



Annual General Meeting 2019

Oslo, 25 April 2019

Stein Erik Hagen (Chairman of the Board)

- Largest shareholder in Orkla ASA (through Canica AS and other companies)
- First elected to the Board in 2004
- Retailer and founder of RIMI in 1977
- Co-founder of ICA AB
- Owner of Canica AS and associated family-owned companies together with his children
- Member of the Board of Arcus AS
- Member of the Board of the family's charitable foundations
- Member of the Board of Prostate Cancer Foundation
- Member of the Spine Leadership Council at the Hospital for Special Surgery, New York



Grace Reksten Skaugen

(Deputy Chair of the Board)

- MBA, BI Norwegian School of Management, BSc and PHd in Laser Physics, Imperial College of Science and Technology
- Works as independent consultant
- First elected to the Board in 2012
- Founder and Board member of Norwegian Institute of Directors
- Board member Lundin Petroleum AB and Euronav Tankers
- Board member and leader for the Audit & Risk Committee of Investor AB



Ingrid Jonasson Blank

- BSc Business Administration and Economics, University of Gothenburg,
- First elected to the Board in 2013
- Career in ICA, 1986-2010, most recently as EVP Functional Market Responsibility, ICA Sverige
- Member of the Board of Fiskars Oyj, Bilia AB, Ambea, Musti ja Mirre Group Oy, Nordic Morning Group, Bygghemma AB, Kjell&Co AB, Forenom Oy and ZetaDisplay AB



Lars Dahlgren

- Stockholm School of Economics, Master of Science in Economics & Business Administration
- First elected to the Board in 2014
- Swedish Match AB, CEO, from 2008
- 2004–2008 Swedish Match AB, CFO
- 2002–2004 Swedish Match AB, VP Group Finance
- 2000–2002 Vasatek Ltd., Financial Director & Director of Business Development



Nils Selte

- Master of Business and Economics
Norwegian School of Management
- First elected to the Board in 2014
- Canica CEO 2001-2006 og from
2014
- Canica CFO 2006-2014
- SVP Finance / Group Treasurer in
Hakon Gruppen and ICA Ahold AB
- Chair of the Board of Komplet AS,
Deputy Chair of the Board of Jernia
AS and deputy member of the Board
of Arcus ASA
- Board member of several Canica
companies



Liselott Kilaas

- MSc in Mathematical Statistics, Oslo
- Master of Business Administration, IMD, Lausanne
- First elected to the Board in 2017
- CEO of Aleris Group from 2013 to 2017
- Member of the Board and member of the Audit Committee of Folketrygdfondet
- Board member of Norsk Hydro, DNV-GL and Peab AB



Peter Agnefjäll

- MSc Business Administration, Linköping Universitet
- First elected to the Board in 2018
- President and CEO of the IKEA Group from 2013 to 2017
- Member of the Board of Deichmann SE and Wizz Air Holdings PLC



Caroline Hagen Kjos (deputy member)

- Bachelor Business Administration
- First elected to the Board in 2016
- Project Manager Canica International AG, shares responsibility for investments and strategy with the Managing Director
- Chairman of the Board of Canica AS and deputy Board member of Komplet AS



Employee-elected members (1/2)

- Terje Utstrand

- Group employee representative from 2010
- Employee representative for NNN in Orkla Confectionery & Snacks Norge AS
- Chair of Orkla's Committee of Union Representatives and European Works Council



- Sverre Josvanger

- Chair of the the Members' Council for salaried employees at Orkla
- Secretary of Orkla's Committee of Union Representatives and the Working Committee of the Executive Committee
- Member of European Works Council



Employee-elected members (2/2)

- Roger Vangen

- Elected employee representative for NNN in Orkla Foods Norge AS
- Member of Orkla's Committee of Union Representatives
- Member of European Works Council



- Karin Hansson

- Elected employee representative for Livs in Orkla Foods Sverige AB
- Member of Orkla's Committee of Union Representatives
- Member of European Works Council



Item no 1

The Board of Directors proposes the following resolution :

Anders Christian Stray Ryssdal is elected as Meeting Chair.

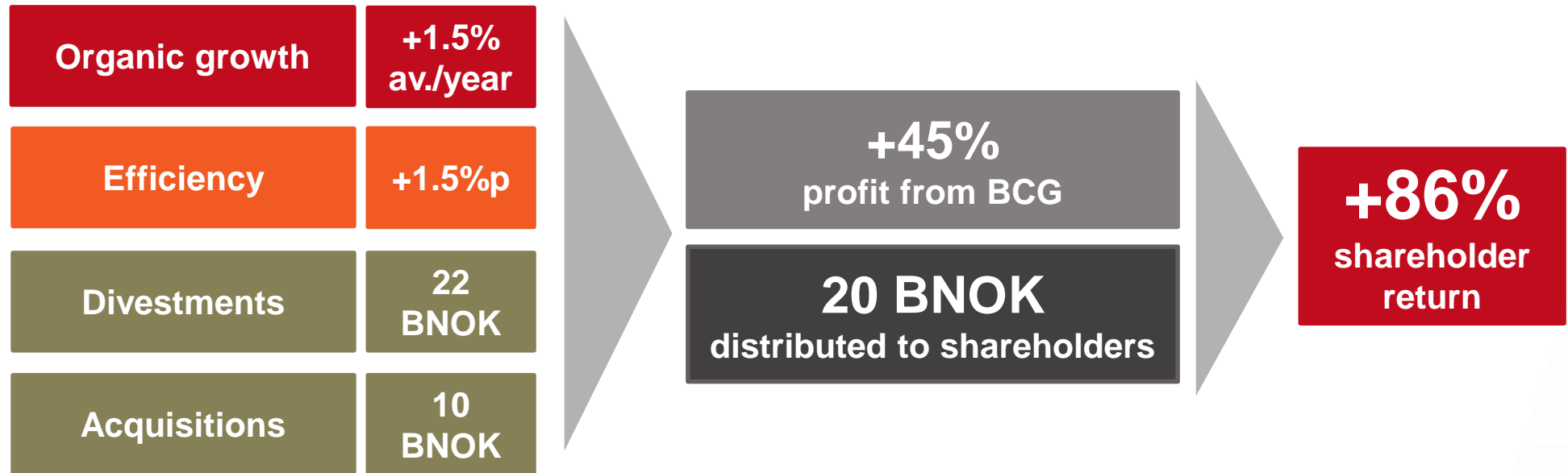


Annual General Meeting

Peter A. Ruzicka, President & CEO
25 April 2019



We have created 86% shareholder return since 2014 through growing Branded Consumer Goods and reallocating capital



2018 has been a demanding year

REVENUES (NOK BILLION)

40.8

Up 3% since 2017

PROFIT¹ (NOK BILLION)

4.8

Up 3% since 2017

EARNINGS PER SHARE (NOK)*

3.24

Down 6% since 2017

RETURN ON THE ORKLA SHARE
including reinvested dividend

-18.4%

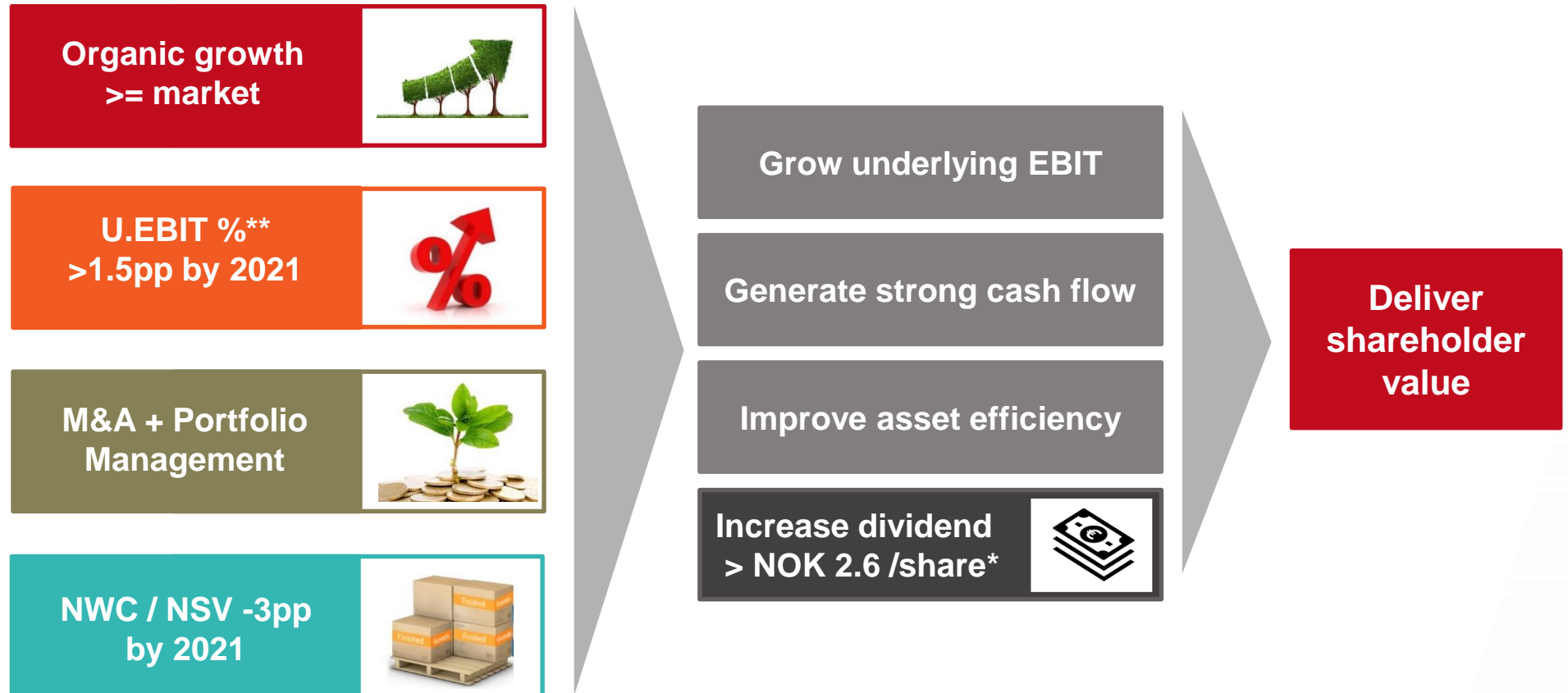
22.5% in 2017



¹ Profit = Operating profit before tax, interest and other income and expenses (EBIT adj.)

* Continued operations

Creating long term shareholder value through balancing organic growth and efficiency



Building on our most important assets

Winning with strong local brands and
consumer insight...

...while driving flexibility and efficiency



Our markets are changing - and we see opportunities

Change in consumer preferences

Health & well-being
Convenience
Taste and indulgence
Sustainability



Use local consumer insight
to respond to consumer
trends

Smaller players and PL take share of growth



Continue to strengthen our
position with local brands

Lower growth in grocery channel



Accelerate growth in other
channels/markets

Digital transformation

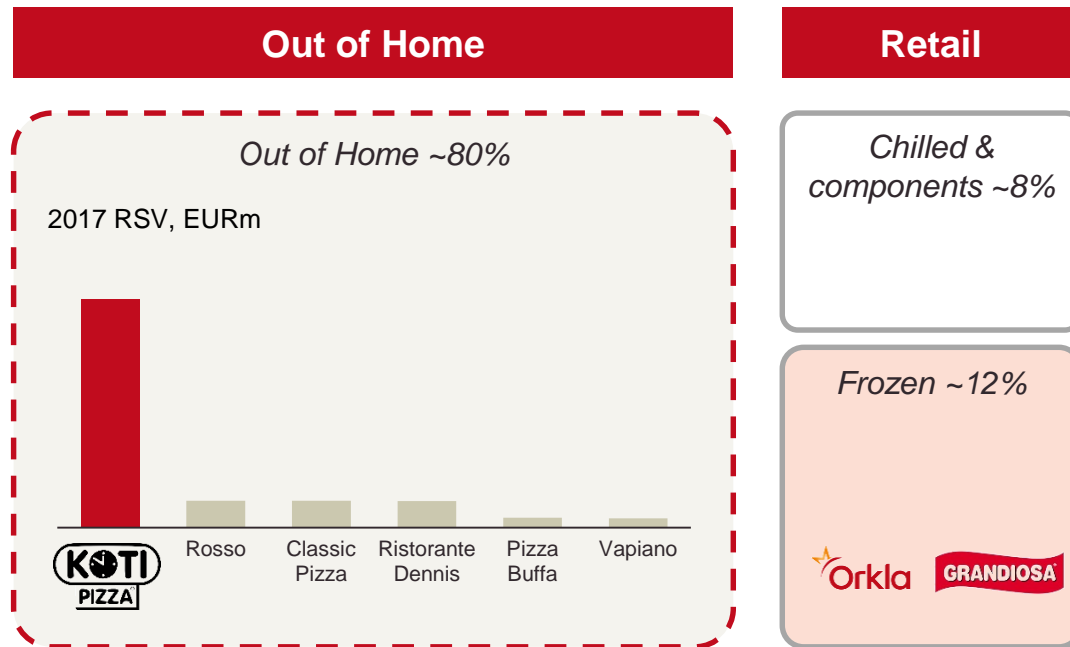
Use of digital technology to remake a process to
become more efficient or effective



Use digitalization as a way
to increase our
competitiveness

Acquisition of Finland's #1 pizza brand - Kotipizza

Finnish pizza market



- ✓ Largest brand in pizza – ~20% market share
- ✓ Award-winning world-class taste
- ✓ Ideal for all occasions – eat-in, take-away, delivery, on-the-go
- ✓ Integrated and scalable business model

Kotipizza makes Orkla the clear leader within pizza in Finland

Innovating for a healthier and more sustainable future

Make healthier alternatives

Status 2018

- **60%** growth for our two largest vegetarian brands
- **8%** salt reduction from our products*
- **7%** sugar reduction from our products*

*THE PAST FIVE YEARS



DOUBLE
products & services
contributing to
health and wellness



15%
less
salt & sugar in
our products



INSPIRE
to a healthier
lifestyle

Deliver sustainable products

Status 2018

- **94%** recyclable packaging
- **67%** more certified products*
- **85%** MSC-certified fish products
- **77%** UTZSC-certified cocoa

*FROM 2017 TO 2018



ENGAGE
for healthy oceans
and sustainable
fishing resources



Aim for
100%
recyclable
packaging



Aim for
100%
sustainable raw
materials

Innovate to save the environment

Status 2018

- **54%** reduction in GHG emissions from own operations*
- **39%** renewable energy*
- **27%** reduction in organic waste*
- **Integrating** sustainability in our innovation work

*SINCE 2014



INNOVATE
products and
processes



Food waste
-50%



Aim for
FOSSIL-FREE
energy



Key financials 2018

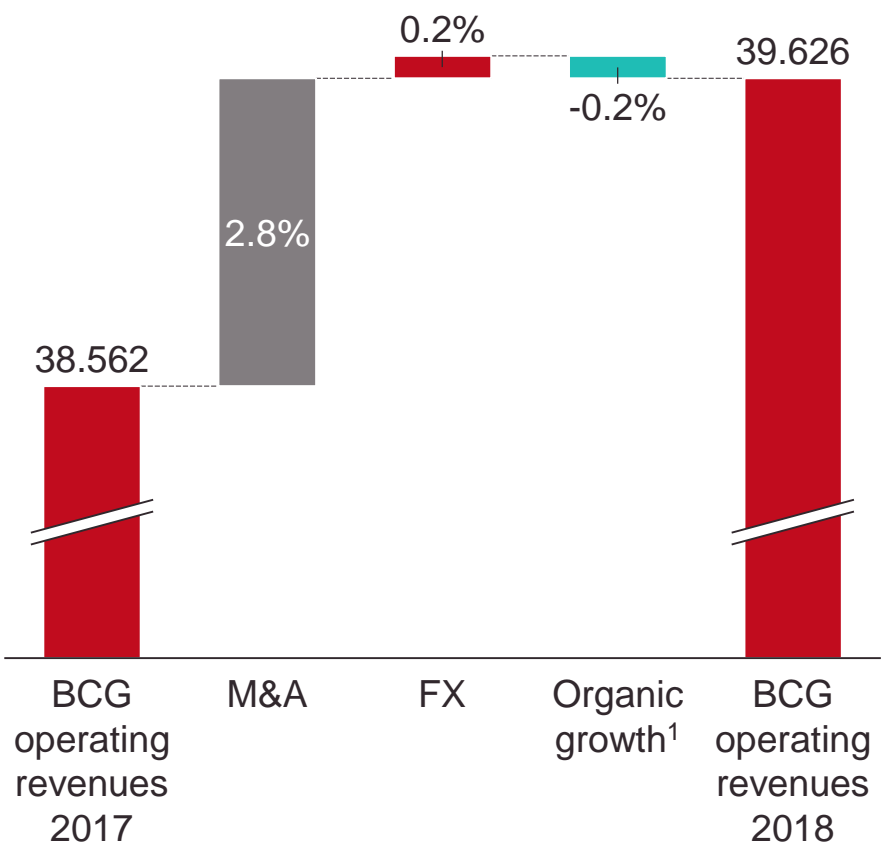
Jens Staff, CFO



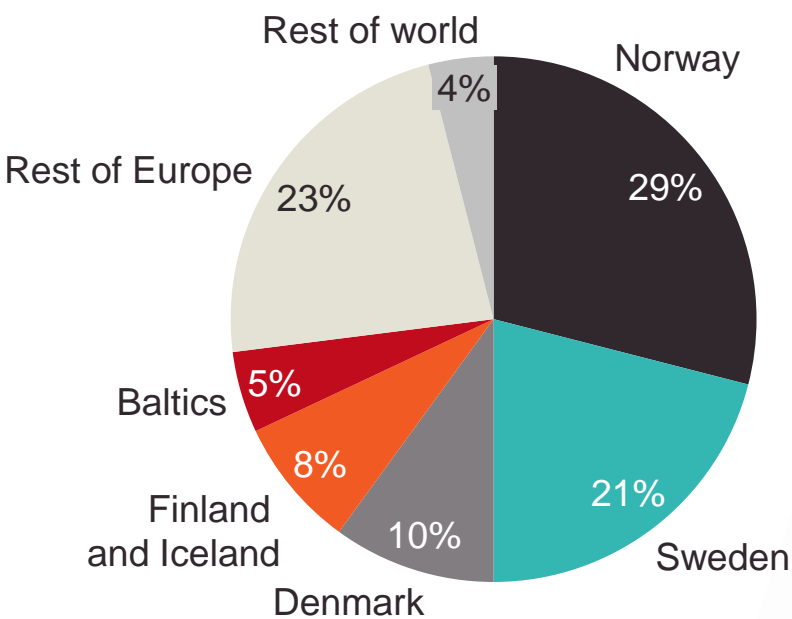
3% revenue growth

Key figures	2017	2018	Δ vs. last year
Operating revenues	39 561	40 837	+3%

Growth in Branded Consumer Goods



Geographical spread of sales revenues



Profit improvement offset by higher one-offs

Key figures	2017	2018	Δ vs. last year
Operating revenues	39 561	40 837	+3%
EBIT (adj.) ¹	4 635	4 777	+3%
Other income and expenses	-201	-482	
EBIT ²	4 434	4 295	-3%

Amounts in NOK million

¹ EBIT (adj.) = Operating profit before interest, tax and other income and expenses

24 ² EBIT = Operating profit before interest and tax

Earnings per share for continuing operations reduced by 6%

Key figures	2017	2018	Δ vs. last year
Operating revenues	39 561	40 837	+3%
EBIT (adj.) ¹	4 635	4 777	+3%
Other income and expenses	-201	-482	
EBIT ²	4 434	4 295	-3%
Profit from associates	313	264	
Net financials and other	-176	-201	
Taxes	-980	-1 004	-2%
Net profit after taxes	3 591	3 354	-7%
Discontinued operations	5 066	-	
EPS continuing operations (NOK)	3.46	3.24	-6%

Amounts in NOK million

¹ EBIT (adj.) = Operating profit before interest, tax and other income and expenses

² EBIT = Operating profit before interest and tax

Stable development in Orkla Foods

REVENUES
(NOK MILLION)

16,000

Down 1% since 2017

PROFIT¹
(NOK MILLION)

2,048

Flat since 2017



Orkla Confectionery & Snacks impacted by sugar tax

REVENUES
(NOK MILLION)

6,246

Down 3% since 2017

PROFIT¹
(NOK MILLION)

1,006

Down 4% since 2017



Revenue growth from M&A in Orkla Care, but profit weakened due to challenges in Poland and UK

REVENUES
(NOK MILLION)

8,075

Up 8% since 2017

PROFIT¹
(NOK MILLION)

1,084

Up 1% since 2017



Zalo

DEFINE

Lano

Nutrilett

Sterilan

Jordan*

MÖLLER'S

Jif

Salvequick®

Solidox

Milo

Sunsilk

Sun

Blenda
Sensitive

maxim
THE ORIGINAL SPORTS NUTRITION

OMO

Pierre Robert

Comfort

Sales and profit growth from M&A in Food Ingredients

REVENUES
(NOK MILLION)

9,562

Up 10% since 2017

PROFIT¹
(NOK MILLION)

533

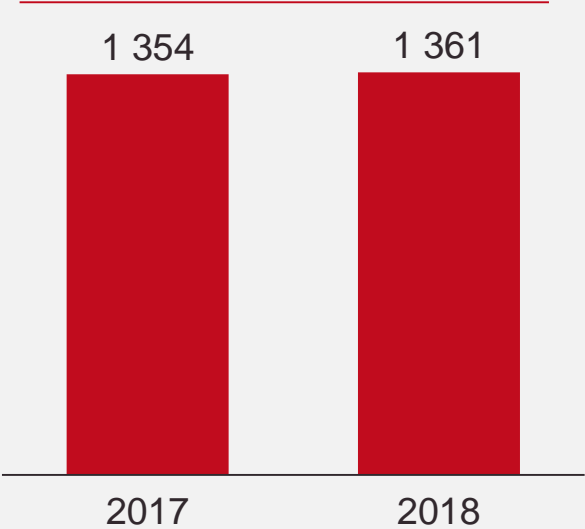
Up 14% since 2017



Orkla Investments

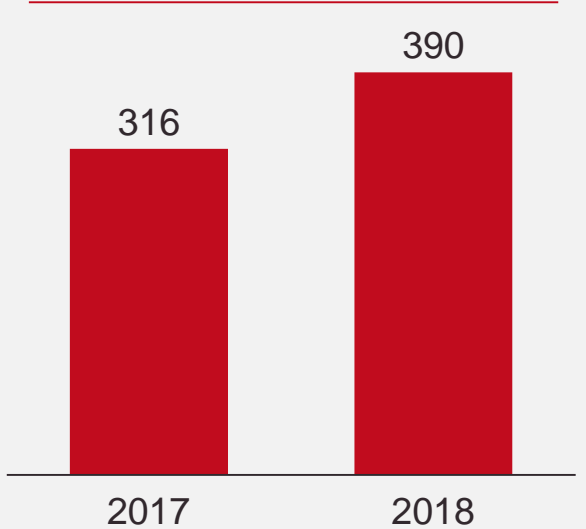


Operating profit



Hydro Power

EBIT adj.

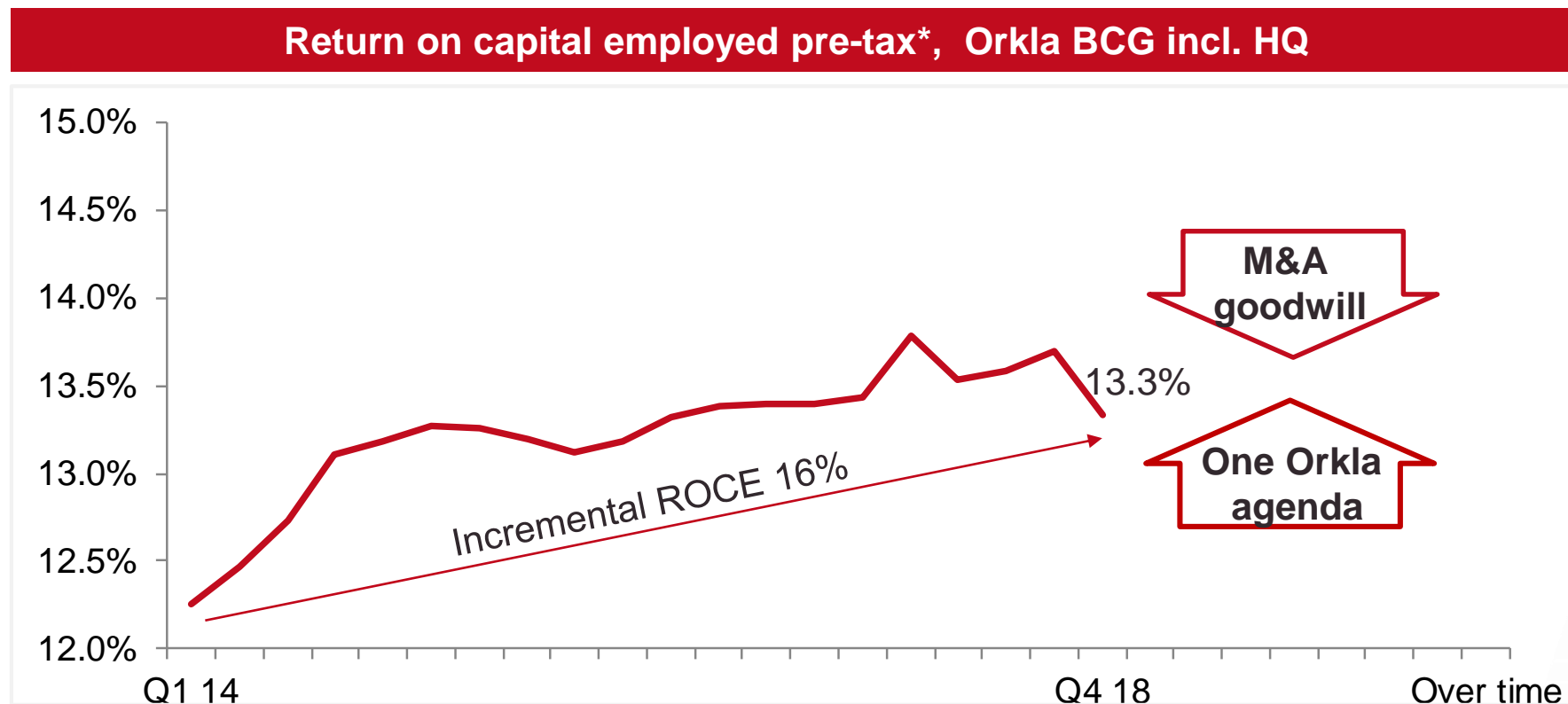


Financial investments

Book value real estate:
NOK 1.9 billion

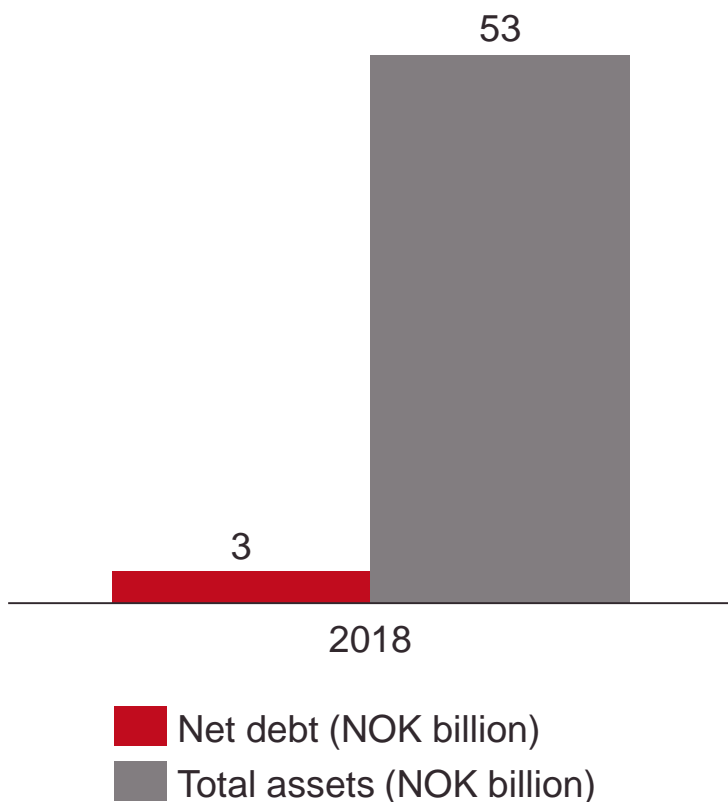


We have increased returns even with high M&A activity



Strong balance sheet

Robust financial position



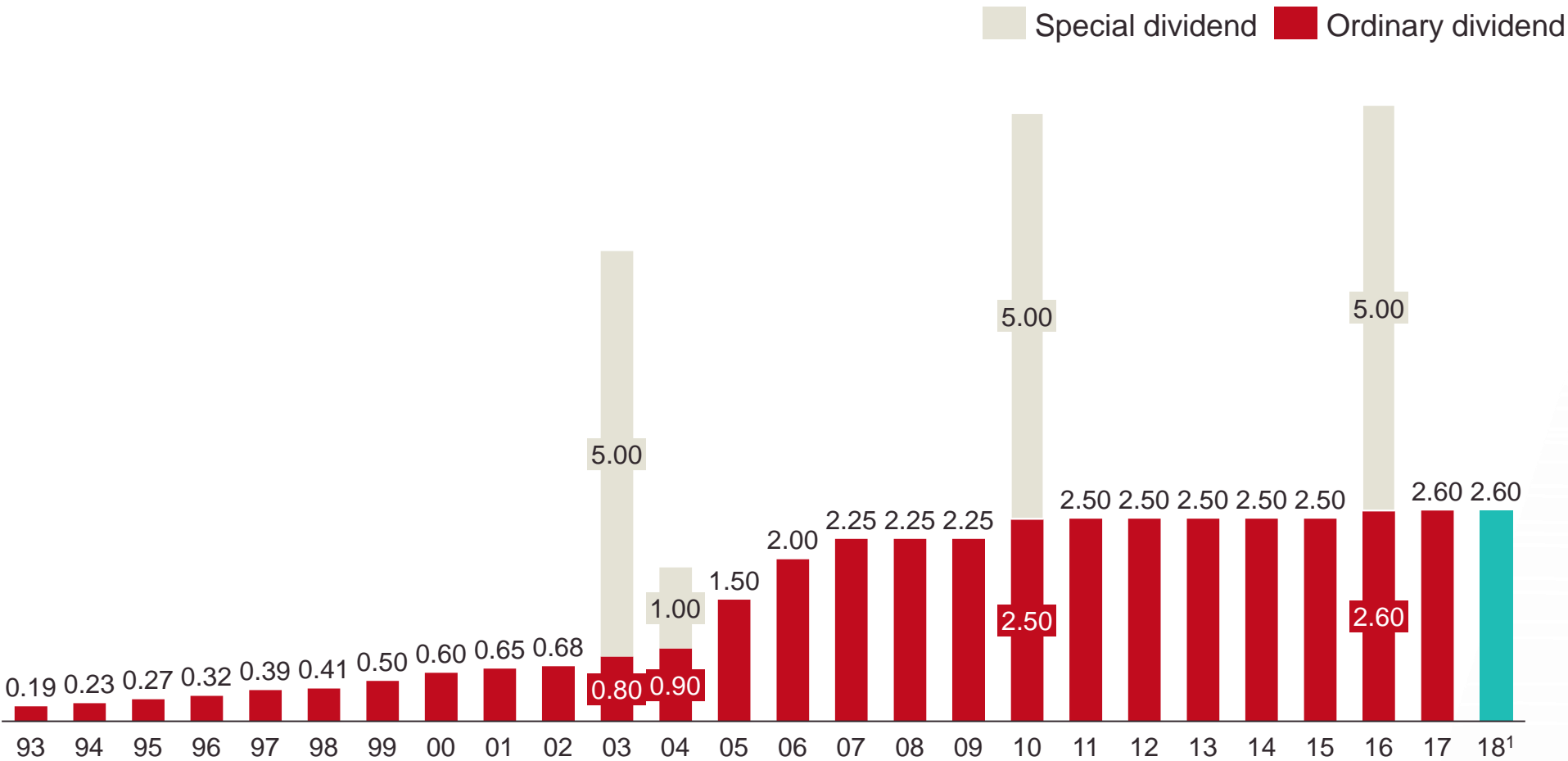
Maintain financial flexibility and balance sheet efficiency

- Ambition to increase the dividend from its current level of NOK 2.60 per share, normally within 50-70% of earnings per share
- #1 priority in allocating excess capital is to strengthen Branded Consumer Goods by making acquisitions and investing in existing operations
- Retain investment grade
- A total of NOK ~20 billion distributed to shareholders since 2014

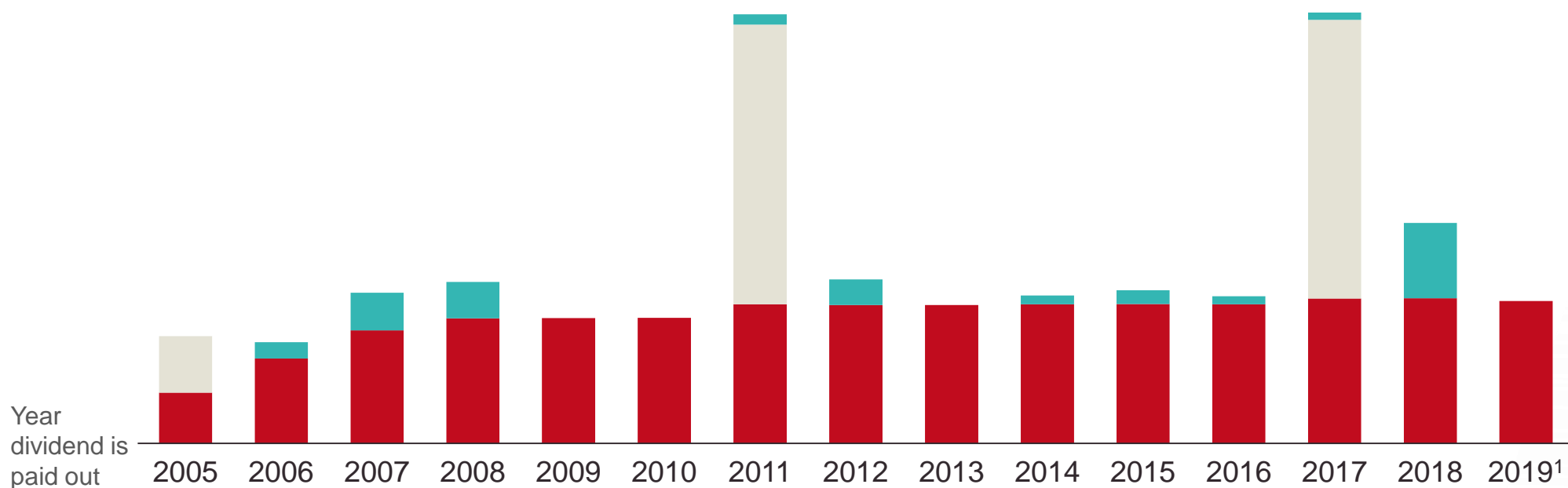
*Your friend in
everyday life*



A dividend of NOK 2.60 per share is proposed by the Board of Directors – payment date 7 May 2019



NOK 50 billion of cash returned to shareholders since 2005



Auditor's report for 2018

Opinion on the financial statements

In our opinion,

- the financial statements are prepared in accordance with the law and regulations;
- the financial statements present fairly, in all material respects, the financial position of the Parent Company as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway;
- the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2018 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

Opinion on the Board of Directors' report and the statements on corporate governance and corporate responsibility

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report concerning the financial statements and in the statements on corporate governance and corporate social responsibility, the going concern assumption and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the management have fulfilled their duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Item no 2

Proposed resolution:

The Annual General Meeting approves the financial statements for 2018 for Orkla ASA and the Orkla Group and the annual report of the Board of Directors, including a share dividend for 2018 of NOK 2.60 per share, except for shares owned by the Group.



Item no 3

**The Compensation arrangements for
senior executives and the Board of
Director's statement**

Agenda

- 1. Tasks of the Board and the General Meeting**
2. The Group's compensation policy

The Board of Directors

Statement of the Board of Directors

Pursuant to Section 6-16a of the Public Limited Companies Act, the Board of Directors shall prepare a statement of guidelines for the pay and other remuneration of key employees.

The statement consists of four parts:

- Pay and other remuneration to the managing director and other key employees
- Guidelines for pay and other remuneration for the upcoming financial year
- Report on the policy for remuneration of the key employees for the previous financial year
- New or amended agreements with the managing director or other executive management in the previous financial year

The statement is included in note number 5 to the financial statements for Orkla ASA and published together with the notice for the General Meeting

The General Meeting

The General Meeting's consideration of the Board's guidelines

Section 5-6 of the Public Limited Companies Act prescribes that the General Meeting shall consider the Board's guidelines. In this respect, the General Meeting shall:

- Hold an advisory vote with regard to the Board's guidelines for the upcoming financial year
- approve the guidelines for share based incentive programmes

Agenda

1. Tasks of the Board and the General Meeting
- 2. The Group's compensation policy**

Main aspects

1. The remuneration policy in general

2. Special items

- Long term bonus programme for key employees
- Shares for employees

Orkla's Remuneration Policy

- The total compensation shall be a tool to attract, develop and retain key employees and critical competence
 - The remuneration policy in Orkla is to be aligned with the market median as far as base salary and pension is concerned
 - The variable part (annual bonus and long term bonus programme) shall have a potential above market median

Cash-based LTI programme for senior executives and key personnel

- Orkla's cash-based long-term incentive (LTI) programme has been amended as of 2018
- LTI awards are normally granted in May of each year, and the amount awarded is based on assessments of individual contributions to the achievement of Orkla's long-term objectives
- The President and CEO determines the long-term objectives and/or criteria, which are approved by the Board of Directors' Compensation Committee in connection with the annual granting of LTI awards
- The maximum ceiling for award amounts is 50% of the employee's fixed salary on the award date
- The LTI award amount is adjusted according to the Orkla share price recorded on the day after the Annual General Meeting in the year the award is granted, adjusted for dividends in the period
- 1/3 of the LTI amount awarded will normally be paid out after 24 months, 1/3 after 36 months and 1/3 after 48 months from the award date, provided that the employee has not given notice of resignation at the time of payment

Cash-based LTI programme for senior executives and key personnel

- The employee to whom an LTI award is granted may choose to postpone the payment dates until a maximum of 60 months after the LTI award was granted
- The amount awarded may not exceed 50% of the employee's annual salary, nor may the total value of an employee's award under the annual bonus programme and an LTI award in any given year exceed one year's salary

Shares for employees

- For several years the Group has had a programme offering employees an opportunity to buy a limited number of shares at a discount of 30% on the market price
- For 2018, employees were given the opportunity to purchase shares for three different amounts: NOK 28,000, 15,000, and 8,000 (amounts after discount)
- The discount was fixed at 25%

Recommendation for 2019

- The Board of Directors recommends to the General Meeting that the employee share purchase programme be continued, with three purchase options: NOK 28,000, 15,000 and 8,000 (amounts after discount)
- It further proposes that the discount be fixed at 25% and that it be made a condition that the shares may not be sold until 24 months after the purchase is made, at the earliest

Advisory vote

Proposed resolution:

“The General Meeting endorses the Board of Directors’ guidelines for pay and other remuneration of the executive management as described in note 5 (ii) of Orkla ASA’s financial statements”

Approval

Proposed resolution:

“The General Meeting approves the proposal put forward by the Board of Directors for share-based remuneration as described in note 5 (iii):

- long term incentives for executive management and key employees – to the extent awarded LTI amounts will be adjusted according to the performance of the Orkla share*
- discounted shares for employees, with 25% discount and with condition that the shares may not be sold until 24 months after the purchase is made”*

Item no 4

Corporate governance

- Reporting requirements in accordance with the Norwegian Accounting Act Section 3-3b and the Norwegian Code of Practice for Corporate Governance (the Code)
- The Board's Statement on corporate governance is included in the Annual Report for 2018 and available at www.orkla.com
- According to the Norwegian Public Limited Companies Act Section 5-6 (4), the Statement shall be on the agenda for the Annual General Meeting
 - For information purposes, not approval

Item no 5

Reduction of capital by cancellation of treasury shares

The Board of Directors proposes the following resolution:

"The General Meeting of Orkla ASA resolves to reduce share capital by NOK 21,875,000 from NOK 1,273,663,712.50 to NOK 1,251,788,712.50 by cancelling 17,500,000 shares owned by Orkla ASA. The number of shares in the company will be reduced from 1,018,930,970 to 1,001,430,970. The amount by which the share capital is reduced will be used to cancel treasury shares."

Article 1, first sentence, of the Articles of Association, will then read:

"Orkla ASA is a public limited company with share capital of NOK 1,251,788,712.50 divided between 1,001,430,970 fully paid up shares, each with a par value of NOK 1.25."

Item no 6

Authorisation to acquire treasury shares

The Board of Directors proposes the following resolution:

”(i) The General Meeting of Orkla ASA hereby authorises the Board of Directors to permit the company to acquire shares in Orkla ASA with a nominal value of up to NOK 125,000,000 divided between a maximum of 100,000,000 shares, provided that the company’s holding of treasury shares does not exceed 10% of shares outstanding at any given time. The amount that may be paid per share shall be no less than NOK 20 and no more than NOK 120. The Board of Directors shall have a free hand with respect to methods of acquisition and disposal of treasury shares. This authorisation shall apply from 26 April 2019 until the date of the Annual General Meeting in 2020.

(ii) The authorisation may be utilised to fulfil existing employee incentive programmes, and employee incentive programmes adopted by the General Meeting in accordance with item 3.3 of the agenda.

(iii) The authorisation may be utilised to acquire shares for cancellation.”



Briefing on the work of the Nomination Committee

The composition of the Nomination Committee protects the interests of the shareholders, cf. The Norwegian Code of Practice for Corporate Governance, point 7

<i>Sammensetning</i>
Anders Christian Stray Ryssdal (Chair of the Committee)
Nils-Henrik Pettersson
Leiv Askvig
Karin Bing Orgland
Vidar Dahl (supplements the Nomination Committee in electing the Chair and Deputy Chair of the Board, and has the right to be heard regarding the stipulation of compensation)



The members of the Nomination Committee should be selected to take into account the interests of shareholders in general



The majority of the Nomination Committee should be independent of the Board of Directors and other key management personnel



At least one member of the Nomination Committee should not be a member of the Corporate Assembly, the Supervisory Board or the Board of Directors



The CEO or other key management personnel should not be a member of the Committee



The General Meeting (AGM) should stipulate more specific guidelines for the Nomination Committee

Instructions for the Nomination Committee

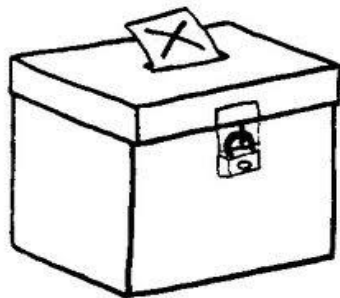
- adopted by the General Meeting of 22 April 2010, amended 20 April 2017

- The Instructions are available at www.orkla.com
- The Instructions set out further provisions regarding:
 - Composition and election
 - Shall consist of 2-5 members
 - Term: Up to two years
 - Remuneration
 - Determined by the General Meeting
 - The tasks of the Nomination Committee
 - Recommendation to the General Meeting
 - Further requirements to the substance of the requirements in order to fulfil the requirements set out by NUES regarding i.a. composition and independence
 - Procedures

Working methods organised to take into account the responsibilities of the Nomination Committee

Frequency of meetings – election 2019

Six meetings held prior to this year's recommendation



Examples of activities that have been carried out

Meeting with Chair and members of the Board and the President & CEO

Reviewed evaluation of the Board

Contacted the largest shareholders in Orkla, encouraging them to nominate candidates

Information on possibilities to make suggestions and nominate candidates for the Chair of the Nomination Committee has been posted on www.orkla.com/Investor

Recommendations to the General Meeting 2019

Election of share-holder elected members and deputy member of the Board of Directors

Election of the Chair and the Deputy Chair of the Board of Directors

Election of member of the Nomination Committee

Remuneration of members of the Board of Directors

Remuneration of members of the Nomination Committee

Election of members and deputy member of the Board of Directors

- Re-election:

Stein Erik Hagen

Grace Reksten Skaugen

Ingrid Jonasson Blank

Lars Dahlgren

Nils Selte

Liselott Kilaas

Peter Agnefjäll

Caroline Hagen Kjos (personal deputy member for Hagen / Selte)

Election of Chair and Deputy Chair of the Board of Directors

- Stein Erik Hagen as Chair of the Board of Directors
- Grace Reksten Skaugen as Deputy Chair of the Board of Directors

Election of member of the Nomination Committee

- Re-election of member:

Nils-Henrik Pettersson

Remuneration of members of the Boards of Directors

The Board of Directors:

Board Chair	NOK 843,000 per year (from NOK 820,000)
Board Deputy Chair	NOK 679,000 per year (from NOK 660,000)
Shareholder elected Board member	NOK 537,000 per year (from NOK 522,000)
Employee elected Board member	NOK 442,000 per year (from NOK 430,000)
Deputy member	NOK 27,500 per meeting (from NOK 27,500)

In addition, shareholder-elected Board members and deputy member residing outside of Norway receive an additional NOK 17,500 for each Board meeting attended. It is proposed that this be adjusted to NOK 18,000 per Board meeting.

Compensation Committee:

Committee Chair	NOK 144,000 per year (from NOK 140,000)
Member	NOK 108,000 per year (from NOK 105,000)

Audit Committee:

Committee Chair	NOK 181,000 per year (from NOK 176,000)
Member	NOK 121,000 per year (from NOK 118,000)

Remuneration of members of the Nomination Committee

Chair of the Committee	NOK 65,000 per year (from NOK 63,000 per year)
Member of the Committee	NOK 47,000 per year (from NOK 46,000 per year)
Employee representative	NOK 6,500 per meeting (from NOK 6,200 per meeting)

Item no 7

Election of members and deputy member of the Board of Directors

The Nomination Committee recommends:

- Re-election:

Stein Erik Hagen

Grace Reksten Skaugen

Ingrid Jonasson Blank

Lars Dahlgren

Nils Selte

Liselott Kilaas

Peter Agnefjäll

Caroline Hagen Kjos (personal deputy member for Hagen / Selte)

Item no 8

Election of Chair and Deputy Chair of the Board of Directors

The Nomination Committee recommends:

- Stein Erik Hagen as Chair of the Board of Directors
- Grace Reksten Skaugen as Deputy Chair of the Board of Directors

Item no 9

Election of member of the Nomination Committee

The Nomination Committee recommends:

- Re-election:

Nils-Henrik Pettersson

Item no 10

Remuneration of members and deputy member of the Board

The Nomination Committee recommends:

The Board of Directors:

Board Chair	NOK 843,000 per year (from NOK 820,000)
Board Deputy Chair	NOK 679,000 per year (from NOK 660,000)
Shareholder elected Board member	NOK 537,000 per year (from NOK 522,000)
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Member	NOK 108,000 per year (from NOK 105,000)

Audit Committee:

Committee Chair	NOK 181,000 per year (from NOK 176,000)
Member	NOK 121,000 per year (from NOK 118,000)

Item no 11

Remuneration of members of the Nomination Committee

The Nomination Committee recommends:

Chair of the Committee NOK 65,000 per year (from NOK 63,000 per year)

Member of the Committee NOK 47,000 per year (from NOK 46,000 per year)

Employee representative NOK 6,500 per meeting (from NOK 6,200 per meeting)

Item no 12

Approval of the Auditor's remuneration

- The proposed remuneration for the Auditor of Orkla ASA for 2018 is NOK 3,353,034.