

## MBM® Guiding Principles

Koch Industries, Inc. has adopted principles to guide employees as they work to create real, long-term value both within the company and within the communities in which they live. Koch first adopted principles in 1983 and, as the company has evolved, leadership has worked to ensure that the principles also reflect appropriate expectations. These principles are rooted in the company's business philosophy, Market Based Management®, which is a values-based framework for action.

### 1. Integrity

Conduct all affairs lawfully and with integrity.

### 2. Compliance

Strive for 10,000% compliance, with 100% of employees fully complying 100% of the time. Ensure excellence in environmental, safety, and all other areas of compliance. Stop, think and ask.

### 3. Value Creation

Create real long term value by the economic means. Understand, develop, and apply MBM® to achieve superior results. Eliminate waste.

### 4. Principled Entrepreneurship™

Demonstrate the sense of urgency, discipline, accountability, judgment, initiative, economic and critical thinking skills, and the risk-taking mentality necessary to generate the greatest contribution to the company and society.

### 5. Customer Focus

Understand and develop relationships with customers to profitably anticipate and satisfy their needs.

### 6. Knowledge

Seek and use the best knowledge and proactively share your knowledge while embracing a challenge process. Measure profitability wherever practical.

### 7. Change

Embrace change. Envision what could be, challenge the status quo, and drive creative destruction.

### 8. Humility

Practice humility and intellectual honesty. Constantly seek to understand and constructively deal with reality to create real value and achieve personal improvement.

### 9. Respect

Treat others with dignity, respect, honesty, and sensitivity. Appreciate the value of diversity. Encourage and practice teamwork.

### 10. Fulfillment

Produce results that create value to realize your full potential and find fulfillment in your work.