

Document title: <b>Human rights program</b>	Revision R01	Doc.nr. GRP-CPL-PRO-02
		Valid from: 01.09.2022
Document owner (Role/Function): Corporate Compliance		
Document approver: Chief Compliance Officer		

## Table of Contents

<b>1. Purpose</b> .....	2
<b>2. Scope</b> .....	2
<b>3. Key program elements</b> .....	2
<b>3.1 Governance</b> .....	3
3.1.1 Governing documents .....	3
3.1.2 Organisational ownership .....	3
<b>3.2 Human rights due diligence</b> .....	3
3.2.1 Human rights risk- and impact assessment .....	4
3.2.2 Communication .....	4
3.2.3 Training and awareness .....	4
3.2.4 Third party risk management .....	4
3.2.5 Contractual human rights clauses .....	5
3.2.6 Employee dialogue and representation .....	5
<b>3.3 Monitoring and reporting</b> .....	5
3.3.1 Inspections, reviews and audits .....	5
3.3.2 Openness, whistleblowing and grievance mechanisms .....	6
3.3.3 Investigations .....	7
3.3.4 Continuous improvement .....	7
3.3.5 External and internal reporting .....	7
<b>4. Roles and responsibilities</b> .....	7
<b>5. Definitions and abbreviations</b> .....	8
<b>6. Deviation handling and approval</b> .....	8
<b>7. References</b> .....	8
<b>8. Human rights program maintenance</b> .....	9
<b>9. Revision log</b> .....	9

## 1. Purpose

Elkem supports and respects internationally proclaimed human and labour rights. To fulfil its human rights obligations, Elkem shall maintain an effective risk-based program to minimise and mitigate the risk of human rights violations arising from the company’s own activities and business relationships. Human rights risks are present across the company’s activities, operations and functions, and human rights considerations must therefore be an integrated part of multiple processes.

The purpose of this human rights program is to provide an overall description of how Elkem operationalises its commitment to respect and support internationally recognised human rights, and to reference the most relevant policies, procedures and other resources that supports the implementation of the human rights program. Details on process requirements, roles and responsibilities can be found in the respective governing documents referenced throughout this program.

This human rights program is anchored in Elkem’s Compliance policy.

## 2. Scope

This human rights program applies to all employees (including temporary personnel) and directors in Elkem ASA and subsidiaries, corporate affiliates, and joint ventures that are majority owned or controlled by Elkem (individually and collectively), commonly referred to as “Elkem” or “Group”.

Elkem’s activities are organised in a business structure consisting of divisions, functions and other units. Each division is organised in plants, sales offices and other units reporting to the respective division management. For the purposes of this document, these organisational units will be commonly referred to as “units”. The same term will be used to refer to units organised in and / or reporting to a function.

## 3. Key program elements

Public authorities such as the United Nations and the OECD have published guidance for companies outlining expectations to their human rights programs. Elkem’s human rights program shall be based on and regularly reviewed using these guidance documents as the benchmark.

Key elements of Elkem’s human rights program	
Governance	<ul style="list-style-type: none"> <li>• Clear commitment and requirements embedded in relevant governing documents</li> <li>• Organisational ownership</li> </ul>
Human rights due diligence: Continuously identifying, preventing and mitigating human rights violations	<ul style="list-style-type: none"> <li>• Regular risk assessments</li> <li>• Clear and visible communication of expectations at all levels in the organisation</li> <li>• Risk-based training, awareness and lessons learned programs</li> <li>• Risk-based integrity due diligence of business associates</li> <li>• Contractual clauses in agreements with business associates</li> </ul>

Monitoring and reporting	<ul style="list-style-type: none"> <li>• Risk-based inspections, reviews and audits</li> <li>• Effective channels for reporting of concerns / whistleblowing</li> <li>• Adequate investigations of all reported concerns / whistleblower reports</li> <li>• Regular reporting to Audit Committee and in annual Sustainability Report</li> </ul>
--------------------------	---

### 3.1 Governance

#### 3.1.1 Governing documents

Elkem maintains a Code of conduct which outlines the company's key ethical commitments. The Code of conduct is supported by Group governing documents. Human rights concerns are by their very nature multi-faceted and linked to multiple business processes, and Elkem therefore strives to integrate human rights considerations into its daily business activities. This approach also facilitates a company culture where human rights risk is considered as part of core business, rather than as a separate exercise. To adequately address the company's human rights risks, particular focus is paid to the governing documents for functions such as Environment, Health, and Safety (EHS), Compliance, Human Resources (HR), and Supply Chain.

Elkem encourages all our business partners to adhere to principles that are consistent with the Code of conduct, including respect for internationally recognized human rights. Suppliers, subcontractors, and other contracting parties of Elkem, including companies in which Elkem own a minority stake, are expected to adhere to standards which are consistent with applicable laws and Elkem's Code of conduct for business partners, and Elkem shall do its best to ensure such adherence.

#### 3.1.2 Organisational ownership

Corporate Compliance has the functional ownership for the human rights program and acts as advisors to the global organisation. Responsibility for managing human rights risks within their respective areas of responsibility remains with unit management.

The multi-faceted nature of human rights requires cross-functional coordination. Elkem has therefore established a human rights working group with participation from the following functions/representatives: HR, ESG office, Compliance, Supply Chain and EHS.

### 3.2 Human rights due diligence

Elkem's approach to human rights due diligence is guided by the United Nations Guiding Principles on Business and Human Rights. Elkem will work systematically to:

- a. Identify and assess potential adverse human rights impacts from own operations or business relationships;
- b. Use findings to address issues and implement measures to improve business processes to reduce adverse human rights impact;
- c. Monitor the status and effectiveness of efforts to address and reduce adverse human rights impact;
- d. Regularly communicate on the status and effectiveness of such efforts to stakeholders

### 3.2.1 Human rights risk- and impact assessment

Elkem's human rights risk exposure and the company's actual and potential human rights impacts shall be assessed on an annual basis in accordance with the compliance risk management procedure. The risk- and impact assessment shall be coordinated by the Human Rights working group and forms the basis for the company's human rights program.

The UNGP Business Reference Guide is applied as a guidance tool to identify Elkem's human rights risks, and which human rights the company is in position to impact. The human rights risk assessment should focus on risk to people, as opposed to the more commonly used perspective of assessing risk to the company.

Elkem current human rights risk- and impact assessment has identified the following human rights priority areas:

- **Employee rights:**  
Governed by the People Policy and supporting governing documents
- **Environment, health and safety (EHS):**  
Governed by the EHS Policy and supporting governing documents
- **Supply chain and responsible sourcing:**  
Governed by the Procurement Policy and supporting governing documents

Assessments of human rights impacts should also be undertaken prior to Elkem introducing a new activity / making a major decision or change to its operation (e.g. market entry, product launch, policy change, or wider changes to the business). It may also be appropriate to update the human rights impact assessment in response to or anticipation of changes in the operating environment (e.g. rising social tensions, conflict or natural disasters).

If deemed necessary by the ESG Steering Committee, Elkem may engage an independent external body to conduct a human rights impact assessment to support prioritisation of efforts and corrective actions within the area of human rights.

### 3.2.2 Communication

Elkem communicates its Code of conduct on external internet pages and intranet. Corporate Compliance maintains an annual communication plan which covers human rights-related topics.

Employees may consult a helpline (compliance@elkem.com) for questions regarding ethical conduct.

### 3.2.3 Training and awareness

Compliance training is one of Elkem's key initiatives in preventing unethical behaviour, including human rights infringements. Elkem's training portfolio includes a dedicated human rights eLearning course. The purpose of human rights training is to raise awareness and educate Elkem's employees about what human rights are, relevant regulations and internal policies and explain how the company could positively contribute or negatively impact human rights through its activities.

Details on Elkem's compliance training program, including training modules, target groups, responsibilities and cost allocation, is provided in the compliance training procedure.

### 3.2.4 Third party risk management

Business relationships can expose Elkem to compliance risk. To avoid becoming complicit in or associated with illegal or unethical practices conducted by third parties, including direct or indirect involvement in corruption, human rights-, environmental- or labor rights violations,

Elkem performs integrity due diligence (IDD) on its third parties prior to entering into a business relationship. The purpose of the IDD process is to identify any compliance risks associated with a potential business relationship and determine appropriate actions to manage such risk. The level of IDD and nature of risk mitigation shall be proportionate to the risk exposure and reflect the nature of the business relationship.

Subsequent to entering into a business relationship, Elkem may need to conduct follow-up activities towards a third party to continuously manage and mitigate compliance risks including human rights risk. Appropriate follow-up activities will vary depending on the risk exposure and nature of the business relationship.

Details on third party risk management is provided in the Third party risk management (TPRM) procedure.

### **3.2.5 Contractual human rights clauses**

Contractual clauses cannot prevent human rights violations but are a tool to signal expectations of respect for internationally recognised human rights to third parties. Contractual clauses can allow Elkem to demand a third party to address and rectify human rights violation. Elkem will always seek to collaborate with third parties to correct an undesirable human rights situation. In cases where the third party is unable or unwilling to apply the necessary corrective measures, contractual clauses can allow Elkem to terminate a contract if deemed necessary.

Elkem shall endeavour to include human rights clauses in all agreements with its third parties. The wording of such clauses will vary dependent on the type of contractual party and the nature of the agreement. Expectations to suppliers, distributors, agents, resellers and joint venture partners are described in the Code of conduct for business partners. Elkem's General terms and conditions for sales also make reference to the Code of conduct for business partners. Further guidance on requirements for contract clauses for various third parties are provided in the Third party risk management (TPRM) procedure and the Contract management procedure.

### **3.2.6 Employee dialogue and representation**

Elkem has a long tradition of including and involving employees and their unions and believe this improves decision-making processes. The company maintains formal channels to facilitate constructive dialogue between employees and leadership, with a particular view to protect employee rights and ensure compliance with ILO's core conventions. Employees may raise issues through local unions and representatives and the Group Committee. Employees elect representatives to the Board of Elkem ASA, and to individual Unit boards in accordance with local committees. The company has a European Works Council (EWC) in accordance with the European Union Directive 2009/38/EC.

Details on how Elkem facilitates employee representation and protects labour rights can be found in the People Policy and supporting documents.

## **3.3 Monitoring and reporting**

### **3.3.1 Inspections, reviews and audits**

Elkem performs regular inspections / reviews / audits at its own locations, projects, and third parties in accordance with applicable procedures. Controls of human rights shall be carried out as part of ordinary reviews / audits of e.g. health and safety, people procedures, procurement procedures and/or quality. Identified deviations shall be specifically addressed and improvement actions with action owner listed, and Corporate Compliance shall be notified.

Elkem has identified that a key risk exposure to human rights violations is found in the supply chain. Contractual clauses providing right to audit is required for supplier relationships. Elkem's procurement and technical service personnel will follow-up suppliers in connection with routine visits, contractual negotiations and projects, with support from Corporate Compliance as needed.

Questions about corporate sustainability are also included in the procurement function's own system for supplier audits where the focus is a total evaluation of the supplier and its areas for improvement. Follow-up of previously agreed improvement measures are also included as a natural part of a supplier visit. During routine visits and regular supplier audits, the need for more thorough audits will be identified. Such cases shall be escalated to Corporate Compliance who will decide on further actions.

### **3.3.2 Openness, whistleblowing and grievance mechanisms**

#### **Culture of openness**

A core component of Elkem's Business System (EBS) is to empower employees to identify and resolve issues where they occur. Elkem employees should not hesitate to discuss any concerns regarding the company's human rights performance.

#### **Speak Up / whistleblowing**

If a violation of Elkem's human rights commitments is suspected, observed or experienced, any employee, manager or external party are encouraged to notify Elkem management. Potential recipients of notifications include but are not limited to line managers, the HR function, the EHS function, the Compliance team, local unions, employee representatives or safety delegates. Managers who receive a report of a human rights-related concern should notify Corporate Compliance who can provide support in assessing and resolving the issue.

Anyone not comfortable with reporting to management can use Elkem's Speak Up channel to report a human rights-related concern. The Speak Up channel is open for all employees and non-employees who would like to report a breach of laws or regulations, the Code of Conduct or other internal guidelines or governing policies. The Speak Up channel is hosted by an external supplier, guaranteeing anonymity for the whistleblower. Elkem encourage reports of any behaviour that goes against the ethical guidelines of the company and has committed to protect the whistleblower against any potential retaliation. Notifications of possible violations made in good faith will have no effect on the whistleblower's professional career. The whistleblower's identity (if known) will be kept confidential.

The Speak Up guideline describes how to report a concern to the Speak Up channel. The Speak Up and investigation procedure governs how such matters are handled.

#### **Grievance mechanism**

Elkem continuously strive to build trust with our stakeholders, address their concerns and ensure effective grievance mechanisms for individuals and communities that may be adversely affected by our activities. Elkem's grievance mechanism is targeted towards stakeholders who have feedback or concerns related to our plants, projects or other business activities worldwide. It is accessible via [www.elkem.com/grievance-mechanism/](http://www.elkem.com/grievance-mechanism/). All grievances are received and coordinated by Elkem's team for Environmental, Social and Governance (ESG) issues.

### 3.3.3 Investigations

Investigations into alleged human rights violations are carried out in accordance with the rules set out in the Speak Up and investigation procedure.

### 3.3.4 Continuous improvement

Public authorities' expectations for companies to implement to effective human rights programs are continuously increasing, and current activities may be assessed based on higher future standards. In order to have sufficient corporate defence in place, Elkem must continuously improve its program and capture e.g. developments in relevant law, changes in guidance from regulatory authorities, lessons learned, and other opportunities to enhance performance and meet stakeholder expectations. Changes to the company's risk exposure, as identified through risk- and / or impact assessments may also necessitate updates to the program. The human rights program shall be reviewed on a regular basis with the aim to identify gaps and improvement opportunities. A full gap analysis should be conducted every two years, informing priorities and strategic direction. The reviews can be performed internally or by the help of an external party.

Incidents and investigations that uncover unwanted practices that put the company in risk of causing, contributing to or being complicit in human rights violations shall result in recommended remediation and improvement actions to reduce the future risk for similar non-compliances in the organization. Such improvements could include updates and strengthening of governing documents, introduction of new internal controls, enhanced training and awareness activities, change of roles and responsibilities etc. Elkem will engage in remediation efforts if the company causes or contributes to adverse human rights impacts.

### 3.3.5 External and internal reporting

Elkem is a listed company on the Oslo Stock Exchange and follow the Norwegian Accounting Act for annual reporting. In addition, Elkem follows the recommendations given by the Oslo Stock Exchange for annual sustainability reporting. The sustainability reporting is done in accordance with the recommendation from the Global Reporting Initiative's (GRI) standards, the UN Global Compact, Carbon Disclosure Project (CDP) and Task Force on Climate-related Disclosures (TCFD). The annual sustainability report includes reporting on human rights.

Pursuant to the UK Modern Slavery Act 2015, the company reports annually on steps that have been taken to ensure that there is no slavery or human trafficking in own operations or in the supply chain.

Internally, the Compliance function reports regularly on human rights to the ESG committee and the board of director's Audit Committee.

## 4. Roles and responsibilities

Details on process requirements, roles and responsibilities can be found in the respective governing documents referenced throughout this program.

### THE CHIEF COMPLIANCE OFFICER (CCO) AND THE COMPLIANCE FUNCTION

The Chief Compliance Officer is Head of the Compliance function and responsible for the development and maintenance of Elkem's human rights program.

### THE HUMAN RIGHTS WORKING GROUP

Elkem has established a Human Rights working group with representatives from key functions. Tasks and responsibilities are detailed in the Mandate for Elkem’s human rights working group, see attachment 1 to this program. The Human Rights working group regularly reports on its activities to the ESG Steering Committee.

## 5. Definitions and abbreviations

Terms/Abbreviation	Definitions
Grievance	An allegation, issue, or problem raised in relation to Elkem’s operations and its impact on human rights.
Grievance mechanism	A process through which a grievance can be raised (including anonymously), assessed, investigated, and responded to in a timely, fair and consistent manner, without retribution.
HR	Human Resources
EHS	Environment, Health and Safety
Human rights	Human and labor rights as expressed in the International Bill of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
Human Rights Due Diligence	A continuous process to identify, prevent, mitigate and account for how a company addresses its adverse human rights impacts.
International Bill of Human Rights	The International Bill of Human Rights consists of the Universal Declaration of Human Rights (1948), the International Covenant on Economic, Social and Cultural Rights (1966), and the International Covenant on Civil and Political Rights (1966).
OECD	The Organization for Economic Co-operation and Development
Remediation	Refers to both the process of providing remedy for a negative human rights impact and the substantive outcomes that can counteract, or make good, the negative impact. These outcomes may take a range of forms such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition.
UN	United Nations
UNGP	UN Guiding Principles on Business and Human Rights
Union	Elkem encourages employee representation in our business units in all locations (through participation in working committees, Board of Directors, trade union representatives etc.). For the purposes of this procedure, “Union” is used to refer to all such employee representation.

## 6. Deviation handling and approval

All requests of exception/deviation from this human rights program shall be processed by the Chief Compliance Officer. The applicant for exception must receive acceptance of the exception in writing by document owner before the activity is performed. The Chief Compliance Officer is responsible for maintaining appropriate documentation of approved procedure deviations.

## 7. References

Document number	Document - title
GRP-GOV-COC-00	Code of conduct
GRP-CPL-POL-00	Compliance policy
GRP-CPL-PRO-01	Speak up and investigation procedure



N/A	Speak Up channel <a href="https://www.speakupfeedback.eu/web/elkem">https://www.speakupfeedback.eu/web/elkem</a>
GRP-CPL-PRO-02-01	Mandate for Elkem's human rights working group
GRP-CPL-PRO-05	Third party risk management procedure
GRP-CPL-PRO-07	Compliance training procedure <i>To be developed</i>
	Compliance risk management procedure <i>To be developed</i>
N/A	Grievance mechanism <a href="http://www.elkem.com/grievance-mechanism/">www.elkem.com/grievance-mechanism/</a>
GRP-PPL-POL-00	People Policy
GRP-EHS-POL-00	EHS Policy
GRP-PRM-POL-00	Procurement Policy
GRP-LGL-PRO-01	Contract management procedure

## 8. Human rights program maintenance

To ensure that its content remains current and relevant, this human rights program will be subject to the following maintenance activities:

- The document owner is responsible for reviewing the content of this human rights program, making any necessary amendments, and capturing feedback from individuals deemed relevant by the document owner.
- The document owner must review the content on an at least annual basis, but amendments can be made at any time.
- The document owner will circulate the amended human rights program to the ESG Steering Committee for approval.

## 9. Revision log

Rev nr	Date	Changes	Written by	Approved by
R07	01.09.2022	First edition Replaces former Human rights policy	Siri Simenstad	