
Appendix to item 7 of the agenda

Amendment in Instructions for the Nomination Committee of Orkla ASA

An amendment is proposed in point 4.2 of the Instructions for the Nomination Committee of Orkla ASA as a result of changes in the Norwegian Code of Practice for Corporate Governance.

The Code of Practice Section 7 forth paragraph now reads as follows:

“The members of the nomination committee should be selected to take into account the interests of shareholders in general. The majority of the committee should be independent of the board of directors and the executive personnel. The nomination committee should not include any executive personnel or any member of the company’s board of directors.”

It is proposed that point 4.2 of the Instructions for the Nomination Committee of Orkla ASA be amended accordingly.

The proposed amendment is marked below with tracked changes.

Instructions for the Nomination Committee of Orkla ASA, Article 6 of the Articles of Association

(Updated April 2020)

1. Composition and election

The Nomination Committee shall consist of two to five members. The General Meeting elects the members of the Nomination Committee and its chair. Members are elected for a term of up to two years.

2. Remuneration

The General Meeting determines the remuneration of the Nomination Committee.

3. The tasks of the Nomination Committee

The Nomination Committee is tasked with making the following recommendations:

- 3.1 Recommendation to the General Meeting regarding
 - election of shareholder-elected members and possible deputy members to the company’s Board of Directors
 - election of members to the Nomination Committee
 - determination of the remuneration of the Board of Directors and the Nomination Committee
- 3.2 Recommendation regarding
 - election of the chair of the Board of Directors (the Nomination Committee is supplemented by a representative designated by the employee-elected members of the Board of Directors)

4. Further details regarding the recommendations

4.1 Recommendation regarding election of shareholder-elected members to the Nomination Committee

The recommendation regarding election of members to the Nomination Committee shall be based on ensuring that they represent a broad cross-section of the company's shareholders.

4.2 Recommendation regarding election of members of the Nomination Committee

The recommendation regarding election of members of the Nomination Committee shall be based on the principle that a majority of the members shall be independent of the company's Board of Directors and executive management, and that ~~no member of the company's Board of Directors or executive management should be a member of the Nomination Committee, at least one of the members should not be a member of the Board of Directors.~~ The recommendation may be submitted by all members of the Nomination Committee.

4.3 Recommendation regarding election of shareholder-elected members to the Board of Directors

The recommendation regarding election of Board members shall be based on the following:

- The Board of Directors should be composed in such a way as to safeguard the interests of the body of shareholders and Orkla's need for expertise and diversity.
- Account should be taken of the need to ensure that the Board of Directors can function effectively as a collegial body.
- The majority of the shareholder-elected members should be independent of the executive management and material business contacts.
- At least two of the shareholder-elected members should be independent of the company's main shareholders.
- Executive personnel should not be members of the Board of Directors.

4.4 General criteria for the recommendations

The recommendations shall be reasoned, state the term of office and contain the following information on new candidates:

- expertise
- capacity
- independence
- age
- education
- work experience
- how long they have held offices, if any, in Orkla
- any other assignments carried out for Orkla
- important assignments in other companies and organisations
- for new members to be elected to the Board, a confirmation of the candidate's acceptance of the share purchase arrangement; see point 4.5
- for members proposed for re-election, information as to whether shares have been acquired in accordance with the share purchase arrangement; see point 4.5

When re-election of a member is proposed, the recommendation may refer to information in the annual report, etc.

4.5 Utilisation of Board fee to purchase shares

The shareholder-elected members of the Board are required to utilise 1/3 of their gross Board fee (excluding any fee for committee work and any additional fee for members residing outside of Norway) to purchase shares in Orkla until they (including their related parties) own shares in Orkla with a value equivalent to two times their gross Board fee (excluding any fee for committee work and any additional fee for members residing outside of Norway).

Acquisitions must be made in accordance with applicable legislation and the Rules for Primary Insiders at Orkla and Orkla's Instructions for Handling Inside Information. Acquisitions shall be made as soon as possible after the Board election has taken place, but by the end of the year at the latest.

The shares shall be retained as long as the Board member serves on the Board. However, this does not apply to shareholdings with a value that exceeds two times the member's Board fee.

The Nomination Committee shall verify compliance with the share purchase arrangement. Compliance with the share purchase arrangement will be part of the Nomination Committee's assessment of candidates to be nominated for election for the following term.

5. Rules of procedure

The Nomination Committee has a quorum when at least three members are present. All of the members shall be given an opportunity to participate in consideration of matters.

The Nomination Committee shall meet when convened by the chair or at the request of one member. Minutes shall be taken of the proceedings at Committee meetings.

The Chair of the Board of Directors and the Group President and CEO shall be summoned to attend at least one meeting of the Nomination Committee before the Committee makes its final recommendation. The Nomination Committee shall be presented with the Board of Director's evaluation of its activities and expertise.

The Committee obtains such information from the administration or other persons, including employee representatives and shareholders, as is deemed to be relevant. Information is published on the company's website concerning time-limits for submitting proposals and comments to the Nomination Committee regarding elections to the Board of Directors and the Nomination Committee.

The Nomination Committee may draw on resources within the company, and obtain advice and recommendations from sources outside the company. The costs of the Nomination Committee are covered by the company.

The chair of the Nomination Committee, or the person authorised by the chair, shall present the recommendation.

6. Consideration of the Nomination Committee's recommendation to the General Meeting

The Nomination Committee's recommendation to the General Meeting shall be submitted in good time for it to be communicated to the shareholders before the General Meeting. If possible, the recommendation shall be made available to shareholders at the latest simultaneously with the notice of the general meeting.