

# A COMMITMENT TO CORPORATE ETHICS AND PERSONAL INTEGRITY

REC Code of Conduct

**ETHICS** A system of moral values  
**INTEGRITY** Adherence to moral and ethical principles; soundness of moral character; honesty.

This code of conduct is a statement of REC's commitment to doing business the right way. It's about never being in any doubt about which path to take. It's about never compromising for any reason. It is a clear and unambiguous resource to call upon under all circumstances.

All employees, officers and directors of REC are required to comply with all aspects of the code. You are required to address any questions or concerns related to proper conduct with your immediate superior or other appropriate persons.

It is vital that each of us makes a commitment to contributing to the success and reputation of REC by acting according to the highest standard of ethical business conduct.

**REC Group Code of Conduct** builds on our Core Values and Governance Principles, and provides all our clients and employees with a clear understanding of what we stand for and the way we do business.

## PROFESSIONAL INTEGRITY

REC's stakeholders trust us based on our professional competence and integrity. We work to uphold that reputation.

### **CONFLICT OF INTEREST**

All REC employees have an obligation to avoid conflicts of interest. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in personal gain for themselves or a relative/ domestic partner. Having outside business interests or activities in any capacity, must be disclosed by the employee to his or her immediate leader, and approved.

### **CONFIDENTIALITY**

REC expects our employees who are introduced to any confidential REC information, visual, factual, oral or in writing, presented to or in any other way received, concerning REC and its employees, property, machinery, production, processes, products, services or business as a whole, to commit themselves not to use the received knowledge for any activity that can harm the interests of REC. Furthermore, the received information is not to be given to any other third parties without REC having the

same written guarantee from such third party. Such commitment remains in force until such technology and/or trade/business secrets are generally available to the public by other means than by breach of this Code.

### **INSIDER TRADING**

REC is listed on the Oslo Stock Exchange. REC employees may have access to information about REC that has not reached the public and is likely to be considered important by investors in deciding whether to buy or sell REC shares ("inside information"). Inside information also includes non-public information about other companies that an employee receives in the course of his or her employment at REC.

Employees who have access to inside information must not abuse this vote of confidence; i.e., never buy or sell shares based on inside information, or give advice to others who might make an investment decision based on this information. Trading under such circumstances is illegal, whether the employee trades for his or her own benefit or for the benefit of others. REC employees must comply with the prohibition against insider trading as well as the legal obligation to observe confidentiality and give advice. REC employees may deal in REC shares at any time with the exception of the period of 14 days prior to the publication of financial results for the quarter just ended and until such publication

has been absorbed by the financial market. Before trading in REC shares, or giving instructions for trading, employees shall notify their Superior Manager in REC Group Management and have been advised that there is no reason to preclude them from trading in REC shares as notified.

#### **INTELLECTUAL PROPERTY**

All inventions, designs, improvements, patents, copyrights and discoveries conceived by the employee during the term of his or her employment, shall be the property of the company.

#### **CONTROLLERSHIP**

REC will observe the most stringent standards in the keeping of our financial records and accounts, and an honest and forthright presentation of the facts. We keep an open dialogue with all stakeholder-groups, fully reporting our performance record whether positive or negative.

#### **REPORTING OF CONCERNS**

Any employee who has a concern or complaint about REC's conduct, including the Company's accounting, internal accounting controls or auditing matters, should immediately communicate such concern directly to any member of the BoD or the Audit Committee. Such communications may be confidential or anonymous, and may be e-mailed, submitted in writing, or reported by phone. All concerns will be reviewed and addressed in the same way that other concerns are addressed by the Company. This Code prohibits any employee from retaliating or taking any adverse action against anyone for raising, or helping to resolve an integrity concern.

#### **COMPUTER USAGE**

REC's computers, e-mail, internet and intranet system are to be used for company

business. In no event may the systems be used for sending or receiving discriminatory or harassing messages, chain letters, material which is obscene or in bad taste, for commercial solicitations, or in a way that would otherwise violate this Code.

## WORKING WITH AUTHORITIES, CUSTOMERS AND SUPPLIERS

In all of our business dealings, REC will continue to comply with laws which prohibit restraints of trade, predatory economic activities and unfair or unethical business practices. We will never give or offer, directly or indirectly, anything of value to any party to obtain any improper advantage or which may create the appearance of an impropriety. Authorized employees may provide existing or potential customers with lawful, reasonable entertainment. We expect our suppliers to adhere to applicable legal requirements in their business relationships, including those with their employees, their local communities and our company. Employees may not accept a gift, favor, loan, special service, payment or special treatment of any kind from any individual or organization which conducts or seeks to conduct business with REC, unless it is consistent with good business practices. All business-related gifts should immediately be reported to one's direct leader.

## EMPLOYMENT

REC follows all local employment laws and regulations and respects lawful customs of the countries where we operate. Employment at REC will be based on qualifications, merit, abilities and potential. REC does not discriminate in employment opportunities or practices. We are committed to complying with all applicable environmental, safety and health laws and regulations in the countries where we operate, including creating and maintaining safe and healthy work environments and preventing workplace injuries. REC facilitates professional and personal development for all employees.

## CORPORATE CITIZENSHIP

REC is a nonpolitical organization. We act in a socially responsible manner, obey all laws and regulations and respect the lawful customs and traditions of the countries in which we operate. We support fundamental human rights and avoid participating in any business activities that may compromise human rights. We support efforts to eliminate corruption and financial crime.

## ENVIRONMENTAL PERFORMANCE

REC maintains high standards for social and environmental performance. We consistently follow these high standards irrespective of instances where less stringent national regulations exist. We are committed to minimizing the impact of our businesses on the environment with methods that are socially responsible and eco-efficiently sound.

## COMPETING

REC is dedicated to complying with all applicable competition laws in all of our activities, including setting prices, allocating market shares, purchasing, selling and marketing our products and services. This involves ensuring that we will not enter into any agreements or understandings - expressed or implied, formal or informal, written or oral - with any competitor regarding any aspect of the competition between REC and the competitor.

FURTHER DETAIL ON INSIDER TRADING:

## DUTY OF CONFIDENTIALITY & PROHIBITION OF PROVIDING ADVICE

### INTRODUCTION

Note that it is the responsibility of the individual employee to clarify whether the individual is regarded as a primary insider pursuant to Section 2-6 of the Norwegian Securities Trading Act ("STA") and therefore is subject to primary insider law regulations in addition to the directives set out in this orientation. See link below to access a translation of the STA, provided for convenience only. REC is not responsible for the translation or that it is kept updated. It is the responsibility of the individual employee to make certain that they know their legal position at any time. <http://www.oslobors.no/ob/lover> (Securities Trading Act)

### DEFINITIONS

"*Financial instruments*" mean all financial instruments that are issued by REC at any time, including options and future contracts. Financial instruments are defined in the Section 1-2 second paragraph of the Norwegian Securities Trading Act, and comprise i.e. shares, subscription rights, convertible bonds, bonds, and options, and future contracts related to REC shares. Insider trading rules apply to transactions involving financial instruments issued by REC, which are listed on the Norwegian stock exchange, as well as to transactions involving options and futures contracts or similar rights linked to such financial instruments. The orientation will also apply correspondingly if financial instruments issued

by the Company are traded in another regulated market within the European Economic Area (EEA).

"*Inside information*" is defined as precise information relating to the financial instruments, the issuer of these, or other circumstances that are liable to have a significant impact on the price of the financial instruments, and that is not publicly available or commonly known in the market. In principle, this encompasses all types of information liable to influence the price of the security in question that a reasonable investor would be likely to use as part of the basis of his investment decisions, as long as it has not been published via the Oslo Stock Exchange or made public in any other manner.

"*Transactions*" in financial instruments of REC mean any purchase, sale, subscription or swap transaction in financial instruments listed on the Stock Exchange, as well as entering into, purchasing, selling or swapping options and futures contracts or similar rights linked to such financial instruments.

### GENERAL PROHIBITION OF TRADING ON THE BASIS OF INSIDE INFORMATION

Pursuant to Section 2-3 of the Norwegian Securities Trading Act the misuse of inside information is prohibited. No employee may enter into any transaction in financial instruments issued by REC and listed on the stock exchange if he or she is privy to inside information.

Furthermore, an employee may not "call on" (encourage) others to engage in such transactions, if the employee is privy to inside information. Among others requests, advice and

recommendations would be considered such encouragement. The trading prohibition also applies to trading in the name of others and/or for the account of other parties.

For reasons of prudence, employees shall refrain from subscribing to, buying, selling or exchanging financial instruments issued by REC if he or she is in doubt as to whether he or she is privy to inside information. The rules in this Section does not hinder the normal exercise of options and futures contracts entered into earlier, provided that such transaction takes place at the time of expiry of the contracts.

### OBLIGATION TO OBSERVE CONFIDENTIALITY AND PROPER HANDLING OF INSIDE INFORMATION

Employees must show necessary prudence to prevent unauthorized persons from getting access to confidential inside information. This duty of confidentiality applies to inside information related to financial instruments issued by REC, regarding REC or regarding other matters which are suited to influence the market price of the instruments and which is not publicly available or commonly known in the market.

To observe confidentiality employees shall not communicate non-public information relating to the earnings, financial results, development of the company or other issues suited to influence on the price of the instruments, other than in accordance with the reporting procedures of the Company. Such inside information shall be stored in a secure manner, and routines must be prepared to ensure that case documents, database access, photocopying, archives, shredding, internal mail, dispatches of letters and faxes etc, are kept or carried out without danger of unauthorized persons get-

ting access to the information. In cases of doubt regarding confidentiality, the nearest superior is to be consulted. Reference is moreover made to the confidentiality provisions in the relevant employment contract.

### PROHIBITION ON GIVING ADVICE

Employees must not advise others in respect of the subscription, purchase, sale or exchange of financial instruments if the employee has inside information. Furthermore, employees may not give advice to others regarding entering into, buying, selling or exchanging options or futures contracts or corresponding rights linked to financial instruments issued by REC if he or she is privy to such inside information. This also applies to advice not to trade.

### SANCTIONS IN CASE OF VIOLATIONS

Misuse of inside information is an indictable offence punishable by fines or imprisonment for up to six years. A breach of the obligation to observe confidentiality and the prohibition of providing advice may also constitute a criminal offence. In the event that a gain is achieved by misusing inside information, such person may be ordered to relinquish this in whole or in part. In addition, violations of the Norwegian Securities Trading Act may result in negative consequences for the employment of the violator. Such violations may also lead to liability towards REC.



Renewable Energy Corporation ASA

[www.recgroup.com](http://www.recgroup.com)