



Fortescue Family

Our Code of Conduct

November 2012

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

At Fortescue we aspire to be the corporate citizen of choice, welcomed by the communities that host our activities. Together with our stakeholders, we will positively manage change and secure opportunities for people, economies, the environment and society.

Our Code of Conduct embraces our values and provides guidance on the principles, practices and standards of behaviour required from the entire Fortescue Family. In making a personal commitment to live by these standards we will achieve success of which we can all be proud to be a part.

Please ensure that you read and understand this Code of Conduct and adopt the principles in your daily business activities.

Neville Power, Chief Executive Officer, Fortescue Metals Group

VISION & VALUES

The lowest cost, most profitable iron ore producer

BEHAVIOURAL TOOLBOX OF THE FORTESCUE TEAM

Fortescue
The New Force in Iron Ore

Family

- Don't allow silos
- Think of the whole business - not just your part
- Be committed as one
- Care for your work mates
- Do unto others as you would have them do unto you
- 'I am my brother's keeper
- Celebrate success

Frugality

- Use your brains not your cheque book
- Save every dollar you can
- Find a way to the same job for less money

Empowerment

- Always take action
- Authority to do what you said you would do
- Ability to act in the best interest of the business

Integrity

- Honesty in our words and actions
- Doing what we say we will do

Enthusiasm

- Be enthusiastic - Be energetic - Be positive

Generating ideas

- Never accept the status quo
- Always be on the lookout for better ways

Determination

- Drive for outcomes
- Never give up

Set yourself stretch targets

- Then achieve them

Wearing the Fortescue colours

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1. INTRODUCTION

This Code of Conduct (the Code) establishes the essential standards of personal and corporate conduct and behaviour expected of all Fortescue People. The Code has been approved by the Board of Directors and is supported by a number of policies that have been approved by the CEO.

Fortescue is committed to achieving and maintaining a reputation as an employer of choice, an ethical business partner and a good corporate citizen. This means we respect the law in all of the jurisdictions in which we operate. The Code outlines the ways in which Fortescue conducts its business and reinforces the culture of family, integrity and frugality that we are bound by and expected to uphold in keeping with Fortescue's Values.

The Code does not cover every possible situation that we may face, nor describe every law, policy or standard with which we need to comply. Rather it provides a framework that we should use as a basis for making common-sense, lawful and ethical decisions that protect the interests of Fortescue, its stakeholders and its employees.

Where a provision of this Code may be interpreted as differing from applicable laws, standards or policies, we must comply with those laws, standards and policies. However, where the Code sets a higher standard it is expected that we will follow the Code.

1.1. Supplementary Directors Code of Conduct

Fortescue has also established a separate Directors' Code of Conduct which articulates the additional regulatory and fiduciary duties which the Directors are expected to comply with in discharging their responsibilities as directors. The Directors' Code of Conduct is designed to complement the Employees Code of Conduct and directors are bound by both Codes.

2. COMPLIANCE WITH THE CODE

Everyone who works for or with Fortescue, including directors, employees, contractors, suppliers and business partners is expected to comply with the Code.

In addition, you must take all reasonable steps to ensure that employees, contractors, suppliers and any other parties under your supervision or direction with whom we do business are aware of and comply with the Code.

Directors and senior managers are responsible for ensuring that they promote an environment which encourages ethical and lawful behaviour and compliance with the Code at all times.

3. STRUCTURE OF THE CODE OF CONDUCT

The standards of behaviour required for individuals and organisations who work for or with Fortescue are set out in section 4 of the Code.

Appendix 1 provides further explanation on the requirements and where necessary, provides discussion, and in some cases, examples of how to work through issues that you may be facing in terms of the actions you should take to resolve a concern.

4. THE CODE

4.1. Participating in the Workplace

Health and Safety

The health and safety of our employees, contractors and visitors is our highest priority. We will demonstrate safe behaviour at all times and actively contribute to achieving our aim of an injury and incident free workplace.

We will always look out for each other and shall operate in accordance with all Fortescue occupational health and safety policies, rules, procedures, duties and other requirements relevant to our roles.

Supporting Documents: Health and Safety Policy (100-PO-SA-0010)

[Link to guidance on health and safety](#)

Fitness for Work

We are responsible for ensuring our own and each other's health and safety at work and to avoid adversely impacting the health and safety of others.

We must ensure that we present to work free of illness, fatigue, alcohol and/or performance impairing drugs, and any other cause of impairment which could affect our ability to work safely.

We must participate in the company's 'Fitness for Work' monitoring programmes as directed.

Supporting Documents: Fortescue Alcohol and Other Drugs Procedure (100-PR-SA-0013).

[Link to guidance on fitness for work](#)

Equal Opportunity and Employee Discrimination

We will not discriminate on the basis of race, gender, age, marital status, disability, sexual orientation, pregnancy, national origin, political or religious beliefs, or any other factor not relevant to competence or performance.

Supporting Documents: Equal Opportunity, Harassment and Bullying Policy' (100-PO-HR-0002), Diversity Policy.

[Link to guidance on equal opportunity and employee discrimination](#)

Honesty, Integrity and Respect for Others

We will act with honesty and integrity and respect others at all times.

Supporting Documents: Equal Opportunity, Harassment and Bullying Policy' (100-PO-HR-0002).

[Link to guidance on honesty, integrity and respect for others](#)

4.2. Working with our Communities

Human Rights

We recognise, respect and uphold the human rights of every individual, being at a minimum those protected by the Universal Declaration of Human Rights. We will actively seek to ensure we are not complicit in human rights abuses committed by others.

Supporting Documents: Human Rights Policy (100-PO-EN-0005)

[Link to human rights guidance note](#)

Community Interaction and Development

We will respect the communities with which we interact in carrying out our business.

We are committed to identifying opportunities where we can make positive contributions to development of those communities and ensure that they realise benefits from Fortescue's activities.

Supporting Documents:

[Link to community interaction and development guidance note](#)

Native Title and Cultural Heritage Sites

We will respect the rights and interests of native title holders and be sensitive to and respect cultural heritage sites.

Supporting Documents:

[Link to native title and cultural heritage guidance note](#)

Protecting the Environment

We will take care to protect the environment in which we work and require others to do the same.

Supporting Documents: Environmental Policy (100-PO-EN-0001)

[Link to protecting the environment guidance note](#)

4.3. Our Business Principles

Observance of the Law

We will obey the law in the jurisdictions within which we are operating, and where applicable, respect local customs and business methods (where they do not contravene this Code or the laws of the relevant jurisdiction).

Supporting Documents:

[Link to observance of the law guidance note](#)

Bribery & Corruption

We will not offer, give or receive any bribes, kickbacks or facilitation payments or participate in any corrupt activities.

Supporting Documents:

[Link to bribery and corruption guidance note](#)

Gifts and Entertainment

We shall not give, seek or accept in connection with Fortescue's business, any gift which goes beyond standard courtesies connected to usual commercial practice. Before accepting a gift in our role with Fortescue, we must determine whether the gift is appropriate in the particular circumstances.

Supporting Documents:

[Link to gifts and entertainment guidance note](#)

Continuous Disclosure

We will notify the Company Secretary immediately upon becoming aware of any potentially market sensitive information, where such information has not already been released to the market.

Supporting Documents: Continuous Disclosure and Market Communications Policy

[Link to continuous disclosure guidance note](#)

Trading in Fortescue Securities

We are aware of the requirements of Fortescue's Securities Trading Policy and must comply with it all times. When we are in possession of inside information we will not trade in securities or disclose such information to any other person.

Supporting Documents: Securities Trading Policy

[Link to securities trading guidance note](#)

Conflicts of Interest

We will not engage in activities which involve, or appear to involve, a conflict of interest. Such circumstances could compromise our ability to make impartial business decisions that are in the best interests of Fortescue.

Supporting Documents:

[Link to conflict of interest guidance note](#)

Trade Practices and Anti-Competitive Behavior

We shall not engage in (or be part of, in any way) any conduct which contravenes the *Competition and Consumer Act 2010* (Cth) and related legislation in Australia or similar legislation or rules in any other country.

Supporting Documents:

[Link to trade practices and anti-competitive behaviour guidance note](#)

Engaging Suppliers

We will conduct our sourcing activities in a transparent and fair manner. We will work with our suppliers to ensure they are contractually committed to uphold the standards in this Code.

Supporting Documents: Supply Chain Policy

[Link to engaging suppliers guidance note](#)

4.4. Using Fortescue Resources

Privacy

We respect the privacy of our employees, contractors, suppliers, business partners, customers and shareholders from whom we collect personal information for business purposes.

Supporting Documents:

[Link to privacy guidance note](#)

Confidentiality

We shall protect Fortescue's and other individual or companies' confidential information, and will not disclose or misuse information without appropriate authorisation.

Supporting Documents: Appropriate Use of Information Technology Policy (100-PO-IT-0006)

[Link to confidentiality guidance note](#)

Use of Fortescue's Information Systems

We are permitted to use Fortescue's information systems for occasional personal use. Such use must not interfere with the performance of duties and must be consistent with the conditions of use for the company's computer systems.

Supporting Documents: Appropriate Use of Information Technology Policy (100-PO-IT-0006)

[Link to use of information systems guidance note](#)

Fraud and Theft

We shall not use Fortescue assets or other resources for personal benefit and will share responsibility for safeguarding Fortescue assets and resources.

We shall not commit fraud against the company or steal company property or funds.

We must report instances or suspicions of fraud and theft immediately as we become aware, regardless of whether the instance relates to an employee, a contractor or any other party.

Supporting Documents:

[Link to fraud and theft guidance note](#)

5. MONITORING COMPLIANCE WITH THE CODE

Disciplinary action will be taken where there is a breach of the Code of Conduct. The nature of the disciplinary action will depend on the severity of the breach. Where criminal activity may have occurred, such instances will be reported to the appropriate law enforcement agency.

Disciplinary action will also be taken against anyone who approves a violation of the Code of Conduct by another person, or who is aware of a violation by another person and, without good reason, fails to take appropriate action.

If any applicable laws or regulations are contravened this may also result in prosecution by the appropriate authorities. Fortescue will not pay any penalties imposed upon directors, employees, contractors, suppliers or business partners as a result of them breaching any applicable laws or regulations where the liability arises because they failed to act in good faith.

In the event that any of our contractors, suppliers or business partners is unable to meet the standards required by this Code of Conduct, we will encourage them to make the necessary changes in order to comply with the Code and we reserve the right to terminate our business activities with them at our absolute discretion.

Reports on the number and type of incidents identified under the Code of Conduct, including details of the nature and results of any investigations conducted will be reported to:

- The CEO on a regular basis; and
- The Chairman and the Audit & Risk Management Committee every six months.

6. REPORTING VIOLATIONS OF THE CODE

We are committed to immediately reporting any suspected or actual breach of the Code of Conduct.

You should report instances of non-compliance with the Code to your immediate supervisor, the Company Secretary or the Whistleblower Hotline (1800 500 965). The Whistleblower Hotline is available 24 hours a day, 365 days a year and you have the option to remain anonymous. This service is available to employees, contractors, suppliers, business partners and the community.

People who report incidents of misconduct in good faith will be granted the full protection of the Board of Fortescue. Unauthorised disclosure of the identity, or information from which the identity of a person who has made a report can be determined, is a breach of this Code of Conduct.

7. REVIEW OF THE CODE

This Code of Conduct will be reviewed annually by the Board and any revised versions will be circulated to or made available to all employees on the Company's Website and Intranet.

Appendix 1: Discussion and Guidance on Requirements

The Code

Participating in the Workplace

Health and Safety

The health and safety of our employees, contractors and visitors is our highest priority. We will demonstrate safe behaviour at all times and actively contribute to achieving our aim of an injury and incident free workplace.

We will always look out for each other and shall operate in accordance with all Fortescue occupational health and safety policies, rules, procedures, duties and other requirements.

Occupational health and safety is a critical priority at Fortescue. We are committed to complying with all occupational health and safety laws and regulations governing our activities, and have developed a suite of policies, procedures and manuals to guide compliance. These can be found on the Fortescue Intranet.

You must:

- Be aware of the health and safety requirements of your role. Ignorance will not be a valid reason for failure to comply. If you have difficulty accessing the relevant information, or understanding its implications, you are expected to ask your manager for guidance so that you are fully aware of the health and safety requirements of your role;
- Comply with all health and safety policies, rules and procedures;
- Promptly report any hazards you become aware of and either fix such hazards immediately or report those hazards to your manager;
- Immediately report any workplace incidents, including injuries, to self or others in immediate proximity;
- Proactively participate in occupational health and safety activities and consultation processes in the workplace;
- Be aware of the requirements of your role and not assume roles for which you are not competent and authorised to perform. Relevant and valid licences and/or qualifications must be held where required;
- Be responsible for your own health and safety at work, and satisfy your duty of care obligations to others by ensuring their actions do not put the health and safety of themselves or others at risk;
- Satisfy your specific health and safety obligations to the company, including:
 - Complying with the company's instructions and directives about health and safety in the workplace;
 - Using personal protective clothing and equipment provided by the company in the manner instructed by the company;
 - Taking good care of equipment provided by the company; and
 - Cooperating with others, including managers, on health and safety instruction.

Fitness for Work

We are responsible for ensuring our own and each other's health and safety at work and to avoid adversely impacting the health and safety of others.

We must ensure that we present to work free of illness, fatigue, alcohol and/or performance impairing drugs, and any other cause of impairment which could affect our ability to work safely.

We must participate in the company's 'Fitness for Work' monitoring programmes as directed.

You have a duty to ensure your personal conduct within the workplace and elsewhere does not adversely affect your work performance, safety, or the reputation of yourself, your colleagues or the Company.

Fortescue has a zero tolerance to alcohol and other drugs. Any prescription and over the counter medication use must be reported and managed in accordance with the Fortescue Alcohol and Other Drugs Procedure (100-PR-SA-0013).

Any person who believes they are, or may be, impaired for any reason, and therefore may not be fit for work, must cease working and promptly notify their manager or supervisor so that appropriate action can be undertaken to manage the associated risks.

The Company maintains a range of fitness for work monitoring programs, including but not limited to, pre-employment and routine fitness assessments, alcohol and drug testing, health surveillance and injury management.

Fortescue's health and safety documents relating to fitness for work can be found on company's Intranet. These documents further explain the company's requirements with respect to matters such as alcohol, illegal substances, prescription and non-prescription medications, fatigue, stress and injury management.

Equal Opportunity and Employee Discrimination

We will not discriminate on the basis of race, gender, age, marital status, disability, sexual orientation, pregnancy, national origin, political or religious beliefs, or any other factor not relevant to competence or performance.

Fortescue recognises the importance of valuing the many differences in background, personal situation, culture and orientation of our employees. We do not permit discrimination, intimidation or harassment of, or by, any person.

Discrimination is not permitted at any level of the Company or in any part of the employment or business relationship. This includes decisions in relation to recruitment, procurement, promotion, training opportunities, work task allocation, salary, benefits, performance management, disciplinary action and termination.

This aspect of the Code of Conduct is covered in more detail in Fortescue's 'Equal Opportunity, Harassment and Bullying Policy' – 100-PO-HR-0002).

Honesty, Integrity and Respect for Others

We will act with honesty and integrity and respect others at all times.

Honesty, integrity and respect for others are essential to establish and maintain successful and long lasting business relationships and convey a clear message to others about how we wish to do business.

This obligation extends to the entire workplace, work-related social functions, and work-related travel. This involves, as a minimum:

- Acting within applicable laws, particularly those that deal with matters covered by this Code, including equal opportunity and anti-discrimination laws;
- Acting with courtesy;
- Acting with fairness and respect;
- Encouraging cooperation;
- Fostering an environment where rational debate is encouraged, with a view to achieving shared goals;
- Avoiding behaviour that might reasonably be perceived as harassment (including sexual harassment), bullying or intimidation (this aspect of Employee conduct is covered in more detail in Fortescue's 'Equal Opportunity, Harassment and Bullying Policy' – 100-PO-HR-0002);
- Understanding relevant operating rules and regulations that may be contained within Fortescue policies, procedures and manuals; and
- Understanding and responding positively to the needs of Fortescue's broader stakeholder group, including the community at large.

Working with our Communities

Human Rights

We recognise, respect and uphold the human rights of every individual, being at a minimum those protected by the Universal Declaration of Human Rights. We will actively seek to ensure we are not complicit in human rights abuses committed by others.

Fortescue is committed to respecting, and acting in a manner which avoids infringing on, human rights. In this regard the company acknowledges the "Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework (2011)".

The key indicators of abuses of human rights include:

Labour

- Forced labour
- Child labour
- Employment discrimination
- Poor treatment of disabled employees
- Absence of whistleblower protection mechanisms
- Absence of occupational health and safety standards
- Poor conditions of employment
- Restricted rights of freedom of association

Community

- Absence of free, prior and informed consent to actions impacting communities
- Forced relocations
- Lack of respect for indigenous land rights
- Absence of security
- Bribery and corruption
- Threats to livelihoods – poor access to resources
- Absence of health and community cohesion
- Absence of focus on environmental health and safety

Government/Other Organisations and Supply Chain

- Forced labour
- Child labour
- Instances of bribery and corruption or an indication that this is acceptable behaviour
- Complicity of business partners in human rights abuses

Community Interaction and Development

We will respect the communities with which we interact in carrying out our business.

We are committed to identifying opportunities where we can make positive contributions to development of those communities and ensure that they realise benefits from Fortescue's activities.

We believe that we can enhance the quality of life for the communities within which we work by:

- Providing training and employment opportunities for the members of those communities; and
- Positively impacting community development initiatives through contributions to planning initiatives and through provision of expertise and funding to assist the successful development and delivery of such initiatives.

The company encourages you to be alert to such opportunities and to raise those opportunities with an appropriate manager for consideration.

Native Title and Cultural Heritage Sites

We will respect the rights and interests of native title holders and be sensitive to and respect cultural heritage sites.

Fortescue recognises the interests of native title holders and the proximity of the company's operations to places of cultural meaning.

Employees and contractors are required to participate in an induction programme in relation to local traditions and culture. You are required to ensure that you:

- Do not enter onto, damage or interfere with any cultural heritage sites;
- Do not disturb or remove any cultural heritage items or material; and
- Do not behave in a manner that is disrespectful to culture or tradition or offensive to communities with which we interact.

Protecting the Environment

We will take care to protect the environment in which we work and require others to do the same.

Fortescue recognises that effective management of the environment is essential to successful business practice and is expected as part of the company's commitment to sustainable operations. Mining is a temporary land use that can have a range of potential impacts on the environment. Fortescue strives to operate in a manner which minimises and manages those impacts and which complies with relevant statutory and regulatory requirements.

You are expected to:

- Be aware of and carry out your duties in accordance with the company's environmental management policies and procedures, which can be found on the company's Intranet;
- Be aware of any potential adverse environmental impacts of carrying out your duties and be alert to any opportunities to reduce any such impacts;
- Report all environmental hazards or incidents immediately as you become aware of them, regardless of scale, in accordance with the company's environmental policies and procedures; and
- Assess the environmental performance of the products and services that you procure.

Our Business Principles

Observance of the Law

We will obey the law in the jurisdictions within which we are operating, and where applicable, respect local customs and business methods (where they do not contravene this Code or the laws of the relevant jurisdiction).

Respect for the law is a fundamental principle of the Code. You are required to comply with all relevant Australian laws and statutes, and any other laws applicable to the jurisdiction where you are operating. Employees are expected to comply with all Fortescue policies and procedures.

If you believe that an employee, contractor, supplier or business partner may have acted illegally or unethically, you should discuss your concerns with your manager, the Company Secretary or the Whistleblower Hotline (FairCall – 1800 500 965). The Whistleblower Hotline is available 24 hours a day, 365 days a year and you have the option to remain anonymous.

Bribery & Corruption

We will not offer, give or receive any bribes, kickbacks or facilitation payments or participate in any corrupt activities.

We will ensure that we are aware of the Fraud, Corruption & Bribery Guidelines and comply with their requirements at all times.

The Australian Standard on Fraud and Corruption Control (AS8001 – 2008) defines bribery and corruption as follows:

- Bribery is defined as the act of paying/receiving a secret commission to/from another individual or organisation.
- Corruption is defined as dishonest activity in which a director, executive, manager, employee, contractor or other party representing an organisation acts contrary to the interests of the entity and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or organisation.

Fortescue prohibits the bribery and corruption of public officials, politicians or employees of other organisations in all of its business dealings in every country throughout the world. The regulatory, reputational and financial consequences if such incidents occurred could be severe for both Fortescue and the individuals involved.

Any person who requires further clarification of this requirement should contact the Company Secretary.

The Fraud, Corruption & Bribery Guidelines can be found on the company's Intranet.

Trading in Fortescue Securities

We are aware of the requirements of Fortescue's Securities Trading Policy and must comply with it all times. When we are in possession of inside information we must not trade in securities or disclose such information to any other person.

If you are in possession of information concerning a company that is not generally available, and which a reasonable person would expect to have a material effect on the company's share price, it is unlawful for you to buy, sell or otherwise deal in the company's shares. It is also unlawful in those circumstances to encourage someone else to deal in the company's shares or to pass the information to someone you know who may use the information to buy or sell the company's shares.

It does not matter how or where the person obtains the information from. It does not have to be obtained from the company to constitute inside information. There are very serious penalties, including possible imprisonment, for violation of these laws.

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

Fortescue's Securities Trading Policy is available in the Corporate Governance section of the website. This policy places additional restrictions (such as notification requirements prior to trading securities) on certain employees in addition to the basic legal requirements discussed above.

Conflicts of Interest

We will not engage in activities which involve, or appear to involve, a conflict of interest. Such circumstances could compromise our ability to make impartial business decisions that are in the best interests of Fortescue.

Whilst Fortescue recognises and respects your rights to take part in financial, business and other activities in your own time, these activities should be free of conflict with your responsibilities to the Company, and should not impact on the impartial and dedicated performance of your employment duties.

While carrying out your duties, you should avoid all situations in which your personal interests conflict, or might appear to conflict, with your duties to the Company. You must not use your position with Fortescue to obtain personal gain or benefit for yourself or third parties (friends, relatives, business associates etc.).

Circumstances which may give rise to actual or perceived conflicts may include:

- Holding or trading in assets that involve, or could appear to involve, a conflict between personal interests and the interests of Fortescue;
- Holding interests or investments in a competitor, customer or supplier or potential supplier; and
- Influencing Fortescue decisions concerning your partner, family members, business associates or friends.

You are required to disclose to Fortescue, in writing, all actual or perceived conflicts of interest. This written notification should be provided immediately upon becoming aware of the conflict or potential conflict, and should be forwarded to the appropriate manager (or if unsure, to the Company Secretary).

A common area of potential conflict of interest relates to the identity of external organisations involved in a tendering or procurement process for the supply of goods or services to Fortescue. Persons involved in such activities must ensure they are aware of and understand the Tender and Procurement Policies, and related procedures and manuals, which can be found on Fortescue's Intranet. Any person who is unsure of their obligations in this scenario should clarify their understanding with their manager. It is the manager's responsibility to ensure that the matter is properly reviewed, including whether it is appropriate for the individual to continue their involvement in the activity.

Trade Practices and Anti-Competitive Behaviour

We shall not engage in (or be part of, in any way) any conduct which contravenes the Competition and Consumer Act 2010 (Cth) and related legislation in Australia or similar legislation or rules preventing anti-competitive behaviour in any other country.

In Australia and many other countries laws exist which promote competition in business and protect the interests of consumers. In Australia most of these laws are embodied in the *Competition and Consumer Act 2010* (Cth). Broadly, these laws prohibit anti-competitive agreements or understandings between

competitors, certain “exclusive” supply or distribution arrangements, misuse of market power to damage competition, anti-competitive mergers and misleading or deceptive conduct.

Collusive conduct, which involves understandings with competitors on prices, volumes, terms of sale and the like, will not be tolerated at Fortescue. Such conduct may relate to sale of our products or to procurement of goods and services and equipment for our use.

A breach of these laws can result in serious consequences, including imprisonment and/or fines for individuals and Fortescue. Businesses and/or consumers who are damaged by unlawful conduct may be able to sue to recover damages.

Any person who wishes to seek more information about competition laws or has concerns about any transaction should contact the Company Secretary.

Gifts and Entertainment

We will not give, seek or accept in connection with Fortescue’s business or our employment, any gift which goes beyond standard courtesies connected to usual commercial practice. Before accepting a gift in our role with Fortescue, we must determine whether the gift is appropriate in the particular circumstances.

We must be aware of the requirements of the Fortescue Gifts and Entertainment Guidelines and comply with them at all times.

Modest gifts and reasonable entertainment may be given to or received from business partners or other parties external to the Company, where appropriate. Gifts commonly include meals, entertainment or presents.

Ultimately, whether the acceptance of a gift or the giving of a gift is appropriate is a question of substance over form. Consider whether the gift could reasonably be interpreted to affect, or potentially affect, the impartiality of the receiver in making decisions which may affect the company, even when there may have been no intent to do so. In such cases perception is as important as reality. Each gift must be considered individually and cannot be accepted or offered where there is any likelihood that it might affect, or reasonably be perceived to affect, a person’s judgment.

An important consideration with regard to gifts is whether the offer or acceptance of a gift could create an obligation or be construed or used by others to allege favouritism, preference, discrimination, and/or collusion. Such allegations must be avoided at all costs to ensure that Fortescue’s reputation is not damaged.

Fortescue maintains a Gifts Register in which all declarable gifts (as defined in the Gifts and Entertainment Guidelines) must be recorded. If you receive a declarable gift you are required to notify the executive assistant to the Chief Financial Officer

If you are uncertain about whether a gift should be accepted, or recorded in the Gifts Register, seek advice from your manager or the Company Secretary.

In addition, you should consider the provisions of the company’s Fraud, Corruption & Bribery Policy, to determine whether a gift may be considered to be a bribe, in which case that Policy will also provide guidance. In all circumstances, if you are concerned about the actual or perceived effect of the gift on the recipient, the gift should not be received or offered.

Continuous Disclosure

We will notify the Company Secretary immediately upon becoming aware of any potentially market sensitive information, where such information has not already been released to the market.

Fortescue is legally obliged to inform the Australian Stock Exchange (ASX) immediately upon becoming aware of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company’s shares. The Company Secretary makes disclosures in accordance with relevant ASX obligations and must be advised of any information that may be required to be disclosed.

The Company has a Continuous Disclosure and Market Communications Policy which is available in the Corporate Governance section of its public website.

Engaging Suppliers

We will conduct our sourcing activities in a transparent and fair manner. We will work with our suppliers to ensure they are contractually committed to uphold the standards in this Code.

Using Fortescue Resources

Privacy

We respect the privacy of our employees, suppliers, customers and shareholders from whom we collect personal information for business purposes.

Fortescue is committed to recognising and respecting the privacy of our employees, contractors, suppliers, business partners, customers and shareholders. The company will only collect personal information ethically and lawfully and in a manner which is not unreasonably intrusive. Fortescue will only use personal information that it holds for the purposes for which it was provided. The company may use or disclose personal information where it is authorised by the party concerned, necessary to prevent a serious threat to health and safety, or is required by law, or to assist authorities in enforcing the law. Employees and contractors that have access to personal information in carrying out their duties are expected to:

- comply with these requirements; and
- not access such information other than for necessary work related purposes.

Confidentiality

We shall protect both Fortescue's and other individual or companies' confidential information, and will not disclose or misuse information without appropriate authorisation.

Confidential information may include, but is not limited to, trade secrets, marketing information, customer lists, price lists, research and development activities, ore reserves and mineral resources, technical information, financial information, business plans, designs, drawings, techniques, processes, intellectual property, and any information which is not generally available concerning performance, results or plans.

People with access to confidential information must not reveal such information without appropriate authorisation and are responsible for ensuring that the information is used only for authorised purposes, is not used for personal gain and is protected from theft, unauthorised disclosure or inappropriate or unauthorised use.

You must not engage in discussions or other forms of correspondence with any representatives of the media, unless authorised to do so by the Chief Executive Officer. Any approaches from the media must be referred to the Communications team or the Company Secretary.

You are expected to exercise discretion in your discussions and communication with people outside Fortescue about the business of the company.

You are subject to the Appropriate Use of Information Technology Policy (100-PO-IT-0006), and all employees are required to be aware its contents.

Use of Fortescue's Information Systems

We are permitted to use Fortescue's information systems for occasional personal use. Such use must not interfere with the performance of duties and must be consistent with the conditions of use for the company's computer systems.

You are subject to the Appropriate Use of Information Technology Policy (100-PO-IT-0006), and expected to be aware of its contents. The Policy includes the following responsibilities:

- Do not disclose any passwords to any other person, or use a password that is not yours;
- Do not access information systems to which you have not been authorised;
- Do not disclose any information that appears to be of a sensitive nature to anyone, unless authorised;
- Do not download, store, copy or distribute copyright materials. This includes commercial music or videos;
- Do not distribute unsolicited commercial emails (i.e. SPAM);

- Do not store, display or transmit any images, text or audio files that could be considered pornographic, illegal, racist, violent or otherwise inappropriate;
- Do not attempt to install and use unauthorised security tools, such as scanners, crackers or network analysers that are not authorised by Fortescue's IT department;
- Ensure that confidential information is appropriately labelled and described when stored (either hard copy or electronic copy);
- Ensure that, if necessary, you encrypt data when transmitting confidential information over the internet. Only approved encryption methods should be used; and
- Ensure that you always use a Fortescue approved desktop, laptop or mobile device when connecting to the Fortescue network and while handling Fortescue information.

The Appropriate Use of Information Technology Policy can be found on the company's Intranet.

Fraud and Theft

We will not use Fortescue assets or other resources for personal benefit and will share responsibility for safeguarding Fortescue assets and resources under our control.

We will not commit fraud against the company or steal company property or funds.

We must report instances or suspicions of fraud and theft immediately after we become aware, regardless of whether the instance relates to an employee, a contractor or any other party.

You must use Fortescue's funds wisely and frugally and should consider whether expenditure you are required to authorise is appropriate in the circumstances. All expenditures must be correctly allocated and reported on a timely basis. Misuse of Fortescue's assets, including its intellectual property, constitutes fraud.

An accurate and auditable record of all financial transactions relating to the Fortescue Group companies must be maintained in accordance with generally accepted accounting principles. No entry should be made in Fortescue's records that distorts or disguises the true nature of any transaction. Non-financial records (for example, personnel files, environmental documentation, safety records and statistics, etc.) must also be accurately and rigorously maintained.

Unauthorised removal of Fortescue equipment, supplies, or other resources is regarded as theft. Fortescue resources must not be sold, lent or donated without appropriate executive approval. You must take appropriate precautionary action to prevent theft, damage or misuse of Fortescue resources. Submission of a fraudulent expense reimbursement claim and use of corporate credit cards for personal use are regarded as serious misconduct for which disciplinary action will be taken.

You must not destroy or dispose of Fortescue property without appropriate executive approval unless the items are of nominal value and can no longer be used. Intentional damage to Fortescue property is unacceptable and prohibited.

The Australian Standard on Fraud and Corruption Control (AS8001 – 2008) defines fraud as follows:

Fraud is dishonest activity causing actual or potential financial loss to any person or organisation including theft of moneys or other property by employees or persons external to the organisation and where deception is used at the time, immediately before or after the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.

The theft of property belonging to an entity by a person or persons internal to the entity but where deception is not used is also considered to be fraud.

Fortescue's Board and senior management adopt a zero tolerance approach to fraud and theft and are committed to building a culture where fraud and theft, in all forms, is unacceptable.

In the event that you observe or suspect that a fraudulent event or theft has occurred, you are required to report the incident to your manager, the Company Secretary or the Whistleblower Hotline (1800 500 965). The Whistleblower Hotline is available 24 hours a day, 365 days a year and you have the option to remain anonymous.

Fraud and theft are matters of a criminal nature. Where an allegation of fraud or theft is made, Fortescue will conduct an independent investigation, adopting the principles of natural justice and fairness in determining the facts surrounding the allegations. If fraudulent conduct or theft is found to have occurred, the matter will be referred to relevant law enforcement agencies, if appropriate, and criminal charges may

be laid. Fortescue will also consider civil recovery actions against the perpetrators to recover misappropriated assets.

Fortescue conducts a range of measures to prevent and detect fraud and theft. These measures are constantly updated and refined as the company's operations develop and grow. One of the most effective fraud prevention strategies is the adoption of strong internal controls. If you identify any internal control improvements that you believe may reduce the risk of fraud and theft, you are requested to notify their manager, the Company Secretary or the Group Manager Risk.