



Elkem launches global climate roadmap: Reducing emissions towards net zero while growing supplies to the green transition

Elkem, a global leader in silicon-based advanced materials, today announces a new climate roadmap detailing how the company plans to develop its business in line with the aim of the Paris agreement of limiting global warming to well below two degrees. The company aims to reduce its total fossil CO₂ emissions by 28% from 2020-31 while growing its supplies to the green transition – thereby delivering a 39% improvement of its product carbon footprint in the same period. Elkem’s long-term goal is net zero emissions by 2050.

Elkem has a strong position to contribute on climate, having been founded in 1904 to create value from renewable electricity. The company already uses 83% renewable electricity in its operations. Elkem’s supplies of advanced silicones, silicon products and carbon solutions are essential to the green transition, with silicon metal on the EU’s 2020 list of critical raw materials. Elkem is also externally recognised for climate actions: Ranking among the world’s top 5% companies rated by CDP in 2020.

The new climate roadmap details Elkem’s commitment to limiting the long-term global temperature increase to well below 2°C – in line with the Paris agreement – while also growing faster than the market and achieving revenue growth of 5-10% per year.

“Elkem aims to be part of the solution to combat climate change – and to be one of the winners in the green transition. Our mission is to provide advanced material solutions shaping a better and more sustainable future. We have a clear corporate strategy to strengthen our competitive positions through specialisation and growth. With this climate roadmap, we detail our ambitions to reduce emissions towards net zero while growing our business,” says Elkem’s interim CEO, Helge Aasen.

Elkem’s direct and indirect emissions (scope 1 and 2) today amount to 3.3 million tonnes (mt) of fossil CO₂ equivalents, which will be reduced by 28% to 2.4 mt by 2031. The majority of Elkem’s direct emissions come from its smelters in Europe, particularly in Norway and Iceland. The majority of the company’s indirect emissions come from China and the use of fossil fuels in the electricity mix.

To deliver on the roadmap, Elkem will focus on three key levers: Reducing fossil CO₂ emissions, supplying to the transition and enabling more circular economies.

- To reduce fossil CO₂ emissions, Elkem aims to change the reduction material in its smelting process to biomass, shift to using more renewable power in China, pursue a more low-carbon supply chain and explore the potential of more carbon capture at its smelters. Elkem has already progressed the share of biomass in its process to more than 20%, now aiming for 50% by 2030. China is currently investing significantly in new renewable energy which is expected to support further improvements in the energy mix going forward.
- To supply to the transition, Elkem aims to grow its supplies of advanced materials to green markets such as better buildings, electric vehicles and renewable energy; and build new business in green markets such as battery materials, biomass and energy recovery. As a leader in silicone solutions for EV battery protection, Elkem is already supplying to more than 1 million EVs on the road today – about 15% of the world’s EVs. This market is expected to grow exponentially over the coming years. Elkem has set

up Vianode as new company dedicated to growth opportunities for advanced battery materials, enabling 90% reductions of emissions compared to conventional materials.

- To enable more circular economies, Elkem is working closely with customers and researchers to increase recycling with customers and within its own operations, as well as developing the eco-design of innovative products. Elkem is already supplying products based on circular economy to the global market, such as Microsilica, a former by-product now key to some of the world's tallest buildings and longest bridges. Elkem is also currently participating in a project with the potential of reducing the carbon footprint of silicones by more than 65 percent through chemical recycling.

"Our stakeholders expect Elkem to be a leader on climate, and this climate roadmap sets out bold ambitions and actions. At the same time, Elkem is dependent on our stakeholders to enable a successful green transition: We need customer demand for green solutions, we need attractive framework conditions and we need world-class competence and innovation. We hope this roadmap is seen as an invitation to work with Elkem in making a difference across our industry and beyond," says Aasen.

For more information

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About Elkem

Elkem is one of the world's leading providers of advanced material solutions shaping a better and more sustainable future. The company develops silicones, silicon products and carbon solutions by combining natural raw materials, renewable energy and human ingenuity. Elkem helps its customers create and improve essential innovations like electric mobility, digital communications, health and personal care as well as smarter and more sustainable cities. With a strong track record since 1904, its global team of more than 6,800 people has a joint commitment to stakeholders: Delivering your potential. In 2020, Elkem was rated among the world's top 5% on climate and achieved an operating income of NOK 24.7 billion. Elkem is listed on the Oslo Stock Exchange (ticker: ELK). www.elkem.com