

WHISTLEBLOWER POLICY

1.0 PURPOSE

In keeping with Bradken's goal of creating a climate within the Company where the truth can be heard, we actively encourage everyone in the business to challenge any behaviour which they believe is inconsistent with any of our values, our code of ethics, or this policy. All such challenges, including those concerning acting with integrity, will be handled constructively, with the objective of either remedying the issue or explaining why the behaviour is considered consistent with our values, our code of ethics and this policy.

This policy has been established:

- to encourage the reporting of unlawful and unethical behaviour; and
- to ensure that Bradken complies with its obligations to protect the reporting of such behaviour.

2.0 TO WHOM SHOULD THE INDIVIDUAL REPORT THE BEHAVIOUR TO?

Bradken has identified the following individuals and process in relation to the reporting of unlawful and unethical behaviour and the protection of individuals who report incidences of such behaviour:

- Most issues should be raised with, and will be resolved by, the individual's immediate supervisor. However, if the individual does not feel comfortable doing this then they should raise it with their Site Manager. If this process and these individuals do not resolve the issue to the satisfaction of the individual who raised the behavioural issue, or if the individual feels uncomfortable using this process, then they should report the matter to the Company's Whistleblower Protection Officer;
- The Whistleblower Protection Officer is Mr Wayne Herbertson, General Manager Human Resources, who is primarily responsible for receiving information and protecting an individual within the meaning of this policy. Should Mr Herbertson be implicated in the report received, the Managing Director (or Chairman if the Managing Director is implicated) will appoint an alternate Whistleblower Protection Officer;
- The position of Whistleblower Investigations Officer will be fulfilled by Mr Kevin McDermed, Chief Operating Officer (USA/Canada) and Mr Andrew Allen, General Manager Corporate Development (All Other Regions). Mr McDermed and Mr Allen will be primarily responsible for conducting preliminary investigations into reports received by individuals under this policy;
- Mr Dennis Rippe, Chief Financial Officer (USA/Canada) and Mr Steven Perry, Chief Financial Officer (All Other Regions) will act as the Whistleblower Investigations Officer if the behaviour reported relates to a financial matter; and
- Should either of the above Whistleblower Investigation Officers be implicated in the report received, the Managing Director (or Chairman if the Managing Director is implicated) will choose an alternate officer.

Concerns regarding potentially unlawful or unethical behaviour can be reported by email or in person.

3.0 WHAT BEHAVIOUR CAN BE REPORTED UNDER THIS POLICY?

We encourage all of our employees to report any behaviour which they, acting in good faith, believe is:

- dishonest;
- fraudulent;
- corrupt;
- illegal (including theft, drug sales/use, violence or threatened violence and criminal damage against property);
- in breach of the relevant country's laws;
- unethical behaviour;

- any other serious improper behaviour;
- any unsafe work practice; or
- any other behaviour which may cause financial and non-financial loss to Bradken or would be otherwise detrimental to the interests of Bradken.

4.0 **WHO MAY INVOKE THIS POLICY?**

This policy applies to all Company employees, contractors and contractor's staff, however any person reporting behaviour which they believe is unlawful or unethical must have some reasonable basis for their concerns before reporting it and/or invoking the reporting protection element of this policy (see clauses 5.0 and 7.0).

5.0 **CONFIDENTIALITY**

Individuals who report or seek to report unlawful or unethical behaviour will be given a guarantee of anonymity (if anonymity is desired by them), subject to any legal requirements which may require disclosure of the identity of the individual.

As far as possible, the information disclosed will be limited to the person to whom the information is disclosed. Any files created or reports will be kept secure.

Information received from an individual reporting unlawful or unethical behaviour will be held in the strictest confidence and will only be disclosed to a person not connected with the investigation of the matters raised if:

- (a) the individual who made the report has been consulted and consents to disclosure; or
- (b) if Bradken or the Whistleblower Protection Officer or Whistleblower Investigations Officer is compelled by law to do so.

The identity or any information that may lead to the identification of the individual who made the report will not be released to any person who is not involved in the investigation or resolution of the matter.

6.0 **INVESTIGATION PROCESS**

Bradken will ensure that any individual who makes a report is kept informed about the outcomes of the investigation of his or her report, subject to considerations of the privacy of those against whom the allegations are made and our customary practices of confidentiality.

Steps 1 to 5 of this policy should be completed within one month of the behavioural issue being reported. Issues raised via the Whistleblower Protection Officer and the Whistleblower Investigation Officer will be handled in compliance with the following time schedule:

- Step 1 The Whistleblower Protection Officer records the behavioural issue raised immediately upon receipt of the report.*
- Step 2 The report is then passed on to the Whistleblower Investigation Officer within 24 hours of the report being recorded. The Whistleblower Protection Officer will as soon as is practicable, advise the Managing Director of the report, if the Managing Director is implicated in the report the Chairman will be advised as well;*
- Step 3 The Whistleblower Investigations Officer completes preliminary investigations into the unlawful or unethical behaviour reported, and recommends appropriate action within five working days of step 2 to the Managing Director, or to the chairman if the behavioural issue relates to the Managing Director.*

Step 4 The Managing Director or the chairman decides on the appropriate action and communicates this back to the individual who reported the behavioural issue within a further five working days.

Step 5 The individual who reported the behavioural issue can ask for the decision to be reviewed by the chairman of the Human Resources Committee. The chairman of the Human Resources Committee must register this request for a review within five working days of their decision being communicated to them. The Chairman of the Human Resources Committee will complete the review and communicate the outcome, to the individual who made the report within 10 working days of receipt of the request to review the decision.

If the person making a report is not employed by Bradken, then the person has to agree in writing to maintain confidentiality in relation to any information provided to him or her in relation to a report made by him or her. This person will then be kept informed of the outcomes of the investigation.

All reports of unlawful or unethical behaviour will be the subject of a thorough investigation to seek evidence that either substantiates or refutes the claims made by the individual making the report.

The investigation will be conducted by the whistleblower investigations officer. The officer will follow best practicing investigations and will be fair and independent of the business unit concerned, the individual making the report or any person being the subject of the report. The rules of natural justice will be observed in any investigation arising out of the report.

In the case of serious allegations, Bradken may employ an outside investigator if the Whistleblower Protection Officer believes this to be appropriate.

7.0 PROTECTION FOR INDIVIDUALS WHO REPORT UNLAWFUL OR UNETHICAL BEHAVIOUR

It is a Bradken policy that where the individual is acting in good faith and makes a report in accordance with this policy, that person will not be personally disadvantaged by having made the report by:

- dismissal;
- demotion;
- any form of harassment;
- unfair discrimination; or
- any current or future bias.

Where individuals believe that they have been treated unfairly as a result of reporting unlawful or unethical behaviour, then they have a right to raise the issue. If this does not satisfactorily resolve the matter then they may appeal to the Chairman of the Human Resources Committee.

Bradken will ensure that it has in place internal reporting arrangements to ensure that all verifiable unlawful or unethical behaviour is dealt with appropriately, and commits to rectify the wrong doing verified by the investigation to the extent practicable in all the circumstances, and ensure that systematic and recurring problems of unlawful or unethical behaviour are reported to those with sufficient authority to correct them.

8.0 OTHER RIGHTS OF INDIVIDUALS WHO REPORT UNLAWFUL OR UNETHICAL BEHAVIOUR

The individual may request certain protection such as relocation or leave of absence during the investigation where it will not be possible to maintain anonymity. The individual has a right to ask for a review of the decision made in relation to the behaviour they reported by the Chairman of the Human Resources Committee.

Bradken commits to appoint and maintain an appropriately qualified Whistleblower Protection Officer who is accessible to everyone in the Company at all times.

9.0 EDUCATION, TRAINING AND COMMUNICATION

Everyone at Bradken will be made aware of the unlawful or unethical behaviours that may arise and be given practical advice on how to avoid these situations. Appropriate training will be included in induction procedures.

Bradken's commitment to, and requirements for, reporting unlawful or unethical behaviour will be publicised to all Company employees, contractors and their employees.

10.0 REVIEW

This policy will be reviewed periodically.

11.0 ACCOUNTABILITY

Bradken has established reporting on the operation of this policy against documented performance standards. The reporting will protect disclosure of the details of the individual who makes the report directly or by location.

12.0 DEFINITIONS

For the purpose of this policy, the following words have these meanings:

Whistleblower Investigation Officer means that person who has responsibility for conducting preliminary investigations into reports received from an individual within the Company.

Whistleblower Protection Officer means a person who has responsibility for receiving the information and protecting the individual who has reported unlawful or unethical behaviour.

Approved by the Board on 18th April 2007

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