

DISCOVERY

THE QUARTERLY NEWSLETTER OF KOCH COMPANIES

JULY 2009

Millions of hours

On March 26, the employees of Koch Pipeline Co., L.P. set a remarkable new safety record: eight years (6 million hours worked) without a lost-time incident.

As impressive as that record is, it is only one among many environmental, health and safety accomplishments by a company devoted to 10,000 percent compliance.

Within the past year, KPL has been recognized with seven major safety awards, including national awards from *EHS Today* magazine, the National Safety Council and the American Petroleum Institute.

Illinois, Iowa, Minnesota, Texas and Wisconsin.

Vision for safety

"I've been with Koch 30 years," said Bob O'Hair, executive vice president of operations. "In all that time we've never achieved a milestone like this.

"This would have been impossible without every employee doing their part to ensure 10,000 percent compliance."

"KPL's vision," said Kim Penner, president of KPL, "includes the phrase: Continue to be a leader in environmental, health and safety excellence, system integrity and compliance with the law.

"So we're going to keep at it, working safely, staying compliant, one day at a time."

Corpus Christi

The past eight years have also been significant for the 900 employees at Flint Hills Resources' refinery complex in Corpus Christi, Texas.

On Dec. 23, that FHR facility celebrated eight years without an injury resulting in time away from work.

"That impressive performance continues today," said FHR president Brad Razook. "Our Corpus team passed the 3,125-day mark in mid-July.

"That's a significant achieve-

ment for any site, but especially one of this size."

In February, the Corpus Christi plant also set a new company record by achieving an environmental milestone: 168 consecutive days without flaring.

Since 1999, Flint Hills Resources has reduced refinery flare time (which helps reduce air emissions) by almost 90 percent.

Of the 50 largest refineries in the U.S., all three of FHR's refineries rank among the best for the lowest air emissions per barrel of refining capacity, with the North Pole facility having the lowest emissions of all.

Similarly, FHR's terminals group, with sites in six states, has worked nearly 11 years without a lost time injury. Last year, FHR terminals received the highest safety award from the International Liquid Terminals Association.

"We've got 3,500 employees who strive to use resources efficiently, operating safely in an environmentally responsible way and being a good neighbor in our communities," said Razook.

"In my book, that's the best possible way to operate any business."

For further EH&S accomplishments across KII, see pages 3 and 6. ■



FHR's terminals group has worked more than 4.5 million hours without a lost-time injury.

KPL's safety performance has also been recognized by OSHA (VPP Region VI) as well as state and local safety councils in Il-

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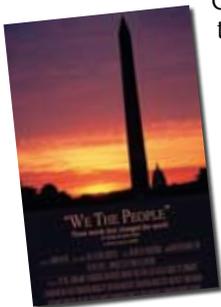
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On behalf of our board of directors, I want to thank the Fred C. and Mary R. Koch Foundation for its \$100,000 support in partnering with the Kansas Cosmosphere to premiere the upcoming IMAX film, *We The People*.



The Cosmosphere is honored and excited to be a part of the world premiere events this summer and we look forward to future activities associated with this partnership.

Christopher D. Orwoll
President and CEO
Kansas Cosmosphere
Hutchinson, Kan.

The premiere of *We the People* has been delayed. For more information visit wethepeoplemovie.com.

I am glad and heartened to know that in today's world there are still leaders who can not only speak for our industry but for our lives and those of our families.

I look forward to reading all the other comments from your executive team posted on your Web site and to learn more about MBM®, the Science of Success and your Guiding Principles.

Respectfully, a friend of Koch in Alaska.

Sherry Wilson
Alyeska Pipeline Service Co.
Wasilla, Alaska



The Fred C. and Mary R. Koch Foundation, established in 1953, began awarding scholarships in 1970.

I received a Fred and Mary Koch scholarship every year of my college career. In hard economic times like these, this scholarship was invaluable.

After graduating in May from Concordia College, I am now a Fulbright scholar for 2009-2010, headed to Valencia, Spain to teach English.

Thank you for giving me and so many students the gift of education!

Meg Stolte
Lakeville, Minn.

Meg is the daughter of Lowell Stolte, the environmental air team leader for FHR's Pine Bend refinery.

A total of 188 new and renewing Koch scholarships were awarded this year.



Koch Alaska Pipeline Co., LLC owns a small interest – about 3 percent – in the Trans Alaska Pipeline System. TAPS supplies crude oil to Flint Hills Resources' North Pole refinery near Fairbanks.

Charles Koch's recent *Discovery* editorial – and several related articles – are available at www.kochind.com.

Thanks to Nijay M. Nadgir for his suggestion in the April 2009 *Discovery*.

I have wanted to know what Georgia-Pacific's brands were for just the reason he stated.

Let's all try to buy Koch brands and tell our friends to do this also.

My brands card is in my wallet. I bought Vanity Fair napkins today!

Trea Graham
Stainmaster® territory mgr.
Pittsburgh, Penn.

A listing of Koch brands is posted at www.worldofkoch.com.



On the cover:

An artist's rendering of the David H. Koch Cancer Research Center at the Massachusetts Institute of Technology. Construction of the facility (above) is underway and was made possible by a \$100 million commitment from Koch, a cancer survivor and M.I.T. alumnus.

I received an e-mail this morning from the owners of my company thanking us for our 2008 Distinguished Operator and Environmental Performance Awards from the American Petroleum Institute.

Until today, I did not know Koch was one of our owners.

When I Googled Koch, I found a letter, written by Mr. Charles Koch in January's issue of *Discovery*, sharing his perspective of history and current affairs.

In his letter, he not only laid out what is best for our industry but for the country, with truth rooted in history.

Mr. Koch's words rang true for me and I was compelled to write and express my gratitude to a leader that is willing to stand against popular belief and for what is right.

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KOCH INDUSTRIES INC

★Paulinia – INVISTA's manufacturing facility in Paulinia, Brazil, has now operated for 35 years – more than 23 million work-hours – without a lost-time injury.

When you consider the many expansions and other changes at the 247-acre site since it began operating in 1974, that 35-year safety record becomes even more impressive.

Paulinia is about 70km north of Brazil's largest city, São Paulo. INVISTA's plant there produces LYCRA®, LYCRA® XA™ and ELASPAN® fibers for all of South America.

On June 25, employees gathered to celebrate this milestone as well as the plant's certification as the first-ever INVISTA STAR Site.

This is the highest internal level of safety achievement an INVISTA manufacturing plant can achieve at sites where a comparable government safety program is not available.

José Antonio Tortorella, the Paulinia site manager, began working there in 1987 as a quality process engineer.



June 25 – Mario Cuin (l), EH&S manager for the Paulinia site, and Larry Surginer, INVISTA's corporate operations/safety leader, hold a flag signifying Paulinia's status as the first-ever INVISTA STAR site.

"This has been a 35-year, tireless quest for excellence and awareness," said Tortorella. "We focus on safety programs and procedures every day, every hour and every minute.

"We believe every accident is preventable."

★Missingen – From Missisauga to Milano, Koch companies have a presence in nearly 60 countries around the world.

Customs and languages in those locations can vary greatly, but one thing does not: the expectation that all employees abide by our Code of Conduct.

Communicating the Code of Conduct – which is typically updated every three years – requires a massive amount of coordination and planning.

"Our latest version builds on learning from previous years and includes several features requested by employees," said Sheryl Corrigan, KII's director of compliance.

"For example, we've provided a question-and-answer format to help guide employees through specific situations. We want this to be a reality-based reference that is easy to understand and use."

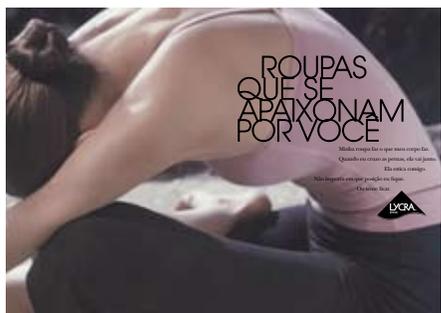


Covers for the newest guide-books were printed on INVISTA PERFORMA® PET sheets, making them much more durable. Interior pages were printed on Georgia-Pacific's Spectrum® paper.



Versions of the Code of Conduct include copies in Czech, Dutch, French, German, Guajarati, Japanese, Korean, Portuguese, Russian, Spanish and two forms of Chinese.

"Our Code of Conduct is vitally important in communicating our MBM® Guiding Principles to all our employees, including our expectation of 10,000 percent compliance. It's a keystone in the foundation of our compliance culture and our management programs, so we want it to be the very best it can be." ■



A Brazilian ad promoting LYCRA® fiber.

INVISTA's STAR program is modeled after the U.S. Occupational Safety and Health Administration's Voluntary Protection Program.

Plant employees have also earned INVISTA's Perfect Year recognition for operating without accidents or environmental incidents throughout 2008.

"For us, safety comes first," said Nicésio R. Cascone, INVISTA vice president of operations for South America and Mexico. "It's the best investment we can make, to ensure the health and safety of our employees and the communities in which we operate."

Going to Extremes

Environmental stewardship – which includes eliminating waste and the careful use of all resources – has been a longstanding tradition across Koch Industries.

From ranches to refineries, Koch companies have worked hard to create real value while respecting our environment.

Our co-workers and communities care deeply about the environment.



Ducks over wetlands at INVISTA's Victoria, Texas, site, home of an award-winning environmental education program.

That's one reason why pursuing environmental excellence has become engrained in our culture and is specifically mentioned in our Guiding Principles.

We believe environmental stewardship is vitally important and complying with environmental regulations is non-negotiable.

“Ensure excellence in environmental, safety, and all other areas of compliance.”
– MBM® Guiding Principle 2 (excerpt)

We also believe over-zealous environmental regulation can be destructive, especially when such policies are taken to the extreme.

Warning signs

Of all the threats to our future prosperity, one of the most devastating is the push for extremist environmental regulation.

These enormous regulatory schemes – usually promoted as necessary for “saving the

planet” – come in many forms, including controls, mandates, subsidies and taxes.

The bigger the program, the bigger the cost. But the bigger the cost, the greater the chance for criticism.

Perhaps that's why many advocates of overly aggressive environmental policies prefer to focus on hopes for environmental benefits and the prospects for job creation. This can help deflect criticism over the invasive nature and enormously high cost of new regulations.

Jolly green jobs

Many environmental activists, as well as their political and media allies, claim new “green jobs” will save the environment and the economy.

In July, for example, government ministers in the U.K. predicted a “green revolution” will create 400,000 environmental jobs in eight years.

In the United States, the Obama administration has even higher hopes, claiming five million clean energy jobs will be created thanks to its comprehensive energy plan.

Environmental activists have said the Waxman-Markey energy bill, passed by the U.S. House of Representatives and now up for debate in the Senate, “is an essential first step to policies that will accelerate economic recovery and achieve long-term growth.”

In other words, losses of traditional manufacturing and energy production jobs can be offset by new “green” jobs that will leave the world and its workers better off.

Unfortunately for those who promote such plans, the evidence against them is already substantial...and growing.

The pain in Spain

According to Gabriel Calzada Alvarez and researchers at King Juan Carlos University in Spain, each new job in that country's renewable energy sector came at an extremely high cost, financially and

socially.

They estimate that for every green job created during the past 10 years, 2.2 jobs were lost elsewhere in the Spanish economy.

As former President Clinton, speaking at a university in Madrid, recently admitted, Spain's renewable energy program “has cost many jobs.”

To make matters even worse, only one out of every 10 green jobs was permanent.

And the bad news doesn't stop there. Each new green job cost Spanish taxpayers an estimated €570,000 (more than \$790,000 per job) in subsidies.

To help pay for all this, the Spanish government forced customers to pay as much as ten times the market rate for energy from renewable resources.

Even so, after more than a decade of effort and \$40 billion in public investment in solar energy, Spain still gets less than 1 percent of its power from solar.

So, in a nutshell, Spain spent billions creating temporary new jobs that displaced more than twice as many permanent jobs, and did so without delivering any significant benefit to the economy or the environment.

And yet, despite these withering costs and disappointing results, President Obama has repeatedly pointed to Spain as a model for energy policy.

“Will America watch,” asked Obama, “as the clean energy jobs and industry of the future flourish in countries like Spain, Germany and Japan?”

Root cause

If the environmental benefits of this sort of regulatory activism are negligible and the costs enormous, why bother?

The answer, more often than not, is focused on revenues (better known as taxes).

Overblown environmental concerns not only give governments the opportunity to create new bureaucracies, they provide a rationale for impos-

ing new taxes.

In fact, more often than not, taxes are at the very heart of most new energy policies.

There is, for example, already an emissions trading scheme (also known as a “cap and

the consequences of the global economic downturn.

The chairman of the U.S. Senate Budget Committee has said energy taxes may be a good “option” – not because such taxes would help the environ-

ways, not just financially.

Jobs that are heavily subsidized, mandated or otherwise forced upon society seldom create value. More often than not they destroy value, wasting resources and harming society in the process.

The most important first step in avoiding such mistakes can be agreeing what not to do.

In the U.S., for example, there is a growing bipartisan concern over the true costs of unprecedented government interventions during a time of economic distress.

Bill Archer and Charlie Stenholm are examples of this way of thinking. Both are former U.S. Congressmen from Texas. One is a Republican and the other a Democrat.

Both of these representatives are united in their belief that the push for massive new energy regulations is wrong, especially now.

“Curbing global greenhouse gases is worthy in its intent,” they recently wrote, “but a system that will tax and penalize American families and businesses during these uniquely tough economic times is simply not the right approach.”

Similarly, dozens of fiscally

“We create long-term value for society by using resources more efficiently; protecting the environment...”

- KII Sustainability Vision (excerpt)

trade” system) in place across the European Union.

In the United States, an even bigger cap and trade proposal, worth hundreds of billions in new revenues for the government, has been proposed.

Interestingly enough, many environmental activists are willing to admit what most politicians won’t: that “cap and trade” programs are really just a new form of tax that is ultimately passed on to consumers.

The Carbon Tax Center – launched two years ago to encourage taxation of carbon dioxide as a way to prevent global warming – said it best: “No masterstroke of framing by CTC or anyone else can recast a fee on carbon emissions as anything but a tax.”

Global grab

Back in the 1990s, several Scandinavian countries imposed extra energy taxes in hopes of lowering emissions. Norway, for example, levies a tax equivalent to about \$6 per gallon of gasoline.

Have emissions gone down thanks to such high taxes? Not in Norway, where per capita CO₂ emissions are now up 43 percent.

This summer, Italy raised corporate income tax rates for energy companies (again) to 6.5 percent above that country’s supposedly maximum corporate tax rate.

This is an increasingly popular idea among government leaders struggling with

ment, but because they might help pay the massive costs of proposed healthcare reforms.

What makes costly environmental regulatory efforts even less likely to succeed is the reluctance of many nations to go along with such plans.

China and India – the world’s two most populous countries – have already disavowed any binding commitments to cut their CO₂ emissions.

President Obama’s new Council of Economic Advisors has made it clear that if China and India do not participate in emissions reduction programs, global CO₂ concentrations will be “almost unaffected,” no matter how much the U.S. cuts back.



Out-of-control environmental regulations threaten to choke the prosperity of our companies, customers and communities.

China and India are certainly not the only holdouts on this issue.

Russia’s top economic advisor, speaking after July’s G8 summit in Italy, flatly stated: “We won’t sacrifice economic growth for the sake of emission reduction.”

What to do

The true measure of any job, green or otherwise, is how much value it creates. This can be measured in many

conservative Democrats in the House have joined Republican colleagues in expressing deep concern over proposed tax increases intended to pay for multi-trillion-dollar healthcare reforms.

Perhaps if we can convince our leaders to slow down the runaway train of environmental regulation, we can begin a rational discussion of what really creates the best value for the planet – and everyone on it. ■

2009 EH&S Excellence award-winners

Every year, Koch Industries solicits examples of superior environmental, health and safety performance from each Koch company.

This year's EH&S award-winners come from five different Koch companies, including two from Georgia-Pacific (the first time a single company has won multiple awards). All five were honored at a May awards event in Wichita.

"All of these winners demonstrate our ongoing commitment to EH&S excellence," said Jim Mahoney, KII's executive vice president for operations.

"We believe the work employees do to meet our EH&S excellence goals is one of the most important contributions we can make to Koch Industries."

Here are a few EH&S success stories from among this year's winners...

Flint Hills Resources

Dawn Wurst is an assistant safety manager at FHR's Pine Bend Refinery. She leads several safety teams at Pine Bend, but has a special interest in process safety awareness.

"Our vision is to ensure no one gets hurt from process incidents," said Dawn. "Two years ago, we really didn't have a systematic way of addressing those incidents and promoting that vision."

Today, thanks to Dawn's leadership, Pine Bend has

consistent measures, cross-site integration and ongoing communication efforts to help employees mitigate the dangers inherent in working at an industrial site.

Plenty of people outside of KII also value Dawn's expertise. That's why she was invited by the National Petrochemical and Refiners Association to give a process safety presentation at its annual Safety Conference.

INVISTA

Effectively training more than 1,000 employees at 37 different locations in less than a year is quite a challenge, but that's what Larry Surginer and Randy Thompson did for INVISTA.

They provided training focused on safe work practices, a subject that is often complicated and highly specialized because each site tends to have its own unique challenges.

The payoff for their efforts is now evident across INVISTA.

Compared to 2008, health & safety incidents are down by more than half and serious near misses (those that could have resulted in a fatality) are on track to be reduced by more than 47 percent.

Georgia-Pacific

The team at GP's Camas, Wash., tissue mill went "from worst to first" in addressing

safety problems last year.

In 2007, this consumer products mill had one of the highest OSHA incident rates among its peer mills in North America.

Change occurred when the Camas team began applying an MBM® framework to address their safety issues.

All five dimensions of Market-Based Management® – vision, virtue and talents, knowledge processes, decision rights and incentives – were leveraged to help improve safety performance.

As a result, employee incidents dropped from a total of 19 in 2007 to just one last year. 2008 proved to be the safest year in the 125-year history of the Camas mill.

Solicitations for next year's EH&S Excellence awards will be sent in early 2010. ■



Decision Rights – Operators at GP's Camas, Wash., mill now have the authority to shut down machinery they feel may be unsafe, without getting leadership approval first.



The process safety page on Pine Bend's Infonet was created by Dawn Wurst.

2009 KII EH&S EXCELLENCE AWARD-WINNERS:

Flint Hills Resources, Pine Bend Refinery - Dawn Wurst, "Leading the way to Process Safety Management Excellence"

INVISTA - Larry Surginer and Randy Thompson, "Promoting Safety Culture Change and Driving Safe Work Practice Excellence throughout INVISTA"

Georgia-Pacific, Western Region Wood and Fiber Supply - "Chopper Thin: Stewardship for Innovation and Collaboration"

Georgia-Pacific, Camas, Wash., Tissue Mill - "Using MBM Guiding Principles to Drive Safety Excellence"

Koch Exploration Company, LLC, Aztec, N.M., Operations Team - "Pump Canyon Divestiture: Excellence in Compliance Yields Value to the Bottom Line"

Koch Nitrogen Company, LLC, Fort Dodge, Iowa, Plant - "Operations and Maintenance Team Reduce Flare Emissions, Eliminate Product Waste, Gain Value"



Noteworthy

The developed world is struggling with a global recession unlike anything most of us have ever seen.

Trillions of dollars, euros and yuan are being spent on countless programs imposed in hopes of overcoming today's challenges.

Given the enormous costs of these programs (and the even greater cost of their consequences) it is helpful to remind ourselves of how these troubles started and which solutions are least likely to work.

In October, Steve Feilmeier, KII's chief financial officer, examined the causes and effects of the emerging credit crisis.

In January, Dave Robertson, KII's president and chief operating officer, wrote about how we should respond to that crisis – at home and at work.

In the same issue, Charles Koch, KII's chairman and CEO, reflected on the failed attempts to end the Great Depression, and the foolishness of repeating those same mistakes.

KII business development vice president Ron Vaupel explained in April how Koch companies can stay competitive in these unpredictable times.

All of these articles are available online at www.kochind.com. You will find them highlighted at the bottom of the home page.

As always, feel free to share the contents of *Discovery* with your friends, family and acquaintances. The better informed we all are, the better decisions we can all make.



"Any government action that forcibly reduces investment and consumption is attacking its citizens' living standards."

– Gerard Jackson

Safe Harbor

For centuries, the Dutch have been known for their keen trading mentality.



Winds of change
One hundred years ago, sailing ships could still be seen in Rotterdam harbor.

Combine that aptitude for trade with a well-situated harbor, and it's easy to understand how Rotterdam became the largest and busiest port in Europe.

Rotterdam sits on the southwestern edge of the Netherlands and is that country's second-largest city.

Its famous harbor provides easy access to and from the North Sea as well as the major waterways of continental Europe.

Ever since its founding in 1340, Rotterdam harbor has been a hub of commerce and almost constant expansion.

In fact, for much of the twentieth century, Rotterdam was the busiest harbor in the world.

Welkom Koch

Two Koch companies have long had a special interest in Rotterdam harbor.

INVISTA's nylon polymer plant in Rozenberg, on the west end of the harbor, and KS&T's small refinery in the Vopak storage terminal are right across the highway from each other.

The INVISTA facility is the older of the two. It started production in 1965. The plant, built by ICI plc, expanded several times before becoming part of DuPont in 1993.

Further improvements – such as automation and increased capacity – were made before the facility was sold in 2004 as part of the INVISTA acquisition.



INVISTA's Rozenburg plant produces nylon 6,6 in flake form, primarily for European customers.

Koch Supply & Trading purchased a small, four-year-old refinery in the harbor in 1998 and completed a significant expansion of that facility seven

years later.

Most of the refinery's 80,000 barrels-per-day of capacity is focused on the production of naphtha for either the gasoline markets or the petrochemical industry, including customers such as Dow, Sabic and BASF.

A much smaller portion of its output – about 20 percent – is jet fuel, sold to Dutch and German airlines.



KS&T's Rotterdam refinery is supplied by crude oil from sources as far away as Equatorial Guinea.

Embracing change

Although Rotterdam will probably remain the busiest port in Europe for years to come, the future for Koch company facilities there is far less predictable.

Brad Sanders, executive vice president of KS&T, believes the future of its refinery looks bright, but may be very different.

"Rotterdam provides us with a unique location and configuration," said Sanders, "and we want to continue to capitalize on that."

"But there's no reason to settle for what we have now. In fact, we're radically rethinking the whole operation."

"We're looking at more ways to increase productivity, grow our trading strategies and find new ways for Rotterdam to help us deal with today's volatile economic climate."

In other words, even when you've got centuries of tradition and success, some creative destructie (that's Dutch for creative destruction) is still in order. ■



by **Jim Mahoney**
KII executive
vice president
operations excellence
and compliance

When times are tough – and they sure are tough today – it’s awfully easy to become distracted.

With all the bad news we’re hearing, it’s no wonder so many people have started worrying about the economy or their job.

And those feelings of uncertainty grow even faster when we start asking questions about the future that no one can answer.

Rather than letting ourselves get carried away by feelings like these, I believe it is essential to stay focused on the things we can control.

Ops focus

For our operations employees, that focus begins by working in accordance with our MBM® Guiding Principles, starting with integrity and compliance.

These principles are the backbone of our approach to environmental, health and safety issues.

Whether you call it EH&S or SHE, the need for continuous awareness and our desired goals is always the same.

First and foremost, we want to ensure that no one gets hurt. We also want to ensure we understand all our regulatory requirements and execute them flawlessly.

To do this, we can’t afford to be complacent or comfortable. We always need to check, double-check and question our actions.

For instance, we should always be asking questions such as: Do we have the right people in the right roles? Do we have a shared vision when it comes to compliance? Are we normalizing deviations that create EH&S risk?

We must maintain this kind of continuous awareness if we are to achieve our goal of 10,000 percent compliance.

The challenge

Because of today’s exceptionally challenging economic environment, we are more determined than ever to

eliminate waste and inefficiency in our operations.

As you well know, we have been scrutinizing our operations at every site in every country as never before.

EH&S performance and commercial compliance cannot be compromised.

At many global operations, cutting EH&S costs can often be done quickly.

That’s why, when it comes to EH&S, too many companies are tempted to cut corners when faced with tough times.

Those shortcuts don’t work for us.

As KII’s president and chief operating officer, Dave Robertson, wrote in the January issue of *Discovery*, “we refuse to cut corners on safety or compliance.”

We believe EH&S performance is essential. It cannot be compromised.

If you’re worried that spending some extra money to address an EH&S issue at your site might put your job at risk, think again. Not spending that money is probably far more dangerous.

Commercial concerns

Our commercial leaders face a different but equally important challenge.

Their focus needs to be on an ever-growing list of regulatory compliance issues, such as anti-trust and anti-corruption laws, trade sanctions and the like.

In today’s global economy, knowing what’s legal in your home country is not enough.

We also need to be aware of the laws in the nearly 60 countries where we do business.

Nations are often joining in joint investigations – such as one recently launched by the United States, Brazil and Germany – that involve overlapping and enormously complex regulations and expectations.

We must be vigilant and

very cautious about how we interact with others, especially government officials and our competitors.

This requires knowing your business “footprint,” including where you do business and through which channels your products or services go to market.

Leaders, it is essential that you educate your co-workers so that everyone knows their legal requirements and the company’s expectations.

Resources

Koch companies are blessed with great resources, including tens of thousands of dedicated, skilled employees.

Regardless of whether you work all day at a computer or spend all day on your feet, your commitment to 10,000 percent compliance is essential.

If you are concerned about a potential compliance issue, you must speak up and let someone know.

If you are unsure about a procedure, process or practice, stop and ask for help.

And if you have a better idea for controlling costs or improving our capabilities, again, speak up! Ours is a company that fosters a challenge culture and values innovation.

After spending more than 20 years at Koch, I can assure you that we need both – a willingness to challenge and a desire to create value – more than ever before. ■



COMPLIANCE ETHICS

If you have questions or concerns about compliance issues, refer to your Code of Conduct, or contact your supervisor.

If you prefer, call the Koch GuideLine at **1+800+325-0544** or visit **www.ethicspoint.com**