



## Code of Conduct

The Atlas Copco Group Code of Conduct lets you know how we treat each other and how we do business.

Atlas Copco  
Group

# Contents

1.	Introduction	2
2.	Application and roles	3
3.	Our core values	4
4.	Accountability	5
5.	Society	6
6.	People	7
7.	Ethics	8
8.	Environment	11
9.	Governance and implementation	12
10.	Reporting violations	13
11.	References to external guidelines and policies	14
12.	References to internal guidelines and policies	14

# 1. Introduction

## Message from the Board of Atlas Copco Group

Our company is built on trust. Our core values, high ethical standards and responsibilities form the foundation of our company and underpin everything we do. They guide our way of working and how we manage our relationships. These values date back to the 1870s but remain equally valid today.

At Atlas Copco Group, we want to do right by our customers, our employees, our shareholders, society and the planet. We stand for integrity, fairness and respect in all our interactions. How we conduct ourselves globally is more than just a matter of upholding regulations, policy and law; it's a reflection of our core values. We have an unwavering commitment to the highest ethical behavior, including zero tolerance for human rights abuses and all sorts of corruption.

As an employee, a customer, a supplier or any other business partner, you are expected to follow our Code of Conduct and other key policies to ensure compliance with applicable laws and Atlas Copco Group's own values and principles.

### Creating a better tomorrow

Our strong values have played a key role in our successful journey, and our purpose reflects our role in society: Our industrial ideas empower our customers to grow and drive society forward. This is how we create a better tomorrow.

We do everything we can to ensure that we have a positive impact on people, society and the planet.

We promote an environment of openness and respect. Anyone who is aware of a situation or action that might constitute a violation of law, our Code of Conduct, or another Atlas Copco Group policy, has the responsibility to report this as soon as possible through our channels

for misconduct reporting. Failure to comply with the principles of our Code can harm people, society or the planet. Non-compliance with our Code of Conduct can harm Atlas Copco Group through lost revenues, penalties or fines, but also in physical or psychological suffering, employee demotivation, difficulties in recruiting and damage to our reputation and brand.

Ethical behavior is everyone's responsibility. By acting with integrity, we each do our part to create a society where we treat each other with respect and dignity, look out for each other's safety and well-being, and minimize our negative impact on the planet.



Hans Stråberg  
Chairman of the Board

## 2. Application and roles

The Atlas Copco Group Code of Conduct describes our fundamental principles related to ethics, social and environmental performance. All employees, business partners, and the Board of Directors are expected to follow these principles.

### Employees

You are responsible for reading the Code of Conduct, understanding the principles and applying them in your daily tasks. When in doubt, ask for help. Your closest manager should be the first point of contact, then your manager's manager or human resources. The Group's legal department can also provide support. Possible or actual violations of the Code of Conduct should be reported to your manager, to human resources, or by using the misconduct reporting system.

### Managers

As a manager, you should make certain that employees reporting to you are aware of and understand the Code of Conduct, and how they should conduct their daily activities in a compliant way. Promote a culture of speaking up. Promote ethical and compliant behaviour. Conduct dilemma trainings and raise awareness of how to report violations. Lead by example and be a role-model by displaying ethical behaviour. Always investigate or escalate perceived or actual violations of the Code of Conduct. Never try to hide a problem.

### Business partners

At Atlas Copco Group, we are committed to upholding high standards of ethics in all our business interactions, which means that we require the same from our business partners. We welcome that our business partners report perceived violations to the Code of Conduct.

More information and instructions on how to report misconduct can be found on our website, [www.atlascopco.com/speakup](http://www.atlascopco.com/speakup).

## 3. Our core values

Our core values of interaction, commitment, and innovation help us to maintain our leadership position in a changing environment.

### **Commitment**

We make a commitment to doing a good job in our role and to furthering the company's success and sustainability. This depends on our commitment to high ethical standards, a commitment to protecting the environment and to respecting human rights.

### **Interaction**

We listen to and try to understand the needs of our colleagues, customers, business partners, shareholders and other stakeholders. We treat everyone with openness, honesty, equal respect and dignity.

### **Innovation**

Our capacity to find new and better ways of doing things and creating new and better solutions is based on what we learn through respectful interaction. Creativity and innovation rely on effective teamwork, collaboration that is enhanced by diversity and inclusion, and an environment of respect and trust.

Our core values are reflected in how we interact with our different stakeholders.

## 4. Accountability

We all set the example for each other and our stakeholders by being honest and fair. We promote a culture of integrity through mutual respect, trust in each other, and high standards of ethics in all our business interactions.

The Board of Directors approves the overall strategy and organization of the Atlas Copco Group. Group-common guidelines and rules are decided by Group management and published in the internal database The Way We Do Things, which is accessible to all employees. The Board of Directors owns the Code of Conduct and reviews it every year.

Every employee has a responsibility to follow and uphold Atlas Copco Group's values and comply with rules and policies. Managers are responsible for informing employees about rules and policies, to lead by example and to drive an open environment and encourage a culture where we speak up when something is wrong. Division presidents are responsible and accountable for adherence to policies and rules within their division. Business area presidents and all members of Group management are responsible to promote and safeguard Atlas Copco Group's values.

We inform key stakeholders about our Code of Conduct. All business partners are expected to adhere to Atlas Copco Group's values and to follow the Code of Conduct. Working with business partners who share our high standards regarding quality, business ethics, the environment, human rights and resource efficiency is necessary to effectively manage risks, and to enhance productivity in the value chain.

We are all responsible for reporting when we see something that doesn't meet the requirements of the Code of Conduct. Managers are responsible for investigating potential violations of the Code of Conduct. More information and instructions on how to report misconduct can be found on our website, [www.atlascopco.com/speakup](http://www.atlascopco.com/speakup).



## 5. Society

We proactively enhance the positive role we play in society and take responsibility to minimize the risks of negative impact from our operations. We welcome interaction with local communities.

### Community

We act in accordance with sound business practices in order to create the most value for society, and we consider it vital to combat corruption and other forms of unethical business practices. We recognize the key role that taxes play for economic development.

Atlas Copco Group encourages learning and development through cooperation and engagement with local communities. We recognize our employee-driven organization Water for All as the main global community engagement project for the Atlas Copco Group.

### Human rights

We support all internationally recognized human rights and respect those rights wherever we operate. We are committed to implementing the UN Guiding Principles on Business and Human Rights throughout our business operations. We strive to avoid infringing on the human rights of others, and to mitigate or address adverse human rights impacts with which Atlas Copco Group is involved.

## 6. People

We want to be the most attractive company in our industry. To reach this ambition, it is essential to safeguard our values and enable our employees to grow and thrive. We continuously offer training and development possibilities. Our goal is that each employee receives the competence development needed to achieve good results.

### **Safety and well-being**

We are committed to ensuring that our employees, additional workforce and others affected by our operations work in a way that contributes to their overall safety and well-being. We are committed to providing a safe and healthy working environment for all our employees in all operations, both as regards physical and mental well-being. Our global policy and guidelines for safety, health and environment ensure that there are robust standards for safety and well-being in the workplace.

### **Diversity and inclusion**

We proactively work to achieve diversity and inclusion in all aspects of our operations. We believe in having an inclusive culture, which means that all our employees are treated fairly and with respect, are able to make a professional career, are seen and heard, and have the opportunity to thrive and grow. We provide equal opportunity to all applicants and employees and do not discriminate based on age, disability, ethnicity, gender, gender identity, nationality, political opinion, religion or sexual orientation.

### **Wages**

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.

### **Working time**

We follow international regulations, national legislation and local guidelines for working time.

### **Freedom of association**

We recognize the value of trade unions and employees' right to choose whether or not to be represented by trade unions and bargain collectively. Employees shall not be discriminated against, regardless of whether they choose to exercise such rights or not.

### **Modern slavery**

Under no circumstances will modern day slavery such as forced, bonded or compulsory labor or human trafficking be employed or used in our operations. Employees are not required to lodge deposits of money or identification papers with their employer. We require our business partners to follow the same principles.

### **Young workers**

We are strictly against child labor and other forms of exploitation of children. We do not employ anyone younger than 15 years old and adapt to local standards that specify a higher age. We require our business partners to follow the same principles.



## 7. Ethics

Our high ethical standards are reflected in our values and policies. We respect and follow all applicable laws and regulations in the countries where we operate. Even where applicable laws or regulations would allow, or do not specifically forbid certain practices, our Code of Conduct applies.

### Communication

We should always respect our audience and their opinions. 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 interaction important and therefore have a positive attitude toward constructive dialogue with all our stakeholders. We never discriminate or take part in personal insults, obscenities or engage in any conduct that is not appropriate or acceptable at the Atlas Copco Group workplace.

When we communicate in our professional role as employees or business partners of Atlas Copco Group, for example in social media, we become ambassadors for Atlas Copco Group in the eyes of the public. We should ensure that profiles, pictures and comments and related content are consistent with how the company should be presented towards the public.

We are all personally responsible for the content we publish in user-generated media, such as social media. We should be mindful that what we publish will be public for a long time.

### Reporting

We follow applicable reporting standards, including those related to accounting and sustainability. Each employee involved in the recording, processing, and reporting of information is expected to safeguard its confidentiality, validity and correctness.

### Anti-money laundering

We are committed to complying with all applicable financial record-keeping and reporting requirements and all other applicable anti-money laundering laws and regulations, as well as laws and regulations applicable to terrorist financing and facilitation of tax evasion.

We conduct business only with customers involved in legitimate business activities with funds derived from legitimate sources.

### Taxes

We believe in good corporate practice in the area of tax management, balancing the interests of various stakeholders, including customers, shareholders as well as the governments and communities in the countries where we operate. Atlas Copco Group does not engage in aggressive tax planning, but instead takes care to pay the correct taxes in its countries of operation.

## **Bribery and corruption**

We do not tolerate corruption in any form, whether direct or through third parties, including facilitation payments. This applies to all business dealings and transactions in all countries where we operate.

Corruption is the misuse of entrusted power to achieve personal gains. The main forms of corruption are bribery, embezzlement, fraud and extortion. Bribery is in this context defined as either giving, offering, receiving, accepting or requesting an undue benefit, to influence the outcome of a commercial decision or that undermines trust in the company or that is unethical.

Atlas Copco Group and our business partners should promote objective, fair and ethical business.

## **Business gifts and hospitality**

Business gifts or hospitality are offered or accepted only in accordance with local legislation and business practices. It is not acceptable when a gift, event or entertainment is being used to influence a decision or create an unfair advantage. When you suspect a gift or hospitality constitutes bribery, inform your closest manager. Be transparent to avoid conflicts of interest, and always inform your closest manager if you see a risk in a situation. Business partners should inform their contact person at Atlas Copco Group.

## **Fraud and theft**

We respect and protect Atlas Copco Group's assets such as property, resources and funds. Physical assets must be protected against loss or theft, and not be disposed of without proper authorization. Assets must be used only for the intended business use and not for personal gain.

We do not create fraudulent records, falsify documents, or otherwise misrepresent facts, transactions, or financial data. We are transparent and truthful.

## **Intellectual property**

Intellectual property rights, such as patents, trademarks, copyrights, designs, domain names, know-how and trade secrets are vital business assets. They allow us to distinguish our products and services from those of our competitors and prevent competitors from copying our innovations or misusing our brands. We must safeguard our intellectual property rights and protect them from being misused or wrongfully disclosed.

We must avoid infringing on the intellectual property rights or trade secrets of third parties.

## **Inside/privileged information**

The parent company of Atlas Copco Group, Atlas Copco AB, is a public company traded on the stock exchange and as such, information about the company and its subsidiaries is subject to capital market regulations. A key element of such regulations relates to equal access to information that can have an impact on the share price on the stock exchange. Anyone who has access to non-public information about Atlas Copco Group or our business partners may be subject to these regulatory duties. Using or disclosing such non-public information for personal or financial benefit, for example to buy or sell shares, or sharing this information with others, is prohibited and potentially a violation of the law.

## **Data protection and privacy**

We protect personal data and respect the right to privacy. We collect, use and processes personal and customer data proportionally, responsibly and lawfully. Our products and services are designed to have appropriate safeguards to protect personal data against unauthorized use or disclosure.

## Conflicts of interest

We do not have interests which conflict with our professional interests. A conflict of interest arises when an individual is in a position to exploit a professional capacity for their personal benefit. Situations where a private or personal interest appears to be incompatible with the interests of Atlas Copco Group must be avoided and reported to your manager, or for business partners, be reported to your contact person at Atlas Copco Group. Violations should always be reported.

## Fair competition

We support and strive for fair competition, and never enter into discussions or agreements with competitors concerning pricing, profit margins, bids, market sharing, or other similar activities. We never restrict competitors' access to markets by abusing our market position and respect our customers' independence. We never dictate or set prices for our distributors.

## Travel

We strive to support the balance between the impact from travel on the environment, society, the employee, cost and time. During business travel employees are traveling as representatives of Atlas Copco Group and must therefore act in accordance with the Code of Conduct.

## Trade compliance

We commit to follow international treaties and agreements on non-proliferation of nuclear weapons, missile technology, chemical and biological weapons.

We comply with all applicable international trade, export control and economic sanctions regulations and regimes, and follow the rules and procedures on trade compliance in The Way We Do Things.

Goods and services that are being exported or imported are always classified in a correct manner to ensure proper custom's declarations and that all necessary permits are obtained, and duties paid.

## 8. Environment

We believe in conducting business in a manner that preserves the planet for future generations by implementing a lifecycle perspective and focus on resource efficiency along the value-chain.

Climate change and its effects is the challenge of our time. We develop products and service that enable energy savings and the avoidance of greenhouse-gas emissions when the products are used. We strive to reduce the negative impact from our own operations and along the value-chain.

### Environmental protection

We ensure that our business operations are in compliance with applicable environmental protection legislation as well as internal requirements. We strive to minimize the environmental impact from production, digitalization, product use, transportation and disposal of waste.

We help support our customers' sustainability ambitions and goals.

Both employees and business partners are expected to contribute to these efforts, and comply with the standards set out in our policies. This applies to energy consumption, air emissions, water consumption, water emissions, and ground and groundwater contamination, the handling of chemicals, noise pollution, as well as hazardous and non-hazardous waste.

### Circularity

We take a life-cycle approach to innovation. Our products should create lasting value and make a positive impact. We strive to reduce the impact of our products over the whole life-cycle; from the choice of materials, design, modes of transportation, manufacturing, the use by our customers and end-of-life treatment.

### Product safety

We follow laws and regulations regarding safety, health and environmental aspects, product information and labelling. All products must, as a minimum, be compliant with laws and regulations regarding their environmental impact and tested for safety prior to delivery. All Atlas Copco Group products and services come with relevant product, service and safety information.

## 9. Governance and implementation

### Value chain

The Code of Conduct is the backbone of Atlas Copco Group's responsible value-chain process, reinforced by signed commitment to follow the Code of Conduct, business partner screening and audits, customer sustainability assessment and targeted training.

### Management system

Every Atlas Copco Group company should have clear strategies and implementation plans to meet their goals. Each manager is responsible for day-to-day reinforcement and compliance follow-up. Follow-up procedures must be established. Performance indicators are reported and followed up on divisional, business area and Group level.

To safeguard the implementation of these policies, recurring audits are conducted.

### Risk management

Our risk management follows Atlas Copco Group's decentralized organizational structure. Group functions for legal, insurance, sustainability, treasury, tax, controlling and accounting, etc. provide policies, guidelines and instructions regarding risk management. Local companies are responsible for their own risk management. The process is monitored at local business board meetings and audited by internal and external audits. Strategic enterprise risks are assessed and managed at the divisional level, consolidated and reported to business area and Group management.

# 10. Reporting violations

Perceived or actual violations of the Code of Conduct should always be reported. Talk to your manager, human resources, or your manager's manager. If you are a business partner, talk to your contact person in Atlas Copco Group. If you do not see a change, believe the problem can't be handled locally, or you wish to remain anonymous, use the Atlas Copco Group misconduct reporting system.

The Atlas Copco Group misconduct reporting system is a tool for reporting suspected ethical misconduct. It is available online at [www.atlascopco.com/speakup](http://www.atlascopco.com/speakup). Information about the process and tool can be found on the corporate website, the intranet the Hub and in the policy database The Way We Do Things. We welcome reports from all our stakeholders.

The Atlas Copco Group misconduct reporting system is supported by a third-party supplier that guarantees anonymous communication between the reporter and Atlas Copco Group. Misconduct reports are sent to Group Legal Department for further investigation. Proven violations are subject to disciplinary action, including termination of employment.

## Non-retaliation policy

We have a non-retaliation policy at Atlas Copco Group. Speaking up in good faith about perceived misconduct or violation or refusing to do something that violates the Code of Conduct or the law, will never result adverse consequences for the individual even if the refusal results in the loss of business for Atlas Copco Group.

Anyone who retaliates against an employee or other stakeholder for engaging in any of these activities will be subject to disciplinary action, including termination of employment.



## 11. References to external guidelines and policies

Atlas Copco Group commits to these main international ethical guidelines:

- 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)
- UN Guiding Principles for Business and Human Rights [www.ohchr.org](http://www.ohchr.org)

Atlas Copco Group has been a member of the UN Global Compact since 2008.

Atlas Copco Group's sustainability reporting follows the GRI—Global Reporting Initiative—guidelines [www.globalreporting.org](http://www.globalreporting.org), the sustainability requirements of the Swedish Annual Accounts Act and applicable sustainability requirements of the European Union.

## 12. References to internal guidelines and policies

Atlas Copco Group maintains a large number of guidelines and policies supporting the implementation of our high ethical standards and our business success. These are found in the internal database, and selected policies are found on the corporate website.

Below are some of the guidelines and policies mentioned:

- SHEQ policy
- Anti-corruption policy
- Diversity & Inclusion policy
- Human rights statement
- Hospitality & Gifts policy

Atlas Copco AB  
SE-105 23 Stockholm, Sweden  
Phone: +46 8 743 80 00

[atlas-copco.com](https://atlas-copco.com)

Atlas Copco  
Group