

# CODE OF CONDUCT

Arrium Limited and its controlled entities (“Arrium” or “the Company”) is committed to its companies, contractors, consultants, employees (“employees”) and Directors adhering to high standards of business conduct whilst complying with the law, delivering outcomes and being accountable.

It is recognised that high ethical standards are valuable to companies, customers and the business community at large and offer benefits by:

- enhancing the Company’s reputation for fair and responsible trading;
- helping to maintain high standards of behaviour throughout the Company;
- giving all employees a clear idea of what the Company is setting out to do and how it will do it; and
- helping to develop pride among staff and to give a focus to the organisation as a whole.

Accordingly, a number of guidelines have been developed setting out the Company’s Code of Conduct (“Code”) and establishing procedures for reporting and remedying any transgression from the standards contained in the Code.

## Scope

This Code applies globally to all companies in the Arrium Group and to their Directors and employees.

## Accountabilities

### Responsibilities of Directors & Employees

All Directors and employees are expected to be familiar with the contents of the Code. Employees must also have a detailed understanding of Company business practices and policies that directly relate to their role and place of employment. It is every employee's responsibility to comply with the Code. Employees should seek assistance from a manager or supervisor, legal adviser or other source of advice identified in the Code if they do not fully understand how it should be applied.

### Responsibilities of Managers & Supervisors

Managers and supervisors must take all reasonable steps to ensure that Arrium's employees and where appropriate, consultants, contractors and business partners are aware of and comply with the Code. They must consult with the next level of management if problems occur. Managers and supervisors must also:

- ensure that all employees have access to relevant Company policies and procedures;
- respond promptly and seriously to employees' concerns and questions about business conduct issues and seek further assistance if required; and
- demonstrate exemplary behaviour that other employees can follow.

## Responsibilities of Senior Management

Management is responsible to the Board, through the Managing Director & Chief Executive Officer, for the Company's performance under this Code.

Under the Managing Director & Chief Executive Officer, the heads of each Division and Corporate function and the staff who report directly to them ("Senior Management") have operational responsibility for ensuring compliance with the Code. In meeting this responsibility, Senior Management must ensure that each Division and corporate function:

- fosters a workplace environment that promotes and encourages honest and open communication about business conduct issues, emphasises the importance of operating in accordance with the Code and avoids placing pressure on employees to deviate from the standards contained in the Code;
- establishes internal reporting and approval processes that address high risk areas in relation to business conduct;
- prepares supplementary guidance and support for employees about how to conduct business in particular markets consistent with the Code;
- undertakes training consistent with the Code and tailored to the operational needs of the business;
- follows relevant procedures for reviewing the credentials of others such as consultants, contractors and partners before entering agreements with them; and
- incorporates the key elements outlined in this Code in performance management processes, employment contracts, induction procedures, industrial agreements and similar systems.

## Breaches of the Code

Any individual who breaches the Code or any of the guidelines or policies under it, or who authorises, is aware of or permits any breaches will, subject to a review of the circumstances, be subject to disciplinary action including possible dismissal.

The highest standards of corporate conduct are critical to Arrium's reputation and success and therefore employees are encouraged to report any actual or suspected breach of the Code.

If you become aware of conduct which causes you concern or a decision or action which appears to be inconsistent with the intent of this Code, you should immediately report it to your manager or supervisor, who has a responsibility to report the matter to Senior Management.

If you feel unable to do this, there are a number of other avenues for raising a question or concern.

## Alternatives for raising a question or concern

You can contact:

- any member of Senior Management and, if they choose can ask to remain anonymous;
- Arrium's Human Resources, Legal or Internal Audit, Control and Risk functions;
- relevant General Manager of the business (or equivalent such as country President); or
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report any observed or suspected breach of this Code<sup>1</sup> anonymously through Arrium's independent and anonymous toll free hotlines as listed in the Whistleblower Policy which is located on the intranet.

Senior Management is responsible for promptly responding to employees' questions and concerns regarding business or Company conduct. They must ensure that the information they provide is accurate and that their advice is consistent with the Code. All concerns and questions must be treated seriously.

The course of action taken to answer a question or respond to a concern will depend on the nature of the issue and its severity. It may be possible to resolve a matter by involving only one person. However, some situations, such as those involving significant legal or financial matters may require advice and input from additional sources such as legal advisers or auditors. In all cases, confidentiality will be maintained to the highest degree practicable.

Any employee who reports a breach or suspected breach of legal or ethical standards in good faith will not be subject to retaliation, retribution or other recriminations for making that report.

At times, compliance with the Code will affect Arrium's chances of winning or retaining business. Situations that involve a conflict between upholding the Code and protecting Arrium's short-term commercial interests should be openly and honestly discussed. These situations must be resolved in a manner that does not compromise Arrium's reputation or standards.

## **Section 1: Legal & Ethical Issues**

### **Compliance with the Law**

Some laws affect everyone, such as those concerning equal employment opportunity, occupational health, safety and bribery, fraud or corruption. Other laws primarily affect employees in particular roles, such as those concerning product liability, credit management, tax, trade practices and fair competition. It is every employee's responsibility to ensure that they fully understand all laws and regulations relevant to their role.

The laws that govern Arrium's business activities may be complex, but ignorance of the law does not excuse Arrium or its employees from their obligation to comply. Employees should seek advice from the Legal department if they are unclear about laws or regulations relating to their work. Matters relating specifically to taxation should be referred to the Tax department for guidance.

### **Using and Accounting for Company Resources**

Employees must not use Company funds, property, equipment, or other resources for personal benefit. In addition, employees are responsible for safeguarding the Company resources under their control, including information, and for maintaining accurate Records regarding the use of these resources. In particular:

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<sup>1</sup> including, but not limited to, instances of fraud, corruption, theft, insider trading, breach of copyright, breach of privacy/confidentiality, misuse of Company systems, bullying, harassment and/or discrimination.

- employees should use Company funds sensibly and effectively. Expenditures must be reported accurately and in a timely manner. Submission of a fraudulent or misleading expense report is regarded as serious misconduct;
- an accurate and auditable record of all financial transactions relating to the Company must be maintained in accordance with relevant accounting standards. No entry should be made in the Company's financial records that distorts or disguises the true nature of any transaction. Non-financial records such as personnel files, environmental documentation, statutory records and safety statistics ("Records") must also be accurately and rigorously maintained;
- unauthorised removal of Company equipment, supplies or other resources is regarded as theft;
- Company resources must not be sold, loaned or donated without management approval;
- employees should take appropriate precautions to prevent theft, damage or misuse of Company resources. For example, unattended buildings, storage areas and Company vehicles should be locked when they are not in use. Employees must not duplicate keys to Company property without authorisation from management;
- employees should not destroy or dispose of Company resources without management approval. Employees are prohibited from intentionally damaging Company resources; and
- disposal of Company Records, and other documentation should be in accordance with the law and applicable Company standards and guidelines.

### **Confidentiality and Proprietary Information**

Information is a valuable corporate asset. Open and effective dissemination of information is critical to our success. However, much information about Arrium's business activities is confidential or proprietary. Confidential information is information that Arrium considers private and that is not common knowledge outside the Company.

Proprietary information is information Arrium owns, develops, pays to have developed, or to which it has an exclusive right. Both confidential and proprietary information can be written as well as unwritten.

Confidential and proprietary information may include but are not limited to:

- cost and pricing, including unpublished information about past, current and future prices;
- methods by which Arrium determines its bids;
- documents, Records, or other information concerning Arrium's sales or marketing plans or activities;
- documents, Records, or other information concerning Arrium's business strategies, business results, unannounced products or services, financial results and data;
- customer and employee records;
- data entrusted to an employee by a customer, supplier, or consultant;
- software or computer systems developed by Arrium;
- Arrium's trademarks and plans for new trademarks, which include symbols, words and phrases used to identify and distinguish Arrium's products and services;
- the products of Arrium's research and development, such as inventions, patents and engineering information;
- Arrium's processes, procedures and know-how;

- organisational information;
- operational information; and
- any other information that could be of use to a competitor to place Arrium at a competitive disadvantage.

Because the disclosure of such information could seriously damage Arrium's interests, safeguarding this information is the responsibility of all Arrium employees. If you learn about Company proprietary or confidential information during the course of your employment, you should be careful not to share it with others including fellow employees unless they need to know for a legitimate business reason.

You should also guard against unintentionally disclosing proprietary or confidential information. Situations that could result in inadvertent disclosure of such information that you should be sensitive to may include but are not limited to:

- discussing confidential or proprietary information in public places such as restaurants, public transport, elevators or aeroplanes;
- posting content/comments to social networking sites, blogs, forums or in private emails or text messages;
- talking about it in public, on a mobile phone or mobile device;
- working with sensitive material on mobile devices in public; and
- transmitting such information by unsecured means.

Your obligation to protect Arrium's confidential and proprietary information continues even after you leave the Company.

Just as Arrium values and protects its own confidential and proprietary information, it is our policy and practice to respect the confidential and proprietary information of third parties with whom Arrium has agreed to treat such information in confidence. Arrium also values and protects the personal information of employees.

### **Fraud, Bribery and Corruption**

Arrium does not tolerate fraud and corruption. All actual or suspected fraud should be referred to Internal Audit, Control and Risk Management, for investigation. Where genuine fraud or other criminal activity is genuinely suspected, Arrium will alert and work with police and seek to press charges. Perpetrators will be subject to suspension, dismissal and civil action to recover any financial loss caused to Arrium. Arrium's Fraud Policy and Global Compliance Manual are located on the intranet.

Dishonest activity involving deception which results in actual or potential financial loss amounts to fraud. Dishonest activity involving a misuse of a position within Arrium to achieve personal gain for you or another person or entity amounts to corruption.

Involvement in fraud, bribery and corruption is a criminal offence and threatens the reputation of Arrium and represents a fundamental risk to our brand and business. If the only way to win business requires paying a bribe or otherwise breaching the Code, Arrium does not want the business.

As set out in Arrium's Global Compliance Manual, Arrium employees and contractors must not offer, promise, authorise or provide anything of value to any public official in order to influence the official for the purpose of obtaining or retaining any contract, licence, permit or other business advantage for Arrium. Likewise employees or contractors must not offer any benefit to a third person (such as a relative or business partner of the official) with the intention to influence the official. Public officials may include but are not limited to:

- employees or contractors of companies wholly or majority owned by foreign Governments or the Australian Government;
- a person in the service of a Governmental body including a member of the military or the police force;
- a politician, judge or member of the legislature of a country;
- an employee, contractor or person otherwise in the service of a public international organisation; or
- an individual who is or who holds himself or herself out to be an authorised intermediary of a public official.

Arrium employees and contractors must not offer, promise, authorise or pay anything of value to any person who works for or represents any of our current or potential customers or suppliers to influence that person to perform their function improperly or reward them for doing so.

Employees and contractors also must not offer or provide a benefit or "secret commission" to an agent or representative of another person or company in order to obtain a business advantage for Arrium where the agent or representative intends to conceal their receipt of that benefit.

Arrium or its employees could also commit other criminal offences if they are involved in receiving or concealing the receipt of profits won by paying bribes or other things of value, or in concealing the nature or recipient of a bribe or other benefit in Company financials and Records.

Arrium can be liable under anti-corruption laws for the actions of agents, distributors, consultants and other contractors, particularly where they are affiliated to or otherwise provide a benefit to a foreign public official or where they otherwise breach anti-bribery laws. Particular care must be taken with contractors who assist in securing business, or who arrange introductions to key Government decision-makers in a foreign country. In accordance with the Arrium Offshore Agent Appointment Procedure, employees must conduct appropriate background and reputation checks in accordance with the off-shore agent appointment procedure before selecting or commencing negotiations with any agent, distributor, consultant or other contractor outside of Australia and New Zealand.

Any breach or suspected breach of this section of the Code or any concerns regarding a proposed agent or contractor should be immediately reported to your manager or supervisor and to the Chief Legal Officer.

### **Fair Call Hotline**

Arrium expects employees who become aware of improper conduct to raise those concerns. The Company's Fraud Policy and Whistleblower Policy contain the contact details of Arrium's independent and anonymous toll free hotlines. Both policies are located on the intranet

## **Conflicts of Interest**

The accepted standard in business and under this Code, is that all business decisions are at “arm’s length” and impartial. A conflict of interest is a situation where an individual stands to benefit, directly or indirectly, as a result of a decision they make on behalf of the Company. That is, where it can be argued that their capacity to make a proper and impartial decision is compromised.

For managers and employees at all levels, the potential for conflict of interest is a business reality. For example: whether to employ a friend or family member even though you believe they are the best candidate; whether to purchase a product or service where, it can be argued, there is some personal benefit; or whether to enter into a business arrangement with a person or entity with which you are not fully at arm’s length.

Whilst avoidance is always preferable, often the issue is less about whether a conflict of interest exists, but how individuals deal with such situations. Arrium’s expectation is that employees recognise and immediately disclose to their manager or supervisor any situation or decision that involves, or could be perceived by others to involve, a conflict of interest. This will protect the employee as well as the Company.

If in doubt, contact Senior Management or the Legal department.

In the case of Arrium’s Directors and Senior Management, it should be noted that specific disclosure or approval requirements might arise with regard to conflict of interest situations under the Corporations Act (and equivalent legislation outside of Australia), the Company’s Constitution, other policy or governance documents and related party disclosures in Arrium’s financials and Records.

## **Copyrighted Materials and Trademarks**

Many materials used in the course of work are protected by copyright laws such as computer software, audio and video tapes, trade journals, books and magazines. Presentation slides, training materials, management models, or other materials prepared by outside consultants or organisations may also be copyrighted. You should not reproduce, distribute, or alter copyrighted materials owned by others without valid permission of the copyright owner or its authorised agent. As it is not always easy to determine if such permission exists, you must obtain such permission before using these materials.

Arrium’s trademarks, service marks, logos and marketing slogans are also valuable assets, which must be protected. Employees should ensure these proprietary marks are used properly and only for legitimate business purposes of Arrium.

## **Insider Trading and Dealing in Arrium Securities**

Everyone should be aware that insider trading is a serious offence under the Corporations Act. A fine and/or imprisonment are the prescribed penalty for a person found guilty of insider trading.

Directors and employees of Arrium must not engage in insider trading. This means that if they possess inside information in relation to Securities (whether of Arrium or any other company), they must not:

- apply for, acquire or dispose of those Securities, or agree to do so;
- procure, encourage, incite or induce anyone else (for example, a family member, friend, or family company or trust) to do those things; or
- directly or indirectly communicate the inside information to any other person other than in accordance with Arrium's Continuous Disclosure Policy.

"Inside Information" is information that is not generally available to the public and, if it were available, could be expected to have a material effect on the price or value of a company's Securities. Information is 'generally available' if it is in the public arena, such as where it consists of readily observable matter or it has been brought to the attention of investors by an announcement to the Australian Securities Exchange ("ASX") and a reasonable period for its dissemination has elapsed since the announcement.

A person does not need to be a Director or employee of the Company to be guilty of insider trading. The prohibition extends to dealings by Directors and employees through nominees, agents or other associates, such as family members, family trusts and family companies.

It does not matter how or where the person obtains inside information. It does not have to be obtained from the Company to constitute inside information.

The prohibition does not apply to subscriptions for shares by employees made under an employee share scheme. However, this exception does not apply to any other equity purchase plan, such as the dividend reinvestment plan. The prohibition will also apply to the disposal of shares acquired under an employee share scheme.

Directors, senior executives and others who are specifically notified as part of their role must also comply with specific additional policy requirements, including only dealing in trading windows. These are set out in Arrium's Securities Dealing Policy which is located on [www.arrium.com](http://www.arrium.com).

Any enquiries about the application of the Securities Dealing Policy should be directed to the Legal department or the Company Secretary.

### **Trade Practices Policy**

Arrium is committed to a pro-competitive culture and compliance with the competition, anti-trust and trade practices laws of all countries in which it operates or conducts business. Compliance with these laws also promotes ethical standards and a commitment to free and fair competition. Specifically:

- conduct that is prohibited by competition, anti-trust or trade practices laws must be avoided. Where the impact of the law is uncertain, employees must seek appropriate legal advice from the Legal department and act on an informed judgment;
- no employee has authority to contravene this policy or to authorise or condone contravention by others. Contravention cannot be justified by claims of ignorance, good intentions or failure

to seek legal advice and will be regarded as a serious breach of your responsibilities and duties as an employee;

- Arrium will continue to conduct employee education and compliance programs on a regular basis to help ensure the success of this policy;
- any employee becoming aware of a breach or potential breach of competition, anti-trust or trade practices laws should report their concerns to the Legal department; and
- Arrium intends to promote a co-operative relationship with the Australian Competition and Consumer Commission and other relevant regulatory agencies in countries where it operates.

## Privacy

Arrium is committed to protecting the privacy of individual's personal information by complying with the Australian Privacy Principles set out in the *Privacy Act 1988* and any successor Australian privacy principles that apply to the Company as a result of amendments to that Act. Arrium's Privacy Policy is located on [www.arrium.com](http://www.arrium.com).

Any customer information must be managed in a professional and ethical manner with regard to use and distribution of internal Records. If customer records contain information of a personal nature, that information is not to be used for any other purpose or disclosed outside the organisation without the permission of the customer or the individual concerned unless required to be provided by law.

The following guidelines should be adhered to:

- only collect personal information if it is necessary for your business activities and only by lawful and fair means;
- use personal information only for business purposes relevant to Arrium's relationship with the individual;
- only disclose personal information as advised in Arrium's Privacy Compliance Guidelines;
- protect personal information received;
- de-identify personal information where necessary or appropriate;
- allow individuals to access and correct their personal information where appropriate;
- be aware of the Arrium's Privacy Policy and Privacy Compliance Guidelines; and
- do not collect sensitive information without appropriate consent.

Personal information is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion. Generally, an individual's name will have to be on the relevant record before it might be categorised as personal. However, in some circumstances other details may be sufficient to ascertain an individual's identity.

## Gifts and Entertainment

Employees must exercise care with respect to giving or receiving business related gifts. This applies to direct payments and to payments in kind, including the provision of goods or services, personal favours and entertainment such as meals, travel and tickets to events.

Accepting or offering gifts of moderate<sup>2</sup> value is acceptable in situations where it is legal and in accordance with normal business practice such as where the exchange of gifts is customary and the gifts are appropriate for the occasion.

However, employees must not give or accept gifts of any kind in circumstances that could be reasonably regarded as unduly or improperly influencing the recipient or creating a business obligation on the part of the recipient. In particular, gifts should not be given in circumstances that could in any way be seen as an attempt to gain influence in respect of any particular matter to the advantage of Arrium or to speed up an approval, consent or other administrative process. If there is any doubt, the situation should be referred to your manager or supervisor.

The golden rule is disclosure. Ensuring your manager or supervisor is aware of all gifts that may be considered inappropriate or significant it ensures transparency and seeks to avoid any suggestion of a conflict of interest.

Your manager or supervisor must approve ostentatious or expensive gifts. Similarly, if an employee receives a gift, they should consult their manager or supervisor for a decision on whether it should be kept, handed to the Company or returned. Small and modest gifts should be reported to your manager or supervisor.

The monetary value of the gift and legal requirements should be considered when determining whether a gift should be retained by an employee, handed to the Company or returned. If it is determined that a gift should be handed to the Company, the gift should be donated to a nominated charity or made available to all employees in the business unit or Division. The course of action will depend on the type of gift received.

The following items must not be given or accepted under any circumstances, regardless of their value: cash or personal cheques; drugs or other controlled substances; product or service discounts that are not available to all employees; personal use of accommodation or transportation; and payments or loans to be used toward the purchase of personal property.

Under no circumstances should an employee request a gift of any kind from a supplier, customer, or other party with whom Arrium conducts or is likely to conduct business. In addition, employees must not exchange gifts with representatives of Arrium's competitors, since the provision or receipt of such gifts may create an actual or perceived conflict of interest. This policy also applies to employees' immediate family members and to any agents or third parties that are employed to represent the Company.

## **Outside Appointments**

Employees must seek approval from their manager or supervisor before accepting a directorship in another business corporation, statutory authority or similar body. Each case will be considered on its merits.

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<sup>2</sup> Moderate is defined as less than A\$100 or equivalent value overseas.

Approval is required for positions in Government advisory bodies; political parties; professional institutions; trade associations; charitable, public, social, or sporting organisations; and similar groups if the position:

- has senior or high status;
- will involve a significant amount of the employee's time to the extent that it could affect their ability to fulfil their responsibilities to the Company;
- is likely to involve public controversy; or
- will involve activities or features that are or could be incompatible with Arrium's policies or standards.

Employees should obtain approval before accepting any significant payment for their involvement with an advisory board or similar group, including reimbursement for travel and related expenses. Whenever an employee participates in an outside activity, it is their responsibility to ensure that any opinions they express are clearly their personal views and cannot be interpreted as the views of the Company.

Full-time employees should not take additional employment with outside organisations or operate their own business and they must seek approval before doing so.

Any employee whose situation may require approval should advise their manager or supervisor. Where necessary, requests for approval should be referred to the relevant Division Chief Executive or Executive General Manager and the Company Secretary advised appointment along with the approval provided.

## **Section 2: Health, Safety and Environment**

### **Occupational Health, Safety and Welfare**

Arrium is committed to achieving the highest performance in occupational health, safety and welfare with the aim of creating and maintaining a safe and healthy working environment throughout its businesses. Consistent with this, the Company will:

- seek continuous improvement in its occupational health and safety performance taking into account evolving community expectations, management practices, scientific knowledge and technology;
- comply with all applicable laws, regulations and standards and where adequate laws do not exist, adopt and apply standards that reflect the Company's commitment to occupational health and safety;
- involve employees and contractors in the improvement of occupational health and safety performance;
- train and hold individual employees accountable for their area of responsibility;
- avoid, manage and mitigate risk by implementing management systems to identify, assess, monitor and control hazards and by reviewing performance;
- ensure that Arrium employees, contractors and visitors are informed of and understand their obligations;
- communicate openly with employees, government and the community on occupational health and safety issues;

- contribute to the development of relevant occupational health and safety policy, legislation and regulations; and
- support relevant occupational health and safety research.

## **Alcohol, Drugs and Tobacco**

Arrium recognises that circumstances vary among different cultures and countries regarding the use of alcohol, drugs, and tobacco. However, despite these differences, every employee is responsible for taking appropriate steps to prevent workplace injuries and illnesses and for contributing to a safe and healthy work environment. This obligation includes responsible behaviour with respect to the use of alcohol, drugs, and tobacco at work, when conducting Company business and at Company sponsored activities.

Employees must not be impaired by illegal or legal drugs, including alcohol, while at work or when conducting Company business. Under the Company's various *fit for work* programs, compliance with these requirements may be assessed at any time.

Poor work performance repeatedly caused by alcohol or drug use, or significant impairment that creates a safety risk, are regarded as serious misconduct. In addition, Arrium prohibits the possession, transfer or use of illegal substances on Company premises or sites, in conjunction with Company business, at Company functions or Company sponsored activities.

To prevent passive cigarette smoke exposure, all Company buildings and sites must have designated smoking and non-smoking areas. Smoking is prohibited in all shared work areas and in other communal areas such as conference rooms, dining facilities, reception areas, and first aid rooms. Smoking is prohibited in buildings or offices that use a recycling air conditioning system, Company vehicles carrying non-smoking passengers and places in which smoking creates a significant fire risk.

If smoking areas are provided, they should be sealed off from adjacent work areas, clearly marked, adequately ventilated and reasonably convenient. Smoke should be prevented from entering a recycled air conditioning system and non-smokers should not be exposed to passive cigarette smoke in any way.

## **Environment**

It is Arrium's approach to achieve a high standard of environmental care by complying with relevant legislation and seeking continuous improvement in performance by taking account of evolving scientific knowledge and community expectations.

Specifically, Arrium's approach is to:

- comply with all applicable laws, regulations and standards;
- uphold the spirit of the law and where laws do not adequately protect the environment, apply standards that minimise any adverse environmental impacts resulting from its operations, products and services;
- communicate with Government and the community on environmental issues, and contribute to the development of policies, legislation and regulations that may affect Arrium;

- ensure that its employees and suppliers of goods and services are informed of Arrium's approach and are aware of their environmental responsibilities in relation to Arrium's business; and
- ensure that management systems identify, control, mitigate and monitor environmental risks arising from operations.

### **Section 3: Human Resources**

Arrium is committed to maintaining an efficient, skilled, diversified, flexible and committed workforce through a range of employment practices and arrangements.

While most employees will be engaged on a full-time permanent basis, a range of alternatives are available, to meet specific business requirements.

#### **Recruitment and Selection**

Arrium recognises that people are a distinguishing feature of a successful business and is committed to maintaining and building an appropriately skilled, motivated and diverse workforce.

Arrium will select the most appropriate person for the position and will not compromise its selection criteria or processes. Arrium's selection processes will:

- be thorough, consistent and efficient;
- be (and appear to be) fair, valid, impartial and non-discriminatory;
- assess merit against specific and multi-dimensional criteria (relevant and demonstrable knowledge, skills, qualifications, experience and operating style);
- ensure applicants are provided with sufficient information to understand the business, the requirements of the position, and the selection criteria to be applied; and
- respect privacy and confidentiality.

#### **Managing Diversity, Harassment and Bullying in the Workplace**

Arrium is committed to maintaining a diverse workplace free of unlawful discrimination, harassment and bullying. Arrium is committed to ensuring that:

- all employment decisions are fair, reasonable, and based on merit;
- no individual or group is treated less favourably than another for reasons not immediately relevant to the circumstances;
- employees, visitors and others in the workplace are treated with respect in an environment free of unlawful discrimination, harassment, bullying and offensive behaviour;
- the display, storage or transmission of material likely to cause offence will not be permitted on Company premises or equipment;
- employees at every level understand their rights and responsibilities with respect to discrimination, harassment and bullying;
- complaints of unlawful discrimination, harassment and/or bullying are taken seriously and are appropriately and promptly investigated;
- legislative standards are met with respect to EEO and the management of diversity, harassment and bullying in the workplace; and

- individuals are not prevented from working safely and effectively on the basis of their level of English literacy.

Arrium is committed to training and educating employees, managers and supervisors to be able to recognise and deal with instances of discrimination, harassment and bullying in the workplace, as well as to promote harmony and equality in the workplace.

It is the responsibility of managers and supervisors to ensure that all workplace decisions and activities are free of unlawful discrimination, harassment and bullying and to appropriately investigate all complaints or suspected instances of unlawful discrimination, harassment or bullying.

The Company considers any breach to be misconduct. If, after investigation, allegations of harassment are substantiated, Arrium will implement appropriate disciplinary action against those responsible, up to and including dismissal.

## **Section 4: Company Information & External Relationships**

### **Information Systems and Technology**

Arrium employees use a wide range of information systems and technology to conduct business including smart and mobile phones, voicemail, facsimile, the Internet, electronic mail and other devices.

Access to, and use of, these systems is subject to the Company's Acceptable Use of Information Systems and related policies, as amended from time to time.

The principles underpinning these policies include:

- Arrium provides e-mail services and access to the Internet for legitimate business purposes. In some cases third parties (other companies) may also provide Arrium employees with access to their systems and equipment for specific business purposes. The use of these and other systems for non-Arrium business represents a threat to system efficiency and security;
- all Company information is the property of Arrium and as such must be treated as any other asset of the Company. Every employee has a responsibility to protect the information communicated or stored on all electronic devices from accidental and unauthorised access, disclosure, modification or deletion.
- except in the course of an employee's duties or with the express permission of their manager or supervisor, employees must not use company computer, e-mail, intranet and internet systems and networks or other devices:
  - using another person's user name and password;
  - for personal commercial purposes;
  - for regular (daily) share trading and monitoring;
  - to send unsolicited bulk e-mail, to transmit chain letters or for mass mailing (spamming)
  - to run instant messaging software;
  - to harass, abuse, or defame any person;
  - to receive and/or transmit pornography, profanity or other offensive material;
  - for gambling purposes;

- to play on-line or network games;
  - to obtain, possess or transmit illegal or pirated material;
  - to obtain, possess or transmit confidential or proprietary information without authorisation;
  - for disseminating personal contact information of officers or employees of Arrium without their consent;
  - for any other illegal purpose;
  - in a way that knowingly causes interference with or disruption to any network, information service, equipment or any user thereof;
  - to knowingly download software or media files or data streams that will create a security risk or use a greater amount of network bandwidth than is appropriate; or
  - do anything else which will or may bring Arrium into disrepute; cause Arrium or any of its customers, suppliers or other associates to bear unreasonable risks or costs; cause disruption to any of Arrium's business or services or be in breach of any privacy obligations; and
- Arrium reserves the right to monitor use of its information systems and technology. This includes monitoring the nature and content and restricting the transfer of certain material to or from employees.

### **Continuous Disclosure Obligations and Company Information**

Arrium, its Directors and employees all have legal obligations in relation to continuous disclosure. Arrium's Continuous Disclosure Policy is located on [www.arrium.com](http://www.arrium.com).

The Continuous Disclosure Policy is only a general guide in relation to complex legal provisions and should not be taken as legal advice. If you do not understand it or otherwise have questions, guidance can be obtained from the Chief Legal Officer or the Company Secretary. However, that guidance will not affect your individual responsibility to comply with your obligations.

Examples of the kind of information that might be material include:

- financial performance of a company, for example, a material change in debt, liquidity and cash flow, or a material variance between the Company's sales and profits results and market expectations regarding those results; or
- a material acquisition or disposal of assets; or
- an actual or proposed takeover or merger; or
- a material management or business restructuring proposal; or
- an actual or proposed change to capital structure, for example a share issue proposal; or
- entry into or termination of a material contract; or
- a significant change in or event affecting the level of production at Arrium's facilities and operations; or
- a significant change to or event effecting the availability of Arrium's debt facilities; or
- a material claim or unexpected liability, for example the threat of major litigation against Arrium.

All employees are required to report up information which they consider could be material or price sensitive information to the Chief Executive of the relevant Division or a member of the Disclosure Committee.

If you are unsure as to whether information may be material or price sensitive to the Arrium Group, you should consult a member of the Disclosure Committee or the Company Secretary.

The Continuous Disclosure Policy is intended to ensure that potentially material information (whether positive or negative) is escalated without delay within the Company. You need only escalate information for consideration – whether or not the information ultimately requires disclosure is determined by the MD&CEO in consultation with the Continuous Disclosure Committee.

Any announcement of price sensitive information to the public must be approved by the MD&CEO (in consultation with the Chairman) and the Chief Legal Officer or delegate before it is released to the ASX.

The relevant Arrium Corporate Lead Team member must approve all internally produced materials such as brochures, press releases and reports for Government departments before distribution outside the Company. If any doubt exists about the appropriateness of the material or if the material will be distributed nationally or internationally, the matter must be referred to the Legal department and Corporate Affairs. In all cases, it is the responsibility of the business unit General Manager to ensure that Corporate Affairs receive a copy of the material.

Employees who are asked to make public speeches on topics related to Arrium must obtain the permission of their manager or supervisor. If the matter appears to have significant importance, it should be referred to Corporate Affairs in advance.

Any employee who wishes to contribute an article or paper to an outside publication on a topic related to Arrium must ensure that the document is approved in advance by the relevant Arrium Corporate Lead Team member and Corporate Affairs.

## **Relationships with Government**

Wherever Arrium conducts business, the Company respects the authority of Government. Arrium will maintain honest relationships with Governments, their agencies, officials, and personnel.

Arrium's ability to conduct business is directly affected by Government decision-making. Therefore, Arrium seeks to have constructive relationships with Government. Arrium regularly shares information and opinions with Government on issues that affect the Company. The exchange of information and opinions is essential to informed decision making by both Government officials and Arrium.

Employees who provide information to Governments on behalf of Arrium must ensure that all information is accurate and complete. Errors or omissions may be construed as a violation of a law or regulation and might damage the Company's credibility. Employees who lobby on behalf of the Company or represent Arrium in Government matters must comply with all applicable laws and regulations relating to corporate participation in public affairs.

## **Political Contributions and Activities**

Arrium maintains a position of impartiality with respect to party politics. Accordingly, Arrium does not contribute funds to any political party, politician or candidate for public office in any country.

Arrium contributes to the public debate of policy issues that affect the Company. For example, Arrium might discuss relevant issues with Government officials or provide written advice about the likely impact of proposed policies on the Company. At times, attendance at events hosted by a political party may be required for briefing purposes. Your manager must be consulted if there is any doubt about whether attendance at a function would compromise Arrium's impartiality or if any fee paid for attending the function is likely to exceed the cost to the political party of the meal or other aspects of the function.

### **Section 5: Annual Review and Board Approval**

Reviewed by the Governance & Nominations Committee on 18 August 2015 and approved by the Arrium Limited Board on 18 August 2015.