

Elkem signs new agreement for Norwegian biocarbon

Elkem has signed a Letter of Intent (LoI) with Vow ASA's wholly owned subsidiary Vow Industries with the aim of reducing fossil CO2-emissions from the production of silicon and ferrosilicon products for the global market.

The two companies will join competence and technology solutions to develop and manufacture biocarbon and other products for Elkem's production processes. The biocarbon will be produced at Vow Industries planned plant at Follum, outside Oslo in Norway, from a sustainable feedstock comprised of forestry wood mass, wood waste and other wood materials.

"Elkem is one of the world's leading companies in the environmentally responsible manufacturing of advanced material solutions, and we believe that sustainability is increasingly a competitive advantage. Using climate-neutral renewable biocarbon instead of fossil reduction agents is a key part of our sustainable production strategy. Through our activities in biocarbon, like this exciting cooperation with Vow Industries, we aim to secure long-term access to low-cost, high-quality renewable biocarbon to replace fossil material, and further improve our competitive position for the sustainable future. Our long-term goal is to achieve carbon-neutral production," says CEO of Elkem, Michael Koenig.

Elkem already uses close to 20 per cent biocarbon in its production in Norway and the company is working towards increasing this to 40 per cent by 2030. Elkem also sources 83 per cent of its of electricity consumption from renewable energy. The company recently received an "A" rating by CDP, ranking among the world's leading companies on climate transparency and action.

Vow Industries' planned plant will initially produce around 10.000 tonnes of biocarbon, that can easily be scaled up to more capacity when needed. Vow Industries plans to build, own and operate the plant, which will become the centre of a new circular and sustainable industrial cluster at Follum.

In addition to its efforts in Norway, Elkem is involved in a range of biocarbon projects around the world. This includes work to develop competitive and sustainable sources of biocarbon as well as longer-term R&D projects. The company is currently constructing a new biocarbon pilot plant in Canada. In 2019, Elkem's plant in Paraguay achieved 100 per cent biocarbon of the reduction materials in its production of ferrosilicon as a pioneer plant in Elkem and the advanced materials industry.

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About Elkem

Founded in 1904, Elkem is one of the world's leading suppliers of silicon-based advanced materials with operations throughout the value chain from quartz to specialty silicones, as well as attractive market positions in specialty ferrosilicon alloys and carbon materials. Elkem is a publicly listed company on the Oslo Stock Exchange (ticker code: ELK) and is headquartered in Oslo. The company has more than 6,700 employees with 31 production sites and an extensive network of sales offices worldwide. In 2019 Elkem had revenues of NOK 22.7 billion. To learn more, please visit www.elkem.com