

REC Silicon Inside Information Policy

Internal procedures pertaining to dealing with inside information in REC Silicon ASA (REC Silicon) and its subsidiaries

1 Background and object

Pursuant to the Norwegian Securities Trading Act (the “**Act**”), REC Silicon has the following statutory obligations relating to adequate handling of inside information:

- REC Silicon must have routines for safe handling of inside information
- There must be insider lists kept of people who have access to inside information and the list must be continuously updated
- People who are granted access to inside information must be made aware of the duties and responsibilities this implies and the criminal liability that is linked to misuse or unwarranted distribution of such information.
- REC Silicon must be able to prove to the Financial Supervisory Authority of Norway (*Finanstilsynet*) that those who have access to inside information are aware of their duties.

The purpose of this Inside Information Policy is to ensure that REC Silicon complies with the above duties and to increase each REC Silicon employee’s and elected trustee’s (board members, auditors, etc.) awareness of the responsibilities that follow as a result of being given access to inside information, disclosing such information and the consequences of misuse of such information.

2 Area of application, liability etc.

The instructions set out in this policy apply to *all* employees and elected trustees (board members, auditors, etc.) of REC Silicon and REC Silicon's subsidiaries, as well as joint venture companies where REC Silicon is the managing partner, or other companies and subsidiaries in which REC Silicon has a controlling influence.

Those who bear responsibility for REC Silicon's business areas must ensure that employees and elected trustees of REC Silicon's subsidiaries are aware of and fully understand this Inside Information Policy. For REC Silicon ASA this responsibility lies with the individual division heads. Together with the individual manager, REC Silicon Legal will assist in the practical training.

3 Definition of inside information

Inside information is defined as information *of a precise nature* concerning a financial instrument, the issuer of such financial instrument or any other circumstances that are *not publicly available or common knowledge* in the market and that is *likely to have a significant impact* on the price of the financial instruments (including listed shares and bonds).

a) Information of a “precise nature”

Inside information may, for example, be knowledge relating to forthcoming acquisition bids, financial results, decisions involving own shares, contractual negotiations, investment decisions, decisions taken by public authorities or information relating to framework conditions that the issuing enterprise is subjected to. It is important to note that it is not necessary that all particulars or details of the transaction, event or matter be precisely known or that a transaction is complete or a contract is signed or finally approved; there is no requirement of a board decision or other concluding decision in order for the information to be considered as inside information. However, pure rumours, assumptions and speculations will not meet the criteria for being considered inside information.

b) “likely to have a significant impact on the share price”

The test here is if *a reasonable investor would be likely to use the information as part of the basis for his investment decisions*. The assessment of the possible price effect of the information must be made before the information is commonly known and discounted in the price. The assessment must take all market variables into account. In many cases it will necessarily be based on empirical evidence of how the information concerned would affect the price if it becomes known in the market. Note that there is no requirement of *predominant* likelihood; it is enough that an investor may realistically use the information.

At which point information becomes inside information will depend on a concrete assessment of whether the publication at a particular stage of the decision process would in itself have an effect on the price. This assessment must be made continuously.

c) “publicly available or common knowledge”

Information is not publicly available or common knowledge if it is known to many persons (but not all) or if there are (correct) rumors in the market. On the other hand, this does not mean that the information must be easily available – it is “public” if everyone is able to get access to even if some investigation effort is necessary.

All employees and elected officers are obliged to continually assess whether information that he/she gains knowledge of or has access to as a result of his/her position or office in REC Silicon can be considered to be or is likely to develop into inside information. Anyone who gets knowledge of such information shall immediately report this to REC Silicon Legal or to his/her superior, who in turn should report to REC Silicon Legal. **If there is any doubt, REC Silicon Legal must always be immediately contacted.**

4 Delay of publication of inside information

In principle, REC Silicon's Investor Relations department must publish inside information on REC Silicon-related financial transactions without delay at the Oslo Stock Exchange (Oslo Børs).

Under the relevant provisions of the Securities Trading Act, publication may in some cases be delayed in order not to harm REC Silicon's legitimate interests, for example the possibility of implementing a project. The decision as to whether or not grounds for a postponement exist is made by the CLO in consultation with the CEO and the IRO. Thereafter, the Investor Relations Department immediately informs the Oslo stock exchange of the circumstances, the background for the delay and that REC Silicon has initiated keeping an insider list. The notice shall be submitted to the Company's stock exchange contact or the duty officer in the

Department for Supervision and Control (in the case of shares) and/or the Fixed Income Department (in the case of bonds). Whenever a decision has been made to delay a publication, REC Legal or the IR Department shall immediately prepare an insider list listing every person who has access to the inside information, together with other relevant information.

5 Insider lists

In the event that any information relating to REC Silicon or its subsidiaries is considered to be inside information under the relevant provisions, REC Silicon shall keep – and continuously update – an insider list containing information regarding all individuals, together with other relevant information (cf. the Act section 3-5), who have been granted access to inside information. **The template to be used for such insider lists can be obtained from REC Silicon Legal.** The relevant business unit shall assist in preparing the listing and in disseminating any information as requested by REC Silicon Legal.

The person or persons responsible for the listing shall ensure that persons who are included in the list are aware of the fact that they are included on the insider list, as well as of the duties and obligations this implies and the criminal liabilities that are connected to the misuse or unwarranted use of such information. In advance, or on the first occasion that the person in question receives inside information, those responsible for preparing the list shall send the *“Instructions pertaining to dealing with inside information in REC Silicon ASA (REC Silicon) and its subsidiaries”* (Enclosure 1) to the recipient and obtain a declaration which confirms that the recipient is aware of and understands the duties and obligations this implies, cf. *“Declaration of acknowledgement of the REC Silicon Inside information Policy”* (Enclosure 2).

Note that REC Silicon is **responsible and liable** for external service providers keeping insider lists pursuant to current regulations. REC Silicon should always demand that external service providers prepare insider lists in connection with awarding of assignments and that this obligation is properly documented in a written agreement. The practicality of delegating the need to prepare lists must be considered on a case to case basis and must always be discussed with the CLO or someone to whom this responsibility has been assigned.

The officer responsible for compiling the list shall ensure that it is submitted for safekeeping following every update. The duty to safe keep the list spans five (5) years from the date of the last update.

6 Duties and liabilities upon having received inside information

6.1 Prohibition of misuse of inside information

Subscription to, purchasing, selling or exchanging financial instruments issued by REC Silicon must not be executed when you are privy to inside information concerning any REC Silicon financial instruments. This prohibition applies to any physical person or corporate entity, indirectly or directly trading for one's own account or for the account of others, irrespective of the settlement method. The prohibition also applies to incitement to trading, i.e. it is not permitted to give others advice or in any way influence anyone to make, or to refrain from making such dispositions, if one has inside information on REC Silicon-related financial instruments.

This applies equally to entry into, purchasing, selling or exchanging bonds, options, forward contracts or similar rights (including financial derivatives) related to such financial instruments or to incite such dispositions.

This prohibition affects only trading that can be characterised as *misuse* of inside information. Whether or not the trade is subject to the prohibition must be considered on a case by case basis. Pursuant to the Securities Trading Act, the prohibition does not hinder normal execution of options or forward contracts entered into earlier when the contract period comes to an end.

6.2 Duty of confidentiality

Inside information is confidential information and shall not be given or in any other way made available to unauthorised individuals or companies.

The information can *only* be transferred to or made available to others in the event that the recipient has a justifiable and well-founded need for the information seen in light of REC Silicon's interests. A strict "**need to know**" principle is applied, i.e. the number of people with access to the information shall be as limited as possible.

Those who transmit inside information or make the information accessible to others have an individual responsibility for ensuring that the person(s) who become(s) privy to the information is at the same time made aware of the duties and liability receiving such information implies, including the duty of confidentiality, the duty to safe keep the information in an adequate manner and not to misuse it, that such person is listed on the respective REC Silicon's insider list as well as the criminal liability that is linked to misuse or unwarranted distribution of such information. The above applies irrespective of whether the recipient is an employee/elected officer in REC Silicon or an external consultant or business relation.

6.3 The obligation to keep inside information safe and secure

All who have inside information are obliged to handle such information with due care and attention so that inside information is not made available to unauthorised persons or is misused.

6.4 Duties relating to distribution of inside information

In the event that inside information is distributed or made available to others pursuant to section 6.3 above, the officer responsible for the insider list and/or the CLO shall be advised without delay.

The officer who is responsible for maintaining the list shall immediately add the person to the list of people who have access to inside information. At that time the person responsible for maintaining the insider list shall ensure that the recipient is aware of the duties and responsibilities this implies and the criminal liability that is linked to any misuse or unwarranted use of such information (see section 5 above).

6.5 Criminal liability etc.

Misuse of inside information and breaches of regulations relating to the duty of confidentiality and proper handling of inside information is a criminal offence. Infringements are punishable with fines or prison sentences. Both deliberate and negligent infringement is subject to punishment. Aiding and abetting and attempted misuse are similarly punishable. In addition, one may incur personal compensation liability to REC Silicon and others, as well as disciplinary actions relating to the employment relationship, including notice and dismissal.

7 Financial reporting at REC Silicon group level in particular

In case of non-consolidated financial results at business unit level, it is essential to consider on a case-by-case basis whether the results can be considered to constitute inside information, in the same manner as other sensitive information in accordance with Chapter 3 above.

As regards consolidated financial results in connection with interim reports of the REC Silicon group's financial results, these must *always* be treated as inside information. This information shall be dealt with in accordance with duties specified in this Policy, but with the adjustments and precisions that follow from 7.1 - 7.3 below.

7.1 Delayed publication

The general rule is that the terms for delayed publication are satisfied for consolidated financial results that appear in connection with the interim reporting for the REC Silicon group.

7.2 Profit warning

REC Silicon Finance must constantly assess whether the financial results for the period bring to light material deviations (significantly better or worse) compared to the expectations the company has created, i.e. expectations that can be traced to information which REC Silicon itself has provided to the market. This assessment is made in association with the CLO, IRO and the CEO. REC Silicon's CFO must thereafter decide on the publication of any profit warning.

7.3 Insider lists

REC Silicon Finance shall maintain a list of insiders who have been granted access to information relating to the quarterly and yearly consolidated accounts of REC Silicon as soon as such information is compiled in a manner that it gives an overall picture of the group's financial position and/or how the consolidated quarterly/yearly accounts will be published.

The list for financial reporting shall be maintained in the same manner as the insider list referred to in section 5 above, irrespective of whether the financial results at that time are defined as inside information or not.

8 Regarding primary insiders in particular – trading in financial instruments, duty to inspect, duty to obtain approval, duty of disclosure etc.

In addition to this REC Silicon Inside Information Policy, primary insiders are subject to "*Rules and regulations for primary insiders in REC Silicon*". Detailed routines for primary insiders' trading in financial instruments, the duty to inspect, obtain approval and the duty of disclosure are established in these rules and regulations.

REC Silicon ASA

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