

**“We behave
and comply”**

Code of Conduct



Principle 1: We comply with laws and regulations

A culture of compliance is fundamental to protect our company values and our reputation in the market. Compliance is doing business within the legal framework of the countries in which we operate. Our objective is complete and absolute compliance. We do not distinguish between important laws and less important laws.

The term 'laws' should be taken to mean statutes/acts, regulations and government decrees at national and local level. Furthermore, we expect that you comply with our own internal policies and procedures. These guidelines are intended to help us comply with laws, fulfil important company objectives and make our teamwork easier.

Compliance requires commitment. We expect you to seek guidance and advice if you ever find yourself in a situation where you do not know whether your acts are legal. You should not operate in 'grey zones' and expose yourself and the company to unnecessary risks.

Regulatory compliance is a joint responsibility. For the purpose of this Code, we would like to remind you of certain legal obligations that are especially important:

- ⇒ Complying with laws and regulations concerning the safety of our employees;
- ⇒ Complying with laws and regulations protecting the environment;
- ⇒ Complying with accounting standards and laws intended to ensure accurate books and record keeping;
- ⇒ Complying with laws concerning the calculation and deduction of tax and public duties;
- ⇒ Complying with laws in relation to the working environment;
- ⇒ Complying with laws that ensure fair competition and that prohibit illegal business conduct such as corruption and fraud;
- ⇒ Complying with laws that for foreign policy and security reasons prohibit trading and engaging in business with certain countries, organizations and individuals;
- ⇒ Complying with anti-money laundering laws, rules and regulations;
- ⇒ Complying with data protection and privacy laws applicable in our operations.

For certain areas, such as trade sanctions compliance, our company may have decided on more strict policies than is required by national laws. Where differences exist between the standard of the law or regulations and the requirements of the Code concerning our internal policies, the higher standard applies.

Principle 2: We respect our colleagues

Our objective is to recruit, develop and retain the best people, and to have a creative, diverse and inclusive working environment.

We want our employees to perform to their full potential, and will recognise and reward fairly for their performance. To help you aspire and perform to your full potential, colleagues may give open and honest feedback in a constructive and respectful way. Management welcome and encourage input from our company's employees.

We will ensure that the workplace is safe and free from harassment, discrimination and bullying. We will never tolerate any form of abuse or harassment of our colleagues, contractors, suppliers, customers or anyone whom we do business with.

We will treat everyone with courtesy and respect, regardless of race, gender, age, national or social origin, disability, sexual orientation, religious belief, political opinions, or other status.

We value diversity and provide equal opportunities. We recruit, select, train, promote and reward our employees solely on merits. All employee-related decisions will be based on qualifications, demonstrated skills, achievements and/or other professional criteria.

We also expect our contractors, suppliers, customers and other business partners to pursue similar fair treatment and equal opportunity standards in respect of their employees. The term 'contractors' should be taken to mean both those working within our organisation as hired staff and those working on behalf of any supplier or service provider.

You should never:

- ⇒ Behave in a way that could reasonably be considered offensive, intimidating, discriminatory or insulting. Avoid abusive language and/or inappropriate jokes, such as jokes of a racial or sexual nature, in the workplace;
- ⇒ Engage in any form of harassment. Harassment does not have to take place at work or involve a colleague to violate our Code;
- ⇒ Humiliate, ridicule or injure another person;
- ⇒ Directly or indirectly discriminate an employee on the basis of race, gender, age, national or social origin, disability, sexual orientation, religious belief, political opinions or other status;
- ⇒ Turn a blind eye to harassment or discrimination in the workplace. Voicing concerns or reporting incidents to management will never result in retaliations if reported in a proper manner and in good faith.

For more guidance, please consult:

- Our Whistle-blower Policy



Principle 3: We ensure healthy and safe working conditions

We strive to have a healthy workforce and a safe working environment, and we are committed to safeguarding the health and wellbeing of all our employees.

The company will always comply fully with applicable laws and regulations relating to workplace health and safety. You must familiarise yourself with, and follow all policies, guidelines, instructions and procedures that apply to your line of work, and cooperate with those responsible for ensuring that applicable health and safety requirements are observed. In certain projects we may also be requested to comply with instructions from other companies, such as a client or an operating company. We are obliged to comply with such instructions and you should be aware that failure to do so may cause injury, damage and/or have severe financial consequences to our company if anything goes wrong.

Health and safety concerns, work-related injuries or illnesses must be reported immediately. Any employee who is aware of a potentially dangerous situation and/or a 'near miss' incident should report this without delay. You may always report such concerns to your line manager or by following the company's whistle-blower procedures.

Flux Group and companies is a drug-free workplace. Being under the influence of alcohol, drugs and/or misuse of medications, affects our judgement and performance and will not be tolerated while at work. It may also affect your safety and the safety of your colleagues.

You should only undertake work that you are qualified to perform, when sufficiently fit, prepared and rested. We always take time to plan and to work properly in accordance with company guidelines. It is important to make sure everyone involved fully understands all aspects of our activities, and also of any other activities that might be on-going at the same time and have the potential to impact on our activities.

As an employer, we will ensure that:

- ⇒ We comply with all laws and regulations concerning the safety of our employees;
- ⇒ Working conditions in the company meet or exceed international labour standards, including the International Labour Organisation's conventions and recommendations;
- ⇒ The workplace, machinery, equipment and processes are safe and without risk to our employees' health;
- ⇒ Appropriate measures of protection are taken at all times.

As an employee you must always use the protective equipment and clothing provided by the company, as it is provided to prevent risk of accidents or adverse health effects. You have a duty to study the requirements for the use of protective equipment and/or clothing for the various operations you are involved in.

You are required to be careful about your own health and safety. You have an absolute duty to stop any work that you believe is unsafe, may harm your own or other people's health and/or result in an accident.



Principle 4: We protect our assets and confidential information

We always take care to protect our business assets and information of a confidential nature. Such assets and information include, but is not limited to, our property, time, intellectual property, business opportunities, customer lists, pricing proposals, company funds and company equipment. We also respect the intellectual property and protected information of others.

As a company, we are committed to properly managing our records and complying with legal, financial and regulatory requirements. We are committed to disclosing the company's dealings in a transparent and accurate manner, and to provide financial statements or other public records as may be required by law.

We also safeguard access to, and the appropriate use of, the company's information and IT resources.

We are all responsible for making sure our assets are not misused or wasted. Examples of misuse are thefts of supplies, equipment, documents, cash and/or other property.

In particular, you should ensure that you:

- ⇒ Take reasonable care when using our property at all times, and do your utmost to ensure that company property is not damaged, lost or stolen;
- ⇒ Report damaged, lost or stolen property or equipment without delay;
- ⇒ Treat company funds as you would treat your own funds, and do not misuse telephones, computers and/or other equipment;
- ⇒ Do not use company property for personal activities without prior authorisation;
- ⇒ Protect company information and never disclose confidential information to non-employees. This obligation applies both during and post termination of your employment with the company;
- ⇒ Notify your line manager if you suspect that confidential information has been misused or revealed to others;
- ⇒ Private use of social media during working hours are not accepted. You are prohibited from publishing anything related to your employer on social media.

All media contact shall be coordinated by the CEO, or by a person with delegated authority to give statements on behalf of the company. You are not allowed to give statements to the press regarding company matters without prior approval.

Principle 5: We respect fundamental human rights

We are committed to protecting the fundamental human rights of anyone affected by our operations. This is of particular importance where we operate in areas and regions with poor living standards, and a weak protection of human rights by the national authorities. We recognise that the respect for human rights is a global standard and that upholding such rights is a responsibility to be expected of all businesses wherever we operate. This standard applies over and above national laws and ensures that people's fundamental rights are protected even if local laws and local standards fail to do so.

The respect for human rights implies that we will:

- ⇒ Avoid causing or contributing to adverse human rights impacts through our operations;
- ⇒ Address human rights impacts if and when they occur;
- ⇒ Seek to prevent and mitigate human rights impacts directly linked to our operations, products or services;
- ⇒ Never use child labour or forced labour in our operations and commit our contractors and suppliers to the same policy;
- ⇒ Recognise the right to collective bargaining and the freedom of association;
- ⇒ Provide our employees with decent wages and regulated working hours;
- ⇒ Respect the cultures of indigenous peoples and recognise their rights as distinct peoples to practise their traditions and customs.

Human rights are defined by a number of conventions and principles. As a company, we are committed to complying with the United Nations Global Compact Principles (UNGC). By expressing our support for UNGC we are committed to upholding ten internationally recognised principles in the areas of human rights, labour standards, environmental sustainability and anti-corruption. We expect you to familiarise yourself with the ten UN Global Compact Principles (www.unglobalcompact.org).

Furthermore, we understand that the protection of human rights is not only the responsibility of states and governments. As a company, we are committed to avoiding adverse human rights impacts through our operations.

Our goal is to make a positive contribution by developing businesses, encouraging innovation and enhancing international competitiveness in the communities in which we operate.

Principle 6: We never make illegal payments

Illegal payments comprise all types of payments that are illegal under applicable laws. The term 'illegal payments' should be taken to mean not only corruption, but also embezzlement and fraud. An illegal payment will typically lead to the enrichment of a person or several persons at the expense of the company. Such payments are strictly forbidden and will in most cases lead to the immediate termination of your employment.

Corruption is a threat to fair competition, and it undermines legitimate business activities. Any violation within our organisation will be a threat to our reputation and credibility in the market. Corruption is wrong and unacceptable, and no business advantage for our company will ever justify paying a bribe.

The definition of corruption may differ from one jurisdiction to another, however, the main concept is the same: giving an improper advantage to a person in the public or the private sector in the conduct of their duties is not permitted. Our policy is to comply with the Norwegian anti-corruption provisions, the UK Bribery Act (UKBA) and the US Foreign Corrupt Practices Act (FCPA). Hence, you are prohibited from:

- ⇒ Giving or offering an improper advantage in connection with a person's position, office or assignment in either the public or private sector;
- ⇒ Offering, promising or giving a financial, or other kinds of advantage, to another person with the intention to (i) induce a person to perform improperly a relevant function or activity, or (ii) in order to reward a person for the improper performance of such a function or activity;
- ⇒ Offering to pay, paying or authorising the payment of money or anything of value to a foreign official in order to influence any act or decision of the foreign official in his or her official capacity, or to secure any other improper advantage in order to obtain or retain business;
- ⇒ Falsifying the company's books and records;
- ⇒ Offering or giving an improper advantage to a third party in exchange for this person trying to influence the conduct of someone else (trading in influence).

The company does not only prohibit active bribery, but also the acceptance or receipt of an improper advantage in connection with your position in our company. Never accept a kickback, "private commission" or money from any of our business partners.

You should be aware that it is not only the transfer of money that constitutes bribery. Also gifts, services, offering preferential terms for a product or a service, and travel and accommodation may in certain cases expose the company to a compliance risk.

It is strictly forbidden to make any unauthorised transfer of money or anything of value from the company to yourself, to any of your close relatives or to any person acting on your behalf. Stealing company assets or funds will never be accepted.

For more guidance, please consult our:

- Business Hospitality Procedure



Principle 7: We select our business partners carefully

Our business partners are important to the success of our company and we strive to build good and lasting relations. The term 'business partners' should be taken to mean our suppliers, contractors, joint venture partners, agents, customers, consultants, professional advisors etc. Our business partners and the conduct of our business partners may in some cases expose our company to reputational damage and other negative consequences. For this reason we must carefully select our business partners, especially business partners conducting services on our behalf.

The level of due diligence efforts needed in respect of a new business partner will depend on whether any risk factors and/or "red flags" are present. We expect you to:

- ⇒ Investigate if the home country of the business partner is perceived to have a high risk of corruption (consult for instance the Transparency International Corruption Perceptions Index);
- ⇒ Perform risk-based due diligence as instructed in the company procedure. You should never work with any business partner without making an initial assessment of their reputation and gathering certain key facts about the company;
- ⇒ Use contract clauses to commit our business partners to adhere to our standards with respect to anti-corruption, labour standards, and standards with respect to the environment and human rights;
- ⇒ Monitor the performance of our business partners and immediately take action if a business partner fails to comply with its undertakings under the contract, or if you suspect illegal activities;
- ⇒ Be alert to the risk of receiving or handling proceeds from a criminal act (money laundering). You should know who the business partner is, obtain confirmation that transfers are made to and from the correct bank accounts, and look out for red flags in a particular transaction;
- ⇒ Familiarise yourself with applicable laws in relation to trade sanctions and anti-terrorism, and ensure that you do not become involved with sanctioned companies or persons;
- ⇒ Ask yourself whether an agreement seems to be according to market practice and on commercially acceptable terms. The fee and price must be reasonable and proportionate compared to the goods or services provided;
- ⇒ Be alert to the possibility of fake invoices, fake agreements or unidentified expenses in invoices to be paid by our company.

The use of agents or intermediaries to obtain or retain business, or to obtain certain permits from government authorities might expose the company to an unacceptable level of risk. You should never engage an agent or intermediary to assist in business

development or to achieve a result in relation to public authorities without prior authorisation from the CEO.



Principle 8: We avoid conflicts of interest

Conflicts of interest occur where our personal, social, financial and/or political activities affect the job we perform or our loyalty to the company. We expect that you always act in the best interest of the company, and not make decisions based on what will benefit you personally. Confidential company information which you receive as an employee shall never be used for your own personal gain, or for that of others.

Wherever possible, conflicts of interest should be avoided. Sometimes the mere appearance of a conflict of interest can be harmful to the company. If and when a potential conflict of interest occurs, it is important that you recognise it, disclose it to your manager and ask for the appropriate guidance.

It can sometimes be difficult to identify conflicts of interest. You should ask yourself whether the situation affects how you perform your job, or whether it affects the decisions you make for the company. You should also consider how the situation looks like from the outside. Would your colleagues, or the company's shareholders, contractors or customers, think that the situation would influence the performance of your job for the company?

You should be aware that the following situations may create an actual or apparent conflict of interest:

- ⇒ If you have a second job or perform services for one of our competitors, customers or suppliers;
- ⇒ If you carry on a business in your own time of a similar nature to your work in the company;
- ⇒ If you have a personal or financial interest in any business that has transactions or dealings with the company, such as one of our competitors, customers or suppliers;
- ⇒ If one of your family members, or anyone else who you have a close personal relationship with, has business dealings with the company;
- ⇒ If you, or your family members, or anyone else with whom you have a close personal relationship, invests in a competitor, supplier, or customer of the company.

You should always disclose actual or potential conflicts of interest to your line manager.

Principle 9: We compete fairly

We support fair and open competition in all markets.

We are committed to complying with all laws that prohibit behaviour which limits trade and/or restricts competition. Such laws are known as competition laws or antitrust laws.

We will not engage in any anti-competitive practices. Anti-competitive practices include agreements with a competitor to fix prices, to share or allocate markets, to rig bids or to limit or restrict supply to customers. It could also include agreements that impose restrictions on customers and suppliers.

Exchanging information may also be anti-competitive. You should therefore never share with a competitor competitively sensitive information, such as information about current and future prices, costs, strategies, customers or suppliers. Receiving such information from a competitor is also illegal. Be aware that the prohibition also applies when we participate in trade associations or joint ventures with competitors.

By way of example, you should never agree or signal your agreement to:

- ⇒ Fixing prices vis-à-vis third parties, or aligning the timing of an increase or decrease in price, or other terms relating to pricing with a competitor;
- ⇒ Dividing up certain customers, territories or markets with a competitor;
- ⇒ Discussing competitive bids or tenders with a competitor, or agreeing on who should win a bid;
- ⇒ Agreeing with a customer the price it can charge to its customers or agree a minimum resale price;
- ⇒ Restricting the area in which or to whom a customer can sell or the territories in which the customer can sell;
- ⇒ Behaviour abusing a position of market dominance.

Penalties for breaching competition laws are severe and allegations of anti-competitive practices could harm the company's reputation. Seek advice in all situations which you believe may involve a risk of breaching competition laws and immediately report to management if there is a risk of exposure for the company.

Principle 10: We operate in an environmentally responsible manner

We are all responsible for protecting the environment. As a company, we will comply with all legislations and regulations related to protection of the environment.

Our commitment is to ensure that the environmental impacts of our operations are reduced wherever possible. We monitor and assess the negative environmental impacts of our operations and will always address and seek to improve these. We are committed to pursuing best industry practice whenever possible. We strive to ensure the efficient use of natural resources, and will consider environmental impacts when choosing a product or work procedure for a project we are engaged in. Our environmental impact shall be reduced to a minimum by:

- ⇒ Reducing waste from our operations. Wherever possible, waste is minimised and recycling is maximised;
- ⇒ Using energy and materials efficiently;
- ⇒ Supporting initiatives which focus on sustainable development and/or promote a greater environmental responsibility;
- ⇒ Encouraging innovation and further develop environmental friendly technologies and practices.

Any incident which may affect the environment, or cause apparent breach of environmental laws, should be reported to management immediately. Our company will initiate required actions.