

# Code of Conduct

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Epiroc AB and its subsidiaries are sometimes referred to as the Epiroc Group, the Group, or Epiroc. Epiroc AB is also sometimes referred to as Epiroc.

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# Epiroc

## Code of Conduct

In the Epiroc Code of Conduct we have summarized our internal policy documents related to business ethics and social and environmental performance. All employees and managers in Epiroc, as well as business partners, are expected to adhere to these policies.

**The main international ethical guidelines supported by Epiroc are:**

- United Nations International Bill of Human Rights, [www.un.org](http://www.un.org)
- International Labour Organization Declaration on Fundamental Principles and Rights at Work [www.ilo.org](http://www.ilo.org)
- United Nations Global Compact [www.unglobalcompact.org](http://www.unglobalcompact.org)
- OECD's Guidelines for Multinational Enterprises [www.oecd.org](http://www.oecd.org)
- United Nations guiding principles for Business and Human Rights [www.un.org](http://www.un.org)

Epiroc follows the GRI guidelines for its sustainability reporting.



**Stockholm, Sweden, February 2018**

Epiroc is a leading productivity partner for the mining, infrastructure and natural resources industries. With cutting-edge technology, we develop and produce innovative equipment, consumables and service for use in surface and underground mining, infrastructure, civil works, well drilling and geotechnical applications.

We are truly a global company with customers in more than 150 countries. Laws, environmental standards, and social conditions vary from country to country.

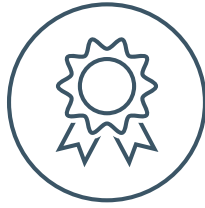
We want to make sure that we always act in accordance with the highest ethical standards and integrity. That means we strive to uphold these high standards in all of the countries where we operate - even in challenging environments where the national legislation is weaker.

Our Code of Conduct is our most important tool for making this happen. We also rely on a strong governance structure and our managers' ability to protect our values as we work together to represent Epiroc as a consistent global leader.

A handwritten signature in black ink, appearing to read "Ronnie Leten".

**Ronnie Leten**

Chair of the Board of Epiroc AB



## Customers' first choice

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Our goal is to be the first choice of customers in the mining, infrastructure and natural resources industries. To realize this vision, we must create positive awareness, establish trust and earn preference through consistent performance, leadership in innovation and service excellence. Becoming first in choice will help us attract and retain the best talent and result in a successful business.

# Innovation, commitment and collaboration

Our core values are a competitive advantage that help us maintain our leadership position, even in a changing environment. They formed our past, created our present, and will guide our future. Our core values are reflected in how we relate to our main stakeholders.

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**Innovation** is a significant attribute of Epiroc. We are creative and entrepreneurial and constantly seek to improve in everything we do. Our innovative spirit is part of who we are and a key method to achieve our goals.

We are **committed** to meeting and exceeding our customers' expectations on partnership and productivity. We earn customers' trust through industry-leading quality and reliability.

We believe in close **collaboration** with colleagues, customers, business partners and other stakeholders. Our working culture is service-minded and action-oriented, with a strong devotion to our customers.

# Relationships



Society and the environment



Employees



Customers



Business partners



Shareholders



## Society and the environment

We strive to be a good and reliable corporate citizen, observing the spirit as well as the letter of the laws of the countries in which we operate.

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- We support all internationally recognized human rights and respect those rights in conducting Epiroc's operations throughout the world.

- Our commitment to financial success must also take into account the broader economic, environmental, and social impact of our operations.

- We believe in conducting business in a manner that preserves the environment for future generations. Epiroc aims to be an industry leader in environmental protection in the application areas

served by our products and services. As a part of this, all products and processes shall be evaluated from a quality, safety, health and environmental perspective.

- Epiroc encourages learning and development through cooperation with local and global communities.

- We recognize Water for All as our main community engagement project.



## Employees

We strive to be the preferred employer of both current and potential employees in a professional environment. Our aim is to attract, develop, and keep qualified and motivated people.

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- We aim to offer a respectful, safe and healthy working environment in all our operations.
- We believe in equal opportunities and diversity. We recruit and promote on the basis of qualifications for the work to be performed, regardless of race, religion, gender, age, nationality, disability, sexual orientation, union membership, and political opinion.
- We recognize that employees have the right to choose whether or not to be represented by trade unions for purposes of collective bargaining. No discrimination shall be directed against any employee whether such right is exercised or not.
- Under no circumstances will forced or compulsory labor be employed or used in our operations. We are strictly against child labor and other forms of exploitation of children. We do not employ any person younger than 15 years old, and adapt to local standards that specify a higher age.
- We are expected to contribute to Epiroc to the best of our abilities and our performance is rewarded in a fair way. Legislated minimum wages will always be a minimum rather than a recommended level. Appraisals are made on an annual basis.
- We are continuously offered training and development possibilities to safeguard our opportunity to grow with Epiroc. The goal is that each employee receives the competence development needed to achieve good results.
- We understand the implications of human rights, safety, corruption and environmental impact in our operations. This way we ensure that our commitment to respect and support these rights is acted upon.
- We encourage a flow of information across divisional, functional, and geographical borders to make full use of the available knowledge and experience.





## Customers

We strive to be the preferred supplier to current and potential customers and end-users, which means that we should achieve the highest possible customer and market share.

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- We aim to deliver consistently high-quality products and services that contribute to our customers' productivity and prosperity.
- Our products and services are developed with the aim of meeting the productivity, quality, functionality, safety, and environmental needs of our customers.
- We operate worldwide with a long-term commitment to the customers in each country and market served, and we strive to develop close relationships with our customers in order to be able to continuously meet and exceed their expectations.



## Business partners

We strive to be the best associate for our business partners, including suppliers, subcontractors, joint venture partners, agents and distributors. Our goal is to be the one that they choose and prioritize.

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– We seek, evaluate and select business partners impartially on the basis of objective factors including productivity, quality, delivery, price, and reliability, as well as their commitment to environmental and social performance, and development.

– We make our business partners aware of our commitments and we expect them to adhere to our policies.



## Shareholders

We strive to be the preferred company for shareholders to invest in, and we aim to create and continually increase shareholder value.

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– We do everything we can to ensure sustainable profitable development with responsible use of resources; human, natural and capital.

– We aim to provide a long-term investment return above the industry average, by delivering innovative and competitive products and services to our customers.

# Accountability

## Transparency

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In all our communications, both written and spoken, we are committed to being open, truthful, and accurate within the limits of commercial confidentiality. We provide reliable and relevant information on our activities in a timely, regular manner. We consider collaboration important and therefore have a positive attitude towards constructive dialogue with all our stakeholders.

Epiroc has established high reporting standards, where each employee involved in the recording, processing, and reporting of information is expected to safeguard its confidentiality, validity and correctness.

The Integrated Annual Report includes both financial and non-financial results. Financial results are also published in the Quarterly Reports. See also [www.epirocgroup.com](http://www.epirocgroup.com).

# Integrity

Wherever we operate, our reputation is a very valuable asset and it is determined by how we act. We shall avoid any action that could jeopardize respect for Epiroc.

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- We have high standards of business and personal ethics. We adhere to our internal policies and we follow all applicable laws and regulations in the countries where we operate.
- We do not tolerate bribes and corruption, including facilitation payments. Firm actions are taken on any violation of these principles.
- We are committed to honesty in every situation and we refrain from having interests which conflict with the interests of Epiroc.
- We support and strive for fair competition, and thus refuse to enter into discussions or agreements with competitors concerning pricing, market sharing, or other similar activities.
- Business gifts or hospitality are offered or accepted only in accordance with local legislation and business practices.
- We respect company assets and safeguard all tangible and intangible assets of Epiroc from loss, theft, and misuse.
- Lobbying is primarily conducted through the representation by or in trade organizations and other non-governmental organizations.
- Epiroc does not take political stands. Therefore, we do not use Epiroc's funds or assets to support political campaigns or candidates, or otherwise provide services to political endeavors.

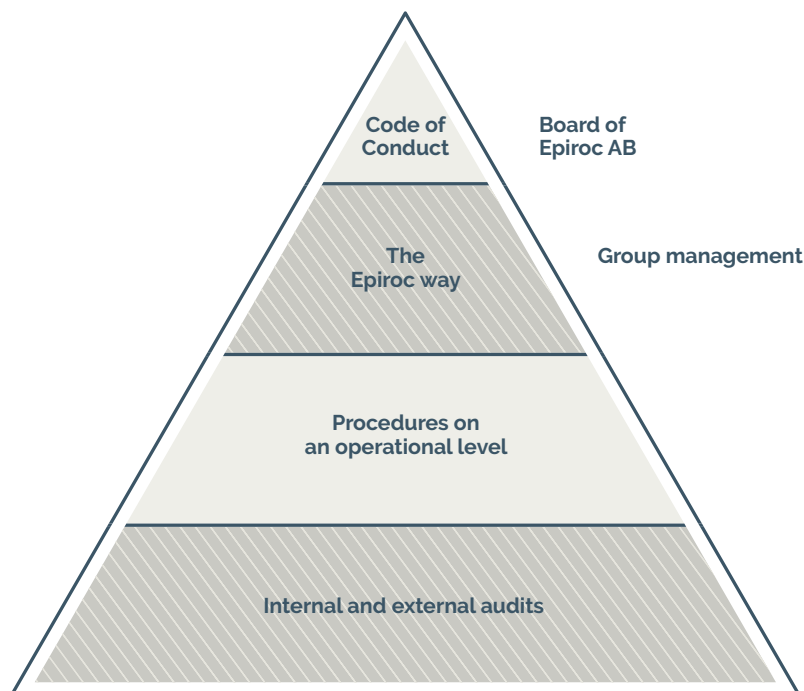
# Governance

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The Board of Epiroc AB has ownership of the Code of Conduct. It approves the overall Epiroc strategy and organization.

The President and CEO is responsible to the Board for the daily operations of Epiroc.

Group Management is responsible for developing and following up on Epiroc's strategies, objectives, and policies, including financial, social, and environmental performance, under the leadership of the President and CEO.



# Implementation and compliance

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This Code of Conduct summarizes policies common to all companies in Epiroc. Our behavior is guided by these internal policies, helping us to increase the value of Epiroc.

These policies, along with other principles, guidelines, and instructions, are gathered in *The Epiroc Way*, an internal database accessible to all employees through Epiroc's intranet.

It is the responsibility of each employee to be familiar with and adhere to, the content of *The Epiroc Way*. We inform key stakeholders about our Code of Conduct.

Based on the policies described in *The Epiroc Way*, operational units prepare strategies and implementation plans. Each manager is responsible for day-to-day reinforcement and compliance follow-up.

Follow-up procedures are established for each policy. Social and environmental performance indicators are reported and followed up upon. Risk assessments in relation to our key stakeholders regarding legal, as well as social and environmental performance, are reported at board meetings.

To safeguard the implementation, internal audits are conducted onsite in our companies.

For perceived violations of the Code of Conduct mail to [hotline@epiroc.com](mailto:hotline@epiroc.com). Epiroc's General Counsel receives the reports and guarantees anonymity as well as the confidentiality of the reporter. Violations are promptly addressed and subject to disciplinary actions including termination of employment.

## **Contacts**

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# United. Inspired.

Performance unites us, innovation inspires us, and commitment drives us to keep moving forward. Count on Epiroc to deliver the solutions you need to succeed today and the technology to lead tomorrow.

**[epiroc.com](https://www.epiroc.com)**

