

RECOMMENDATIONS BY THE NOMINATION COMMITTEE OF ELEMENT ASA

TO

THE EXTRAORDINARY GENERAL MEETING TO BE HELD ON 17 MARCH 2021

The Nomination Committee of Element ASA currently consists of the following members:

- Odd Ivar Lindland
- Per Johnny Bråthen
- Odd Aarhus

All of the members of the Nomination Committee were elected at the Company's ordinary general meeting held on 30 June 2020.

Pursuant to the Company's articles of association, the Nomination Committee shall be structured in order to represent a broad range of shareholder interests. The Nomination Committee shall propose candidates to the Board of Directors and remuneration to the members of the Board of Directors. The Nomination Committee has the following proposals to the extra ordinary general meeting on 17 March 2021:

1 SHARE OPTIONS

The board of directors has in item 9 of the notice of extraordinary general meeting proposed that the general meeting increases the share option program from 547,342 shares to 4,547,341 shares, and that 1,000,000 options may be granted to new CEO Thomas Christensen and 500,000 share options may be granted to each of the board members Viggo Leisner and Kari Mette Toverud.

The Nomination Committee has reviewed and proposes the following:

- Thomas Christensen, the new CEO, is granted 1,000,000 share options, each with an exercise price of NOK 6.00. The share options vest with 1/24 per month over a period of 24 months.
- Viggo Leisner, board member, is granted 500,000 share options, each with an exercise price of NOK 8.00. The share options vest with 1/24 per month over a period of 24 months.
- Kari Mette Toverud, board member, is granted 500,000 share options, each with an exercise price of NOK 8.00. The share options vest with 1/24 per month over a period of 24 months.

The share options are otherwise subject to the terms and conditions stated in the 2020 option program of the Company. The board of directors of Element ASA supports the proposal by the Nomination Committee.

2 REMUNERATION TO THE CONTEMPLATED NEW CHAIRMAN JAMES HAFT

The board of directors has in item 8 of the notice of extraordinary general meeting proposed that the general meeting shall approve that the remuneration to James Haft shall amount to an annual fee of USD 58,000 for the role as executive chairman. This amount only relates to his formal role as chairman, and the remuneration as executive is proposed to amount to USD 12,000 per month.

The Nomination Committee of Element ASA

Odd Aarhus

Odd Ivar Lindland

Per Johnny Bråthen