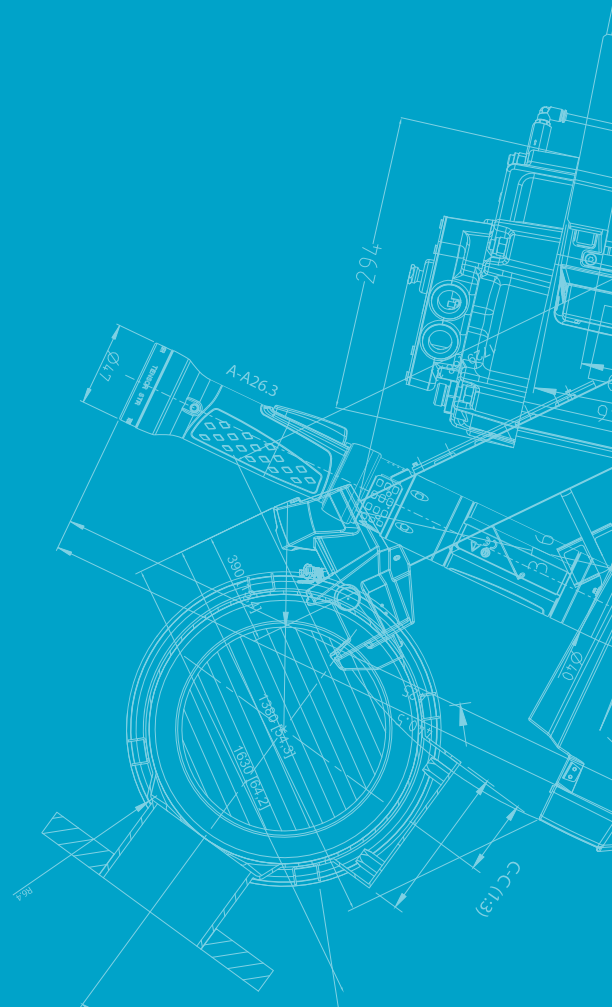


Atlas Copco Australia Whistleblowing

Atlas Copco's ethical hotline can be used anonymously to report perceived concerns or violations. The process is now further improved and clarified.

Atlas Copco takes pride in being a good corporate citizen, observing the spirit as well as the letter of the law in the countries in which we operate. Behavior or actions that are, or for good reasons may be perceived as, violations of laws or the Atlas Copco Business Code of Practice should be reported.

"Atlas Copco's Hotline can be used by employees or external stakeholders to report concerns. All reports are treated as confidential, with anonymity for the whistleblower," explain Håkan Osvald, Senior Vice President General Counsel of Atlas Copco Group. "We are now establishing a process where the Vice Presidents of Holding companies get a more pronounced role."



1. Policy statement

- 1.1 Atlas Copco Australia Pty Ltd, ACN 620 125 153 ("Atlas Copco Australia") requires Board Directors, employees and business partners to observe high standards of business and personal ethics to work honestly and with integrity in performing their duties and responsibilities and in complying with relevant legal, legislative and regulatory requirements.
- 1.2 Atlas Copco Australia is committed to establishing an environment that, as far as possible, encourages and enables the reporting of actual, or where there are objectively reasonable grounds to suspect, any misconduct or improper state of affairs such as wrongdoings, violations, breaches, incidents or acts (including breach of tax law or taxation avoidance) that are illegal, unethical or inappropriate or conduct that represents a danger to the public or financial system or contravenes the legislative or regulative requirements, without fear of retribution.
- 1.3 Atlas Copco's business activities are conducted through separate operating divisions that work globally. The Atlas Copco Group is united and aligned through a shared vision, a common identity, and adherence to the Atlas Copco Group Business Code of Practice.
- 1.4 Atlas Copco has a zero-tolerance approach to bribery and corruption, including facilitation payments. We have internal controls in place to make sure that we conduct business with the utmost integrity, from requiring employees to sign their compliance with our Business Code of Practice/code of conduct to trainings in ethics and supplier evaluations.
- 1.5 In addition to ensuring a fair business environment and well-functioning economy, fighting corruption protects the company and its shareholders and positively impacts human rights and the environment. Corruption causes damage to the company and can cripple the governmental bodies and processes needed to safeguard human rights and the health of the planet.
- 1.6 Atlas Copco Australia is committed to build confidence and trust in our Whistleblower Policy and to empower all individuals to identify and address, safely and confidentially, any wrongdoing observed or suspected, as early as possible.
- 1.7 Atlas Copco Australia will not tolerate any acts of retribution or detrimental conduct against any person who makes a legitimate and genuine disclosure, whether such disclosure is made pursuant to this Policy, or otherwise.

2. Purpose

- 2.1 This policy aims to:
 - 2.1.1 encourage Whistleblowers to report issues or acts if they reasonably believe someone has committed serious misconduct;
 - 2.1.2 enable people to know the process and avenues for making a disclosure;
 - 2.1.3 establish a process for how disclosures will be addressed and investigated; and
 - 2.1.4 give Whistleblowers confidence that they will be protected against any retribution or detrimental behaviour.

3. Scope

- 3.1 This policy applies to:
 - 3.1.1 Current or former Board Directors of Atlas Copco Australia;
 - 3.1.2 Current or former employees of Atlas Copco Australia;
 - 3.1.3 Current or former contractors or suppliers of Atlas Copco Australia and/or their employees; and
 - 3.1.4 All associates and family members of an individual or organisation referred to above.
- 3.2 The intention of this Policy is to provide the basis for reporting and/or making a disclosure about corporate, financial or taxation misconduct and to provide information about the mechanisms in place to afford protection for any Whistleblower.
- 3.3 It is important to note that protection will also be afforded to any legal representative that a Whistleblower seeks legal advice from.

4. Policy parameters

- 4.1 Personal related work grievances will, apart from where they may also be related to a disclosable matter (see paragraph 5, below), a systemic issue, or if it involves detrimental conduct to the Whistleblower, are excluded from this policy. Personal grievances should be directed to the appropriate line manager and will be addressed in accordance with Atlas Copco's Grievance Procedure.
- 4.2 Disclosures pursuant to this Policy may be made verbally or in writing and may be made completely or partially anonymously.
- 4.3 Should you make a Disclosure pursuant to this Policy, you will qualify for protection as a Whistleblower under the Corporations Act 2001 (Cth) and will be afforded protections described in this Policy.
- 4.4 Atlas Copco Australia will appoint a Whistleblower Protection Officer (WPO) and a Whistleblower Investigation Coordinator (WIC) and ensure they receive training appropriate for their roles. The roles will act independently of each other and the responsibility of these roles do not reside in one person.
- 4.5 The WIC will be provided with resources to coordinate any required investigation.
- 4.6 A Whistleblower may have access to cost protection once they have pointed to evidence suggesting a reasonable possibility that a defendant has engaged in conduct that caused (or threatened to cause) detriment.
- 4.7 Courts may make orders in favour of a person who has suffered loss, damage, or injury as a result of detrimental conduct, including against a body corporate that breaches an existing duty to prevent third parties from causing detriment to the Whistleblower.
- 4.8 The application of this Policy will be incorporated into all induction/ on boarding programs for Board Directors and employees, and Atlas Copco will periodically conduct education sessions on the operation of this Policy.
- 4.9 The Act provides:
 - 4.9.1 for substantial financial penalties and potentially jail sentences for individuals and corporations for disclosing a Whistleblower's identity; and
 - 4.9.2 an avenue for public interest and emergency disclosures of misconduct to Parliament and/or journalists in some circumstances, including where a company has not acted on a qualifying disclosure within 90 days.

5. Disclosures

- 5.1 A Disclosure of a disclosable matter is defined to be information that a discloser has reasonable grounds to suspect involves misconduct or an improper state of affairs or circumstances, including any concern about conduct, or the deliberate concealment of such conduct, that constitutes an offence against or a contravention of a provision of laws of the Commonwealth that are set out in legislation and include, but are not limited to, the following:
- 5.1.1 fraudulent acts;
 - 5.1.2 corruption or irregular use of Atlas Copco Australia's funds or resources;
 - 5.1.3 discriminatory behaviour;
 - 5.1.4 gross negligence and/or unsafe work practices that pose serious risk to work health and safety;
 - 5.1.5 dishonesty;
 - 5.1.6 financial irregularity, including a fraud against Atlas Copco Australia or a customer or supplier, money laundering or misappropriation of funds;
 - 5.1.7 corrupt conduct, including offering or accepting of bribes;
 - 5.1.8 criminal conduct, such as theft, dealing in, or use of illicit drugs, violence or threatened violence, and criminal damage against property;
 - 5.1.9 failure to comply with or breach of any legal or regulatory obligation;
 - 5.1.10 unfair or unethical dealing with a customer (including participants and listed entities);
 - 5.1.11 unethical or other serious improper conduct, including breaches of Atlas Copco Australia policies;
 - 5.1.12 misconduct, or an improper state of affairs or circumstances;
 - 5.1.13 danger to the public or the financial system;
 - 5.1.14 offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more;
 - 5.1.15 conduct that represents a danger to the public or financial system; or
 - 5.1.16 engaging in or threatening to engage in detrimental conduct against a person who has made a disclosure or is believed or suspected to have made or be planning to make a disclosure;
 - 5.1.17 serious risk to public health, safety or the environment; or
 - 5.1.18 conduct that may cause loss or damage to Atlas Copco Australia.

6. Procedures

6.1 Manager's responsibility

All managers are to ensure their staff are aware of, and can access a copy of this Policy.

6.2 How and to whom to a disclosure is to be made

To qualify for protection under the Corporations Act 2001 (Cth) you must make a report of any Disclosure to any of the individuals or organisations referred to in the following section:

- 6.2.1 A Whistleblower should promptly report the Disclosure of any suspected or actual disclosable matter to Atlas Copco's designated Whistleblower Protection Officer (WPO) (or may disclose to an external body - refer paragraph [6.3](#)). For details as to our designated WPOs, please refer to paragraph [6.4](#).
- 6.2.2 Where a Whistleblower is reluctant and is not comfortable in making the Disclosure to a designated WPO, they may report the event to:
 - Ernest & Young as the external auditors responsible for auditing Atlas Copco's financial affairs;
 - a Board Director; or
 - one of the regulators listed in Clause [6.3](#).
- 6.2.3 A Whistleblower may make any Disclosure in person or in writing (whether by post or email) and the Disclosure may be made anonymously (fully or partially), if they so choose.
- 6.2.4 A Whistleblower is to keep confidential the fact they have made a Disclosure to avoid jeopardising any investigation.
- 6.2.5 Where the Disclosure is made to the WPO, the WPO is to advise the Whistleblower where the Whistleblower has a legal obligation to also make the Disclosure to a statutory body, government department or to the police.
- 6.2.6 Disclosures to a legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the operation of the Whistleblower provisions of the Corporations Act 2001 (Cth) are protected, even where the legal practitioner has concluded that a disclosure does not relate to a disclosable matter.

6.3 Alternate disclosure options available to the Whistleblower

- 6.3.1 The Whistleblower may choose not to use Atlas Copco's internal process but to make a disclosure to ASIC, APRA or any other prescribed Commonwealth authority.
- 6.3.2 A Whistleblower may make an emergency disclosure to a parliamentarian or journalist where they have reasonable grounds to believe the information disclosed concerns a substantial and imminent danger to the health and safety of one or more persons.
- 6.3.3 A Whistleblower may make an emergency disclosure (or public interest disclosure) to a parliamentarian or journalist where:
- In the case of a public interest disclosure, it has been at least 90 days since the protected disclosure was first made to ASIC, APRA or another Commonwealth body prescribed by regulation;
 - they do not have reasonable grounds to believe that appropriate action is being taken to address the matter;
 - they have reasonable grounds to believe that such further disclosure would be in the public interest;
 - they have given written notice to the authority to whom they made their initial disclosure of their intention to make a public interest or emergency disclosure (providing enough information to help identify their initial disclosure); and
 - In the event of an emergency disclosure, the extent of disclosure is no greater than is necessary to inform the nature of the initial disclosure and the specific substantial and imminent danger.
 - If you are considering making an emergency disclosure or a public interest disclosure, you are strongly encouraged to obtain independent legal advice to ensure you are aware of your rights, obligations and that you meet the relevant criteria to make your intended further disclosure.
- 6.3.4 If the outcome of an investigation conducted by an internal process into a report, is not to the Whistleblower's satisfaction, then you will always have the right to report the event to the appropriate legal or government agency for a review or further investigation.

6.4 Summary of Contact Details

6.4.1 For your ease of reference, contact details for the individuals and organisations referred to above are as follows:

Individuals & Organisations	Comment	Contact Details
Whistleblower Protection Officers (WPO)	All Human Resources Managers and Business Partners, including our HR Manager South East Asia and Oceania Holding	If you would prefer to send your disclosure to a WPO by post, please address it to the appropriate person, and mark your correspondence 'Confidential' Physical Address: 3 Bessemer Street, Blacktown NSW 2148
Whistleblower Investigation Coordinator (WIC)	Legal Counsel (Holdings)	If you would prefer to send your disclosure to the WIC by post, please address it to the appropriate person, and mark your correspondence 'Confidential' Physical Address: 3 Bessemer Street, Blacktown NSW 2148
External misconduct reporting system – SpeakUp	<i>All reports to SpeakUp are translated into English, if required then forwarded by SpeakUp, maintaining anonymity, to the SVP General Counsel and the Head of Group Compliance, who will initiate internal or external investigations depending on the type and severity of the reported disclosure.</i>	Web Form & Contact details www.speakupfeedback.eu/web/atlascopco For more information, please see >> https://www.atlasopcogroup.com/en/sustainability/living-by-the-highest-ethical-standards/whistleblowing
Ernest & Young (EY) the external auditors responsible for auditing Atlas Copco's financial affairs		Direct: +61 2 9248 5555 Fax: +61 2 9248 5959 Physical address: The EY Centre Level 34, 200 George Street, Sydney 2000
ASIC – the Australian Securities & Investments Commission		www.asic.gov.au Make an online report
APRA - the Australian Prudential Regulation Authority		1300 558 849 – General Enquiries whistleblower@apra.gov.au If you would like to make a public interest disclosure directly to APRA, you should contact an authorised officer by email: PID@apra.gov.au or post your disclosure marked 'Confidential' to: Chief Risk Officer APRA GPO Box 9836 Sydney NSW 2001
Board Directors	Horst Wasel Glenn Vallis Matthew Hobden	If you would prefer to contact any of our Board Directors by post, please address it to the appropriate person, and mark your correspondence 'Confidential' Physical Address: 3 Bessemer Street, Blacktown NSW 2148

6.5 Whistleblower protection

- 6.5.1 The identity of a Whistleblower, where a disclosure has not been made anonymously, is to remain confidential to those persons directly involved in the investigation, unless the matter requires investigation by law enforcement, in which case those involved may be subject to subpoena.
- 6.5.2 A Whistleblower is protected by law from breaching a Whistleblower's anonymity or engaging in, or threatening to engage in, any detrimental conduct towards the Whistleblower (for example any retaliation or retribution) for a disclosure report that was provided where there is evidence suggesting a reasonable possibility of conduct that caused or threatened to cause detriment and was not done primarily with malice to damage another person or to the organisation.
- 6.5.3 Any person who retaliates against the Whistleblower (who properly and in good faith reported an event) will be subject to disciplinary action, up to and including termination of employment or their Board Director position.
- 6.5.4 The WPO is responsible for safeguarding the interests of the Whistleblower and will ensure the integrity of the reporting process.
- 6.5.5 A Whistleblower who makes a report that is not done in good faith or where there wasn't evidence suggesting a reasonable possibility of conduct that caused or threatened to cause detriment will be subject to disciplinary action, including termination of employment or their Director position and /or other legal action to protect Atlas Copco's reputation and/or the reputation of its employees or Board Directors. (see also False Reporting in paragraph [7](#), below)

6.6 Investigation process

- 6.6.1 The Whistleblower Investigation Coordinator (WIC) is responsible:
- to determine if the Disclosure is a public interest disclosure and if so to refer it to the Ombudsman;
 - to advise the Whistleblower, where their identity is known, of the investigation process and the anticipated timeframe;
 - to objectively investigate (or to coordinate an outsourced investigation) the Disclosure;
 - for ensuring the anonymity of the Whistleblower is protected;
 - for respecting the rights of all involved;
 - to prepare a report with recommendations in relation to resolving the Disclosure;
 - to inform the Whistleblower of the progress and the outcome of the investigation (but not provide a copy of the investigation file);
 - follow up to ensure any approved actions resulting from the investigation are instigated;

- 6.6.2 The WIC may also decide to appoint another trained employee to carry out the investigation or to outsource the investigation where appropriate. In either situation the WIC is to ensure the investigator is fully aware of their responsibilities and obligations under this policy.
- 6.6.3 An investigation plan is to be prepared that is to list the issues that require substantiation and that will outline the investigation process proposed to be undertaken.
- 6.6.4 All investigations are to be conducted fairly, objectively and independently and all efforts will be made to preserve the confidentiality of the investigation.
- 6.6.5 The WIC is to provide the status of their investigation, and a final report with recommendations, to the Board Chairman and is to provide an annual report of Disclosures to the Board.
- 6.6.6 Where the allegation is against the Board Chairman, the WIC must liaise with the Group General Counsel as to whom the report is to be delivered to who will similarly be required to take prompt action
- 6.6.7 Crimes against a person or property, such as assault, rape, burglary, etc., should immediately be reported to the Police.

6.7 Investigation feedback

- 6.7.1 The Whistleblower is to be provided with advice within five business days of the initial disclosure outlining the action to be taken and the likely timeframe for the investigation of the disclosure made, if contact details for the Whistleblower are provided.
- 6.7.2 The Whistleblower is to then be kept informed of the progress and outcome of the investigation, subject to privacy and confidentiality considerations, which may apply.

6.8 Support and protection to the Whistleblower

- 6.8.1 A Whistleblower will not be subject to any civil, criminal or disciplinary action as a result of any protected disclosure or non-protected disclosure that has been made with the genuine intent in accordance with this Policy or for participating in any subsequent investigation of any disclosure.
- 6.8.2 All reasonable steps will be taken by Atlas Copco to ensure that the Whistleblower is not subjected to any form of victimisation, harassment, discrimination or retribution as a result of or arising from any disclosure they have made pursuant to this Policy, however, they will not be afforded protection under the Policy if they are also involved in, or connected to the improper conduct or illegal activities that are the subject of the disclosure or any report arising from the investigation of the disclosure.
- 6.8.3 The Whistleblower is to report any concerns they have with victimisation or retribution to the WPO. The WPO may choose to consult with the WIC or any Board Directors, as may be necessary to deal with any ongoing concerns the Whistleblower may have during or after the investigation.

6.8.4 Whistleblowers are encouraged to seek support from the WPO, Atlas Copco's Employee Assistance Program service (Access EAP 1800 818 728) or if necessary, from organisations such as Beyond Blue (1300 22 4636) or Lifeline (13 11 14).

6.9 Rights of persons implicated by the disclosure

- 6.9.1 Any person implicated by the disclosure has the right to natural justice.
- 6.9.2 No action will be initiated against any employee or Board Director implicated by a disclosure under this Policy until the allegations have been substantiated on the balance of probability.
- 6.9.3 The person, subject to the investigation, may be suspended on full pay or transferred to another role, where there is a risk of that person impeding or compromising the investigation. Where the allegation is not substantiated, the person subject to the allegation is to return to their normal role without any negative or detrimental effect on them or to their career.
- 6.9.4 Any disclosure that implicates an employee or Director must be kept confidential and only disclosed to those people who have a legitimate need to know or who are involved in the investigation process.
- 6.9.5 The person subject to the allegation also has the right to access support services listed in Clause [6.8.4](#).

7. False Reporting

- 7.1 A false Disclosure could have significant effects on the reputation of Atlas Copco Australia and the reputations of other staff members and could also cause a considerable waste of time and effort.
- 7.2 Deliberate false Disclosures involve a person reporting information they know to be untrue but does not include situations where the person had genuine or reasonable grounds to suspect misconduct or an improper state of affairs, but those suspicions were later (for example after an investigation) determined to be unfounded.
- 7.3 Any deliberately false reporting of a disclosable matter, whether purported to be made under this Policy or otherwise, will be treated as a serious disciplinary matter.
- 7.4 Any person found to have made a false Disclosure is unlikely to have the protections under this Policy or the [Corporations Act 2001 \(Cth\)](#).

8. Definitions

8.1 In this Policy, the following definitions apply:

“Detrimental conduct” or *“Reprisal”* includes actions that intimidate, harass or discriminate against or adverse treatment that affects the Whistleblower’s job or career. It is action against the Whistleblower that may cause injury, loss or damage.

“Disclosure” is a report made by the Whistleblower of any misconduct or improper state of affairs such as those described in paragraph 5, above.

“Protected Disclosure” is a disclosure that affords protection under the Act where:

- It is made by an individual that relates to the conduct of Atlas Copco or one of its employees acting in an official capacity,
- the Whistleblower has reasonable grounds for making the allegation,
- the alleged conduct is either improper conduct or detrimental reprisal action taken against the Whistleblower for making the report.

“Public Interest Disclosure” is an assessment made by the WPO, that has to be made within 45 days of the disclosure, on whether it is a public interest disclosure and needs to be referred to the Ombudsman. The assessment needs to consider if the disclosure shows or tends to show whether the employee or Director that the disclosure relates to has:

- engaged in or is engaging or intends to engage in improper conduct in his/ her role
- has taken or intends to take detrimental reprisal action against the Whistleblower.

“the Act” means the Treasury Laws Amendment (Enhancing Whistleblowers Protections) Act 2019

“Whistleblower” is a person who makes a Disclosure.

“Whistleblower Investigation Coordinator (WIC)” is an employee or Director appointed by Atlas Copco who is provided training to conduct or to coordinate an objective investigation into any Whistleblower reports and to ensure proper resolution. They also have a responsibility to assess if the disclosure is a public interest disclosure and if so to report it to the Ombudsman.

“Whistleblower Protection Officer (WPO)” is an employee or Board Director appointed by Atlas Copco to whom a disclosure may be made by a Whistleblower. The WPO will assess and determine if it is a protected disclosure and is responsible for safeguarding identity of the Whistleblower, protecting their interests and for ensuring the integrity of the reporting process. The WPO will refer disclosures for investigation by the WIC.

9. Legislation

The laws, as at 1 January 2020, apply for a large proprietary company where at least two of the following are satisfied:

- the consolidated revenue for any financial year (inclusive of any entities it controls) exceeds \$50M per year;
- the value of any consolidated assets at the end of the financial year (inclusive of any entities it controls) exceeds \$25M per year; or
- has 100 or more employees at the end of the financial year.

As Atlas Copco Australia meets all three of these requirements, this Policy, and the supporting procedures, are framed to comply with the following legislation:

- [Treasury Laws Amendment \(Enhancing Whistleblowers Protections\) Act 2019](#)
- [Taxation Administration Act 1953 \(Cth\)](#)
- [Corporations Act 2001 \(Cth\)](#)

10. Resources

1. [The Atlas Copco Business Code of Practice](#) – translated into 33 languages.
2. The Atlas Copco Global Website has information pages on the [SpeakUp service](#), referred to above.
3. To provide guidance to Whistleblowers on their rights and protections and how ASIC handles their reports, ASIC has issued two information sheets:
 - Information Sheet 238 Whistleblower rights and protections ([INFO 238](#))
 - Information Sheet 239 How ASIC handles Whistleblower reports ([INFO 239](#)).

