

CULTURE FOR SPEAKING UP - WORKING DOCUMENT CODE OF CONDUCT

The Board of Directors shall safeguard shareholder values by gaining an understanding of whistleblowing as a mechanism for the prevention and disclosure of misconduct in the company.

The Board of Directors shall always ensure an open culture of expression, competent systems, and routines for handling received whistleblowing and the protection of whistleblowers and other affected parties. The board shall document this work.

Compliance shall be ensured through reporting from the CEO to the Board of Directors.

COMMENT

The statement of principles is based on the fundamental principle that whistleblowing is part of employees' general freedom of expression. Research shows that in companies with a good culture of expression, where employees feel that there is room for raising difficult topics, there will be no need for whistleblowing. However, when ordinary management and control systems fail, both the company itself and its stakeholders rely on employees (or other insiders) to take on the personal risk that whistleblowing can entail.

The design and implementation of whistleblowing systems and policies must be seen as an important part of the company's risk management. The board is also legally, and for all practical purposes, the highest internal whistleblowing level in a limited company.

As an employer, the board of directors is also subject to extensive legal obligations to ensure effective procedures and systems for whistleblowing, safeguard its employees' special whistleblower protection, and ensure a proper working environment.

With the aim of ensuring that critical information reaches the company's decision-makers and making it safe for all employees to blow the whistle, the board shall, for example:

- Recognize the importance of individual employees being able to freely express themselves and safely report possible misconduct in the company.
- Consider whether to introduce a reward system for whistleblowing in the company.
- Use the annual cycle to determine the necessary action points.
- Implement whistleblowing guidelines in the company that:
 - Ensure that employees (and others) can safely blow the whistle.
 - Ensure effective, responsible, and competent investigation and processing of received received whistleblowing reports.
 - Ensures a safe working environment where the employee who has made whistleblowing reprisals and where the whistleblower and other affected parties are safeguarded.
- The Board of Directors shall require regular reporting from the CEO on:
 - Efforts to ensure an open culture of expression
 - Efforts to ensure a system/procedures for whistleblowing that are responsible and professional
 - How work is being done to investigate received whistleblowing reports.
 - How the participation of employee representatives in the work is ensured.

- The board shall ensure the evaluation of the effectiveness of the whistleblowing procedures. The general manager shall, for example, annually, report to the board on:
 - How many whistleblowing reports have been received in the current year?
 - What types of misconduct have been reported?
 - How the reports have been handled?
 - Have organizational or other types of changes been implemented as a result of whistleblowing?
 - Has the procedure been evaluated based on the experience gained?
 - Has the evaluation provided a basis for revising the system/procedures for handling internal whistleblowing?
- The board shall ensure that private investigation of the content of received whistleblowing reports is only used as an extraordinary measure where other forms of investigation/conflict resolution have not been successful or are considered futile.

REFERENCES

A. LEGISLATION AND REGULATIONS

- Act of June 17, 2005, no. 62 relating to the working environment, working hours job protection etc,
- in particular, section 1-1 letter c) and chapter 2A.
- Act of June 13, 1997, no. 44 on limited liability companies (the Limited Liability Companies Act), particularly section 6-12 et seq.
- Act of June 13, 1997, no. 45 on public limited companies (the Limited Liability Companies Act), particularly section 6-12 et seq.
- Norwegian Corporate Governance Board (NUES), in particular section 10. 10.

B. EMPLOYEES

- Notification:
 - NOU 2018: 6 - Whistleblowing, values, and protection with appendices.
 - Prop. 74L (2018-2019) Amendments to the Working Environment Act (whistleblowing).
 - Innst. 315L (2018-2019) Recommendation from the Labor and Social Affairs Committee on Amendments to the Working Environment Act (whistleblowing).
 - Legislative Decree 70 (2018-2019) Adoption of the Act on amendments to the Working Environment Act (whistleblowing).
- Corruption
 - Proposition no. 73 (2006-2007) to the Act to amend the Act of June 13, 1969 no. 26 on damages (implementation of the Council of Europe's civil law convention on corruption).
 - Innst. O. no. 6 (2007-2008) - Recommendation from the Justice Committee on an Act to amend the Act of June 13, 1969 no. 26 1969 no. 26 relating to compensation for damages (implementation of the Council of Europe's Convention on Corruption).

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- Company law
 - NOU 1996:3 New company legislation
 - Proposition to the Storting no.23 (1996-1997) on the Limited Liability Companies Act (the Public Limited Companies Act (allmennaksjeloven))

C. LITERATURE

- Books/theses
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 - Ulseth, T.S. (2014): Duty of confidentiality for employee-elected board members, Lov og Rett nr. 1 2014, s. 45-60.
 - Eriksen, Birthe M. (2010): Labor law or corporate governance? Arbeidsrett vol. 7, no. 1-2 2010, pp. 66-74.