

Elkem ASA – Annual report for 2020

Oslo, 12 March 2021 – **Elkem ASA has today published its annual report, including the ESG report, for the financial year ended 31 December 2020.**

In his letter to shareholders, Elkem's CEO Michael Koenig writes: "The world experienced a public health crisis and an economic crisis in 2020. Elkem has met these challenges well, by focusing on three priorities: Putting health and safety first, maintaining high and stable production while positioning for profitable growth."

In 2020, Elkem delivered a total operating income of NOK 24,691 million, up 9% from NOK 22,668 million in 2019. Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to NOK 2,684 million which was in line with 2019.

In 2020, Elkem launched a productivity improvement programme with the ambition to reduce costs by NOK 350 million by end of 2021, changed the corporate structure to accelerate specialisation, gain synergies and further improve operational excellence, and successfully completed the Polysil acquisition.

The proposed dividend for 2020, subject to approval from the annual general meeting in 2021, is NOK 0.15 per share, representing 36% of profit for the period. This is within Elkem's target dividend payout ratio of 30-50%.

"ESG (Environment, Social and Governance) is increasingly important among our stakeholders – and Elkem needs a strong ESG profile and performance in order to meet expectations as we position for the future. In November, Elkem received a Gold sustainability rating from EcoVadis. In December, we received an A rating from CDP, ranking among the world's leading companies on climate transparency and action," says Koenig.

During the year, Elkem established Digital Office, Battery Materials and Biocarbon as new business initiatives, including the site selection for a potential large-scale battery materials plant at Herøya Industrial Park, Norway.

"We remain optimistic regarding the longer-term global trends that will drive demand for our products. Our vision remains to provide advanced material solutions shaping the future. And we have a clear corporate strategy to strengthen our competitive positions through specialisation and growth. We have all the ingredients in place to make 2021 a successful year for Elkem, while remaining mindful of the uncertainty in our external environment," he adds.

The annual report will be available on Elkem's website: www.elkem.com.

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

For further information:

Odd-Geir Lyngstad, VP Finance & Investor Relations

Tel: +47 976 72 806

Email: odd-geir.lyngstad@elkem.no

Fredrik Norman, VP Corporate Communication and Public Affairs
Tel: +47 918 66 567
Email: fredrik.norman@elkem.no

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 6,800 employees with 29 production sites and an extensive network of sales offices worldwide. In 2020 Elkem had total operating income of NOK 24.7 billion. Further information is available on www.elkem.com.