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ELKEM ASA

Notice of the annual general meeting
Friday 8 May 2020



To the shareholders of Elkem ASA

Notice is hereby given that the annual general meeting of Elkem ASA will be held on Friday 8 May 2020 at 09:00 (CET) at Felix conference centre, Bryggetorget 3, Vika in Oslo, Norway.

Due to restrictions caused by COVID-19, the shareholders are encouraged to exercise their shareholder rights without attending in person but through advance voting or by providing a proxy to the vice chairman. The annual general meeting will be streamed and can be seen in real time at the Elkem website. Reference is made to important information on page 6 below.

Items on the agenda:

1 Opening of the general meeting by the vice chairman of the board of directors

Due to travel restrictions caused by COVID-19, the general meeting will be opened by the vice chairman of the board of directors.

2 Election of chairperson for the meeting and a person to countersign the minutes

The board of directors proposes that Hans Cappelen Arnesen, partner in Advokatfirmaet Thommessen AS, is elected as chairperson for the meeting.

3 Approval of the notice and the agenda

4 Approval of the financial statements and the report of the board of directors for the financial year 2019 for Elkem ASA and the group, including distribution of dividend

Reference is made to the annual report, financial statements (including the statutory auditor report) and the report from the board of directors for the financial year 2019, which are available on the Company's website, www.elkem.no. The board of directors proposes that a dividend of NOK 0.60 per share is paid for the financial year 2019. The proposed dividend will be paid out from the Company's "other paid-in capital". The dividend is proposed to be paid to the Company's shareholders as of the date of the general meeting, 8 May 2020 (as registered in the VPS on 12 May 2020), and the share will then trade excluding dividend from and including 11 May 2020.

The board of directors proposes that the general meeting approves the financial statements and the report of the board of directors for the financial year 2019 for Elkem ASA and the group, including the proposed dividend of NOK 0.60 per share.

5 The board of directors' report on corporate governance

Pursuant to section 5-6 (4) of the Norwegian Public Limited Liability Companies Act, the annual general meeting shall review and evaluate the board of directors' report on corporate governance which has been prepared in accordance with section 3-3b of the Norwegian Accounting Act. The corporate governance report for 2019 is included in the annual report available at <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/>, beginning on page 39.

The corporate governance report is not subject to voting.

6 The board of directors' declaration on stipulation of salary and other remuneration for corporate management

In accordance with Section 6-16a of the Norwegian Public Limited Liability Companies Act, the board of directors has prepared a declaration on stipulation of salaries and other remuneration for the corporate management. The statement is available at <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/> and is referred to in note 10 to the consolidated financial statements in the annual report.

In accordance with section 5-6 (3) of the Norwegian Public Limited Liability Companies Act, the general meeting will consider the guidelines on stipulation of salary and other remuneration by an advisory vote (item 6.1 below), whilst the part of the guidelines that relates to remuneration linked to the development of the Company's share price is subject to approval by the general meeting (item 6.2 below).

6.1 Advisory vote related to the board of directors' guidelines on stipulation of salary and other remuneration for corporate management

The board of directors recommends that the general meeting endorses the board of directors' guidelines on stipulation of salary and other remuneration for corporate management.

6.2 Approval of the board of directors' proposal related to guidelines for remuneration linked to the development of the Company's share price

The board of directors recommends that the general meeting approves the proposal related to guidelines for remuneration linked to the development of the Company's share price as described in the declaration on stipulation of salary and other remuneration for corporate management.

7 Approval of remuneration to the company's external auditor for 2019

The board of directors proposes that the fee to the Company's external auditor, KPMG AS, of NOK 4,549,024 for the financial year 2019 is approved.

Information on other fees to KPMG AS is included in note 8 to the financial statements for 2019 for Elkem ASA, available at <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting>.

8 Election of members to the board of directors

Reference is made to the proposal from the nomination committee, which is available on <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/>.

The board of directors proposes that the general meeting considers the proposal for election of board members in a combined vote.

The Company will according to this proposal have the following shareholder-elected board members with terms of office given in brackets: Zhigang Hao (chairman) (1 year), Dag Jakob Opedal (vice chairman) (2 years), Olivier Louis Gerard Tillette de Clermont-Tonnerre (2 years), Yougen Ge (1 year), Helge Aasen (1 year), Anja Isabel Dotzenrath (1 year), Caroline Gregoire Sainte Marie (1 year), and Marianne Elisabeth Johnsen (1 year).

9 Election of members to the nomination committee

Reference is made to the proposal from the nomination committee, which is available on <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/>.

The board of directors proposes that the general meeting considers the proposal for election of members to the nomination committee in a combined vote.

The Company will according to this proposal have the following nomination committee members with terms of office given in brackets: Sverre Tysland (chairman of the committee) (1 year), Zhu Xiaolei (2 years) and Anne Kjølsest Ekerholt (1 year).

10 Determination of remuneration payable to members of the board of directors

Reference is made to the nomination committee's proposal which is available at <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/>.

11 Determination of remuneration for the nomination committee

Reference is made to the nomination committee's proposal which is available at <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/>.

12 Authorisation to the board of directors to increase the share capital by up to 10%

To ensure that the board of directors has financial flexibility and to enable quick access to the market in the event of an acquisition with shares as settlement or for general corporate purposes, the board of directors proposes that it is granted an authorisation to increase the Company's share capital. The board of directors proposes that it is granted an authorisation of up to 10% of the Company's current share capital. To exercise the authorisation in the best possible commercial manner, it may be relevant in certain situations to make a private placement of shares directed at certain named persons and/or enterprises. It may also be appropriate to use the authorisation in the event of acquisition of business/assets with shares as settlement. It is therefore also proposed that the board of directors is authorised to deviate from the shareholders' preferential rights when using the authorisation.

The board of directors proposes that the general meeting adopts the following resolution:

- (i) *Pursuant to Section 10-14 of the Norwegian Public Limited Liability Companies Act, the board of directors is granted an authorisation to increase the Company's share capital with an amount up to NOK 290,655,172 – corresponding to 10% of the current share capital.*

- (ii) *The authorisation is valid until the Company's annual general meeting in 2021, but no longer than to and including 30 June 2021.*
- (iii) *The shareholders' preferential right to the new shares pursuant to Section 10-4 of the Norwegian Public Limited Liability Companies Act may be deviated from.*
- (iv) *The authorisation covers share capital increases against contribution in kind, cf. Section 10-2 of the Norwegian Public Limited Liability Companies Act.*
- (v) *The authorisation covers share capital increase in connection with mergers pursuant to Section 13-5 of the Norwegian Public Limited Liability Companies Act.*

13 Authorisation to the board of directors to increase the share capital in connection with the share incentive program for corporate management

In order to honour the options granted under the share incentive program for the corporate management, the board of directors has been granted an authorisation to increase the share capital of the Company, which is valid until the annual general meeting in 2020. The board of directors proposes that the authorisation to increase the share capital in connection with share incentive arrangements for the corporate management is renewed.

As the authorisation shall be used in connection with issuance of shares to option holders, the board of directors proposes that it is authorised to deviate from the shareholders' preferential rights to subscribe for and be allotted new shares.

The board of directors proposes that the general meeting adopts the following resolution:

- (i) *Pursuant to Section 10-14 of the Norwegian Public Limited Liability Companies Act, the board of directors is granted an authorisation to increase the Company's share capital with an amount up to NOK 40,000,000.*
- (ii) *The authorisation is valid until the Company's annual general meeting in 2021, but no longer than to and including 30 June 2021.*
- (iii) *The shareholders' preferential right to the new shares pursuant to Section 10-4 of the Norwegian Public Limited Liability Companies Act may be deviated from.*
- (iv) *The authorisation does not cover share capital increases against contribution in kind, cf. Section 10-2 of the Norwegian Public Limited Liability Companies Act.*
- (v) *The authorisation does not cover share capital increase in connection with mergers pursuant to Section 13-5 of the Norwegian Public Limited Liability Companies Act.*
- (vi) *From the time of registration of this authorisation in the Norwegian Register of Business Enterprises, this authorisation replaces the corresponding authorisation to increase the share capital granted to the board of directors at the annual general meeting held on 30 April 2019.*

14 Authorisation to the board of directors to acquire treasury shares

In order to allow the board of directors to utilise the mechanisms permitted by the Norwegian Public Limited Liability Companies Act to acquire treasury shares, the board of directors proposes that the general meeting grants the board of directors an authorisation to acquire shares in the Company, with a nominal value of up to NOK 290,655,172, equal to 10% of the current share capital. The board of directors proposes that the authorisation can be used to fulfil the Company's obligations in connection with acquisitions, incentive arrangements for employees, fulfilment of earn-out arrangements, be sold to strengthen the Company's equity or be deleted.

The board of directors proposes that the general meeting adopts the following resolution:

- (i) Pursuant to Section 9-4 of the Norwegian Public Limited Liability Companies Act, the board of directors is granted an authorisation to, on behalf of the Company, acquire treasury shares with a total nominal value of up to NOK 290,655,172, corresponding to 10% of the current share capital.
- (ii) The maximum amount to be paid for each share is NOK 150 and the minimum amount is NOK 1.
- (iii) Acquisition and sale of treasury shares may take place in any way the board of directors finds appropriate, provided however, that acquisition of shares not shall take place by way of subscription.
- (iv) The authorisation is valid until the Company's annual general meeting in 2021, but no longer than to and including 30 June 2021.
- (v) Shares acquired under the authorisation may either be used to fulfil the Company's obligations in connection with acquisitions, incentive arrangements for employees, fulfilment of earn-out arrangements, be sold to strengthen the Company's equity or be deleted.

Due to the extraordinary situation caused by COVID-19, it is necessary to restrict the total number of shareholders attending in person at the annual general meeting as much as possible. Therefore, the board of directors of Elkem ASA will comply with the advice and recommendation given by the Norwegian Institute of Public Health and consequently encourage all shareholders to exercise their shareholder rights without attending in person through advance voting or by providing a proxy without voting instructions to the vice chairman or the person he authorises. The annual general meeting will be streamed and can be seen in real time at the Company's website. Log on: <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/> and click on the link that will be made accessible just before the meeting starts, at 09:00. There will be no individual log on requirements to follow the streamed version of the meeting.

Those shareholders who nevertheless intend to participate in person at the general meeting must register with the registration form provided below. With regards to the extraordinary situation, missing registrations of attendance in person may result in shareholders being denied access to the general meeting. The general meeting must in any case comply with the at all times applicable framework determined by the governments. Persons who are quarantined may not under any circumstance attend the meeting in person. The government may also adopt provisions which entail that only a limited number of people may be allowed to attend the general meeting in person or that the general meeting must be postponed on short notice.

Shareholders are entitled to attend the annual general meeting, either in person or by proxy, are encouraged to register by Wednesday 6 May 2020 at 12:00 (CET). Registration may be sent electronically via a link on the Company's website: <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/> or through VPS Investor Services. The registration form may also be sent by e-mail: genf@dnb.no or by post to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Centrum, 0021 Oslo, Norway. The registration form has been distributed to the shareholders as an appendix to this notice. Valid ID (passport or driver's license) must be presented when attending in person.

A shareholder, not present himself/herself at the general meeting, may by Wednesday 6 May 2020 at 12:00 (CET) cast a vote on each agenda item via a link on the Company's website: <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/> or via VPS Investor Services (a PIN-code and a reference number given in the notice of attendance is required).

Shareholders wishing to vote at the annual general meeting by proxy may send their proxy form by e-mail: genf@dnb.no or to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Centrum, 0021 Oslo, Norway by Wednesday 6 May 2020 at 12:00 (CET). Proxies issued without voting instructions may also be submitted electronically via a link on the Company's website: <https://www.elkem.com/inves->

[tor/debt-and-share-information/annual-general-meeting/](#) or through VPS Investor Services. The proxy may also submit a written and dated proxy in the general meeting. A proxy form, with instructions for use, has been distributed to the shareholders as an appendix to the notice. Identity papers of both the proxy and the shareholder, and a certificate of registration if the shareholder is a corporate body, must be enclosed with the proxy form.

If shares are registered by a nominee in the VPS register, cf. section 4-10 (1) of the Norwegian Public Limited Liability Companies Act, and the beneficial shareholder wishes to vote for his/her shares, then the shares must be reregistered in a separate VPS account in his/her own name prior to the general meeting.

Elkem ASA is a Norwegian public limited liability company governed by Norwegian law, including the Public Limited Liability Companies Act and the Securities Trading Act. As of the date of this notice, the Company has issued 581,310,344 shares, each of which represents one vote. The shares also confer equal rights in all other respects. As of the date of this notice, the Company does not own any treasury shares.

A shareholder has the right to have items included in the agenda of the general meeting, provided that each such item is forwarded in writing to the board of directors, together with a draft resolution or a justification as to why the item should be included in the agenda, 28 days prior to the general meeting at the latest. A shareholder may bring advisors to the general meeting and let one advisor speak on his/her behalf. A shareholder has the right to table draft resolutions for items included in the agenda and to require that members of the board of directors and the CEO in the general meeting provide available information about matters which may affect the assessment of (i) the approval of the annual accounts and the annual report; (ii) items that are presented to the shareholders for decision; and (iii) the Company's financial situation, including information about activities in other companies in which the Company participates, and other matters to be discussed at the general meeting, unless the requested information cannot be disclosed without causing disproportionate harm to the Company.

Notice of the annual general meeting and other case documents, including the annual report and accounts, and auditor's report for 2019, are available on the Company's website: <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/>.

Shareholders may receive copies of the documents upon request by contacting Elkem ASA, Investor Relations, at e-mail address: <https://www.elkem.com/investor/debt-and-share-information/annual-general-meeting/>.

Forms for notice of attendance and power of attorney for the annual general meeting have been distributed to the shareholders together with this notice of the meeting.

Oslo, 15 April 2020



Zhigang Hao
Chair of the board

Appendix:

Form of attendance and proxy



Elkem ASA

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