numbers.

Cost of sales, exclusive of depreciation and amortization
Cost of sales, exclusive of depreciation and amortization decreased $226 million, or 6%, for the third quarter and decreased $1,160 million, or 9% for the nine months ended September 30, 2020 primarily due to lower volumes and the impact of productivity initiatives. Cost of sales, exclusive of depreciation and amortization was 55.9% and 56.6% of sales, respectively, for the third quarter and nine months ended September 30, 2020 versus 58.0% and 58.9% of sales for the respective 2019 periods. The decrease as a percentage of sales in the quarter and for the nine months ended September 30, 2020 was due primarily to the impact of cost reduction programs and productivity initiatives in both periods along with lower cost pass-through in the year-to-date period.

Selling, general and administrative expenses
Selling, general and administrative expense ("SG&A") decreased $80 million, or 9%, for the third quarter and decreased $222 million, or 8%, for the nine months ended September 30, 2020. SG&A was 11.2% of third quarter sales and 12.0% sales for the nine months ended September 30, 2020 versus 12.1% and 12.4% for the respective 2019 periods. Currency impacts increased SG&A by approximately $2 million in the quarter and decreased SG&A by approximately $50 million for the nine months ended September 30, 2020. Excluding currency impacts, underlying SG&A decreased driven by the impact of cost reduction programs and productivity initiatives.

Depreciation and amortization
Reported depreciation and amortization expense increased $73 million, or 7%, for the third quarter and decreased $79 million, or 2%, for the nine months ended September 30, 2020 primarily due to a benefit from purchase accounting measurement period adjustments of approximately $60 million recognized in the third quarter of 2019.

On an adjusted basis depreciation and amortization increased $9 million, or 1%, for the third quarter and decreased $51 million, or 2% for the year-to-date period, primarily due to new project start ups primarily in APAC and Americas, slightly offset by unfavorable currency impacts which decreased depreciation and amortization by approximately $2 million for the quarter and $47 million for the nine months ended September 30, 2020.

Cost reduction programs and other charges
Linde recorded cost reduction programs and other charges of $48 million and $125 million for the third quarter 2020 and 2019, respectively, primarily related to merger and synergy-related costs and an asset impairment in the third quarter 2019 of approximately $73 million related to a joint venture in APAC resulting from an unfavorable arbitration ruling (see Note 2 to the

condensed consolidated financial statements). Cost reduction programs and other charges were $428 million and $355 million, respectively, for the nine months ended September 30, 2020 and 2019.

On an adjusted basis, these costs have been excluded in both periods.

Operating profit
Reported operating profit decreased $31 million, or 3%, for the third quarter of 2020 and increased $15 million, or 1% for the nine months ended September 30, 2020. On an adjusted basis operating profit increased $131 million for the third quarter and increased $259 million, or 7%, for the nine months ended September 30, 2020.

On a reported basis, operating profit decreased $31 million, or 3%, for the quarter and increased $15 million, or 1% for the nine months ended September 30, 2020. The decrease in the quarter was primarily due to lower volumes and $164 million one time net gain on sale of business in 2019, partially offset by higher price. The increase in the year-to-date period was driven by higher price and the benefit of cost reduction and productivity initiatives partially offset by higher cost reduction programs and other charges. Cost reduction programs and other charges were $48 million and $428 million for the third quarter and nine months ended September 30, 2020, respectively, versus $125 million and $355 million for the respective 2019 periods.

On an adjusted basis, which excludes the impacts of purchase accounting, cost reduction programs and other charges, and gains on divestitures in 2019, operating profit increased $131 million in the quarter and increased $259 million, or 7%, for the nine months ended September 30, 2020. For the quarter and year-to-date periods, operating profit growth was driven by higher price and the benefit of cost reduction programs and productivity initiatives which were partially offset by lower volumes, unfavorable currency impacts and cost inflation. A discussion of operating profit by segment is included in the segment discussion that follows.

Interest expense - net
Reported interest expense - net increased $41 million for the third quarter and increased $50 million for the nine months ended September 30, 2020. On an adjusted basis interest expense increased $42 million for the third quarter and increased $43 million for the nine months ended September 30, 2020 versus the respective 2019 period.

On both a reported and adjusted basis, the increase in both periods was driven by impact of unfavorable foreign currency revaluation on unhedged intercompany loans and lower interest income, partially offset by a lower effective borrowing rate.

Net pension and OPEB cost (benefit), excluding service cost

Reported net pension and OPEB cost (benefit), excluding service cost was a benefit of $41 million and $131 million for the quarter and nine months ended September 30, 2020, respectively, versus a cost of $2 million and benefit of $7 million for the respective 2019 periods. The 2019 quarter and nine month periods included charges of $40 million and $91 million, respectively, related to plan freezes and pension settlements (see Note 8 to the condensed consolidated financial statements). Excluding the impact of the settlement charges, net pension and OPEB cost (benefit), excluding service cost increased $12 million for the quarter and $32 million for the nine months ended September 30, 2020 driven primarily by the benefit of lower interest cost.

Effective tax rate
The reported effective tax rate ("ETR") for the quarter and nine months ended September 30, 2020 was 27.3% and 25.3%, respectively, versus 29.8% and 26.9% for the respective 2019 periods. The decrease in the adjusted ETR in both the quarter and year-to-date periods is primarily due to higher tax benefits from share option exercises and partially offset by a deferred income tax charge related to the revaluation of net deferred liabilities for a tax rate change in the United Kingdom and higher tax expense in 2019 related to divestitures.

On an adjusted basis, the ETR for the quarter and nine months ended September 30, 2020 was 23.5% and 23.9%, respectively, versus 24.8% and 24.1% for the respective 2019 periods primarily due to higher tax benefits from share option exercises.

Income from equity investments
Reported income from equity investments for the third quarter and nine months ended September 30, 2020 was $23 million and $69 million, respectively, versus $28 million and $90 million for the respective 2019 periods. On an adjusted basis, income from equity investments for the third quarter and nine months ended September 30, 2020 was $37 million and $111 million, respectively, versus $43 million and $133 million, in the prior respective periods. The decrease in the adjusted income from equity investments for the quarter and year-to-date periods was driven by unfavorable foreign currency revaluation impacts on an unhedged loan of an investment in EMEA.

Noncontrolling interests from continuing operations
At September 30, 2020, noncontrolling interests from continuing operations consisted primarily of non-controlling shareholders' investments in APAC (primarily China) and surface technologies.

Reported noncontrolling interests from continuing operations increased $28 million for the third quarter and increased $29 million for the nine months ended September 30, 2020 versus the respective 2019 periods primarily driven by the noncontrolling interest impact of $33 million for an asset impairment charge in the third quarter 2019 related to a joint venture in APAC.

Adjusted noncontrolling interests from continuing operations decreased $1 million for the third quarter and decreased $3 million for the nine months ended September 30, 2020 versus the respective 2019 periods.

Income from continuing operations
Reported income from continuing operations decreased $29 million, or 4%, for the third quarter primarily due to lower operating profit and increased $52 million, or 3%, for the nine months ended September 30, 2020 versus the respective 2019 periods, primarily due to higher overall operating profit, and a lower effective tax rate.

On an adjusted basis, which excludes the impacts of purchase accounting and other non-GAAP adjustments, income from continuing operations increased $88 million, or 8%, for the quarter and increased $175 million, or 6% for the nine months ended September 30, 2020 versus the respective 2019 periods. The increase in the quarter was driven by higher overall adjusted operating profit and a lower effective tax rate, partially offset by lower equity income. The increase in the year-to-date period was primarily due to higher adjusted operating profit partially offset by lower equity income.

Diluted earnings per share from continuing operations
Reported diluted earnings per share from continuing operations decreased $0.02, or 1%, for the third quarter and increased $0.18, or 6% for the nine months ended September 30, 2020 versus the comparable 2019 period.

On an adjusted basis, diluted EPS of $2.15 for the third quarter increased $0.21, or 11%, and increased $0.47, or 9% for the nine months ended September 30, 2020 versus the respective 2019 periods, primarily due to higher income from continuing operations and lower diluted shares outstanding.

Employees
The number of employees at September 30, 2020 was 74,648, a decrease of 5,556 employees from September 30, 2019 primarily driven by cost reduction actions and divestitures.

Other Financial Data

EBITDA was $2,160 million for the third quarter 2020 as compared to $2,123 million in the respective 2019 period. EBITDA decreased to $5,796 million for the nine months ended September 30, 2020 from $5,881 million in the respective 2019 period. Adjusted EBITDA from continuing operations increased to $2,233 million for the third quarter 2020 from $2,099 million in the respective 2019 period. Adjusted EBITDA from continuing operations increased to $6,298 million from $6,112 million for the nine months ended September 30, 2020 as compared to the respective 2019 period primarily due to higher income from continuing operations plus depreciation and amortization versus the prior period.

See the "Non-GAAP Reconciliations" for adjusted amounts sections below for definitions and reconciliations of these adjusted non-GAAP measures to reported GAAP amounts.

Other Comprehensive Income (Loss)

Other comprehensive income for the third quarter and loss for the nine months ended September 30, 2020 of $688 million and $1,207 million, respectively, resulted primarily from positive currency translation adjustments of $703 million during the quarter and negative currency translation adjustments of $1,268 million during the year-to-date period. The translation adjustments reflect the impact of translating local currency foreign subsidiary financial statements to U.S. dollars, and are largely driven by the movement of the U.S. dollar against major currencies including the Euro, British pound and the Chinese yuan. See the "Currency" section of the MD&A for exchange rates used for translation purposes and Note 11 to the condensed consolidated financial statements for a summary of the currency translation adjustment component of accumulated other comprehensive income by segment.

Segment Discussion

The following summary of sales and operating profit by segment provides a basis for the discussion that follows. Linde plc evaluates the performance of its reportable segments based on operating profit, excluding items not indicative of ongoing business trends. The reported amounts are GAAP amounts from the Condensed Consolidated Statement of Operations.

	Quarter Ended September 30,			Nine Months Ended September 30,		
(Millions of dollars)	2020	2019	Variance	2020	2019	%
SALES						
Americas	$ 2,641	$ 2,771	(5) %	$ 7,735	$ 8,252	(6)%
EMEA	1,622	1,634	(1) %	4,703	4,989	(6)%
APAC	1,484	1,461	2 %	4,115	4,376	(6)%
Engineering	678	641	6 %	2,096	2,029	3 %
Other	430	486	(12) %	1,322	1,440	(8)%
Total segment sales	$ 6,855	$ 6,993	(2) %	$ 19,971	$ 21,086	(5)%
Merger-related divestitures	—	7		—	62	
Total sales	$ 6,855	$ 7,000		$ 19,971	$ 21,148	
SEGMENT OPERATING PROFIT						
Americas	$ 742	$ 671	11 %	$ 2,025	$ 1,901	7 %
EMEA	370	335	10 %	1,028	1,014	1 %
APAC	337	308	9 %	912	885	3 %
Engineering	106	120	(12) %	335	297	13 %
Other	(40)	(50)	20 %	(116)	(172)	33 %
Segment operating profit	$ 1,515	$ 1,384	9 %	$ 4,184	$ 3,925	7 %
Reconciliation to reported operating profit:						
Cost reduction programs and other charges (Note 2)	(48)	(125)		(428)	(355)	
Merger-related divestitures	—	2		—	15	
Net gain on sale of business	—	164		—	164	
Purchase accounting impacts - Linde AG	(498)	(425)		(1,463)	(1,471)	
Total operating profit	$ 969	$ 1,000		$ 2,293	$ 2,278	

Americas

	Quarter Ended September 30,			Nine Months Ended September 30,		
(Millions of dollars)	2020	2019	Variance	2020	2019	Variance
Reported sales	$ 2,641	$ 2,771	(5) %	$ 7,735	$ 8,252	(6) %
Reported operating profit	$ 742	$ 671	11 %	$ 2,025	$ 1,901	7 %
As a percent of sales	28.1 %	24.2 %		26.2 %	23.0 %	

	Quarter Ended September 30, 2020 vs. 2019	Nine Months Ended September 30, 2020 vs. 2019
	% Change	% Change
	Sales	Sales
Factors Contributing to Changes		
Volume	(2) %	(3) %
Price/Mix	2 %	2 %
Cost pass-through	— %	(1) %
Currency	(4) %	(3) %
Acquisitions/divestitures	(1) %	(1) %
	(5) %	(6) %

The Americas segment includes Linde's industrial gases operations in approximately 20 countries including the United States, Canada, Mexico and Brazil.

Sales
Sales for the Americas segment decreased $130 million, or 5%, for the third quarter and decreased $517 million, or 6%, for the nine months ended September 30, 2020 versus the respective 2019 periods. Higher pricing contributed 2% to sales in the quarter and 2% in the year-to-date period. Lower volumes, primarily to the manufacturing and metals end markets due to COVID-19, were partially offset by new project start-ups and higher volumes to the healthcare end market. Currency translation decreased sales by 4% in the quarter and 3% year-to-date period primarily driven by the weakening of the Brazilian real, Mexican peso and Canadian dollar against the U.S. Dollar. Cost pass-through was flat in the quarter and decreased sales by 1% in the year-to-date periods with minimal impact on operating profit.

Operating profit
Operating profit in the Americas segment increased $71 million, or 11%, in the third quarter and increased $124 million, or 7%, for the nine months ended September 30, 2020 versus the respective 2019 periods. For the quarter and year-to-date periods, operating profit increased due primarily to higher pricing and cost reduction and productivity initiatives, which were partially offset by lower volumes and unfavorable impacts of currency translation.

EMEA

	Quarter Ended September 30,			Nine Months Ended September 30,		
(Millions of dollars)	2020	2019	Variance	2020	2019	Variance
Reported sales	$ 1,622	$ 1,634	(1) %	$ 4,703	$ 4,989	(6) %
Reported operating profit	$ 370	$ 335	10 %	$ 1,028	$ 1,014	1 %
As a percent of sales	22.8 %	20.5 %		21.9 %	20.3 %	

	Quarter Ended September 30, 2020 vs. 2019	Nine Months Ended September 30, 2020 vs. 2019
	% Change	% Change
	Sales	Sales
Factors Contributing to Changes		
Volume	(4) %	(4) %
Price/Mix	3 %	2 %
Cost pass-through	— %	(1) %
Currency	2 %	(2) %
Acquisitions/divestitures	(2) %	(1) %
	(1) %	(6) %

The EMEA segment includes Linde's industrial gases operations in approximately 45 European, Middle Eastern and African countries including Germany, France, Sweden, the Republic of South Africa, and the United Kingdom.

Sales

EMEA segment sales decreased by $12 million, or 1%, in the third quarter and decreased by $286 million, or 6%, for the nine months ended September 30, 2020 as compared to the respective 2019 period, primarily driven by lower volumes. Volumes decreased 4% in the quarter and the year-to-date period driven by overall weaker industrial production and the impact of COVID-19 during the quarter. Currency translation increased sales by 2% in the quarter due to the strengthening of the Euro and Swedish krona against the U.S. Dollar and decreased sales by 2% in the year-to-date periods due to the weakening of the British pound and South African rand against the U.S. Dollar. Higher price increased sales by 3% in the quarter and 2% in the year-to-date period. Sales decreased 2% in the quarter and year-to-date periods related to the divestiture of a non-core business in Scandinavia.

Operating profit

Operating profit for the EMEA segment increased by $35 million, or 10%, in the third quarter and increased $14 million, or 1%, for the nine months ended September 30, 2020 as compared to the respective 2019 periods, driven largely by higher price and the impact of cost reduction programs, partially offset by lower volumes.

APAC

	Quarter Ended September 30,			Nine Months Ended September 30,		
(Millions of dollars)	2020	2019	Variance	2020	2019	Variance
Reported sales	$ 1,484	$ 1,461	2 %	$ 4,115	$ 4,376	(6) %
Reported operating profit	$ 337	$ 308	9 %	$ 912	$ 885	3 %
As a percent of sales	22.7 %	21.1 %		22.2 %	20.2 %	

	Quarter Ended September 30, 2020 vs. 2019	Nine Months Ended September 30, 2020 vs. 2019
	% Change	% Change
	Sales	Reported
Factors Contributing to Changes		
Volume/Equipment	(1) %	(4) %
Price/Mix	1 %	1 %
Cost pass-through	— %	(1) %
Currency	2 %	(2) %
Acquisitions/divestitures	— %	— %
	2 %	(6) %

The APAC segment includes Linde's industrial gases operations in approximately 20 Asian and South Pacific countries and regions including China, Australia, India, South Korea and Taiwan.

Sales

Sales for the APAC segment increased $23 million, or 2%, for the third quarter and decreased $261 million, or 6% for the nine months ended September 30, 2020 versus the respective 2019 periods. Volumes decreased 1% in the quarter and 4% in the year-to-date period as the impact of COVID-19 and a prior year equipment sale in the year-to-date period more than offset the contribution of new project start-ups. Higher price contributed 1% to sales in both the quarter and year-to-date periods. Currency translation increased sales by 2% in quarter and decreased sales by 2% in the year-to-date periods driven primarily by the strengthening of the Chinese yuan and Australian dollar against the U.S. Dollar in the quarter and the weakening of the Chinese yuan, Australian dollar and India rupee against the U.S. Dollar in the year-to-date period.

Operating profit

Operating profit in the APAC segment increased $29 million, or 9%, in the third quarter and increased $27 million, or 3%, for the nine months ended September 30, 2020 versus the respective 2019 periods. Higher price and the impact of cost reduction programs in both periods were partially offset by lower volumes. Currency translation increased operating profit by 2% for the quarter.

Engineering

(Millions of dollars)	Quarter Ended September 30, 2020	2019	Variance	Nine Months Ended September 30, 2020	2019	Variance
Reported sales	$ 678	$ 641	6 %	$ 2,096	$ 2,029	3 %
Reported operating profit	$ 106	$ 120	(12) %	$ 335	$ 297	13 %
As a percent of sales	15.6 %	18.7 %		16.0 %	14.6 %	

	Quarter Ended September 30, 2020 vs. 2019	Nine Months Ended September 30, 2020 vs. 2019
	% Change	% Change
	Sales	Sales
Factors Contributing to Changes		
Volume	2 %	4 %
Currency	4 %	(1) %
	6 %	3 %

Sales

Engineering segment sales increased $37 million, or 6%, in the third quarter and increased $67 million, or 3%, for the nine months ended September 30, 2020 as compared to the respective 2019 periods driven primarily by volumes, project timing and currency impacts of an increase of 4% in the quarter and decrease of 1% in the year-to-date period.

Operating profit

Engineering segment operating profit decreased $14 million, or 12%, in the third quarter and increased $38 million, or 13%, for the nine months ended September 30, 2020 as compared to the respective 2019 periods. The decrease in the quarter was driven primarily by the timing of project completion and cost absorption. The year-to-date operating profit growth is due to project execution and impact of productivity initiatives.

Other

(Millions of dollars)	Quarter Ended September 30, 2020	2019	Variance	Nine Months Ended September 30, 2020	2019	Variance
Reported sales	$ 430	$ 486	(12) %	$ 1,322	$ 1,440	(8) %
Reported operating profit (loss)	$ (40)	$ (50)	20 %	$ (116)	$ (172)	33 %
As a percent of sales	(9.3)%	(10.3)%		(8.8)%	(11.9)%	

	Quarter Ended September 30, 2020 vs. 2019	Nine Months Ended September 30, 2020 vs. 2019
	% Change	% Change
	Sales	Sales
Factors Contributing to Changes		
Volume/price	(17) %	(9) %
Cost pass-through	2 %	1 %
Currency	3 %	— %
Acquisitions/divestitures	— %	— %
	(12) %	(8) %

Other consists of corporate costs and a few smaller businesses including: Surface Technologies, GIST, global helium wholesale, and Electronic Materials; which individually do not meet the quantitative thresholds for separate presentation.

Sales

Sales for Other decreased $56 million, or 12%, for the third quarter and decreased $118 million, or 8%, for the nine months ended September 30, 2020 versus the respective 2019 periods, primarily due to lower volumes largely due to surface technologies and to a lesser extent helium, partially offset by higher price largely due to helium. Currency translation increased sales by 3% for the quarter and was flat for the year-to-date period.

Operating profit

Operating profit in Other increased $10 million, or 20% in the third quarter and increased $56 million, or 33%, for the nine months ended September 30, 2020 versus the respective 2019 periods, due primarily to higher price and the impact of cost reduction and productivity initiatives.

Currency

The results of Linde's non-U.S. operations are translated to the company's reporting currency, the U.S. dollar, from the functional currencies. For most foreign operations, Linde uses the local currency as its functional currency. There is inherent variability and unpredictability in the relationship of these functional currencies to the U.S. dollar and such currency movements may materially impact Linde's results of operations in any given period.

To help understand the reported results, the following is a summary of the significant currencies underlying Linde's consolidated results and the exchange rates used to translate the financial statements (rates of exchange expressed in units of local currency per U.S. dollar):

Currency	Percentage of YTD 2020 Consolidated Sales	Exchange Rate for Income Statement: Year-To-Date Average 2020	Exchange Rate for Income Statement: Year-To-Date Average 2019	Exchange Rate for Balance Sheet: September 30, 2020	Exchange Rate for Balance Sheet: December 31, 2019
Euro	22 %	0.89	0.89	0.85	0.89
Chinese yuan	7 %	6.99	6.86	6.79	6.96
British pound	6 %	0.79	0.79	0.77	0.75
Australian dollar	4 %	1.48	1.43	1.40	1.42
Brazilian real	3 %	5.02	3.88	5.64	4.03
Canadian dollar	3 %	1.35	1.33	1.33	1.30
Taiwan dollar	3 %	29.80	31.04	29.02	29.99
Korean won	2 %	1,200	1,161	1,170	1,156
Mexican peso	2 %	21.64	19.25	22.11	18.93
Indian rupee	2 %	74.18	70.13	73.77	71.38
South African rand	1 %	16.65	14.35	16.75	14.00
Swedish krona	1 %	9.39	9.40	8.96	9.37
Thailand bhat	1 %	31.52	31.30	31.60	29.71

Liquidity, Capital Resources and Other Financial Data

The following selected cash flow information provides a basis for the discussion that follows:

(Millions of dollars)	Nine months ended September 30, 2020	Nine months ended September 30, 2019
NET CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Net income (including noncontrolling interests)	$ 1,819	$ 1,738
Non-cash charges (credits):		
Add: Depreciation and amortization	3,434	3,513
Add: Amortization of merger-related inventory step-up	—	12
Add: Deferred income taxes	(299)	(125)
Add: Share-based compensation	104	64
Add: Cost reduction programs and other charges, net of payments (a)	240	(356)
Net income adjusted for non-cash charges	5,298	4,846
Less: Working capital	(99)	(602)
Less: Pension contributions	(76)	(69)
Other	(128)	(230)
Net cash provided by operating activities	$ 4,995	$ 3,945
INVESTING ACTIVITIES		
Capital expenditures	(2,373)	(2,667)
Acquisitions, net of cash acquired	(41)	(161)
Divestitures and asset sales	435	4,960
Net cash provided by (used for) investing activities	$ (1,979)	$ 2,132
FINANCING ACTIVITIES		
Debt increase (decrease) - net	3,335	(1,744)
Issuances (purchases) of common stock - net	(1,989)	(1,874)
Cash dividends - Linde plc shareholders	(1,523)	(1,422)
Noncontrolling interest transactions and other	(201)	(3,257)
Net cash provided by (used for) financing activities	$ (378)	$ (8,297)
Effect of exchange rate changes on cash and cash equivalents	$ (139)	$ (126)
Cash and cash equivalents, end-of-period	$ 5,199	$ 2,120

(a) See Note 2 to the condensed consolidated financial statements.

Cash Flow from Operations

Cash provided by operations of $4,995 million for the nine months ended September 30, 2020 increased $1,050 million, or 27%, versus 2019. The increase was driven by higher net income adjusted for non-cash charges, lower working capital requirements, lower merger and synergy related cash outflows and favorable changes in other long-term assets and liabilities.

Linde estimates that total 2020 required contributions to its pension plans will be in the range of $85 million to $95 million, of which $76 million has been made through September 30, 2020. At a minimum, Linde contributes to its pension plans to comply with local regulatory requirements (e.g., ERISA in the United States). Discretionary contributions in excess of the local minimum requirements are made based on many factors, including long-term projections of the plans' funded status, the economic environment, potential risk of overfunding, pension insurance costs and alternative uses of the cash. Changes to these factors can impact the amount and timing of discretionary contributions from year to year.

Investing

Net cash used for investing of $1,979 million for the nine months ended September 30, 2020 decreased $4,111 million versus 2019, primarily driven by the proceeds from merger-related divestitures in 2019, partially offset by lower capital expenditures and acquisitions.

Capital expenditures for the nine months ended September 30, 2020 were $2,373 million, $294 million lower than the prior year.

Acquisitions for the nine months ended September 30, 2020 were $41 million and related primarily to acquisitions in the Americas and APAC. Acquisitions for the nine months ended September 30, 2019 were $161 million and related to acquisitions in the Americas.

Divestitures and asset sales for the nine months ended September 30, 2020 and 2019 were $435 million and $4,960 million, respectively. The 2020 period includes net proceeds from merger-related divestitures of $98 million from the sale of selected assets of Linde China and the divestiture of a non-core business in Scandinavia. The 2019 period includes net proceeds from merger-related divestitures of $3.4 billion from the sale of Linde AG's Americas business, $1.2 billion from the sale of Linde Korea and $218 million from the sale of selected assets of Linde India (see Note 13 to the condensed consolidated financial statements).

Financing

Cash used for financing activities was $378 million for the nine months ended September 30, 2020 as compared to cash used for financing activities of $8,297 million for the nine months ended September 30, 2019. Cash provided by debt was $3,335 million versus cash used for debt of $1,744 million in 2019 primarily due to bond issuances in 2020 and increased commercial paper borrowings, net of bond repayments. The 2019 period also includes an outflow of approximately $3.2 billion relating to the cash-merger squeeze-out of the 8% of Linde AG shares completed on April 8, 2019 (see Note 11 to the condensed consolidated financial statements). Net purchases of ordinary shares were $1,989 million in 2020 versus $1,874 million in 2019 driven by increased share repurchases under approved share repurchase programs. Cash dividends of $1,523 million increased $101 million from 2019 driven primarily by a 10% increase in quarterly dividends per share from 87.5 cents per share to 96.3 cents per share.

In May 2020, Linde issued €750 million of 0.250% notes due 2027 and €750 million 0.550% notes due 2032. In August 2020, Linde issued $700 million of 1.100% notes due 2030 and $300 million of 2.000% notes due 2050. In September 2020, the company repaid €1,000 million of 1.75% notes and $300 million of 2.25% notes that became due (see Note 4 to the condensed consolidated financial statements).

The company continues to believe it has sufficient operating flexibility, cash, and funding sources to meet its business needs around the world. The company had $5.2 billion of cash as of September 30, 2020, and has a $5 billion unsecured and undrawn revolving credit agreement with no associated financial covenants. No borrowings were outstanding under the credit agreement as of September 30, 2020. The company does not anticipate any limitations on its ability to access the debt capital markets and/or other external funding sources and remains committed to its strong ratings from Moody’s and Standard & Poor’s.

Legal Proceedings

See Note 9 to the condensed consolidated financial statements.

NON-GAAP MEASURES AND RECONCILIATIONS
(Millions of dollars, except per share data)
(UNAUDITED)

The following non-GAAP measures are intended to supplement investors' understanding of the company's financial information by providing measures which investors, financial analysts and management use to help evaluate the company's operating performance and liquidity. Items which the company does not believe to be indicative of on-going business trends are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. Definitions of these non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures.

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Adjusted Sales				
Reported Sales	$ 6,855	$ 7,000	$ 19,971	$ 21,148
Less: Merger-related divestitures (d)	—	(7)	—	(62)
Adjusted Sales	$ 6,855	$ 6,993	$ 19,971	$ 21,086
Adjusted Operating Profit and Operating Margin				
Reported operating profit	$ 969	$ 1,000	$ 2,293	$ 2,278
Less: Merger-related divestitures (d)	—	(2)	—	(15)
Add: Cost reduction programs and other charges	48	125	428	355
Less: Net gain on sale of businesses	—	(164)	—	(164)
Add: Purchase accounting impacts - Linde AG (c)	498	425	1,463	1,471
Total adjustments	546	384	1,891	1,647
Adjusted operating profit	$ 1,515	$ 1,384	$ 4,184	$ 3,925
Reported percentage change	(3) %		1 %	
Adjusted percentage change	9 %		7 %	
Reported sales	$ 6,855	$ 7,000	$ 19,971	$ 21,148
Adjusted sales (a)	$ 6,855	$ 6,993	$ 19,971	$ 21,086
Reported operating margin	14.1 %	14.3 %	11.5 %	10.8 %
Adjusted operating margin	22.1 %	19.8 %	21.0 %	18.6 %
Adjusted Depreciation and amortization				
Reported depreciation and amortization	$ 1,168	$ 1,095	$ 3,434	$ 3,513
Less: Purchase accounting impacts - Linde AG (c)	(487)	(423)	(1,431)	(1,459)
Adjusted depreciation and amortization	$ 681	$ 672	$ 2,003	$ 2,054
Adjusted Other Income (Expense) - net				
Reported Other Income (Expense) - net	$ (29)	$ 11	$ (14)	$ 39
Less: Purchase accounting impacts - Linde AG (c)	(11)	—	(32)	—
Adjusted Other Income (Expense) - net	$ (18)	$ 11	$ 18	$ 39
Adjusted Net Pension and OPEB Cost (Benefit), Excluding Service Cost				
Reported net pension and OPEB cost (benefit), excluding service cost	$ (41)	$ 2	$ (131)	$ (7)
Add: Pension settlement charges	(6)	(40)	(6)	(101)
Adjusted Net Pension and OPEB cost (benefit), excluding service costs	$ (47)	$ (38)	$ (137)	$ (108)
Adjusted Interest Expense - Net				
Reported interest expense - net	$ 38	$ (3)	$ 80	$ 30
Add: Purchase accounting impacts - Linde AG (c)	23	22	67	74
Adjusted interest expense - net	$ 61	$ 19	$ 147	$ 104
Adjusted Income Taxes (a)				
Reported income taxes	$ 265	$ 298	$ 594	$ 607
Add: Purchase accounting impacts - Linde AG (c)	75	99	292	345

Add: Pension settlement charges	1	10	1	25
Add: Cost reduction programs and other charges	12	(2)	110	30
Less: Merger-related divestitures (d)	—	(1)	—	(5)
Less: Net gain on sale of businesses	—	(56)	—	(56)
Total adjustments	88	50	403	339
Adjusted income taxes	$ 353	$ 348	$ 997	$ 946
Adjusted Effective Tax Rate (a)				
Reported income before income taxes and equity investments	$ 972	$ 1,001	$ 2,344	$ 2,255
Less: Merger-related divestitures (d)	—	(2)	—	(15)
Add: Pension settlement charge	6	40	6	101
Add: Purchase accounting impacts - Linde AG (c)	475	403	1,396	1,397
Add: Cost reduction programs and other charges	48	125	428	355
Less: Net gain on sale of businesses	—	(164)	—	(164)
Total adjustments	529	402	1,830	1,674
Adjusted income before income taxes and equity investments	$ 1,501	$ 1,403	$ 4,174	$ 3,929
Reported Income taxes	$ 265	$ 298	$ 594	$ 607
Reported effective tax rate	27.3 %	29.8 %	25.3 %	26.9 %
Adjusted income taxes	$ 353	$ 348	$ 997	$ 946
Adjusted effective tax rate	23.5 %	24.8 %	23.9 %	24.1 %
Income from Equity Investments				
Reported income from equity investments	$ 23	$ 28	$ 69	$ 90
Add: Purchase accounting impacts - Linde AG (c)	14	15	$ 42	$ 43
Adjusted income from equity investments	$ 37	$ 43	$ 111	$ 133
Adjusted Noncontrolling Interests from Continuing Operations				
Reported noncontrolling interests from continuing operations	$ (31)	$ (3)	$ (91)	$ (62)
Add: Cost reduction programs and other charges	—	(35)	—	(35)
Add: Purchase accounting impacts - Linde AG (c)	(14)	(8)	(43)	(40)
Total adjustments	(14)	(43)	(43)	(75)
Adjusted noncontrolling interests from continuing operations	$ (45)	$ (46)	$ (134)	$ (137)
Adjusted Income from Continuing Operations (b)				
Reported income from continuing operations	$ 699	$ 728	$ 1,728	$ 1,676
Add: Pension settlement charge	5	30	5	76
Less: Merger-related divestitures (d)	—	(2)	—	(11)
Add: Cost reduction programs and other charges	36	92	318	290
Less: Net gain on sale of business	—	(108)	—	(108)
Add: Purchase accounting impacts - Linde AG (c)	400	312	1,103	1,056
Total adjustments	441	324	1,426	1,303
Adjusted income from continuing operations	$ 1,140	$ 1,052	$ 3,154	$ 2,979
Adjusted Diluted EPS from Continuing Operations (b)				
Reported diluted EPS from continuing operations	$ 1.32	$ 1.34	$ 3.25	$ 3.07
Add: Pension settlement charge	0.01	0.07	0.01	0.15
Add: Cost reduction programs and other charges	0.07	0.17	0.60	0.54
Less: Merger-related divestitures (d)	—	(0.01)	—	(0.03)
Less: Net gain on sale of business	—	(0.21)	—	(0.21)
Add: Purchase accounting impacts - Linde AG (c)	0.75	0.58	2.07	1.94

Total adjustments	0.83	0.60	2.68	2.39
Adjusted diluted EPS from continuing operations	$ 2.15	$ 1.94	$ 5.93	$ 5.46
Adjusted EBITDA and % of Sales				
Income from continuing operations	$ 699	$ 728	$ 1,728	$ 1,676
Add: Noncontrolling interests related to continuing operations	31	3	91	62
Add: Net pension and OPEB cost (benefit), excluding service cost	(41)	2	(131)	(7)
Add: Interest expense	38	(3)	80	30
Add: Income taxes	265	298	594	607
Add: Depreciation and amortization	1,168	1,095	3,434	3,513
EBITDA from continuing operations	$ 2,160	$ 2,123	$ 5,796	$ 5,881
Less: Merger-related divestitures (d)	—	(2)	—	(15)
Less: Net gain on sale of business	—	(164)	—	(164)
Add: Cost reduction programs and other charges	48	125	428	355
Add: Purchase accounting impacts - Linde AG (c)	25	17	74	55
Total adjustments	73	(24)	502	231
Adjusted EBITDA from continuing operations	$ 2,233	$ 2,099	$ 6,298	$ 6,112
Reported sales	$ 6,855	$ 7,000	$ 19,971	$ 21,148
Adjusted sales	$ 6,855	$ 6,993	$ 19,971	$ 21,086
% of sales				
EBITDA from continuing operations	31.5 %	30.3 %	29.0 %	27.8 %
Adjusted EBITDA from continuing operations	32.6 %	30.0 %	31.5 %	29.0 %

(a) The income tax expense (benefit) on the non-GAAP pre-tax adjustments was determined using the applicable tax rates for the jurisdictions that were utilized in calculating the GAAP income tax expense (benefit) and included both current and deferred income tax amounts.

(b) Net of income taxes which are shown separately in “Adjusted Income Taxes and Effective Tax Rate”.

(c) The company believes that its non-GAAP measures excluding Purchase accounting impacts - Linde AG are useful to investors because: (i) the business combination was a merger of equals in an all-stock merger transaction, with no cash consideration, (ii) the company is managed on a geographic basis and the results of certain geographies are more heavily impacted by purchase accounting than others, causing results that are not comparable at the reportable segment level, therefore, the impacts of purchasing accounting adjustments to each segment vary and are not comparable within the company and when compared to other companies in similar regions, (iii) business management is evaluated and variable compensation is determined based on results excluding purchase accounting impacts, and; (iv) it is important to investors and analysts to understand the purchase accounting impacts to the financial statements.

A summary of each of the adjustments made for Purchase accounting impacts - Linde AG are as follows:
Adjusted Operating Profit and Margin: The purchase accounting adjustments for the periods presented relate primarily to depreciation and amortization related to the fair value step up of fixed assets and intangible assets (primarily customer related) acquired in the merger and the allocation of fair value step-up for ongoing Linde AG asset disposals (reflected in Other Income/(Expense)).
Adjusted Interest Expense - Net: Relates to the amortization of the fair value of debt acquired in the merger.
Adjusted Income Taxes and Effective Tax Rate: Relates to the current and deferred income tax impact on the adjustments discussed above. The income tax expense (benefit) on the non-GAAP pre-tax adjustments was determined using the applicable tax rates for the jurisdictions that were utilized in calculating the GAAP income tax expense (benefit) and included both current and deferred income tax amounts.
Adjusted Income from Equity Investments: Represents the amortization of increased fair value on equity investments related to depreciable and amortizable assets.
Adjusted Noncontrolling Interests from Continuing Operations: Represents the noncontrolling interests’ ownership portion of the adjustments described above determined on an entity by entity basis.

(d) To adjust for the results of Praxair's merger-related divestitures.

Net Debt and Adjusted Net Debt

Net debt is a financial liquidity measure used by investors, financial analysts and management to evaluate the ability of a company to repay its debt. Purchase accounting impacts have been excluded as they are non-cash and do not have an impact on liquidity.

(Millions of dollars)	September 30, 2020	December 31, 2019
Debt	$ 17,803	$ 13,956
Less: cash and cash equivalents	(5,199)	(2,700)
Net debt	12,604	11,256
Less: purchase accounting impacts - Linde AG	(133)	(195)
Adjusted net debt	$ 12,471	$ 11,061

Supplemental Guarantee Information

On June 6, 2020, the company filed a Form S-3 Registration Statement with the SEC ("the Registration Statement").

Linde plc may offer debt securities, preferred shares, depositary shares and ordinary shares under the Registration Statement, and debt securities exchangeable for or convertible into preferred shares, ordinary shares or other debt securities. Debt securities of Linde plc may be guaranteed by Linde, Inc (previously Praxair) and/or Linde GmbH (previously Linde AG). Linde plc may provide guarantees of debt securities offered by its wholly owned subsidiaries Linde, Inc. or Linde Finance under the Registration Statement.

Linde, Inc. (previously Praxair, Inc.) is a wholly owned subsidiary of Linde plc. Linde, Inc. may offer debt securities under the Registration Statement. Debt securities of Linde, Inc. will be guaranteed by Linde plc, and such guarantees by Linde plc may be guaranteed by Linde GmbH. Linde, Inc. may also provide (i) guarantees of debt securities offered by Linde plc under the Registration Statement and (ii) guarantees of the guarantees provided by Linde plc of debt securities of Linde Finance offered under the Registration Statement.

Linde Finance B.V. is a wholly owned subsidiary of Linde plc. Linde Finance may offer debt securities under the Registration Statement. Linde plc will guarantee debt securities of Linde Finance offered under the Registration Statement. Linde GmbH and Linde, Inc. may guarantee Linde plc’s obligations under its downstream guarantee.

Linde GmbH is a wholly owned subsidiary of Linde plc. Linde GmbH may provide (i) guarantees of debt securities offered by Linde plc under the Registration Statement and (ii) upstream guarantees of downstream guarantees provided by Linde plc of debt securities of Linde, Inc. or Linde Finance offered under the Registration Statement.

In September 2019, Linde plc provided downstream guarantees of all of the pre-business combination Linde, Inc. and Linde Finance notes, and Linde GmbH and Linde, Inc., respectively, provided upstream guarantees of Linde plc’s downstream guarantees.

For further information about the guarantees of the debt securities registered under the Registration Statement (including the ranking of such guarantees, limitations on enforceability of such guarantees and the circumstances under which such guarantees may be released), see “Description of Debt Securities – Guarantees” and “Description of Debt Securities – Ranking” in the Registration Statement, which subsections are incorporated herein by reference.

The company has elected to comply with Rule 13-01 of SEC Regulation S-X in advance of the effective date of January 4, 2021, as permitted by the Adopting Release.

The following tables present summarized financial information for Linde plc, Linde, Inc., Linde GmbH and Linde Finance on a combined basis, after eliminating intercompany transactions and balances between them and excluding investments in and equity in earnings from non-guarantor subsidiaries.

(Millions of dollars) **Statement of Income Data**	Nine Months Ended September 30, 2020	Twelve Months Ended December 31, 2019
Sales	$ 4,948	$ 6,510
Operating profit	325	592
Net income	270	2,271
Transactions with non-guarantor subsidiaries	1,521	3,533
Balance Sheet Data (at period end)		
Current assets (a)	$ 3,909	$ 2,137
Long-term assets (b)	17,832	20,421
Current liabilities (c)	9,881	6,897
Long-term liabilities (d)	35,388	35,338
(a) From current assets above, amount due from non-guarantor subsidiaries	$ 1,022	$ 619
(b) From long-term assets above, amount due from non-guarantor subsidiaries	4,726	7,725
(c) From current liabilities above, amount due to non-guarantor subsidiaries	1,002	737
(d) From long-term liabilities above, amount due to non-guarantor subsidiaries	20,188	21,242

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Refer to Item 7A. to Part II of Linde's 2019 Annual Report on Form 10-K for discussion.

Item 4. Controls and Procedures

(a) Based on an evaluation of the effectiveness of Linde's disclosure controls and procedures, which was made under the supervision and with the participation of management, including Linde's principal executive officer and principal financial officer, the principal executive officer and principal financial officer have each concluded that, as of the end of the quarterly period covered by this report, such disclosure controls and procedures are effective in ensuring that information required to be disclosed by Linde in reports that it files under the Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and accumulated and communicated to management including Linde's principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

(b) There were no changes in Linde's internal control over financial reporting that occurred during the quarterly period covered by this report that have materially affected, or are reasonably likely to materially affect, Linde's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

See Note 9 to the condensed consolidated financial statements for a description of current legal proceedings.

Item 1A. Risk Factors

Through the quarterly period covered by this report, there have been no material changes to the risk factors disclosed in Item 1A to Part I of Linde's Annual Report on Form 10-K for the year ended December 31, 2019 and Item 1A to Part II of Linde's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities- Certain information regarding purchases made by or on behalf of the company or any affiliated purchaser (as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934, as amended) of its ordinary shares during the quarter ended September 30, 2020 is provided below:

Period	Total Number of Shares Purchased *(Thousands)*	Average Price Paid Per Share	Total Numbers of Shares Purchased as Part of Publicly Announced Program (1) *(Thousands)*	Approximate Dollar Value of Shares that May Yet be Purchased Under the Program (2) *(Millions)*
July 2020	—	$ —	—	$ 1,916
August 2020	407	$ 247.53	407	$ 1,815
September 2020	463	$ 244.13	463	$ 1,702
Third Quarter 2020	870	$ 245.72	870	$ 1,702

(1) On January 22, 2019 the company's board of directors approved the repurchase of $6.0 billion of its ordinary shares ("2019 program") which could take place from time to time on the open market (which could include the use of 10b5-1 trading plans), subject to market and business conditions. The 2019 program has a maximum repurchase amount of 15% of outstanding shares and a stated expiration date of February 1, 2021.

(2) As of September 30, 2020, the company repurchased $4.3 billion of its ordinary shares pursuant to the 2019 program, leaving an additional $1.7 billion authorized.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

(a) Exhibits

4.1	Indenture, dated as of August 10, 2020, among Praxair, Inc., Linde plc and U.S. Bank National Association, as trustee (filed as Exhibit 4.1 to Linde plc's Form 8-K dated August 10, 2020, Filing number 1-38730, and is incorporated herein by reference).
4.2	Form of 1.100% Notes due 2030 with Guarantee Endorsements (filed as Exhibit 4.2 to Linde plc's Form 8-K dated August 10, 2020, Filing number 1-38730, and is incorporated herein by reference).
4.3	Form of 2.000% Notes due 2050 with Guarantee Endorsements (filed as Exhibit 4.3 to Linde plc's Form 8-K dated August 10, 2020, Filing number 1-38730, and is incorporated herein by reference).
*10.1	Second Amendment dated September 8, 2020 to the Amended and Restated 2009 Praxair, Inc Long Term Incentive Plan.
*10.2	Linde Compensation Deferral Program Amended and Restated effective September 1, 2020.
*10.3	Linde Inc 2018 Supplemental Retirement Income Plan A, Amended and Restated effective September 1, 2020.
*10.4	Linde Inc 2018 Supplemental Retirement Income Plan B, Amended and Restated effective September 1, 2020.
*10.5	Linde Inc 2018 Equalization Benefit Plan, Amended and Restated effective September 1, 2020.
31.01	Rule 13a-14(a) Certification
31.02	Rule 13a-14(a) Certification
32.01	Section 1350 Certification (such certifications are furnished for the information of the Commission and shall not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act).
32.02	Section 1350 Certification (such certifications are furnished for the information of the Commission and shall not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act).
101.INS	XBRL Instance Document: The XBRL Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase

*Indicates a management contract or compensatory plan or arrangement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	Linde plc
	(Registrant)
Date: November 5, 2020	By: /s/ Kelcey E. Hoyt
	Kelcey E. Hoyt Chief Accounting Officer

SECOND AMENDMENT TO THE
Amended and Restated
2009 Praxair, Inc. Long Term Incentive Plan

The Amended and Restated 2009 Praxair, Inc. Long Term Incentive Plan (the “Plan”) was previously adopted by the Board of Directors of Praxair, Inc. and was assumed by Linde plc as of October 31, 2018, in connection with the completion of the business combination between Praxair, Inc. and Linde AG. In connection with the company’s post-business combination integration efforts, the Plan is hereby amended as follows, effective as of the date hereof:

1. The Plan is renamed the “Amended and Restated 2009 Linde Long Term Incentive Plan” and

2. All references in the Plan to the “Company” are amended to refer to Linde plc.

September __, 2020

LINDE PLC

By:____________________________
Guillermo Bichara, Its
General Counsel & Secretary

LINDE COMPENSATION DEFERRAL PROGRAM

Amended and Restated as of September 1, 2020

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LINDE COMPENSATION DEFERRAL PROGRAM

SECTION 1: PURPOSE

The purpose of the Linde Compensation Deferral Program (the "Plan") is to provide: (i) Eligible Employees an opportunity to annually elect in advance to defer a portion or all of their Variable Compensation Awards granted pursuant to Linde's Variable Compensation Plans; (ii) Designated Employees an opportunity to annually elect in advance to defer a portion or all of their base salaries; and (iii) Eligible Employees with Linde contributions lost under the Savings Plan because of the limitations imposed under Code Section 401(a)(17).

SECTION 2: DEFINITIONS

2.1. "Affiliate" means any entity, whether or not incorporated, which is treated as a single employer with Linde under Code Sections 414(b), (c), (m) or (o), provided, however, that for purposes of determining whether a Participant has incurred a Separation from Service under the Plan, Code Sections 414(b) and (c) shall be applied using an "at least 50 percent" common ownership threshold in lieu of the "at least 80 percent" threshold otherwise applicable.

2.2. "Beneficiary" means the person, persons or estate entitled (as determined under Section 6) to receive payment under the Plan following a Participant's death.

2.3. "Board" means Linde's Board of Directors.

2.4. "Change in Control" means the occurrence of any one of the following events with respect to Linde:

(a) during a 12-month period, a majority of the individuals who constitute the Board are replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election;

(b) any one person, or more than one person acting as a group, becomes owner as defined in Section 318(a) of the Code (or has become owner during the 12-month period ending on the date of the most recent acquisition by such person or group), of stock of Linde possessing 30 percent or more of the total voting power of the stock of Linde; provided, however, that the event described in this paragraph (b) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (i) by Linde or any of its subsidiaries, (ii) by any employee benefit plan sponsored or maintained by Linde or any of its subsidiaries, or (iii) by any underwriter temporarily holding securities pursuant to an offering of such securities; or

(c) any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or group) assets from Linde that have a total gross fair market value equal to or more than 80 percent of the total gross fair market value of all of the assets of Linde immediately prior to such acquisition(s); provided, however, that a transfer of assets by Linde is not treated as a Change in Control if the assets are transferred to: (i) a shareholder of Linde (immediately before the asset transfer) in exchange for or with respect to its stock; (ii) an entity, 50 percent or more of the total value or voting power of which is owned, directly or indirectly, by Linde; (iii) a person, or more than one person acting as a group, that owns, directly or indirectly, 50 percent or more of the total value or voting power of all outstanding stock of Linde; or (iv) an entity, at least 50 percent of the total value or voting power of which is owned, directly or indirectly, by a person described in the previous subsection (iii). For purposes of this paragraph, (1) gross fair market value means the value of the assets of Linde, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets, and (2) a person’s status is determined immediately after the transfer of the assets; or

(d) any one person, or more than one person acting as a group, becomes owner, as defined in Section 318(a) of the Code, of stock of Linde that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of stock of Linde; provided, however, that if any one person or more than one person acting as a group, is considered to own more than 50 percent of the total fair market value or total voting power of stock of Linde, the acquisition of additional stock by the same person is not considered to cause a Change in Control. This paragraph applies only when there is a transfer of stock of Linde (or issuance of stock of Linde) and stock in Linde remains outstanding after the transaction.

For purposes of this definition:

(i) a "person" shall be as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "Exchange Act") and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

(ii) persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar transaction with Linde. If a person, including an entity, owns stock in both corporations that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a group with other shareholders in the corporation prior to the transaction giving rise to the Change in Control and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a group solely because they purchase or own stock of Linde at the same time, or as a result of the same public offering.

2.5. “CHRO” mean’s Linde’s Chief Human Resources Officer or the individual with functionally equivalent responsibilities.

2.6. “Code” means the Internal Revenue Code of 1986, as amended from time to time.

2.7. “Committee” means the Compensation and Management Development Committee of the Board, or any successor committee of the Board.

2.8. “Company” means Linde Inc. (formerly Praxair, Inc.), a wholly-owned subsidiary of Linde, and its U.S. Affiliates.

2.9. “Company Contribution” means a credit on a Participant’s behalf described in Section 4.2.

2.10. “Date of Deferral” means (i) with respect to the deferral of base salary or a Variable Compensation Award, the date on which such amount would have been paid by the Company absent the Participant’s deferral election, and (ii) with respect to Company Contributions for a given Plan Year, the day following the date that the Committee determines the common stock value for the Company Contribution deferral pursuant to the last sentence of Section 2.21.

2.11. “Disability” means a Participant’s total physical or mental inability to perform any work for compensation or profit in any occupation for which the Participant is reasonably qualified by reason of training, education or ability, and which inability is adjudged to be permanent, as determined by the CHRO or his or her designee.

2.12. “Employee” means an individual who is an employee of the Company. An Employee shall be an “Eligible Employee” for any Plan Year for which he or she is on the U.S. Ultipro payroll of the Company in a position with a Linde Global Grade of 19 or higher (or the equivalent thereof) and is eligible to participate in a Variable Compensation Plan. An Employee shall be a "Designated Employee" for any Plan Year in which he or she in an Eligible Employee and is designated by the CHRO, in his or her sole discretion, as eligible to elect to defer base salary pursuant to Section 4.1(b).

2.13. "Fixed Income Rate" shall be determined for each Plan Year and shall be equal to the 1-year U.S. Treasury Bond rate in effect as of the end of the immediately preceding Plan Year, plus 50 basis points.

2.14. "Linde" means Linde plc and any successor thereof by merger, consolidation or otherwise.

2.15. "Participant" means an Eligible Employee who: (i) previously elected to defer a portion or all of his or her base salary paid prior to January 1, 2006 to the Plan; (ii) is a Designated Employee and elects in advance under the Plan to defer all or a portion of his or her base salary for any Plan Year beginning after December 31, 2008; (iii) elects in advance under the Plan to defer a portion or all of any Variable Compensation Award that may be granted to him or her for a Plan Year, and who is in fact subsequently granted such an Award which is payable for said year on the Date of Deferral; or (iv) is credited with a Company Contribution pursuant to Section 4.2 of this Plan with respect to any Plan Year.

2.16. "Plan" means this Linde Compensation Deferral Program.

2.17. "Plan Year" means the calendar year.

2.18. "Retirement" means a Participant's Separation from Service, after attaining age 50 and completing at least five years of service (as such service would be recognized under the Praxair Pension Plan component of the Linde U.S. Pension Plan if the Participant is, or had been, a participant in such Pension Plan).

2.19. "Savings Plan" means the Linde Retirement Savings Plan.

2.20. "Separation from Service" means a Participant's separation from service with the Company, determined in accordance with Code Section 409A and the Treasury Regulations issued thereunder.

2.21. "Stock Value Rate" means the difference between the value of Linde's common stock (a) as of the date amounts credited to the Plan are directed, by initial election or by reallocation, into the Stock Value Rate (or, in the case of initial deferrals of Company Contributions or of Variable Compensation Awards, the common stock value determined by the Committee in accordance with the last sentence of this Section), and (b) the date such amounts are paid out or withdrawn pursuant to Section 5. The Stock Value Rate shall include the value of any dividends paid on Linde's common stock during the period for which the Stock Value Rate is being determined, as if such dividends were reinvested, when payable, in additional shares of Linde's common stock purchased at the value of Linde's common stock on the dividend payment date. Except as provided in the next sentence, the value of Linde's common stock for purposes of this Section, shall mean the closing price of the stock on the New York Stock Exchange on the relevant date of determination. In January of each Plan Year, the Committee shall determine the common stock value to be used in valuing deferrals of Variable Compensation Awards and Company Contributions to be awarded with respect to the immediately preceding Plan Year.

2.22. "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from any of the following, to the extent that the emergency cannot be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets (to the extent the liquidation of such assets would not cause severe financial hardship), or by the cessation of deferrals under the Plan:

(a) an illness or accident of the Participant, the Participant's spouse, the Participant's beneficiary, or the Participant's dependent (as defined in Code Section 152, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B));

(b) the loss of the Participant's property due to casualty;

(c) the need to pay medical expenses;

(d) the need to pay for the funeral expenses of the Participant's spouse, a beneficiary, or a dependent (as defined in Code Section 152, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B)); or

(e) any other similar extraordinary and unforeseeable circumstance arising as a result of events beyond the control of the Participant.

Whether a Participant has an Unforeseen Emergency shall be determined by the CHRO or his or her designee, based upon the relevant facts and circumstances.

2.23. "Variable Compensation Plan" means the Linde plc Annual Variable Compensation Plan and successors to such plans, all as amended from time to time.

2.24. "Variable Compensation Award" means a variable compensation award under a Variable Compensation Plan.

SECTION 3: ADMINISTRATION

The Committee shall have full discretionary authority to interpret and construe the Plan and shall supervise the administration and interpretation of the Plan, establish administrative regulations to further the purpose of the Plan and take any other action necessary to the proper operation of the Plan. The Committee may delegate to one or more of its members or any other person, the right to act on its behalf in any matter connected with the administration of the Plan and has delegated authority for the Plan's day-to-day administration to the Company's Human

Resources Department. All decisions and acts of the Committee or its designee shall be final and binding upon all Participants, their beneficiaries and all other persons.

SECTION 4: ELECTION TO PARTICIPATE

4.1. Participant Deferral Elections.

(a) Prior to the beginning of each Plan Year, Eligible Employees shall be informed of the opportunity to make an election to defer their Variable Compensation Awards under the Plan. An Eligible Employee electing to defer his or her Variable Compensation Award must make an election to do so during the election period ending not later than December 31st of the Plan Year immediately preceding the Plan Year for which such Variable Compensation Award relates, or such earlier date as established by the CHRO. An Eligible Employee's election to defer a Variable Compensation Award shall be irrevocable with respect to the Plan Year and the Variable Compensation Plan for which it is made and shall become effective only on the applicable Date of Deferral and only if, on such date, the Eligible Employee receives a Variable Compensation Award (or would have received a Variable Compensation Award but for an election to defer under the Plan). An individual who first becomes an Eligible Employee at any time during a Plan Year is not permitted to make a deferral election with respect to any Variable Compensation Award earned for such Plan Year.

(b) Prior to each Plan Year beginning after December 31, 2008, the CHRO, in his or her sole discretion, shall designate the Designated Employees for such Plan Year and such designation shall be in effect only for the Plan Year to which it applies. Each Designated Employee for such Plan Year shall be informed of the opportunity to make an election to defer under the Plan all or a portion of his or her base salary earned in such Plan Year. A Designated Employee electing to defer all or any portion of his or her base salary must make an election to do so during the election period ending not later than December 31st of the Plan Year immediately preceding the Plan Year in which such base salary will be earned, or such earlier date as established by the CHRO. A Designated Employee's election to defer base salary shall be irrevocable with respect to the Plan Year and shall be effective only for such Plan Year and only while such Designated Employee remains employed by the Company. An individual who first becomes an Eligible Employee at any time during a Plan Year is not permitted to make a deferral election with respect to any base salary earned for such Plan Year.

(c) Any elections made pursuant to this Section 4.1 shall be made in accordance with such procedures as may be established from time to time by the Company's Human Resources Department.

b. Company Contributions.

(a) Shortly after the end of each Plan Year, and without requiring any election to participate in this Plan, the Company will credit each Eligible Employee, including an individual who first becomes an Eligible Employee during such Plan Year, with an amount equal to both the Company matching contribution rate, if any, applicable to such Employee under the Savings Plan (based on his or her actual Savings Plan contribution rate in effect as of the end of the Plan Year to which such credit relates) and/or the Company contribution rate, if any, applicable to such Employee under the Savings Plan, in each case multiplied by that portion of such Employee's compensation (as defined in the Savings Plan but without regard to either Code Section 401(a)(17) or any deferrals under this Plan) for the Plan Year to which such credit relates, which exceeds the maximum amount of compensation permitted to be taken into account for such Plan Year under Code Section 401(a)(17).

(b) Company Contributions shall be credited to each eligible Participant in arrears, as of the relevant Date of Deferral, provided that such Participant is then employed by the Company and has not incurred a Separation from Service. Notwithstanding the foregoing, if the Participant has Separated from Service prior to the relevant Date of Deferral by reason of his or her death, Disability, Retirement, or termination by the Company other than for cause, the Company shall credit the Participant as of the relevant Date of Deferral with the appropriate Company Contributions even though such Participant is not employed by the Company on said Date of Deferral. Except as otherwise provided in Section 5.1(f), all Company Contributions credited on a Participant's behalf shall become vested at the same time and to the same extent as comparable contributions made under the Savings Plan. All unvested Company Contributions held on a Participant's behalf as of his or her Separation from Service shall be immediately forfeited.

SECTION 5: PAYMENTS TO PARTICIPANTS AND BENEFICIARIES

5.1 Time of Payment.

(a) Subject to Sections 5.1(d) and (e): (i) a Participant who Retires shall receive payment of any vested Company Contributions credited on his or her behalf and adjusted for any earnings or losses under Section 7, during the January of the Plan Year immediately following his or her Retirement; and (ii) a Participant who Separates from Service prior to Retirement shall receive payment of any vested Company Contributions credited on his or her behalf and adjusted for any earnings or losses under Section 7, as soon as administratively possible following the date of his or her Separation from Service, but no later than 90 days after such date. Notwithstanding any provision in this Plan to the contrary, any vested Company Contributions credited on such Participant's behalf with respect to the Plan Year in which he or she Retires or otherwise Separates from Service, shall be paid (along with any applicable earnings or losses on such amount as determined under Section 7) as soon as administratively practicable following Date of Deferral of such Company Contribution, but no later than 90 days after such Date of Deferral.

(b) Subject to Sections 5.1(c), (d) and (e): (i) a Participant who Retires shall receive (or commence, in the case of installments) payment of his or her previously deferred Variable Compensation Awards and/or base salary, and any earnings or losses credited with respect to such deferrals under Section 7, during the January of the Plan Year immediately following his or her Retirement; and (ii) a Participant who Separates from Service prior to Retirement shall receive (or commence, in the case of installments) payment of his or her previously deferred Variable Compensation Awards and/or base salary, and any earnings or losses credited with respect to such deferrals under Section 7, as soon as administratively possible following the date of his or her Separation from Service, but no later than 90 days after such date. Participants shall be deemed to have elected to defer all such amounts until their Retirement/Separation from Service in accordance with this Section 5.1(b) unless a contrary election is made pursuant to Section 5.1(c) below.

(c) Notwithstanding any provision in this Plan to the contrary, a Participant may, at the time of electing to defer a Variable Compensation Award and/or base salary, make an irrevocable election to receive payment of such deferred amounts during a specific future payment year other than the year including the applicable Date of Deferral. A Participant making such an election shall receive (or commence, in the case of installments) payment of any such amount in the January of the elected future payment year. A Participant may elect differing future payment dates for each year's deferrals and may elect differing future payment dates with respect to deferrals of Variable Compensation Awards and base salary elected for the same Plan Year.

(d) A Participant who has an Unforeseen Emergency may elect to receive payment of any or all of his or her vested Company Contributions, deferred base salary, deferred Variable Compensation Awards, and any earnings or losses credited to him or her pursuant to Section 7 of this Plan; provided that the Participant may not receive an amount greater than the amount necessary to meet the Unforeseen Emergency plus any amounts necessary to pay federal, state and local income taxes or penalties reasonably anticipated to result from a distribution made under this Section 5.1(d).

(e) Notwithstanding any provision in this Plan to the contrary, and irrespective of any election made by the Participant under the Plan, if a Participant dies at any time before having received payment of his or her entire vested benefit under this Plan (including payment of remaining installments), payment of the Participant's entire remaining vested benefit shall be made in full to the Participant's Beneficiary in a single payment as soon as administratively possible following the date the Participant's death, but no later than 90 days after such date, provided, however, that any vested Company Contributions credited on such Participant's behalf with respect to the Plan Year of his or her death, shall be paid (along with any applicable earnings or losses on such amount as determined under Section 7) as soon as administratively practicable following Date of Deferral of such Company Contribution, but no later than 90 days after such Date of Deferral.

(f) Notwithstanding any provision in this Plan to the contrary, all Company Contributions shall fully vest and each Participant shall receive a lump sum payment of his or her entire benefit under this Plan (and any election to receive installment payments shall be disregarded) at such time as the Board determines that a Change in Control has occurred. Such payment shall be made in full within 45 days after the Change in Control; provided, however, that a Participant who satisfies criteria established by the Committee or the CHRO, as determined in the sole discretion of the Committee or the CHRO, may elect, at the time and in the manner designated by the Committee or the CHRO, to waive the right to receive a lump sum payment of his or her entire Plan benefit upon a Change in Control and such waiver shall be considered the deletion of such Participant's Change in Control payment event as contemplated under Treasury Regulation Section 1.409A-2(b)(6). Any Participant who makes such election shall receive payment of his or her Plan benefit at such time and in such form as otherwise provided under the Plan. Any such election shall be valid if, and only if, made at least one year prior to the effective date of any Change in Control, and shall not count as a subsequent election as described in Section 5.5.

(g) Notwithstanding any provision in this Plan to the contrary, with respect to any Participant who, at the time of his or her Retirement or other Separation from Service, is a "Specified Employee" (as defined in Treasury Regulation Section 1.409A-1(i)), payment of benefits pursuant to Sections 5.1(a) or (b) shall commence no sooner than six (6) months after the date of such Participant's Retirement or other Separation from Service to the extent required under Treasury Regulation Section 1.409A-3(i)(2).

5.2 Form of Payments.

(a) Except as otherwise provided in this Section 5.2, all benefits payable under this Plan shall be paid in a single lump sum.

(b) In the event that, prior to January 1, 2005, a valid election was received from a Participant to receive payment of all or any portion of his or her Plan benefit in annual installments over a designated period, payment of the portion of such Participant's Plan benefit to which such prior election applies shall be made in accordance with such election.

(c) Effective as of July 15, 2014, a Participant may, at the time of electing to defer a Variable Compensation Award and/or base salary, make an irrevocable election to receive payment of such deferred amounts in substantially equal annual installments over a period of ten years. A Participant may elect differing future payment forms for each year's deferrals and may elect differing future payment forms with respect to deferrals of Variable Compensation Awards and base salary elected for the same Plan Year. Any installment payments elected will commence as of the applicable time set forth in Section 5.1 with subsequent annual installments payable in the calendar month including the anniversary of the date the first installment payment was made. With respect to any amounts subject to a deferral election made prior to January 1, 2015 (other than amounts covered by Section 5.2(b) hereof), an election to receive installment payments shall be subject to the Subsequent Election requirements under Section 5.5 hereof.

5.3 Payment in U.S. Dollars or Shares. All amounts which, at the time of payment, were accruing at the Fixed Income Rate, shall be paid in U.S. dollars and all amounts which, at the time of payment, were accruing under the Stock Value Rate, shall be paid in shares of Linde common stock.

5.4 Reduction of Payments. All payments under this Plan shall be reduced by any and all amounts that the Committee (or its designee) determines in its sole discretion are required to be withheld pursuant to applicable law.

5.5 Subsequent Elections – Additional Deferrals and Changes in Form of Payment. Notwithstanding Sections 5.1 and 5.2, a Participant who has made an election to defer a Variable

Compensation Award and/or base salary in accordance with Section 4.1 hereof, may make a subsequent election to further defer payment of such amount and/or to change the form of payment from a single lump sum to substantially equal annual installments over a period of ten years (collectively, a "subsequent election"), provided such subsequent election is made in accordance with the following provisions:

(a) The subsequent election must be made no later than 12 months prior to the date the Participant would otherwise have commenced receiving payments of the redeferred amounts had the subsequent election not been made;

(b) With respect to the subsequent election applicable to any amount previously deferred until a specific future payment date in accordance with Section 5.1(c), the subsequent election must provide for the further deferral of the amount for a period of not less than five years from the date payment would otherwise have been made (or commenced, in the case of installments) had the subsequent deferral election not been made;

(c) With respect to the subsequent election applicable to any amount previously deferred until Retirement or Separation from Service in accordance with Section 5.1(b), the subsequent election must provide for the further deferral of the amount for a period of not less than five years, nor more than ten years, from the date payment would otherwise have been made (or commenced, in the case of installments) had the subsequent election not been made;

(d) For each original deferral election there may be only one subsequent election made pursuant to this Section 5.5; provided, however, that for purposes of this Section, a Participant's election to defer base salary and a Variable Compensation Award payable for the same year shall be treated as two separate deferral elections and one subsequent election may be made with respect to each; and

(e) No such subsequent election shall apply to the payment of any Company Contributions.

5.6 Domestic Relations Orders. Notwithstanding any provision in this Plan to the contrary, the payment of all or any portion of a Participant's Plan benefit may be made to an alternate payee upon or earlier than the time otherwise specified in this Section 5, to the extent necessary to fulfill a domestic relations order (as defined in Code Section 414(p)(1)(B) or a successor Section).

SECTION 6: BENEFICIARIES

A Participant may at any time and from time to time prior to death designate one or more Beneficiaries to receive any payments to be made following the Participant's death. If no such designation is on file with the Company at the time of a Participant's death, the Participant's Beneficiary shall be the beneficiary or beneficiaries named in the beneficiary designation most recently filed by the Participant under the Savings Plan. If the Participant has not effectively designated a beneficiary under the Savings Plan, or if no beneficiary so designated has survived the Participant, the Participant's Beneficiary shall be the Participant's surviving spouse, or, if no spouse has survived the Participant, the estate of the deceased Participant. If an individual Beneficiary cannot be located for a period of one year following the Participant's death, despite mail notification to the Beneficiary's last known address, and if the Beneficiary has not made a written claim for benefits within such period to the CHRO, the Beneficiary shall be treated as having predeceased the Participant. The CHRO may require such proof of death and such evidence of the right of any person to receive all or part of the benefit of a deceased Participant as the CHRO may consider to be appropriate. The CHRO may rely upon any direction by the legal representatives of the estate of a deceased Participant, without liability to any other person.

SECTION 7: EARNINGS ACCRUALS

7.1 General. All amounts deferred under the Plan, including elective deferrals and Company Contributions, shall be credited with earnings and losses from the applicable Date of Deferral through the date such amount is paid out, or withdrawn, pursuant to Section 5. Earnings under this Section 7.1 shall accrue at the rate elected in accordance with Section 7.2.

7.2 Earnings Accrual Rate.

(a) Accrual Rates. Earnings accruing in accordance with Section 7.1 shall accrue at the Fixed Income Rate, the Stock Value Rate, or a combination of the two Rates.

(b) Initial Election. Subject to Section 7.2(c), a Participant shall designate at the time of the election to defer base salary and/or Variable Compensation Awards under Section 4.1, which accrual rate or rates shall apply to each deferral, provided that such elections must be in 10% increments. Such election shall be effective as of the Date of Deferral. All Company Contributions shall at all times accrue earnings and losses at the Stock Value Rate.

(c) Election Changes. A Participant may elect to change the accrual rate under this Section 7.2 with respect to any or all previously deferred base salary and/or Variable Compensation Awards under the Plan from the Fixed Income Rate to the Stock Value Rate. Any such election changes shall be effective as of January 1st of the Plan Year following the Plan Year in which the election change is received by the Company in accordance with procedures established by the Company's Human Resources Department. No portion of a Participant's Plan benefit accruing earnings and losses at the Stock Value Rate, including previously deferred base salary, Variable Compensation Awards and any Company Contributions, may be reallocated at any time from the Stock Value Rate to the Fixed Income Rate. Further, if a Participant has elected to receive any portion of his Plan benefit in installments, the Participant may not change the accrual rate applicable to such portion once installment payments of the portion have commenced.

SECTION 8: GENERAL PROVISIONS

8.1 Prohibition of Assignment of Transfer. Except to the extent necessary to fulfill a domestic relations order (as defined in Code Section 414(p)(1)(B) or a successor Section), any assignment, hypothecation, pledge or transfer of a Participant’s or Beneficiary’s right to receive payments under the Plan shall be null and void and shall be disregarded.

8.2 Plan Not To Be Funded. The Company is not required to, and will not, for the purpose of funding the Plan, segregate any monies from its general funds, create any trusts, or make any special deposits, and the right of a Participant or Beneficiary to receive a payment under the Plan shall be no greater than the right of an unsecured general creditor of the Company.

8.3 Effect of Participation. Neither selection as an Eligible Employee, nor an election to participate, nor participation, in the Plan, shall entitle an Eligible Employee to receive a Variable Compensation Award, or affect the Company’s right to discharge an Eligible Employee or a Participant.

8.4 Absence of Liability. No officer, director or employee of the Company shall be personally liable for any act or omission to act, under the Plan, of any other person, or, except in circumstances involving bad faith, for such officer’s, director’s or employee’s own act or omission to act.

8.5 Titles for Reference Only. The titles given herein to Sections and subsections are for reference only and are not to be used to interpret the provisions of the Plan.

8.6 Connecticut Law To Govern. All questions pertaining to the construction, regulation, validity and effect of the provisions of the Plan shall be determined in accordance with Connecticut law.

8.7 Amendment. The Board may amend the Plan at any time, but no amendment may be adopted which alters the payments due Participants or Beneficiaries, as of the date of the amendment, or the times at which payments are due, without the consent of each Participant affected by the amendment and of each Beneficiary (of a then deceased Participant) affected by the amendment. In addition, any amendment which does not significantly affect the amount of any past or future, benefits under the Plan may be authorized by the CHRO.

8.8 Plan Termination. The Board may terminate the Plan at any time. In the event the Plan is terminated, a Participant's entire Plan benefit shall then be distributed to the Participant (or Beneficiary) so long as such termination and distribution meets (a), (b) or (c) below:

(a) The termination and liquidation of the Plan takes place within 12 months of Linde's corporate dissolution taxed under Code Section 331, or with the approval of a bankruptcy court pursuant to 11 U.S.C. § 503(b)(1)(A), and the deferred amounts are included in Participants' gross incomes in the earliest of (x) the taxable year in which the amount is actually received, or (y) the latest of the following: (I) the calendar year in which the Plan termination and liquidation occurs; (II) the first calendar year in which the amount is no longer subject to a substantial risk of forfeiture; or (III) the first calendar year in which the payment is administratively practicable;

(b) The termination and liquidation of the Plan is pursuant to irrevocable action taken by Linde within 30 days before, or 12 months following, a Change in Control, provided that all other plans that allow Participants to make non-qualified deferrals that are aggregated with this Plan are terminated and liquidated such that all deferred compensation under the terminated plans and this Plan is paid out within 12 months of the date Linde takes all necessary action to terminate and liquidate the plans; or

(c) Linde's determination to terminate and liquidate the Plan does not occur proximate to a downturn in Linde's financial health, Linde terminates and liquidates all plans that would be aggregated with this Plan if the Participants in the Plan had deferrals of compensation under the other plans, no payments in liquidation of the Plan are made within 12 months of the date Linde takes all necessary action to irrevocably terminate and liquidate the Plan (other than making payments that would be made regardless of whether the action to terminate and liquidate the Plan had occurred), and payments are made within 24 months of the date Linde takes all action to irrevocably terminate and liquidate the Plan.

8.9 <u>409A Compliance</u>. This Plan is intended to constitute a "nonqualified deferred compensation plan" within the meaning on Code Section 409A(d)(1), and is to be construed and administered in a manner consistent therewith.

LINDE INC.

By:______________________________

Title:

Date:_____________________________

LINDE INC.

2018 SUPPLEMENTAL RETIREMENT INCOME PLAN A

(Amended and Restated, Effective September 1, 2020)
LINDE INC.

2018 SUPPLEMENTAL RETIREMENT INCOME PLAN A
(Amended and Restated, Effective September 1, 2020)

General

This 2018 Supplemental Retirement Income Plan A (the "Plan") is maintained by Linde Inc. (formerly Praxair, Inc.) (the "Corporation"), a wholly-owned subsidiary of Linde plc ("Linde"), is completely separate from the Praxair Pension Plan component of the Linde U.S. Pension Plan (the "Pension Plan"), and is not funded or qualified for special tax treatment under the Internal Revenue Code of 1986, as amended (the "Code"). The purpose of this Plan is to restore retirement benefits to those Pension Plan participants, and to the spouses or beneficiaries of such participants, whose retirement benefits under the Pension Plan are, or will be, reduced by the limitations imposed by Section 401(a)(17) of the Code, as from time to time amended (collectively referred to herein as "Participants").

This Plan operates in conjunction with the Pension Plan, the Linde Inc. 2018 Equalization Benefit Plan (the "EBP") and the Linde Inc. 2018 Supplemental Retirement Income Plan B (the "SRIP B") to provide retirement benefits to Participants. Each of these four plans must be read together in the following order to determine the total Linde retirement benefit payable to, or on behalf of, a Participant:

- Praxair Pension Plan Component of the Linde U.S. Pension Plan
- Linde Inc. 2018 Equalization Benefit Plan
- Linde Inc. 2018 Supplemental Retirement Income Plan A
- Linde Inc. 2018 Supplemental Retirement Income Plan B

In no event shall any benefit payable to or on behalf of a Participant under this Plan duplicate the benefit payable to or on behalf of such Participant under the Pension Plan, the EBP and/or the SRIP B.

No Participant shall accrue any benefit under this Plan attributable to service, compensation, or any other benefit formula that is used to derive a benefit under this Plan, for any period on or before October 31, 2018 (the "Merger Date"); provided, however, that accruals attributable to Account-Based Accounts that would have been credited to the Praxair, Inc. Supplemental Retirement Income Plan A for calendar year 2018 shall instead be credited under this Linde Inc. 2018 Supplemental Retirement Income Plan A. Notwithstanding any provision of this Plan to the contrary, in the event any benefit attributable to service, compensation, or any other benefit formula that is used to derive a benefit under this Plan for any period on or before the Merger Date, is payable or has been paid under any other plan maintained by the Corporation, such benefit shall not be paid under this Plan, and any provision of this Plan or any other plan maintained by the Corporation, will be interpreted accordingly.

ARTICLE I

SRIP A Benefits

Section 1. Each Participant shall be designated as either an Account-Based Participant, a Traditional-Design Participant, or a Dual Formula Participant. This designation shall be consistent with such Participant's method of benefit accrual under the Pension Plan. Notwithstanding the foregoing, a Participant that is considered a Dual Formula Participant under the Pension Plan shall be treated as an Account-Based Participant for all purposes under this Plan if such Participant has previously received, or incurred an event triggering payment of, all benefits to which he is entitled under this Plan that relate to periods of service during which such Participant's benefit accruals under the Pension Plan were determined under Article V of the Pension Plan.

Any Participant in the Pension Plan, or such Participant's surviving spouse or beneficiary, shall be entitled to a benefit, payable hereunder in accordance with this Plan, calculated under either A or B below (referred to herein as the "SRIP A Benefit").

A. <u>Amount of SRIP A Benefit for Traditional-Design Participants</u>. The SRIP A Benefit hereunder payable to a Traditional-Design Participant or his or her surviving spouse shall be equal to the excess of (a) minus (b), if any, determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the amount of such Participant's or surviving spouse's annual benefit under the Pension Plan computed under the provisions of the Pension Plan without regard to the limitations of Code Sections 415 and 401(a)(17); and

(b) equals the amount of such Participant's or surviving spouse's annual benefit actually payable under the Pension Plan and the EBP.

B. <u>Amount of SRIP A Benefit for Account-Based Participants</u>. The SRIP A Benefit hereunder payable to or on behalf of an Account-Based Participant shall be equal to the excess of (a) minus (b), if any, determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the Account-Based Account (as defined in the Pension Plan) which the Participant would have had at such time under the Pension Plan as if such amounts had been determined without applying the limitations of Code Sections 415 and 401(a)(17); and

(b) equals the actual Account-Based Account which the Participant has at such time under the Pension Plan plus the actual amount of the notional account which the Participant has at such time under the EBP.

C. Amount of SRIP A Benefit for Dual Formula Participants. The SRIP A Benefit hereunder payable to or on behalf of a Dual Formula Participant or his or her surviving spouse shall be equal to the sum of (a) plus (b), determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the excess, if any, of (i) the amount of such Participant's or surviving spouse's Article V Benefit computed under the provisions of the Pension Plan, but without regard to the limitations of Code Sections 415 and 401(a)(17), over (ii) the amount of such Participant's or surviving spouse's annual benefit actually payable under the Pension Plan (with respect to his or her Article V Benefit thereunder) plus the amount described in Section 1(C)(a) of Article I of the EBP with respect to such Participant;

(b) equals the excess, if any, of (i) the Account-Based Account which the Participant would have had at such time under the Pension Plan as if such amounts had been determined without applying the limitations of Code Sections 415 and 401(a)(17), over (ii) the actual Account-Based Account which the Participant has at such time under the Pension Plan plus the amount described in Section 1(C)(b) of Article I of the EBP with respect to such Participant.

D. Provisions Common to All Participants.

(a) If a Participant satisfies the requirements for a survivor's benefit, the amount of the SRIP A Benefit which such Participant would otherwise have received shall be reduced by applying the same factor used in the Pension Plan in connection with survivor's benefits.

(b) The amount of the SRIP A Benefit payable to the eligible survivor of a Participant shall be calculated in the same manner that such survivor's benefit is calculated under the Pension Plan.

(c) With respect to any benefit hereunder payable to a "spouse," the determination of whether a person constitutes an eligible spouse shall be made under the same criteria as apply under the Pension Plan.

ARTICLE II

Vesting

Section 1. Except as otherwise provided herein, a Participant will be vested in such Participant's right to receive SRIP A Benefits in the same manner and to the same extent as provided under the Pension Plan.

ARTICLE III

Benefit Payments

Section 1. For Traditional-Design Participants, payments shall be made as follows:

(a) For Traditional-Design Participants who terminate employment at a time when they would be immediately eligible to commence a benefit under the Pension Plan, a single life annuity (or a 50% joint and survivor annuity for such Participants who are married at the time of their termination of employment) will commence to be paid as of the first of the month coincident with or next following such termination, and a lump sum payment of all remaining SRIP A Benefits due hereunder shall be made on or about July 1 of the year immediately following the year of such termination (the year of termination is hereinafter referred to as the "Termination Year"). Where such Participant has commenced a 50% joint and survivor annuity, and such Participant's spouse dies during the annuity payment period, the Participant's SRIP A Benefit will be increased to eliminate the cost of the survivor benefit. Notwithstanding the foregoing, if such Participant is a Specified Employee (as such term is defined in Code Section

409A) no annuity benefits shall be paid during the six month period after the Participant's termination of employment (the "Delay Period"), and at the conclusion of the Delay Period any annuity benefits which would otherwise have been paid during the Delay Period shall be paid in a single sum which shall include interest at the interest rate used for determining Actuarial Equivalence, as then in effect under the Pension Plan. Annuity benefits shall then commence and continue until a lump sum payment is due pursuant to the first sentence of this paragraph.

(b) For Traditional-Design Participants who terminate employment at a time when they would not be immediately eligible to commence a benefit under the Pension Plan, a lump sum payment of all SRIP A Benefits due hereunder, (taking into account the value of the 50% joint and survivor form of benefit if the Participant is married at the time of termination of employment), shall be made on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse dies prior to the date of such lump sum payment, the Participant's SRIP A Benefit shall not be reduced to reflect the cost of the survivor benefit.

(c) Lump sum payments shall be calculated using a discount rate equal to the 10 year Aaa municipal bond rate as published by Moody's or a similar rating service for the third month prior to the month payments commence. Notwithstanding the prior sentence, with respect to benefits that become payable on account of a Traditional-Design Participant's termination of employment, lump sum payments shall be calculated using a discount rate equal to the average of the 10 year Aaa municipal bond rate as published by Moody's or a similar rating service for the months of July through December of the year immediately prior to the year in which such Participant terminated employment.

Section 2. (a) For Account-Based Participants who terminate employment on or after November 1 of a year and prior to May 1 of the following year, a lump sum of their SRIP A

Benefit shall be paid on or about July 1 of that following year. For Account-Based Participants who terminate employment on or after May 1 and prior to November 1 of a year, a lump sum of their SRIP A Benefit shall be paid on or about January 1 of the following year. (By way of example, an Account-Based Participant who terminates employment in December, 2020, and an Account-Based Participant who terminates employment in April, 2021, would each receive a lump sum in July, 2021. An Account-Based Participant who terminates employment in June, 2021, would receive a lump sum in January, 2022.) Notwithstanding the foregoing, if such Participant is a Specified Employee (as such term is defined in Code Section 409A) no payment shall be made until the later of the date determined above and the date which is six months after the Participant's termination of employment.

(b) Such lump sum payment shall be calculated utilizing the factors described for lump sum payments under Section 5.7(b) (or any successor provision governing calculations of Account-Based lump sums) of the Pension Plan.

Section 3. For Dual Formula Participants, payments shall be made as follows:

(a) With respect to the portion of such Dual Formula Participant's SRIP A Benefit that is described in Section 1(C)(a) of Article I of this Plan, such portion shall be paid as described in Section 1 of this Article III.

(b) With respect to the portion of such Dual Formula Participant's SRIP A Benefit that is described in Section 1(C)(b) of Article I of this Plan, such portion shall be paid as described in Section 2 of this Article III.

Section 4. In the event of a Change in Control, all SRIP A Benefits not yet paid under this Plan shall become immediately vested and shall be paid in a lump sum payment, calculated as otherwise described herein, as soon as administratively possible following the date of such Change in Control, but no later than 90 days after such date. Notwithstanding any provision of this Plan to the contrary, a Participant (including a Participant who has previously separated from service and is receiving payment of his or her SRIP A Benefit) who satisfies criteria established by the Compensation Committee (the "Committee") of Linde's Board of Directors (the "Board") or Linde's Chief Human Resources Officer (the "CHRO"), as determined in the sole discretion of the Committee or the CHRO, may elect, at the time and in the manner designated by the Committee or the CHRO, to waive the right to receive payment of his or her unpaid SRIP A Benefit upon a Change in Control and such waiver shall be considered the deletion of such Participant's Change in Control payment event as contemplated under Treasury Regulation Section 1.409A-2(b)(6). Any Participant who makes such election shall receive payment of his or her SRIP A Benefits at such time and in such manner as otherwise provided under the Plan. Any such election must be consistent with the election made by the Participant with respect to his or her benefits, if any, under the EPB and/or SRIP B, and shall be valid if, and only if, made at least one year prior to the effective date of any Change in Control. For this purpose, "Change in Control" shall mean the occurrence of any one of the following events with respect to Linde:

(a) during a 12-month period, a majority of the individuals who constitute the Board are replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election;

(b) any one person, or more than one person acting as a group, becomes owner as defined in Section 318(a) of the Internal Revenue Code of 1986 (the "Code") (or has become owner during the 12-month period ending on the date of the most recent acquisition by such person or group), of stock of Linde possessing 30 percent or more of the total voting power of the stock of Linde; provided, however, that the event described in this paragraph (b) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (A) by Linde or any of its subsidiaries, (B) by any employee benefit plan sponsored or maintained by Linde or any of its subsidiaries, or (C) by any underwriter temporarily holding securities pursuant to an offering of such securities.

(c) any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or group) assets from Linde that have a total gross fair market value equal to or more than 80 percent of the total gross fair market value of all of the assets of Linde immediately prior to such acquisition(s); provided, however, that a transfer of assets by Linde is not treated as a Change in Control if the assets are transferred to: (A) a shareholder of Linde (immediately before the asset transfer) in exchange for or with respect to its stock; (B) an entity, 50 percent or more of the total value or voting power of which is owned, directly or indirectly, by Linde; (C) a person, or more than one person acting as a group, that owns, directly or indirectly, 50 percent or more of the total value or voting power of all outstanding stock of Linde; or (D) an entity, at least 50 percent of the total value or voting power of which is owned, directly or indirectly, by a person described in the previous subsection (C). For purposes of this paragraph, (1) gross fair market value means the value of the assets of Linde, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets, and (2) a person’s status is determined immediately after the transfer of the assets.

(d) any one person, or more than one person acting as a group, becomes owner, as defined in Section 318(a) of the Code, of stock of Linde that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of stock of Linde; provided, however, that if any one person or more than one person acting as a group, is considered to own more than 50 percent of the total fair market value or total voting power of stock of Linde, the acquisition of additional stock by the same person is not considered to cause a Change in Control. This paragraph applies only when there is a transfer of stock of Linde (or issuance of stock of Linde) and stock in Linde remains outstanding after the transaction.

For purposes of this definition of Change in Control:

(i) a "person" shall be as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "Exchange Act") and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act; and

(ii) persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar transaction with Linde. If a person, including an entity, owns stock in both corporations that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a group with other shareholders in the corporation prior to the transaction giving rise to the Change in Control and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a group solely because they purchase or own stock of Linde at the same time, or as a result of the same public offering.

Section 5. In the event of a domestic relations order requiring the partition of a Participant's SRIP A Benefit, the benefit assigned to an alternate payee shall be paid out in a single lump sum, at the time indicated in such an order accepted by the Corporation, calculated as described in Section 1, 2, or 3 of this Article III, as applicable.

Section 6. Any SRIP A Benefit hereunder which is payable upon a termination of employment or similar event, shall be payable only where such termination of employment or similar event would constitute a "separation from service" with the Corporation and its affiliates under Code Section 409A and the regulations thereunder.

Section 7. (a) (i) In the event a Traditional-Design Participant described in Article III, Section 1(a) dies after terminating employment while receiving a 50% joint and survivor annuity, but before receiving the lump sum payment described in such Section, such Participant's surviving spouse will receive a 50% annuity from the Participant's date of death through June of the year following the Termination Year, and a lump sum payment of the remaining value of such 50% spousal annuity on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse does not survive the Participant, no further SRIP A Benefit will be payable.

(ii) In the event a Traditional-Design Participant described in Article III, Section 1(a) dies after terminating employment while receiving a single life annuity, then the Participant's dependent children, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If there is no dependent child, then the Participant's dependent parents, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of their respective deaths or June 30 of the year immediately following the Termination Year, with a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year.

If such Participant has neither dependent children or dependent parents at the time of his or her death, no further SRIP A Benefit will be payable.

(iii) If one or more of the multiple recipients receiving the 50% annuity ceases to be eligible to continue to receive such recipient's share as the result of such recipient's death, or attainment of age 23 in the case of a dependent child, the remaining recipients shall continue to draw only their respective shares.

(b) (i) In the event a Traditional-Design Participant described in Article III, Section 1(b) dies after terminating employment, but before receiving a lump sum payment, such Participant's spouse, if such Participant was married at the time of terminating employment, will receive a lump sum payment of the value of a 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse does not survive the Participant, no further SRIP A Benefit will be payable.

(ii) In the event such Participant has no spouse at the time of termination, the lump sum value of a 50% annuity to age 23 shall be paid pro-rata to any surviving dependent children on or about July 1 of the year following the Termination Year.

(iii) In the event such Participant has no spouse or dependent children at the time of termination, the lump sum value of a 50% annuity shall be paid in equal shares to any surviving dependent parents on or about July 1 of the year following the Termination Year.

(iv) In the event such Participant has no spouse, dependent children or dependent parents at the time of termination, no SRIP A Benefit will be payable.

(c) In the event a Traditional-Design Participant dies while employed by the Corporation or its affiliate, such Participant's spouse, if such Participant was married at the time of death, will receive a 50% annuity from the Participant's date of death through June of the year following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such spouse dies while receiving the 50% annuity, such annuity will continue to any dependent children, divided equally among them and payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If one or more of the multiple recipients receiving the 50% annuity ceases to be eligible to continue to receive such recipient's share as the result of such recipient's death or attainment of age 23, the remaining recipients shall continue to draw only their respective shares.

(d) In the event a Traditional-Design Participant dies while employed by the Corporation or its affiliate and is not married at the time of his or her death, the Participant's dependent children, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If there is no dependent child, the 50% annuity shall be divided and paid in equal shares to any surviving dependent parent of the deceased Participant until the earlier of their respective deaths or June 30 of the year immediately following the Termination Year, with a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant has neither dependent children or dependent parents at the time of his or her death, no further SRIP A Benefit will be payable.

(e) For the purposes of this Section 7, "dependent children" and "dependent parent" shall have the same meaning as in the Pension Plan.

(f) In the event an Account-Based Participant dies, either before or after terminating employment with the Corporation or its affiliate, the spouse of such Participant (or if no spouse, the designated beneficiary) will receive a lump sum payment of the value of the Participant's SRIP A Benefit calculated as described in Article III, Section 2(b). If such death occurs on or after November 1 of a year and prior to May 1 of the following year, such lump sum shall be paid on or about July 1 of that following year. If such death occurs on or after May 1 and prior to November 1 of a year, such lump sum shall be paid on or about January 1 of the following year.

(g) In the event a Dual Formula Participant dies at any time before his or her entire SRIP A Benefit has been paid, then the provisions of subsections (a) through (e) of this Section 7, as applicable, shall apply to the portion of such Dual Formula Participant's SRIP A Benefit described in Section 1(C)(a) of Article I of this Plan, and the provisions of subsection (f) of this Section 7 shall apply to the portion of such Dual Formula Participant's SRIP A Benefit that is described in Section 1(C)(b) of Article I of this Plan.

ARTICLE IV

Miscellaneous

Section 1. (a) Linde, by action of the Board (or, for amendments with no incremental cost or increase to benefits, by action of the CHRO) may amend this Plan at any time, but any such amendment shall not adversely affect the rights of any Participant, spouse or beneficiary then receiving benefits under this plan, or the vested rights of any Participant.

(b) The Board may terminate this Plan at any time and distribute all benefits so long as such termination and distribution meets (i), (ii) or (iii) below:

(i) The termination and distribution takes place within 12 months of Linde's corporate dissolution taxed under Code Section 331, or with the approval of a bankruptcy court pursuant to 11 U.S.C. § 503(b)(1)(A), and the deferred amounts are included in Participants' gross incomes in the earliest of (x) the taxable year in which the amount is actually received, or (y) the latest of the following (I) the calendar year in which the Plan termination and liquidation occurs; (II) the first calendar year in which the amount is no longer subject to a substantial risk of forfeiture; or (III) the first calendar year in which the payment is administratively practicable;

(ii) The termination and distribution is pursuant to irrevocable action taken by Linde within 30 days before, or 12 months following, a Change in Control, provided that all other plans that allow employees to make non-qualified deferrals that are aggregated with this Plan are terminated and liquidated such that all deferred compensation under the terminated plans and this Plan is paid out within 12 months of the date Linde takes all necessary action to terminate and liquidate the plans; or

(iii) Linde's determination to terminate and liquidate the Plan does not occur proximate to a downturn in Linde's financial health, Linde terminates and liquidates all plans that would be aggregated with this plan if the Participants in the Plan had deferrals of compensation under the other plans, no distributions under the Plan are made within 12 months of the date Linde takes all necessary action to irrevocably terminate and liquidate the Plan (other than making payments that would be made regardless of whether the action to terminate and liquidate the plan had occurred), and payments are made within 24 months of the date Linde takes all action to irrevocably terminate and liquidate the plan.

Section 2. Except to the extent required by law or pursuant to a domestic relations order (as defined in Code Section 414(p)(1)(B) or a successor section), no assignment of the rights and interests of a Participant or survivor under this Plan will be permitted nor shall such rights be subject to attachment or other legal processes for debts.

Section 3. If the Committee determines, after a hearing, that a Participant who is eligible to receive or is receiving SRIP A Benefits hereunder has engaged in any activities which, in the opinion of the Committee, are detrimental to the interests of, or are in competition with, Linde or any of its affiliates, such benefits shall thereupon be terminated.

Section 4. The Corporation may satisfy all or any part of its obligation to provide benefits hereunder by purchasing, and distributing to a Participant or survivor, an annuity from an insurance carrier to provide such benefits. The Corporation shall be relieved of any obligation it might otherwise have under this Plan to the extent such benefits were provided to the Participant or survivor through an annuity purchased by Union Carbide Corporation.

Section 5. The Committee shall have full discretionary authority to interpret and construe the Plan and shall supervise the administration and interpretation of the Plan, establish administrative regulations to further the purpose of the Plan and take any other action necessary to the proper operation of the Plan. The Committee may delegate to one or more of its members or any other person, the right to act on its behalf in any matter connected with the administration of the Plan and has delegated authority for the Plan's day-to-day administration to the Corporation's Human Resources Department. All decisions and acts of the Committee or its designee shall be final and binding upon all Participants, their beneficiaries and all other persons.

Section 6. The titles given herein to Sections and subsections are for reference only and are not to be used to interpret the provisions of the Plan.

Section 7. All questions pertaining to construction, regulation, validity and effect of the provisions of this Plan shall be determined in accordance with Connecticut law.

Section 8. The Corporation is not required to, and will not, for purposes of funding the Plan, segregate any monies from its general funds, create any trusts, or make any special deposits, and the right of a Participant or any other person to receive benefits under the Plan shall be no greater than the right of an unsecured general creditor of the Corporation.

Section 9. This Plan is intended to constitute a "nonqualified deferred compensation plan" within the meaning on Code Section 409A(d)(1), and is to be construed and administered in a manner consistent therewith.

IN WITNESS WHEREOF, and as evidence of the adoption of this Plan, the Corporation has caused this instrument to be signed by its duly authorized officer this _____ day of September, 2020.

LINDE INC.

By:______________________________

Title:

Date:______________________________

LINDE INC.

2018 SUPPLEMENTAL RETIREMENT INCOME PLAN B

(Amended and Restated, Effective September 1, 2020)
LINDE INC.

2018 SUPPLEMENTAL RETIREMENT INCOME PLAN B
(Amended and Restated, Effective September 1, 2020)

General

This 2018 Supplemental Retirement Income Plan B (the "Plan") is maintained by Linde Inc. (formerly Praxair, Inc.) (the "Corporation"), a wholly-owned subsidiary of Linde plc ("Linde"), is completely separate from the Praxair Pension Plan component of the Linde U.S. Pension Plan (the "Pension Plan"), and is not funded or qualified for special tax treatment under the Internal Revenue Code of 1986, as amended (the "Code").

The purpose of this Plan is to provide a retirement benefit which, when combined with the benefit provided by the Pension Plan, the Linde Inc. 2018 Equalization Benefit Plan (the "EBP") and the Linde Inc. 2018 Supplemental Retirement Income Plan A (the "SRIP A"), equals the retirement benefit which would be provided by the Pension Plan if (a) average monthly compensation included (i) deferred variable compensation payments awarded under designated incentive compensation plans and (ii) base salary deferred under the Compensation Deferral Program, and (b) the limitations of Code Sections 401(a)(17) and 415 were not applied. Employees eligible to receive benefits under this Plan are referred to herein as "Participants."

This Plan operates in conjunction with the Pension Plan, the EBP, and the SRIP A to provide retirement benefits to Participants. Each of these four plans must be read together in the following order to determine the total Linde retirement benefit payable to, or on behalf of, a Participant:

- Praxair Pension Plan Component of the Linde U.S. Pension Plan
- Linde Inc. 2018 Equalization Benefit Plan
- Linde Inc. 2018 Supplemental Retirement Income Plan A
- Linde Inc. 2018 Supplemental Retirement Income Plan B

In no event shall any benefit payable to or on behalf of a Participant under this Plan duplicate the benefit payable to or on behalf of such Participant under the Pension Plan, the EBP and/or the SRIP A.

No Participant shall accrue any benefit under this Plan attributable to service, compensation, or any other benefit formula that is used to derive a benefit under this Plan, for any period on or before October 31, 2018 (the “Merger Date”); provided, however, that accruals attributable to Account-Based Accounts that would have been credited to the Praxair, Inc. Supplemental Retirement Income Plan B for the year in which the Merger Date occurs shall instead be credited under this Linde Inc. 2018 Supplemental Retirement Income Plan B. Notwithstanding any provision of this Plan to the contrary, in the event any benefit attributable to service, compensation, or any other benefit formula that is used to derive a benefit under this Plan for any period on or before the Merger Date, is payable or has been paid under any other plan maintained by the Corporation, such benefit shall not be paid under this Plan, and any provision of this Plan or any other plan maintained by the Corporation, will be interpreted accordingly.

ARTICLE I

SRIP B Benefits

Each Participant shall be designated as either an Account-Based Participant, a Traditional-Design Participant, or a Dual Formula Participant. This designation shall be consistent with such Participant’s method of benefit accrual under the Pension Plan. Notwithstanding the foregoing, a Participant that is considered a Dual Formula Participant under the Pension Plan shall be treated as an Account-Based Participant for all purposes under this Plan if such Participant has previously received, or incurred an event triggering payment of, all benefits to which he is entitled under this Plan that relate to periods of service during which such Participant's benefit accruals under the Pension Plan were determined under Article V of the Pension Plan.

A. Amount of SRIP B Benefit for Traditional-Design Participants.

Section 1. The SRIP B Benefit hereunder payable to a Traditional-Design Participant or his or her surviving spouse shall be equal to the excess of (a) minus (b), if any, determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the amount of such Participant's or surviving spouse's annual benefit under the Pension Plan computed under the provisions of the Pension Plan (but subject to the provisions of Sections A.2, A.3A and A.3B of this Article I, as applicable) without regard to the limitations of Code Sections 415 and 401(a)(17); and

(b) equals the amount of such Participant's or surviving spouse's annual benefit payable under the Pension Plan, the EBP and the SRIP A.

Section 2. The amount of monthly SRIP B Benefit payable to an eligible Participant shall be computed by using the applicable formula provided in Article V of the Pension Plan except that average monthly compensation shall for this purpose be equal to an amount determined under Section A.3A or B of this Article I, as applicable, and shall be determined without regard to the limitation of Code Section 401(a)(17).

Section 3A. For SRIP B Benefits commencing payment prior to January 1, 2012, a Participant's average monthly compensation shall be computed by determining the sum of the following amounts:

(i) the larger of:

(I) 1/36 of base salary related to the three full calendar years in which such salary was largest during the 10 full calendar years next preceding the date of death or retirement, or

(II) 1/36 of base salary for the 36 full calendar months next preceding the date of death or retirement; provided that for purposes of this calculation the base salary received in any calendar month within the third preceding calendar year shall be the total base salary received in such year divided by the number of months worked in such year; and

(ii) 1/36 of the Participant's Variable Compensation Payments related to the three full calendar years in which such Variable Compensation Payments were the largest during the 10 full calendar years next preceding the date of death or retirement provided that the calendar years in which the Participant was hired or terminated employment shall each be considered a full calendar year for the purposes of this clause (ii).

For purposes of the above calculation, a Variable Compensation Payment will be related to the calendar year in which a Participant performed the services for which the Variable Compensation Payment was paid irrespective of the calendar year in which the Variable Compensation Payment was awarded or paid.

For purposes of the above calculation, the amount of base salary received in any calendar month will be calculated in the same manner in which average monthly compensation used to compute pension benefits under the Pension Plan is calculated (determined without regard to Incentive Compensation as defined therein).

For purposes of the above calculation, "base salary" shall include any base salary deferred by a Participant pursuant to the terms of the Linde Compensation Deferral

Program, or any successor plan, in the calendar year in which it would otherwise have been paid to the Participant.

For purposes of the above calculations, where a Participant has less than three full calendar years of service recognized under the Plan, (i)(I) will substitute 1/24 for 1/36 if there are two full calendar years of service and 1/12 for 1/36 if there is only one full calendar year of service. In addition, (i)(II) and (ii) will utilize the actual number of months of service, if less than 36, as the denominator in the fraction.

Section 3B. For SRIP B Benefits commencing payment after December 31, 2011, a Participant's average monthly compensation shall be computed by determining the sum of the following amounts:

(i) the larger of:

(I) 1/36 of the Participant's combined base salary and Variable Compensation Payments related to the three full calendar years in which such combined base salary and Variable Compensation Payments was largest during the 10 full calendar years next preceding the date of death or retirement, or

(II) 1/36 of the Participant's combined base salary and Variable Compensation Payments for the 36 full calendar months next preceding the date of death or retirement; provided that for purposes of this calculation (i) the base salary received in any calendar month within the third preceding calendar year shall be the total base salary received in such year divided by the number of months worked in such year and (ii)

Variable Compensation Payments shall be the amount related to the three full calendar years next preceding the date of retirement or death.

For purposes of the above calculation:

- a Variable Compensation Payment will be related to the calendar year in which a Participant performed the services for which the Variable Compensation Payment was paid irrespective of the calendar year in which the Variable Compensation Payment was awarded or paid;
- the amount of base salary and Variable Compensation Payment received in any calendar month will be calculated in the same manner in which average monthly compensation used to compute pension benefits under the Pension Plan is calculated (determined with regard to Incentive Compensation as defined therein);
- "base salary" shall include any base salary deferred by a Participant pursuant to the terms of the Linde Compensation Deferral Program, or any successor plan, in the calendar year in which it would otherwise have been paid to the Participant; and
- where a Participant has less than three full calendar years of service recognized under the Plan, (i)(I) will substitute 1/24 for 1/36 if there are two full calendar years of service and 1/12 for 1/36 if there is only one full calendar year of service. In addition, (i)(II) will utilize the actual number of months of service, if less than 36, as the denominator in the fraction.

In no event shall the amount of the aggregate benefit payable to a Traditional-Design Participant or his or her surviving spouse under the Pension Plan, EBP, SRIP A and/or this Plan and commencing payment after December 31, 2011 be less than the amount of such Participant's or surviving spouse's aggregate benefit under the Pension Plan, EBP, SRIP A and/or this Plan, determined as of December 31, 2011 in accordance with their respective terms as then in effect, including Section A.3A of this Article I.

Section 4. If the SRIP B Benefit payable to a Participant under this Plan commences in the form of an annuity before the award to such Participant of a Variable Compensation Payment (whether or not paid) which may be used to determine average monthly compensation under Section A.3A or A.3B of this Article I, as applicable, the monthly amount of SRIP B Benefit payable hereunder shall be recalculated after such Variable Compensation Payment is awarded (whether or not paid). The monthly amount of any additional SRIP B Benefit resulting from said recalculation shall be paid commencing in or before the third calendar month after the month in which such Variable Compensation Payment is awarded (provided that the first monthly payment of such recalculated SRIP B Benefit shall be adjusted (without interest) to reflect any prior underpayment of SRIP B Benefit resulting from the fact that such Variable Compensation Payment was not included in the initial calculation of SRIP B Benefit), or if earlier, with the lump sum payment described in Article III.

Section 5. For purposes of calculating the amount of a Participant's SRIP B Benefit pursuant to Section A.1 of this Article I, the amount of a Participant's monthly retirement income and monthly pension under the Pension Plan, the EBP and the SRIP A shall be determined without any adjustment on account of (i) a survivor's benefit or (ii) an election to receive level retirement income.

B. Amount of SRIP B Benefit for Account-Based Participants.

Section 1. A notional account shall be maintained for any Participant who is an Account-Based Participant. This account shall consist of:

(a) annual credits as described in Sections B.2 and B.3, below, plus

(b) interest as described in Section B.4, below.

Section 2. An annual credit shall be made to the account equal to the excess of (i) the amount which would have been credited to such Participant's account under the Pension Plan pursuant to Article VI of the Pension Plan except that annual compensation shall for this purpose be equal to an amount determined under Section B.3 of this Article I, over (ii) the amount credited to such Participant's account under the Pension Plan pursuant to Article VI of the Pension Plan, the EBP and the SRIP A.

Section 3. Annual compensation shall be determined under the rules of the Pension Plan, but subject to the following additional considerations: (i) it shall be determined without regard to the limitation of Code Section 401(a)(17); (ii) for purposes of the above calculation, a Variable Compensation Payment will be related to the calendar year in which a Participant performed the services for which the Variable Compensation Payment was paid irrespective of the calendar year in which the Variable Compensation Payment was awarded or paid; and (iii) for purposes of the above calculation, compensation shall include any base salary deferred by a Participant pursuant to the terms of the any Linde Compensation Deferral Program, or any successor plan, in the calendar year in which it would otherwise have been paid to the Participant.

Section 4. The account will be credited with annual interest at the same rate as Account-Based Accounts under the Pension Plan.

C. Amount of SRIP B Benefit for Dual Formula Participants. The SRIP B Benefit hereunder payable to or on behalf of a Dual Formula Participant or his or her surviving spouse shall be equal to the sum of (a) plus (b), determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the excess, if any, of (i) the amount of such Participant's or surviving spouse's Article V Benefit computed under the provisions of the Pension Plan (except as modified pursuant to Sections 2 and 3A or 3B, as applicable, of Paragraph A of this Article I), but without regard to the limitations of Code Sections 415 and 401(a)(17), over (ii) the amount of such Participant's or surviving spouse's annual benefit actually payable under the Pension Plan (with respect to his or her Article V Benefit thereunder), plus the amount described in Section 1(C)(a) of Article I of the EBP with respect to such Participant, plus the amount described in Section 1(C)(a) of the SRIP A with respect to such Participant; and

(b) equals the excess, if any, of (i) the Account-Based Account which the Participant would have had at such time under the Pension Plan if such amounts had been determined based on annual compensation as described in Section 3 of Paragraph B of this Article I, over (ii) the actual Account-Based Account which the Participant has at such time under the Pension Plan, plus the amount described in Section 1(C)(b) of Article I of the EBP with respect to such Participant, plus the amount described in Section 1(C)(b) of the SRIP A with respect to such Participant.

D. Provisions Common to All Participants.

(a) If a Participant satisfies the requirements for a survivor's benefit, the amount of SRIP B Benefit which such Participant would otherwise have received shall be reduced by applying the same factor used in the Pension Plan in connection with survivor's benefits.

(b) The amount of SRIP B Benefit payable to the eligible survivor of a Participant shall be calculated in the same manner that such survivor's benefit is calculated under the Pension Plan.

(c) With respect to any SRIP B Benefit hereunder payable to a "spouse," the determination of whether a person constitutes an eligible spouse shall be made under the same criteria as apply under the Pension Plan.

(d) "Variable Compensation Payment" as used in this Plan means those annual variable compensation payments payable (regardless of whether or not deferred) under (i) the Linde plc Annual Variable Compensation Plan, or any successor plan, (ii) the Praxair, Inc. Variable Compensation Plan, (iii) the Praxair, Inc. Mid-Management Variable Compensation Plan, or (iv) any other variable compensation plan designated by the Committee.

(f) In addition to the foregoing, the amount of a Participant's SRIP B Benefit shall be inclusive of any additional non-qualified retirement benefits resulting from individual agreements entered into between the Corporation and the Participant. Notwithstanding any provision in this Plan to the contrary, in the event of any conflict between the terms of this Plan and the terms of any such individual agreement, the terms of such individual agreement shall control

ARTICLE II

Vesting

Section 1. Except as otherwise provided herein, a Participant will be vested in such Participant's right to receive SRIP B Benefits under the Plan in the same manner and to the same extent as provided under the Pension Plan.

ARTICLE III

Benefit Payment

Section 1. For Traditional-Design Participants, payments shall be made as follows:

(a) For Traditional-Design Participants who terminate employment at a time when they would be immediately eligible to commence a benefit under the Pension Plan, a single life annuity (or a 50% joint and survivor annuity for such Participants who are married at the time of their termination of employment) will commence to be paid as of the first of the month coincident with or next following such termination, and a lump sum payment of all remaining SRIP B Benefits due hereunder shall be made on or about July 1 of the year immediately following the year of such termination (the year of termination is hereinafter referred to as the “Termination Year”). Where such Participant has commenced a 50% joint and survivor annuity, and such Participant’s spouse dies during the annuity payment period, the Participant’s SRIP B Benefit will be increased to eliminate the cost of the survivor benefit. Notwithstanding the foregoing, if such Participant is a Specified Employee (as such term is defined in Code Section 409A) no annuity benefits shall be paid during the six month period after the Participant’s termination of employment (the “Delay Period”), and at the conclusion of the Delay Period any annuity benefits which would otherwise have been paid during the Delay Period shall be paid in a single sum which shall include interest at the interest rate used for determining Actuarial Equivalence, as then in effect under the Pension Plan. Annuity benefits shall then commence and continue until a lump sum payment is due pursuant to the first sentence of this paragraph.

(b) For Traditional-Design Participants who terminate employment at a time when they would not be immediately eligible to commence a benefit under the Pension Plan, a lump sum payment of all SRIP B Benefits due hereunder, (taking into account the value of the 50%

joint and survivor form of benefit if the Participant is married at the time of termination of employment), shall be made on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse dies prior to the date of such lump sum payment, the Participant's SRIP B Benefit shall not be reduced to reflect the cost of the survivor benefit.

(c) Lump sum payments shall be calculated using a discount rate equal to the 10 year Aaa municipal bond rate as published by Moody's or a similar rating service for the third month prior to the month payments commence. Notwithstanding the prior sentence, with respect to benefits that become payable on account of a Traditional-Design Participant's termination of employment, lump sum payments shall be calculated using a discount rate equal to the average of the 10 year Aaa municipal bond rate as published by Moody's or a similar rating service for the months of July through December of the year immediately prior to the year in which such Participant terminated employment.

Section 2. (a) For Account-Based Participants who terminate employment on or after November 1 of a year and prior to May 1 of the following year, a lump sum of their SRIP B Benefit shall be paid on or about July 1 of that following year. For Account-Based Participants who terminate employment on or after May 1 and prior to November 1 of a year, a lump sum of their SRIP B Benefit shall be paid on or about January 1 of the following year. (By way of example, an Account-Based Participant who terminates employment in December, 2020, and an Account-Based Participant who terminates employment in April, 2021, would each receive a lump sum in July, 2021. An Account-Based Participant who terminates employment in June, 2021, would receive a lump sum in January, 2022.) Notwithstanding the foregoing, if such Participant is a Specified Employee (as such term is defined in Code Section 409A) no payment shall be made until the later of the date determined above and the date which is six months after the Participant's termination of employment.

(b) Such lump sum payment shall be calculated utilizing the factors described for lump sum payments under Section 5.7(b) (or any successor provision governing calculations of Account-Based lump sums) of the Pension Plan.

Section 3. For Dual Formula Participants, payments shall be made as follows:

(a) With respect to the portion of such Dual Formula Participant's SRIP B Benefit that is described in Section 1(C)(a) of Article I of this Plan, such portion shall be paid as described in Section 1 of this Article III.

(b) With respect to the portion of such Dual Formula Participant's SRIP B Benefit that is described in Section 1(C)(b) of Article I of this Plan, such portion shall be paid as described in Section 2 of this Article III.

Section 4. In the event of a Change in Control, all SRIP B Benefits not yet paid under this Plan shall become immediately vested and shall be paid in a lump sum payment, calculated as otherwise described herein, as soon as administratively possible following the date of such Change in Control, but no later than 90 days after such date. Notwithstanding any provision of this Plan to the contrary, a Participant (including a Participant who has previously separated from service and is receiving payment of his or her SRIP B Benefit) who satisfies criteria established by the Compensation Committee (the "Committee") of Linde's Board of Directors (the "Board") or Linde's Chief Human Resources Officer (the "CHRO"), as determined in the sole discretion of the Committee or the CHRO, may elect, at the time and in the manner designated by the Committee or the CHRO, to waive the right to receive payment of his or her unpaid SRIP B Benefit upon a Change in Control and such waiver shall be considered the deletion of such Participant's Change in Control payment event as contemplated under Treasury Regulation Section 1.409A-2(b)(6). Any Participant who makes such election shall receive payment of his or her SRIP B Benefits at such time and in such manner as otherwise provided under the Plan. Any such election must be consistent with the election made by the Participant with respect to his or her benefits, if any, under the EPB and/or SRIP A, and shall be valid if, and only if, made at least one year prior to the effective date of any Change in Control. For this purpose, "Change in Control" shall mean the occurrence of any one of the following events with respect to Linde:

(a) during a 12-month period, a majority of the individuals who constitute the Board are replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election;

(b) any one person, or more than one person acting as a group, becomes owner as defined in Section 318(a) of the Internal Revenue Code of 1986 (the "Code") (or has become owner during the 12-month period ending on the date of the most recent acquisition by such person or group), of stock of Linde possessing 30 percent or more of the total voting power of the stock of Linde; provided, however, that the event described in this paragraph (ii) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (A) by Linde or any of its subsidiaries, (B) by any employee benefit plan sponsored or maintained by Linde or any of its subsidiaries, or (C) by any underwriter temporarily holding securities pursuant to an offering of such securities.

(c) any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or group) assets from Linde that have a total gross fair market value equal to or more than

80 percent of the total gross fair market value of all of the assets of Linde immediately prior to such acquisition(s); provided, however, that a transfer of assets by Linde is not treated as a Change in Control if the assets are transferred to: (A) a shareholder of Linde (immediately before the asset transfer) in exchange for or with respect to its stock; (B) an entity, 50 percent or more of the total value or voting power of which is owned, directly or indirectly, by Linde; (C) a person, or more than one person acting as a group, that owns, directly or indirectly, 50 percent or more of the total value or voting power of all outstanding stock of Linde; or (D) an entity, at least 50 percent of the total value or voting power of which is owned, directly or indirectly, by a person described in the previous subsection (C). For purposes of this paragraph, (1) gross fair market value means the value of the assets of Linde, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets, and (2) a person's status is determined immediately after the transfer of the assets.

(d) any one person, or more than one person acting as a group, becomes owner, as defined in Section 318(a) of the Code, of stock of Linde that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of stock of Linde; provided, however, that if any one person or more than one person acting as a group, is considered to own more than 50 percent of the total fair market value or total voting power of stock of Linde, the acquisition of additional stock by the same person is not considered to cause a Change in Control. This paragraph applies only when there is a transfer of stock of Linde (or issuance of stock of Linde) and stock in Linde remains outstanding after the transaction.

For purposes of this definition of Change in Control:

(i) a “person” shall be as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the “Exchange Act”) and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act; and

(ii) persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar transaction with Linde. If a person, including an entity, owns stock in both corporations that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a group with other shareholders in the corporation prior to the transaction giving rise to the Change in Control and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a group solely because they purchase or own stock of Linde at the same time, or as a result of the same public offering.

Section 5. In the event of a domestic relations order requiring the partition of a Participant’s SRIP B Benefit, the benefit assigned to an alternate payee shall be paid out in a single lump sum, at the time indicated in such an order accepted by the Corporation, calculated as described in Section 1, 2, or 3 of this Article III, as applicable.

Section 6. Any SRIP B Benefit hereunder which is payable upon a termination of employment or similar event, shall be payable only where such termination of employment or similar event would constitute a “separation from service” with the Corporation and its affiliates under Code Section 409A and the regulations thereunder.

Section 7. (a) (i) In the event a Traditional-Design Participant described in Article III, Section 1(a) dies after terminating employment while receiving a 50% joint and survivor annuity, but before receiving the lump sum payment described in such Section, such

Participant's surviving spouse will receive a 50% annuity from the Participant's date of death through June of the year following the Termination Year, and a lump sum payment of the remaining value of such 50% spousal annuity on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse does not survive the Participant, no further SRIP B Benefit will be payable.

(ii) In the event a Traditional-Design Participant described in Article III, Section 1(a) dies after terminating employment while receiving a single life annuity, then the Participant's dependent children, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If there is no dependent child, then the Participant's dependent parents, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of their respective deaths or June 30 of the year immediately following the Termination Year, with a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant has neither dependent children or dependent parents at the time of his or her death, no further SRIP B Benefit will be payable.

(iii) If one or more of the multiple recipients receiving the 50% annuity ceases to be eligible to continue to receive such recipient's share as the result of such recipient's death, or attainment of age 23 in the case of a dependent child, the remaining recipients shall continue to draw only their respective shares.

(b) (i) In the event a Traditional-Design Participant described in Article III, Section 1(b) dies after terminating employment, but before receiving a lump sum payment, such Participant's spouse, if such Participant was married at the time of terminating employment, will receive a lump sum payment of the value of a 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse does not survive the Participant, no further SRIP B Benefit will be payable.

(ii) In the event such Participant has no spouse at the time of termination, the lump sum value of a 50% annuity to age 23 shall be paid pro-rata to any surviving dependent children on or about July 1 of the year following the Termination Year.

(iii) In the event such Participant has no spouse or dependent children at the time of termination, the lump sum value of a 50% annuity shall be paid in equal shares to any surviving dependent parents on or about July 1 of the year following the Termination Year.

(iv) In the event such Participant has no spouse, dependent children or dependent parents at the time of termination, no SRIP B Benefit will be payable.

(c) In the event a Traditional-Design Participant dies while employed by the Corporation or its affiliate, such Participant's spouse, if such Participant was married at the time of death, will receive a 50% annuity from the Participant's date of death through June of the year following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such spouse dies while receiving the 50% annuity, such annuity will continue to any dependent children, divided equally among them and payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination

Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If one or more of the multiple recipients receiving the 50% annuity ceases to be eligible to continue to receive such recipient's share as the result of such recipient's death or attainment of age 23, the remaining recipients shall continue to draw only their respective shares.

(d) In the event a Traditional-Design Participant dies while employed by the Corporation or its affiliate and is not married at the time of his or her death, the Participant's dependent children, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If there is no dependent child, the 50% annuity shall be divided and paid in equal shares to any surviving dependent parent of the deceased Participant until the earlier of their respective deaths or June 30 of the year immediately following the Termination Year, with a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant has neither dependent children or dependent parents at the time of his or her death, no further SRIP B Benefit will be payable.

(e) For the purposes of this Section 7, "dependent children" and "dependent parent" shall have the same meaning as in the Pension Plan.

(f) In the event an Account-Based Participant dies, either before or after terminating employment with the Corporation or its affiliate, the spouse of such Participant (or if no spouse, the designated beneficiary) will receive a lump sum payment of the value of the Participant's SRIP B Benefit calculated as described in Article III, Section 2(b). If such death occurs on or after November 1 of a year and prior to May 1 of the following year, such lump sum shall be paid on or about July 1 of that following year. If such death occurs on or after May 1 and prior to November 1 of a year, such lump sum shall be paid on or about January 1 of the following year.

(g) In the event a Dual Formula Participant dies at any time before his or her entire SRIP B Benefit has been paid, then the provisions of subsections (a) through (e) of this Section 7, as applicable, shall apply to the portion of such Dual Formula Participant's SRIP B Benefit described in Section 1(C)(a) of Article I of this Plan, and the provisions of subsection (f) of this Section 7 shall apply to the portion of such Dual Formula Participant's SRIP B Benefit that is described in Section 1(C)(b) of Article I of this Plan.

ARTICLE IV

Miscellaneous

Section 1. (a) Linde, by action of the Board (or, for amendments with no incremental cost or increase to benefits, by action of the Corporation's Vice-President, Human Resources), may amend this Plan at any time, but any such amendment shall not adversely affect the rights of any Participant, spouse or beneficiary then receiving benefits under this plan, or the vested rights of any Participant.

(b) The Board may terminate this Plan at any time and distribute all SRIP B Benefits so long as such termination and distribution meets (i), (ii) or (iii) below:

(i) The termination and distribution takes place within 12 months of Linde's corporate dissolution taxed under Code Section 331, or with the approval of a bankruptcy court pursuant to 11 U.S.C. § 503(b)(1)(A), and the deferred amounts are included in Participants' gross incomes in the earliest of (x) the taxable year in which the amount is actually received, or

(y) the latest of the following (I) the calendar year in which the Plan termination and liquidation occurs; (II) the first calendar year in which the amount is no longer subject to a substantial risk of forfeiture; or (III) the first calendar year in which the payment is administratively practicable;

(ii) The termination and distribution is pursuant to irrevocable action taken by Linde within 30 days before, or 12 months following, a Change in Control, provided that all other plans that allow employees to make non-qualified deferrals that are aggregated with this Plan are terminated and liquidated such that all deferred compensation under the terminated plans and this Plan is paid out within 12 months of the date Linde takes all necessary action to terminate and liquidate the plans; or

(iii) Linde's determination to terminate and liquidate the Plan does not occur proximate to a downturn in Linde's financial health, Linde terminates and liquidates all plans that would be aggregated with this plan if the Participants in the Plan had deferrals of compensation under the other plans, no distributions under the Plan are made within 12 months of the date Linde takes all necessary action to irrevocably terminate and liquidate the Plan (other than making payments that would be made regardless of whether the action to terminate and liquidate the plan had occurred), and payments are made within 24 months of the date Linde takes all action to irrevocably terminate and liquidate the plan.

Section 2. Except to the extent required by law or pursuant to a domestic relations order (as defined in Code Section 414(p)(1)(B) or a successor section), no assignment of the rights and interests of a Participant or survivor under this Plan will be permitted nor shall such rights be subject to attachment or other legal processes for debts.

Section 3. If the Committee determines, after a hearing, that a Participant who is eligible to receive or is receiving SRIP B Benefits hereunder has engaged in any activities which, in the opinion of the Committee, are detrimental to the interests of, or are in competition with, Linde or any of its subsidiaries, such benefits shall thereupon be terminated.

Section 4. The Corporation may satisfy all or any part of its obligation to provide benefits hereunder by purchasing, and distributing to a Participant or survivor, an annuity from an insurance carrier to provide such benefits. The Corporation shall be relieved of any obligation it might otherwise have under this Plan to the extent such benefits were provided to the Participant or survivor through an annuity purchased by Union Carbide Corporation.

Section 5. The Committee shall have full discretionary authority to interpret and construe the Plan and shall supervise the administration and interpretation of the Plan, establish administrative regulations to further the purpose of the Plan and take any other action necessary to the proper operation of the Plan. The Committee may delegate to one or more of its members or any other person, the right to act on its behalf in any matter connected with the administration of the Plan and has delegated authority for the Plan's day-to-day administration to the Corporation's Human Resources Department. All decisions and acts of the Committee or its designee shall be final and binding upon all Participants, their beneficiaries and all other persons.

Section 6. The titles given herein to Sections and subsections are for reference only and are not to be used to interpret the provisions of the Plan.

Section 7. All questions pertaining to construction, regulation, validity and effect of the provisions of this Plan shall be determined in accordance with Connecticut law.

Section 8. The Corporation is not required to, and will not, for purposes of funding the Plan, segregate any monies from its general funds, create any trusts, or make any special deposits, and the right of a Participant or any other person to receive benefits under the Plan shall be no greater than the right of an unsecured general creditor of the Corporation.

Section 9. This Plan is intended to constitute a “nonqualified deferred compensation plan” within the meaning on Code Section 409A(d)(1), and is to be construed and administered in a manner consistent therewith.

IN WITNESS WHEREOF, and as evidence of the adoption of this Plan, the Corporation has caused this instrument to be signed by its duly authorized officer this _____ day of September, 2020.

LINDE INC.

By:_______________________________

Title:

Date:______________________________

LINDE INC.

2018 EQUALIZATION BENEFIT PLAN

(Amended and Restated, Effective September 1, 2020)

LINDE, INC.

2018 EQUALIZATION BENEFIT PLAN
(Amended and Restated, Effective September 1, 2020)

General

This 2018 Equalization Benefit Plan (the "Plan") is maintained by Linde Inc. (formerly Praxair, Inc.) (the "Corporation"), a wholly-owned subsidiary of Linde plc ("Linde"), is completely separate from the Praxair Pension Plan component of the Linde U.S. Pension Plan (the "Pension Plan"), and is not funded or qualified for special tax treatment under the Internal Revenue Code of 1986, as amended (the "Code"). The purpose of this Plan is to restore retirement benefits to those Pension Plan participants, and to the spouses or beneficiaries of such participants, whose retirement benefits under the Pension Plan are, or will be, reduced by the limitations imposed by Section 415 of the Code, as from time to time amended (collectively referred to herein as "Participants").

This Plan operates in conjunction with the Pension Plan, the Linde Inc. 2018 Supplemental Retirement Income Plan A (the "SRIP A") and the Linde Inc. 2018 Supplemental Retirement Income Plan B (the "SRIP B") to provide retirement benefits to Participants. Each of these four plans must be read together in the following order to determine the total Linde retirement benefit payable to, or on behalf of, a Participant:

- Praxair Pension Plan Component of the Linde U.S. Pension Plan
- Linde Inc. 2018 Equalization Benefit Plan
- Linde Inc. 2018 Supplemental Retirement Income Plan A
- Linde Inc. 2018 Supplemental Retirement Income Plan B

In no event shall any benefit payable to or on behalf of a Participant under this Plan duplicate the benefit payable to or on behalf of such Participant under the Pension Plan, the SRIP A and/or the SRIP B.

No Participant shall accrue any benefit under this Plan attributable to service, compensation, or any other benefit formula that is used to derive a benefit under this Plan, for any period on or before the October 31, 2018 (the "Merger Date"); provided, however, that accruals attributable to Account-based Accounts that would have been credited to the Praxair, Inc. Equalization Benefit Plan for calendar year 2018 shall instead be credited under this Linde Inc. 2018 Equalization Benefit Plan. Notwithstanding any provision of this Plan to the contrary, in the event any benefit attributable to service, compensation, or any other benefit formula that is used to derive a benefit under this Plan for any period on or before the Merger Date, is payable or has been paid under any other plan maintained by the Corporation, such benefit shall not be paid under this Plan, and any provision of this Plan or any other plan maintained by the Corporation, will be interpreted accordingly.

ARTICLE I

EBP Benefits

Section 1. Each Participant shall be designated as either an Account-Based Participant, a Traditional-Design Participant, or a Dual Formula Participant. This designation shall be consistent with such Participant's method of benefit accrual under the Pension Plan. Notwithstanding the foregoing, a Participant that is considered a Dual Formula Participant under the Pension Plan shall be treated as an Account-Based Participant for all purposes under this Plan if such Participant has previously received, or incurred an event triggering payment of, all benefits to which he is entitled under this Plan that relate to periods of service during which such Participant's benefit accruals under the Pension Plan were determined under Article V of the Pension Plan.

Any Participant in the Pension Plan, or such Participant's surviving spouse or beneficiary, shall be entitled to a benefit, payable hereunder in accordance with this Plan, calculated under either A or B below (referred to herein as the "EBP Benefit").

A. Amount of EBP Benefit for Traditional-Design Participants. The EBP Benefit hereunder payable to a Traditional-Design Participant or his or her surviving spouse shall be equal to the excess of (a) minus (b), if any, determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the amount of such Participant's or surviving spouse's annual benefit under the Pension Plan computed under the provisions of the Pension Plan without regard to the limitations of Code Section 415; and

(b) equals the amount of such Participant's or surviving spouse's annual benefit actually payable under the Pension Plan.

B. Amount of EBP Benefit for Account-Based Participants. The EBP Benefit hereunder payable to or on behalf of an Account-Based Participant shall be equal to the excess of (a) minus (b), if any, determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the Account-Based Account (as defined in the Pension Plan) which the Participant would have had at such time under the Pension Plan as if such amounts had been determined without applying the limitations of Code Section 415; and

(b) equals the actual Account-Based Account which the Participant has at such time under the Pension Plan.

C. Amount of EBP Benefit for Dual Formula Participants. The EBP Benefit hereunder payable to or on behalf of a Dual Formula Participant or his or her surviving spouse shall be equal to the sum of (a) plus (b), determined as of termination of employment, where (a) and (b) are defined as follows:

(a) equals the excess, if any, of (i) the amount of such Participant's or surviving spouse's Article V Benefit computed under the provisions of the Pension Plan, but without regard to the limitations of Code Section 415, over (ii) the amount of such Participant's or surviving spouse's annual benefit actually payable under the Pension Plan with respect to his or her Article V Benefit thereunder; and

(b) equals the excess, if any, of (i) the Account-Based Account which the Participant would have had at such time under the Pension Plan as if such amounts had been determined without applying the limitations of Code Section 415, over (ii) the actual Account-Based Account which the Participant has at such time under the Pension Plan.

D. Provisions Common to All Participants

(a) If a Participant satisfies the requirements for a survivor's benefit, the amount of EBP Benefit which such Participant would otherwise have received shall be reduced by applying the same factor used in the Pension Plan in connection with survivor's benefits.

(b) The amount of EBP Benefit payable to the eligible survivor of a Participant shall be calculated in the same manner that such survivor's benefit is calculated under the Pension Plan.

(c) With respect to any benefit hereunder payable to a "spouse," the determination of whether a person constitutes an eligible spouse shall be made under the same criteria as apply under the Pension Plan.

ARTICLE II

Vesting

Section 1. Except as otherwise provided herein, a Participant will be vested in such Participant's right to receive EBP Benefits in the same manner and to the same extent as provided under the Pension Plan.

ARTICLE III

EBP Benefit Payments

Section 1. For Traditional-Design Participants, payments shall be made as follows:

(a) For Traditional-Design Participants who terminate employment at a time when they would be immediately eligible to commence a benefit under the Pension Plan, a single life annuity (or a 50% joint and survivor annuity for such Participants who are married at the time of their termination of employment) will commence to be paid as of the first of the month coincident with or next following such termination, and a lump sum payment of all remaining EBP Benefits due hereunder shall be made on or about July 1 of the year immediately following the year of such termination (the year of termination is hereinafter referred to as the "Termination Year"). Where such Participant has commenced a 50% joint and survivor annuity, and such Participant's spouse dies during the annuity payment period, the Participant's EBP Benefit will be increased to eliminate the cost of the survivor benefit. Notwithstanding the foregoing, if such Participant is a Specified Employee (as such term is defined in Code Section 409A) no annuity benefits shall be paid during the six month period after the Participant's termination of employment (the "Delay Period"), and at the conclusion of the Delay Period any annuity benefits which would otherwise have been paid during the Delay Period shall be paid in a single sum which shall include interest at the interest rate used for determining Actuarial

Equivalence, as then in effect under the Pension Plan. Annuity benefits shall then commence and continue until a lump sum payment is due pursuant to the first sentence of this paragraph.

(b) For Traditional-Design Participants who terminate employment at a time when they would not be immediately eligible to commence a benefit under the Pension Plan, a lump sum payment of all EBP Benefits due hereunder, (taking into account the value of the 50% joint and survivor form of benefit if the Participant is married at the time of termination of employment), shall be made on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse dies prior to the date of such lump sum payment, the Participant's benefit shall not be reduced to reflect the cost of the survivor benefit.

(c) Lump sum payments shall be calculated using a discount rate equal to the 10 year Aaa municipal bond rate as published by Moody's or a similar rating service for the third month prior to the month payments commence. Notwithstanding the prior sentence, with respect to benefits that become payable on account of a Traditional-Design Participant's termination of employment, lump sum payments shall be calculated using a discount rate equal to the average of the 10 year Aaa municipal bond rate as published by Moody's or a similar rating service for the months of July through December of the year immediately prior to the year in which such Participant terminated employment.

Section 2. (a) For Account-Based Participants who terminate employment on or after November 1 of a year and prior to May 1 of the following year, a lump sum of their EBP Benefit shall be paid on or about July 1 of that following year. For Account-Based Participants who terminate employment on or after May 1 and prior to November 1 of a year, a lump sum of their EBP Benefit shall be paid on or about January 1 of the following year. (By way of example, an Account-Based Participant who terminates employment in December, 2020, and an

Account-Based Participant who terminates employment in April, 2021, would each receive a lump sum in July, 2021. An Account-Based Participant who terminates employment in June, 2021, would receive a lump sum in January, 2022.) Notwithstanding the foregoing, if such Participant is a Specified Employee (as such term is defined in Code Section 409A) no payment shall be made until the later of the date determined above and the date which is six months after the Participant's termination of employment.

(b) Such lump sum payment shall be calculated utilizing the factors described for lump sum payments under Section 5.7(b) (or any successor provision governing calculations of Account-Based lump sums) of the Pension Plan.

Section 3. For Dual Formula Participants, payments shall be made as follows:

(a) With respect to the portion of such Dual Formula Participant's EBP Benefit that is described in Section 1(C)(a) of Article I of this Plan, such portion shall be paid as described in Section 1 of this Article III.

(b) With respect to the portion of such Dual Formula Participant's EBP Benefit that is described in Section 1(C)(b) of Article I of this Plan, such portion shall be paid as described in Section 2 of this Article III.

Section 4. In the event of a Change in Control, all EBP Benefits not yet paid under this Plan shall become immediately vested and shall be paid in a lump sum payment, calculated as otherwise described herein, as soon as administratively possible following the date of such Change in Control, but no later than 90 days after such date. Notwithstanding any provision of this Plan to the contrary, a Participant (including a Participant who has previously separated from service and is receiving payment of his or her EPB Benefit) who satisfies criteria established by the Compensation Committee (the "Committee") of Linde's Board of Directors (the “Board”) or Linde’s Chief Human Resources Officer (the “CHRO”), as determined in the sole discretion of the Committee or the CHRO, may elect, at the time and in the manner designated by the Committee or the CHRO, to waive the right to receive payment of his or her unpaid EBP Benefit upon a Change in Control and such waiver shall be considered the deletion of such Participant’s Change in Control payment event as contemplated under Treasury Regulation Section 1.409A-2(b)(6). Any Participant who makes such election shall receive payment of his or her EBP Benefits at such time and in such manner as otherwise provided under the Plan. Any such election must be consistent with the election made by the Participant with respect to his or her benefits, if any, under the SRIP A and/or SRIP B, and shall be valid if, and only if, made at least one year prior to the effective date of any Change in Control. For this purpose, “Change in Control” shall mean the occurrence of any one of the following events with respect to Linde:

(a) during a 12-month period, a majority of the individuals who constitute the Board are replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election;

(b) any one person, or more than one person acting as a group, becomes owner as defined in Section 318(a) of the Internal Revenue Code of 1986 (the “Code”) (or has become owner during the 12-month period ending on the date of the most recent acquisition by such person or group), of stock of Linde possessing 30 percent or more of the total voting power of the stock of Linde; provided, however, that the event described in this paragraph (ii) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (A) by Linde or any of its subsidiaries, (B) by any employee benefit plan sponsored or maintained by Linde or any of its subsidiaries, or (C) by any underwriter temporarily holding securities pursuant to an offering of such securities.

(c) any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or group) assets from Linde that have a total gross fair market value equal to or more than 80 percent of the total gross fair market value of all of the assets of Linde immediately prior to such acquisition(s); provided, however, that a transfer of assets by Linde is not treated as a Change in Control if the assets are transferred to: (A) a shareholder of Linde (immediately before the asset transfer) in exchange for or with respect to its stock; (B) an entity, 50 percent or more of the total value or voting power of which is owned, directly or indirectly, by Linde; (C) a person, or more than one person acting as a group, that owns, directly or indirectly, 50 percent or more of the total value or voting power of all outstanding stock of Linde; or (D) an entity, at least 50 percent of the total value or voting power of which is owned, directly or indirectly, by a person described in the previous subsection (C). For purposes of this paragraph, (1) gross fair market value means the value of the assets of Linde, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets, and (2) a person’s status is determined immediately after the transfer of the assets.

(d) any one person, or more than one person acting as a group, becomes owner, as defined in Section 318(a) of the Code, of stock of Linde that, together with stock held by such person or group, constitutes more than 50 percent of the total fair market value or total voting power of stock of Linde; provided, however, that if any one person or more than one person acting as a group, is considered to own more than 50 percent of the total fair market value or total voting power of stock of Linde, the acquisition of additional stock by the same person is not considered to cause a Change in Control. This paragraph applies only when there is a transfer of stock of Linde (or issuance of stock of Linde) and stock in Linde remains outstanding after the transaction.

For purposes of this definition of Change in Control:

(i) a "person" shall be as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "Exchange Act") and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act; and

(ii) persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar transaction with Linde. If a person, including an entity, owns stock in both corporations that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a group with other shareholders in Linde prior to the transaction giving rise to the Change in Control and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a group solely because they purchase or own stock of Linde at the same time, or as a result of the same public offering.

Section 5. In the event of a domestic relations order requiring the partition of a Participant's EBP Benefit, the benefit assigned to an alternate payee shall be paid out in a single lump sum, at the time indicated in such an order accepted by the Corporation, calculated as described in Section 1, 2, or 3 of this Article III, as applicable.

Section 6. Any EBP Benefit which is payable upon a termination of employment or similar event, shall be payable only where such termination of employment or similar event would constitute a "separation from service" with the Corporation and its affiliates under Code Section 409A and the regulations thereunder.

Section 7. (a) (i) In the event a Traditional-Design Participant described in Article III, Section 1(a) dies after terminating employment while receiving a 50% joint and survivor annuity, but before receiving the lump sum payment described in such Section, such Participant's surviving spouse will receive a 50% annuity from the Participant's date of death through June of the year following the Termination Year, and a lump sum payment of the remaining value of such 50% spousal annuity on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse does not survive the Participant, no further EBP Benefit will be payable.

(ii) In the event a Traditional-Design Participant described in Article III, Section 1(a) dies after terminating employment while receiving a single life annuity, then the Participant's dependent children, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If there is no dependent child, then the Participant's dependent parents, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of their respective deaths or June 30 of the year immediately following the Termination Year, with a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant has neither dependent children or dependent parents at the time of his or her death, no further EBP Benefit will be payable.

(iii) If one or more of the multiple recipients receiving the 50% annuity ceases to be eligible to continue to receive such recipient's share as the result of such recipient's death, or attainment of age 23 in the case of a dependent child, the remaining recipients shall continue to draw only their respective shares.

(b) (i) In the event a Traditional-Design Participant described in Article III, Section 1(b) dies after terminating employment, but before receiving a lump sum payment, such Participant's spouse, if such Participant was married at the time of terminating employment, will receive a lump sum payment of the value of a 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant's spouse does not survive the Participant, no further EBP Benefit will be payable.

(ii) In the event such Participant has no spouse at the time of termination, the lump sum value of a 50% annuity to age 23 shall be paid pro-rata to any surviving dependent children on or about July 1 of the year following the Termination Year.

(iii) In the event such Participant has no spouse or dependent children at the time of termination, the lump sum value of a 50% annuity shall be paid in equal shares to any surviving dependent parents on or about July 1 of the year following the Termination Year.

(iv) In the event such Participant has no spouse, dependent children or dependent parents at the time of termination, no EBP Benefit will be payable.

(c) In the event a Traditional-Design Participant dies while employed by the Corporation or its affiliate, such Participant's spouse, if such Participant was married at the time of death, will receive a 50% annuity from the Participant's date of death through June of the year following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such spouse dies while receiving the 50% annuity, such annuity will continue to any dependent children, divided equally among them and payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If one or more of the multiple recipients receiving the 50% annuity ceases to be eligible to continue to receive such recipient's share as the result of such recipient's death or attainment of age 23, the remaining recipients shall continue to draw only their respective shares.

(d) In the event a Traditional-Design Participant dies while employed by the Corporation or its affiliate and is not married at the time of his or her death, the Participant's dependent children, if any, shall receive a 50% annuity, divided equally among them, payable until the earlier of age 23 or June 30 of the year immediately following the Termination Year, and a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following Termination Year. The lump sum value shall be calculated based on an annuity payable until the attainment of age 23. If there is no dependent child, the 50% annuity shall be divided and paid in equal shares to any surviving dependent parent of the deceased Participant until the earlier of their respective deaths or June 30 of the year immediately following the Termination Year, with a lump sum payment of the remaining value of such 50% annuity on or about July 1 of the year immediately following the Termination Year. If such Participant has neither dependent children or dependent parents at the time of his or her death, no further EBP Benefit will be payable.

(e) For the purposes of this Section 7, "dependent children" and "dependent parent" shall have the same meaning as in the Pension Plan.

(f) In the event an Account-Based Participant dies, either before or after terminating employment with the Corporation or its affiliate, the spouse of such Participant (or if no spouse, the designated beneficiary) will receive a lump sum payment of the value of the Participant's EBP Benefit calculated as described in Article III, Section 2(b). If such death occurs on or after November 1 of a year and prior to May 1 of the following year, such lump sum shall be paid on or about July 1 of that following year. If such death occurs on or after May 1 and prior to November 1 of a year, such lump sum shall be paid on or about January 1 of the following year.

(g) In the event a Dual Formula Participant dies at any time before his or her entire EBP Benefit has been paid, then the provisions of subsections (a) through (e) of this Section 7, as applicable, shall apply to the portion of such Dual Formula Participant's EBP Benefit described in Section 1(C)(a) of Article I of this Plan, and the provisions of subsection (f) of this Section 7 shall apply to the portion of such Dual Formula Participant's EBP Benefit that is described in Section 1(C)(b) of Article I of this Plan.

ARTICLE IV

Miscellaneous

Section 1. (a) Linde, by action of the Board (or, for amendments with no incremental cost or increase to benefits, by action of the CHRO), may amend this Plan at any time, but any such amendment shall not adversely affect the rights of any Participant, spouse or beneficiary then receiving EBP Benefits under this plan, or the vested rights of any Participant.

(b) The Board may terminate this Plan at any time and distribute all EBP Benefits so long as such termination and distribution meets (i), (ii) or (iii) below:

(i) The termination and distribution takes place within 12 months of Linde's corporate dissolution taxed under Code Section 331, or with the approval of a bankruptcy court pursuant to 11 U.S.C. § 503(b)(1)(A), and the deferred amounts are included in Participants' gross incomes in the earliest of (x) the taxable year in which the amount is actually received, or (y) the latest of the following (I) the calendar year in which the Plan termination and liquidation occurs; (II) the first calendar year in which the amount is no longer subject to a substantial risk of forfeiture; or (III) the first calendar year in which the payment is administratively practicable;

(ii) The termination and distribution is pursuant to irrevocable action taken by Linde within 30 days before, or 12 months following, a Change in Control, provided that all other plans that allow employees to make non-qualified deferrals that are aggregated with this Plan are terminated and liquidated such that all deferred compensation under the terminated plans and this Plan is paid out within 12 months of the date Linde takes all necessary action to terminate and liquidate the plans; or

(iii) Linde's determination to terminate and liquidate the Plan does not occur proximate to a downturn in Linde's financial health, Linde terminates and liquidates all plans that would be aggregated with this plan if the Participants in the Plan had deferrals of compensation under the other plans, no distributions under the Plan are made within 12 months of the date Linde takes all necessary action to irrevocably terminate and liquidate the Plan (other than making payments that would be made regardless of whether the action to terminate and liquidate the plan had occurred), and payments are made within 24 months of the date Linde takes all action to irrevocably terminate and liquidate the plan.

Section 2. Except to the extent required by law or pursuant to a domestic relations order (as defined in Code Section 414(p)(1)(B) or a successor section), no assignment of the rights and interests of a Participant or survivor under this Plan will be permitted nor shall such rights be subject to attachment or other legal processes for debts.

Section 3. If the Committee determines, after a hearing, that a Participant who is eligible to receive or is receiving EBP Benefits hereunder has engaged in any activities which, in the opinion of the Committee, are detrimental to the interests of, or are in competition with, Linde or any of its affiliates, such benefits shall thereupon be terminated.

Section 4. The Corporation may satisfy all or any part of its obligation to provide benefits hereunder by purchasing, and distributing to a Participant or survivor, an annuity from an insurance carrier to provide such benefits. The Corporation shall be relieved of any obligation it might otherwise have under this Plan to the extent such benefits were provided to the Participant or survivor through an annuity purchased by Union Carbide Corporation.

Section 5. The Committee shall have full discretionary authority to interpret and construe the Plan and shall supervise the administration and interpretation of the Plan, establish administrative regulations to further the purpose of the Plan and take any other action necessary to the proper operation of the Plan. The Committee may delegate to one or more of its members or any other person, the right to act on its behalf in any matter connected with the administration of the Plan and has delegated authority for the Plan's day-to-day administration to the Corporation's Human Resources Department. All decisions and acts of the Committee or its designee shall be final and binding upon all Participants, their beneficiaries and all other persons.

Section 6. The titles given herein to Sections and subsections are for reference only and are not to be used to interpret the provisions of the Plan.

Section 7. All questions pertaining to construction, regulation, validity and effect of the provisions of this Plan shall be determined in accordance with Connecticut law.

Section 8. The Corporation is not required to, and will not, for purposes of funding the Plan, segregate any monies from its general funds, create any trusts, or make any special deposits, and the right of a Participant or any other person to receive benefits under the Plan shall be no greater than the right of an unsecured general creditor of the Corporation.

Section 9. This Plan is intended to constitute a “nonqualified deferred compensation plan” within the meaning on Code Section 409A(d)(1), and is to be construed and administered in a manner consistent therewith.

IN WITNESS WHEREOF, and as evidence of the adoption of this Plan, the Corporation has caused this instrument to be signed by its duly authorized officer this _____ day of September, 2020.

LINDE INC.

By:_______________________________

Title:

Date:______________________________

RULE 13a-14(a) CERTIFICATIONS

EXHIBIT 31.01

I, Stephen F. Angel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Linde plc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 5, 2020	By: /s/ Stephen F. Angel
	Stephen F. Angel
	Chief Executive Officer

EXHIBIT 31.02

I, Matthew J. White, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Linde plc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

November 5, 2020	By: /s/ Matthew J. White
	Matthew J. White
	Chief Financial Officer

SECTION 1350 CERTIFICATION

EXHIBIT 32.01

Pursuant to 18 U.S.C. § 1350, the undersigned officer of Linde plc (the "Company"), hereby certifies that the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 5, 2020	By: /s/ Stephen F. Angel
	Stephen F. Angel
	Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by 18 U.S.C. § 1350 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

SECTION 1350 CERTIFICATION

EXHIBIT 32.02

Pursuant to 18 U.S.C. § 1350, the undersigned officer of Linde plc (the "Company"), hereby certifies that the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 5, 2020	By: /s/ Matthew J. White
	Matthew J. White
	Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by 18 U.S.C. § 1350 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.