



Rules for Primary Insiders at Orkla ASA

(in force as of 1 March 2021)

1 APPLICABILITY

The *Rules for Primary Insiders* apply in addition to the *Instructions for Handling Inside Information in Orkla* (Inside Information Instructions), which apply to all employees and elected officers in Orkla. The rules describe the special obligations imposed on primary insiders *in addition* to the obligations incumbent on primary insiders under the Inside Information Instructions. These obligations arise in part directly from laws and regulations and in part from decisions of Orkla's Board of Directors.

The Rules regulate the obligations of primary insiders related to transactions in Orkla shares or debt instruments, and to derivatives or other financial instruments related to shares or debt instruments. The Rules also set out the rules and regulations that apply to primary insiders' related parties.

2 PRIMARY INSIDERS AND RELATED PARTIES

A primary insider is a "*person with managerial responsibilities*"¹ or an elected officer in Orkla, which in practice means a person who:

- 1 is the chair, a member or a deputy member of the Board of Directors of Orkla ASA
- 2 is part of the Management Team of Orkla ASA
- 3 is a senior executive outside the Management Team and the Board of Directors who (i) has regular access to inside information and (ii) has authority to take decisions that affect Orkla's future development and operations.

An assessment must be made on a case-by-case basis of whether an employee is "a senior executive" under point 3. As defined above, a person is a primary insider even if he or she does not possess specific information that will become inside information.

A primary insider's "*related parties*"² are:

- 1 the spouse, or a person equated with a spouse under national law, i.e. registered partners and persons living together in a marriage-like relationship (cohabitants)
- 2 dependents of the primary insider in accordance with national law, which mainly means minor children

¹ Market Abuse Regulation, Article 3 (1) (25)

² Market Abuse Regulation, Article 3 (1) (26)

- 3 other relatives who have shared the same household as the primary insider for one year prior to the transaction, including the spouse's/cohabitant's children from a former marriage or relationship
- 4 legal persons (companies), trusts or partnerships which are managed, controlled, set up for the benefit of, or the economic interests of which are substantially equivalent to those of, the primary insider or related persons. The same applies to legal persons where the primary insider or related persons hold an office or an executive management position entailing that the person concerned participates in investment decisions in this legal person.

The rules defining related natural persons are comprehensive. Point 2 covers all minor children, including children who do not live with the primary insider. It will also cover children who are of age if an extended support obligation has been imposed on the primary insider. Children of age who live with the primary insider are covered by point 3, and are related parties if they have been part of the primary insider's household for one year or more at the date of the transaction. On the same condition, more distant relatives, such as parents, siblings, grandchildren, nieces and nephews are also covered.

The provision regarding legal persons (companies), trusts or partnerships in point 4 is particularly comprehensive.³ Investment companies wholly owned by primary insiders and related natural persons will clearly be covered by the definition. Companies in which a primary insider or related parties who are natural persons have a controlling interest or decisive influence, including subsidiaries of such companies, will also be covered. Companies in which a primary insider or related natural person holds a position or office in which the person concerned has general responsibility for, takes part in or can influence the legal person's choice to carry out transactions in Orkla's financial instruments are also covered. If the primary insider or the related natural person is a member of the Board of Directors or holds an executive management position in another company, this will depend on the influence that he or she has to affect the company's decision to carry out the transaction. This will be determined by an assessment in each individual case. In other words, these other companies are not automatically related parties even if a primary insider or related natural person in Orkla is also a primary insider in the other company. It is important to be aware that a company may be a related party of the primary insider, even if neither the primary insider nor the primary insider's other related parties own an interest in the company.

If the primary insider is in doubt as to whether a natural or legal person, trust or partnership must be deemed to be a related party, the primary insider may contact the EVP Legal Affairs at Orkla for assistance in considering this issue.

³ In the MAR Regulation to which Norwegian law refers, this is described as "...a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (a), (b) or (c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person;

3. STATUTORY OBLIGATIONS: OBLIGATION OF NOTIFICATION, PROHIBITION OF TRADING AND OBLIGATION TO INFORM RELATED PARTIES

3.1 Obligation to notify transactions

Both primary insiders *and* related parties have an independent obligation to notify specifically defined transactions in Orkla's financial instruments⁴ to both Orkla and the Norwegian Financial Supervisory Authority (Finanstilsynet). Such notifications must be sent immediately and no later than three business days after the date of the transaction.

Financial instruments covered by the obligation

Article 3 (1) (1)⁵ of the Market Abuse Regulation contains a detailed list of what is defined as a financial instrument. In brief, transactions in shares and listed debt instruments (including bonds) issued by Orkla that are carried out on a primary insider's or related party's own account must be notified. Subscription rights, options and financial derivatives linked to shares or debt instruments are also financial instruments, and are covered by the notification obligation.

The obligation also covers investments in collective investment undertakings, such as an investment company, or structured products if the financial instrument's exposure to Orkla shares or debt instruments exceeds 20% of the assets in the collective investment undertaking or of the assets in the portfolio.

Notifiable transactions

Article 10 of Commission Delegated Regulation (EU) 2016/522 contains a comprehensive list of the transactions that are subject to notification. In practice, this means all conceivable transactions, including acquisition, disposal, short sale, subscription or exchange, acceptance or exercise of a share option, including share options granted as part of remuneration, and the disposal of shares acquired by exercising the options.

The same applies to transactions in or linked to derivatives, and entry into a contract for difference on a financial instrument issued by Orkla.

The list is not exhaustive. Almost all types of transaction are covered by the notification obligation, including pledging, borrowing or lending of shares, and inheritance and gift transactions.

Disclosure thresholds

The obligation of notification arises when the total volume of transactions in a calendar year reaches a certain threshold, currently EUR 5000. The notification obligation shall apply as from and including the transaction that causes the amount limit to be reached or exceeded and all subsequent trades in the same calendar year. The threshold must be calculated by adding up all transactions without netting them.

The disclosure thresholds apply individually for primary insiders and each related party, and consequently transactions effected by primary insiders must not be consolidated with transactions effected by related parties. When calculating the disclosure threshold in the case of gifts and inheritances, the shares must be valued at market price and not at NOK 0.

Requirements regarding format of notification

⁴ Article 19 (1) of the Market Abuse Regulation

⁵ [Link to Norwegian translation when available]

The primary insider is responsible for fulfilling the obligation of notification, but Orkla's Investor Relations Department (IR Department) can provide assistance. Specific requirements apply to the format of notification. The notification to Orkla must be submitted on a prescribed form, and Finanstilsynet must be notified via Altinn (www.altinn.no). Notification must be sent *immediately* after the transaction has taken place. There is an absolute deadline of three business days if special circumstances prevent the immediate sending of notification. It is important to note that it is not an ordinary deadline of three business days. If the IR Department provides assistance, notification takes place in accordance with the following procedure:

1. Immediately after the transaction has taken place, the primary insider must report it on the prescribed form (see attachment 1) to the IR Department by e-mail to [specify address] with the following information:
 - full name of the person subject to the notification obligation
 - in the case of related parties, information as to who is the primary insider concerned and the related party's relationship to the primary insider
 - background for the notification
 - name of the issuer (Orkla ASA) and the issuer's Legal Entity Identifier (LEI), which is 549300PZS8G8RG6RVZ52
 - description of the financial instrument
 - type of transaction
 - price and volume of the transaction
 - holding of shares, options and other financial instruments after the transaction
 - time and place (market) of the transaction
2. The IR Department must thereafter, on behalf of the primary insider, immediately report the transaction to Finanstilsynet via Altinn. The IR Department must then publicly disclose the primary insider notification to the market by means of a stock exchange notification. The primary insider will receive a copy of the stock exchange notification.

The notification obligation also applies when the primary insider inherits or receives or makes a gift of shares or other financial instruments.

The primary insider's related parties must themselves report transactions, both to Finanstilsynet and to Orkla, unless the primary insider has made a special agreement with the IR Department regarding assistance.

3.2 Obligation to inform primary insiders of the notification obligation and to draw up a list of persons subject to the notification obligation.

Orkla has an obligation to inform the primary insider in writing of the obligation to notify transactions and to provide information on persons who are related parties. This is done by sending these Rules to all primary insiders.

Orkla must also draw up a list of all primary insiders and their related parties. The primary insider must therefore provide Orkla with information on these persons on the prescribed form.

Information must be provided on all related parties, and any changes in related parties must be reported immediately, regardless of whether or not they own financial instruments in Orkla.

In addition to informing Orkla as to who are related parties, primary insiders must inform their related parties of the obligation to notify transactions to Orkla and Finanstilsynet, and that such notification must be sent on the prescribed form to Orkla, and through Altinn to Finanstilsynet. *The primary insider must keep a copy of the information that is given to related parties.*

3.3. Ban on trading in “red” periods for primary insiders

As of 1 March 2021, it is prohibited for primary insiders to carry out transactions in Orkla's financial instruments in the last 30 days (“red” period) prior to publication of Orkla's statutory financial reports. This means that a primary insider may not, either on his or her own account or on the account of others, directly or indirectly, carry out transactions related to Orkla's shares or other financial instruments in the 30-day period before Orkla's financial reports are published.

The statutory ban on trading applies in connection with the publication of financial information that Orkla has an obligation to disclose publicly in accordance with stock exchange rules or Norwegian law, i.e. its annual and half-year reports.

The obligation to publish quarterly reports for the first, third and fourth quarters ceased to apply on 1 January 2017. However, since Orkla reports on the fourth quarter with all key information related to the final figures expected to be disclosed in its annual report, the statutory trading ban applies to the period prior to publication of the fourth quarter report instead of the period prior to publication of the annual report. Consequently, there is no ban on trading in the period prior to publication of the annual report as long as Orkla maintains its practice of publishing fourth-quarter reports.

In addition, Orkla has introduced the trading ban for the periods prior to the first and third quarters.

In certain special cases, Orkla has the possibility of granting exemption from the trading ban, including the statutory ban, in the event of unusual circumstances. An application must be sent to the SVP Legal Affairs. However, the conditions prescribed by law for granting exemption are very restrictive.

3.4 Criminal liability

Infringements of the statutory provisions described above are punishable by fines or imprisonment. Both wilful and negligent contraventions are punishable. Attempts are also punishable.

Obligations imposed by the company: Obligation to investigate and clearance

4.1 Trading ban in connection with quarterly reporting

As stated above, Orkla's Board of Directors has decided that the ban on trading also applies to the 30-day period prior to reporting of results for the first and third quarters.

4.2 Clearance obligation and obligation to investigate

Primary insiders no longer have a statutory obligation to carry out special investigations of whether there is precise information (inside information) regarding the financial instruments that Orkla has issued before a transaction may be carried out. However, the primary insider must be aware that negligent insider trading is also a criminal act. Consequently, it is most

strongly recommended that the primary insider conduct certain investigations to ascertain whether there is any inside information regarding Orkla before carrying out transactions.

Even though it is not required under Norwegian law, Orkla's Board of Directors has decided that primary insiders must apply for clearance for their transactions in Orkla's financial instruments with the President and CEO. A request for clearance must be sent by e-mail (pdf file) using the Form for Clearance Requests from Primary Insiders. The related parties of primary insiders are not subject to an obligation to obtain clearance for trading.

The President and CEO may grant clearance for the transaction after personally having carried out a proper investigation of whether there is any inside information regarding Orkla. If the President and CEO himself or herself intends to trade, clearance must be obtained from the Chair of Orkla's Board of Directors. The Board Chair must apply to the President and CEO for clearance of his or her transactions.

Members of the Board of Directors may request clearance for transactions from the Board Chair, but in such case the Board Chair must first ask the President and CEO for such clearance. The Board Chair must have received written confirmation from the President and CEO before granting clearance to the Board member.

The *Form for Clearance of Primary Insiders* should be used for clearance of primary insiders.

The person who grants clearance must assess in each individual case whether there is any inside information regarding Orkla. The clearance should state that this has been done. The clearance will normally be valid for seven days, which means that a binding agreement must be entered into no later than in the course of the seventh day after clearance has been granted. If no binding agreement has been entered into within the time limit, the primary insider must request new clearance. Even if clearance has been granted, the primary insider may not trade if he or she possesses or learns that there is inside information regarding Orkla. To the extent that an order has been given, it will not, as a basic rule, be possible to change the order; see also the Instructions for Handling Inside Information. The prohibition against using inside information applies even if clearance has been given and clearance does not exempt the primary insider from making his or her own assessment of whether he or she possesses inside information.

The *Form for Rejection of Clearance Requests from Primary Insiders* must be used for the rejection of requests for clearance of primary insiders. The President and CEO (or Chair of the Board of Directors) does not need to give grounds for a rejection.

For the sake of clarity, it is emphasised that the rules regarding clearance do not apply to transactions related to inheritance and gifts. However, such transactions are notifiable; see point 3.1 above. Transactions between a primary insider and his or her related parties are subject to the clearance obligation.

5 GENERAL EXERCISE OF DUE CARE

Primary insiders shall refrain from short-term transactions in Orkla's shares and other financial instruments linked to the Orkla share. He or she should generally exercise due care as regards the period of ownership, and investments in his or her own company should be perceived as long-term.

FORMS

- Form for Clearance Requests from Primary Insiders
- Form for Clearance of Primary Insiders
- Form for Rejection of Clearance Requests from Primary Insiders
- Form for Overview of Primary Insiders' Related Parties and/or Companies