

To the 2023 Annual General Meeting of Elkem ASA

**NOMINATION FOR THE ELECTION OF MEMBERS TO (A) THE BOARD OF DIRECTORS AND (B) THE NOMINATION COMMITTEE**  
**DETERMINATION OF REMUNERATION TO ELECTED MEMBERS**

The General Meeting of Elkem ASA resolved 23 February 2018 an instruction regarding the nomination committee's work pursuant to the company's articles of association section 7. The instruction includes the following main items:

- The board of directors should be composed in such a way as to maintain the interests of the shareholders and the company's need for competence and diversity;
- The board of directors must function well as a collegiate body;
- Members should be independent of the executive management and any significant business associates; and
- At least two of the members should be independent of the company's principal shareholders.

12 January 2023 the company made available on its website information regarding the 2023 annual general meeting, inclusive information about the work of the nomination committee and how the shareholders could submit suggestions to the nomination committee.

The nomination committee has worked in line with the instruction given and has in this respect particularly emphasised the following assessment criteria:

- (i) industry competence within Elkem's business areas;
- (ii) financial competence;
- (iii) market knowledge and networks globally and nationally;
- (iv) independency of the company's executive management;
- (v) diversity; and
- (vi) sustainability and environment, social and governance (ESG).

Meetings and conversations have been held with the executive management, the chair and the deputy chair of the board and each of the other board members (employee-elected members inclusive) in order to gain insight into the work of the board and the board's own evaluation. The nomination committee also attended a board video meeting in December 2022 including the summary of the board's own evaluation. In addition to contact with the majority shareholder, the nomination committee has had video meetings and email contact with other large shareholders.

**1. AGENDA ITEM 8 – ELECTION OF DIRECTORS TO THE BOARD**

In the company's general meeting 27 April 2022 the following board members were elected with a term of office of 2 (two) years:

- (i) Dag Jakob Opedal (deputy chair, re-elected)
- (ii) Olivier Tillette de-Clermont Tonnerre (re-elected)
- (iii) Nathalie Brunelle (new)
- (iv) Jingwan Wu (new)

The board members Zhigang Hao (chair of the board), Marianne Elisabeth Johnsen, Yougen Ge and Grace Tang were not up for election as they were elected for a term office until 2023.

The board has broad collective competence within the company's core areas, as well as knowledge and networks within financial markets nationally and internationally. There is in-depth industrial knowledge as well technical knowledge of Elkem's core areas. The committee will highlight the strong industry, financial and risk management expertise of the board.

The nomination committee is of the opinion that there is the expected in-place ESG knowledge on the board as well as good competence within sustainability, cf. The Norwegian Code of Practice for Corporate Governance chapter 2. The board has the adequate competence to overview that the company innovates and operates in a sustainable manner.

It is the opinion of the nomination committee that the board is well-functioning. The board members continue to have very good attendance in the board meetings as well as the meetings of the board committees. Relevant top management representatives attend the meetings and thereby improve the board members' knowledge of and contact with the company. However, as a consequence of the covid 19 pandemic and associated international travel restrictions, the board meetings have been by video only. The nomination committee recognizes the need for the board to meet physically. Several board members have not yet met their colleagues physically. Acquaintance developed through physical meetings and informal contact by small talk, joint meals and coffee breaks enhance the value of the other video meetings.

The nomination committee proposes re-election of all four board members up for election. It is the opinion of the nomination committee that the current strength of the board as a collegiate body and the prospects of reaping benefits from the continued collegium's work post covid clearly supports re-election this year.

Mr. Zhigang Hao (age 44) has served on the board since April 2019, chair of board since 2020. He currently holds the position as Party Secretary and Chairman of China National Bluestar. He is also the chair of the board of Bluestar Adisseo Co., Ltd.

Mr. Yougen Ge (age 53) has served on the board since 2019. Yougen Ge is currently serving as Deputy Director of the Strategic Investment Department of Sinochem Holdings Co., Ltd. He is also a board member of Bluestar Adisseo Co., Ltd.

Ms. Marianne Elisabeth Johnsen (age 59) has served on the board since 2019. She has extensive board experience as well as managerial experience from both the public and the private sector including a former vice president position in Elkem. Elisabeth Johnsen is independent of the majority shareholder.

Ms. Grace Tang (age 63) has served on the board since April 2021. She is a US citizen based in Beijing. Grace Tang is a certified US public accountant and she has served PwC in the US as well as in China. Following several international leadership positions she retired from PwC in 2020. She is on the audit committee of a NYSE listed company. Grace Tang is independent of the majority shareholder.

Information about each of the current board members are available on the company's web page, [www.elkem.com](http://www.elkem.com).

The committee's nomination is as follows:

- (i) Zhigang Hao;
- (ii) Yougen Ge;
- (iii) Marianne Elisabeth Johnsen; and
- (iv) Grace Tang;

all re-elections for a term of office of two (2) years effective from 28 April 2023 until the company's annual general meeting in 2025.

It is for the board to elect the chair and the deputy chair. The nomination committee suggests that the current positions of Zhigang Hao as chair and Dag Jakob Opedal as deputy chair be continued.

The nomination implies continued good diversity in terms of geography and gender.

The nomination this year also implies continued emphasize on the board's relatively strong independent status as four of the eight shareholder elected board members including the deputy chair are independent of the majority shareholder. Furthermore, Olivier Tillette de-Clermont Tonnerre has retired from his position in Bluestar.

All members of the board are regarded independent of the executive management and any significant business associates of Elkem.

Under the Norwegian Code of Practice for Corporate Governance section 8 members of the board are encouraged to own shares in the company. Following remarks from lager shareholders the nomination committee takes the liberty to underline the expectation that shareholders' elected board members not employed by the majority shareholder or its associated companies use part of their after tax compensation for their service on the Elkem board to acquire shares in Elkem. For information regarding board members' shareholdings in Elkem, we refer to the board of directors' report on salary and other remuneration for leading personnel for 2022, which is available at the company's website for the annual general meeting.

The committee's nomination is unanimous.

## **2. AGENDA ITEM 9 – ELECTION OF MEMBERS TO THE NOMINATION COMMITTEE**

In addition to presenting nominations for the election of the board members, the company's nomination committee shall propose members to the nomination committee. Elkem's nomination committee consists of Sverre S. Tysland (chair of the committee), Zhu Xiaolei and Anne Kjøseth Ekerholt. In the annual general meeting 2022 all were elected for one year.

Anne Kjøseth Ekerholt has served on the committee since 2018. Supported by the committee's communication with lager shareholders it is the opinion of the committee that continuity and replacement is well balanced by the nomination of a new member to replace Anne this year.

Ms. Anne Grethe Dalane (age 62) is Vice President Improvement Project Finance in Yara International ASA. She holds a master's degree in business administration and has strong and long-lasting experience from senior and executive management positions in Yara International ASA as well as Norks Hydro ASA. She is member of the boards of BW LPG Limited, PGS ASA and Arendals Fossekompagni ASA.

Zhu Xiaolei has notified that he will not be available for a re-election due to a change in his engagement within the Bluestar Group. The committee is of the opinion that one of the committee members should be associated with the majority shareholder.

Mr. Dong Dachuan (age 40) is vice president of China National Bluestar (Group) Co., Ltd. He holds a master's degree in social security. He has had other senior and executive management positions in Bluestar and associated companies.

A joint committee submits the following nomination:

- (i) Sverre S. Tysland, chair, re-election for a term of office of one (1) year effective from 28 April 2023 until the company's annual general meeting in 2024;
- (ii) Anne Grethe Dalane, member, election for a term of office of two (2) years effective from 28 April 2023 until the company's annual general meeting in 2025; and
- (iii) Dong Dachuan, member, election for a term of office of two (2) years effective from 28 April 2023 until the company's annual general meeting in 2025.

Anne Grethe Dalane and Sverre Tysland are independent of the majority shareholder as well as the board members. Sverre Tysland was member of the Elkem board from 2011 to 2018. All three are independent of the executive management and any business associates of Elkem.

The committee's assessment is that the nomination fulfils The Norwegian Code of Practice for Corporate Governance section 7 as updated in October 2021.

**3. AGENDA ITEM 10 – DETERMINATION OF REMUNERATION PAYABLE TO MEMBERS OF THE BOARD OF DIRECTORS**

The remuneration of Elkem board members is in line with other comparable companies listed on Euronext Oslo, however still on the low side from an international perspective. We suggest a moderate 4 per cent increase from 2022 to cover up for expected executive and non-executive remuneration development in general. Heading forward in a longer perspective the committee will indicate that the amount of work, time to be applied, effort and responsibility implied may merit an increase in the board remuneration. The market level is not without consideration in recruiting highly qualified board candidates in the international business world.

The chair of the board is customary proposed to be remunerated twice the fee of a member and the deputy chair of the board 150 % of a member's fee. Employees' elected board members shall receive the same remuneration as the shareholders' elected members, irrespective of their employment salaries. Employees' elected observers shall according to union agreement receive 50 % of a member's fee.

Pursuant to this, the nomination committee suggests the following fees to the members and the observers of the board:

Chair of the board	NOK	851 760	
Deputy chair of the board	NOK	638 820	
Board members	NOK	425 880	(shareholders elected and employees elected)
Observers	NOK	212 940	

Accordingly, the nomination committee suggests the same increase in remuneration to the members of the board's committees:

Leader	NOK	153 317
Member	NOK	102 211

Whether the remuneration payable shall be transferred to a member's personal account or invoiced by its employer being a shareholder of the company, has to be agreed upon between the member, his employer and the company.

The proposals are unanimous.

**4. AGENDA ITEM 11 – DETERMINATION OF REMUNERATION FOR THE NOMINATION COMMITTEE**

The past two years the remuneration of the members of the nomination committee has been agreed with the company due to the variations in the amount of work from year to year, however capped at NOK 1 500 000 in total. The remuneration agreed with the company for the committee's service ended by the annual general meeting 2022 totalled NOK 440 000 split as follows:

Chair	NOK	233 334
Member	NOK	103 333

The nomination committee proposes a change of format for the remuneration of the members of the nomination as follows:

Chair	NOK	50 000	plus NOK 10 000 per meeting
Member	NOK	40 000	plus NOK 8 000 per meeting

The proposal is unanimous.

24 March 2023

  
Zhu Xiaolei

  
Sverre S. Tysland

  
Anne Kjølsest Ekerholt