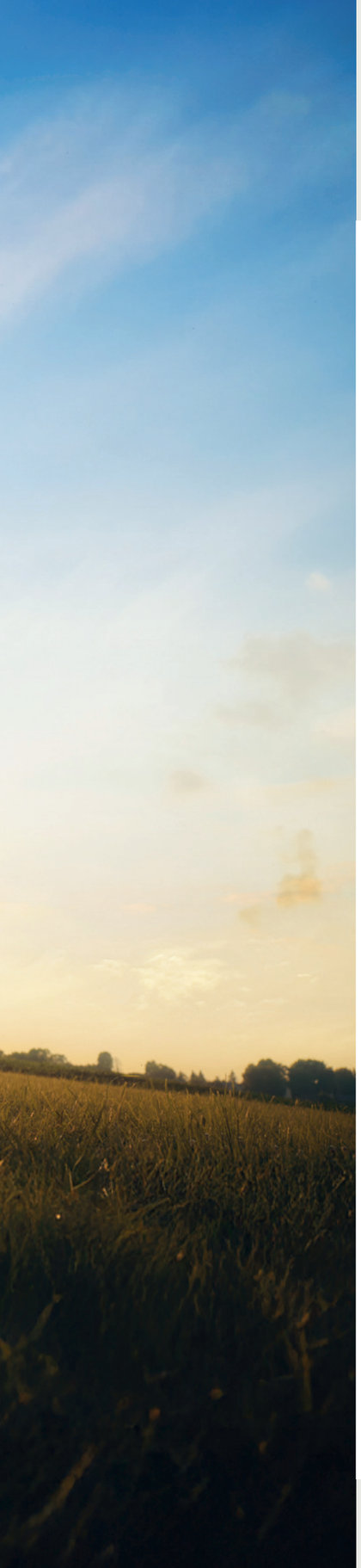
EST. '96

SOLAR'S MOST TRUSTED

REC

REC GROUP
ESG REPORT 2025
HIGH TIME FOR TRUE SUSTAINABILITY



INTRODUCTION

Empowering Sustainability in a Disrupted Solar Landscape

Starting in 2023, the solar industry entered one of its most critical turning points. Despite record growth in installed capacity, the sector has come under immense pressure due to a significant oversupply that has created an unsustainable market environment.

In 2023, global solar module production increased by 60% to a total of 553 GW, while the global PV installations amounted to 444 GW. In 2024, the global output further climbed to 640 GW, pushing global inventory levels and price competition to historic extremes. Panel prices dropped by up to 45% in 2023, followed by an additional decline of ca. 30% in 2024.[1]

Prices have plummeted to levels even below production costs, forcing many manufacturers, distributors, and installers out of the market. While reducing costs is key to making solar energy more accessible, the current price war undermines healthy market dynamics and might raise questions about long-term quality and durability in some time.

China controls over 80% of global solar PV manufacturing capacity, including more than 90% of the supply for critical components such as polysilicon, wafers, and cells. This situation highlights the urgent need for a globally diverse and resilient supply chain — one that promotes also sustainability in practice.

At the same time, we see recent geopolitical developments triggering a noticeable shift in global priorities. Economic resilience and energy security have increasingly taken precedence over immediate climate action and socially responsible business practices. While this reprioritization is understandable in light of today's global challenges, the urgency of reducing carbon emissions cannot be overstated. Postponing climate initiatives will only drive up the costs of adaptation, endanger public health, and increase the risk of loss of life due to extreme weather events such as heatwaves and droughts.

"At REC, we believe it is high time to refocus the conversation around quality, durability, and true sustainability in the solar sector."

Likewise, we must not lose sight of social equity. By 2025, it should be a shared moral imperative that all individuals — regardless of culture, gender, or age — are entitled to the same fundamental human rights and dignities. Environmental progress and social progress must go hand in hand with economic growth.

At REC, we believe it is high time to refocus the conversation around quality, durability, and true sustainability in the solar sector. We remain committed to our approach of combining technological excellence with environmental and social responsibility.

In response to the current oversupply, REC has proactively scaled back its production output in 2024. While this may temporarily impact our consumption metrics per megawatt produced, we view this as a more sustainable and responsible course of action — one that minimizes our absolute environmental footprint and aligns with our long-term ESG objectives.

Jan Enno Bicker, CEO at REC Group

[1] Source: Bloomberg, InfoLink

As the industry navigates these turbulent conditions, REC calls on stakeholders across the value chain to look beyond short-term economics. A sustainable solar future depends not only on how much solar we deploy, but on how responsibly we produce, distribute, and manage it throughout its lifecycle. Now more than ever, sustainability must move from the periphery to the center of every decision.

Choosing REC means investing in a company that prioritizes both performance and sustainability—because the path to a cleaner future demands nothing less.

While promoting the use of solar energy remains a priority for REC, we aim to educate customers on the significance of considering factors beyond power and price. It is crucial to select solar panels manufactured with greater responsibility, adhering to ESG practices within the solar industry.

As such, homeowners, businesses and installers need to better understand how to choose solar panels more responsibly by paying attention to the details, e.g., resource consumption such as energy and water, as well as minimized and safe disposal of end-of-life products.

ESG Steering Committee

Our dedicated ESG Steering Committee is made up of a diverse group of corporate departments. The Committee is responsible for developing, defining and monitoring the implementation of ESG strategies. We are committed to providing transparent and holistic communication that inform on our environmental, social and governance initiatives and to educate consumers and installers about how to choose solar panels more responsibly. The ESG Steering Committee reports to the CEO directly.

Scope of the ESG Steering Committee

The committee oversees and guides the organization's ESG initiatives and strategies, including:

- Developing and updating ESG policies and guidelines to align with the organization's values, goals, and regulatory requirements.
- Defining long-term ESG strategies and short-term objectives that integrate with the overall business strategy and contribute to sustainable growth.
- Target-setting, monitoring and evaluating the organization's ESG KPIs regularly to track progress and identify areas for improvement.
- Engaging with various stakeholders, including employees, customers, communities, and regulators, to understand why ESG matters also in the solar industry, educate on key aspects and new regulations, exchange on expectations and concerns, drive ESG initiatives.
- Ensuring accurate and transparent reporting of ESG data and performance internally and externally, in particular prepare and present the annual internal ESG Management Review and annual external ESG Report.
- Prepare and execute on ESG audits and certifications.

Since 2020, REC has consistently reported on its sustainability initiatives in its annual reports, aligning with the core subjects outlined in the ISO 26000 standard. Guided by the seven key principles of ISO 26000 — accountability, transparency, ethical behavior, respect for stakeholder interests, adherence to the rule of law, compliance with international norms, and upholding human rights — REC operates with integrity and responsibility in all aspects of our business.

With our high-efficiency products and environmentally conscious manufacturing practices, REC is not only guided by, but also actively contributes to the United Nations' Sustainable Development Goals (SDGs). We particularly focus on SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation, and Infrastructure), and SDG 12 (Responsible Consumption and Production), aligning our efforts to promote sustainability and address global challenges.

This ESG Report 2025 reports on our policies, procedures, initiatives and results for the calendar year 2024 with the reporting scope of REC's production sites under REC Solar Pte. Ltd. in Singapore and REC's regional Sales offices in the US, Europe and Asia-Pacific. We invite you to review our achievements in 2024 and join us on our journey as we strive for a more sustainable solar industry that benefits people, society and the environment.

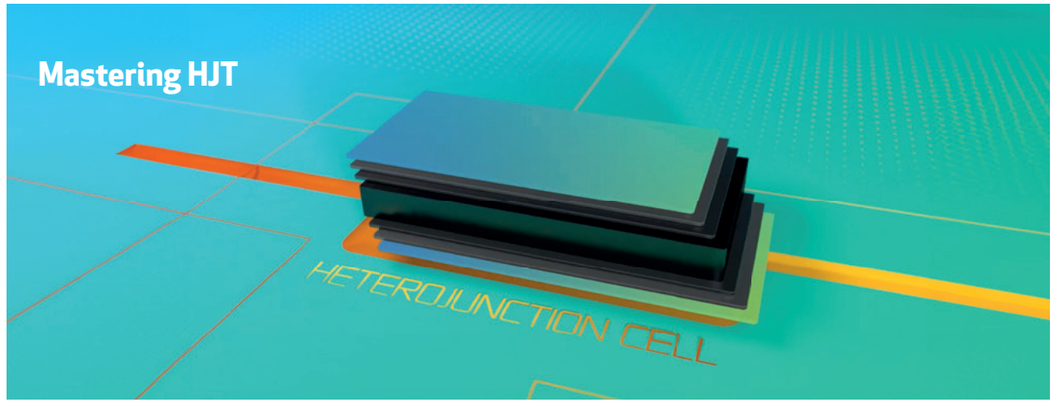
"By choosing REC Group, customers can be confident that they are investing in products of a company that prioritizes both, performance and sustainability."

WHO WE ARE

Almost 30 years of driving innovation and manufacturing excellence

REC has been innovating to continuously increase the efficiency and performance of our solar panels. In parallel, we have also updated and implemented new measures to reduce the consumption of resources.

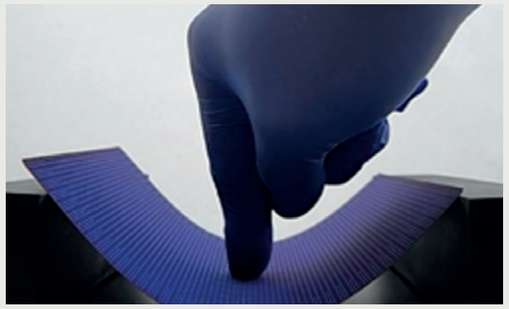
EST. '96



Over the last years, REC has continuously mastered the heterojunction cell technology (HJT). HJT cells offer superior performance and reliability to end-users by increasing panel performance while minimizing its environmental footprint, e.g. by using less steps in the production process at lower temperatures to reduce energy consumption during manufacturing.

REC has over six years of HJT manufacturing expertise, bringing six innovative panels to the market based on REC's advanced Alpha HJT technology. Our REC Alpha Series panels have won two Intersolar Awards.

REC maintains consistently high standards for technology innovation and manufacturing for its products to ensure high long-lasting performance for our customers. This has been honored with multiple recognitions by third parties.



Our products are backed by our comprehensive REC ProTrust warranty, which offers 25 years of warranty coverage on product, performance and labor (subject to conditions).

For our premium Alpha solar panels, REC guarantees at least 92% of the nameplate power in year 25, a testament to the high long-term performance of its products.

Our recognitions

REC has been honored with various recognitions over the years, such as:

- **SolarQuotes** award for 'Best Panel' and 'Best After-Sales Support' for the second consecutive year in 2024.
- **PVEL Top Performer** for 9 years.
- **PEP ecopassport and Declare** label.
- **Environmental Product Declarations (EPD)** from EPD Norway.

Sustainability

REC's focus on quality and sustainability goes hand-in-hand. Our investment in product technology along the entire value chain spans from sourcing and manufacturing to the disposal of solar panels at the end of life. For REC, sustainability means designing products with a minimum service lifespan of 25 years.

We take sustainability seriously and our senior management is committed to upholding these principles in all business activities. In line with our broader commitment towards social responsibility, REC aims to minimize the environmental impact of our products throughout their entire service life.

REC continues to deliver innovative products and maintain responsible operational practices through its ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety Management systems to uphold a more sustainable solar industry across the entire value chain.

In October 2023, REC joined the United Nations Global Compact, underlining REC's commitment to making a positive impact on the planet and to people through a robust ESG strategy. UN Global Compact is the world's largest corporate sustainability initiative. There are over 15,000 companies and 3,800 non-business signatories from more than 160 countries.

REC GROUP ESG FACTS

Key Results 2024

ENVIRONMENT

As we decided to slow down production output in 2024 due to the significant market over supply, our specific consumption numbers per MW output have increased, although the absolute numbers have decreased.

WATER

871 m³/MW
of process water consumption in Singapore (+43% vs 2023)

-29%
of process water consumption intensity in Singapore vs 2020

ENERGY

193 MWH/MW
of energy consumption in Singapore (+91% vs 2023)

1,213 T CO_2
saved through own clean solar power generation

-10%
energy consumption intensity in Singapore vs 2020

EMISSIONS

6.51 t GHG ($CO_{2\text{-eq}}$)/MW
Scope 1 emissions

77 t GHG ($CO_{2\text{-eq}}$)/MW
Scope 2 emissions

WASTE

4.7 t /MW
of waste generated in Singapore (+12% vs 2023)

100%
recycling rate of scrap modules in Singapore (13,511 modules)

-31%
waste generation intensity in Singapore vs 2020

3 | ESG KEY FACTS

SOCIAL

39%
of female employees (+1% vs 2023)

0.37
Total Recordable Incident/m man hours (+32% vs 2023)

452
new installers trained

22
supplier audits (-45% vs 2023)

0
deviations for ESG and HSE identified at suppliers (stable)

<100PPM
of claims rate since 2010 with >80% of claims processed within 14 days

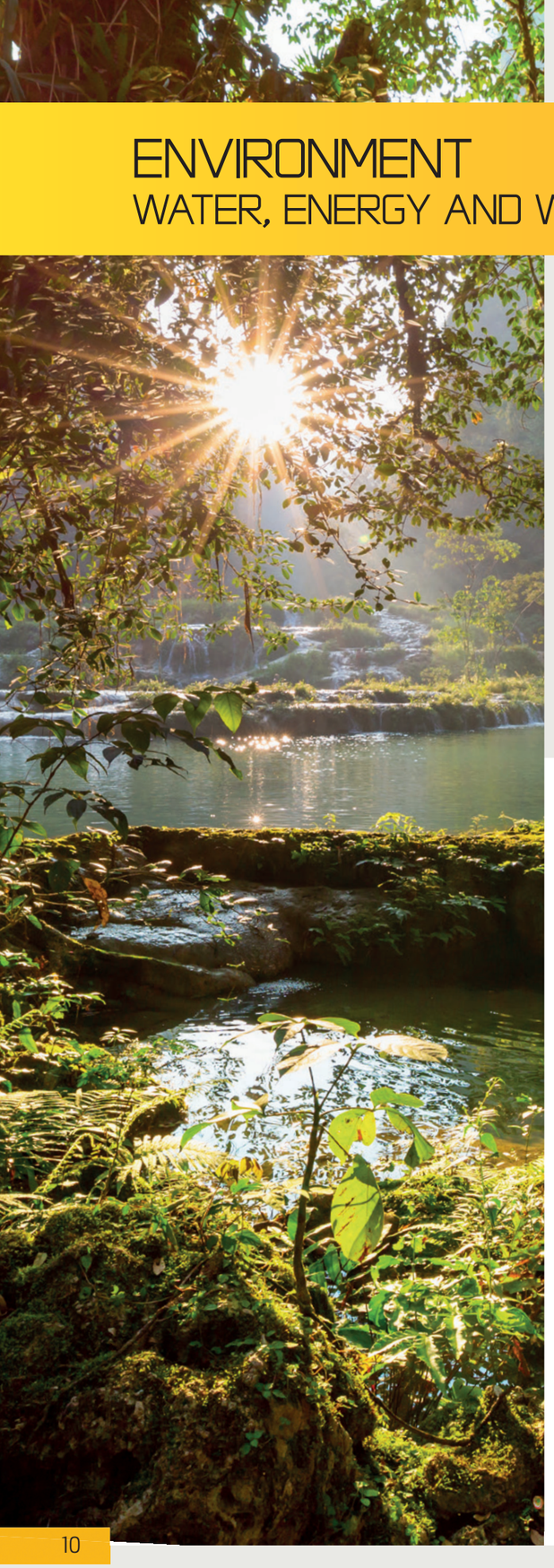
26
educational projects on technology, health and climate change conducted for students and employees

GOVERNANCE

100%
re-certification of employees on Code of Conduct and Anti-Corruption

0
deviations identified from REC's Fair Advertising and Promotion guidelines

0
deviations identified from REC's Trade Control Policy



ENVIRONMENT
WATER, ENERGY AND WASTE

For many years, REC has continuously driven energy, water and waste savings programs.

We regularly report on our energy and water consumption for our production sites in Singapore to Singapore's National Environmental Agency (NEA). We also report on our Scope 1 and Scope 2 emissions and have collaborated with the NEA to check improvement measures. Regular air pollution tests, as well as waste water quality tests are asserting that REC is following Singapore's strict rules.

Water

Water Saving & Recycling Programs

- **79,160 m³** water saved/year - equivalent to annual water usage of ~1,527 people

Energy

Energy Saving Initiatives

Clean Solar Power Generation

- **3,297 tons** CO_2 emissions saved/year

Waste

Non-hazardous Waste

Hazardous Waste

Modules Recycling

- **13,511 modules** sent for recycling

WATER

Water-saving and wastewater recycling programs

We have measures in place to use water responsibly during our production processes. In addition to looking at ways we can reduce water consumption, we treat as much water as possible to be reused at our manufacturing facility. REC Singapore converted also to a closed loop chilled water-cooling system in 2023. Thanks to all these efforts, REC was able to reduce its water consumption in Singapore by 29% compared to 2020.

In Singapore, specific process water consumption for 2024 was 871 m³ per MW, up from 607 m³ per MW in 2023 due to the significant lower production output.

Water recycling is important as water is considered a scarce resource in Singapore. Approximately 79,160 m³ of water was saved last year at REC's production site and this is equivalent to the annual water usage of approximately 1,527 people in Singapore.

Year	Water consumption intensity in Singapore
2020	**1,223 m³ / MW**
2021	**761 m³ / MW**
2022	**628 m³ / MW**
2023	**607 m³ / MW**
2024	**871 m³ / MW**

Treated Wastewater Recycling

REC is committed to the responsible use of water required for production (process water).

Having completed pilot testing for non-Hydrogen Fluoride (HF) wastewater recycling in 2020, we are working towards full implementation. The current plan is to complete the project by Q4 2025.

We successfully completed the trial test for HF waste water recycling between July - August 2022. Fluoride was successfully sequestered using the novel molecular sieve-based technology over multiple cycles.

Reverse Osmosis Reject Recycling

The Reverse Osmosis (RO) Reject Recycling at our production site in Singapore has resulted in water savings of 79,160 m³ in 2024.

ENERGY

Energy savings

We continue to monitor our workflows and manufacturing processes at our Singapore plant to identify potential energy savings and to reduce consumption. Since 2020, REC succeeded in reducing its energy consumption by 27%.

Despite the fact that manufacturing solar panels with silicon as the base material is an energy intensive process, every year we further investigate measures to reduce our own energy consumption in the manufacturing process. In 2024, we have reduced our CO_2 emissions at our production sites in Singapore by 3,297 tons in total.

We have reduced the amount of energy we use in our manufacturing facility in Singapore on an annual basis thanks to our continuous energy savings programs. Electricity consumption intensity at our Singapore production site was 193 MWh per MW in 2024, compared to 101 MWh in 2023. The significant increase was driven by the production output drop due to the exceptional actual over supply in the market.

REC's total onsite and purchased energy consumption in Singapore in 2024 was at 110,000 MWh, which translates to 6.51 tons of GHG ($CO_{2\text{-eq}}$) / MW Scope 1 and 44 tons of GHG ($CO_{2\text{-eq}}$) / MW Scope 2 emissions.

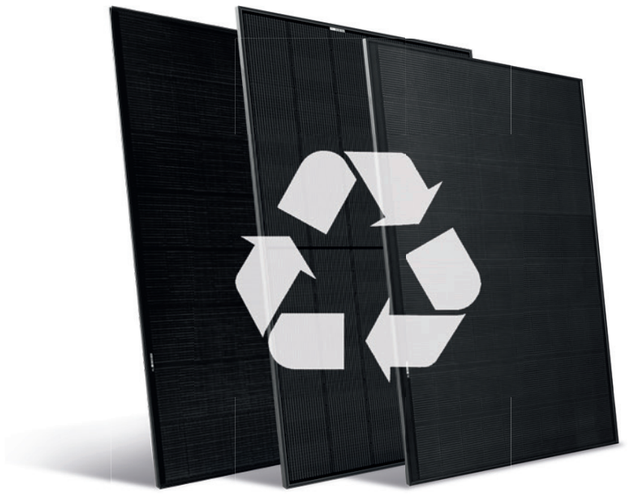
Year	Energy consumption intensity in Singapore
2020	**148 MWh / MW**
2021	**106 MWh / MW**
2022	**90 MWh / MW**
2023	**101 MWh / MW**
2024	**193 MWh / MW**

In 2024, we have taken additional measures at our Singapore plant which have resulted in significant energy and emissions savings:

- **Booster Pump outside 4M room (completed)**
  Energy savings: 367 MWh per year
  CO_2 emission reduction: 147 tons per year
- **Turn off 1x 15D Chiller (completed)**
  Energy savings: 1,830 MWh per year
  CO_2 emission reduction: 732 tons per year
- **EOL 1D HJT production, equipment & facilities optimized)**
  Energy savings: 2,830 MWh per year
  CO_2 emission reduction: 1,130 tons per year
- **EOL 3A Line 3 production, equipment & facilities optimized**
  Energy savings: 183 MWh per year
  CO_2 emission reduction: 73 tons per year

To help to further reduce our carbon footprint, REC generates energy through our rooftop solar installations at our Singapore production site. The solar panels we have installed help us to save energy and to demonstrate to customers that solar can provide a reliable source of energy for manufacturing businesses. Around 3,000 kWp of solar panel systems have been installed, reducing CO_2 emissions by approximately 1,213 tons in 2024.

WASTE



Waste Reduction Program

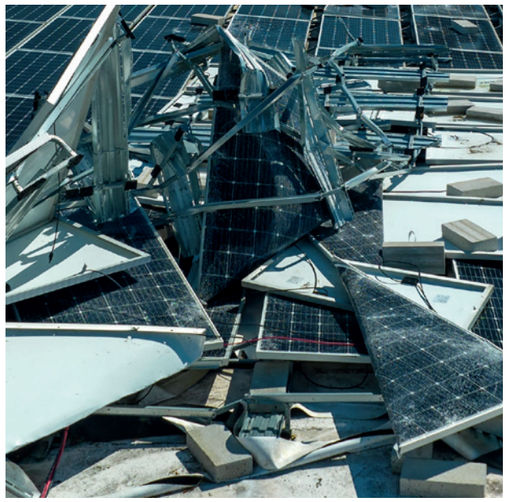
REC has an internal sorting and disposal of waste according to waste streams in place as well as actions for labeling, storing, handling and transporting hazardous substances. We separate our production and operations waste to recycle and reuse as much material as possible. Although REC's Waste Generation Intensity temporarily increased to 4.68 t / MW output in 2024 due to reduced production levels, we have achieved a 31% reduction in intensity compared to 2020.

Non-hazardous waste

REC closely monitors and accounts for recyclable non-hazardous waste including metal, aluminum, paper, wood and plastics throughout its entire production chain daily.

In 2024, our Singapore operations achieved an average recycling rate of recyclable materials of ~67%.

As for the total waste generation intensity, the amount of non-hazardous waste produced in 2024 increased to 3.81 tons per MW production output compared to 3.13 tons per MW in 2023 (+22%).



Year	Non-hazardous waste intensity in Singapore	Total non-hazardous waste in Singapore
2020	**4.22 t / MW**	**4,282 t**
2021	**3.72 t / MW**	**4,164 t**
2022	**3.46 t / MW**	**4,553 t**
2023	**3.13 t / MW**	**3,987 t**
2024	**3.81 t / MW**	**2,176 t**

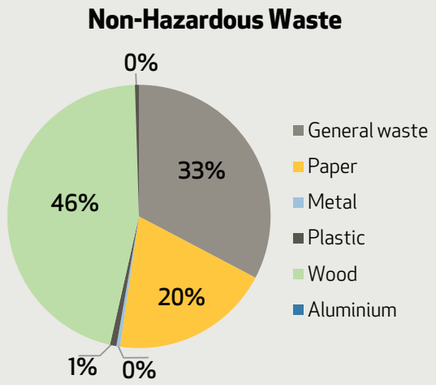
Hazardous waste

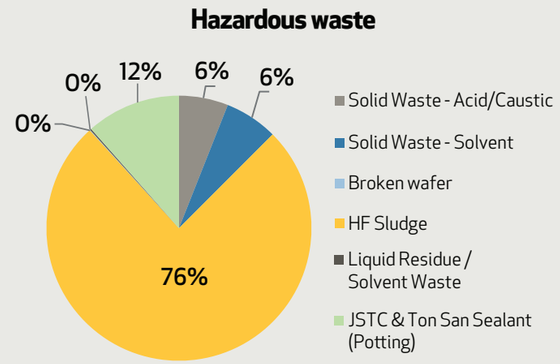
Hydrogen Fluoride (HF) sludge forms the largest category of non-recyclable waste at our production site in Singapore (76%), a by-product of cell production that is sent to landfill. Our focus for hazardous waste is to develop and implement innovative ways to reduce and recycle it.

Studies to recover HF have been ongoing, including exploring options to recover HF from HF wastewater and re-use it in production or sell it as raw material.

In 2024, we reduced not only the total hazardous waste generated from our Singapore plant significantly to 496 t (-81%) due to the reduced production output but also improved on the intensity to 0.87 tons per MW output, compared to 1.03 tons per MW in 2023 (-16%).

Year	Hazardous waste intensity in Singapore	Total hazardous waste in Singapore
2020	**2.57 t / MW**	**2,615 t**
2021	**1.06 t / MW**	**1,181 t**
2022	**0.98 t / MW**	**1,278 t**
2023	**1.03 t / MW**	**1,316 t**
2024	**0.87 t / MW**	**496 t**





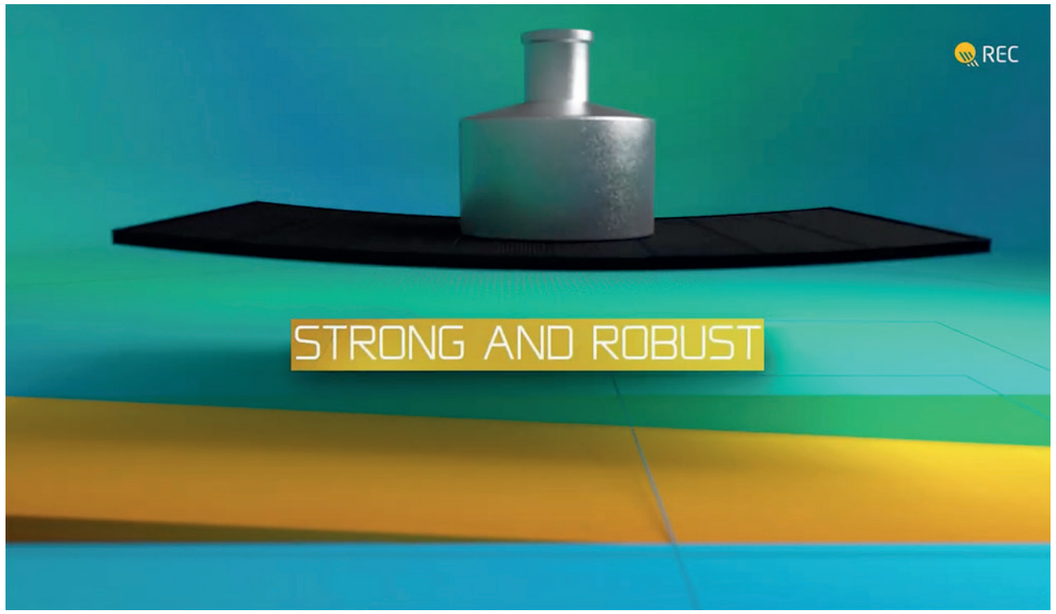
RECYCLING

Longevity

As the solar industry continues to grow, the International Renewable Energy Agency (IRENA) expects that in the early 2030s we will be facing significant waste streams from the solar PV industry. This poses a significant challenge as the complete recycling of solar PV panels has yet to be fully implemented globally.

While the industry looks to find a solution, REC's goal is to extend the lifespan of our solar panels by producing a high-quality product. This reduces the need for our panels to be replaced and saves on resources required to manufacture solar panels. It is one of REC's key priorities to ensure the longevity and reliability of our products of 25 or more years, giving consumers and the environment a greater peace of mind.

The high quality of REC products is validated by nine external certifications of ISO, IEC and other standards. Additionally, REC solar panels are certified to withstand snow loads of up to 7,000 Pascal and wind loads of up to 4,000 Pascal.



Module Recycling

Since REC launched the scrap solar modules recycling program in 2014, we have achieved a recycling rate of 100% every year. Based on REC's manufacturing excellence, the scrap rate is low, averaging mostly less than one per cent of production. In 2024, 13,511 solar modules were sent for recycling, out of more than 1.25 million panels produced.

REC sends its scrap solar modules to third party suppliers who recover aluminum from the frames, silver from the cells and copper from cables, connections and ribbons through its module recycling initiatives.

With recycling requirements differing between countries in which REC operates in, we abide to local regulations set in these markets. In Europe, REC is a partner of the 'take-e-away' program and we comply with the Waste from Electrical and Electronic Equipment (WEEE) directive.

SOCIAL

Renewables empowering people

REC remains committed to empower people with clean solar energy and deliver positive outcomes for our employees, supplier employees and customers, as well as consumers and communities. We are driven by KPIs that allow us to compare our performance year-to-year to ensure we are improving against our areas of focus.

HUMAN RIGHTS

REC Group is committed to maintaining and continuously improving systems and processes to avoid human rights violations related to our operations, our supply chain, and our products. This has been reflected in our Modern Slavery Act Statement.

At REC, we value our employees and the employees of our suppliers. We pay close attention to human rights and sustainable labor practices across our value chain. While efficiencies in production and sourcing are key to module prices, REC also considers the conditions under which our employees and upstream suppliers work.

To remain globally competitive and act as a strong corporate citizen, REC looks beyond costs and abstains from business activities that might exploit employees or compromise human rights, such as child, prison or forced labor. We acknowledge that the solar industry is still experiencing human rights violations. We are committed to upholding the strict human rights laws in the countries and regions we operate, Singapore, Europe, US and Asia-Pacific, and to growing our practices to prevent modern slavery in our operations and from our suppliers.

LABOR PRACTICES

Safety First!

REC is dedicated to providing safe and sustainable solar energy solutions. We achieve positive operations through the integration of safety and health into all elements of business activities. Throughout the operation lifecycle, from design to decommission, preventive measures are taken proactively to eliminate hazards and reduce environmental, safety and health risks to protect our employees, contractors, neighbors and visitors.

Our Health, Safety and Environmental (HSE) Management System strives to comply with all pertinent workplace safety and health laws and regulations from local governing bodies. The performance of our management system is also monitored through specific Key Performance Indicators (KPIs) set across the company.

Health & Safety measures

Our operational procedures ensure that staff are not exposed to hazardous substances or unsafe conditions during their course of work. Process Hazard Studies during design phase of projects are conducted to identify and control potential major process relevant hazards. Properties of hazardous materials are assessed for potential hazards through a documented approval process with relevant stakeholders before being introduced into our facilities. These process safety studies and controls prevent and mitigate major accidents from happening in the plant.

Machinery safety is another key focus in our operations, as industrial machinery is a source of hazards. Thorough commissioning and verification process are conducted with critical stakeholders to ensure risks are identified, assessed and effectively controlled to ALARP (As Low As Reasonably Practicable) before operation.

REC believes that everyone has a role to play in safety, and this culture of safety is built through our health and safety programs that has been curated for all staff, such as New Hire Safety Line Walk, eHOC (electronic Hazard Observation Card) and BBS (Behavioural Based Safety). Before work activities, all employees are required to pass the HSE Induction Course and relevant specific training for their work areas, so that they take the required safety precautions on the associated risks.

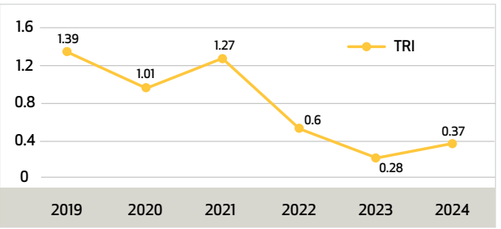
Pre-employment and subsequent periodical medical examinations are scheduled for employees working in environments where they may be exposed to occupational hazardous sources. Staff are also empowered with the right to say no to unsafe work practices and escalate dangerous conditions to their supervisors.

Workplace incidents (near miss, medical treatment case, loss time injuries, process safety incident) are required to be promptly reported as specified in our reporting and investigation procedure. Root cause analysis is conducted to ensure that effective corrective and preventive measures are put in place to target the right cause to prevent similar events from occurring.

The effectiveness of the HSE programs and results of KPI performance are monitored through the form of regular management reports, internal and external audits. REC further demonstrates commitment to providing a safe and healthy workplace, protection of the environment by aligning its HSE management system to the ISO 45001 and ISO 14001 standards. REC has been certified in both standards since 2011, and continues to work to improve our performance and compliance.

In 2024, our recordable injury rate was at 0.37 cases per million manhours, which reflects a strong commitment by all the various stakeholders to practice safe operations and ensuring a safe and healthy workplace.

Total Recordable Incident Rate (2019 - 2024) [per million manhours]



Emergency Management Training

REC practices emergency drills regularly, with and without SCDF (Singapore Civil Defense Forces). In 2024, these emergency drills at REC's production site in Singapore included among others site-wide drills, fire drills, and gas leak drills.

Two significant emergency drills were conducted in May and July 2024 to enhance site readiness and safety response capabilities.

In May, REC participated in a joint emergency exercise with the Singapore Civil Defence Force (SCDF), simulating two fire scenarios and a chemical spill resulting from an out-of-control ISO tanker. The exercise involved 50 REC employees, five fire engines, two light fire attack vehicles, and one ambulance staffed with a medical doctor. The drill was executed successfully, demonstrating coordinated emergency response efforts between REC and SCDF.

In July 2024, REC carried out a site-wide fire evacuation drill. Impressively, all 501 personnel on-site were safely evacuated within just nine minutes, underscoring the effectiveness of REC's emergency procedures and staff preparedness.

In addition, REC regularly practices and continuously improves its Emergency Management. This is including the participation of the Top Management, including the CEO, operational staff and the Crisis Communication Team.

Crisis management and crisis management planning can protect organizations against complete failure if/when a disruption happens. REC regularly conducts training and exercise for senior management for sudden onset and slow onset crises caused by internal and external issues as well as methods for determining risk to use as a basis for crisis management plans. Training makes reference to British Standard BS 11200:2014 Crisis management and we end the exercise with a simulation of a press conference.

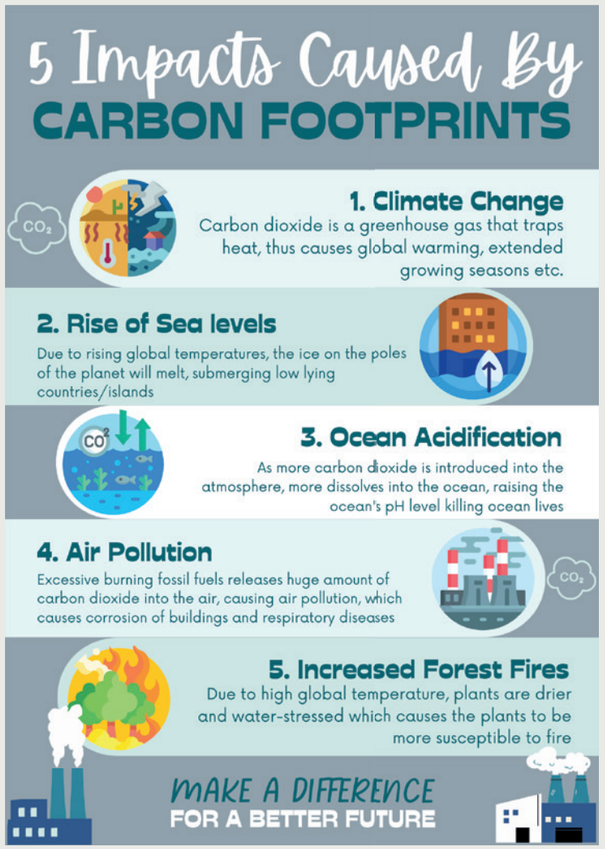
Employee Development and Well-being

At our company, we are deeply committed to the growth and well-being of our employees. Our objective is to enhance the quality of our employees' working lives through comprehensive health, safety, and development programs.

We implement consistent standards and policies that require long-term commitment. These include regular health checkups, flexible work arrangements as part of our REC@Home initiative, and comprehensive HR services that offer variable performance bonuses, overtime pay, health insurance, and medical benefits.

Key employee events & activities 2024

- Conducted Health Screening & 6 Lunch Talk on Health and Mental Wellness.
- Hosted 17 webinars to educate and inform employees about issues that matter to their well-being.
- Collaborated with schools for plant tour to students of ITE, Singapore, incl. 21 participants.
- Launched Safety, Quality and Learning Week to engage more employees on awareness of global warming and importance of Solar energy.
- Rolled out new AI training for more than 20 engineers to upskill their knowledge and capabilities.



Irrespective of gender, age or ethnicity, REC is committed to diversity and equality. In 2024, our percentage of women in REC's workforce grew slightly to 38.8%. The percentage of women at management level increased also to 24% from 22%.

Employee satisfaction is of utmost importance to us. We conduct Employee Surveys every 2-3 years to measure satisfaction and identify areas for improvement.

All of these initiatives have been reflected in the high employee retention rate at 82.1% and more than 40% of REC's employees have remained in the company for more than eight years.

By investing in our employees' development and well-being, we create a supportive and inclusive work environment that benefits both our people and our business.

In addition, we are committed to developing new talent for the solar industry and offer a pathway for new employees in partnership with universities and polytechnics in Singapore as work-study programs for degree and diploma students.

Supplier audits

REC expects high standards in quality, environmental and social responsibility from our upstream suppliers. We abstain from business activities that might exploit employees or compromise human rights, such as child, prison or forced labor. In particular, REC pays attention to Non-XUAR declarations.

REC has a zero-tolerance policy towards non-compliant behaviors and undertakes regular audits to examine labor practices, working conditions and HSE management systems. We have also integrated social and environmental clauses into our supplier contracts and are assessing our suppliers' progress with regards to the REACH requirements.

We are targeting to do regular supplier audits on 100% of our direct suppliers. REC is proud to report that we recorded no deviations again as a result of the 2024 audits.

REC is also committed to the goal of a conflict-free supply chain and does not import any of the so called 3TG minerals into Europe. REC has a strict supplier code of conduct that prohibits the use of conflict minerals and carries out regular audits of its suppliers to ensure no conflict minerals are used or supplied to REC.

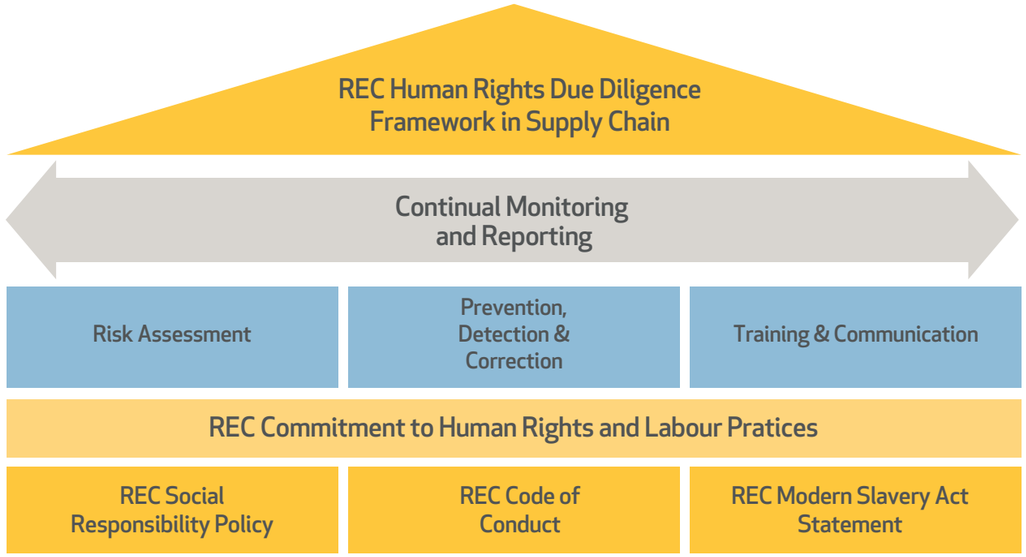
REC has a strong Due Diligence framework in place across our global operations to check for human rights compliance on identified supply chains of concern based on the following:

1. Risk assessment
2. Prevention
3. Training

To help trace these upstream supply chains, our Risk Assessment is based on the following three-step approach:

1. Self-declaration based on a comprehensive checklist.
2. Document drill based on random PO number to provide relevant traceability documents within two weeks.
3. Traceability audit based on results of the above two steps, resulting in corrective and preventive actions requested from each audited supplier.

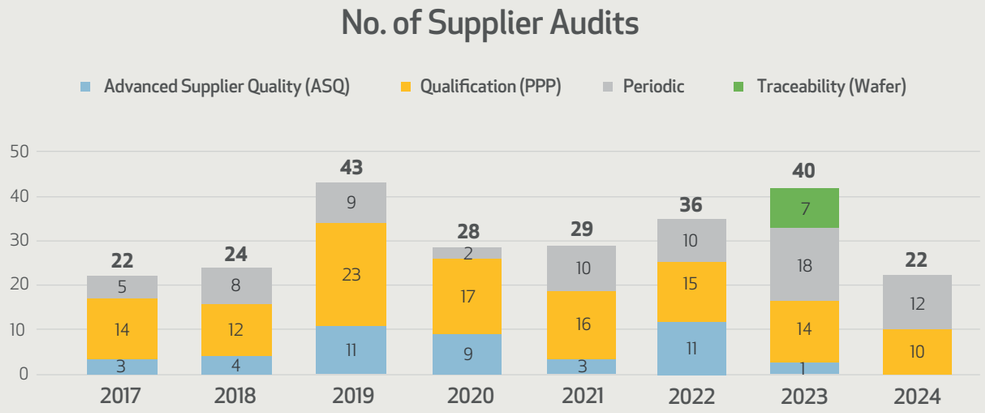
REC is committed to lead by example. As such, through our audits, recommendations, and corrective action requests, we drive our suppliers to further improve on their ESG performance.



In parallel, we are continuously improving our traceability system in response to new regulations and new critical points. We monitor new policies and review our audit checklist to ensure the scope remains fully aligned with changes in regulatory frameworks globally and locally. At REC, we positively welcome stricter rules to ensure high standards can be achieved by all manufacturers.

Today, we are able to track every main component of our solar panels and identify manufacturer, production location, production date badge and more. Moving forward, REC is conducting Traceability Audits to ensure full document traceability for identified direct suppliers in line with the US Customs Border Protection.

In 2024, REC conducted 22 supplier audits. These audits included a forced labor check and observation to demonstrate due diligence to prevent forced labor in their supply chains.



CONSUMER ISSUES

Growing Together with our Customers

Our relationships with partners and installers are grounded in a "Growing Together" approach. In light of the current challenging market conditions — marked by significant oversupply and unsustainable price declines — we believe this collaborative philosophy is more important than ever.

Education and support through the REC Certified Solar Professional Program is key to ensuring we are contributing to the industry in a socially and environmentally responsible manner. In 2024, we trained 452 installers.

Besides the Safety of our employees, customer's Health & Safety has a top priority at REC and is incorporated into our Sustainability Policy. Our Certified Solar Professional Program and its trainings ensure that all REC certified installers fully understand how to best and safely install solar panels, also in the interest of end-consumers. Furthermore, REC is regularly providing detailed installation manuals and quick guides on various specific subjects, such as Connections & Connectors.

REC's dedicated sustainability website provides insights into our various initiatives and results. Information is updated regularly to create greater transparency for our consumers and industry customers to make informed decisions. In addition, this ESG report contains an overview of our initiatives, performance and KPIs to provide an overview and record of our performance year on year.

Customer Satisfaction

Given the ongoing global oversupply and resulting price pressures, it is unsurprising that 'Pricing' remains a key area for improvement in REC's 2024 Net Promoter Score (NPS) feedback from direct B2B customers. Conversely, 'Quality' continues to be a strength, with customers expressing consistent confidence in this area. Despite the current challenges, REC achieved an NPS of 37 in 2024, maintaining its position as a 'Good' brand.

REC's commitment to customer satisifaction through sustained high quality is evidenced by our record; REC has had no product recalls, and our cumulative return authorization rate has remained below 100 ppm since 2020. In the exceptional case that solar panels need to be returned, we are committed to keeping claims process cycle times short to minimize the impact on our customers and consumers. In 2024, 89% of our claims were resolved within 14 days of receipt as per our target cycle times for processing claims.

Through external verification by third party certifiers, REC has achieved certifications for international standards set for a range of indicators that demonstrate the industry's satisfaction with the quality of our products.

CERTIFICATION	INTERNATIONAL STANDARD	TEST INSTITUTE
Ammonia Corrosion Resistance	IEC 62716	VDE
Salt Mist Corrosion Resistance	IEC 61701 Severity Level 6	VDE
Hail Impact	IEC61215 (35mm)*	VDE
Cyclic Strength Wind Loads	BCA 2012 LH	JAMES COOK UNIVERSITY AUSTRALIA
Ignitability/Fire Resistance	ISO 11925-2; UL 1703	VDE, c UL us LISTED
Quality, Environmental & Safety	ISO 9001; ISO 14001; IEC 45001, IEC 62941	VDE, SGS

* Third-party testing up to 45 mm

REC's products are backed by our comprehensive ProTrust warranty, which offers up to 25 years warranty on product, labor and performance, subject to conditions. With this, REC provides our customers with the peace of mind knowing their solar systems are performing optimally when they are installed by REC Certified Solar Professionals.

PRODUCT · LABOR · PERFORMANCE
REC 25 YEAR ProTrust WARRANTY

EXPERIENCE α PERFORMANCE

inter solar award 2020 WINNER

inter solar award 2022 WINNER

TOP PERFORMER 2025 kiwa PV MODULE RELIABILITY SCORECARD

COMMUNITY INVOLVEMENT & DEVELOPMENT

Looking beyond our own production and customers, REC remains committed to empowering people worldwide with clean solar energy and education, in particular, people and communities in need. We have guidelines for community involvement and a community involvement checklist in our ESG framework.

We are proud to have supported a range of projects and initiatives that benefit the communities we work in and serve and we continued with this in 2024.

California, US: Donation to Sonoma County's Occidental Area Health Center

As part of our commitment to driving positive social and environmental outcomes, REC Group proudly contributed to a transformative solar project for the Occidental Area Health Center in Sonoma County, California.

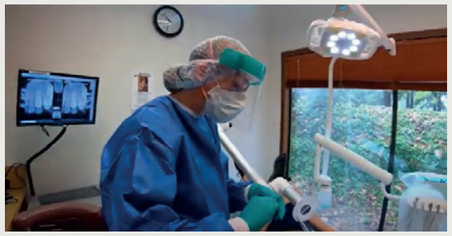
In partnership with Taylor Energy, Enphase, IronRidge, CED Greentech, and Exchange Bank, REC supported the installation of a solar system that enables the nonprofit health center to significantly reduce its electricity costs - yielding over US$500,000 in energy savings.

These savings translate directly into expanded community care:

- **110 monthly support groups now run consistently.**
- **543 expectant mothers gain access to vital prenatal care.**
- **6,000 homebound seniors can be visited by care staff.**
- **10 hours of weekly homeless services can be sustained for the next 22 years.**

This initiative exemplifies the power of clean energy to enable real care for real people—turning environmental innovation into measurable social impact. By removing financial barriers, the health center can focus on what matters most: serving those in need with dignity and continuity.

This donation aligns directly with REC's ESG focus on SDG 7 (Affordable & Clean Energy), showcasing how collaborative sustainability solutions can uplift entire communities.



Photos: Taylor Energy

GOVERNANCE
ORGANIZATIONAL GOVERNANCE AT REC

REC has defined a three-level governance framework:

The overarching Social Responsibility policy sets objectives and practices for REC's activities. This defines the mandate for the ESG Steering Committee, whose members represent various REC departments and work out specific policies and action plans, such as guidelines for community projects and our Code of Conduct. REC continuously reviews this framework and updates it, as required.

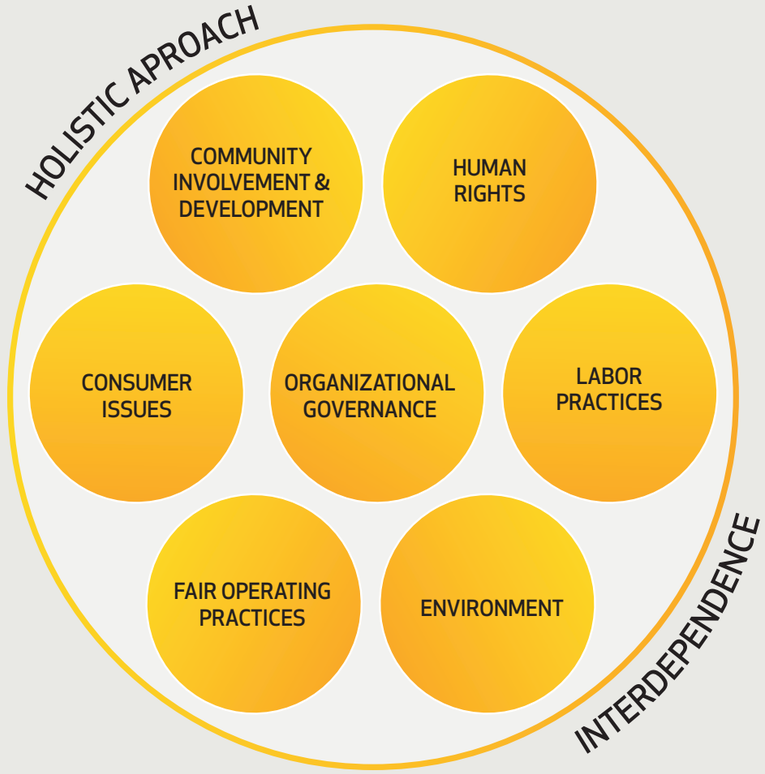
Apart from the Code of Conduct, REC has further global policies and guidelines in place providing guidance on Governance and Operating Practices. These include: Policies on Sustainability, Modern Slavery Act Statement, ISO 14001:2015.

ISO 26000

REC's organizational governance ensures that policies and procedures under the ISO 26000 core topics are implemented effectively.

Adhering to the ISO 26000 standard, organizational governance should ensure that decision-making and management practices are transparent and ethical.

We take the interests of multiple stakeholders into consideration and not just our shareholders. Most of all, attention is paid to sustainable development.



FAIR OPERATING PRACTICES

Our Operating Practices

At REC, we place a strong emphasis on maintaining fair operating practices across all facets of our business. Our commitment is reflected in the comprehensive policies and procedures we have established to address critical areas such as Conflict of Interest, Anti-competitive practices, Corruption, Fraud, Information Security. The policies and procedures are detailed in REC's Code of Conduct and all employees are regularly trained accordingly.

Key measures include:

- Whistleblower procedure for stakeholders to report incidents confidentially and securely.
- Specific approval procedure for sensitive transactions (e.g. gifts, travel).

For 2024, there were no incidents on Conflict of Interest, Anti-competitive practices, Corruption, Fraud, reported.

Trade Control Policy

We do not conduct business with countries, organizations or persons subject to sanctions or selective sanctions.

We examine possible transactions or partnerships concerning sanctions published by the US (OFAC), the United Nations and the European Union, and others such as the United Kingdom. We operate a Trade Controls Policy, which is strictly followed and reviewed on a regular basis with regard to sanctioned countries. Sanctioned countries are listed, updated and communicated within REC through our policy.

We refrain without any exception from dealings with 'red category countries' according to our Trade Control Policy. We have furthermore installed an Approval Committee, headed by the Chief Executive Officer, Chief Financial Officer and Chief Legal Officer, which must approve deals in any sanctioned countries only after clearance by a third- party screening (e.g. Designated Person Lists). Such approvals are granted only in exceptional cases.

In 2024, there have been no deviations from our Policy.

Employee training

To ensure our employees understand and follow REC's fair operating practices, REC management undertakes regular mandatory training such as Re-certification on the Code of Conduct and Anti-Corruption or the California Sexual Harassment and Abusive law. In 2023, the Code of Conduct and Anti-Corruption Policy training was completed for all new employees and re-certification (conducted every two years) achieved a 100% completion rate. The next re-certification of all employees will take place in Q3 2025. All Sales & Sourcing employees successfully completed new mandatory legal training as well.

REC respects and takes confidentiality obligations and intellectual property rights seriously, both internal and external.

Fair advertising & promotion

As part of our sales, our advertising and promotional policies serve as guidelines to prevent unfair competition and unfair sales promotion. In 2024, there were no deviations from our Marketing Do & Don't guidelines.

CONCLUSIONS AND OUTLOOK

The solar industry stands at a crossroads. While global deployment of photovoltaic technology has surged, the path has become increasingly complex, shaped by geopolitical tensions, structural oversupply, and unsustainable price pressures. These developments have placed immense pressure on manufacturers, distributors and installers worldwide — particularly those focused on quality, innovation, and responsible practices.

The market dynamics of 2023 and 2024 have exposed deep imbalances in the solar value chain—imbalances that threaten not only economic stability but also the environmental and social integrity of the energy transition. In the face of this, REC has made deliberate, future-focused choices: prioritizing quality over volume, scaling back production to preserve resources, and maintaining our ESG standards as much as possible.

We demonstrated continuous substantial focus in several critical areas:

1. Technological Advancements

By adopting the most advanced technologies, we are delivering high efficiency solar panels to our customers, ensuring that each unit generates more power with less material, mitigating more emissions.

2. Product Longevity

Enhancing the durability and longevity of our solar panels remains a key focus. By extending the lifespan of our products, we help mitigate waste and provide greater value to our customers and consumers, contributing to a more sustainable lifecycle for solar energy solutions.

3. Ethical Sourcing

We are dedicated to ensuring that our supply chain is responsible and ethical. By working closely with our suppliers to source materials in a way that delivers positive outcomes for all stakeholders, we strive to uphold the highest standards of human rights and environmental stewardship.

4. Resource Consumption

Reducing our own resource consumption is a critical component of our sustainability strategy. We continuously seek ways to minimize water usage, energy consumption, and waste production within our operations and rigorously measuring our progress.

Looking ahead, we believe that the resilience and credibility of our industry will increasingly depend on how we define and implement sustainability. True progress will not be measured solely by gigawatts installed, but by the integrity of the systems we build, the people we empower, and the ecosystems we protect.

REC will continue to advocate for a solar industry that values transparency, environmental care and ethical supply chains — an industry that aligns climate action with social equity and long-term economic viability.

We recognize that the road ahead requires not just innovation in technology, but leadership in values. Even in turbulent times, we want to stay true to our ESG principles, and help shape a solar industry that is not just bigger — but better.

Join us on our movement and let us power progress, sustainably, together.

www.recgroup.com/sustainability

REC

SOLAR'S MOST TRUSTED

COMMITTED TODAY
FOR A BETTER TOMORROW

www.recgroup.com/sustainability