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Årsredovisning
Orkla Foods Sverige AB

Org.nr 556238-0302

Räkenskapsår 2021-01-01 - 2021-12-31

Fastställelseintyg

Undertecknad styrelseledamot intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 30 maj 2022

Årsstämman beslöt att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Malmö den 30/6 2022

Paul Jordahl

20220701368l5

Årsredovisning
Orkla Foods Sverige AB

Org.nr 556238-0302

Räkenskapsår 2021-01-01 - 2021-12-31

Vidimeras:
0730-577190

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Orkla Foods Sverige AB
556238-0302

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Årsredovisning

för räkenskapsåret 2021-01-01 - 2021-12-31

Styrelsen och verkställande direktören för Orkla Foods Sverige AB avger härmed följande årsredovisning.

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Orkla Foods Sverige AB
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Förvaltningsberättelse

Information om verksamheten
Bolagets verksamhet omfattar utveckling, tillverkning och handel med livsmedel, primärt till Dagligvaru-, Hotell- och Restaurang- och Cateringmarknaden i Sverige. De större varugrupperna består av grönsaker, potatis, färdigmat, pizza, såser, fisk och skaldjur, dressing, saft, mellanmål, sylt och marmelad. Produkterna marknadsförs under varumärkena ABBA, ABBA MIDDAGSKLART, ANAMMA, BOB, DEN GAMLE FABRIK, EJDERNS, EKSTRÖMS, FELIX, FRANKFUL, FUN LIGHT, GRANDIOSA, GREBBESTADS, HAVREFRAS, HÅLLÖ, JOKK, KALLES, KRÖGARKLASS, KUNG GUSTAF, LIMFJORD, LIVA, LUCULLUS, PAULÚNS, RISIFRUTTI, SVENNES och ÖNOS.

Styrelsens säte: Malmö
Företagets redovisningsvaluta: Svenska kronor (SEK).
Alla belopp redovisas, om inte annat anges, i tusentals kronor (tkr).

Väsentliga händelser under räkenskapsåret
Ytterligare ett år med pandemi som har påverkat både livsmedelsbranschen i stort och Orkla Foods Sverige specifikt. Bolaget har precis som förra året fortsatt följa Folkhälsomyndighetens rekommendationer under hela året. Under hösten har man kunnat se en viss återhämtning i försäljningsvolymer till storhushåll som varit kraftigt drabbat av pandemin medan volymer till Retailhandeln minskat något efter föregående års hamstning.

I februari 2021 implementerade bolaget ett nytt affärssystem. Ett projekt som pågått under en längre tid. Hela bolaget och dess processer påverkades av systembytet och har präglat året som gått. Implementeringen var lyckosam och innebär en ny, modern IT-plattform och en stark grund för fortsatt utveckling. Orkla Foods Sverige har under året som gått kunnat bibehålla leveransförmågan trots en utmanande situation med systemskifte och pandemi.

Hållbarhet är ett av bolagets viktigaste nyckeltal och högt på agendan i Orkla Foods Sverige. Bolaget arbetar långsiktigt med att utveckla produkter med positiva hälsoeffekter, hållbar råvaruproduktion och förnyelsebara, återvinningsbara förpackningar av återvunnet material. Bolagets arbete med hållbarhet genomsyrar hela värdekedjan i bolaget, från innovation till färdig produkt. Orkla Foods Sverige bidrar till Orklas övergripande hållbarhetsstrategi genom god mat som gör gott och genom att skapa hållbar och hälsosam mat för nästa generation. Bolaget har två övergripande mål med hållbarhetsarbetet; växa andelan av de mest hållbara produkterna* samt att klimatpåverkan ska minskas med 60% till 2025. Under 2021 stod 25,8% av omsättningen av produkter definierade som "mest hållbara". Målsättningen är att nå 30% i 2022.

Orkla Foods Sverige strävar efter att reducera salt och socker i produkterna och mellan 2015 och 2021 har bolaget minskat förbrukningen av salt med 5,5% och socker med 16,5%. Bolaget arbetar löpande med att utöka produktportföljen med växtbaserade produkter och flera nya vegetariska och veganska produkter har lanserats på marknaden. Det växtbaserade sortimentet genererade en omsättning på 410 MSEK 2021, en ökning med 15% jämfört med 2020. Bolagets viktigaste varumärken för växtbaserade produkter är Anamma, Felix Veggie, Frankful och NATURLI'.

Bolaget har under 2021 fortsatt det långsiktiga arbetet med att främja ansvarsfulla affärsmetoder i försörjningskedjan och deltog aktivt i branschinitiativ för att adressera utmaningar med klimatet och mänskliga rättigheter. Bolagets mål är att säkerställa att alla prioriterade råvaror produceras i enlighet med kvalitetsstandarder som åtminstone uppfyller kraven för nivån silver i ramverket Farm Sustainability Assessment (FSA). Under 2021 har bolaget därför aktivt arbetat för att säkra tillgången på råvaror som uppfyller kriterierna för Silver.

Genom att lansera innovativa nya förpackningslösningar och delta i externt samarbete tog bolaget under 2021 nya steg mot cirkulära värdekedjor för plast och andra förpackningar. År 2021 var 96 % av bolagets förpackningar återvinningsbara och 54 % baserade på återvunnet material.

För att uppnå Orklas klimatmål 2025 (godkänt av Science Based Target 2018) om att minska utsläppen av växthusgaser pågår inom scope 1+2 en kontinuerlig växling från fossil till förnybar energi inom bolagets produktionsanläggningarna samt ett kontinuerlig arbete för ett reducera energianvändningen. Under året som gått har arbete med att installera pelletspanna i anläggningen i Kumla genomförts. Det förväntas färdigställas under 2022. Ett av flera steg på vägen för att att nå klimatmålen 2025.

Arbete med att minska utsläppen av växthusgaser inom scope 3 pågår och efterfrågan på vegetariska och veganska produkter har ökat under 2021. För att möta kundernas och konsumenternas efterfrågan har produktionskapacitet av veganska och vegetariska produkter löpande uppgraderats i bolagets färdigmatsanläggning i Eslöv.

Orkla Foods Sverige uppnådde under perioden 2014 till 2021 en minskning av växthusgasutsläppen från egen verksamhet med 26 % i förhållande till intäkterna.

Bolaget upprättar ingen hållbarhetsrapport. Denna upprättas av Orkla ASA org.nr 910.747.711 med säte i Oslo.

**Med hållbara produkter avses dels de produkter som följer Livsmedelsverkets kostråd och som exempelvis är märkta med näringspåståenden som "mindre salt", "utan tillsatt socker" eller med nyckelhålsmärkning, dels de produkter som har tredjepartmärkning för miljö och etik t.ex. Krav, EU-eko, MSC och UTZ. Produkter som kommer från växtriket, räknas också som hållbara produkter. För att klassas som "mest hållbara produketer" måste en produkt uppnå tre av följande fyra kriterier: Hållbara råvaror, hållbara förpackningar, lågt klimatavtryck och produkter som främjar en hälsosammare livsstil.*

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Förväntad framtida utveckling
När pandemin just lagt sig bryter krig ut i Europa. Ett pågående krig i Ukraina och sanktioner mot Ryssland och Belarus kommer få stora konsekvenser för livsmedelsbranschen och för Orkla Foods Sverige inom den närmaste tiden. Ukraina, Ryssland och Belarus är stora producenter av spannmål, odlade grödor och andra insatsmaterial. Med kvarvarande effekter från pandemin och i tillägg ett krig i Ukraina innebär det ytterligare utmaningar i leveranskedjor och försörjning av insatsmaterial för livsmedelsproduktion i Europa och i Sverige. Orkla Foods Sverige står stabilt och arbetar fokuserat och med högsta prioritet för att säkra livsmedelsförsörjningen. Långsiktig påverkan av konsumtionsmönster relaterat situationen är svår att bedöma i dagsläget och följs noga.

Vidare är förväntningarna ett fortsatt ökat hållbarhetsfokus och fortsatt efterfrågetillväxt inom det växtbaserade segmentet. Orkla Foods Sverige lägger stor vikt vid att utveckla nya, innovativa produkter av hög kvalitet för att fortsätta vara konsumenternas favorit och en attraktiv samarbetspartner för kunderna, vilket visat sig ännu viktigare under pandemin och även framåt relaterat situationen i Europa. Den ökande efterfrågan på växtbaserade produkter har fortsatt positivt genomslag inom bl.a varumärkena Anamma, Paulúns och Felix, en utveckling som väntas fortsätta. Digital försäljning är på en högre nivå än före pandemin och förväntas öka på sikt trots en viss tillbakagång efter restriktioner från pandemin släppt. Den digitala förändringen påverkar hela dagligvarubranschen och är också fokuserad i Orkla Foods Sveriges strategi framåt tillsammans med hållbarhet och hälsa.

Risker och osäkerhetsfaktorer
Ett kontrollerat risktagande är en nödvändig del av verksamheten och en förutsättning för en tillfredsställande lönsamhet. Arbetet med riskhantering inom Orkla Foods Sverige följer etablerade policys och arbetssätt inom Orkla-koncernen. Bolaget arbetar dels för att reducera sannolikheten för att påverkas av negativa incidenter, dels med beredskap för att reducera de negativa konsekvenserna av eventuella incidenter.

Omvärldsfaktorer
Livsmedelsbranschen påverkas av olika trender och omvärldsfaktorer med inverkan på kundens och konsumentens preferenser och beteende. Ökande uppmärksamhet kring tillsatser, hälsa, nutrition och hållbarhetsfrågor är exempel på detta. Den digitala förändringen kommer i tillägg att påverka dagligvarubranschen i ökande grad. Orkla Foods Sverige övervakar denna typ av frågor för att identifiera möjligheter och risker samt för att anpassa verksamheten.

Regulatoriska risker
Verksamheten drivs inom en regulatorisk ram som är uppbyggd bland annat med syfte att skydda och tillvarata intressen för konsumenter, anställda och miljö. Orkla Foods Sverige arbetar för att övervaka utveckling i den regulatoriska ramen och anpassa verksamheten.

Affärsrelationer
Orkla Foods Sverige är beroende av välfungerande relationer med både kunder och leverantörer. På leverantörssidan arbetar bolaget med en lång rad leverantörer inom och utanför landets gränser. I leverantörssamarbetet är bland annat leveranssäkerhet och kvalitet nyckelparametrar. Den relativt sett koncentrerade kundstrukturen inom dagligvaruhandeln gör att relationen med de stora dagligvarukunderna är av väsentlig betydelse för verksamheten. Bolaget lägger stor vikt på att utveckla sitt arbetssätt för att vara en attraktiv samarbetspartner för dagligvaruhandeln samt för restaurang- och storhushållsmarknaden.

Driftsrelaterad risk
Verksamheten i Orkla Foods Sverige är uppbyggd runt ett betydande produktions- och varuflöde. Bolaget arbetar systematiskt med frågor rörande hälsa, miljö och säkerhet.

Finansiella risker
Finansiella risker som t ex valutarisk, kreditrisk och marknadsrisk hanteras enligt etablerade policys och arbetssätt inom Orkla-koncernen. Verksamheten har en viss exponering mot valuta, speciellt avseende inköp av insatsvaror. Detta hanteras primärt genom övervakning och inhämtning av information om de relevanta marknaderna. För hantering av valutarisken följer bolaget den föreskrivna valutapolicyn. Verksamheten har begränsad exponering av kreditrisk då största delen av försäljningen går till stora kunder med god likviditet.

Forskning och utveckling
Den huvudsakliga inriktningen för bolagets forsknings- och utvecklingsarbete är att stödja verksamheten inom områdena innovation, kvalitet, produktsäkerhet, kemiska analyser, mikrobiologiska analyser etc. samt att genom ständiga förbättringar förebygga negativa miljöeffekter.

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Användandet av finansiella instrument
Bolaget har nyttjat finansiella instrument under verksamhetsåret.
Marknadsvärdet av ingångna valuta- och energisäkringskontrakt per balansdagen innebär en orealiserad vinst med 44 573 tkr och föregående år en orealiserad vinst med 2 169 tkr.

Miljöpåverkan
Bolaget omfattar vid utgången av verksamhetsåret åtta produktionsanläggningar för livsmedelsproduktion. Enligt miljöprövningsförordning 2013:251 bedriver fem av bolagets anläggningar tillståndspliktig verksamhet, medan de övriga fyra av bolagets anläggningar har anmälningspliktig verksamhet.

Bolagets årsproduktion av färdiga produkter uppgick för 2021 till 209 473 ton (240 346 ton) exklusive förpackningar.

Verksamheten påverkar miljön i varierande grad genom:
- utsläpp av organisk substans och disklösning från tillverkningen till vatten
- utsläpp av förbränningsgaser till luft
- avfall
- buller
- lukt

Bolaget använder för lager och distribution av färdiga produkter, certifierade entreprenörer som med samordnade transporter i nya fordon står för minsta möjliga miljöpåverkan.

Återvinning i konsumentledet fullgörs genom anslutning till FTI (Förpacknings- och tidningsinsamlingen), Svensk Glasåtervinning samt Returpack (pant på PET-flaskor för saft).

Ägarförhållanden
Bolaget är helägt dotterbolag till Orkla ASA och ingår i den norska Orkla-koncernen. Bolaget är moderbolag till livsmedelsföretag i Sverige, Finland, Danmark och Österrike samt innehar andelar i intresseföretag i Portugal.

Flerårsöversikt	**2021**	**2020**	**2019**	**2018**
Nettoomsättning (tkr)	5 774 135	6 062 485	5 885 090	5 574 974
Resultat efter finansiella poster (tkr)	785 338	864 227	730 057	718 507
Rörelsemarginal (%)	8,4%	11,9%	11,6%	11,6%
Avkastning på eget kapital (%)	38,4%	41,2%	36,9%	41,3%
Balansomslutning (tkr)	5 053 665	4 915 900	4 293 483	4 365 814
Soliditet (%)	40,4%	42,6%	46,1%	39,8%
Antal anställda	1 403	1 526	1 516	1 497

Nyckeltalsdefinitioner återfinns i Not 38.

Förslag till resultatdisposition
Styrelsen föreslår att till förfogande stående medel (SEK)

Balanserat resultat	300 202 359
Årets resultat	655 992 361
	956 194 720
disponeras så att	
till aktieägare utdelas (sakutdelning aktier)	137 606 696
till aktieägare utdelas (1462 kronor per aktie)	814 393 304
i ny räkning överföres	4 194 720
	956 194 720

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Resultaträkning

	Not	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Nettoomsättning	1	5 774 135	6 062 485
Förändring av lager av varor under tillverkning, färdiga varor och pågående arbete för annans räkning		-2 822	34 320
Aktiverat arbete för egen räkning		0	35 869
Övriga rörelseintäkter		69 805	256 547
		5 841 117	**6 389 221**
Rörelsens kostnader			
Råvaror och förnödenheter		-2 796 070	-2 833 063
Handelsvaror		-479 202	-535 422
Övriga externa kostnader	2,3	-828 785	-848 175
Personalkostnader	4	-1 010 315	-1 168 992
Återbäring AFA		19 111	0
Avskrivningar och nedskrivningar av materiella och immateriella anläggningstillgångar		-245 691	-280 800
Övriga rörelsekostnader		-14 554	-4 485
		-5 355 506	**-5 668 938**
Rörelseresultat	5	**485 611**	**720 283**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	6	329 187	168 715
Övriga ränteintäkter och liknande resultatposter	7	461	864
Räntekostnader och liknande resultatposter	8	-29 921	-25 635
		299 727	**143 944**
Resultat efter finansiella poster		**785 338**	**864 227**
Bokslutsdispositioner	9	-50 605	-225 330
Resultat före skatt		**734 733**	**638 897**
Skatt på årets resultat	10	-78 741	-105 137
Årets resultat		**655 992**	**533 760**

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Balansräkning

	Not	2021-12-31	2020-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Förskott avseende datorprogram / datorprogram	11	238 958	261 742
Goodwill och varumärke	12	336 295	384 424
		575 253	**646 166**
Materiella anläggningstillgångar			
Byggnader och mark	13	246 438	237 058
Maskiner och andra tekniska anläggningar	14	687 129	709 407
Inventarier, verktyg och installationer	15	52 803	33 825
Pågående nyanläggningar	16	218 102	192 215
		1 204 471	**1 172 505**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	17,18	859 899	859 899
Andelar i intresseföretag	19,20	69 670	69 670
Andra långfristiga värdepappersinnehav	21	12	12
Uppskjuten skattefordran	22	8 169	3 006
Andra långfristiga fordringar	23	9 500	11 486
		947 249	**944 072**
Summa anläggningstillgångar		**2 726 973**	**2 762 743**
Omsättningstillgångar			
Varulager m.m.			
Råvaror och förnödenheter		508 913	471 167
Varor under tillverkning		1 746	40 796
Färdiga varor och handelsvaror		506 188	461 694
		1 016 846	**973 657**
Kortfristiga fordringar			
Kundfordringar		535 428	552 702
Fordringar hos koncernföretag	24	640 244	520 910
Aktuell skattefordran		78 956	42 152
Övriga fordringar		18 395	46 444
Förutbetalda kostnader och upplupna intäkter	25	27 069	11 340
		1 300 093	**1 173 548**
Kassa och bank	26	9 753	5 952
Summa omsättningstillgångar		**2 326 692**	**2 153 157**
SUMMA TILLGÅNGAR		**5 053 665**	**4 915 900**

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Balansräkning

	Not	2021-12-31	2020-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital	27	50 100	550 100
		50 100	**550 100**
Fritt eget kapital			
Balanserat resultat		300 202	442
Årets resultat		655 992	533 760
		956 194	**534 202**
Summa eget kapital		**1 006 294**	**1 084 302**
Obeskattade reserver	28	**1 318 922**	**1 287 767**
Avsättningar	29,32,33		
Avsättningar för pensioner och liknande förpliktelser		439 051	436 314
Övriga avsättningar		11 805	14 272
		450 857	**450 587**
Kortfristiga skulder			
Leverantörsskulder		530 606	623 208
Skulder till koncernföretag	30	1 341 071	1 029 966
Övriga skulder		22 981	32 012
Upplupna kostnader och förutbetalda intäkter	31	382 935	408 059
		2 277 593	**2 093 244**
SUMMA EGET KAPITAL OCH SKULDER		**5 053 665**	**4 915 900**

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Orkla Foods Sverige AB
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Rapport över förändringar i eget kapital

	Bundet eget kapital	*Fritt eget kapital*		
	Aktie-kapital	Balanserat resultat	Årets resultat	Totalt
Ingående balans 2020-01-01	550 100	53 451	482 991	**1 086 542**
Omföring resultat föregående år		482 991	-482 991	**0**
Lämnad utdelning efter beslut på extra bolagsstämma		-536 000		**-536 000**
Årets resultat			533 760	**533 760**
Utgående balans 2020-12-31	**550 100**	**442**	**533 760**	**1 084 302**
Omföring resultat föregående år		533 760	-533 760	**0**
Nedsättning aktiekapital med avsättning till fritt eget kapital	-500 000	500 000		**0**
Nedsättning aktiekapital med återbetalning till aktieägare		-200 000		**-200 000**
Lämnad utdelning efter beslut på årsstämma		-534 000		**-534 000**
Årets resultat			655 992	**655 992**
Utgående balans 2021-12-31	**50 100**	**300 202**	**655 992**	**1 006 294**

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Orkla Foods Sverige AB
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Kassaflödesanalys

	Not	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Den löpande verksamheten			
Rörelseresultat		485 611	720 283
Justeringar för poster som inte ingår i kassaflödet m.m.			
Avskrivningar och nedskrivningar		245 691	280 800
Förlust vid avyttring av materiella anläggningstillgångar		-145	4 485
Nedskrivning / reversering av nedskrivningar		2 700	1 706
Avsättningar/fordringar avseende pensioner		5 474	7 092
Övriga avsättningar		-2 467	2 268
		736 864	**1 016 635**
Erhållen ränta		395	609
Erlagd ränta		-12 414	-8 008
Utdelning från koncernföretag		198 196	164 867
Betald inkomstskatt		-119 231	-142 007
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**803 810**	**1 032 096**
Förändringar i rörelsekapital			
Förändring av varulager		-46 189	-100 318
Förändring av rörelsefordringar		43 547	-70 472
Förändring av rörelseskulder		222 900	447 075
Kassaflöde från den löpande verksamheten		**1 024 068**	**1 308 381**
Investeringsverksamheten			
Lämnade kapitaltillskott		0	-20 000
Avyttring av dotterföretag		0	32 080
Förvärv av andelar i intressebolag		0	-568
Avyttring av rörelsegren		0	58 660
Förvärv av immateriella anläggningstillgångar		-1 331	-579 348
Förvärv av materiella anläggningstillgångar		-207 328	-216 952
Avyttring av materiella anläggningstillgångar		265	145
Förvärv av finansiella tillgångar		0	-1 984
Kassaflöde från investeringsverksamheten		**-208 394**	**-727 967**
Finansieringsverksamheten			
Amortering av pensionsskuld		-2 737	-2 932
Utbetald utdelning		-534 000	-536 000
Utbetalning nedsättning av aktiekapital		-200 000	0
Lämnade koncernbidrag		-75 136	-43 719
Kassaflöde från finansieringsverksamheten		**-811 873**	**-582 651**
Årets kassaflöde		**3 801**	**-2 237**
Likvida medel vid årets början		**5 952**	**8 189**
Likvida medel vid årets slut	27	**9 753**	**5 952**

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Tilläggsupplysningar

Redovisningsprinciper m.m.

Allmänna redovisningsprinciper
Årsredovisningen har upprättats enligt Årsredovisningslagen (1995:1554) och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Koncerntillhörighet
Överordnade moderföretag som upprättar koncernredovisning i vilken företaget ingår är Orkla ASA (org.nr. 910.747.711) med säte i Oslo, Norge.

Koncernredovisning
Företaget är ett moderföretag men upprättar ingen koncernredovisning med hänvisning till undantagsregeln i årsredovisningslagen 7 kap. 2§, utan koncernredovisningen ingår i den koncernredovisning som upprättats av Orkla ASA, 910.747.711, Oslo. Företaget upprättar ingen hållbarhetsrapport med hänvisning till undantagsregeln i årsredovisningslagen 6 kap. 10§, se vidare not 36.

Moderbolagets årsredovisning och hållbarhetsrapport kan rekvireras från Orkla ASA, Postbox 423, Skøyen, N-0212 Oslo, Norge.

Intäktsredovisning
Försäljning av varor
Intäkten redovisas till verkligt värde av vad företaget fått eller kommer att få. Det innebär att företaget redovisar intäkten till nominellt värde (fakturabelopp) om företaget får ersättning i likvida medel direkt vid leveransen. Avdrag görs för lämnade rabatter.

Vid försäljning av varor redovisas normalt inkomsten som intäkt när de väsentliga förmåner och risker som är förknippade med ägandet av varan har överförts från företaget till köparen.

Ränta , royalty och utdelning
Ersättning i form av ränta, royalty eller utdelning redovisas som intäkt när det är sannolikt att företaget kommer att få de ekonomiska fördelar som är förknippade med transaktionen och när inkomsten kan beräknas på ett tillförlitligt sätt.

Ränta redovisas som intäkt enligt den s.k. effektivräntemetoden.
Royalty periodiseras i enlighet med överenskommelsens ekonomiska innebörd.
Utdelning redovisas som intäkt när företagets rätt till betalning är säkerställd.

Leasingavtal
Företaget som leasetagare
Företaget redovisar samtliga leasingavtal, såväl finansiella som operationella, som operationella leasingavtal. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.
Se vidare not 3.

Offentliga bidrag
Statliga bidrag intäktsförs till bedömt verkligt värde då det är rimligt att anta att bidraget kommer att erhållas och att samtliga vidhängande villkor kommer att uppfyllas. När bidraget är knutet till en kostnad redovisas det som en intäkt under de perioder som krävs för att det på ett systematiskt sätt skall möta den kostnad som redovisas och som bidraget avser att kompensera. Om bidraget är knutet till en anläggningstillgång minskas anläggningstillgångens värde med bidragets verkliga värde och reducerar därmed även avskrivningarna på den anläggningstillgång som bidraget avser.

Ersättningar till anställda
Ersättningar till anställda avser alla typer av ersättningar som företaget lämnar till de anställda. Företagets ersättningar innefattar bland annat löner, betald semester, betald frånvaro, bonus och ersättningar efter avslutad anställning (pensioner). Redovisning sker i takt med intjänandet. Ersättningar till anställda efter avslutad anställning avser avgiftsbestämda eller förmånsbestämda pensionsplaner. Som avgiftsbestämda planer klassificeras planer där fastställda avgifter betalas och det inte finns förpliktelser, vare sig legala eller informella, att betala något ytterligare, utöver dessa avgifter. Övriga planer klassificeras som förmånsbestämda pensionsplaner. Företaget har inga övriga långfristiga ersättningar till anställda.

I företaget finns såväl avgiftsbestämda som förmånsbestämda pensionsplaner. Utgifter för avgiftsbestämda planer redovisas som en kostnad under den period de anställda utför de tjänster som ligger till grund för förpliktelsen. Företagets övriga planer klassificeras som förmånsbestämda och beräknas enligt Tryggandelagen och redovisas i enlighet med förenklingsreglerna i BFNAR 2012:1.

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Omräkning av poster i utländsk valuta
Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

Koncernbidrag
Erhållna och lämnade koncernbidrag redovisas som bokslutsdisposition.

Skatt
Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i resultaträkningen, utom då underliggande transaktion redovisas direkt mot eget kapital varvid tillhörande skatteeffekt redovisas i eget kapital.

Aktuell skatt
Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån den skattesats som gäller per balansdagen.

Uppskjuten skatt
Uppskjuten skatt är inkomstskatt som avser framtida räkenskapsår till följd av tidigare händelser. Redovisning sker enligt balansräkningsmetoden. Enligt denna redovisas uppskjutna skatteskulder och uppskjutna skattefordringar på temporära skillnader som uppstår mellan bokförda respektive skattemässiga värden för tillgångar och skulder samt för övriga skattemässiga avdrag eller underskott.

Uppskjutna skattefordringar nettoredovisas mot uppskjutna skatteskulder endast om de kan betalas med ett nettobelopp. Uppskjuten skatt beräknas utifrån gällande skattesats på balansdagen. Effekter av förändringar i gällande skattesatser resultatförs i den period förändringen lagstadgats. Uppskjutna skattefordringar reduceras till den del det inte är sannolikt att den underliggande skattefordran kommer att kunna realiseras inom en överskådlig framtid. Uppskjuten skattefordran redovisas som finansiell anläggningstillgång och uppskjuten skatteskuld som avsättning.

Anläggningstillgångar
Materiella och immateriella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar och eventuella nedskrivningar.

Materiella anläggningstillgångar delas upp på betydande komponenter när komponenterna har väsentligt olika nyttjandeperioder.
Avskrivningsbart belopp utgörs av anskaffningsvärdet minskat med ett beräknat restvärde om detta är väsentligt. Avskrivning sker linjärt över den förväntade nyttjandeperioden.

Följande avskrivningstider tillämpas:

Immateriella anläggningstillgångar	
Goodwill och varumärke	7-10 år
Balanserade utgifter för dataprogram	7-10 år
Materiella anläggningstillgångar	
Byggnader	
Yttertak	20 år
Stomme och stommekompletteringar	25-50 år
Fasad, inklusive fönster	25 år
Inre ytskikt, värme och sanitet	15-25 år
Maskiner och andra tekniska anläggningar	3-15 år
Inventarier, verktyg och installationer	3-10 år
Datautrustning	3-5 år

Internt upparbetade immateriella anläggningstillgångar
Koncernen tillämpar den s.k. "aktiveringsmodellen" avseende internt upparbetade immateriella anläggningstillgångar. Metoden innebär att samtliga utgifter som uppfyller kriterierna i K3 aktiveras som immateriell anläggningstillgång och skrivs av under tillgångens beräknade nyttjandeperiod.

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Finansiella instrument
Finansiella instrument värderas till anskaffningsvärde.
Marknadsvärdet av ingångna kontrakt per balansdagen innebär en orealiserad vinst med 2 169 tkr (fg år en orealiserad vinst med 38 tkr).
Bolaget redovisar och värderar finansiella instrument till anskaffningsvärde. Kundfordringar övriga kortfristiga fordringar redovisas till det lägsta av anskaffningsvärde och det belopp varmed de beräknas bli reglerade det vill säga med avdrag för befarade förluster.
Leverantörsskulder och övriga kortfristiga skulder redovisas till det belopp varmed de förväntas regleras. Långfristiga fordringar och långfristiga skulder värderas efter första redovisningen till upplupet anskaffningsvärde.

Varulager
Varulagret värderas enligt lägsta värdets princip och först in - först ut (FIFO) metoden. Detta innebär att varulagret tas upp till det lägsta av anskaffningsvärdet enligt FIFO metoden och verkligt värde.

Råvaror, köpta hel- och halvfabrikat samt handelsvaror värderas till anskaffningsvärdet. Egentillverkade hel- och halvfabrikat har värderats till varornas tillverkningskostnader med tillägg för skälig andel av indirekta kostnader.

Den valda värderingsmetoden innebär att eventuell inkurans i lagret har beaktats.

Fordringar, skulder och avsättningar
Om inget annat anges ovan värderas kortfristiga fordringar till det lägsta av dess anskaffningsvärde och det belopp varmed de beräknas bli reglerade. Långfristiga fordringar och långfristiga skulder värderas efter det första värderingstillfället till upplupet anskaffningsvärde. Övriga skulder och avsättningar värderas till de belopp varmed de beräknas bli reglerade. Övriga tillgångar redovisas till anskaffningsvärde om inget annat anges ovan.

Avsättningar
Avsättningar redovisas när bolaget har en formell eller informell förpliktelse som en följd av tidigare händelser och det är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen. Avsättningar värderas till den bästa uppskattningen av det belopp som krävs för att reglera förpliktelsen. Om effekten av tid när betalning sker är väsentlig nuvärdesberäknas förpliktelsen.

Andelar i koncernföretag
Andelar i koncernföretag redovisas till anskaffningsvärde med avdrag för eventuella nedskrivningar. Utdelningar redovisas som intäkt, även om utdelningen avser ackumulerade vinster innan förvärvstidpunkten. Utdelningen redovisas i normalfallet när behörigt organ fattat beslut om den och den kan beräknas på ett tillförlitligt sätt.

Andelar i intresseföretag
Andelar i intresseföretag redovisas till anskaffningsvärde med avdrag för eventuella nedskrivningar. Utdelningar redovisas som intäkt, även om utdelningen avser ackumulerade vinster innan förvärvstidpunkten.

Uppskattningar och bedömningar
Upprättandet av bokslut och tillämpning av redovisningsprinciper, baseras ofta på ledningens bedömningar, uppskattningar och antaganden som anses vara rimliga vid den tidpunkt då bedömningen görs. Uppskattningar och bedömningar är baserade på historiska erfarenheter och ett antal andra faktorer, som under rådande omständigheter anses vara rimliga. Resultatet av dessa används för att bedöma de redovisade värdena på tillgångar och skulder, som inte annars framgår tydligt från andra källor. Det verkliga utfallet kan avvika från dessa uppskattningar och bedömningar. Uppskattningar och antaganden ses över regelbundet.

Inga väsentliga källor till osäkerhet i uppskattningar och antaganden på balansdagen bedöms kunna innebära en betydande risk för en väsentlig justering av redovisade värden för tillgångar och skulder under nästa räkenskapsår.

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Noter

Not 1 Nettoomsättningens fördelning

Nettoomsättningen fördelar sig på geografiska marknader enligt följande:

	2021	2020
Sverige	4 882 084	4 974 858
Norden, exkl. Sverige	751 671	951 995
Europa, exkl. Norden	110 745	107 691
Nordamerika	21 445	18 458
Övriga marknader	8 190	9 483
	5 774 135	**6 062 485**

Not 2 Arvode till revisorer

	2021	2020
Ernst & Young AB		
Revisionsuppdraget	1 881	1 385
Övriga tjänster	539	278
	2 420	**1 663**

Not 3 Leasingavtal - leasetagare

Operationell leasing

	2021	2020
Kostnadsförda leasingavgifter avseende operationella leasingavtal	65 794	73 709
Framtida minimileaseavgifter avseende ej uppsägningsbara operationella leasingavtal		
Ska betalas inom 1 år	35 975	50 561
Ska betalas inom 1-5 år	48 210	71 419
Ska betalas senare än 5 år	533	199
	84 717	**122 179**

Företaget har ingått väsentliga leasingavtal vilka redovisas som operationella leasingavtal:
Bolaget har ett långfristigt driftsavtal med leverantör vari ingår dels kostnader för köp av olika typer av tjänster, dels kostnader som, utan att ha ett leasingavtals rättsliga form, har karaktär av leasing. I denna not har företaget också inkluderat hyresavtal för fabrikshyra samt hyra av andra lokaler. Företaget har under året haft leasingkostnader avseende bilar och truckar.

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Not 4 Anställda och personalkostnader

Medelantalet anställda

	2021	2020
Män	804	867
Kvinnor	599	659
	1 403	**1 526**

	2021	2020
Löner och andra ersättningar		
Styrelse och verkställande direktör	5 320	5 776
Övriga anställda	732 669	747 819
	737 989	**753 594**
Tantiem till styrelse och verkställande direktör ingår med	2 670	2 695
Pensions- och övriga sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	1 010	1 331
Pensionskostnader för övriga anställda	87 786	95 095
Övriga sociala kostnader enligt lag och avtal för styrelse och verkställande direktör	1 558	1 695
Övriga sociala kostnader enligt lag och avtal	239 934	269 388
	330 288	**367 509**

Avtal om avgångsvederlag
VD har avtal om upptill 18 månadslöner vid uppsägning från företagets sida.

	2021-12-31	2020-12-31
Könsfördelning bland ledande befattningshavare		
Andel kvinnor i styrelsen	22%	22%
Andel män i styrelsen	78%	78%
Andel kvinnor bland övriga ledande befattningshavare	46%	47%
Andel män bland övriga ledande befattningshavare	54%	53%

Not 5 Inköp och försäljning mellan koncernföretag

	2021	2020
Andel av årets totala inköp som skett från andra företag inom koncernen	9%	11%
Andel av årets totala försäljning som skett till andra företag inom koncernen	15%	16%

Not 6 Resultat från andelar i koncernföretag

	2021	2020
Erhållna utdelningar	329 187	200 868
Resultat vid avyttringar	0	-32 153
	329 187	**168 715**

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Not 7 Övriga ränteintäkter och liknande resultatposter

	2021	2020
Ränteintäkter från koncernföretag	346	513
Övriga ränteintäkter	48	97
Kursdifferenser	66	255
	461	**864**

Not 8 Räntekostnader och liknande resultatposter

	2021	2020
Räntekostnader till koncernföretag	-11 811	-7 021
Övriga räntekostnader	-18 110	-18 353
Kursdifferenser	0	-261
	-29 921	**-25 635**

Not 9 Bokslutsdispositioner

	2021	2020
Lämnat koncernbidrag	-19 450	-75 136
Återföring från periodiseringsfond	150 000	100 000
Avsättning till periodiseringsfond	-140 000	-165 000
Skillnad mellan bokförd avskrivning och avskrivning enligt plan	-41 155	-85 194
	-50 605	**-225 330**

Not 10 Skatt på årets resultat

	2021	2020
Aktuell skatt	-86 985	-106 773
Justering avseende tidigare år	3 082	-74
Förändring av uppskjuten skattefordran	5 163	1 710
Summa redovisad skatt	**-78 741**	**-105 137**
Genomsnittlig effektiv skattesats	**10,7%**	**16,5%**
Avstämning av effektiv skattesats		
Redovisat resultat före skatt	**734 733**	**638 897**
Skatt på redovisat resultat enligt gällande skattesats 20,6% (21,4 %):	151 355	136 724
Skatteeffekt av:		
Övriga ej avdragsgilla kostnader	636	2 977
Upplösning av periodiseringsfond till 22%	1 854	642
Ej skattepliktiga intäkter	-1 917	-378
Schablonränta Periodiseringsfonder	856	820
Ej skattepliktig vinst/Ej avdragsgill förlust näringsbetingade aktier	0	6 881
Ej avdragsgill avskrivningar Goodwill	2 014	2 093
Ej skattepliktig utdelning	-67 813	-42 986
Uppskjuten skatt kapitalförsäkring	-5 163	-1 710
Justering avseende tidigare år	-3 082	74
Redovisad skatt	**78 741**	**105 137**

Upplysningar om uppskjuten skattefordran och skatteskuld
Vad avser förändringen av uppskjuten skatteskuld, se not Avsättningar.
Uppskjuten skatt avseende obeskattade reserver uppgår till 271 698 tkr (275 024 tkr).

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Not 11 Förskott avseende datorprogram

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	341 742	102 150
Årets anskaffningar	1 331	239 592
Utgående ackumulerade anskaffningsvärden	**343 073**	**341 742**
Ingående avskrivningar	0	0
Årets avskrivningar	-24 115	0
Utgående ackumulerade avskrivningar	**-24 115**	**0**
Ingående nedskrivningar	-80 000	0
Återförda nedskrivningar	0	0
Årets nedskrivningar	0	-80 000
Utgående ackumulerade nedskrivningar	**-80 000**	**-80 000**
Utgående redovisat värde	**238 958**	**261 742**

Not 12 Goodwill och varumärke

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	1 813 699	1 487 924
Årets anskaffningar	0	339 756
Försäljningar/utrangeringar	0	-13 981
Utgående ackumulerade anskaffningsvärden	**1 813 699**	**1 813 699**
Ingående avskrivningar	-1 416 357	-1 391 444
Försäljningar/utrangeringar	0	10 253
Årets avskrivningar	-48 129	-35 166
Utgående ackumulerade avskrivningar	**-1 464 486**	**-1 416 357**
Ingående nedskrivningar	-12 918	-12 918
Årets nedskrivningar	0	0
Utgående ackumulerade nedskrivningar	**-12 918**	**-12 918**
Utgående redovisat värde	**336 295**	**384 424**

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Not 13 Byggnader och mark

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	728 808	693 694
Årets anskaffningar	0	11 893
Försäljningar/utrangeringar	-1 598	-196
Omklassificeringar	27 316	23 417
Utgående ackumulerade anskaffningsvärden	**754 526**	**728 808**
Ingående avskrivningar	-491 750	-475 195
Försäljningar/utrangeringar	1 297	0
Årets avskrivningar	-17 635	-16 555
Utgående ackumulerade avskrivningar	**-508 088**	**-491 750**
Utgående redovisat värde	**246 438**	**237 058**

Not 14 Maskiner och andra tekniska anläggningar

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	2 946 095	3 078 443
Årets anskaffningar		78 300
Försäljningar/utrangeringar	-43 621	-310 425
Omklassificeringar	112 626	99 776
Utgående ackumulerade anskaffningsvärden	**3 015 100**	**2 946 095**
Ingående avskrivningar	-2 236 688	-2 387 707
Försäljningar/utrangeringar	39 552	274 346
Omklassificeringar		0
Årets avskrivningar	-130 835	-123 326
Utgående ackumulerade avskrivningar	**-2 327 971**	**-2 236 688**
Utgående redovisat värde	**687 129**	**709 407**

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Orkla Foods Sverige AB
556238-0302

Not 15 Inventarier, verktyg och installationer

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	196 171	213 473
Årets anskaffningar	5 372	1 826
Försäljningar/utrangeringar	-65 187	-40 021
Omklassificeringar	40 167	20 892
Utgående ackumulerade anskaffningsvärden	**176 523**	**196 171**
Ingående avskrivningar	-160 760	-172 491
Försäljningar/utrangeringar	63 602	35 900
Årets avskrivningar	-24 976	-24 169
Utgående ackumulerade avskrivningar	**-122 134**	**-160 760**
Ingående nedskrivningar	-1 586	0
Årets nedskrivningar	0	-1 586
Utgående ackumulerade nedskrivningar	**-1 586**	**-1 586**
Utgående redovisat värde	**52 803**	**33 825**

Not 16 Pågående nyanläggningar

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	192 215	212 183
Årets anskaffningar	205 996	139 987
Försäljningar/utrangeringar	0	-15 870
Omklassificeringar	-180 109	-144 084
Utgående ackumulerade anskaffningsvärden	**218 102**	**192 215**

I utgående anskaffningsvärde ingår erhållet klimatinvesteringsstöd på 0 tkr (4 800 tkr) i enlighet med Klimatklivsförordningen.

Not 17 Andelar i koncernföretag

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	859 899	904 132
Årets anskaffningar	0	0
Ovillkorat aktieägartillskott Frödinge AB	0	20 000
Försäljning aktier Frödinge AB	0	-64 233
Utgående ackumulerade anskaffningsvärden	**859 899**	**859 899**
Utgående redovisat värde	**859 899**	**859 899**

Orkla Foods Sverige AB
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Not 18 Specifikation av andelar i koncernföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört värde
Abba AB	100%	100,0%	900 000	434 144
Orkla Foods Finland Oy	100%	100,0%	8 000	137 607
Provendor AB	100%	100,0%	1 000	101
Felix Austria GmbH	4%	4,0%	0	0
Felix Austria GmbH	96%	96,0%	0	101 192
Lecora AB	100%	100,0%	20 000	69 517
Struer Bröd A/S	100%	100,0%	1 000 000	117 338
				859 899

	Org.nr.	Säte
Abba AB	556038-4454	Malmö
Orkla Foods Finland Oy	0203602-3	Åbo, Finland
Provendor AB	556238-0039	Malmö
Felix Austria GmbH	FN110213d	Mattersburg, Österrike
Struer Bröd A/S	18 79 87 94	Struer, Danmark
Lecora AB	556090-3493	Vadstena

Not 19 Andelar i intresseföretag

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	69 670	69 102
Årets anskaffningar	0	568
Kapitalnedsättning	0	0
Utgående ackumulerade anskaffningsvärden	**69 670**	**69 670**
Utgående redovisat värde	**69 670**	**69 670**

Not 20 Specifikation av andelar i intresseföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört värde
Asteriscis e Reticencias	44%	44%	25 606	69 670
			25 606	**69 670**

	Org.nr.	Säte
Asteriscis e Reticencias	513 885 820	Cascais, Portugal

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Not 21 Andra långfristiga värdepappersinnehav

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	12	12
Utgående ackumulerade anskaffningsvärden	**12**	**12**
Utgående redovisat värde	**12**	**12**

Not 22 Uppskjuten skattefordran

	2021-12-31	2020-12-31
Ingående saldo	3 006	1 296
Tillkommande skatteskulder		0
Återförda skattefordringar	-469	-40
Tillkommande skattefordringar, skattereduktion inventarier	5 900	1 474
Återförda skatteskulder	-268	326
Justerad ingående balans skatteskuld till följd av ändrad skattesats	0	-48
	8 169	**3 006**

Se även not 10 Skatt på årets resultat.

Specifikation uppskjutna skattefordringar

Uppskjutna skattefordringar	2021-12-31	2020-12-31
Uppskjuten skatt hänförlig till temporära skillnader	9 419	4 523
Totalt uppskjutna skattefordringar	**9 419**	**4 523**
Uppskjutna skatteskulder		
Övriga skattepliktiga temporära skillnader	1 250	1 517
Totalt uppskjutna skatteskulder	**1 250**	**1 517**
Uppskjuten skattefordran netto	**8 169**	**3 006**

Not 23 Andra långfristiga fordringar

Kapitalförsäkringar	2021-12-31	2020-12-31
Ingående anskaffningsvärden	11 486	9 502
Årets inbetalningar	0	2 932
Årets utbetalningar	-1 986	-948
Utgående redovisat värde	**9 500**	**11 486**

Not 24 Fordringar hos koncernföretag

	2021-12-31	2020-12-31
Kundfordringar hos koncernföretag	456 323	132 811
Likvidplacering hos koncernföretag	183 921	388 099
Redovisat värde	**640 244**	**520 910**

Not 25 Förutbetalda kostnader och upplupna intäkter

	2021-12-31	2020-12-31
Upplupna intäkter	8 852	0
Förutbetalda hyreskostnader	3 461	3 312
Övriga förutbetalda kostnader	14 756	8 028
	27 069	**11 340**

Assently: 13b375977f31866de12bb1a9a333b59c8a20f027956c1060caf1e69cb195d87d730b65a4e81a8aaeff764d957cfac836308f454234c81936bd79a564423e64a5

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Orkla Foods Sverige AB
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Not 26 Kassa och bank

	2021-12-31	2020-12-31
Kassamedel	9 753	5 952
	9 753	**5 952**

Not 27 Antal aktier

	2021-12-31 *Kvotvärde*	2020-12-31 *Kvotvärde*	2021-12-31 Antal	2020-12-31 Antal
A-aktier	100	100	501 000	5 501 000
			501 000	**5 501 000**

Not 28 Obeskattade reserver

	2021-12-31	2020-12-31
Periodiseringsfond avsatt 2015	0	150 000
Periodiseringsfond avsatt 2016	150 000	150 000
Periodiseringsfond avsatt 2017	120 000	120 000
Periodiseringsfond avsatt 2018	96 000	96 000
Periodiseringsfond avsatt 2019	150 000	150 000
Periodiseringsfond avsatt 2020	165 000	165 000
Periodiseringsfond avsatt 2021	140 000	
Ackumulerade överavskrivningar utöver plan, maskiner	497 922	456 767
	1 318 922	**1 287 767**

Not 29 Avsättningar

	2021-12-31	2020-12-31
Pensioner och liknande förpliktelser	**439 051**	**436 314**
Härav tryggat enligt Tryggandelagen	**439 051**	**436 314**
Övriga avsättningar		
Belopp vid årets ingång	14 272	12 004
Årets avsättningar	0	2 464
Under året ianspråktagna belopp	-2 467	-196
	11 805	**14 272**

I övriga avsättningar ingår poster som omstrukturering samt pensionsutfästelser säkerställda via kapitalförsäkringar.

Not 30 Checkräkningskredit

	2021-12-31	2020-12-31
Beviljad kredit	212 060	211 669

Not 31 Upplupna kostnader och förutbetalda intäkter

	2021-12-31	2020-12-31
Upplupna löner	15 945	21 632
Upplupna semesterlöner	100 674	98 480
Upplupna sociala avgifter	76 304	86 605
Övriga upplupna kostnader	190 012	201 341
	382 935	**408 059**

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Not 32 Ställda säkerheter

	2021-12-31	2020-12-31
Säkerheter ställda för annat:		
Ställd pant avseende kapitalförsäkring	9 500	13 470
Fastighetsinteckningar	5 946	5 946
Summa ställda säkerheter	**15 446**	**19 416**

Not 33 Eventualförpliktelser

Garantiförbindelse	8 781	8 726
	8 781	**8 726**

Not 34 Disposition av vinst eller förlust

Förslag till resultatdisposition	**2021-12-31**	**2020-12-31**
Styrelsen föreslår att till förfogande stående medel		
Balanserat resultat	300 202	536 442
Utdelning beslutad på extra bolagsstämma	0	-536 000
Årets resultat	655 992	533 760
	956 194	**534 202**
disponeras så att		
till aktieägare sakutdelas	137 607	0
till aktieägare utdelas	814 393	534 000
i ny räkning överföres	4 194	202
	956 194	**534 202**

Not 35 Hållbarhetsrapport

Företaget upprättar enligt 6 kap. §10 Årsredovisningslagen inte någon lagstadgad hållbarhetsrapport. Moderföretaget Orkla ASA, org. Nr. 910 747 711, med säte i Oslo, Norge, upprättar hållbarhetsrapport för den koncern där företaget ingår. Koncernens hållbarhetsrapport finns tillgänglig att hämta på www.orkla.com.

Not 36 Väsentliga händelser efter balansdagens slut

När pandemin just lagt sig bryter krig ut i Europa. Ett pågående krig i Ukraina och sanktioner mot Ryssland och Belarus kommer få stora konsekvenser för livsmedelsbranschen och för Orkla Foods Sverige inom den närmaste tiden. Ukraina, Ryssland och Belarus är stora producenter av spannmål, odlade grödor och andra insatsmaterial. Med kvarvarande effekter från pandemin och i tillägg ett krig i Ukraina innebär det ytterligare utmaningar i leveranskedjor och försörjning av insatsmaterial för livsmedelsproduktion i Europa och i Sverige. Orkla Foods Sverige står stabilt och arbetar fokuserat och med högsta prioritet för att säkra livsmedelsförsörjningen. Långsiktig påverkan av konsumtionsmönster relaterat situationen är svår att bedöma i dagsläget och följs noga.

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Orkla Foods Sverige AB
556238-0302

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Not 37 Nyckeltalsdefinitioner

Rörelsemarginal
Rörelseresultat i procent av nettoomsättningen

Justerat eget kapital
Eget kapital med tillägg för obeskattade reserver som reducerats med uppskjuten skatt.

Avkastning på eget kapital
Resultat efter finansiella poster i procent av justerat eget kapital

Soliditet
Justerat eget kapital i procent av balansomslutning

Malmö, den dag som framgår av vår elektroniska undersktift

Atle Vidar Nagel-Johansen
Ordförande

Henrik Julin
Verkställande direktör

Helena Giertz Rosell

Ole Jakob Strömme Hansen

Pasi Flinkman

Jan Roar Nordby

Johan Ståhlbom
Arbetstagarrepresentant

Ing-Marie Cassler
Arbetstagarrepresentant

Stefan Hall
Arbetstagarrepresentant

Vår revisionsberättelse har lämnats den dag som framgår av vår elektroniska underskrift

Ernst & Young AB

Henrik Rosengren
Auktoriserad Revisor

Assenlly: 13b375977f31866de12bb1a9a333b59c8a20f027956c1060caf1e69cb195d87d730b65a4e81a8aaeff754d957cfac836308f454234c81936bd79a554423e64a5

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Följande handlingar har undertecknats den 30 maj 2022

Årsredovisning 2021 FINAL.pdf
(564595 byte)
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e6709710a348c3417ea78153005cff27d0c0e97ec2076

Underskrifter

2022-05-30 10:58:53 (CET)

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Undertecknat med e-legitimation (Norwegian BankID)

2022-05-30 11:15:16 (CET)

Henrik Julin

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2022-05-30 11:18:08 (CET)

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assently

Underteckнandet intygas av Assently

Årsredovisning OFS 2021 SLUTLIG

Verifiera äktheten och integriteten av detta undertecknade dokument genom att skanna QR-koden till vänster.
Du kan också göra det genom att besöka https://app.assently.com/case/Verify
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13037597773186 6de12bb1e9a333b59c8a20f027956c1060caf1e69cb195da7d730b65a4e81a8aaeff754d957cfac836308f454234c81936bd79a554423e64a5

Om detta kvitto

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Revisionsberättelse

Till bolagsstämman i Orkla Foods Sverige AB, org.nr 556238-0302

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Orkla Foods Sverige AB för räkenskapsåret 2021.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Orkla Foods Sverige ABs finansiella ställning per den 31 december 2021 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Orkla Foods Sverige AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Penneo dokumentnyckel: DSZVF-VH1SC-GIT8I-WZN7K-S7IW7B-708N5

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Building a better working world

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Orkla Foods Sverige AB för räkenskapsåret 2021 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Orkla Foods Sverige AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Lund den dag som framgår av vår elektroniska underskrift

Ernst & Young AB

Henrik Rosengren
Auktoriserad revisor

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HENRIK ROSENGREN
Auktoriserad revisor
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Annual Financial Statements Orkla Group

Income statement, earnings per share and statement of comprehensive income

Income statement

Amounts in NOK million	Note	2021	2020
Sales revenues	7, 9	50 208	46 962
Other operating revenues	7, 9	233	175
Operating revenues	7, 9	**50 441**	**47 137**
Cost of materials	10	(25 171)	(23 430)
Payroll expenses	11, 12	(9 123)	(8 971)
Other operating expenses	18	(7 915)	(7 300)
Depreciation	7, 19, 20, 21	(2 087)	(1 944)
Operating profit before other income and expenses (EBIT adj.)	7	**6 145**	**5 492**
Other income	7, 14	171	145
Other expenses	7, 14	(586)	(1 075)
Operating profit	7	**5 730**	**4 562**
Profit/loss from associates and joint ventures	6	855	1 000
Interest income	15	30	20
Interest costs	15, 21	(196)	(182)
Other financial income	15	4	9
Other financial costs	15	(57)	(61)
Profit/loss before taxes		**5 366**	**5 348**
Taxes	16	(1 468)	(926)
Profit/loss for the year		**4 898**	**4 422**
Profit/loss attributable to non-controlling interests	33	90	51
Profit/loss attributable to owners of the parent		4 808	4 371

Earnings per share

Amount in NOK	Note	2021	2020
Earnings per share	17	4.82	4.37
Earnings per share, diluted	17	4.82	4.37

Statement of comprehensive income

Amounts in NOK million	Note	2021	2020
Profit/loss for the year		**4 898**	**4 422**
Other items in comprehensive income			
Actuarial gains and losses pensions	12, 16	54	(16)
Changes in fair value shares		38	42
Items not to be reclassified to profit/loss in subsequent periods		**92**	**26**
Change in hedging reserve	16, 31	152	(107)
Items charged to equity in associates and joint ventures	6	(32)	(91)
Translation effects		(977)	1 260
Hedging of net investment in foreign operations	31	216	(146)
Items after tax to be reclassified to profit/loss in subsequent periods		**(641)**	**916**
Comprehensive income		**4 349**	**5 364**
Comprehensive income attributable to non-controlling interests	33	78	62
Comprehensive income attributable to owners of the parent		4 271	5 302

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Statement of financial position

Assets

Amounts in NOK million	Note	2021	2020
Property, plant and equipment	7, 20, 21	17 458	16 274
Intangible assets	7, 19	30 554	24 209
Deferred tax assets	16	129	125
Investments in associates and joint ventures	6, 7	5 332	4 799
Other financial assets	22	647	569
Total non-current assets		**54 120**	**45 976**
Inventories	23	7 314	6 530
Inventory of development property	28	220	96
Trade receivables	24	6 528	6 256
Other receivables and financial assets	24	1 255	936
Cash and cash equivalents	25	1 127	3 213
Total current assets		**16 444**	**17 031**
Total assets		**70 564**	**63 007**

Equity and liabilities

Amounts in NOK million	Note	2021	2020
Paid-in equity	32	1 967	1 972
Retained earnings		36 474	35 270
Non-controlling interests	33	910	462
Total equity		**39 351**	**37 704**
Interest-bearing liabilities	21, 28, 29	10 731	9 359
Deferred tax	16	2 084	1 681
Provisions and other liabilities	26	3 176	3 390
Total non-current liabilities		**15 990**	**14 430**
Interest-bearing liabilities	21, 28, 29	3 603	664
Income tax payable	16	990	380
Trade payables	27	7 286	6 526
Other liabilities	27	3 344	3 303
Total current liabilities		**15 223**	**10 873**
Total equity and liabilities		**70 564**	**63 007**

Statement of cash flow

Amounts in NOK million	Note	2021	2020
Profit before taxes		6 366	5 348
Depreciation and write-downs	19, 20, 21	2 092	2 454
Changes in net working capital, etc.		(645)	672
Profit/loss from associates and joint ventures	6	(855)	(1 000)
Dividends received from associates and joint ventures	6	255	233
Financial items without cash flow effect	15	47	43
Taxes paid	16	(907)	(1 152)
Cash flow from operating activities		**6 353**	**6 598**
Sale of property, plant and equipment	8	81	161
Investments in property, plant and equipment and intangible assets	8	(2 687)	(2 607)
Sold companies	5, 6	0	193
Acquired companies	5, 6	(5 811)	(700)
Other capital transactions		56	29
Cash flow from investing activities		**(8 361)**	**(2 924)**

Amounts in NOK million	Note	2021	2020
Dividends paid		(2 784)	(2 666)
Sale of treasury shares		57	57
Acquisition treasury shares		(403)	0
Paid to shareholders	32	**(3 130)**	**(2 609)**
Proceeds from borrowings		3 832	1 462
Repayments of borrowings		(2 014)	(27)
Repayments of lease liabilities	21	(543)	(529)
Net change in current liabilities		1 847	(517)
Net change in interest-bearing receivables		(23)	(65)
Cash flow from financing activities excluding payments to shareholders	7, 29	**3 099**	**324**
Cash flow from financing activities		**(31)**	**(2 285)**
Currency effect on cash and cash equivalents		(47)	155
Change in cash and cash equivalents		**(2 086)**	**1 544**
Cash and cash equivalents 1 January		3 213	1 669
Cash and cash equivalents 31 December	25	1 127	3 213

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Statement of changes in equity

Amounts in NOK million	Share capital	Treasury shares	Premium fund	Total paid-in equity	Hedging reserve[1]	Items charged to equity in AC and JV[2]	Net translation effects	Other retained equity	Total Group	Non-controlling interests	Total equity
Equity 1 January 2020	1 252	(1)	721	**1 972**	(100)	253	1 425	30 902	**34 452**	460	**34 912**
Profit/loss for the year	-	-	-	-	-	-	-	4 371	**4 371**	51	**4 422**
Items in comprehensive income	-	-	-	-	(107)	(91)	1 103	26	**931**	11	**942**
Group comprehensive income	-	-	-	-	(107)	(91)	1 103	4 397	**5 302**	62	**5 364**
Dividends paid	-	-	-	-	-	-	-	(2 598)	**(2 598)**	(68)	**(2 666)**
Net sale of treasury shares	-	-	-	-	-	-	-	57	**57**	-	**57**
Change in non-controlling interests (see Note 33)	-	-	-	-	-	-	-	29	**29**	8	**37**
Equity 31 December 2020	1 252	(1)	721	**1 972**	(207)	162	2 528	32 787	**37 242**	462	**37 704**
Profit/loss for the year	-	-	-	-	-	-	-	4 808	**4 808**	90	**4 898**
Items in comprehensive income	-	-	-	-	152	(32)	(749)	92	**(537)**	(12)	**(549)**
Group comprehensive income	-	-	-	-	152	(32)	(749)	4 900	**4 271**	78	**4 349**
Dividends paid	-	-	-	-	-	-	-	(2 739)	**(2 739)**	(45)	**(2 784)**
Net purchase of treasury shares	-	(5)	-	(5)	-	-	-	(341)	**(346)**	-	**(346)**
Option costs	-	-	-	-	-	-	-	13	**13**	-	**13**
Change in non-controlling interests (see Note 33)	-	-	-	-	-	-	-	-	-	415	**415**
Equity 31 December 2021	1 252	(6)	721	**1 967**	(55)	130	1 779	34 620	**38 441**	910	**39 351**

1 See Note 31 for hedging reserves before tax.
2 Items charged to equity in associated companies (AC) and joint ventures (JV).

Oslo, 15 March 2022
The Board of Directors of Orkla ASA

Stein Erik Hagen
Chairman of the Board

Ingrid Jonasson Blank

Nils K. Selte

Liselott Kilaas

Peter Agnefjäll

Anna Mossberg

Anders Kristiansen

Terje Utstrand

Sverre Josvanger

Karin Hansson

Roger Vangen

Jaan Ivar Semlitsch
President and CEO

(This translation from Norwegian of the Annual Financial Statements has been made for information purposes only.)

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Note 1 General information

General
The consolidated financial statements for Orkla ASA, including notes, for the year 2021 were approved by the Board of Directors of Orkla ASA on 15 March 2022. Orkla ASA is a public limited company and its offices are located at Drammensveien 149, Oslo (Norway). Orkla ASA's organisation number is NO 910 747 711. The company's shares are traded on the Oslo Stock Exchange. The Orkla Group operates primarily in the branded consumer goods, renewable energy and real estate sectors. The business areas are described in the segment information in Note 7.

The financial statements for 2021 have been prepared and presented in full compliance with applicable International Financial Reporting Standards (IFRS), as adopted by the EU.

Information on accounting policies and estimate uncertainty is largely incorporated into the individual notes. The accounting policies have been highlighted with a "Ⓟ" and estimate uncertainty is marked with an "Ⓔ". Estimate uncertainty will vary, and the areas in which estimates will be most significant will be specified in both Note 4 and in the relevant notes, with cross-references. In addition, certain sustainability elements have been presented in relevant notes and marked with an "Ⓢ".

The Group has made no changes in presentation or accounting policies nor applied any new standards that materially affect its financial reporting or comparisons with previous periods. For information regarding future changes in accounting standards, see Note 4.

Alternative performance measures (APM)
Orkla uses EBIT (adj.) in both the income statement and in its presentation of segment results. EBIT (adj.) is defined as "Operating profit or loss before other income and expenses". "Other income" and "Other expenses" are items that require special explanation and only to a limited degree are reliable measures of the Group's ongoing profitability. Items presented on these two financial statement lines are disclosed in Note 14.

Earnings per share (adj.) show earnings per share adjusted for "Other income" and "Other expenses" after estimated tax. If other items of a special nature arise under the company's operating profit/loss, adjustments will also be made for them. See Note 17 for further information on earnings per share (adj.).

Orkla uses the terms "Organic growth", "Changes in underlying EBIT (adj.)" and "Underlying EBIT (adj.) margin growth" to explain changes in operating revenues and EBIT (adj.). These are not accounting terms, but are used in the Report of the Board of Directors and the segment information in Note 7. Organic and underlying growth have been adjusted for currency translation effects, acquisitions and disposals.

With regard to investment decisions, the Group differentiates between "Replacement investments" and "Expansion investments". These terms are used in Note 7 "Segments".

Net interest-bearing liabilities are the Group's primary management parameter for financing and capital allocation, which is used actively in the Group's financial risk management strategy; see Note 29. The statement of cash flows in Orkla format therefore shows the change in net interest-bearing liabilities

at Group level, and is presented in Note 7 on segment reporting.

The definitions of the various alternative performance measures (APM) may be found on page 349.

Sales and purchases of companies
Acquisitions and disposals of companies are presented in Note 5. Orkla has made several large acquisitions, and in 2021 companies were purchased for a total of NOK 7,030 million at enterprise value. The biggest acquisitions were the purchases of NutraQ (Norway), Eastern Condiments (India) and New York Pizza (Netherlands/Germany).

Comments on the year 2021
2021 was a year of extensive acquisition activity, in addition to which the COVID-19 pandemic continued to impact on Orkla during this financial year. The situation has at times been challenging for some Orkla companies. The pandemic has led to global bottlenecks and value chain disruptions and combined with strong demand, this has resulted in substantially higher market prices for several of the big raw material categories. In the second half of 2021, society reopened in several of Orkla's markets, spurring a positive change in the activity level in the Out of Home sector, combined with continued good growth in the grocery channel. Sales improved for all Orkla's business areas in 2021. There was particularly good improvement for Orkla Food Ingredients, which was positively affected by higher Out of Home activity after many periods of lockdown in 2020. In terms of profit, Orkla's businesses have been both positively and negatively affected by the COVID-19 pandemic. The pandemic's impact on the various businesses is described in further detail in the Group's Board of Directors' Report.

The Group's "Other expenses" amounted to NOK 586 million in 2021. The high level of "Other expenses" which amounted to NOK 1,075 million in 2020 was largely linked to write-downs and recognised expenses related to ERP projects, and write-downs related to PRG Finland and Gorm's. In 2021, too, costs of NOK 123 million were recognised in connection with the Group's ERP projects. As a result of high acquisition activity in the Group in 2021, aquisition and integration costs totalling NOK 161 million were incurred. In addition, several improvement and restructuring projects were carried out. See also Note 14 for information on "Other income" and "Other expenses".

Orkla has worked resolutely to achieve sustainable value creation, by focusing on both sustainable production and consumption. The development of plant-based and environmentally friendly products has been a key area of innovation work in 2021 and will remain an important platform going forward.

The Norwegian krone strengthened against the EUR, SEK and DKK in 2021. This resulted in the recognition in equity of a net total of NOK -761 million in positive translation differences.

Other matters
Orkla has no loan agreements containing financial covenants.

Sustainability

A good dialogue with stakeholders is essential to fulfilling Orkla's responsibility towards various stakeholder groups, adapting to changes in society and building trust in Orkla's operations. Orkla is engaged in an active dialogue with customers, suppliers, employees, shareholders, authorities and civil society actors, and wishes to provide insight into the way the Group deals with matters of importance for the Group's operations and key stakeholder groups. Orkla reports on the progress made in its efforts to address environmental and social issues in a Sustainability Report, which is included as a separate section in Orkla's Annual Report. Further information on the reporting criteria may be found on page 102.

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Note 2 Basis for preparing the consolidated financial statements

The assets in the statement of financial position are recognised on the basis of the purchase cost, and this will largely determine their further accounting treatment. Normally, the purchase cost will be the highest value at which an asset may be recognised. However, this does not apply to the treatment of financial assets and accounting hedges, which are reported at fair value on an ongoing basis. Assets that no longer justify their value are written down to the recoverable amount, which is the higher of value in use and fair value minus selling costs.

The financial statements are prepared on the basis of the going concern assumption. In general, the latter can be justified by Orkla's financial strength with an equity ratio of 55.8% as at 31 December 2021 and financial reserves that more than cover the Group's liabilities in the next 12 months; see Note 29.

An asset or liability is classified as current when it is part of a normal operating cycle, when it is held primarily for trading purposes, when it consists of cash or cash equivalents on the statement of financial position date or when the entity concerned does not have an unconditional right to defer payment for at least 12 months. Other items are non-current. A dividend does not become a liability until it has been formally approved by the General Meeting.

All amounts are in NOK million unless otherwise stated. Figures in parentheses are expenses or disbursements (cash flow). The functional currency of the parent company (Orkla ASA) is NOK and the Group's reporting currency is NOK.

Consolidation of companies in the Group
The consolidated financial statements show the overall financial results and the overall financial position when the parent company Orkla ASA and companies in which the Group has sole control (subsidiaries) are presented as a single economic entity. All the companies that are consolidated have applied consistent accounting policies and all intercompany matters have been eliminated. In addition, associates and joint ventures are presented using the equity method, while any minor assets in other companies are presented at fair value, with changes in value reported in the comprehensive income statement.

Interests in companies in which the Group alone has controlling interest (subsidiaries) have been consolidated, line by line, on a 100% basis in the consolidated financial statements from the date the Group has control and are consolidated until the date that such control ends. The Group will have control if it has the power to govern the subsidiary, has exposure or rights to variable returns from the subsidiary and can affect the amount of the returns in the subsidiary. If the Group has control, but owns less than 100% of the subsidiaries, the companies are still consolidated, line by line, on a 100% basis, while the non-controlling interests' share of profit or loss after tax and their share of equity are presented on separate lines. As at 31 December 2021, no companies were consolidated in the Group based on the rules regarding de facto control, i.e. that the Group has < 50% ownership, but by virtue of the ownership composition nonetheless in fact has control.

Profit or loss from associates and joint ventures is presented on an ongoing basis as part of the Group's profit or loss. These are both presented using the equity method. This applies to interests in companies in which the Group together with others has controlling interest (joint ventures) and interests in companies where the Group has significant influence (associates). Both these categories are disclosed in Note 6.

Small ownership interests in other companies are disclosed in Note 22. These financial investments are capitalised at fair value and both changes in value and any gains or losses are recognised as "Other items in comprehensive income".

If a material part of the Group's operations is divested, an agreement is made to divest it, or if the Group loses its controlling interest/significant influence, these operations are presented as "Discontinued operations" on a separate line in the income statement and the statement of financial position. A material part is defined as an individual segment, an individual geographical area or a substantial asset. Consequently, all other figures are presented exclusive of the "Discontinued operations". The comparative figures in the income statement are restated and aggregated with the "Discontinued operations" on one line. The comparative figures for the statement of financial position and the statement of cash flows are not restated correspondingly. If an agreement is entered into to sell operations or assets that constitute less than a segment, assets and liabilities are reported on separate lines of the statement of financial position as "Held for sale". The income statement and the statement of cash flows are not restated.

Policies for translating foreign currency

Revenues and expenses in subsidiaries with a different functional currency from that of the parent company are translated monthly at the average exchange rate for the month and translation differences are accumulated. Statement of financial position items in subsidiaries with a different functional currency are translated at the exchange rate on the statement of financial position date. Translation differences arise from two different situations. The first is when an income statement with a different functional currency than that of the parent company is translated at the average monthly exchange rate, while the statement of changes in equity is translated at the closing rate. The second is when the opening and closing rates of the statement of changes in equity differ. When the average exchange rate in the income statement and the opening rate in the statement of changes in equity differ from the closing rate, translation differences arise in the explanation of changes in equity. Translation differences are recognised as "Other items in comprehensive income".

Translation differences related to borrowing and lending in another functional currency, identified as net investment, are also reported as "Other items in comprehensive income". This is shown as a separate item.

All exchange rates have been obtained from Norges Bank.

Main exchange rates on consolidation against NOK

	Average of monthly exchange rates		Closing rate 31 December	
	2021	2020	2021	2020
EUR	10.16	10.73	9.99	10.47
SEK	1.00	1.02	0.97	1.04
DKK	1.37	1.44	1.34	1.41

Transactions in foreign currencies are recognised at the exchange rate on the date of the transaction. Financial receivables and liabilities in foreign currencies are measured at the exchange rate on the statement of financial position date, and any gain/loss is reported in the income statement as a financial item. Other monetary items (e.g. accounts receivable and accounts payable) in a foreign currency are presented at the exchange rate on the statement of financial position date, and any gain/loss is reported in the income statement as an operating item.

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Note 3 Presentation of the financial statements

As stated in Note 1, the disclosure of accounting policies has been presented in the relevant notes. This has been done so as to give financial statement users as clear an overview as possible when they consult the various notes.

The financial statements
The complete set of financial statements consists of an income statement, a statement of comprehensive income, a statement of financial position, a statement of cash flows and a statement of changes in equity. The financial statements present one comparative year.

The income statement presents the Group's profit or loss divided into lines for various income and expense items and culminates in the Group's profit or loss for the year. Orkla has chosen to present its income statement based on a traditional classification of expenses by nature.

The statement of comprehensive income is based on the Group's profit or loss for the year and presents items that are recognised in equity, but not included in profit or loss for the period. Actuarial gains and losses on pensions and gains or losses and changes in the value of share investments are recognised in comprehensive income with permanent effect. Other items are recognised in comprehensive income temporarily and reversed when the related assets/items are sold or settled. Corresponding items in associates and joint ventures are reported in the same way.

The statement of financial position begins with non-current assets and ends with cash and cash equivalents in the assets section. Interest-bearing receivables except for cash and cash equivalents are not presented on separate lines, based on materiality considerations. The interest-bearing items are disclosed in notes. In the equity and liabilities section, a distinction is made between equity, interest-bearing and non-interest-bearing non-current and current items.

The statement of cash flows is structured using the indirect method, presenting cash flows from operating, investing and financing activities, and explains changes in "Cash and cash equivalents" in the reporting period.

Orkla also presents an Orkla format cash flow statement in the Report of the Board of Directors and in Note 7. The bottom line of the statement shows the change in net interest-bearing liabilities. Segment information refers to this statement, as the Group's cash flows are reported and managed in this way.

The statement of changes in equity presents all the items reported in equity, including items from the comprehensive income statement. Other items in addition to the latter consist of transactions relating to shareholders, such as dividends, the purchase and sale of treasury shares and transactions relating to non-controlling interests.

Note 4 Use of estimates and assumptions in preparing the consolidated financial statements

Areas of greatest estimate uncertainty
The management has made use of estimates and assumptions in preparing the consolidated financial statements. This applies to assets, liabilities, revenues, expenses and supplementary information related to contingent liabilities.

Fair value assessments are affected by estimates of required rates of return. The required rate of return is determined by using the capital asset pricing model and is affected by estimates of risk-free interest and risk premium.

Most statement of financial position items will be affected to some degree by estimate uncertainty. This is disclosed in the respective notes. Some areas are substantially affected by estimate uncertainty, and the areas where estimates will have the greatest significance will be:

Amounts in NOK million

Accounting item	Note	Estimate/assumptions	Book value
Goodwill	18, 19	Net present value future cash flows/NSV[1]	22 086
Trademarks with indefinite life	18, 19	Net present value future cash flows/NSV[1]	7 418
Property, plant and equipment	18, 20	Net present value future cash flows/NSV[1]	15 734
Leases	21	Lease period, renewal options and net present value future cash flows	1 724
Discounts, reduction in prices of seasonal goods, etc.	9, 27	Estimated need for provision in line with agreements	1 539
Provisions for liabilities and other non-current liabilities	26	Estimated need for provision based on incurred liabilities and estimated exposure	656

1 NSV: Net sales value

The areas where there is the greatest risk of material changes are capitalised goodwill and trademarks with an indefinite useful life. This is because the amounts involved are substantial and the value of the asset is based on recognition policies from purchase price allocations which can subsequently be affected by a change in value. Proprietary trademarks are not capitalised

and consequently do not entail any risk in relation to the statement of financial position. Some Orkla businesses have been impacted by the COVID-19 pandemic and the situation is being closely monitored with regard to indications of a need for write-downs. Global challenges posed by climate change and resource scarcity will also be an element when assessing Orkla's businesses. Assessments related to the valuation of non-current assets are disclosed in Note 18.

The valuation and estimated useful life of property, plant and equipment are based on future information and will always involve a degree of uncertainty. Especially in a situation where the Group is planning major changes in its manufacturing structure and number of production sites, there will be extra focus on the assessments made of different production facilities. The various production sites are routinely assessed based on a going concern approach, but in a situation where a change in organisational structure could mean that some plants will be closed or reorganised, these assessments will have to be changed on an ongoing basis and could lead to the identification of both excess values and deficit values.

The Group's decision to invest in a common ERP platform for Orkla Foods, Orkla Confectionery & Snacks and Orkla Care, as well as a common ERP platform for Orkla Food Ingredients, may make it necessary to change the useful life of or write down some currently used IT systems. A valuation of the IT systems concerned will be made on the date the various companies formally confirm their investment in a new ERP system. In 2020, a total of NOK 437 million in write-downs and expenses was recognised for the ERP platforms developed. In 2021, NOK 123 million was expensed in connection with the same project; see Note 14.

In Branded Consumer Goods, discounts amount to a substantial total. The discounts do not appear directly in the financial statements. It is net turnover after discounts that is presented as the Group's operating revenues. The majority of the discounts are netted in the invoices. Provisions are made for the share of discounts that are not netted directly in the invoice. Discounts for which provisions are made are reported as a current liability and totalled NOK 1.5 billion as at 31 December 2021. Discounts for which provisions are made are related to contractual arrangements that are largely based on agreements with chains and reported sales. The discount structure is complex and discounts are calculated on the basis of various discount matrices and agreements, and entail an inherent risk of estimate variance; see Note 9 and 27.

Other sales revenue reductions such as reductions in the price of seasonal goods, etc. must be estimated, due to the fact that externally-sourced data will not be available until after the financial statements have been prepared and presented.

These arrangements also entail an inherent risk of estimate variance. There have been no material variances between provisions for and actually reported sales revenue reductions in the past few years.

After the sale of its stake in Sapa in 2017, Orkla retained certain liabilities arising from its former ownership. These are primarily liabilities related to guarantees and specific indemnities given to Norsk Hydro. The remaining provision as at 31 December 2021 is deemed to be sufficient to cover Orkla's remaining liabilities; see Note 26.

Other estimates and assumptions are disclosed in various notes, and any information that is not logically included in other notes is presented in Note 37.

Looking ahead
Future events and changes in local or global operating parameters may make it necessary to change estimates and assumptions.

Orkla's partnership agreements with customers are mainly entered into for limited periods of time, as is the case for the rest of the industry. The parameters for the partnership are thus normally renegotiated at regular intervals. These negotiations can result in changes in both the conditions and positions covered by the individual partnership agreement. Agreements with individual customers are normally entered into by the Orkla companies (business units).

New standards, statements and interpretations of current standards may result in changes in the choice of accounting policies and presentation. Such changes will be recognised in the financial statements when new estimates are prepared and whenever new requirements regarding presentation are introduced.

At the time the Annual Financial Statements for 2021 were prepared and presented, there were no changes in standards or interpretations of standards issued but not yet effective, which are expected to have a material impact on the consolidated financial statements.

Exercise of judgement

The financial statements may be affected by the choice of form of presentation, accounting policies and exercise of judgement. This applies, for instance, to items that only to a limited degree are reliable measures of the Group's current earnings. These items are presented as "Other income" and "Other expenses" in the income statement. The items are included in the Group's operating profit, but not in EBIT (adj.) broken down by segment.

Assessments regarding the recognition of leases may also entail exercise of judgement. This applies, for instance, when assessing whether renewal options should be recognised as well as whether a distinction should be made between leases and service agreements; see further information in Note 21.

Profit or loss from associates and joint ventures is presented after operating profit/loss as these companies are reported as an investment.

In the case of some acquisitions of companies with minority shareholders, option agreements may have been entered into which regulate possible rights relating to the future buyout of these ownership interests. In such cases, an assessment will be made of whether Orkla has in fact purchased these interests based on the agreements entered into or whether these are ownership interests that must be presented as non-controlling interests. The purchase agreements related to Eastern Condiments and New York Pizza contain agreements whereby Orkla will in the longer term be able to acquire full ownership of both these two businesses. In both the two acquisitions mentioned, the assessment is that there is a chance that Orkla will not become 100% owner. Therefore, no provision has been made for liabilities in the statement of financial position, but non-controlling interests have been recognised in equity. See also Note 5 for further information on the two acquisitions.

Sustainability

The global challenges related to climate change, resource scarcity, nutrition and health affect Orkla's activities in the form of a risk of changes in raw material availability, costs, consumer preferences and political framework conditions. The Group monitors developments closely through an active dialogue with stakeholders and ongoing analyses. Orkla's sustainability strategy covers the topics considered particularly important for the Group based on a double materiality assessment, in which both Orkla's impact on its surroundings and the commercial risk associated with sustainability challenges are considered. Through its sustainability work, Orkla's ambition is to contribute towards achieving the global sustainability goals, ensure effective risk management and exploit sustainability-related opportunities to create growth, trust and long-term profitability. The business risk for Orkla related to the global sustainability challenges is described in greater detail in the Sustainability Report, and in a separate report on climate-related risk which may be found on Orkla's website.

Note 5 Disposals and acquisitions of companies

Accounting policies

Disposals of companies
When a business is divested, the gain is measured as the difference between the selling price and the company's booked equity, minus any remaining excess value related to the business. Any sales expenses incurred will reduce the gain/increase the loss. Accumulated translation differences and any hedging reserves related to the divested business will be recognised in the income statement as part of the gain/loss, with a corresponding contra entry in "Other items in comprehensive income". The gain will be reported before tax and the business's associated tax will be recognised on the tax line of the income statement. The real gain is reflected in the sum total of the gain and the tax. If the sold business qualifies for recognition as "Discontinued operations", all the effects associated with the gain will be reported on the line for "Discontinued operations" in the income statement.

Acquisitions of companies
Business combinations are accounted for using the acquisition method. When a subsidiary is acquired, a fair value assessment is carried out, and assets and liabilities are valued at their fair value at the time of acquisition. The residual value in the acquisition will be goodwill. The acquisition is reported in the financial statements from the date the Group has control. The date of control is normally the date on which the acquisition agreement takes effect and has been approved by all the relevant authorities and will normally be after the contract date. If there are non-controlling interests in the acquired company, these will receive their share of allocated assets and liabilities, except for goodwill. Transactions with the non-controlling interests will be recognised in equity. In companies where the Group already owned interests prior to the business combination, any change in the value of earlier interests will be recognised in the income statement. The Group's equity will therefore be affected by the fact that the assets are repriced as if the entire acquisition had been made at this time. The same procedure will, in principle be carried out in connection with the establishment of a joint venture and with the acquisition of an associate. However, these are not considered to be business combinations because the Group does not obtain control. M&A costs and subsequent integration costs are recognised as "Other expenses".

Disposal of companies
In December 2021, Orkla Food Ingredients sold the company Credin LLC (Russia); see also Note 14.

Acquisition of companies
Orkla Health acquired 100% of the shares in NutraQ 2 AS ("NutraQ"), a leading supplier of subscription-based health and beauty products in the Nordic region. NutraQ is behind the health concept VitaePro and the beauty concept Oslo Skin Lab. NutraQ also owns the Maxulin dietary supplement brand, the Provexin hair treatment product and the Vesterålens Naturprodukter brand that offers Omega-3 products and various vitamin supplements. NutraQ was established in Norway in 2002 and has since also established operations in Denmark, Finland and Sweden. These four countries account for around 90% of turnover. The company had around 170 employees. With its subscription-based business model, NutraQ represents a new business approach for Orkla. The number of active subscriptions has on average grown organically by 13% per year in the period 2018–2020.

Orkla Foods purchased 67,8% of the shares in Easter Condiments Private Limited ("Eastern"). This acquisition will double Orkla's turnover in India. Orkla already holds a solid position in the Indian branded food market through MTR, which has increased its sales revenues five-fold since being acquired by Orkla in 2007. Eastern will be merged into the company MTR Foods Private Limited, and Orkla will have an ownership interest of 90.01% of the jointly-owned company. The merger process is expected to take around 15 months. Eastern has seven factories in four different states in India and around 3,000 employees. The purchase agreement contains a clause whereby Orkla will be able to acquire full ownership of the joint entity in the longer term.

Orkla purchased 75% of the shares in New York Pizza, one of the leading pizza chains in the Netherlands. Since 2008, the chain has averaged annual sales growth of 12%, driven by both organic growth and the establishment of new sales outlets. At the time of acquisition, New York Pizza had 232 franchised sales outlets, 229 of which are in the Netherlands where the chain holds a strong number two position in the market. A key component of New York Pizza's operating model is the pizza dough manufacturer Euro Pizza Products, which also supplies to Finland's leading pizza chain, Orkla-owned Kotipizza. New York Pizza had 75 employees. The business will be run as a stand-alone entity within the Orkla Consumer Investments business area, which already comprises Kotipizza. New York Pizza was consolidated into Orkla's financial statements as of 1 August 2021. In September and October, New York Pizza purchased the German pizza chains Stückwerk, Flying Pizza and Pizza Planet. These three chains have a total of 105 sales outlets in Germany.

Orkla Confectionery & Snacks purchased the Icelandic company Nói Síríus HF ("Nói Síríus"), the leading manufacturer of chocolate and confectionery in Iceland. Nói Síríus has several well-known chocolate brands, and over 70% of Nói Síríus's turnover derives from the company's home market. The business also distributes certain strong, global chocolate, snack and breakfast product brands. The company had around 120 employees. The agreement now entered into with the present owners covers 80% of the shares. Orkla has had a minority shareholding of 20% in the company for well over two years.

Orkla Food Ingredients purchased 100% of the shares in the companies Cake Décor Limited ("Cake Décor") and For All Baking Limited ("FAB"). Cake Décor is a well-established player in cake decorations, sprinkles and accessories for the home baking, artisan bakery and food service markets. The majority of its sales are made to consumers through the UK grocery trade. FAB is behind Cake Décor's e-commerce business that caters particularly to artisan bakeries. FAB also has growing direct-to-consumer sales. The companies had a total of 98 employees.

Orkla Food Ingredients purchased 100% of the Swiss company Hans Kaspar AG, thereby strengthening its position in confectionery and ice cream ingredients. Hans Kaspar is a leading specialist in the manufacture of ingredients for chocolate and ice cream manufacturers and had 31 employees.

Orkla Foods acquired 80% of the shares in the Finnish company Seagood Oy Fort Deli ("Fort Deli"). Fort Deli holds a strong position in the Finnish HoReCa market which accounts for around 80% of the company's revenues. The company is an established supplier of frozen products, sauces and condiments in Finland. Fort Deli had 10 employees.

Orkla Food Ingredients acquired the Polish sales and distribution company Ambasador92 Sp. z o.o. Ambasador92 is a leading player in the sale and distribution of bakery and confectionery products in areas of northern Poland, and holds a strong position in the growing Out of Home channel, which comprises bakeries, confectioners and ice cream manufacturers. The company had a turnover of PLN 138 million (approx. NOK 315 million) in 2020. The business had 128 employees. The company was consolidated into Orkla's financial statements as of 1 March 2021.

In January 2021, Orkla Care completed an agreement to purchase 100% of the shares in Proteinfabrikken AS. Orkla Care already owned 16.7% of the company after having purchased a minority shareholding in 2014. Under the

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PF brand, Proteinfabrikken sells a broad range of proprietary sport nutrition products. Proteinfabrikken had seven employees. In 2019, Proteinfabrikken had a turnover of NOK 82 million. The company was consolidated into Orkla's financial statements as of 1 January 2021.

Orkla Food Ingredients purchased 100% of the company Sigurd Ecklund AS, which supplies a broad range of products to Norwegian confectioners, bakeries, restaurants and hotels. The company had a turnover of NOK 25 million in 2020 and had five employees. Sigurd Ecklund AS was consolidated into Orkla's financial statements as of 1 July 2021.

Other matters relating to purchase price allocations
Capitalised goodwill related to acquisitions comprises synergies, assets related to employees, other intangible assets that do not qualify for separate capitalisation, future excess earnings and the fact that deferred tax in accordance with IFRS is not discounted.

As regards the acquisitions completed in 2021, the purchase price allocation for Cake Décor and For All Baking, Hans Kaspar, Ambasador92, Seagood Fort Deli, Proteinfabrikken and Sigurd Ecklund have essentially been finalised. No other purchase price allocations had been finalised as at 31 December 2021, due to uncertainty attached to certain valuation factors. There are no material variable payments for any of the acquisitions completed in 2021.

The purchase price allocations for all companies acquired in 2020 were completed in 2021. No material changes were made in the purchase price allocations.

Operating revenues and EBIT (adj.) for the largest acquisitions, before and after the acquisition, are presented in the table on the next page.

A total of NOK 142 million (NOK 78 million in 2020) was recognised in acquisition costs in 2021.

Orkla has entered into agreements on the acquisition and disposal of companies which had not been completed as at 31 December 2021. These acquisitions are disclosed in Note 38 "Events after the balance sheet date".

Estimate uncertainty

In company acquisitions, the assets taken over are valued at fair value at the time of purchase. The various assets are valued on the basis of different models, and goodwill is the residual in this type of purchase price allocation. Errors in estimates and assumptions can lead to an error in the split of the value between the various assets, but the sum of the total excess value will always be consistent with the purchase price paid.

Acquired companies	Acquisition			Allocation of excess and deficit values					Operating revenues		EBIT (adj.)	
Amounts in NOK million	Date of control	Interest after acquisition	Acquisition cost	Trade-marks	Property, plant and equipment	Other	Deferred tax	Goodwill	After acquisition date	Before acquisition date	After acquisition date	Before acquisition date
2021												
NutraQ, Orkla Care	July	100%	3 124	400	-	11	(90)	2 692	458	475	77	88
Eastern Condiments, Orkla Foods	April	67.8%	1 597	677	95	(84)	(193)	980	733	244	60	10
New York Pizza, Orkla Consumer Investments[1]	August	75%	1 456	212	-	(32)	(45)	1 150	356	457	44	57
Nói Sirius, Orkla Confectionery & Snacks	June	100%	321	59	(88)	-	(6)	109	162	99	12	0
Cake Décor og For All Baking, Orkla Food Ingredients	May	100%	248	-	-	-	-	201	121	59	15	5
Hans Kaspar, Orkla Food Ingredients	August	100%	100	-	-	-	-	73	53	86	6	12
Seagood Fort Deli, Orkla Foods	March	80%	78	-	-	-	-	65	76	14	8	1
Other acquisitions			96	23	-	-	(5)	53				
Acquisitions at enterprise value			**7 020**	**1 371**	**7**	**(105)**	**(339)**	**5 323**				
Purchase of other shares			10									
Acquisitions in segments, enterprise value (see Note 7)			**7 030**									
Interest-bearing liabilities acquisitions			(1 219)									
Cash flow effect acquisitions[2]			**5 811**									
2020												
Havrefras trademark, Orkla Foods	June	100%	350	-	-	-	-	-	-	-	-	-
Norgesplaster, Orkla Care	April	100%	241	32	-	-	(6)	159	114	47	11	4
Win Equipment, Orkla Food Ingredients	February	70%	38	-	-	-	-	32	48	1	3	(1)
Gortrush, Orkla Food Ingredients	December	100%	30	-	-	-	-	21	3	54	0	11
Orchard Valley Foods (remaining 15%), Orkla Food Ingredients	January	100%	46	-	-	-	-	-				
Acquisitions at enterprise value			**705**	**32**	**0**	**0**	**(6)**	**212**				
Investments in associates (see Note 6)			5									
Purchase of other shares			23									
Acquisitions in segments, enterprise value (see Note 7)			**733**									
Interest-bearing liabilities acquisitions			(33)									
Cash flow effect acquisitions[2]			**700**									

1 Also includes the acquisition of the German pizza chains Stückwerk, Flying Pizza and Pizza Planet, which were purchased in September and October.

2 Equivalent to compensation for equity adjusted for cash and cash equivalents. Cash and cash equivalents in acquisitions totalled NOK 464 million in 2021 (NOK 30 million in 2020).

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Acquired companies statement of financial position - fair value

Amounts in NOK million	Total 2021	2021 NutraQ	2021 Eastern	2021 New York Pizza	Total 2020
Property, plant and equipment	878	38	251	378	15
Intangible assets	1 398	411	694	220	383
Deferred tax assets	13	10	2	0	-
Inventories	466	80	249	21	50
Receivables	876	475	193	83	55
Shares in other companies	4	0	4	-	-
Assets	**3 635**	**1 014**	**1 393**	**702**	**503**
Provisions	(399)	(105)	(215)	(45)	(7)
Non-current liabilities, non interest-bearing	(14)	-	(2)	0	24
Current liabilities, non interest-bearing	(1 118)	(477)	(263)	(231)	(47)
Non-controlling interests	(407)	-	(296)	(120)	(3)
Net assets	**1 697**	**432**	**617**	**306**	**470**
Goodwill	5 323	2 692	980	1 150	213
Payment exceeding estimated purchase price	-	-	-	-	22
Acquisition cost at enterprise value	**7 020**	**3 124**	**1 597**	**1 456**	**705**

Sustainability

In 2021, Orkla invested in companies that increase the Group's ability to promote sustainable consumption. Orkla Alternative Proteins (OAP) was established as a separate business unit to draw up a general strategy for Orkla's investment in alternative, more sustainable sources of protein and to support the companies' innovation work in the field of plant-based foods. Through the purchase of NutraQ, Orkla Health is strengthening its position in the dietary supplement market. Through the purchase of Proteinfabrikken, HSNG is strengthening its position in the sport nutrition market.

Note 6 Investments accounted for using the equity method

Accounting policies

The equity method
Investments in associates are investments in companies in which the Orkla Group has significant influence by v rtue of its ownership interest. These are usually companies in which Orkla owns a 20-50 % stake. Joint ventures are investments in companies where the Group, together with others, has controlling influence. Both associates and joint ventures are accounted for using the equity method. The Group presents its share of the companies' results after tax and non-controlling interests on a separate line in the income statement and accumulates the results reported for the share on a single line in the statement of f nancial position. Any excess value that is to be depreciated is deducted from profit according to the same policies as for consolidated companies. Goodwill is not depreciated. Dividends received are reported against the ownership interest in the statement of financial position and are regarded as repayment of capital. The value presented in the statement of financial position thus represents the origi al cost price plus profit or loss accumulated up to the present date, minus any depreciation of excess value and accumulated dividends received. Account is also taken of the share of any translat on differences and other equity transactions. Any write-downs of the value of the ownership interest are presented on the same line.

Associates and joint ventures
Orkla's 42.6% interest in Jotun is presented as an associate; see the separate section below. In addition to the companies commented on below, Orkla has some smaller associates and joint ventures.

Figures for associates and joint ventures which do not report in accordance with IFRS are restated prior to inclusion in the consolidated financial statements. Orkla has no contingent liabilities, either on its own or jointly with other investors, in associates or joint ventures.

Associates and joint ventures

Amounts in NOK million	Jotun	Other	Total
Book value 1 January 2020	4 002	174	4 176
Additions/disposals	0	(62)	(62)
Share of profit/loss	970	1	971
Gain on sale	-	29	29
Dividends	(233)	-	(233)
Translation differences	0	9	9
Items charged to equity	(91)	-	(91)
Book value 31 December 2020	**4 648**	**151**	**4 799**
Additions/disposals	0	(33)	(33)
Associates in acquired business	-	4	4
Share of profit/loss	851	4	855
Dividends	(255)	-	(255)
Translation differences	-	(6)	(6)
Items charged to equity	(32)	0	(32)
Book value 31 December 2021	**5 212**	**120**	**5 332**
Ownership interest	42.6%[1]		

1 The Group has 38.4% of the voting rights in Jotun.

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Jotun

Jotun is one of the world's leading manufacturers of paints and powder coatings, with 58 subsidiaries, three joint ventures and five associates. Jotun has 39 production plants distributed across all of the world's continents. Jotun's activities consist of the development, manufacture, marketing and sale of various paint systems for the residential, shipping and industrial sectors. Jotun is divided into four segments: Decorative Paints, Marine Coatings, Protective Coatings and Powder Coatings.

Jotun's carrying value using the equity method is NOK 5,212 million. Orkla's ownership interest (42.6%) serves as the basis for recognition using the equity method, while Orkla has 38.4% of the voting rights. Orkla owns 42,204 A shares and 103,446 B shares in the company. An A share carries 10 times as many votes as a B share.

Jotun is a family-controlled group, and Orkla has been an active minority shareholder in Jotun for approx. 50 years. The value of Orkla's interest in Jotun must be seen in the light of this situation. An internal valuation of Jotun substantiates that there is considerable excess value in Orkla's investment in Jotun in relation to its carrying value.

Income statement and statement of financial position Jotun (100% figures)

Amounts in NOK million	2021	2020
Operating revenues	22 809	21 070
Operating profit/loss	3 138	3 489
Profit/loss after tax and non-controlling interests	1 998	2 280
Other comprehensive income after non-controlling interests	1 913	2 044
Non-current assets	10 257	9 762
Current assets	13 175	10 812
Total assets	**23 432**	**20 574**
Non-current liabilities	3 567	3 675
Current liabilities	7 398	5 771
Total liabilities	**10 965**	**9 446**

Reconciliation of equity Jotun against Orkla's share

Amounts in NOK million	2021	2020
Equity in Jotun	12 468	11 128
Non-controlling interests	352	326
Owners of the parent's equity	12 116	10 802
Orkla's share of equity (42.6%)	5 212	4 648

Note 7 Segments

Branded Consumer Goods

Orkla Foods offers well-known local branded products to consumers in the Nordics, Baltics, Central Europe and India. The business area holds leading market positions in a number of categories, including frozen pizza, ketchup, soups, sauces, bread toppings and ready-to-eat meals. A steadily growing percentage of sales comes from plant-based, sustainable products. Orkla Foods primarily sells its products through the grocery retail trade, but also holds strong positions in the food service, convenience store and petrol station sectors. Norway and Sweden are Orkla Foods' two largest markets.

Orkla Confectionery & Snacks holds strong number one and number two positions in the confectionery, biscuits and snacks categories, with well-known local brands and tastes in the Nordic and Baltic regions. The business area also develops bran and crispbread products, as well as healthy, high-energy snack meals. Norway is its largest single market.

Orkla Care consists of business units which serve home markets in the Nordics, Baltics, Poland and Spain, in addition to making substantial export sales outside the home markets. The two largest business units are Orkla Home & Personal Care which holds leading positions in personal care and cleaning products, and Orkla Health, which has strong dietary supplement, sports nutrition and weight control brands. Orkla Care is also well positioned in several European countries with Orkla Wound Care in wound care products and first aid equipment. HSNG runs the e-commerce portals Gymgrossisten, Bodystore and Fitnessmarket, and is the biggest online player in the Nordics in the health and sports nutrition category.

Orkla Food Ingredients manufactures, sells and distributes ingredients and products to the bakery and ice cream markets, as well as products in plant-based categories, in 23 countries. The Nordic region accounts for around half of the sales. About 60% of sales are made through the Out of Home channel, while around 20% are sales directly to consumers under well-known brands. The remaining 20% are sales to industrial manufacturers that chiefly manufacture and supply products for the grocery channel. The biggest product categories are margarine and butter blends, bread and cake improvers and mixes, yeast, marzipan and ice cream ingredients.

Orkla Consumer Investments consists of Orkla's painting tool businesses (Orkla House Care), basic and wool garments (Pierre Robert Group), professional cleaning (Lilleborg) and franchised pizza sales outlets (Kotipizza Group and New York Pizza). The businesses operate primarily in the Nordic countries, but the UK is an important market for Orkla House Care, and New York Pizza primarily has sales outlets in the Netherlands and Germany. Orkla Consumer Investments is part of the Orkla Consumer & Financial Investments business area.

Headquarters (HQ)

Activities at Orkla HQ include the Group's executive management and shared and centralised functions, including Group HR, Compensation & Benefits, Corporate Communications & Corporate Affairs, Orkla Services, Internal Audit, Legal and Compliance, EHS, Group Finance, Orkla IT, Strategy and M&A, Group Sales, Digital Sales and Amazon Lead Team, Orkla Marketing & Innovation and Orkla Group Procurement. HQ is presented as a separate segment, but is shown as a sum total together with Branded Consumer Goods. Most of the activities at Orkla HQ are related to Branded Consumer Goods.

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Industrial & Financial Investments

Orkla has investments outside Branded Consumer Goods, which are organised under Industrial & Financial Investments. The business area comprises Hydro Power and Financial Investments, in addition to the associate Jotun (42.6% interest); see Note 6. Industrial & Financial Investments are part of the Orkla Consumer & Financial Investments business area.

Hydro Power consists of wholly-owned power plants in Sarpsfoss and leased power plants through Orkla's 85% interest in AS Saudefaldene. The power operations in Sauda are regulated by a lease with Statkraft that runs until 31 December 2030. The energy operations produce and supply electricity to the Nordic power market and mean annual production (2012-2021) totals 2.5 TWh, of which around 1.1 TWh is a fixed delivery commitment with a net effect of zero on profit. See also Note 34.

Financial Investments consists of Orkla Eiendom and Orkla Ventures. Orkla Eiendom concentrates on investment in and development and sales of real estate properties primarily related to Orkla's activities. Orkla Eiendom also runs the Group's new headquarters which was completed in February 2019. Orkla Ventures was established in 2017 to reach out to a growing universe of entrepreneurial businesses and start-up companies. The purpose of Orkla Ventures is to invest in technology, concepts and business models that might be relevant for Orkla's businesses. Besides offering risk capital, Orkla provides both expertise and collaboration in relevant parts of the value chain. Investments will initially be made in the Nordic and Baltic regions, in line with Orkla's other core activities.

Further information on the individual business areas:
For a complete overview of Orkla companies, reference is made to page 386.

Accounting policies

Orkla's business areas constitute operating segments, which correspond to the way in which the business areas report figures to the Group Executive Board (chief operating decision maker), but are limited to an expedient number. See also the comments related to the Orkla Foods and Orkla Consumer & Financial Investments business areas in this note.

Sales revenues are broken down by geographical market based on the customer's location. The accounting policies on which segment reporting is based are the same as for the rest of the consolidated financial statements.

Transactions between different segments are priced on market terms. Orkla ASA provides services to the companies in the Orkla Group and charges them for these services based on the aforementioned policies.

Breakdown of segments

Orkla's business areas constitute operating segments. However, the Orkla Consumer & Financial Investments business area is split into three operating segments for reporting purposes, both internally and externally. Orkla Consumer Investments consists of branded companies that are reported as part of Branded Consumer Goods. Industrial & Financial Investments are investments outside the Branded Consumer Goods business and comprise the operating segments Hydro Power and Financial Investments. As regards other business areas, the entire business area is reported as an aggregate in both internal and external reporting.

Income statement items in the segment information

The segment information tables show sales broken down by geographical market, based on the customers' location. The products and services from which revenues are generated are specified in the description on the previous page. Orkla has three customers who each account for around 6-8% of turnover in Branded Consumer Goods.

Operating profit in the segment information is equal to the operating profit/loss in the consolidated income statement. Operating costs in the segment presentation are equal to the sum total of costs of goods sold, payroll costs and other operating costs. The Orkla Group has a centralised finance function, and the funding of the various segments does not necessary reflect the true solidity of each segment. Financial items are therefore presented for the Group as a whole. The same applies to taxes. The breakdown of non-controlling interests' share of profit/loss for the period is presented in Note 33.

Statement of financial position items in the segment information
Statement of financial position items covered by Orkla's definition of capital employed are broken down by segment in this note. Capital employed represents net capitalised working capital in the different segments. This is an important measurement parameter in Orkla with regard to the breakdown of capital between the different segments. Net working capital is closely monitored in order to reduce the funds tied up in capital in the Group companies; see also the description of financial targets on page 9.

Net working capital is defined in a separate table below.

Specification net working capital Branded Consumer Goods incl. HQ

Amounts in MOK million	2021	2020
Trade receivables	6 670	6 237
Other current receivables	842	711
Inventories	7 314	6 530
Trade payables	(7 276)	(6 512)
Value added tax, employee taxes etc.	(879)	(982)
Other current liabilities	(2 250)	(2 105)
Net working capital	**4 421**	**3 879**

Cash flow statement items in the segment information
At Group level, the bottom line of the Orkla format statement of cash flows shows the change in net interest-bearing liabilities, which is a key figure for the Group and used directly in business area management. The presentation of segment information related to cash flow therefore refers to the statement of cash flows (Orkla format). Cash flow from operations is an important management parameter in Orkla and is broken down by segment in this note.

The full cash flow statement shows the Group's overall financial capacity, generated by operations, to cover the Group's financial items, taxes and items more subject to Group control such as dividends and treasury share transactions. Cash flow from operations is split into "Cash flow from operations Branded Consumer Goods incl. HQ" and "Cash flow from operations Industrial & Financial Investments", the latter aggregated on one line.

The last part of the cash flow statement shows the expansion measures that have been carried out in the form of direct expansion investments and the acquisition and disposal of companies. Direct expansion investments are defined as investments in new geographical markets or new categories or investments that represent substantial increases in capacity; see alternative performance measures (APM) on page 349. The cash flow statement is based on an average monthly exchange rate, while the change in net interest-bearing liabilities is an absolute figure measured at the closing rate. The difference is explained by the currency translation effect related to net interest-bearing liabilities.

The Orkla format statement of cash flows is shown at the end of this note.

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Segments 2021 Amounts in NOK million	Orkla Foods	*Orkla Confectionery & Snacks*	Orkla Care	Orkla Food Ingredients	*Orkla Consumer Investments*	HQ	Eliminations	Branded Consumer Goods incl. HQ	Hydro Power	Financial Investments	Eliminations	Orkla
Revenues/profit/loss												
Norway	4 856	2 201	2 418	1 226	1 305	6	-	12 012	1 138	-	-	13 150
Sweden	4 855	1 521	1 681	1 954	211	-	-	10 222	-	-	-	10 222
Denmark	1 438	713	684	1 914	98	-	-	4 847	-	-	-	4 847
Finland and Iceland	1 138	1 372	715	738	1 352	-	-	5 315	-	-	-	5 315
The Baltics	559	1 101	90	385	15	-	-	2 150	-	-	-	2 150
Rest of Europe	3 772	346	1 162	5 381	1 182	23	-	11 866	-	-	-	11 866
Rest of the world	1 976	65	472	113	22	10	-	2 658	-	-	-	2 658
Sales revenues	18 594	7 819	7 222	11 711	4 185	39	-	49 070	1 138	-	-	50 208
Other operating revenues	48	9	68	20	11	5	-	161	39	33	-	233
Intercompany sales	118	8	99	281	9	637	(1 142)	11	-	77	(88)	-
Operating revenues	18 760	7 837	7 389	12 012	4 205	681	(1 142)	49 242	1 177	110	(88)	50 441
Organic growth (Branded Consumer Goods)	*1.8%*	*3.4%*	*2.3%*	*10.4%*	*4.8%*			*4.3%*				
Operating expenses	(15 540)	(5 913)	(6 121)	(10 975)	(3 512)	(969)	1 142	(41 888)	(338)	(71)	88	(42 209)
Depreciation	(749)	(311)	(202)	(391)	(195)	(73)	-	(1 921)	(137)	(29)	-	(2 087)
EBIT (adj.)	2 471	1 113	1 066	646	498	(361)	-	5 433	702	10	-	6 145
Other income and expenses	(274)	(55)	(32)	(21)	(39)	5	-	(416)	-	1	-	(415)
Operating profit/loss	2 197	1 058	1 034	625	459	(356)	-	5 017	702	11	-	5 730
Cash flow												
Cash flow from operations	1 868	591	834	469	286	(297)	-	3 751	789	(97)	-	4 443
Of this replacement investments	(724)	(811)	(274)	(487)	(285)	(44)	-	(2 625)	(100)	(9)	-	(2 734)
Expansion investments	(231)	(28)	(37)	(179)	(16)	-	-	(486)	-	-	-	(486)
Capital employed												
Net working capital	2 061	181	959	1 189	198	(177)	-	4 421	(43)	183	-	4 561
Investments in associates and joint ventures	85	-	3	-	32	-	-	120	-	5 212	-	5 332
Intangible assets	10 896	5 206	7 660	2 625	3 700	449	-	30 536	18	-	-	30 554
Property, plant and equipment	5 742	2 394	1 220	2 727	1 009	243	-	13 835	1 935	1 688	-	17 458
Pension liabilities, net	(921)	(244)	(334)	(189)	(10)	(692)	-	(2 390)	(16)	(2)	-	(2 408)
Deferred tax, excess values	(606)	(398)	(239)	(10)	(179)	-	-	(1 432)	-	(4)	-	(1 436)
Capital employed	17 257	7 639	9 269	6 352	4 750	(177)	-	45 090	1 894	7 077	-	54 061
Key Figures												
Operating margin EBIT (adj.)	13.2%	15.2%	14.4%	5.4%	11.8%			11.0%	59.6%			12.2%
Total man-years 31 December	10 028	2 818	2 187	3 907	1 527	387	-	20 784	42	13	-	20 839

Segments 2020 Amounts in NOK million	Orkla Foods	Orkla Confectionery & Snacks	Orkla Care	Orkla Food Ingredients	Orkla Consumer Investments	HQ	Eliminations	Branded Consumer Goods incl. HQ	Hydro Power	Financial Investments	Eliminations	Orkla
Revenues/profit/loss												
Norway	4 791	2 111	2 228	1 139	1 250	7	-	11 526	493	-	-	12 019
Sweden	5 133	1 562	1 601	1 764	239	1	-	10 300	-	1	-	10 301
Denmark	1 421	651	612	1 963	150	-	-	4 797	-	-	-	4 797
Finland and Iceland	1 096	1 261	681	706	1 288	-	-	5 032	-	-	-	5 032
The Baltics	571	1 186	79	381	15	-	-	2 212	-	-	-	2 212
Rest of Europe	3 863	358	1 200	4 374	872	16	-	10 683	-	-	-	10 683
Rest of the world	1 276	50	446	128	17	3	-	1 918	-	-	-	1 918
Sales revenues	**18 151**	**7 159**	**6 847**	**10 453**	**3 831**	**27**	**-**	**46 468**	**493**	**1**	**-**	**46 962**
Other operating revenues	11	5	31	21	7	19	-	94	26	55	-	175
Intercompany sales	139	7	27	222	9	598	(982)	20	-	68	(88)	-
Operating revenues	**18 301**	**7 171**	**6 905**	**10 696**	**3 847**	**644**	**(982)**	**46 582**	**519**	**124**	**(88)**	**47 137**
Organic growth (Branded Consumer Goods)	*3.7%*	*2.0%*	*9.2%*	*-5.9%*	*2.1%*			*1.6%*				
Operating expenses	(14 943)	(5 653)	(5 714)	(9 855)	(3 272)	(904)	982	(39 359)	(344)	(36)	88	(39 701)
Depreciation	(717)	(315)	(172)	(341)	(171)	(67)	-	(1 783)	(133)	(28)	-	(1 944)
EBIT (adj.)	**2 641**	**1 203**	**1 019**	**500**	**404**	**(327)**	**-**	**5 440**	**42**	**10**	**-**	**5 492**
Other income and expenses	(214)	36	(48)	(86)	(217)	(388)	-	(917)	-	(13)	-	(930)
Operating profit/loss	**2 427**	**1 239**	**971**	**414**	**187**	**(715)**	**-**	**4 523**	**42**	**(3)**	**-**	**4 562**
Cash flow												
Cash flow from operations	2 506	1 296	1 022	709	504	(686)	-	5 351	88	(1)	-	5 438
Of this replacement investments	(759)	(433)	(262)	(511)	(139)	(147)	-	(2 251)	(57)	(23)	-	(2 331)
Expansion investments	(297)	(22)	(9)	(141)	(10)	-	-	(479)	-	-	-	(479)
Capital employed												
Net working capital	1 609	207	801	1 137	237	(112)	-	3 879	18	67	-	3 964
Investments in associates and joint ventures	78	-	-	-	29	37	-	144		4 655	-	4 799
Intangible assets	9 318	5 279	4 727	2 363	2 475	28	-	24 190	19		-	24 209
Property, plant and equipment	5 419	2 326	1 089	2 508	560	693	-	12 594	1 967	1 713	-	16 274
Pension liabilities, net	(1 012)	(267)	(364)	(202)	(16)	(663)	-	(2 524)	(17)	(3)	-	(2 544)
Deferred tax, excess values	(420)	(427)	(150)	(10)	(130)	-	-	(1 137)	-	(4)	-	(1 141)
Capital employed	**14 992**	**7 118**	**6 102**	**5 796**	**3 155**	**(17)**	**-**	**37 146**	**1 987**	**6 428**	**-**	**45 561**
Key Figures												
Operating margin EBIT (adj.)	14.4%	16.8%	14.8%	4.7%	10.5%			11.7%	8.1%			11.7%
Total man-years 31 December	7 468	2 711	1 927	3 650	1 228	348	-	17 330	48	13	-	17 388

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Cash flow Orkla format

Amounts in NOK million	2021	2020
Cash flow from Branded Consumer Goods incl. HQ		
EBIT (adj.)	5 433	5 440
Depreciation	1 924	1 783
Changes in net working capital	(456)	670
Net replacement investments	(2 625)	(2 251)
Cash flow from operations (adj.)	**4 276**	**5 642**
Cash flow effect from "Other income" and "Other expenses" and pensions	(525)	(291)
Cash flow from operations, Branded Consumer Goods incl. HQ	**3 751**	**5 351**
Cash flow from operations, Industrial & Financial Investments	**692**	**87**
Taxes paid	(907)	(1 152)
Dividends received, financial items and other payments	139	91
Cash flow before capital transactions	**3 675**	**4 377**
Dividends paid and purchase/sale of treasury shares	(3 130)	(2 609)
Cash flow before expansion	**545**	**1 768**
Expansion investments	(486)	(479)
Sale of companies (enterprise value)	0	200
Purchase of companies (enterprise value)	(7 030)	(733)
Net cash flow	**(6 971)**	**756**
Currency effects of net interest-bearing liabilities	593	(585)
Change in net interest-bearing liabilities	**6 378**	**(171)**
Net interest-bearing liabilities	**12 758**	**6 380**

Reconciliation operating activities against Orkla format

Amounts in NOK million	2021	2020
IFRS cash flow		
Cash flow from operating activities	6 353	6 598
Sale of property, plant and equipment	81	161
Investments in property, plant and equipment and intangible assets	(2 687)	(2 607)
Other payments	56	29
Cash flow from operating activities incl. capital investments	3 803	4 181
Orkla format		
Cash flow before capital transactions	3 675	4 377
New capitalised leases (incl. in net replacement investments in Orkla format)	614	283
Expansion investments	(486)	(479)
Comparative cash flow	3 803	4 181

Reconciliation cash and cash equivalents against net interest-bearing liabilities in Orkla format

Change cash and cash equivalents IFRS cash flow	2 086	(1 544)
Change net interest-bearing liabilities IFRS cash flow	3 099	324
Net interest-bearing liabilities in acquired/sold companies	1 219	26
Interest-bearing liabilities new leases	614	283
Total currency effect net interest-bearing liabilities	(593)	585
Currency effect cash and cash equivalents	(47)	155
Change net interest-bearing liabilities Orkla format	6 378	(171)

Note 8 Geographical breakdown of capital employed, investments and number of man-years

Amounts in NOK million	Capital employed 2021	Capital employed 2020	Investments[1] 2021	Investments[1] 2020	Number of man-years 2021	Number of man-years 2020
Norway	22 127	18 247	600	651	2 854	2 784
Sweden	7 631	7 763	452	660	3 305	3 406
Denmark	5 891	5 920	522	405	1 579	1 500
Finland and Iceland	4 841	4 615	93	130	961	810
The Baltics	2 501	2 192	520	248	1 643	1 603
Nordic region and the Baltics	**42 991**	**38 737**	**2 187**	**2 094**	**10 342**	**10 103**
Rest of Europe	8 288	5 992	423	454	6 033	5 547
Rest of the world	2 782	832	59	42	4 464	1 738
Total	**54 061**	**45 561**	**2 669**	**2 590**	**20 839**	**17 388**

Link between segments and "Investments":		
Net replacement investments, from segments (see Note 7)	2 734	2 331
Sale of property, plant and equipment (see cash flow statement)	81	80
Expansion investments (see Note 7)	486	479
New capitalised leases (see Note 7 and 21)	(614)	(283)
Changes in accounts payable investments	(18)	(17)
Total	**2 669**	**2 590**

1 Does not apply to property, plant and equipment acquired through purchases of companies.

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Capital employed, investments and number of man-years are broken down by geographical markets based on the location of the companies.

Capital employed is the enterprise's net capitalised productive capital and is defined in the segment note as the net of segment assets and liabilities. Goodwill, intangible assets and property, plant and equipment constitute a large share of capital employed.

Investments are the total of replacement investments and expansion investments in owned property, plant and equipment.

The number of man-years is the number of employees adjusted for fractional posts in the current reporting period. See Note 7 for segment information.

Sustainability

Many Orkla companies are important employers, and both employees and management are chiefly recruited from the country in which the business is located. By developing profitable workplaces, Orkla creates positive ripple effects for society in the form of skills development, new jobs at supplier companies and in the public sector, and payment of direct and indirect taxes. To ensure long-term, competitive operations, Orkla carried out several major improvement and expansion projects related to production and business systems in 2021. This resulted in substantial investments in Norway, Denmark, Latvia and Sweden.

Note 9 Revenue recognition

Accounting policies

IFRS 15 "Revenue from Contracts with Customers" establishes a theoretical framework for recognition and valuation of the Group's revenues in Branded Consumer Goods and Hydro Power. The date on which the revenue is recognised is determined through a five-step model, the main points of which are identification of a contract with the customer, identification of separate performance obligations, fixing of a transaction price, allocation of the transaction price to separate performance obligations and recognition of revenue upon fulfilment of the performance obligations. Recognition means the date on which an amount is to be taken to income and valuation means how much is to be reported in income. An enterprise fulfils a performance obligation by transferring control of the agreed product or service to the customer, and revenue is recognised at the time the performance obligation is fulfilled.

Sales revenues from Branded Consumer Goods are presented after deducting discounts, value added tax and other government charges and taxes such as the confectionery tax. The Orkla Group sells goods and services in many different markets. Sales revenues from Hydro Power consist of sales of electric power that are taken to income upon delivery.

Operating revenues from Financial Investments essentially consist of revenues from property leases. The revenues are recognised in income when earned during the lease period.

See Note 7 Segments for further breakdown of operating revenues in Branded Consumer Goods and operating revenues broken down by geographical areas.

Sales channels split of external operating revenues Branded Consumer Goods:

Amounts in NOK million	2021	2020
Grocery	26 675	26 373
Specialised Trade[1]	5 910	5 610
Industry[2]	6 084	5 573
Hotel, Restaurants and Catering	4 725	4 075
Export[3]	3 279	2 894
Other channels	2 514	1 991
Total external operating revenues Branded Consumer Goods	**49 187**	**46 516**

Breakdown of external operating revenues

Amounts in NOK million	2021	2020
Branded Consumer Goods	49 187	46 516
HQ	44	46
Branded Consumer Goods incl. HQ	**49 231**	**46 562**
Hydro Power	1 177	519
Financial Investments	33	56
Industrial & Financial Investments	**1 210**	**575**
Total external operating revenues	**50 441**	**47 137**

1 External sales where the product is sold in a specialised outlet.
2 External sales to other industrial companies or business-to-business customers.
3 External sales outside the company's home market.

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A sale is chiefly defined as an isolated delivery obligation that has been fulfilled and is recognised in income when the goods are transferred to the counterparty, either when they leave the Group's factory premises or when they arrive at the customer's property. Sales are recognised in income at the expected value of the consideration after deducting benefits to customers, including estimated bonus payments, discounts and reductions in the price of seasonal goods. As at 31 December 2021, a provision of NOK 1.5 billion (NOK 1.7 billion in 2020) had been made for total discounts, presented under "Trade payables" in the statement of financial position; see Note 27. These are mainly yearly discounts that will be paid out in the following year. The Group otherwise has no material, capitalised delivery obligations related to sales revenues.

Operating revenues Industrial & Financial Investments
In Hydro Power, external sales of electric power are recognised in income on the basis of the price agreed with the customer upon delivery. Electric power is mainly sold by the Saudefaldene and Sarpsfoss plants.

In Financial Investments rental revenues are recognised in income when earned. Payments related to housing projects for which the company has profit and loss responsibility are recognised in income upon delivery. This means that a long period of time may elapse between the start of a building project and the recognition of revenues. In the intervening period, incurred project expenses are reported as inventories. Any sales of companies are taken to income when the agreement is completed.

E Estimate uncertainty

The estimate uncertainty relating to sales revenue reductions in the Branded Consumer Goods business is disclosed in Note 4.

S Sustainability

Orkla strives to foster a corporate culture characterised by good judgement and the ability to comply with rules and regulations and deal with ethical challenges. The Group has zero tolerance for corruption, price-fixing agreements, market sharing or other practices that hamper free competition. Internal training is regularly provided and the Group companies are monitored to reduce the risk of non-compliance with rules.

Note 10 Cost of materials

Accounting policies

The cost of materials is incurred as goods are sold according to the price-related "first in, first out" inventory method. Changes in stocks of internally manufactured finished goods will have a virtually neutral impact on profit or loss based on the full cost pricing method. The cost of goods is correlated with the sale of the goods and accounted for on an accrual basis through changes in inventory. This applies to both purchased raw materials and goods for resale. Purchased goods are not recognised as a cost until the goods are in the manufacturing process.

The cost of goods is estimated and recognised through standard cost systems. Goods in inventories are counted at least once a year. Due to materiality considerations, the change in stocks of internally manufactured finished goods is presented on the line for cost of materials.

In 2021, the largest product groups were (figures in parentheses show the category ranking in 2020):

1. (1.) Packaging
2. (3.) Vegetable oils and margarine
3. (2.) Additives
4. (4.) Dairy products
5. (7.) Grain-based products
6. (6.) Animal meat
7. (5.) Vegetables
8. (8.) Fruit and berries
9. (9.) Sugar
10. (-) Marine products
11. (12.) Nuts
12. (10.) Cocoa and chocolate

Sustainability

The challenges posed by climate change and commodity scarcity entail a risk of increased raw material costs, reduced availability of certain raw materials and breaches of Orkla's Supplier Code of Conduct. Orkla helps to ensure responsible production of raw materials by monitoring suppliers, applying certification systems, participating in industry initiatives and collaborating on projects with authorities and specialised organisations. The Group works purposefully to ensure that the raw materials used in Orkla products are sustainably produced by 2025. To reduce the risk of raw material shortages, the Group has alternative suppliers for at-risk raw materials.

Orkla seeks to prevent plastic pollution and achieve efficient use of resources by contributing to circular value chains for packaging materials. This work includes increased use of recycled packaging materials, development of packaging solutions that can be recycled and collaborating with other value chain players on actions to increase recycling. Costs related to this work are considered important for the Group's ability to offer products that meet customer and consumer expectations.

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Note 11 Payroll expenses

Accounting policies

Payroll expenses comprise all types of remuneration to personnel employed by the Group and are expensed when earned. Ordinary pay can be both fixed pay and hourly wages and is earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. Bonuses (see below) are earned and calculated on the basis of various performance targets, and are paid in arrears. The employer's national insurance contribution is calculated and expensed for all payroll-related expenses, and is normally paid in arrears every other month. Pensions are earned in accordance with special rules, see Note 12. Other payroll expenses largely consist of the remuneration of the Board of Directors, which is earned on an ongoing basis in accordance with special agreements approved by the General Meeting.

Sustainability

Orkla wants to be an attractive employer that offers good working conditions and fair and competitive conditions for all employees. Pay is determined locally, based on the Group's general guidelines and using external benchmarking tools for pay and conditions. All fulltime employees shall, as a minimum, receive pay and additional benefits that are adequate to meet their fundamental needs.

Amounts in NOK million	2021	2020
Wages	(7 279)	(7 146)
Employer's national insurance contributions	(1 266)	(1 270)
Pension costs[1]	(526)	(505)
Other remuneration etc.	(52)	(50)
Payroll expenses	**(9 123)**	**(8 971)**
Average number of man-years	**20 074**	**17 656**

1. Pension costs are disclosed in further detail in Note 12.

Remuneration of senior executives

Orkla's Group Executive Board has earned the following remuneration during the year:

Amounts in NOK 1 000	Paid salary and holiday pay	2021 Paid bonus and other remuneration	Total paid salary and other remuneration	Accrued bonus	Allocations long-term incentive programme (LTI)	Accrued pension costs	Total accrued and allocated
Remuneration to President and CEO	8 504	3 870	12 374	2 999	2 451	1 757	7 207
Remuneration to other Group Executive Board members	27 264	16 639	43 903	9 764	7 760	5 932	23 456

Amounts in NOK 1 000	Paid salary and holiday pay	2020 Paid bonus and other remuneration	Total paid salary and other remuneration	Accrued bonus	Allocations long-term incentive programme (LTI)	Accrued pension costs	Total accrued and allocated
Remuneration to President and CEO	8 056	1 822	9 878	4 112	2 640	1 719	8 471
Remuneration to other Group Executive Board members	30 026	18 191	48 217	15 015	9 648	6 574	31 237

The Group Executive Board had a total of 752,840 share options in Orkla ASA as at 31 December 2021. Of these, 180,718 options were allocated to Orkla's President and CEO. The first allocation under this programme was made in June 2021. Information on the share option programme is provided under the section "Share-based incentive programmes" in this note.

NOK 18.1 million was paid out in total remuneration to members of the Group Executive Board who stepped down in 2021. In 2020, NOK 18.2 million was paid out correspondingly.

Further information on the remuneration of senior executives and members of the Board of Directors is provided in the Report on the Salary and Other Remuneration of Senior Executives in Orkla ASA in 2021 on page 64 of this report.

Share-based incentive programmes

Share option programme

In 2020, Orkla introduced a long-term incentive programme (LTI programme) based on share options, as a replacement for the previous cash-based LTI programme. Options will be allocated under this programme once a year, and the first allocation was made in June 2021. The Report on the Salary and Other Remuneration of Senior Executives in Orkla ASA for 2021 on page 64 provides further information on allocation criteria and allocations to senior executives.

The yearly allocation will be based on the share price on the day after the Annual General Meeting. Of the total options allocated for the year, 20% may be exercised after one year (tranche 1), another 20% after two years (tranche 2) and the remaining 60% after three years (tranche 3). In the case of the Group Executive Board, however, no options may be exercised until three years after they were allocated (as for tranche 3). The last date on which they may be exercised is five years after the allocation date. The exercise price will be set at the market price at the allocation date with an increase of 3% per year in the vesting period. The exercise price will be adjusted for dividends. In the event of the employee's resignation, all options that have not been exercised will expire.

Change in options outstanding in 2021

	2021 Number
Options outstanding 1 January	0
Allocations	3 957 529
Exercise	0
Terminations	(103 000)
Options outstanding 31 December	**3 854 529**
Of which options exercisable 31 December	0

All options outstanding were allocated in 2021. The weighted average expected term to exercise for options outstanding as at 31 December 2021 was 2.9 years.

The option value is calculated using the Black-Scholes model. The table below shows the assumptions on which the calculation is based. The exercise price at the exercise date must be adjusted for dividends paid out up to the exercise date.

	2021 Tranche 1	2021 Tranche 2	2021 Tranche 3
Number of options	620 338	620 338	2 613 853
Expected term to exercise (year)	2	3	4
Risk-free interest rate (%)	0.51	0.75	0.93
Volatility (%)	19.11	23.12	22.57
Exercise price at allocation (NOK)	82.06	82.06	82.06
Exercise price at first possible exercise date excl. dividend adjustment (NOK)	84.52	87.06	89.67

Options' effect on financial statements

Amounts in NOK million	2021
Vesting options	13
Change provision employer's contribution	0.3
Net option costs	13
Debt (employer's contribution)	0.3

Cash-based LTI programme (effective up until 2020)
Payments from the LTI programme in 2021 were in accordance with the previous cash-based programme. Awards were last made to the participants in the previous programme in May 2020, with 1/3 of the award to be paid out after 24 months, 1/3 after 36 months and 1/3 after 48 months. The amount awarded is adjusted in accordance with the Orkla share price performance from the day after the Annual General Meeting until the bonus is paid out.

Discounted shares for employees
For several years, the Group has implemented a programme whereby employees have been able to buy a limited number of shares at a discount on the market price. For 2021, employees were offered the possibility to purchase shares for three different amounts: NOK 30,000, 15,000 and 10,000 (amounts before discount). The discount was 25% in relation to the market price in 2021. The lock-up period for shares purchased is three years. The costs of the employee share purchase programme in 2021 totalled approximately NOK 17 million.

Share-based incentive programmes

Accounting policies

Options allocated to management staff are valued on the basis of the option's fair value at the allocation date. The Black-Scholes model is used for valuation. The cost related to the option is reported on an accrual basis over the period in which the employees earn the right to receive the options. Option costs are reported as payroll expenses and offset in equity. A provision based on the accrued amount is made for employer's social security contribution to share option programmes related to the difference between the issue price and the market price of the shares at year end.

The sale of shares to employees at less than market price is accounted for by recognising the difference between the market value of the shares and the purchase price as a payroll expense.

Orkla has previously had a Long-Term Incentive (LTI) programme in which the last awards were made at the Annual General Meeting in 2020. The costs of the programme have been expensed over the vesting period.

Note 12 Pensions

Accounting policies

In a defined contribution pension plan, the company is responsible for making an agreed contribution to the employee's pension assets. The future pension will be determined by the amount of the contributions and the return on the pension savings. Once the contributions have been paid, there are no further payment obligations attached to the defined contribution pension, and there is no liability to report in the statement of financial position. The pension costs related to defined contribution plans will be equal to the contributions to employees' pension savings in the reporting period.

A defined benefit pension plan is based on a promise by the company to the employees that they will receive a certain level of pension upon retirement, normally defined as a percentage of final pay. The company is responsible for the amount of the future pension benefit and the financial value of this obligation must be reported in the income statement and statement of financial position.

The accrued obligation is calculated on a straight-line accruals basis, and is measured as the present value of the estimated future pension payments that are vested on the statement of financial position date. The capitalised net liability is the sum of the accrued pension obligation minus the fair value of associated pension fund assets.

Changes in the liability for defined benefit plans due to changes in pension plans are reported in their entirety in the income statement in the case of changes that give rise to an immediate paid-up policy entitlement. Other variances from estimates are recognised in equity through other comprehensive income in the period in which they arise. The discount effect of the pension obligation and expected return on pension assets are presented net under "Other financial costs" in the income statement.

Defined contribution plans
Most of the employees in the Orkla Group are covered by pension plans classified as defined contribution plans. Defined contribution plans also comprise pension plans that are common to several companies and where the pension premium is determined independently of the demographic profile in the individual companies (multi-employer plans).

Orkla has contribution rates for the companies in Norway that are aligned with the regulation-based limits for contribution rates for private company pension plans.

Defined benefit plans
The Group has some pension plans that are classified as funded defined benefit plans and some defined benefit plans that are financed from operations. A large part of the Group's defined benefit plans are in Sweden and Norway. These countries account for around 64% and 35%, respectively, of the Group's net carried pension liabilities.

Sweden
The pension plans in Sweden are "net plans" that do not link the Group's obligations to changes in Swedish social security. The plans are largely determined by collective agreements. They are not funded, but provisions are made in the companies' statement of financial position. To secure accrued pension rights, companies must take out a credit insurance in the PRI Pensionsgaranti insurance company which records and calculates the companies' pension obligations. According to the collective agreements, all employees born in 1979 or later must be covered by a defined contribution plan, which means that the number of defined benefit plans will gradually be reduced. The Group also has some pension plans, primarily related to

executive management, financed through endowment insurances. The gross amount of these plans is reported in the financial statements.

Account has been taken of payroll tax on the pension obligations in Sweden.

Norway
Net pension obligations in Norway mainly consist of unfunded pension plans for former key personnel, early retirement schemes for the Group Executive Board and a few other key personnel, as well as carried liabilities related to contribution-based plans for employees who earn more than twelve times the Norwegian basic amount (12G).

The pension plan for employees in Norway who earn more than 12G is a contribution-based plan, but is treated as a defined benefit plan in accordance with IFRS. The actual deposits and interest accrued in the plan are reported as at 31 December.

The AFP contractual pension scheme is a multi-employer defined benefit plan, but is recognised as a defined contribution plan, in line with guidelines issued by the Ministry of Finance. Companies that participate in the AFP scheme are jointly responsible for two-thirds of the payable pension. The majority of Orkla companies in Norway participate in the AFP scheme. In 2021, the AFP premium was 2.5% of total payments of wages between 1 and 7.1 times the average basic amount (G).

Assumptions relating to defined benefit plans
The discount rate in Norway is fixed on the basis of Norwegian covered bonds (OMF). The Norwegian Accounting Standards Board considers the OMF market to be a sufficiently deep market to be used for computing the discount rate. Orkla has chosen a discount rate based on the average life of the pensions in each company and in each pension plan. In cases where the life exceeds 15 years, the OMF yield curve has been extrapolated on the basis of the swap rate.

The discount rate is adjusted to the interest rate level in each country. In Norway, the discount rate varies between 1.95% and 1.97%, depending on the life of the pension.

The discount rate in Sweden is based on Swedish covered bonds and was increased to 1.7% for 2021, from 1.0% in 2020. In light of the higher interest rate, the estimate for expected inflation was also increased slightly, from 1.5% to 2.0%, and expected wage adjustment was increased from 2.2% to 2.7%. The combined effect of these changes will be slightly lower obligations with a recognised effect in other comprehensive income (OCI).

Parameters such as wage growth, increase in the basic amount (G) and inflation are determined in accordance with recommendations in the various countries.

The mortality estimate is based on mortality tables for the various countries that are as up-to-date as possible. In Norway the K2013 life table is adapted and in Sweden the DUS14, and in the UK the most recent version of the CMI_2019 mortality table has been used. The actuarial gains and losses are recognised in comprehensive income and are essentially related to changes in economic assumptions.

Sensitivity assessments
Sensitivity assessments have been carried out in connection with the

calculations in Norway and Sweden, mainly based on the same data, population and methodology used to calculate the total accrued pension obligation in Norway and Sweden.

For Norway, an increase of 0.5 percentage points in the discount rate results in a 1.3% reduction in accrued obligation. A reduction of 0.5 percentage points in the discount rate results in an increase in accrued obligation of 1.4%.

For Sweden, an increase of 0.5 percentage points in the discount rate results in a reduction of 8.6% in accrued obligation. A reduction of 0.5 percentage points results in an increase of 9.9% in accrued obligation.

Pension plan assets

The Group's pension plans with pension plan assets are essentially in the UK. Pension plan assets are mainly invested in bonds and some in shares. The estimated return will vary depending on the composition of the various asset classes. A breakdown of pension plan assets is presented in a separate table in this note. Contributions of pension plan assets in 2022 are expected to total NOK 1.5 million.

Estimate uncertainty

Defined benefit plans are calculated on the basis of a set of selected financial and actuarial assumptions. Changes in parameters such as discount rates, future wage adjustment, etc. could have substantial impacts on the estimated pension obligation. Similarly, changes in the selected assumptions for the return on pension assets could affect the amount of the pension assets. The Group will not be materially affected by a reasonable expected change in key assumptions. Changes in these parameters will, mainly be reported in comprehensive income. Orkla has determined parameters, in line with recommendations in the individual countries.

	Norway		Sweden	
	2021	2020	2021	2020
Discount rate	1.95–1.97%	0.9–1.5%	1.70%	1.00%
Future wage adjustment	2.50%	2.00%	2.70%	2.20%
G-multiplier[1]	2.50%	2.00%	2.70%	2.20%
Adjustment of benefits	1.0%	0%	2.00%	1.50%
Personnel turnover	0–5%	0–5%	3.00%	3.00%
Expected average remaining vesting period (years)	5.8	6.0	11.7	12.2

1 As at 31 December 2021, 1G was NOK 106,399.

Breakdown of net pension costs

Amounts in NOK million	2021	2020
Contribution plans	(456)	(427)
Current service cost (incl. national insurance contributions)	(69)	(78)
Curtailments and settlements pension plans[1]	(5)	(6)
Pension costs defined as payroll expenses	(530)	(511)
Interest on pension obligations	(64)	(55)
Expected return on pension plan assets	3	9
Pension costs defined as financial costs	(61)	(46)
Net pension costs	**(591)**	**(557)**

1 Primarily concerns the conversion of the pension plan in LG Harris and is presented as "Other expenses".

Breakdown of net pension obligations as at 31 December

Amounts in NOK million	2021	2020
Present value of funded pension obligations	(616)	(553)
Pension plan assets (fair value)	616	547
Net funded pension liabilities	0	(6)
Present value of unfunded pension obligations	(2 408)	(2 538)
Capitalised net pension liabilities	(2 408)	(2 544)
Capitalised pension liabilities	(2 447)	(2 585)
Capitalised plan assets	39	41

Breakdown of gross pension obligations during the year

Amounts in NOK million	2021	2020
Pension obligations 1 January	(3 091)	(2 763)
Current service cost (incl. national insurance contributions)	(69)	(78)
Interest on pension obligations	(64)	(55)
Actuarial gains and losses reported in statement of comprehensive income	85	(143)
Acquisition/sale of companies[1]	(107)	-
Curtailments and settlements pension plans[2]	(3)	-
Benefits paid during the year	115	121
Currency translation effects	110	(173)
Pension obligations 31 December	(3 024)	(3 091)

1 Applies to pension in the company Hans Kaspar, acquired in 2021; see Note 5.
2 Primarily concerns expenses related to the conversion of the pension plan in I.G Hanft.

Change in pension assets during the year

Amounts in NOK million	2021	2020
Pension plan assets (fair value) 1 January	547	437
Expected return on pension plan assets	3	9
Actuarial gains and losses reported in statement of comprehensive income	(13)	97
Acquisition/sale of companies[1]	98	-
Curtailments and settlements pension plans[2]	(2)	(5)
Contributions and benefits paid during the year	(22)	(29)
Currency translation effects	7	7
Effect of asset ceiling	(2)	31
Pension plan assets (fair value) 31 December	616	547

Breakdown of pension plan assets (fair value) as at 31 December

	2021	2020
Cash, cash equivalents and money market investments	8%	0%
Bonds	73%	95%
Shares	10%	5%
Real estate	9%	0%
Total pension plan assets	100%	100%

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Overview of net pension obligations and actuarial gains and losses in the last four years

Amounts in NOK million	2021	2020	2019	2018
Pension obligations	(3 024)	(3 091)	(2 763)	(2 425)
Pension plan assets	616	547	437	436
Net pension obligations	(2 408)	(2 544)	(2 326)	(1 989)
Actuarial gains and losses in pension obligations	85	(143)	(319)	(73)
Actuarial gains and losses in pension plan assets	(13)	97	50	(14)

Note 13 Other operating expenses

The main items in "Other operating expenses" are broken down below.

Amounts in NOK million	2021	2020
External freight costs	(1 314)	(1 118)
Energy costs (production and heating)	(883)	(739)
Advertising	(2 009)	(1 845)
Repair and maintenance costs	(600)	(578)
Consultants, legal advisors, temporary staff etc.	(640)	(565)
Operating expenses vehicles	(138)	(137)
Short-term and variable lease expenses	(102)	(102)
Other	(2 229)	(2 216)
Total other operating expenses	**(7 915)**	**(7 300)**

Expenses reported in "Other" include costs related to IT, insurance, travel, courses and conferences.

P Accounting policies

Other operating expenses are recognised as and when they are incurred and are types of costs that are not classified on the lines for cost of materials, payroll expenses or depreciation and write-downs.

S Sustainability

Orkla's goal is to achieve a 30% reduction in energy consumption for the 2014–2025 period. Transfers of lessons learned and best practices between companies and factories are an important means of reducing energy use. Consumption is reduced through energy efficiency projects and improvement of production processes. Adjusted for acquisitions and increased turnover, energy consumption has been reduced by 25% since 2014.

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Note 14 Other income and expenses

"Other income" and "Other expenses" are items that only to a limited degree are reliable explanations of ongoing earnings. The main purpose of these lines is to present such items separately to ensure that the changes in and comparability of the lines presented in EBIT (adj.) are more relevant to the company.

Other income and expenses

Amounts in NOK million	2021	2020
Other income		
Gain on sale	16	78
Insurance settlement	108	-
Refund of indirect taxes previous periods	27	67
Earn Out agreement at acquisition	16	-
Income related to transition from joint venture to subsidiary	4	-
Total other income	**171**	**145**

Amounts in NOK million	2021	2020
Other expenses		
M&A and integration costs	(161)	(105)
Final settlement employment relationships etc.	(69)	(136)
Loss on sale	(6)	-
Write-downs property, plant and equipment and intangible assets	(5)	(511)
Other restructuring costs and other items	(345)	(323)
Total other expenses	**(586)**	**(1 075)**
Total other income and expenses	**(415)**	**(930)**
Of this: Write-downs property, plant and equipment	(5)	(20)
Write-downs intangible assets	0	(491)

Items classified as other income and expenses belong to the following lines in the income statement:

Amounts in NOK million	2021	2020
Sales revenues	27	67
Other operating revenues	144	78
Cost of materials	-	(6)
Payroll expenses	(69)	(136)
Other operating expenses	(512)	(422)
Depreciation and write-downs	(5)	(511)
Total other income and expenses	**(415)**	**(930)**

Largest items in other income and expenses

Amounts in NOK million	2021	2020
Insurance income relating to salmonella outbreaks	85	-
Write-down and costs related to ERP project	(123)	(437)
Recall costs related to salmonella outbreaks	(85)	-
Improvement projects related to a new biscuit and chocolate factory in Latvia	(35)	-
Acquisition costs (M&A)	(142)	(78)
Write-down and disposal of Gorm's	-	(89)
Write-down goodwill and trademarks (Pierre Robert Finland)	-	(86)
Merger Hamé and Vitana (incl. IT systems)	(23)	(67)
Restructuring project at Orkla HQ	-	(65)

Sustainability

To ensure competitive operations in a long-term perspective, Orkla carried out some major restructuring projects in 2020 and 2021. The purpose was to strengthen the Group's long-term competitiveness by making more effective use of capacity, improving operational efficiency and increasing the effect of investments in production equipment. Employees who have lost their jobs have been offered other jobs within Orkla or helped to find new employment.

Accounting policies

"Other income" and "Other expenses" are presented after Group profit or loss EBIT (adj.), broken down by segment, and include items such as M&A costs (acquisition costs), restructuring and integration costs, any major gains on or write-downs of both tangible and intangible assets, and other items that only to a limited degree are reliable explanations of ongoing profitability.

M&A costs are costs relating to the acquisition of companies that cannot be capitalised together with the shares. This applies to both completed and uncompleted acquisitions. Accrued expenses arising from the sale of companies are also presented on this line, until the sale is finally completed. At that time, the selling costs will be included in the profit or loss calculation and will be presented together with the latter.

Other income

NOK 108 million was recognised in income in 2021 in connection with two insurance settlements. The biggest settlement of NOK 85 million is related to the recall of Husk products (Nordic region) and Colon-C products (Poland) in Orkla Care in connection with a salmonella outbreak. Corresponding costs were recognised under "Other expenses" in connection with this outbreak. In addition, an insurance settlement related to a previously divested business was recognised in income.

In 2021, NOK 27 million was taken to income in connection with the refund of public taxes in the period 2014–2020.

In connection with the acquisition of County Confectionery Ltd. (Orkla Food Ingredients) in 2018, an earn-out agreement was entered into with the previous owners. The expected payout related to the earn-out agreement

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has been lower than presumed, and NOK 16 million was recognised in connection with this agreement in 2021.

A factory property in Finland (Turku) was sold at a gain of NOK 10 million. The sale concerns a property previously freed up in connection with the relocation of a factory in Orkla Foods. Property, plant and equipment and inventories were also sold in Orkla Foods related to both bottled water operations in Orkla Latvija and a small part of the Struer business (Orkla Foods Sverige). A total of NOK 7 million was recognised in "Other income" in connection with the latter two transactions in 2021.

"Other income" in 2020 was substantially impacted by a refund of NOK 67 million related to public taxes in the period 2017–2019. In addition, buildings were sold in 2020 at a total gain of NOK 53 million and NOK 21 million was recognised in income in connection with the sale of Orkla Foods brands.

Other expenses

A project has been implemented in the Group aimed at establishing a common ERP platform for Orkla Foods, Orkla Confectionery & Snacks and Orkla Care. The ERP project, entailing the construction of a common process core, or template, has been considerably more complex and time-consuming than originally anticipated when the project was started in 2017, besides which certain functionalities are no longer expected to be used. Furthermore, the COVID-19 pandemic has necessitated extensive replanning, further postponements and consequently increased resource use. Write-downs and costs related to the project were therefore expensed in 2020. No further amounts will be capitalised in the balance sheet for this ERP project, for which write-downs were taken in 2020. NOK 123 million in costs were incurred related to this project and were recognised as "Other expenses".

Several restructuring and coordination projects were carried out in the Group in 2021. The biggest projects were the relocation of production from Felix Austria to Orkla Foods Česko a Slovensko in Orkla Foods, the integration of Orkla Foods Danmark with Orkla Confectionery & Snacks Danmark, the integration of Hamé and Vitana to form Orkla Foods Česko a Slovensko (Orkla Foods) and the construction of a chocolate and a biscuit factory in Latvia (Orkla Confectionery & Snacks). In addition, the sales, marketing and product development functions in Orkla Foods Norge were restructured.

In 2021, NOK 41 million was expensed in connection with the reassessment of public taxes, most of which were CO_2 emissions taxes in Orkla Foods Sverige, for 2019 and 2020.

In the fourth quarter, Orkla Food Ingredients sold the company Credin LLC (Russia) at a loss of NOK 6 million recognised as "Other expenses".

Costs totalling NOK 161 million were incurred in connection with the acquisition and integration of companies in 2021. NOK 105 million was expensed correspondingly in 2020.

The high level of "Other expenses" in 2020 was largely attributable to write-downs and recognition of costs related to ERP projects totalling NOK 437 million. In addition, goodwill and brands in Pierre Robert Finland were written down by a total of NOK 86 million and the Danish pizza restaurant chain Gorm's was also written down by NOK 84 million. A number of restructuring projects were also carried out in 2020.

Note 15 Interest and other financial items

Accounting policies

Interest income and interest costs on loans and receivables are calculated using the effective interest method. Interest related to leases is reported as interest costs, while commitment fees and costs related to borrowings are reported as "Other financial costs". The financial element of pension costs is included in "Other financial costs" and disclosed in Note 12. Borrowing costs related to real estate under construction are recognised in the statement of financial position together with the asset. Foreign currency gains or losses arising from operating assets and liabilities, and the hedging of such, are reported as operating revenues or operating costs. Other foreign currency gains or losses are reported net as financial income and financial costs. The foreign currency gains or losses related to net investments in foreign entities are disclosed in Note 31.

Interest income and interest costs

Amounts in NOK million	2021	2020
Interest income	30	20
Interest costs	(168)	(142)
Capitalised interest costs	2	1
Change in fair value interest rate derivatives	-	(9)
Interest costs excl. leases	**(166)**	**(150)**
Interest costs, leases (see Note 21)	(30)	(32)
Total interest costs	**(196)**	**(182)**
Net interest	(166)	(162)

Financial income and financial costs

Amounts in NOK million	2021	2020
Dividends received	0	1
Net foreign currency gains	2	4
Other financial income	2	4
Total other financial income	**4**	**9**
Interest pensions incl. hedge[1]	(24)	(29)
Other financial costs	(33)	(32)
Total other financial costs	**(57)**	**(61)**
Total other financial items	**(53)**	**(52)**

1 Includes hedging of the pension plan for employees with salaries over 12G.

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Reconciliation against cash flow

Amounts in NOK million	2021	2020
Interest, net	(166)	(162)
Other financial items, net	(53)	(52)
Total interest and other financial items (A)	**(219)**	**(214)**
Items that appear on other lines in the cash flow statement:		
Dividends received	0	(1)
Total items that appear on other lines in the cash flow statement (B)	**0**	**(1)**
Items without cash flow effect:		
Change in accrued interest etc.	(10)	(12)
Interest pensions excl. hedge	61	46
Change in fair value recognised as interest income/interest costs	(9)	9
Change in fair value recognised as financial income/financial costs	5	0
Total items without cash flow effect; see cash flow statement (C)	**47**	**43**
Paid financial items in cash flow statement; see Note 7 (A+B+C)	**(172)**	**(172)**

Note 16 Taxes

Accounting policies

Current tax liabilities and assets are measured at the amount that is expected to be paid to or recovered from the tax authorities. The tax rates and tax rules used to calculate the amounts are those that have been adopted or substantively adopted by the end of the reporting period in the countries in which the Group operates and generates taxable income.

Deferred tax liabilities and assets are computed for all temporary differences between the carrying amount of an asset or liability in the consolidated financial statements and their respective tax bases and tax losses carried forward. For the calculation of deferred tax assets and liabilities, the nominal tax rates expected to be applied when the asset is realised or the liability is paid will be used.

Deferred tax assets relating to tax deficits and other tax-reducing temporary differences are recognised to the extent that it is probable that they can be applied against future taxable income.

Deferred tax liabilities related to withholding tax and other tax on dividends are recognised in connection with undistributed earnings in associates and foreign subsidiaries when a dividend is expected to be paid in the foreseeable future.

Deferred tax liabilities for temporary differences associated with investments in subsidiaries and associates are recognised when it is probable that the temporary difference will reverse in the foreseeable future. Deferred tax liabilities or deferred tax assets are not recognised for the initial recognition of goodwill.

Deferred tax liabilities and deferred tax assets are reported net to the extent that netting is permitted under the local tax rules, and the Group intends to make use of the opportunities to consolidate its tax positions by means of Group contributions or other tax consolidation.

Tax expense

Amounts in NOK million	2021	2020
Profit/loss before taxes	6 366	5 348
Current tax expense	(1 488)	(960)
Change in deferred taxes	20	34
Total tax expense	**(1 468)**	**(926)**
Tax as % of "Profit/loss before taxes"	23.1%	17.3%
Tax as % of "Profit/loss before taxes" adjusted for associates	26.6%	21.3%

Orkla's effective tax expense adjusted for associates increased by 5.3 percentage points, from 21.3% in 2020 to 26.6% in 2021. The higher tax rate in 2021 is mainly due to a significant increase in economic rent tax.

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Reconciliation of the Group's tax rate
In the following table, reported taxes are reconciled with the tax expense based on the Norwegian tax rate of 22%. The main tax components are specified.

Amounts in NOK million	2021	2020
Norwegian tax rate on profit before taxes	(1 401)	(1 177)
Associates and joint ventures	188	220
Deferred tax on undistributed earnings in associates	(4)	(5)
Foreign operations with tax rates other than Norwegian tax rate	51	48
Changes in tax laws	7	10
Write-downs of shares, gains/losses and dividends within the tax exemption method	0	1
Non-deductible costs / tax free income	(4)	(27)
Non-deductible transaction expenses	(24)	(12)
Recognised deferred tax assets this year, previously unrecognised	8	2
Unrecognised deferred tax assets	(18)	(34)
Correction previous years' taxes	(2)	(3)
Write-downs of Group goodwill (Gorm's)	0	(19)
Reversal of net deferred tax liability outside Norway	0	75
Other taxes payable (economic rent tax and withholding tax)	(269)	(5)
The Group's total tax expense	**(1 468)**	**(926)**

Orkla's tax bases in Norway, Sweden, Denmark and Finland are substantial. The ordinary tax rates for companies domiciled in Norway and Sweden were reduced from 23% and 22% in 2018 to 22% and 21.4%, respectively, with effect from 2019. The company tax rate in Sweden was further reduced to 20.6% in 2021. Denmark has an ordinary tax rate of 22% and Finland 20%.

Orkla's operations in countries with tax rates other than 22% make a net contribution towards reducing total tax expense. In 2021, the effect of this contribution was a net reduction of NOK 51 million in total tax expense, of which the Baltic, Finnish and Swedish subsidiaries accounted for NOK 13 million, NOK 20 million and NOK 18 million, respectively.

Profit from associates is recognised on an after-tax basis and thus does not impact the Group's tax expense. However, a provision has been made for tax on undistributed earnings in associates, totalling NOK 37 million, of which NOK 4 million was recognised in the income statement in 2021.

The change in unrecognised deferred tax assets totalling NOK 18 million is ascribable to tax deficits in Germany, the Netherlands, Spain, Singapore, the UK and Finland. Recognition of previous years' unrecognised deferred tax assets totalling NOK 8 million relates to Orkla Food Ingredients companies in the UK and Slovakia.

The Group operates in the power industry which is subject to a special tax regime in Norway. In 2021, the economic rent tax was as much as NOK 267 million, which means that the Group had net economic rent income that accounted for 4.8 percentage points of the effective tax rate, adjusted for associates, of 26.6%.

Based on an assessment of the Group's overall tax exposure, provisions were recognised in the statement of financial position in line with expected risk in deferred tax liabilities.

Deferred tax on temporary differences

Amounts in NOK million	2021	2020
Hedging reserve in equity	(15)	(64)
Intangible assets	1 548	1 218
Property, plant and equipment	411	335
Net pension liabilities	(342)	(336)
Gain and loss tax deferral	360	394
Leases	(43)	(43)
Other non-current items	162	177
Total non-current items	**2 081**	**1 681**
Provisions and other current items	(98)	(117)
Tax losses carried forward	(144)	(137)
Net deferred tax liabilities	**1 839**	**1 427**
Deferred tax hydropower tax regime[1]	(28)	(20)
Deferred tax assets, not recognised	144	149
Net deferred tax liabilities	**1 955**	**1 556**
Change in deferred tax liabilities	(399)	36
Change in deferred tax hedging reserve taken to comprehensive income	49	(33)
Change in deferred tax actuarial gains and losses pensions taken to comprehensive income	14	(4)
Acquisition/sale of companies, reclassification etc.	295	97
Hedging of net investments in foreign operations	61	(62)
Change in deferred tax income statement	**20**	**34**

1. Deferred tax liabilities and deferred tax assets related to hydropower taxes have been recognised gross for each power plant.

Net deferred tax presented in the statement of financial position

Amounts in NOK million	2021	2020
Deferred tax liabilities	2 084	1 681
Deferred tax assets	129	125
Net deferred tax liabilities	**1 955**	**1 556**

Losses carried forward by expiry date

Tax losses carried forward totalling NOK 626 million constitute a deferred tax asset of NOK 144 million, of which NOK 25 million has been recognised. Unrecognised tax losses carried forward amount to NOK 507 million. A total of NOK 334 million of these have no expiry date, NOK 75 million expire from 2028 onwards, NOK 55 million expire in the period 2025–2027 and NOK 43 million expire in the period 2022–2024.

Amounts in NOK million	2021	2020
2021	-	30
2022	14	55
2023	16	31
2024	14	3
2025	1	12
2026	52	0
2027	18	0
2028 or later	114	85
Without expiry date	397	391
Total tax losses carried forward	**626**	**607**

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Tax-deductible temporary differences with corresponding deferred tax assets

Amounts in NOK million	Tax-deductible temporary differences	Recognised deferred tax assets	Unrecognised deferred tax assets	Total deferred tax assets
Tax losses carried forward:				
Spain	197	2	48	50
Netherlands	72	1	17	18
Poland	65	0	12	12
UK	50	0	13	13
Germany	41	0	12	12
Denmark	35	5	3	8
Iceland	35	7	0	7
Finland	35	0	7	7
Eastern Europe excl. Poland	34	3	3	6
Others	62	7	4	11
Total tax losses carried forward	**626**	**25**	**119**	**144**
Other tax-deductible temporary differences	2 043	445	25	470
Total tax-deductible temporary differences	**2 669**	**470**	**144**	**614**
Netted deferred tax	(1 468)	(341)	0	(341)
Net tax-deductible temporary differences	**1 201**	**129**	**144**	**273**

Deferred tax assets are only capitalised to the extent that it is probable that there will be sufficient future taxable profit for the tax asset to be used, either because the entity recently reported a profit or because assets with excess value have been identified. If it is unlikely that future profits will be sufficient to absorb the tax-reducing temporary differences, deferred tax assets are not recognised.

The Norwegian, Swedish, Danish, Finnish, Icelandic and UK tax groups have utilised all available tax losses carried forward and were liable to tax in 2021.

Sustainability

Through its presence in many countries, Orkla contributes to society by paying a variety of direct and indirect taxes, including company income tax. Orkla's corporate tax strategy sets out important tax policies to which all the companies in the Group must adhere. These policies are based on the desire for transparency, compliance with regulatory frameworks and good risk management. Orkla companies shall pay tax in accordance with the laws and regulations in the countries in which they operate.

The table below presents the current tax expense in the income statement for Orkla's main geographical areas:

Amounts in NOK million	2021	2020
Norway	835	268
Sweden	194	244
Denmark	150	115
Finland and Iceland	121	119
Rest of world	188	214
Total current tax expense	**1 488**	**960**

Note 17 Earnings per share

Accounting policies

Earnings per share show the profit or loss for the year after non-controlling interests per share, and are calculated by dividing the profit or loss for the year after non-controlling interests by the average number of shares outstanding during the reporting period.

Earnings per share (adj.) show the profit or loss for the year after non-controlling interests per share adjusted for "Other income" and "Other expenses" after estimated tax for these two financial statement items. Items included in "Other income" and "Other expenses" are disclosed in Note 14. If other items of a special nature arise on the financial statement lines below the company's operating profit or loss, adjustments will also be made for them.

Amounts in NOK million	2021	2020
Profit/loss attributable to owners of the parent	4 808	4 371
Adjustments in earnings per share (adj.) attributable to owners of the parent:		
Other income and expenses after tax	349	778
Gain on sale of associates and joint ventures	0	(29)
Reversal of deferred tax related to operations outside Norway	0	(75)
Adjusted profit/loss attributable to owners of the parent	**5 157**	**5 045**
Weighted average of number of shares outstanding	997 105 191	1 000 460 782
Earnings per share (NOK)	4.82	4.37
Earnings per share, diluted (NOK)	4.82	4.37
Earnings per share (adj.) (NOK)	5.17	5.04
Earnings per share (adj.), diluted (NOK)	5.17	5.04

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Adjustments in earnings per share (adj.)
Earnings per share (adj.) show the profit or loss for the year after non-controlling interests per share adjusted for "Other income" and "Other expenses" after estimated tax for these two financial statement items. Effective tax related to "Other income" and "Other expenses" in 2021 and 2020 is lower than the Group's tax rate, mainly due to non-deductible transaction costs, and the effective tax rate was 15.9% for 2021 and 16.3% for 2020.

No other adjustments were made in earnings per share (adj.) as at 31 December 2021. In 2020 an adjustment was made for a gain on the sale of the associates Andersen & Mørck AS and Alkärrsplans Utvecklings AB totalling NOK 29 million. An adjustment was also made in 2020 for the reversal of net deferred tax liability of NOK 75 million related to operations outside Norway.

Dilutive effect
In 2021 Orkla allocated share options to senior executives (see Note 11). This could have a dilutive effect for other shareholders and diluted figures are therefore presented for earnings per share and earnings per share (adj.). As at 31 December 2021 there was no dilutive effect related to the option programme.

Note 18 Impairment assessments

Routine monitoring of non-current assets

The Orkla Group has material non-current assets in the form of both tangible (property, plant and equipment) and intangible assets. An explanation of the details of and changes in these assets is presented in Note 19 and Note 20. The Group also has other non-current assets that mainly consist of investments in companies recognised using the equity method. These are disclosed in Note 6 and are not covered in the description below.

The capitalised assets are routinely monitored and if there are indications that the value of an asset is no longer recoverable, an impairment test will immediately be carried out to determine whether the asset can still justify its carrying value. If new estimates conclude that the value is no longer recoverable, the asset is written down to the recoverable amount, i.e. the greater of the net sales value and the value in use (discounted cash flow).

Impairment testing and write-downs

Write-downs per business area:

Amounts in NOK million	2021	2020
Orkla Foods	-	(72)
Orkla Confectionery & Snacks	-	(5)
Orkla Care	-	(10)
Orkla Food Ingredients	-	(51)
Orkla Consumer Investments	(4)	(178)
HQ	-	(195)
Branded Consumer Goods incl. HQ	**(4)**	**(511)**
Hydro Power	-	-
Financial Investments	(1)	-
Orkla	**(5)**	**(511)**

Branded Consumer Goods incl. HQ

No material write-downs were taken in 2021.

In line with its adopted policies, the Group carried out impairment tests for all intangible assets with an indefinite useful life and for all goodwill prior to the presentation of financial statements for the third quarter 2021. The tests showed no need for write-downs in any of the Group's assets; see also the section on "Sensitivity" in this note.

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Write-downs totalling NOK 511 million were taken in 2020. The biggest write-down in 2020 was related to ERP platforms in the Group. A project was carried out in the Group to establish a common ERP platform for Orkla Foods, Orkla Confectionery & Snacks and Orkla Care. Write-downs and recognised expenses related to this project totalled NOK 386 million in 2020, of which write-downs accounted for NOK 223 million. The Orkla Food Ingredients business area also carried out a project to build a common ERP platform. This project was written down and expenses of NOK 51 million were recognised in 2020. Other IT systems were written down by NOK 27 million in 2020. See also Note 14 regarding recognition of costs under "Other costs" related to common ERP platforms in 2020 and 2021.

In 2020, goodwill and brands in Pierre Robert Finland were also written by NOK 65 million and NOK 21 million, respectively. The Danish pizza restaurant chain Gorm's was also written down in 2020 by NOK 84 million.

Other activities
An updated assessment was also carried out of the value of the Sauda power plants, and the valuation justifies the Group's investment in Saudefaldene. The WACC applied reflects lower risk than for the other Group companies.

Other assessments
No other deficit values related to property, plant or equipment or intangible assets were identified in the Group.

The COVID-19 pandemic continued to affect Orkla in 2021, and the situation has at times been challenging for some Orkla companies. In the second half of 2021, society reopened in several of Orkla's markets, resulting in higher activity in the Out of Home sector, combined with continued good growth in the grocery channel. Businesses in Orkla that have been negatively impacted by the pandemic are monitored closely with regard to indications of a need for write-downs.

Accounting policies

Goodwill and intangible assets with an indefinite useful life are not depreciated on a regular basis. These assets are therefore tested at least annually for impairment. At Orkla, impairment testing is carried out in the third quarter. If there are special indications of a reduction in value, impairment testing is carried out more frequently. Cash flows relating to the assets are identified and discounted. Future cash flow is based on specified assumptions (see separate table in this note) and the plans adopted by the unit. If the discounted value of future cash flows is lower than the capitalised value of the unit's capital employed, the assets are written down to the recoverable amount. If the discounted value is higher than the capital employed, this means that the value of the intangible asset or goodwill is recoverable. In cases where the discounted value exceeds the capital employed by less than 20%, a further sensitivity analysis is carried out to check the calculation. Capital employed is defined through the presentation of segments in Note 7. Where relevant, assumptions and estimates are reviewed and the robustness of the investment is measured in relation thereto. Alternatively, the sales value of the asset will be calculated to determine whether it justifies maintaining the carrying value.

Trademarks with an indefinite useful life are tested for impairment by discounting estimates of the future sales value of the trademark and measuring them against the trademark's carrying value. This process is based on a model whereby the trademark's discounted value is calculated on the basis of a percentage rate that indicates the strength of the trademark. This strength was assumed at the time of acquisition and is basically maintained in the impairment testing.

Cash-generating units
A cash-generating unit (CGU) is the lowest level at which independent cash flows can be measured. The highest level of a CGU will be a reported segment. None of the reported segments as at 31 December 2021 constituted a separate CGU.

Orkla Foods and Orkla Confectionery & Snacks have a CGU in each country and are thus tested on a country basis. Orkla Care, on the other hand, consists of branded companies that have operations in several countries. In both Orkla Foods and Orkla Care there are companies that have been part of the Group for a long time, and these companies therefore have low or no capitalised intangible assets. Large acquisitions like the purchase of Rieber & Søn Norge in 2013 and Cederroth in 2015 have on the whole been fully integrated into Orkla's existing operations and the excess value associated with the acquisitions is therefore justified by the new aggregated units.

Orkla Food Ingredients consists of many different bakery and ice cream ingredient units, which mainly constitute separate CGUs. These are tested individually and a total of 20 tests were carried out.

Orkla Consumer Investments consists of Orkla House Care, Lilleborg, Pierre Robert, Kotipizza and New York Pizza. Lilleborg, Kotipizza and New York Pizza constitute separate CGUs. In the case of Pierre Robert, Norway and Finland are separate CGUs. In Orkla House Care, the businesses in the UK, the Benelux countries and Norway are independent units and are tested on an individual basis.

The segments are disclosed in Note 7 and an overview of book goodwill and brands in the largest CGUs in each business area is presented in a separate table in this note.

Trademarks
In the case of trademarks, a new organisational structure will normally not change assumptions underlying the measurement of the strength of the various trademarks. The trademarks continue to exist in the new

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organisation. The value of a trademark will be dynamic and new products launched under a given trademark will help to maintain its value.

Assumptions
The Branded Consumer Goods business is basically relatively stable in the face of market fluctuations. Future cash flows are estimated on the basis of a number of assumptions. This applies both to factors such as assumptions concerning economic trends and factors such as assumptions concerning the estimated useful life of important trademarks. Future cash flows are estimated on the basis of the budget for next year and the following four forecast years. As from year six a terminal value is calculated. The main factors on which the impairment tests are based are summarised by segment in a separate table in this note. The CGUs operate in different markets, and the table is intended to provide an overview of the primary drivers.

Discount rate
The discount rate applied is based on the Group's cost of capital, which is estimated to be 5.5% after tax (5.8% in 2020), based on a weighted average of required rates of return for the Group's equity and debt (WACC). The Group's WACC before tax is 7.0% (7.5% in 2020). The required rate of return on the Group's equity is estimated by using the capital asset pricing model (CAPM). The required rate of return on debt is estimated on the basis of a long-term risk-free interest rate to which is added a credit margin derived from Orkla's marginal long-term borrowing rate. External information sources are used to calculate the cost of equity and the cost of debt. The discount rate is adjusted for country risk, the level of inflation and operational risk, depending on the particular value being calculated.

Sensitivity
The biggest trademark and goodwill items are related to businesses that are developing well. A comparison of the book value of capital employed in Branded Consumer Goods with an average sum-of-the-parts (SOTP) value based on analysts' valuation of the corresponding area shows substantial excess value. The excess value varies from one business area to another, but all five Branded Consumer Goods business areas show that the SOTP value is clearly higher than the respective carrying values.

There may be uncertainty attached to brands and goodwill items in recently acquired companies. Plans and anticipated growth for such companies are based on developments in markets that are relatively new for the Group. Based on the assumptions and expectations applied in both the acquisition cases and future plans, however, these businesses justify their capitalised value.

The performance of Orkla Confectionery & Snacks Latvia has been weaker than expected since the company was acquired. The company has also been negatively impacted by the COVID-19 pandemic. Based on expected cash flows, Orkla Confectionery & Snacks Latvija justifies its book value, but its future performance will be monitored closely in relation to its anticipated profit performance. In the impairment test carried out in the third quarter of 2021, a decline from 0.5% to 0.0% growth in the terminal value for Orkla Confectionery & Snacks Latvia will result in a write-down of over NOK 40 million, while an increase in WACC before tax of 0.5 percentage points will result in a write-down of approx. NOK 60 million. A fall of 1 percentage point in the terminal value for the EBIT (adj.) margin will result in a write-down of approx. NOK 90 million. This picture can quickly change as it depends on the companies' expected future profit performance.

The goodwill and trademark items in Orkla's business areas are shown in tables on the following pages.

Future risk of changes in operating parameters
The global challenges posed by climate change, resource scarcity, nutrition and health affect Orkla's activities in the form of a risk of changes in raw material availability, costs, consumer preferences and political framework conditions. The Group monitors developments closely through active dialogue with stakeholders and ongoing assessments. The challenges related to climate change and raw material availability entail a risk of higher raw material costs, reduced availability of some raw materials and breaches of Orkla's Supplier Code of Conduct. This risk is mitigated through close monitoring of suppliers, build-up of inventory in selected areas, improved resource efficiency and approval of use of alternative raw materials.

Climate changes can cause floods, earthquakes and other natural disasters, and there is considered to be risk related to whether Orkla's factories are located in exposed areas. Orkla makes assessments of both new and existing locations and the extent of their exposure to natural disasters. The risk is considered to be low.

However, these factors could affect the future development of Orkla businesses. Expected developments related to these factors are therefore elements taken into consideration both when assessing indicators of a need for a write-down and when testing for impairment.

Key assumptions for estimating future performance

		Orkla Foods (OF)					Orkla Confectionery & Snacks (OC&S)			
		Goodwill		Trademarks			Goodwill		Trademarks	
Amounts in NOK million	Units	2021	2020	2021	2020	Units	2021	2020	2021	2020
Enheter i segmentet	OF Norway	3 545	3 545	1 260	1 260	OC&S Norway	534	534	201	201
	OF Sweden	1 537	1 644	394	422	OC&S Sweden	844	904	384	411
	OF Denmark	420	440	59	62	OC&S Denmark	594	624	409	428
	OF Finland	166	107	2	2	OC&S Finland	591	619	730	766
	OF Baltics	*57*	*62*	*46*	*45*	*OC&S Iceland*	107	-	58	-
	MTR Foods	1 287	286	788	107	OC&S Latvia	475	498	211	221
	OF Central Europe	618	614	508	505	OC&S Estonia	-	-	55	58
	Total	**7 630**	**6 698**	**3 057**	**2 403**	**Total**	**3 145**	**3 179**	**2 048**	**2 085**
			2021		2020			2021		2020
	Total capital employed 31 Dec.		17 257		14 992	Total capital employed 31 Dec.		7 639		7 118
	EBIT (adj.)		2 471		2 641	EBIT (adj.)		1 113		1 203
Factors that affect the discount rate	Operates largely in the Nordic and Baltic markets as well as Austria, Czech Republic, Slovakia, Russia, Hungary and India; low industry risk; budgets in local currency					Operates largely in the Nordic and Baltic markets, low industry risk; budgets in local currency				
Raw material price estimates are based on the market situation at time of calculation	Key raw materials: meat, eggs, vegetables, dairy products, fish, spices and other additives, fruits and berries, and glass, cardboard, plastic and metal packaging.					Key raw materials: sugar, potatoes, nuts, cocoa, flour, vegetable oil, spices, milk powder and packagin				
Production sites	Production is carried out in the Nordics, Baltics, Austria, Czech Republic, Slovakia, Russia and India.					Production is largely carried out in the Nordics and Baltics.				
Gross profit is based on past performance, adjusted for future expectations	Gross profit is affected by innovations, productivity, retail chain price negotiations and raw material prices which overall are expected to rise in the short term.					Gross profit is affected by innovations, productivity, retail chain price negotiations and raw material prices which overall are expected to rise in the short term.				
Customisation and ability to develop products in collaboration with customers	Orkla Foods tracks consumer trends and works continuously to seek growth and development in existing and new segments.					OC&S tracks consumer trends — growth is expected in existing segments.				
Economic conditions and market outlook	Markets and turnover are expected to remain normal — Orkla Foods is generally little affected by market trends.					Markets and turnover are expected to remain normal — OC&S is generally little affected by market trends.				
Terminal value	Growth 0.5-5%.					Growth 0.5%.				

Key assumptions for estimating future performance

		Orkla Care				Orkla Food Ingredients (OFI)			
		Goodwill		Trademark		Goodwill		Trademark	
Amounts in NOK million	Units	2021	2020	2021	2020	Units	2021	2020	2021	2020
Units in segment	Orkla Home & Personal Care	1 430	1 501	324	332	Bakery Nordic countries	606	633	-	-
	Orkla Health	1 368	1 427	543	558	Bakery Europa (ekskl. Nordic)	713	702	-	-
	NutraQ	2 692	-	400	-	Sweet Ingredients	925	652	-	-
	Orkla Wound Care	293	303	116	122	Plant based	207	215	4	4
	HSNG	284	297	118	102					
	Total	**6 067**	**3 528**	**1 501**	**1 114**	**Total**	**2 451**	**2 202**	**4**	**4**
			2021		2020			2021		2020
	Total capital employed 31 Dec.		9 269		6 102	Total capital employed 31 Dec.		6 352		5 796
	EBIT (adj.)		1 066		1 019	EBIT (adj.)		646		500
Factors that affect the discount rate	Operates largely in the Nordic markets and the Baltics, Poland and Spain; low industry risk; budgets in local currency.					Operates in several countries; moderate industry risk; budgets in local currency.				
Raw material price estimates are based on the market situation at time of calculation	Key raw materials: crude oil, fish oil, milk protein, vitamins, plastic packaging, plastic components, cardboard and paper-based packaging and tensides.					Key raw materials: vegetable oil, butter, molasses, sugar and flour.				
Production sites	Own production mainly in the Nordics and Malaysia for the part of Jordan included in Orkla Home & Personal Care (OHPC). Orkla Health has own production in Norway and Denmark. Wound care products are produced in Spain and Norway. Orkla Health, OHPC and HSNG also purchase goods for resale primarily from Europe.					Own production mainly in Scandinavia, but also in the Netherlands, Poland, the UK, Romania and at some small manufacturing units in Central and Eastern Europe.				
Gross profit is based on past performance, adjusted for future expectations	Gross profit is affected by innovations, productivity, retail chain price negotiations and raw material prices that are expected to rise at start of 2022.					Gross profit is affected by companies' competitive strength in delivery of products and services. This strength is supported by ability to develop good cost-in-use products. OFI seeks to offset changes in raw material costs in customer markets.				
Customisation and ability to develop products in collaboration with customers	Orkla Care tracks consumer trends — growth is expected in existing segments.					OFI tracks consumer trends and collaborates closely with its customers, who are manufacturers and suppliers of bakery and ice cream products, as well as plant-based products. In recent years, OFI has focused on sustainability, and its portfolio includes a growing share of plant-based and other products.				
Economic conditions and market outlook	Markets and turnover are expected to remain normal — Orkla Care is generally little affected by market trends. The COVID-19 pandemic has affected profit performance in all units, negatively and positively. For the business area as a whole the effect is largely neutralised, but the pandemic could still have an effect in the short term.					The COVID-19 pandemic has affected markets and increased uncertainty in 2020, 2021 and at the start of 2022. Within this context, relatively safe demand is expected since the products supplied by OFI are "basic goods" in the bakery and ice cream ingredients segments, and plant-based products.				
Terminal value	Growth rate 0.5%.					Growth rate 0.5%.				

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Key assumptions for estimating future performance

Aounts in NOK million	Orkla Consumer Investments Units	Goodwill 2021	 2020	Trademark 2021	 2020
Units in segment	Pierre Robert Group[1]	39	41	17	19
	Lilleborg	18	18	-	-
	Orkla House Care	505	518	156	154
	Kotipizza	1 187	1 243	427	447
	New York Pizza	1 106	-	208	-
	Total	**2 855**	**1 820**	**808**	**620**
			2021		2020
	Total capital employed 31 Dec.		4 750		3 155
	EBIT (adj.)		498		404
Factors that affect the discount rate	Operates largely in the Nordic markets and the UK and Benelux; low industry risk; budgets in local currency.				
Raw material price estimates are based on the market situation at time of calculation	Key raw materials: plastic packaging, plastic components, chemicals, cardboard and paper-based packaging, wool and cotton, pizza crusts and pizza toppings.				
Production sites	Own production mainly in the Nordics, UK and China for Orkla House Care. Pierre Robert Group mainly buys its production from Italy and Asia. Lilleborg primarily buys goods for resale from Europe, in addition to own production in Norway. Kotipizza and New York Pizza are primarily a franchisor of pizza concepts and wholesaler to its franchise network and selected external customers. New York Pizza also manufactures pizza dough for its own operations and external customers.				
Gross profit is based on past performance, adjusted for future expectations	Gross profit is affected by innovations, productivity, retail chain negotiations and raw material prices. All companies in Consumer Investment have seen significant inflation in both raw material prices and freight costs that is compensated for through price increases. For the restaurant operations, gross profit is primarily driven by sales from restaurants, and innovation and operational efficiency.				
Customization and ability to develop *products in collaboration with customers*	Orkla Consumer Investments tracks consumer trends — growth is expected in existing segments.				
Economic conditions and market outlook	Orkla Consumer Investments is generally relatively little affected by market trends. The COVID-19 pandemic and related restrictions have had a strong impact on several businesses. This effect is expected to decrease as society gradually returns to normal.				
Terminal Value	Growth rate 0.5-2%.				

1 Carried goodwill and trademarks are mainly related to Pierre Robert Group in Finland.

Note 19 Intangible assets

Accounting policies

Research and development (R&D) expenditure is the expenses incurred by the Group in conducting research and development studies of existing or new products, production processes, etc. in order to secure future earnings. Expenditure on research is always expensed directly, while expenditure on development may be recognised in the statement of financial position. However, there is considerable uncertainty throughout the decision-making process, and the fact that only a small percentage of all development projects culminate in commercial products means that no projects end in capitalisation. At the same time, the expenses that qualify for recognition in the statement of financial position are relatively small.

Expenditure on internally generated or customised IT systems is capitalised and presented as intangible assets.

Expenditure related to internally generated trademarks, etc. (marketing) is expensed directly and will never be capitalised. This is because the future economic benefits to the company cannot be identified and shown to be probable with any degree of certainty at the time the trademark is launched.

Intangible assets taken over by the company through acquisitions are capitalised. Long-established trademarks that have a sound development at the time of acquisition have an indefinite useful life and are not depreciated. An indefinite useful life means that it is impossible on the statement of financial position date to estimate the period during which assets will be available for use. Other identified trademarks will be depreciated over their anticipated useful life, which is normally 5–10 years. Other intangible assets will be depreciated over their useful life. Thus only trademarks that are purchased directly or indirectly through the acquisition of companies are capitalised in the consolidated financial statements, not internally generated trademarks.

Goodwill is the residual value consisting of the difference between the purchase price and the capitalised value of an acquired company. The concept of goodwill comprises payment for synergy gains, assets related to employees, other intangible assets that do not qualify for capitalisation as a separate item, future superprofit and the fact that deferred tax cannot be discounted. Capitalised goodwill derives solely from acquisitions; see Note 16.

Estimate uncertainty

Considerable estimate uncertainty attaches to the value of intangible assets. These have no direct "cost price", which is essentially determined by the Group's own valuations, and are mainly capitalised in connection with the Group's acquisition of a new business. Goodwill is to be seen as a residual value in the same acquisition. The sum of all excess values including goodwill associated with acquisitions is thus basically to be regarded as the market value (fair value) of the total net assets, and the different types of assets (liabilities) are broken down on the basis of that value; see Note 16.

Sustainability

Orkla expensed NOK 305 million for research and development in 2021 (NOK 343 million in 2020). This covers internal and external costs related to product development, and includes measures to reduce salt, sugar and saturated fat in foods, develop healthy products, develop new packaging solutions based on renewable, recycled materials, and use new raw materials that promote sustainable consumption.

A current project that will run for several years aims at establishing a common ERP platform for Orkla Foods, Orkla Confectionery & Snacks and Orkla Care. Write-downs and recognised expenses related to the project in 2020 and 2021 totalled NOK 509 million; see Notes 14 and 18. NOK 664 million was capitalised in connection with this ERP system as at 31 December 2021. Orkla Food Ingredients also has a project to establish a common ERP system in its own business area. Write-downs and recognised expenses related to this system totalled NOK 51 million in 2020, and the capitalised value was NOK 240 million as at 31 December 2021.

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Intangible assets

Amounts in NOK million	Trademarks, not depreciable	Trademarks, depreciable	Other intangible assets	IT	Goodwill	Total
Book value 1 January 2020	5 653	9	117	415	16 533	22 727
Investments	-	-	16	94	-	110
Reclassifications[1]	(4)	-	6	391	-	393
Acquisitions of companies[2]	382	-	1	-	213	596
Sale of companies	-	-	-	-	(46)	(46)
Depreciation	-	(1)	(15)	(122)	-	(138)
Write-downs	(26)	-	-	(310)	(155)	(491)
Translation differences	221	-	10	7	820	1 058
Book value 31 December 2020	**6 226**	**8**	**135**	**475**	**17 365**	**24 209**
Investments	-	1	22	70	-	93
Reclassifications[1]	2	-	-	514	(2)	514
Acquisitions of companies[2]	1 371	-	-	27	5 323	6 721
Sale of companies	-	-	-	-	-	0
Depreciation	-	(1)	(13)	(157)	-	(171)
Write-downs	-	-	(5)	(11)	-	(16)
Translation differences	(181)	-	(5)	(10)	(600)	(796)
Book value 31 December 2021	**7 418**	**8**	**134**	**908**	**22 086**	**30 554**
Initial cost 1 January 2021	6 394	147	980	1 481	20 214	29 216
Accumulated depreciation and write-downs	(168)	(139)	(845)	(1 006)	(2 849)	(5 007)
Book value 1 January 2021	**6 226**	**8**	**135**	**475**	**17 365**	**24 209**
Initial cost 31 December 2021	7 578	149	987	2 004	24 789	35 507
Accumulated depreciation and write-downs	(160)	(141)	(853)	(1 096)	(2 703)	(4 953)
Book value 31 December 2021	**7 418**	**8**	**134**	**908**	**22 086**	**30 554**
Depreciation	-	10–20%	10–20%	10–33%	-	-

1. *Net reclassifications relate to figures transferred from Note 20 and concern transferral of assets under construction.*
2. See Note 5 for information about intangible assets in acquired companies.

Note 20 Property, plant and equipment

Accounting policies

Property, plant and equipment are tangible items intended for production, delivery of goods or administrative purposes and have a lasting useful life. They are recognised in the statement of financial position at cost minus any accumulated depreciation and write-downs. Routine maintenance of assets is expensed under operating expenses while major periodical maintenance and expenditure on replacements or improvements are added to the cost price of the assets. Property, plant and equipment with an indefinite useful life (land, etc.) are not depreciated, while other property, plant and equipment are depreciated on a straight line basis over their useful life. Residual value is taken into account (especially in connection with properties), and the depreciation plan is reviewed annually. If there is any indication that the value of an asset may be impaired, the asset will be written down to the recoverable amount if the recoverable amount is lower than the carrying value.

When carrying out a purchase price allocation in connection with an acquisition, excess or deficit values are allocated to the assets concerned, so that these are capitalised at the Group's acquisition cost. Financing expenses related to the production of the Group's own property, plant and equipment are recognised in the statement of financial position, see Note 15.

Estimate uncertainty

The valuation and estimated useful life of property, plant and equipment are based on future information and will always involve a degree of uncertainty. Especially in a situation where the Group is planning major changes in its manufacturing structure and number of production sites, there will be extra focus on assessments made of different production facilities. The various production sites are routinely assessed based on a going concern approach, but in a situation where a change in organisational structure could mean that some plants will be closed or reorganised, these assessments will have to be changed on an ongoing basis and could lead to the identification of both excess value and deficit value.

See Note 35 for disclosures of pledged assets and mortgages related to the Group's property, plant and equipment.

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Property, plant and equipment

Amounts in NOK million	Land, buildings and other property	Machinery and plants	Assets under construction	Fixtures, fittings, vehicles, IT equipment etc.	Total
Book value 1 January 2020	6 991	4 435	1 950	579	13 955
Investments	229	397	1 736	118	2 480
Disposals/scrapping	(29)	(41)	(2)	(15)	(87)
Acquisition of companies	-	6	-	4	10
Sale of companies	(27)	(7)	-	(34)	(68)
Transferred assets under construction/reclassifications	319	958	(1 800)	124	(399)[1]
Write-downs	(6)	(14)	-	-	(20)
Depreciation	(319)	(793)	-	(205)	(1 317)
Translation differences	144	204	59	22	429
Book value 31 December 2020	**7 302**	**5 145**	**1 943**	**593**	**14 983**
Investments	142	592	1 705	137	2 576
Disposals/scrapping	(7)	(67)	-	(5)	(79)
Acquisition of companies	231	206	9	77	523
Sale of companies	-	-	-	-	-
Transferred assets under construction/reclassifications	160	503	(1 570)	393	(514)
Write-downs	(5)	(3)	-	(1)	(9)
Depreciation	(330)	(823)	-	(245)	(1 398)
Translation differences	(103)	(160)	(56)	(29)	(348)
Book value 31 December 2021	**7 390**	**5 393**	**2 031**	**920**	**15 734**
Initial cost 1 January 2021	12 761	17 304	1 943	2 638	34 646
Accumulated depreciation and write-downs	(5 459)	(12 159)	-	(2 045)	(19 663)
Book value 1 January 2021	**7 302**	**5 145**	**1 943**	**593**	**14 983**
Initial cost 31 December 2021	13 001	17 460	2 031	3 072	35 564
Accumulated depreciation and write-downs	(5 611)	(12 067)	-	(2 152)	(19 830)
Book value 31 December 2021	**7 390**	**5 393**	**2 031**	**920**	**15 734**
Linear depreciation	2–4%	5–15%	-	15–25% IT-equipment: 16–33%	

1. NOK 514 million (NOK 393 million in 2020) has been transferred to intangible assets in Note 19, and NOK 6 million was transferred to leases in Note 21 in 2020.

Note 21 Leases

Accounting policies

Upon entering into a contract, an assessment will be made of whether an agreement contains a lease arrangement entitling the Group to control the use of an identified asset. If the lease is identified as such, assets and associated liabilities are recognised at the start of the lease, i.e. at the date on which the underlying asset is made available to the Group. Short-term leases of 12 months or less and leases of low value assets are not capitalised. For these leases, lease payments are recognised in the income statement directly.

Upon entering into a contract, the lease liabilities are measured at the present value of all future lease payments. Lease payments include fixed payments and any payments varying according to an index or an interest rate, but not variable lease payments depending on the use of the asset. Lease payments also include residual value guarantees, purchase options and any termination expenses. The lease liability is reduced by ongoing instalments. The discount rate is the implicit interest rate in the lease, provided this is available. If this cannot be obtained, the lessee's marginal borrowing interest rate shall be used as the basis. Lease liabilities are classified like other interest-bearing liabilities in the statement of financial position. The interest effect of the discounting is presented as interest expense.

Right-of-use assets are capitalised at the equivalent of the estimated lease liability upon entry into the lease contract. Right-of-use assets are depreciated on a straight-line basis over the lease period and assessed to determine whether a write-down is necessary if there is any indication of a value impairment. The assets are included in non-current assets in the statement of financial position.

Orkla's leases

The companies in the Orkla Group largely own their own means of production and production premises. The Group's leases mainly concern the lease of restaurants (Kotipizza and New York Pizza), office and warehouse premises and vehicles such as cars and forklifts. The leases are capitalised under "Non-current assets" in the statement of financial position.

Additionally, Orkla's leases with Statkraft, whereby AS Saudefaldene has use of all power stations until 2030, are deemed to fall within the scope of IFRS 16. The leases account for around NOK 183 million of the recognised right-of-use assets in the Group as at 31 December 2021 (NOK 175 million in 2020). Orkla has a right to terminate the leases with Statkraft at any time subject to three to four years' notice, and renewal of the leases is considered annually. Between three and four years' rent will be capitalised at all times. These leases are presented in the table as "Machinery and plants".

Key considerations

Several of the Group's leases include options for renewal of the lease. This applies in particular to leases for restaurant premises and office and warehouse premises. Only options that are reasonably certain to be exercised are recognised in the lease liability. Lease options for long-term contracts, mainly over five years, are not taken into account as there are constant changes in the Group, and it is therefore difficult to predict the likelihood of future renewals.

As regards leases of restaurant premises related to the operations of Kotipizza and New York Pizza, a decision will be made at the latest one year before the lease expires on whether the businesses will continue to operate in the

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sales outlets concerned. There are a total of 635 sales outlets related to Orkla Consumer Investments' pizza operations, and the associated capitalised amount is NOK 503 million. If an extra optional period for all these restaurant premises is taken into account, the capitalised amount will increase by over 60%.

Leases that fall within the definition "low-value assets" are not capitalised. This primarily applies to office equipment leases. Lease expenses related to short-term leases where the non-cancellable lease period is less than 12 months are also recognised directly in the income statement, provided that the company does not expect to use the asset after this period.

The Orkla Group has chosen to make use of the possibility offered in the standard of not applying IFRS 16 for intangible assets. In the case of Saudefaldene, this applies to waterfall rights that represent a right to use the power of the water in the Saudavassdraget river system. The liability arising from this right of use has not been recognised and thus has not been capitalised.

A review of various leases has been carried out, and the distinction between them and service agreements has been assessed. This applies, for instance, to agreements with carriers (transport agreements). The majority of the Group's transport agreements are of such a nature that no specific asset can be identified, or are of a short-term nature that does not fall within the standard's definition of a lease.

Several of the Group's leases include other services and components, such as shared costs, fuel and taxes. Non-lease components are treated separately from the lease and recognised as an operating expense in the consolidated financial statements.

Discount rate
When a lease's implicit interest rate is not available, the lessee's marginal borrowing rate is used as a basis. For most Orkla subsidiaries, this will be the internal borrowing rate in Orkla ASA. Orkla's internal borrowing rate is fixed at the floating market interest rate with a risk premium (company and country risk). This is deemed to be a good estimate of interest rate on an arm's length basis. The weighted discount rate for Orkla's lease liabilities in 2021 was 1.9% (2.0% in 2020).

Estimate uncertainty

Recognition of leases is based on a present value calculation, in which assumptions concerning discount interest rates, lease payments, lease term and use of options are assessed and taken into account. Changes in one or more of these assumptions will impact on the estimated effects of the leases for the Group. The assessment of whether an agreement is to be regarded as a lease or service agreement will also have significant consequences for the accounting treatment of the leases.

Undiscounted lease liabilities and maturity of cash outflows

Amounts in NOK million	Offices and restaurants	Production sites and other property	Machinery and plants	Vehicles etc.	Total
Less than 1 year	275	70	98	89	532
1-2 years	218	64	94	59	435
2-3 years	173	60	93	29	355
3-4 years	128	55	91	12	286
4-5 years	76	49	1	4	130
More than 5 years	149	162	-	1	312
Total undiscounted lease liabilities at 31 December 2021	**1 019**	**460**	**377**	**194**	**2 050**

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Capitalised right-of-use assets

Amounts in NOK million	Offices and restaurants	Production sites and other property	Machinery and plants	Vehicles etc.	Total
Book value 1 January 2020	579	432	250	186	1 447
Investments	133	1	61	88	283
Acquisition of companies	-	-	5	-	5
Sale of companies	(21)	-	-	(1)	(22)
Reclassifications/transferred from assets under construction[1]	-	-	-	6	6
Depreciation	(203)	(76)	(101)	(109)	(489)
Translation differences	37	8	6	10	61
Book value 31 December 2020	**525**	**365**	**221**	**180**	**1 291**
Investments	278	110	103	123	614
Acquisition of companies	353	-	-	3	356
Sale of companies	-	-	-	-	-
Reclassifications/transferred from assets under construction[1]	-	-	-	-	-
Depreciation	(222)	(73)	(94)	(109)	(498)
Translation differences	(26)	(4)	(3)	(6)	(39)
Book value 31 December 2021	**908**	**398**	**227**	**191**	**1 724**
Initial cost 1 January 2021	1 768	778	400	734	3 680
Accumulated depreciation and write-downs	(1 243)	(413)	(179)	(554)	(2 389)
Book value 1 January 2021	**525**	**365**	**221**	**180**	**1 291**
Initial cost 31 December 2021	2 373	884	500	854	4 611
Accumulated depreciation and write-downs	(1 465)	(486)	(273)	(663)	(2 887)
Book value 31 December 2021	**908**	**398**	**227**	**191**	**1 724**

1 In 2020, NOK 6 million was transferred from property, plant and equipment, Note 20.

Movement in lease liabilities

Amounts in NOK million	2021	2020
At initial application 1 January	1 487	1 656
New/changed lease liabilities recognised in the period	614	283
Lease liabilities acquired companies	372	5
Sale of companies	-	(22)
Lease payments	(543)	(529)
Interest expense on lease liabilities	30	32
Index adjustments	3	3
Translation differences	(39)	59
Total lease liabilities 31 December	**1 924**	**1 487**
Current lease liabilities	408	335
Non-current lease liabilities	1 516	1 152
Net cash flow from lease liabilities	543	529

Current leases and low-value leases

Amounts in NOK million	2021	2020
Lease payments - short-term and low value leases	(83)	(84)
Variable lease payments	(19)	(18)
Total lease expenses (other operating expenses)	**(102)**	**(102)**

Rental agreements

The Group also rents out real estate under operating leases. Rental revenues in 2021 amounted to NOK 101 million. Total future rental revenues amount to NOK 209 million, broken down into NOK 103 million in 2022 and NOK 106 million from 2023 and thereafter.

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Note 22 Other financial assets (non-current)

Accounting policies

Other assets are classified as non-current when they are not part of a normal operating cycle and are not held for trading purposes or the entity has an unconditional right to defer payment for at least 12 months. Other receivables are current.

Shares and financial investments are investments of a financial nature and are recognised at fair value with both changes in value and gains/losses recognised as other items in the comprehensive income statement. Dividends received are reported in ordinary profit or loss when they are not to be regarded as a form of repayment of capital by the company. Any dividend is recognised in the income statement when it has been approved by the company paying out the dividend, which mainly coincides with the date of payment. Purchases and sales of shares are recognised on the trade date. This applies both to shares classified as non-current shares in this note and to current shares in Note 24.

Derivatives are described in Note 31. Pension assets are described in Note 12.

Amounts in NOK million	2021	2020
Share investments	206	140
Interest-bearing derivatives	0	96
Receivables interest-bearing	395	274
Receivables non-interest-bearing	7	18
Pension plan assets	39	41
Total other financial assets (non-current)	**647**	**569**

Receivables are recognised at fair value in accordance with Level 3 valuation, and derivatives according to Level 2 valuation; see the measurement hierarchy in Note 31.

Note 23 Inventories and development property

Inventories

Amounts in NOK million	2021	2020
Raw materials	2 578	2 200
Work in progress	364	331
Finished goods and merchandise	4 372	3 999
Total inventories	**7 314**	**6 530**

Inventories relating to Branded Consumer Goods

Amounts in NOK million	2021	2020
Orkla Foods	3 095	2 838
Orkla Confectionery & Snacks	708	729
Orkla Care	1 338	1 183
Orkla Food Ingredients	1 533	1 288
Orkla Consumer Investments	640	492
Branded Consumer Goods	**7 314**	**6 530**

Accounting policies

Inventories are valued at the lower of acquisition cost and net realisable value for the entire Orkla Group. Purchased goods are valued at cost according to the FIFO principle, while internally manufactured finished goods and work in progress are valued at production cost. Deductions have been made for obsolescence. The net realisable value is the estimated selling price minus selling costs. Property under development is valued at the total costs incurred.

An assessment of net realisable value was carried out after deducting selling costs. This resulted in a total write-down of inventories as at 31 December 2021 of NOK 64 million (NOK 76 million in 2020). Inventories valued at net realisable value as at 31 December 2021 totalled NOK 52 million (NOK 62 million in 2020).

Development property

Development properties amounted to NOK 220 million as at 31 December 2021 (NOK 96 million in 2020). The properties are mainly housing projects under development/construction and primarily consist of the projects at Sandakervelen 56 in Oslo and a development project in Larvik.

Estimate uncertainty

Inventories consist of a great many individual lines of goods in the form of both raw materials and finished goods. The goods are counted and valued at the Group's acquisition cost, and account is taken of obsolescence. The Group has a large number of units in stock at all times, but there is not deemed to be any material form of uncertainty regarding either the quantity or quality of the Group's inventories.

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Note 24 Receivables and financial assets (current)

Accounts receivable and other trade receivables

Amounts in NOK million	2021	2020
Accounts receivable (A - B)	6 337	6 104
Other trade receivables	189	152
Non-interest-bearing derivatives	2	-
Total trade receivables	**6 528**	**6 256**

Breakdown of accounts receivable by due date

Amounts in NOK million	2021	2020
Accounts receivable not due	5 611	5 473
Overdue receivables 1–30 days	518	466
Overdue receivables 31–60 days	134	95
Overdue receivables 61–90 days	42	39
Overdue receivables over 90 days	162	165
Accounts receivable carrying amount 31 December (A)	**6 467**	**6 238**

Change in provisions for bad debts

Amounts in NOK million	2021	2020
Provisions for bad debts 1 January	134	115
Bad debts recognised as expense	(14)	29
Provisions in acquired companies	1	3
Provisions in sold companies	1	-
Final bad debts	11	(22)
Translation differences	(3)	9
Provisions for bad debts 31 December (B)	**130**	**134**

Accounting policies

Accounts receivable and other trade receivables are receivables linked directly to the operating cycle. Accounts receivable are in principle recognised and presented at the original invoice amount and valued at amortised cost using the effective interest rate method. The interest rate element is disregarded if it is immaterial, which is the case for the vast majority of the Group's accounts receivable.

Provisions are made for anticipated losses on receivables based on relevant information available at the time of reporting, including historical, current and future information in accordance with an expected loss model. The provision will have to be based on objective criteria. If an invoice is not paid, this will be a clear indication of an increased risk of default.

The principle for assessment of financial investments is disclosed in Note 22. Derivatives are disclosed in Note 31.

Estimate uncertainty

The credit risk related to accounts receivable is assessed as relatively low. Provisions have been made for bad debts, which cover uncertain receivables to a reasonable extent. See also the break-down of accounts receivable by due date in this note and the disclosure of credit risk in Note 30.

Derivatives are recognised at fair value in accordance with Level 2 valuation and financial assets according to Level 3 valuation; see the measurement hierarchy in Note 31.

Receivables and financial assets (current)

Amounts in NOK million	2021	2020
Non-interest-bearing derivatives	14	18
Interest-bearing derivatives	43	56
Interest-bearing receivables	11	4
Other current receivables	470	293
Total financial receivables and investments	538	371
Advance payment to suppliers/earned income	597	470
Tax receivables	120	95
Total current receivables and financial investments	**1 255**	**936**

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Note 25 Cash and cash equivalents

Accounting policies

Cash and cash equivalents consist of cash, bank deposits and current deposits that have a maturity of three months or less, and an immaterial risk of a change in value. Restricted deposits are assets that only to a limited degree are available to the rest of the Group.

Cash and cash equivalents are held for the purpose of meeting short-term fluctuations in liquidity rather than for investment purposes. For Orkla, the level of the Group's net interest-bearing liabilities is a more important management parameter than the level of cash and cash equivalents.

Amounts in NOK million	2021	2020
Cash at bank and in hand[1]	716	2 829
Current deposits	201	203
Restricted deposits	210	181
Total cash and cash equivalents	**1 127**	**3 213**

1 Of "Cash at bank and in hand" as at 31 December 2021, a total of NOK 133 million (NOK 167 million in 2020) is in Orkla companies with minority shareholders and in Orkla Insurance Company. These assets are only available to a limited extent to the rest of the Group.

Restricted assets consist of security deposits for sales of hydro-electric power, margin deposits for share derivatives, as well as deposits to meet statutory solvency requirements in Orkla Insurance.

Note 26 Provisions and other non-current liabilities

Accounting policies

Provisions are recognised in the financial statements for matters such as disputes, potential loss-making contracts and adopted restructuring measures. The provisions will not cover possible future operating losses. In the case of restructuring provisions, there must be a detailed plan that identifies which part of the business are to be restructured, and a valid expectation must have been created among those concerned that the restructuring will be carried out. In addition, it must be possible to provide a reliable estimate of the amount of the liability. It is a condition that the restructuring materially changes the size of the business or the way in which it is operated. The provision is calculated on the basis of the best estimate of anticipated expenses. If the effect is material, anticipated future cash flows will be discounted, using a current pre-tax interest rate that reflects the risks specific to the provision.

Contingent liabilities and contingent assets are a possible obligation or a possible asset whose existence is uncertain and will be confirmed by the occurrence or non-occurrence of a future special event, such as the outcome of legal proceedings or the final settlement of an insurance claim. Contingent liabilities are recognised in the financial statements based on estimated outcome if there is a more than 50% probability that the liability has arisen. If the probability is lower, the matter is disclosed in notes to the financial statements if material and unless the probability of disbursement is very small. An asset will only be recognised in the statement of financial position if it is highly probable (95%) that the Group will receive the asset. The disclosure requirement applies to other contingent assets; see Note 37 for further information.

Derivatives are described in Note 31. Pension obligations are described in Note 12.

Estimate uncertainty

It is in the nature of a provision that it involves some degree of uncertainty. A provision is made and calculated based on assumptions at the time the provision is made and will be routinely updated as and when new information becomes available.

Provisions and other non-current liabilities

Amounts in NOK million	2021	2020
Pension liabilities	2 447	2 585
Derivatives[1]	72	175
Other non-current liabilities	175	123
Provisions for obligations	481	507
Total provisions and other non-current liabilities	**3 175**	**3 390**

1. Interest rate cash flow hedges: To hedge future interest payments (not included in the statement of financial position).

Other non-current liabilities mainly concern commitments to acquisitions of additional shares in companies.

Breakdown of provisions for obligations:

Amounts in NOK million	Branded Consumer Goods	Other business	Total
Provisions 1 January 2020	72	420	492
New provisions	78	-	78
Acquisitions of companies	-	-	0
Provisions utilised or reclassified to short-term	(30)	(34)	(64)
Translation differences	1	-	1
Provisions 31 December 2020	**121**	**386**	**507**
New provisions	28	-	28
Acquisitions of companies	20	-	20
Provisions utilised or reclassified to short-term	(56)	(14)	(70)
Translation differences	(4)	-	(4)
Provisions 31 December 2021	**109**	**372**	**481**

Provisions for obligations in Branded Consumer Goods mainly concern commitments to restructuring and minor personnel-related provisions.

As regards "Other business", provisions for obligations concern estimated liabilities related to guarantees and indemnities issued by Orkla to Norsk Hydro in connection with the sale of Sapa, as well as compensation to property owners and demolition costs related to Saudefaldene, and provisions related to discontinued operations. Furthermore, Orkla has insured some of its exposures through a captive insurance company, Orkla Insurance Company DAC. Orkla has made provisions for these exposures. A provision of NOK 286 million remains for the indemnities issued to Norsk Hydro; see also the disclosure in Note 4. See also the information regarding the Denofa do Brasil case in Note 37.

Provisions with a maturity of less than 12 months are presented as "Other liabilities" (current).

Note 27 Current liabilities

Accounting policies

A non-interest-bearing liability is classified as current when it is part of a normal operating cycle, is held for trading purposes and falls due within 12 months. Other liabilities are non-current.

Estimate uncertainty

All types of accruals/provisions will involve a certain estimate uncertainty. Accruals/provisions are calculated on the basis of assumptions at the time the provision is made. Estimate uncertainty associated with discounts, etc. is disclosed in Note 4.

Accounts payable and other trade payables

Amounts in NOK million	2021	2020
Accounts payable	5 561	4 597
Other trade payables[1]	1 725	1 929
Total trade payables	**7 286**	**6 526**

1 Incl. discount provisions of NOK 1,539 million as at 31 December 2021 (NOK 1,745 million in 2020); see Note 4.

Other liabilities (current)

Amounts in NOK million	2021	2020
Non-interest-bearing derivatives	2	11
Non-interest-bearing current liabilities	135	146
Total financial liabilities non-interest-bearing	**137**	**157**
Value added tax, employee taxes	954	995
Accrued wages and holiday pay	1 140	1 090
Other accrued costs	1 113	1 061
Total other liabilities (current)	**3 344**	**3 303**

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Note 28 Capital management and funding

Capital management
Orkla's capital management is designed to ensure that the Group has sufficient financial flexibility, short-term and long-term. One main objective is to maintain a financial structure that, through solidity and cash flow, ensures strong, long-term creditworthiness, as well as a competitive return for shareholders through a combination of dividends and an increase in the share price.

When allocating capital for acquisitions and other investments, a rate of required return on capital is applied, adjusted for project-specific risk. Capital usage and allocation are subject to formalised authorisation limits, and decision processes at applicable levels. External borrowing is centralised at the parent company level, and capital needs in subsidiaries are mainly covered by internal loans, or equity. The capital structure of subsidiaries is adapted to commercial as well as legal and tax considerations. The short-term liquidity of Group companies is managed at Group level through cash pools. Internal loans to partly owned subsidiaries are provided subject to a separate evaluation, or external funding is established.

On January 2022, Orkla established a credit rating from Scope Ratings GmbH with a long-term issuer rating of A-, and stable outlook. The same rating was assigned for Orkla's bonds (Senior unsecured rating). Orkla aims to ensure that net interest-bearing liabilities do not exceed 2.5 x EBITDA over time. Orkla targeted a reduction in working capital, in percent of turnover for Branded Consumer Goods, of 3 percentage points during the period 2018-2021, and working capital was reduced by 3.9 percentage points (0.6 percentage points in 2021). There were no changes in Orkla's approach and objectives regarding capital management during 2021.

Sustainability

Sustainability has become an integral part of Orkla's business model. Focus on responsible business operations and effective management of sustainability-related risk is an integral part of the Group's investment assessments. Orkla's sustainability goals and commercially attractive, sustainable business opportunities result in investments in product development and process improvements, and in some cases acquisitions of new businesses. Sustainability-related investments are assessed on the basis of Orkla's criteria for return on investment and risk management. A green bond framework for funding of qualifying investments has been established.

The Group's interest-bearing liabilities and equity consist of:

Amounts in NOK million	2021	2020
Non-current interest-bearing liabilities	(9 215)	(8 207)
Current interest-bearing liabilities	(3 195)	(329)
Non-current interest-bearing receivables	395	370
Current interest-bearing receivables	54	60
Cash and cash equivalents	1 127	3 213
Net interest-bearing liabilities, excl. leases	(10 834)	(4 893)
Lease liabilities	(1 924)	(1 487)
Net interest-bearing liabilities	(12 758)	(6 380)
Group equity[1]	39 351	37 704
Net gearing (net interest-bearing liabilities/equity)	0,32	0,17

1 The Group's equity also includes the value of cash flow hedges taken to comprehensive income.

Reconciliation of change in interest-bearing items against the Group's cash flow statement

2021 Amounts in NOK million	Interest-bearing assets	Interest-bearing liabilities	Net interest-bearing liabilities
Balance 1 January 2021	3 643	(10 023)	(6 380)
Balance 31 December 2021	1 576	(14 334)	(12 758)
Change net interest-bearing liabilities	2 067	4 311	6 378
Of this change cash and cash equivalents	(2 086)	-	(2 086)
Change net interest-bearing liabilities excluding cash and cash equivalents	(19)	4 311	4 292
Interest-bearing items from acquired and sold companies	0	(1 219)	(1 219)
Interest-bearing liabilities new leases	-	(614)	(614)
Currency effects interest-bearing items	(4)	644	640
Net cash flow from/(used in) financing acitivites	(23)	3 122	3 099

2020 Amounts in NOK million	Interest-bearing assets	Interest-bearing liabilities	Net interest-bearing liabilities
Balance 1 January 2020	2 035	(8 586)	(6 551)
Balance 31 December 2020	3 643	(10 023)	(6 380)
Change net interest-bearing liabilities	(1 608)	1 437	(171)
Of this change cash and cash equivalents	1 544	-	1 544
Change net interest-bearing liabilities excluding cash and cash equivalents	(64)	1 437	1 373
Interest-bearing items from acquired and sold companies	0	(26)	(26)
Interest-bearing liabilities new leases	-	(283)	(283)
Currency effects interest-bearing items	(1)	(739)	(740)
Net cash flow from/(used in) financing acitivites	(65)	389	324

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Orkla's net interest-bearing liabilities increased by NOK 6.4 billion in 2021, affected by acquisitions totalling NOK 7.0 billion and share buy-backs of NOK 0.4 million, in addition to ordinary cash-flows and dividend payment.

As an industrial group, Orkla is not subject to any external capital requirements. The subsidiary Orkla Insurance Company DAC (Ireland) is subject to solvency requirements under applicable laws and regulations in Ireland. These requirements were met in 2021.

Funding
The primary objective of Orkla's treasury policy is to ensure that the Group has sufficient financial flexibility in the short and long term to achieve its strategic and operational objectives.

Orkla's policy with regard to its funding activity is to maintain unutilised, long-term, committed credit facilities which together with available liquid deposits are sufficient to cover loans that fall due and known capital needs over the next 12 months, as well as a strategic reserve. This means that Orkla's credit facilities are normally refinanced one year before maturity and that short-term interest-bearing debt is at all times covered by unutilised long-term credit facilities. Commercial paper and money markets are used as a source of liquidity when conditions in these markets are competitive, as an alternative to drawing on committed long-term credit facilities. As at 31 December 2021 NOK 538 million was drawn on these credit facilities (undrawn as at 31 December 2020).

Orkla's main funding sources are bilateral loans from Orkla's relationship banks and loans in the Norwegian bond market. The Group Treasury also continuously evaluates other funding sources. In 2021, Orkla established a green bond framework, and bonds with a face value of NOK 1,500 million were issued under this framework.

In 2021 Orkla repaid loans, and cancelled loan agreements with credit limits totalling NOK 4.6 billion. New long-term loan agreements totalling NOK 4.0 billion were entered into, and new bonds totalling NOK 2.75 billion were issued. The remaining time to maturity of NOK 2.3 billion of the bilateral long-term credit facilities has been extended by one year.

Orkla has no loan agreements with financial covenants for the Group or for Orkla ASA. The loan agreements include some limitations on disposals of businesses, creation of security interest on assets, borrowing at subsidiary level, and cross default clauses. Bonds issued in the Norwegian bond market are listed on the Oslo Stock Exchange.

Note 29 Interest-bearing liabilities

Interest-bearing liabilities

Amounts in NOK million	Book value 2021	Book value 2020	Fair value[1] 2021	Fair value[1] 2020	Currency	Notional in ccy[2]	Coupon[3]	Term
Non-current interest-bearing liabilities								
Bonds								
ORK 80 (10694680)	914	952	929	970	NOK	1 000	Fixed 4.35%	2013/2024
ORK 82 (11731730)	724	724	724	727	NOK	1 500	Nibor +0.69%	2015/2022
ORK 83 (11774383)	675	675	680	682	NOK	1 000	Nibor +0.85%	2016/2023
ORK 84 (11774391)	984	1 028	999	1 038	NOK	1 000	Fixed 2.35%	2016/2026
ORK 87 (11095499)	1 000	-	1 000	-	NOK	1 500	Nibor +0.62%	2021/2027
ORK 85 (11013708)	1 000	-	996	-	NOK	1 500	Nibor +0.62%	2021/2028
ORK 88 (11095507)	243	-	244	-	NOK	1 500	Fixed 2.20%	2021/2029
ORK 86 (11013716)	490	-	492	-	NOK	1 500	Fixed 2.44%	2021/2031
Other bonds	59	60	59	60				
Total bonds	6 089	3 439	6 123	3 477				
Of this current liabilities	(728)	-	(728)	-				
Bank loans	3 739	4 677	3 739	4 677				
Other loans	100	71	100	71				
Lease liabilities	1 516	1 152	1 516	1 152				
Interest-bearing derivatives	15	20	15	20				
Total non-current interest-bearing liabilities	10 731	9 359	10 765	9 397				
Current interest-bearing liabilities								
Bonds, maturity < 1 year	728	-	728	-				
Bank loans, overdrafts	712	324	712	324				
Commercial paper	1 750	-	1 750	-				
Other loans	5	5	5	5				
Lease liabilities	408	335	408	335				
Total current interest-bearing liabilities	3 603	664	3 603	664				
Total interest-bearing liabilities	14 334	10 023	14 368	10 061				

1 The fair value of exchange-traded bonds is calculated on the basis of official tax values, whereas book values are used for other loans.

2 Of the notional amount the Group holds some of its own bonds, which have been deducted in the recognised liabilities.

3 The coupon rate is not an expression of the Group's actual interest cost, as various interest rate swaps have been entered into. Note 30 discloses further details of interest rate level, interest rate risk and a breakdown of the liabilities portfolio by currency.

Accounting policies

Loans and receivables are carried at amortised cost. Thus, changes in fair value resulting from changes in market interest rates during the interest rate period are not reported in the income statement, except for loans which are hedged objects in fair value hedges of interest rate risk, see Note 31. Bonds issued by Orkla held on own books are carried at amortised cost and recognised as reduced debt.

Maturity profile interest-bearing liabilities and unutilised credit facilities

	Interest-bearing liabilities		Unutilised credit facilities	
Amounts in NOK million	2021	2020	2021	2020
Maturity < 1 year	3 701	745	691	1 148
Maturity 1–3 years	3 106	3 292	2 733	4 000
Maturity 3–5 years	2 790	3 869	3 796	2 408
Maturity > 5 years	4 737	2 117	-	-
	14 334	10 023	7 220	7 556

The Group's unutilised credit facilities are multi-currency loan agreements with floating interest rates and flexible amounts and tenors for drawdown. The facility credit limits are denominated in NOK, EUR and SEK.

As at 31 December 2021 the average remaining time to maturity of the Group's combined interest-bearing liabilities (excluding lease liabilities) and unutilised credit facilities was 3,5 years, compared with 3,2 years as at 31 December 2020.

The Group also holds cash pools and bank accounts with short-term credit lines. Unutilised credit lines on these accounts are not included in the table.

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Note 30 Financial risk

This note discloses the Group's financial risks within each business area, and the management of these risks. Market risk related to financial instruments (currency risk, interest rate risk, and price risk for input factors and sold products), liquidity risk and credit risk is described specifically. In addition to loans and receivables, the financial instruments consist of derivatives used for hedging market risk. Derivatives and hedging relationships are described in more detail in Note 31.

(I) Organisation of financial risk management
Orkla operates internationally and is exposed to financial risks such as currency risk, interest rate risk, commodity price risk, liquidity risk and credit risk. Orkla uses derivatives and other financial instruments in order to reduce these risks in accordance with the Group's treasury policy. The responsibility for managing financial risk in Orkla is divided between business areas, which manage risk related to business processes, and Group level, which is responsible for centralised activities such as funding, interest rate risk management and currency risk management.

Centralised risk management
Orkla has a centralised Group Treasury. Its most important tasks are to ensure the Group's financial flexibility in the short and long term, and to monitor and manage financial risk in cooperation with individual operational entities. The guidelines for the Group Treasury are laid down in the Group's treasury policy. The Group Executive Board monitors financial risk by means of regular reporting and meetings of the Orkla Treasury Committee. The Group Treasury acts as an internal bank for the Group and is responsible for, and executes, all major external funding and hedging transactions related to currency and interest rate hedging. Each year the Board of Directors grants authorisation for establishing loans and entering into master agreements for financial instruments. Debt and treasury positions are managed in a non-speculative manner, so that all transactions in financial instruments are matched to an underlying business requirement.

Financial risks within each business area
The most important risk factors within the business areas of the Group, and the management thereof, are described below. In this context, financial risk is defined as risk related to financial instruments. These may be either instruments hedging underlying risks, or viewed as a source of risk in themselves. Market risk that is not hedged with financial instruments is also discussed in this section.

Branded Consumer Goods
Entities within this area are primarily located in the Nordic and Baltic countries, Central/Eastern Europe and India. Production and sales mainly take place in local markets. A significant part of the input factors and some finished goods are imported.

The two primary sources of financial risk within this business area are price risk on agricultural products and ingredients in food production, and currency risk on imported goods. Price risk on raw materials is normally dealt with in commercial contracts. The most significant currency risk results from purchasing in EUR by the Norwegian and the Swedish entities. Contracts and committed transactions are hedged with currency forward contracts against the entities' own functional currency. Currency risk related to expected, non-contractual cash flows is hedged to a limited extent.

Hydro Power
Hydro Power is a significant producer of hydroelectric power (see Note 34). A substantial part of the production is sold under long-term contracts, whereas the remainder is sold in the spot market. Where contractual commitments exceed available power from own production, this is covered through purchases in the power market.

(II) Categories of financial risk for the group

Currency risk
As NOK is the presentation currency for the Group, Orkla is exposed to currency translation risk on net investments in foreign entities. Orkla maintains, as far as possible, a distribution of its interest-bearing liabilities across currencies which corresponds to the relative enterprise value distribution across the foreign subsidiaries' home currencies. This ensures approximately the same hedging level in all currencies, where interest-bearing liabilities hedge the currency risk in enterprise value. The currency distribution of interest-bearing liabilities is shown in Table 2b.

In the financial statements, translation risk on net investments in foreign entities is reduced by the net interest-bearing liabilities in the same currency. These liabilities consist of hedges of internal loans from Orkla ASA to subsidiaries in their home currency, plus hedges of net investments according to IFRS 9. Orkla primarily uses loans and currency forward contracts to hedge internal loans and net investments in foreign subsidiaries.

At the operational level, transaction risk is hedged against each entity's functional currency as described in (I) "Organisation of financial risk management". Orkla applies hedge accounting for most hedges of future transactions, mainly cash flow hedges. The different types of hedges are described in more detail in Note 31.

The Group's aggregated outstanding currency hedges of future transactions as at 31 December 2021 are shown in Table 1.

Table 1
Outstanding foreign exchange contracts[1] linked to hedging of future revenues and costs

Hedged amount in million currency

Purchase currency	Amount in currency	Sale currency	Amount in currency	Maturity
USD	7	DKK	48	2022
USD	1	DKK	5	2023
USD	6	EUR	5	2022
EUR	10	NOK	97	2022
EUR	6	GBP	5	2022

1. In currency pairs where the net total of hedges is over NOK 20 million.

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Interest rate risk

Orkla's interest rate risk is mainly related to the Group's debt portfolio. This risk is managed at Group level. The Group's policy is that interest costs should mainly follow the general trend in the money market. The targeted maximum net debt level of 2.5x EBITDA limits the interest rate risk for the Group. Hedging of interest rate risk may be established if the debt substantially exceeds the maximum targeted debt level. Decisions regarding interest rate hedging are made by the Orkla Treasury Committee.

The interest risk profile of the debt portfolio is determined by the selection of interest periods for the Group's loans and the use of currency and interest rate derivatives. As at 31 December 2021, 4% (43% as at 31 December 2020) of the Group's interest-bearing liabilities (excluding lease liabilities) was at fixed interest rates for periods exceeding one year, and the average time to the next interest rate adjustment was 0.4 years (2.2 years as at 31 December 2020). The interest rate exposure on interest-bearing liabilities broken down by currency and financial instruments is shown in Table 2a and 2b.

Table 2a

Interest-bearing liabilities by instrument and interest risk profile

		2021 Next interest rate adjustment							2020 Next interest rate adjustment						
Amounts in NOK million	2021	0–3 months	3–6 months	6–12 months	1–3 years	3–5 years	> 5 years	2020	0–3 months	3–6 months	6–12 months	1–3 years	3–5 years	> 5 years
Bonds	**6 089**	3 403	55	-	914	984	733	3 439	1 459	-	-	-	952	1 028
Bank loans	**4 078**	4 016	62	-	-	-	-	4 697	4 414	283	-	-	-	-
Commercial paper	**1 750**	1 750	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts	**373**	373	-	-	-	-	-	304	304	-	-	-	-	-
Other loans	**105**	5	100	-	-	-	-	76	5	71	-	-	-	-
Interest rate swaps (fair value hedge)	**4**	2 386	250	-	(914)	(985)	(733)	-	1 635	250	-	-	(885)	(1 000)
Interest rate swaps (cash flow hedge)	**0**	(449)	-	-	-	-	449	-	(2 342)	(697)	-	-	1 825	1 214
Interest rate derivatives (other)	**11**	(110)	-	112	9	-	-	20	(717)	-	100	120	517	-
Currency derivatives	**0**	(2)	2	-	-	-	-	-	5	(3)	(2)	-	-	-
Lease liabilities	**1 924**	408	98	-	746	387	285	1 487	330	86	-	588	296	187
Interest-bearing liabilities	**14 334**	11 780	567	112	755	386	734	10 023	5 093	(10)	98	708	2 705	1 429

Table 2b

Interest-bearing liabilities by instrument and currency

		2021							2020						
Amounts in NOK million	2021	NOK	SEK	EUR	USD	DKK	Other	2020	NOK	SEK	EUR	USD	DKK	Other
Bonds	**6 089**	6 030	-	-	-	26	33	3 439	3 379	-	-	-	26	34
Bank loans	**4 078**	2	1 953	1 500	538	5	80	4 697	1 000	2 092	1 573	-	12	20
Commercial paper	**1 750**	1 750	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts	**373**	(62)	6	431	41	(36)	(7)	304	-	(8)	273	(3)	43	(1)
Other loans	**105**	72	-	2	-	-	31	76	71	-	-	-	2	3
Currency derivatives	**0**	(7 560)	2 298	1 692	(614)	1 561	2 623	-	(6 509)	2 938	1 224	(50)	1 065	1 332
Interest rate derivatives	**15**	4	-	11	-	-	-	20	-	-	20	-	-	-
Lease liabilities	**1 924**	755	135	736	-	88	210	1 487	638	168	424	-	113	144
Interest-bearing liabilities	**14 334**	991	4 392	4 372	(35)	1 644	2 970	10 023	(1 421)	5 190	3 514	(53)	1 261	1 532
Interest level borrowing rate	**1.3%**	1.6%	1.0%	0.7%	0.8%	0.2%	3.3%	1.4%	1.7%	1.6%	1.3%	2.3%	0.4%	2.5%

For currency derivatives and multi-currency overdraft facilities the asset and liability components are shown separately per currency, also including those that are recognised assets.

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Liquidity risk
Liquidity risk is the risk that Orkla is not able to meet its payment obligations. The management of liquidity risk has high priority as a means of meeting the objective of financial flexibility.

Orkla's policy for funding activities, described in Note 28, implies that short-term interest-bearing liabilities and known capital expenditures are funded by undrawn long-term credit facilities at least one year prior to maturity. The cash flow from operations, which among other factors is affected by changes in working capital, is managed operationally by the business areas, and is largely stable with the largest net inflow during the fourth quarter. Orkla monitors liquidity flows, short- and long-term, primarily through reporting. Interest-bearing liabilities are managed together with interest-bearing assets at Group level.

Due to the measures mentioned, the Group has limited liquidity risk. In order to further reduce refinancing risk, Orkla seeks to ensure that the maturities of loans and credit facilities are well distributed.

Table 3 shows the maturity profile for the Group's contractual financial liabilities, including liabilities which are not recognised in the financial position. The amounts represent undiscounted future cash flows, and may therefore deviate from recognised figures. Derivatives are presented as split between those with gross settlement (currency derivatives), and those with net settlement (interest rate derivatives). The table also includes derivatives recognised as assets on the balance sheet date, as derivatives may include both positive and negative cash flows, and the fair value fluctuates over time. Forward interest rate curves are applied to estimate future interest payments. Similarly, forward prices are used to determine the future settlement amounts for currency derivatives.

Table 3

Maturity profile financial liabilities

			2021						2020			
Amounts in NOK million	Book value	Contractual cash flow	< 1 year	1–3 years	3–5 years	> 5 years	Book value	Contractual cash flow	< 1 year	1–3 years	3–5 years	> 5 years
Interest-bearing loans	12 394	12 399	3 195	2 307	2 465	4 432	8 516	8 421	329	2 676	3 557	1 859
Lease liabilities	1 924	2 050	532	790	416	312	1 487	1 589	440	623	322	204
Interest payments	48	987	182	379	260	166	49	556	144	242	134	36
Accounts payable and other current financial liabilities	7 373	7 373	7 373	-	-	-	6 623	6 623	6 623	-	-	-
Subscribed, uncalled partnership capital	-	15	15	-	-	-	-	21	21	-	-	-
Net settled derivatives[1]	76	-	-	-	-	-	87	-	-	-	-	-
Inflow	-	(567)	(111)	(216)	(133)	(107)	-	(298)	(56)	(125)	(86)	(31)
Outflow	-	646	147	265	138	96	-	404	96	186	99	23
Gross settled derivatives[1]	(46)	-	-	-	-	-	(51)	-	-	-	-	-
Inflow	-	(11 830)	(11 830)	-	-	-	-	(10 111)	(10 107)	(4)	-	-
Outflow	-	11 767	11 767	-	-	-	-	10 062	10 058	4	-	-
Total	**21 769**	**22 840**	**11 270**	**3 525**	**3 146**	**4 899**	**16 711**	**17 267**	**7 548**	**3 602**	**4 026**	**2 091**

1. Including derivatives recognized as assets (negative figures in brackets).

The financial liabilities are serviced by cash flows from operations, liquid assets and interest-bearing receivables, and, when necessary, drawdowns on unutilised credit facilities. Unutilised committed credit facilities, the maturity profile of which is shown in Note 29, totalled NOK 7.2 billion at 31 December 2021 (NOK 7.6 billion at 31 December 2020).

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Credit risk

The management of credit risk related to accounts receivable and other operating receivables is handled as part of the business risk, and is continuously monitored by the operating entities. The Nordic grocery trade markets are characterised by relatively few, but large, participants, resulting in a certain concentration of the credit risk exposure towards individual counterparties. Receivables on each of the four largest customers account for 5-10% of total accounts receivable. When selling in countries with high political risk, trade finance products are used to a certain extent to reduce the credit risk. The current credit risk level is considered acceptable. Provisions have been made for losses on accounts receivable, and the recognised amount represents the fair value as of the statement of financial position date. The provisions and the age distribution of accounts receivable that are overdue are shown in Note 24.

Orkla's credit risk related to financial instruments is managed by Group Treasury. Risk arises from financial hedging transactions, money market deposits, and bank accounts. Firstly, Orkla seeks to minimise the liquid assets deposited outside the Group. Secondly, relationship banks that provide long-term funding are the targeted counterparties for bank accounts and financial hedging transactions according to policy. Further, limits and requirements related to the banks' credit ratings apply to deposits of excess liquidity. The exposure is continuously monitored by Group Treasury, and is considered to be low. Orkla ASA has International Swap Dealers Association (ISDA) agreements with its counterparties for derivative interest rate and currency transactions, which provide for netting of settlement risk.

Maximum credit risk

The maximum credit risk exposure for the Group related to financial instruments corresponds to total gross receivables. In the hypothetical, unlikely event that no receivables are recovered, this amounts to:

Amounts in NOK million	2021	2020
Cash and cash equivalents	1 127	3 213
Accounts receivable and other trade receivables	6 526	6 256
Other current receivables	481	297
Non-current receivables	402	292
Derivatives	59	170
Total	**8 595**	**10 228**

Commodity price risk

The Group is exposed to price risks in respect of a number of raw materials, in particular agricultural products. However, the prices of sold products are also affected by raw material prices, and it is generally Orkla's policy to reduce the price risk through commercial contracts. Commodity price risk is described for the individual business areas in section (I) "Organisation of financial risk management".

Sensitivity analysis

The financial instruments of the Group are exposed to different types of market risk which can affect the income statement or equity. Financial

instruments, in particular derivatives, are applied as a means of hedging both financial and operational exposure.

In Table 4, Orkla presents a partial analysis of the sensitivity of financial instruments, where the isolated effect of each type of risk on the income statement and equity is estimated. This is done on the basis of a selected hypothetical change in market prices/rates on the statement of financial position as at 31 December 2021. In accordance with IFRS, the analysis covers only financial instruments and is not meant to give a complete overview of the Group's market risk, for instance:

- For currency hedges of contracts entered into, changes in the fair value of the hedging instrument will affect the income statement, while changes in the fair value of the underlying hedged contract offset by the hedging instrument will not be shown as it is not a financial instrument.
- If one of the parameters changes, the analysis will not take account of any correlation with other parameters.
- Financial instruments denominated in the entities' functional currencies do not constitute any currency risk and are therefore not included in this analysis. Nor is the currency exposure on translation of such financial instruments to the Group's presentation currency included.

Generally, the effect on the income statement and equity of financial instruments in Table 4 is expected to offset the effects of the hedged items where financial instruments are part of a hedging relationship.

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Table 4

Sensitivity financial instruments

Amounts in NOK million	2021: Accounting effect on Income statement of: Increase[1]	Decrease	Comprehensive income of: Increase[1]	Decrease	2020: Accounting effect on Income statement of: Increase[1]	Decrease	Comprehensive income of: Increase[1]	Decrease
Financial instruments in hedging relationships								
Interest rate risk: 100 basis points parallel shift in interest curves all currencies	(93)	93	32	(35)	4	(5)	154	(166)
Currency risk: 10% change in FX-rate EUR	2	(2)	(317)	317	4	(4)	(332)	332
Currency risk: 10% change in FX-rate SEK	(2)	2	(168)	168	(6)	6	(102)	102
Share price risk: 10% change in share price	31	(31)	3	(3)	29	(29)	7	(7)

1 Strengthening of the respective currency

Accounting effects of changes in market risk are classified to income statement and comprehensive income in the table according to where the effect of the changes in fair value is recognised initially. Effects recognised in the income statement will also affect equity beyond the figures presented in the table.

Note 31 Derivatives and hedging relationships

Accounting policies

Derivatives are valued at fair value at the statement of financial position date and reported as receivables or liabilities. Gains and losses due to realisation or changes in fair value are reported in the income statement in cases where the derivative is not part of a hedging relationship that meets the criteria for hedge accounting. Embedded derivatives in contracts are identified and valued separately. Orkla currently has no embedded derivatives. Purchases and sales of derivatives are recognised at trade date. Derivatives are classified in the statement of financial position as "non-interest-bearing" receivables or liabilities as the main rule. Classification as "interest-bearing" is used where the hedged object itself is classified as an interest-bearing item, as well as for net investment hedges.

Hedging. The Group uses the following criteria when classifying a derivative or another financial instrument as a hedging instrument:

(1) the hedge is in line with the risk management objectives and strategy, and the instrument is expected to be highly effective in offsetting changes in the fair value or cash flow of an identified object,
(2) an economic relationship between the hedging instrument and the hedging object exists, sources of hedging inefficiency can be determined, and credit risk is not expected to dominate fair value changes in the hedging relationship,
(3) satisfactory documentation is established before entering into the hedging instrument, proving among other things that the hedging relationship is effective,
(4) in the case of a cash flow hedge, that the future transaction is considered to be highly probable, and
(5) the hedging relationship is evaluated regularly and is still expected to be effective.

Fair value hedges
Changes in the fair value of derivatives designated as hedging instruments are immediately recognised in the income statement. Changes in the fair value of the hedged item are recognised in the income statement in the same way. Hedge accounting is discontinued if:

(a) the hedging instrument has matured, or is terminated, exercised or sold,
(b) the hedge no longer meets the above mentioned criteria for hedging, or
(c) the Group for other reasons decides not to continue the fair value hedge.

In the case of a discontinued hedging relationship, the changes in the fair value of the hedged item recognised in the statement of financial position will be amortised over the remaining life of the item, using the effective interest rate method, in the same way as for the hedging instrument.

Cash flow hedges
The effective part of changes in the fair value of a hedging instrument is recognised in the comprehensive income and reclassified to the income statement when the hedged transaction is carried out, and presented on the same line as the hedged transaction. The ineffective part of the hedging instrument is immediately recognised in the income statement. When a hedging instrument has matured, or is sold, terminated or exercised, or the Group discontinues the hedging relationship, even though the hedged transaction is still expected to occur, the accumulated gains or losses at this point will remain in the Group's hedging reserve, and will be recognised in the income statement when the transaction occurs. If the hedged transaction is no longer expected to occur, the accumulated unrealised gains or losses related to the hedging instrument will be recognised in the income statement immediately.

Net investment hedges
Foreign currency gains or losses on hedging instruments that can be allocated to the effective part of the hedging relationship are reported in comprehensive income, while foreign currency gains or losses in the ineffective part of the hedge are reported in the income statement. The accumulated foreign currency gains or losses are recognised in the income statement when the hedged net investment is disposed of.

Measurement of financial instruments: The Group uses the following hierarchy when determining and disclosing the fair value of financial instruments:

Level 1: Quoted, unadjusted prices in active markets for identical assets and liabilities
Level 2: Other techniques for which all inputs with significant effect on the recorded fair value, are observable, either directly or indirectly
Level 3: Other techniques based on inputs with significant effect on the recorded fair value that are not based on observable market data

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As far as possible, the Group seeks to apply the IFRS rules for hedge accounting. The table below shows the fair value of all outstanding derivative financial instruments grouped according to treatment in the financial statements and hedged risk. The maturity profile for hedging instruments is shown in Note 30.

Derivatives in the statement of financial position and hedging purpose

					Nominal value[3]				
Amounts in NOK million			2021	2020	2021	2020	Purpose of hedging	Hedge accountin	Classification
Assets	Non-current	i.b.[1]	-	96	-	1 885	Interest rate swaps fixed to floating, against fair value changes in the hedged loans	Fair value hedge	Fair value through profit and loss
Assets	Current	i.b.	11	43	2 858	3 061	Currency forwards hedging net investments in foreign subsidiaries	Net investment hedge	Fair value through comprehensive income
Assets	Current	i.b.	32	13	8 519	5 455	Currency forwards hedging loans/deposits	-	Fair value through profit and loss
Assets	Current	n.i.b.[2]	12	6	343	365	Total return swap hedging share exposure in pension obligations/LTI	-	Fair value through profit and loss
Assets	Current	n.i.b.	4	12	331	339	Currency forwards hedging future transactions	Cash flow hedge	Fair value through comprehensive income
Liabilities	Non-current	n.i.b.	(72)	(175)	5 305	3 286	Interest rate swaps floating to fixed, hedging future interest payments	Cash flow hedge	Fair value through comprehensive income
Liabilities	Non-current	i.b.	(11)	(20)	2 669	942	Interest rate swaps floating to fixed, hedging future interest payments	-	Fair value through profit and loss
Liabilities	Non-current	i.b.	(4)	-	2 635	-	Interest rate swaps fixed to floating, against fair value changes in the hedged loans	Fair value hedge	Fair value through profit and loss
Liabilities	Current	n.i.b.	-	(2)	-	100	Interest rate swaps floating to fixed, hedging future interest payments	-	Fair value through profit and loss
Liabilities	Current	n.i.b.	(2)	(9)	-	-	Currency forwards hedging future transactions	Cash flow hedge	Fair value through comprehensive income
Total derivatives			**(30)**	**(36)**					

1 i.b. = Interest-bearing asset/liability
2 n.i.b. = Non-interest-bearing asset/liability
3 The nominal value is calculated as the sum of the absolute value of individual transactions.

Calculation of fair value:

- Currency forwards and currency swaps are measured at fair value using the observed forward exchange rate for contracts with a corresponding term to maturity at the statement of financial position date.
- Interest rate swaps are measured at fair value using the present value of future cash flows calculated from observed market interest rates and exchange rates at the statement of financial position date including accrued interest.
- Total return swaps are measured at fair value based on observed prices for the underlying shares/mutual funds at the statement of financial position date.

All derivatives are carried at fair value in the statement of financial position, and considered to be at level 2 in the hierarchy for measurement of financial instruments.

The derivative financial instruments are designated in hedging relationships as follows:

Cash flow hedges

- Orkla maintains interest rate swaps for hedging of future interest payments on liabilities that qualify for hedge accounting. These are swaps where Orkla pays a fixed interest rate and receives a floating rate.
- In hedges of currency risk on highly probable future cash flows, currency forward contracts are designated as hedging instruments.
- Total return swap on the Orkla share is designated as hedging instrument for the LTI incentive programme with return linked to the Orkla share price.

No effects from hedging inefficiency have been recorded in the income statement during 2021 or 2020. All expected cash flows hedged in 2021 still qualify for hedge accounting.

Changes in the equity hedging reserve

Amounts in NOK million	2021	2020
Opening balance hedging reserve before tax	(271)	(131)
Reclassified to profit/loss – operating revenues	2	0
Reclassified to profit/loss – operating costs	6	(2)
Reclassified to profit/loss – net financial items	56	70
Reclassified to statement of financial position	87	0
Fair value change during the year	51	(208)
Closing balance hedging reserve before tax	**(70)**	**(271)**
Deferred tax hedging reserve	15	64
Closing balance hedging reserve after tax	**(55)**	**(207)**

The change in the equity hedging reserve before tax in 2021 was NOK 201 million (NOK -140 million in 2020), and after tax, recognised in other comprehensive income, was NOK 152 million in 2021 (NOK -107 million in 2020).

A negative hedging reserve means a negative recognition in the income statement in the future.

Accumulated hedging gains/losses from cash flow hedges recognised in the equity hedging reserve as at 31 December 2021 are expected to be recycled to the income statement as follows (before tax):

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2022: NOK -23 million
After 2022: NOK -47 million

Hedges of net investments in foreign entities
When hedging the currency risk on foreign net investments, loans or currency derivatives are applied. In 2021 NOK 216 million was recorded in other comprehensive income after tax from net investment hedges (NOK -146 million in 2020).

No effects were recorded in the income statement related to net investment hedges of divested investments in 2021 or in 2020.

Fair value hedges
Interest rate derivatives designated as hedges of fixed interest rate loans (fixed-to-floating interest rate swaps) are accounted for as fair value hedges. In 2021, NOK 100 million was recognised as costs in the income statement related to fair value changes in the interest rate swaps, and NOK 100 million was recognised as income related to fair value changes in the hedged loans.

Derivatives not included in IFRS hedging relationships
There are also derivatives not included in hedging relationships according to IFRS for the following reasons:

- Derivatives are not designated as formal hedging relationships when changes in the fair value of hedging instruments and hedged objects are naturally offset in the income statement, for example currency risk on loans and other monetary items, and a Total Return Swap for hedging of pension liabilities linked to the price development in the stock market.
- Meeting strict IFRS hedge accounting criteria is not always possible or practical. Some of the currency hedges, and interest rate swaps where the hedge has been closed out, fall into this category.

Note 32 Share capital

The 20 largest shareholders as at 31 December 2021[1]

	Shareholders		Number of shares	% of capital[2]
1	Canica AS		200 236 000	19.99%
2	Folketrygdfondet		77 267 329	7.72%
3	Tvist 5 AS		50 050 000	5.00%
4	JPMorgan Chase Bank, N.A., London	Nominee	34 999 968	3.50%
5	State Street Bank and Trust Company	Nominee	34 527 401	3.45%
6	JPMorgan Chase Bank, N.A., London	Nominee	13 968 612	1.39%
7	State Street Bank and Trust Company	Nominee	12 073 507	1.21%
8	The Bank of New York Mellon	Nominee	8 609 546	0.86%
9	The Bank of New York Mellon	Nominee	8 242 418	0.82%
10	State Street Bank and Trust Company	Nominee	8 131 245	0.81%
11	Verdipapirfondet KLP Aksjenorge		7 802 853	0.78%
12	Verdipapirfondet DNB AM Norske aksjer		7 723 257	0.77%
13	Société Générale	Nominee	7 580 995	0.76%
14	Verdipapirfond Odin Norge		6 621 102	0.66%
15	Verdipapirfondet DNB Norge		6 600 066	0.66%
16	State Street Bank and Trust Company	Nominee	6 511 269	0.65%
17	The Bank of New York Mellon SA/NV	Nominee	6 097 768	0.61%
18	HSBC Bank plc	Nominee	6 086 414	0.61%
19	J.P. Morgan Bank Luxembourg S.A.	Nominee	5 554 665	0.55%
20	Citibank, N.A.	Nominee	5 439 940	0.54%
	Total shares		**514 124 355**	**51.34%**

1 The list of shareholders is based on the Norwegian central securities depository (VPS)'s register of members at year end. For a list of grouped shareholders and nominee shareholders, see "Share information" on page 353.

2 Of total shares issued.

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Changes in share capital

Date/year	Number of shares	Nominal value (NOK)	Type of change	Amounts (NOK million)	Share capital (NOK million)
31.12.2011	1 028 930 970	1.25			1 286.2
2012	1 018 930 970	1.25	amortisation	(12.5)	1 273.7
31.12.2012	1 018 930 970	1.25			1 273.7
31.12.2013	1 018 930 970	1.25			1 273.7
31.12.2014	1 018 930 970	1.25			1 273.7
31.12.2015	1 018 930 970	1.25			1 273.7
31.12.2016	1 018 930 970	1.25			1 273.7
31.12.2017	1 018 930 970	1.25			1 273.7
31.12.2018	1 018 930 970	1.25			1 273.7
2019	1 001 430 970	1.25	amortisation	(21.9)	1 251.8
31.12.2019	1 001 430 970	1.25			1 251.8
31.12.2020	1 001 430 970	1.25			1 251.8
31.12.2021	1 001 430 970	1.25			1 251.8

Treasury shares at at 31 December 2021

	Nominal value (NOK)	Number of shares	Fair value (NOK million)
Shares owned by Orkla ASA	6 066 093	4 852 874	429

Accounting policies

Treasury shares have been deducted from Group equity at cost. The nominal value of the shares has been deducted from paid-in equity.

Treasury shares

The following changes took place in Orkla's holding of treasury shares in 2021:

	2021	2020
Total as at 1 January	501 800	1 125 182
External purchases of treasury shares	5 000 000	-
Orkla employee share purchase programme	(648 926)	(623 382)
Total as at 31 December	**4 852 874**	**501 800**

Options

In 2020, Orkla introduced a long-term incentive programme (LTI programme) based on share options, which replaced the previous cash-based LTI programme; see also Note 11.

See the Corporate Governance section on page 51 regarding the authorisations granted by the General Meeting concerning share capital.

Dividend

The Board of Directors proposes that an ordinary dividend of NOK 3.00 per share be paid out, totalling NOK 2,990 million for the 2021 financial year.

Under Norwegian law, the equity in Orkla ASA will, where relevant, constitute a legal limitation on the distribution of dividends by the Orkla Group. Dividends may be distributed insofar as the company has adequate equity and liquidity.

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Note 33 Non-controlling interests

Companies with non-controlling interests are consolidated on a 100% basis in the income statement, statement of financial position and statement of cash flows. On the other hand, the non-controlling interests' share of the Group's annual profit or loss and equity are reported on separate lines.

Amounts in NOK million	2021	2020
Non-controlling interests' share of:		
Depreciation and write-downs	62	45
Operating profit	154	66
Profit/loss before taxes[1]	149	59
Taxes[1]	(56)	(8)

1 Variances are due to non-controlling interests' share of depreciation of excess value.

Changes in non-controlling interests:		
Non-controlling interests 1 January	462	460
Non-controlling interests' share of profit/loss	90	51
Increase due to acquisitions and capital increases in companies with non-controlling interests	416	3
Increase non-controlling interest due to sale to non-controlling interest	-	6
Decrease due to sale of companies with non-controlling interest	(1)	(1)
Dividends to non-controlling interests	(45)	(68)
Translation differences	(12)	11
Non-controlling interests 31 December	**910**	**462**

Amounts in NOK million	2021	2020
Breakdown of non-controlling interests' share of profit/loss:		
Orkla Food Ingredients	65	49
Hydro Power	12	4
Orkla Consumer Investments	1	-
Orkla Foods	14	-
Financial Investments	(2)	(2)
Total non-controlling interests' share of profit/loss	**90**	**51**

Breakdown of non-controlling interests:		
Orkla Food Ingredients	293	276
Hydro Power	190	186
Orkla Consumer Investments	117	-
Orkla Foods	303	-
Financial Investments	7	0
Total non-controlling interests	**910**	**462**

Accounting policies

If the Group has control, but owns less than 100% of the subsidiaries and their subsidiaries, the companies are still recognised in the financial statements line by line on a 100% basis, but the non-controlling interests' share of profit or loss after tax, their share of comprehensive income and their share of equity are presented on separate lines in the consolidated financial statements. All internal transactions are eliminated in the same way as for the other Group companies. If there are non-controlling interests in acquired companies, the non-controlling interests will receive their share of allocated assets and liabilities, except for goodwill which is only calculated on the Group's share. Transactions with non-controlling interests that do not entail loss of control will be recognised in equity.

In 2021, Orkla purchased businesses with minority shareholders. This applies to the India company Eastern Condiments, in which Orkla has a 67.8% ownership interest, and the Netherlands pizza chain New York Pizza, in which Orkla has a 75% ownership interest. See Note 6 for further information.

Orkla Food Ingredients has several companies with non-controlling interests, the most material of which are related to the Dragsbæk group in Denmark. The group has been family-owned and the former owner still has a substantial ownership interest in the parent company. Orkla Food Ingredients also has external ownership interests in Kanakis Group (Greece) and NIC (Netherlands).

The non-controlling interests in Hydro Power consist of a 15% interest in AS Saudefaldene, which is owned by Sunnhordaland Kraftlag.

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Note 34 Power and power contracts

The Group both owns and leases power plants, all located in Norway. The table below shows power plants, annual production, ownership status and key financial terms and conditions.

Plant, type, location/contract	Actual median annual production/contact volume	Ownership, status and remaining utilisation period/contract duration	Key financial items and conditions
Power plants			
Saudefaldene[2]			AS Saudefaldene[1] has an annual concession power commitment of 134 GWh. In addition, the company has an annual delivery commitment to Eramet of 436 GWh which, following the termination of the contract with Eramet, is to be sold to Statkraft on the same terms. An agreement has been entered into with Elkem ASA for the delivery of 501 GWh/year until 31 December 2030 to satisfy the condition regarding use of power in Elkem's industrial operations. The terms are equivalent to the terms in the lease agreement with Statkraft. On hand-over to Statkraft the plants must be in good working condition. Statkraft SF shall pay AS Saudefaldene[1] the residual value for tax as at 1 January 2031 of the expansions carried out by AS Saudefaldene[1].
Storlivatn power plant		Operation started 1970	
Svartkulp power plant		Operation started November 2001	
Dalvatn power plant		Operation started December 2006	
Sønnå Høy power plant		Operation started August 2008	
Sønnå Lav power plant	1 873 GWh	Operation started October 2008	
Storli mini power plant		Operation started February 2009	
Kleiva small power plant		Operation started November 2009	
Hydropower reservoir, Rogaland		Under lease agreements with Statkraft, AS Saudefaldene[1] has the use of all plants until 2030.	
Borregaard power plant[2]			
Hydropower run-of-river, Sarpsfossen in Glomma, Sarpsborg	279 GWh	100% ownership, infinite licence period.	
Sarp power plant[2]		50% ownership, infinite licence period.	
Hydropower run-of-river, Sarpsfossen in Glomma, Sarpsborg	239 GWh	The other ownership interest owned by E-CO Energi AS (45%) and Svartisen Holding (5%).	E-CO Energi AS has operational responsibility.
Trælandsfos power plant[2]			
Hydropower run-of-river, Kvinesdal, Agder	31 GWh	100% ownership, infinite licence period.	
Mossefossen power plant[2]			
Hydropower run-of-river, Moss, Viken	13 GWh	100% ownership, partly infinite licence period.	
Power contracts			
SiraKvina replacement power			
Agder	35 GWh	Infinite	Replacement for lost production in Trælandsfos.

1 Orkla owns 85% of AS Saudefaldene.
2 Actual median annual production (2012–2021) at current capacities.

Note 35 Pledges and guarantees

Amounts in NOK million	2021	2020
Liabilities secured by pledges	62	74

Pledged assets

Amounts in NOK million	2021	2020
Machinery, vehicles etc.	1	1
Buildings and plants	196	185
Accounts receivables	2	2
Total book value	**199**	**188**

"Liabilities secured by pledges" and "Pledged assets" are mainly security for loans in partly-owned companies.

Guarantees

Amounts in NOK million	2021	2020
Subscribed, uncalled limited partnership capital	15	20
Other guarantee commitments	110	89
Total guarantee commitments	**125**	**109**

Accounting policies

Pledges and guarantees show the book value of Group assets which are accessible to pledgees in the event of a bankruptcy or a winding-up. The Group's most important loan agreements are based on a negative pledge, and the Group may therefore only to a limited extent pledge its assets to secure its liabilities.

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Note 36 Related parties

Orkla ASA is a parent company and has direct and indirect control of around 275 companies in various parts of the world. Directly-owned subsidiaries are presented in Note 9 to Orkla ASA's financial statements, while other important companies are presented in the Group Directory (last pages of the Annual Report). Orkla ASA's internal relationship with these companies is shown on separate lines in the company's financial statements (see the financial statements for Orkla ASA).

Orkla has ownership interests in associates and joint ventures, which are presented using the equity method. Orkla had no material outstanding balances with associates or joint ventures as at 31 December 2021. There were no special material transactions between associates and joint ventures and the Group in 2021.

Internal trading within the Group is carried out in accordance with special arm's length agreements, and joint expenses in Orkla ASA are distributed among the Group companies in accordance with distribution formulas, depending on the various types of expense. For further information on intra-Group transactions, see Note 7.

Chairman of the Board of Directors Stein Erik Hagen and related parties owned 250,387,581 shares in Orkla (equivalent to 25.003% of shares issued) through the Canica system as at 31 December 2021. The Orkla Group sells to companies in the Canica system. These sales are agreed on market conditions and total around NOK 24 million.

Apart from what is disclosed in this note, there were no material transactions with related parties.

Accounting policies

Two parties are deemed to be related if one party can influence the decisions of the other. Related party relationships are a normal feature of commerce and business. All transactions with related parties must be carried out on market terms and conditions.

Note 37 Contingent liabilities and other matters

Agreement with Unilever. Orkla ASA (Orkla Home & Personal Care) and Unilever have had a production and supply agreement relating to certain products in OHPC's product portfolio under brands such as Sun, OMO and Jif. The agreement has not been renewed, and terminated with effect from 1 July 2021. Orkla owns these brands in Norway and has established new means of production and supply for the products that were covered by the agreement with Unilever.

Distribution agreement with PepsiCo. Orkla has a distribution agreement with PepsiCo regarding the sale of Tropicana, Naked, Quaker, Lays & Doritos products through Orkla Foods Sverige, Orkla Foods Norge, Orkla Foods Danmark, Orkla Suomi, Orkla Confectionery & Snacks Sverige and Orkla Confectionery & Snacks Norge. The agreement was originally entered into in 2015 for the juice category and was subsequently expanded to cover snacks and cereals in 2016. An extension of the agreement was negotiated in 2020, and the new extended agreement entered into force in 2021.

Norwegian Competition Authority case. In 2019, the Norwegian Competition Authority opened an investigation of Orkla-owned Lilleborg AS based on suspicions of a possible breach of the Competition Act. On 16 June 2021, the Norwegian Competition Authority informed Orkla that they were closing the investigation proceedings against Orkla. The Competition Authority has concluded that there are no grounds to pursue this matter any further.

The Non-Annex 1 raw material price compensation agreement (RÅK). Through the EEA Agreement, Norway has regulated trade in processed agricultural products. The agreement ensures free movement of goods, but customs duties and compensation are used to even out any differences between the raw material prices paid by Norwegian manufacturers who use Norwegian raw materials and the prices paid by foreign manufacturers who use raw materials from the EU. Around 86% of Orkla's sales of food products in Norway are exposed to competition from imports, most of which are processed agricultural products (non-Annex 1 products).

Denofa do Brasil. A subsidiary of one of Orkla's foreign subsidiaries, Denofa do Brasil Ltda, is involved in several lawsuits, two of which are material. One concerns the denial of exemption from VAT on exports of soybeans to Norway in the years up to 2004. The tax authorities maintain that the company has not substantiated that all the soybean shipments actually were exported to Norway. The second lawsuit concerns a claim from the estate of a local bank, Banco Santos, that declared bankruptcy. The claim is based on Denofa do Brasil's lending of securities related to claims on soybean crops in 2004, in which Denofa do Brasil was swindled. The company has lost both cases in the lower courts. Orkla's legal advisers in Brazil consider the decisions to be erroneous. The Banco Santos case has been appealed to the Supreme Court, and a request has been submitted to have the VAT claim invalidated. The appeal to the Supreme Court has been allowed in the Banco Santos case, while the case concerning invalidation of the VAT claim is being considered by the first legal instance. Denofa do Brasil has only limited funds to pay the claims if one of the opposite parties should nonetheless win. Orkla has made a provision in the consolidated financial statements equivalent to the assets in Brazil and is not prepared to inject new capital into Denofa do Brasil to cover potential claims if the company should lose one of the cases.

Contracts. The Group has contracts at all times for the purchase of goods and services and distribution agreements, such as purchasing agreements

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for potatoes, vegetables and fish. These contracts are regarded as part of the Group's ordinary operating activities and are therefore not specified or indicated in any other way. The contracts are deemed to be strictly commercial contracts with no embedded derivatives.

Government grants. Government grants are recognised when it is reasonably certain that they will be received. The grants are presented either as income or as a cost reduction in which case they are matched with the costs for which they are meant to compensate. Government grants relating to assets are recognised as a reduction in the asset's acquisition cost. The grant reduces the asset's depreciation. Orkla received only an insignificant amount in government grants.

Dragsbæk. Under Orkla's shareholder agreement with its partner in Dragsbæk, Orkla has an obligation to purchase the remaining shares at the partner's request. Orkla acquired 50% of the company for approx. NOK 45 million in 1989 and has subsequently purchased an additional 17%. The potential purchase of the remaining shares will be priced on the basis of the original price adjusted for inflation and earnings in the past three years. The adjustment for earnings is limited to +/-25%.

Acquisition agreements. The purchase agreements related to Eastern Condiments and New York Pizza contain agreements whereby Orkla will be able, in the longer term, to acquire full ownership of both businesses. See also Note 5 for further information regarding the two acquisitions.

Note 38 Events after the balance sheet date

The war in Ukraine
Orkla's Branded Consumer Goods area has reduced its presence in Russia over time and now has limited exposure to Russia and Ukraine. In 2021, Orkla Food Ingredients sold Credin Russia LLC and wound up its third-party contract manufacturing in St. Petersburg.

Orkla has decided to cease its operations related to Hamé Foods ZAO in Russia, which manufactures long shelf life food products for the Russian market. As at 31 December 2021, the book value of the assets in the company totalled NOK 150 million. Orkla has also decided to stop its exports and imports linked to Russia and Belarus. Orkla's operating revenues in Russia and Belarus totalled approximately NOK 290 million in 2021. Total imports amounted to NOK 23 million.

Orkla has no factories in Ukraine, but has in the past made some of its purchases of tomato products and tomato paste from the region. Ukraine is one of the world's four largest exporters of important agricultural products such as wheat, barley, maize and rapeseed. Ukraine is also the world's largest producer and exporter of sunflower oil and, together with Russia, accounts for a total of 80 per cent of global sunflower oil production. A prolonged conflict could affect both the availability and prices of a number of raw materials and other input factors.

Furthermore, we see a sharp rise in energy prices from an already high level, and expect the conflict to create greater uncertainty and imbalance in the global flow of goods. All these elements are expected to affect Orkla in 2022, but the extent of their impact and the consequences are still unclear.

Orkla's associate Jotun (42.6% interest) has one factory in Russia and the headquarters of its Russian business is in St. Petersburg. Jotun has around 300 employees in Russia and its turnover accounts for 2-3% of Jotun's overall operating revenues. Jotun has decided to suspend its operations in Russia.

Acquisitions
Orkla Health has acquired 100% of the shares in Healthspan Group Limited, a leading supplier of dietary supplements in the UK market. Healthspan was established in 1996 and has since built up a strong brand and a broad range of dietary supplements and skin care products. A total of 92% of the company's sales are made directly to consumers and the company has around half a million active customers. Healthspan has a strong portfolio of over 400 different products, most of which are sold under the Healthspan brand. Healthspan has 170 employees, the business is based in Guernsey and has product distributed from centres in Great Britain, Ireland and New Zealand. The parties have agreed on a purchase price of GBP 65 million on a cash and debt free basis. In addition, the agreement includes the possibility of up to GBP 20 million of additional purchase price depending on the company's results (EBITDA) in the next two financial years. In 2021, Healthspan had a turnover of GBP 50.0 million and normalised profit of GBP 4.7 million (EBITDA). Most of the turnover comes from Great Britain. The company will be consolidated into Orkla's financial statements as of 1 March 2022. A preliminary analysis shows that the excess value over book value of assets in the company is primarily related to goodwill and trademarks and amounts to approx. GBP 50 million.

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In January 2022, Orkla Health purchased 95% of the shares in Vesterålen Marine Olje AS, which produces various raw materials from white fish for use in the manufacture of cod liver oil and other products. Vesterålen Marine Olje has long been an important supplier of raw materials for Möller's Tran. Vesterålen Marine Olje also comprises the subsidiaries Vesterålen Marine Proteiner AS and Vesterålen Marine Ingredienser AS, in addition to a 30% interest in Vesterålen Marine Seaweed AS. In 2020, Vesterålen Marine Olje and its subsidiaries had a total turnover of NOK 60 million. The company was consolidated into Orkla's financial statements as of 1 January 2022.

Other matters
No other events have taken place after the balance sheet date that would have had a material effect on the financial statements or any assessments carried out.

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Income statement

Amounts in NOK million	Note	2021	2020
Operating revenues		9	20
Operating revenues Group	1	712	775
Total operating revenues		721	795
Payroll expenses	2	(494)	(542)
Other operating expenses		(603)	(559)
Depreciation and write-downs	7, 8	(116)	(318)
Operating loss		**(492)**	**(624)**
Dividends and contributions from Group		4 531	3 229
Write-downs subsidiaries		(1)	(250)
Interest income/costs from Group	5	176	159
Other financial costs	6	86	(440)
Profit before taxes		**4 300**	**2 074**
Taxes	10	(355)	(116)
Profit after tax		**3 945**	**1 958**

Statement of comprehensive income

Amounts in NOK million	Note	2021	2020
Profit after tax		3 945	1 958
Changes in fair value shares		-	-
Change in hedging reserve after tax		79	(36)
Change in actuarial gains and losses pensions		-	(8)
Comprehensive income		**4 024**	**1 914**
Proposed dividend (not provided for)		(2 990)	(2 753)

Statement of financial position - Assets

Amounts in NOK million	Note	2021	2020
Intangible assets	8	514	110
Deferred tax asset	10	212	237
Property, plant and equipment	7	721	1 189
Shares in subsidiaries	9	37 837	34 059
Loans to Group companies, interest-bearing		13 734	10 712
Other financial assets		23	154
Non-current assets		**53 041**	**46 461**
Receivables external		174	168
Receivables Group, non-interest-bearing		273	369
Receivables Group contribution		1 775	1 400
Cash and cash equivalents		615	2 667
Current assets		**2 837**	**4 604**
Total assets		**55 878**	**51 065**

Statement of financial position - Equity and liabilities

Amounts in NOK million	Note	2021	2020
Paid-in equity		1 967	1 972
Retained earnings		32 672	31 715
Equity		**34 639**	**33 687**
Pension liabilities	2	681	656
Non-current interest-bearing liabilities		9 356	8 463
Non-current non-interest-bearing liabilities		72	175
Non-current liabilities		**10 109**	**9 294**
Liabilities to Group, interest-bearing		7 486	7 335
Liabilities to Group, non-interest-bearing		106	113
Tax payable	10	358	188
Other current liabilities		3 180	448
Current liabilities		**11 130**	**8 084**
Equity and liabilities		**55 878**	**51 065**

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Statement of cash flows

Amounts in NOK million	2021	2020
Profit/loss before tax	4 300	2 074
Depreciation and write-downs	116	318
Write-downs subsidiaries	1	250
Changes in net working capital etc.	(30)	(175)
Transfer of profit items to other activities	(556)	172
Taxes paid	(188)	(167)
Cash flow from operating activities	**3 643**	**2 472**
Net replacement investments	(52)	(186)
Sold companies	1	62
Investments in subsidiaries/partly owned companies	(3 742)	(135)
Net purchase/sale shares, dividends and financial assets	0	1
Cash flow from investing activities	**(3 793)**	**(258)**
Dividends paid	(2 739)	(2 598)
Net sale/purchase of treasury shares	(346)	57
Net paid to shareholders	**(3 085)**	**(2 541)**
Proceeds from borrowings	3 752	1 462
Repayments of borrowings	(2 002)	0
Repayments of lease liabilities	(63)	(83)
Net change in current liabilities	4 482	(1 006)
Net change in current interest-bearing receivables	(4 986)	1 663
Net cash flow from/(used in) financing activities	1 183	2 036
Cash flow from financing activities	**(1 902)**	**(506)**
Change in cash and cash equivalents	**(2 052)**	**1 709**
Cash and cash equivalents 1 January	2 667	958
Cash and cash equivalents 31 December	615	2 667
Change in cash and cash equivalents	(2 052)	1 709

Statement of changes in equity

Amounts in NOK million	Share capital	Treasury shares	Premium fund	Total paid-in equity	Retained earnings	Total Orkla ASA
Equity 1 January 2020	1 252	(1)	721	1 972	32 342	34 314
Comprehensive income Orkla ASA	-	-	-	-	1 914	1 914
Dividends paid	-	-	-	-	(2 598)	(2 598)
Net purchase of treasury shares	-	-	-	-	57	57
Equity 31 December 2020	1 252	(1)	721	1 972	31 715	33 687
Comprehensive income Orkla ASA	-	-	-	-	4 024	4 024
Dividends paid	-	-	-	-	(2 739)	(2 739)
Net sale of treasury shares	-	(5)	-	(5)	(341)	(346)
Option cost	-	-	-	-	13	13
Equity 31 December 2021	1 252	(6)	721	1 967	32 672	34 639

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Note 1 Accounting policies

The financial statements of the holding company Orkla ASA cover all activities at Orkla Headquarters and some real estate activities that are part of the business operations of Orkla Eiendom. The financial statements also cover the administration of the Orkla Foods, Orkla Confectionery & Snacks, Orkla Care, Orkla Food Ingredients and Orkla Consumer & Financial Investments business areas, and the administration of the Purchasing Academy, Sales Academy and Brands Academy in Orkla ASA.

Activities at Orkla's headquarters include the Group's executive management and the shared and centralised functions Group HR, Compensation & Benefits, Corporate Communications & Corporate Affairs, Orkla Services, Internal Audit, Legal & Compliance, EHS, Group Finance, Orkla IT, Strategy and M&A, Group Sales, Digital Sales & Amazon Lead Team, Orkla Marketing & Innovation and Orkla Group Procurement. In addition to exercising parent company functions, the departments largely carry out assignments for the Group's other companies and charge them for these services. Orkla ASA owns certain trademarks that are utilised by various Group companies. Royalty fees are invoiced for the use of these trademarks. The revenues from these activities are presented on the line for "Operating revenues Group". The Group Treasury acts as an internal bank and is responsible for the Group's external financing, management of the Group's liquid assets and overall management of the Group's currency and interest risks. Interest from the Group's internal bank and dividends and contributions to the Group from investments in subsidiaries are presented as financial items and specified in the income statement.

The financial statements for Orkla ASA have been prepared and presented in accordance with simplified IFRS pursuant to section 3-9 of the Norwegian Accounting Act. Contributions to the Group have been accounted for according to good accounting practice as an exception to IFRS. Provisions are made for these contributions in the year they arise. The explanations of the accounting policies for the Group also apply to Orkla ASA, and the notes to the consolidated financial statements in some cases cover Orkla ASA. Ownership interests in subsidiaries are presented at cost.

The Board of Directors has deemed that Orkla ASA, after the proposed dividend of NOK 3.00 per share, had adequate equity and liquidity at the end of 2021.

Note 2 Payroll and pensions

Amounts in NOK million	2021	2020
Wages	(379)	(428)
National insurance contributions	(66)	(68)
Remuneration of the Board and other pay-related costs	(13)	(14)
Pension costs	(36)	(32)
Payroll expenses	(494)	(542)
Average number of employees	226	215

Breakdown of net pension costs

The assumptions on which the calculation of pension costs has been based are disclosed in Note 12 to the consolidated financial statements.

Amounts in NOK million	2021	2020
Current service cost (incl. national insurance contribution)	(20)	(19)
Curtailment and settlement	-	-
Costs contribution plans	(16)	(13)
Pensions classified as operating costs	(36)	(32)
Pensions classified as financial items	(38)	(23)
Net pension costs	(74)	(55)

Breakdown of net pension liabilities as at 31 December

Amounts in NOK million	2021	2020
Present value of pension obligations	(681)	(656)
Pension plan assets	-	-
Capitalised net pension liabilities	(681)	(656)

The remaining net pension liabilities as at 31 December 2021 mainly consist of unfunded pension plans for former key personnel and unfunded early retirement plans, and recognised liabilities related to contribution-based plans for employees who earn more than twelve times the Norwegian National Insurance Scheme's basic amount (12G). For other employees, the company primarily has defined contribution pension plans.

The company has a pension plan that meets the requirements of the Compulsory Service Pensions Act.

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Remuneration of the executive management

Orkla's Group Executive Board has earned the following remuneration during the year:

	2021						
Amounts in NOK million	Paid salary and holiday pay	Paid bonus and other remuneration	Total paid salary and other remuneration	Accrued bonus	Allocations long-term incentive programme (LTI)	Accrued pension costs	Total accrued and allocated
Remuneration to President and CEO	8 504	3 870	12 374	2 999	2 451	1 757	7 207
Remuneration to other Group Executive Board members	27 264	16 639	43 903	9 764	7 760	5 932	23 456

	2020						
Amounts in NOK million	Paid salary and holiday pay	Paid bonus and other remuneration	Total paid salary and other remuneration	Accrued bonus	Allocations long-term incentive programme (LTI)	Accrued pension costs	Total accrued and allocated
Remuneration to President and CEO	8 056	1 822	9 878	4 112	2 640	1 719	8 471
Remuneration to other Group Executive Board members	30 026	18 191	48 217	15 015	9 648	6 574	31 237

The Group Executive Board had a total of 752,840 share options in Orkla ASA as at 31 December 2021. Of these, 180,718 options were allocated to Orkla's President and CEO. The first allocation under this programme was made in June 2021. Information on the share option programme is provided under the section "Share-based incentive programmes" in this note.

NOK 18.1 million was paid out in total remuneration to members of the Group Executive Board who stepped down in 2021. In 2020, NOK 18.2 million was paid out correspondingly.

Further information on the remuneration of senior executives and members of the Board of Directors is provided in the Report on the Salary and Other Remuneration of Senior Executives in Orkla ASA in 2021 on page 64 of this report.

Share-based incentive programmes

Share option programme

In 2020, Orkla introduced a long-term incentive programme (LTI programme) based on share options, as a replacement for the previous cash-based LTI programme. Options will be allocated under this programme once a year, and the first allocation was made in June 2021. The Report on the Salary and Other Remuneration of Senior Executives in Orkla ASA for 2021 on page 64 provides further information on allocation criteria and allocations to senior executives.

The yearly allocation will be based on the share price on the day after the Annual General Meeting. Of the total options allocated for the year, 20% may be exercised after one year (tranche 1), another 20% after two years (tranche 2) and the remaining 60% after three years (tranche 3). In the case of the Group Executive Board, however, no options may be exercised until three years after they were allocated (as for tranche 3). The last date on which they may be exercised is five years after the allocation date. The exercise price will be set at the market price at the allocation date with an increase of 3% per year in the vesting period. The exercise price will be adjusted for dividends. In the event of the employee's resignation, all options that have not been exercised will expire.

Change in options outstanding in 2021

	2021 Number
Options outstanding 1 January	0
Allocations	3 967 529
Exercise	0
Terminations	(103 000)
Options outstanding 31 December	**3 854 529**
Of which options exercisable 31 December	0

All options outstanding were allocated in 2021. The weighted average expected term to exercise for options outstanding as at 31 December 2021 was 2.9 years.

The option value is calculated using the Black-Scholes model. The table below shows the assumptions on which the calculation is based. The exercise price at the exercise date must be adjusted for dividends paid out up to the exercise date.

	2021 Tranche 1	Tranche 2	Tranche 3
Number of options	620 338	620 338	2 613 853
Expected term to exercise (year)	2	3	4
Risk-free interest rate (%)	0.51	0.75	0.93
Volatility (%)	19.11	23.12	22.57
Exercise price at allocation (NOK)	82.06	82.06	82.06
Exercise price at first possible exercise date excl. dividend adjustment (NOK)	84.52	87.06	89.67

Options' effect on financial statements

Amounts in NOK million	2021
Vesting options	13
Change provision employer's contribution	0.3
Net option costs	13
Debt (employer's contribution)	0.3

Options relating to employees outside Orkla ASA are invoiced to the relevant company.

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Cash-based LTI programme (effective up until 2020)
Payments from the LTI programme in 2021 were made in accordance with the previous cash-based programme. Awards were last made to the participants in the previous programme in May 2020, with 1/3 of the award to be paid out after 24 months, 1/3 after 36 months and 1/3 after 48 months. The amount awarded is adjusted in accordance with the Orkla share price performance from the day after the Annual General Meeting until the bonus is paid out.

Discounted shares for employees
For several years, the Group has implemented a programme whereby employees have been able to buy a limited number of shares at a discount on the market price. For 2021, employees were offered the possibility to purchase shares for three different amounts: NOK 30,000, 15,000 and 10,000 (amounts before discount). The discount was 25% in relation to the market price in 2021. The lock-up period for shares purchased is three years. The costs of the employee share purchase programme in 2021 totalled approximately NOK 17 million. Costs relating to employees outside Orkla ASA are invoiced to the relevant company. Costs for Orkla ASA employees totalled approx. NOK 2 million in 2021.

Fees to Group external auditor

Amounts in NOK million (excl. VAT)	2021	2020
Parent company		
Statutory audit	3.8	3.6
Other attest services	0.9	0.2
Tax consultancy services	0.1	0.7
Other non-audit services	0.4	0.7
Group		
Statutory audit	39.6	35.9
Other attest services	1.3	0.5
Tax consultancy services	1.5	2.4
Other non-audit services	0.5	0.7
Total fees to EY	**42.9**	**39.5**
Statutory audit fee to other auditors	2.6	2.5

Note 3 Guarantees and assets pledged

Amounts in NOK million	2021	2020
Guarantees to subsidiaries	264	244
Other guarantee liabilities	11	7

Note 4 Loans to employees

Other financial assets include loans to employees.

Amounts in NOK million	2021	2020
Loans to employees	2	3

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Note 5 Interest income and costs Group

Amounts in NOK million	2021	2020
Interest income Group	187	188
Interest costs Group	(11)	(29)
Total financial costs Group	**176**	**159**

Note 6 Other financial items

Amounts in NOK million	2021	2020
Foreign exchange gain/loss	268	(265)
Other financial income	38	19
Other financial costs	(220)	(194)
Total other financial items	**86**	**(440)**

Note 7 Property, plant and equipment

Owned property, plant and equipment

Amounts in NOK million	Land, buildings and other property	Machinery, fixture and fittings etc.	Assets under construction[1]	Total
Book value 1 January 2020	95	99	618	812
Investments	-	-	182	82
Reclassifications[1]	-	28	(267)	(239)
Depreciation	-	-	-	0
Write-downs	(2)	(15)	-	(17)
Book value 31 December 2020	**93**	**112**	**533**	**738**
Investments	-	1	46	47
Reclassifications[1]	-	25	(471)	(446)
Depreciation	(1)	(16)	-	(17)
Write-downs	-	-	-	-
Book value 31 December 2021	**92**	**122**	**108**	**322**
Initial cost 1 January 2021	119	219	533	871
Accumulated depreciation and write-downs	(26)	(107)	-	(133)
Book value 1 January 2021	**93**	**112**	**533**	**738**
Initial cost 31 December 2021	119	208	108	435
Accumulated depreciation and write-downs	(27)	(86)	-	(113)
Book value 31 December 2021	**92**	**122**	**108**	**322**

1 Net reclassifications relating to the transfer from Note 8.

Leased right-of-use assets

Amounts in NOK million	Buildings and other property	Machinery, fixtures and vehicles	Total leased right-of-use assets
Book value 1 January 2020	523	2	525
Investments	-	1	1
Depreciation	(73)	(2)	(75)
Book value 31 December 2020	**450**	**1**	**451**
Investments	5	0	5
Depreciation	(56)	(1)	(57)
Book value 31 December 2021	**399**	**0**	**399**
Initial cost 1 January 2021	591	4	595
Accumulated depreciation and write-downs	(141)	(3)	(144)
Book value 1 January 2021	**450**	**1**	**451**
Initial cost 31 December 2021	596	4	600
Accumulated depreciation and write-downs	(197)	(4)	(201)
Book value 31 December 2021	**399**	**0**	**399**

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Note 8 Intangible assets

Amounts in NOK million	Trademarks, not depreciable	IT	Total
Book value 1 January 2020	26	68	94
Reclassifications property, plant and equipment[1]	-	239	239
Investments	-	3	3
Write-downs	-	(207)	(207)
Depreciation	-	(19)	(19)
Book value 31 December 2020	**26**	**84**	**110**
Reclassifications property, plant and equipment[1]	-	446	446
Investments			
Write-down	-	(1)	(1)
Depreciation	-	(41)	(41)
Book value 31 December 2021	**26**	**488**	**514**
Initial cost 1 January 2021	26	188	214
Accumulated depreciation and write-downs		(104)	(104)
Book value 1 January 2021	**26**	**84**	**110**
Initial cost 31 December 2021	26	577	603
Accumulated depreciation and write-downs	-	(89)	(89)
Book value 31 December 2021	**26**	**488**	**514**

1. Net reclassifications are related to the transfer from Note 7 and primarily concern investment in a new common ERP system.

Note 9 Shares in subsidiaries, directly owned

Amounts in NOK million	Group's share of capital	Book value 2021	Book value 2020
Orkla Foods Norge AS	100%	9 065	9 065
Orkla Foods Sverige AB	100%	5 469	5 469
Orkla Confectionery & Snacks Finland Ab	100%	3 315	3 315
Orkla Food Ingredients AS	100%	2 466	2 466
Orkla Energi AS	100%	1 765	1 765
Orkla Health AS	100%	1 631	631
Kotipizza Group Oyj	100%	1 424	1 424
Orkla Asia Holding AS	100%	1 410	166
Hamé s.r.o.	100%	1 354	1 354
Orkla Out of Home B.V.	100%	1 324	0
Orkla Esti AS	100%	1 228	975
SIA Orkla Latvija	100%	959	959
Orkla Confectionery & Snacks Norge AS	100%	906	906
Orkla Foods Česko a Slovensko a.s.	100%	900	900
Orkla House Care AS	100%	865	865
Orkla Eiendom AS	100%	589	589
SweBiscuits AB	100%	512	512
Viking Askim AS	100%	400	400
Paint Holding AS	100%	305	305
Sarpsfoss Limited			
Ordinary shares	100%	253	253
Preference shares	99.9%	43	43
Industriinvesteringer AS	100%	0	250
SIA Orkla Foods Latvija	100%	246	246
Nói-Síríus HF[1]	100%	208	-
Orkla Home & Personal Care AS[2]	100%	200	212
Attisholz AB	100%	187	187
Orkla Foods Romania SA	100%	185	184
Orkla Foods Denmark A/S	100%	175	175
Sandakerveien 56 AS	100%	173	173
Orkla Insurance Company Ltd.	100%	65	65
UAB Orkla Foods Lietuva	100%	39	39
Trælandsfos Holding AS	100%	36	36
Orkla IT AS	100%	34	34
Lilleborg AB	100%	28	28
Øraveien Industripark AS	100%	15	15
Orkla Trading AB	100%	14	14
Lilleborg AS[3]	100%	12	0
Orkla Investeringer AS	100%	10	10
Textile Holding AS	100%	9	9
Nödinge AB	100%	7	7
Orkla Design AS	100%	5	5
Cederroth Intressenter AB	100%	3	3
Orkla Accounting Centre Estonia	100%	2	2
Orkla China CO.,LTD	100%	1	1
Teepi AS	100%	0	1
Attisholz Infra AG[4]	0.4%	0	1
Total		**37 837**	**34 059**

1 Ownership interest changed from 20% to 100%.
2 Formerly Lilleborg AS.
3 New Lilleborg AS (Lilleborg Profesjonell).
4 The remaining shares are owned by Attisholz AB.

The table shows only directly owned subsidiaries. The Group comprises a total of around 275 companies.
The most important indirectly-owned subsidiaries are shown in the Group Directory at the end of the Annual Report.

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Note 10 Taxes

Tax expense

Amounts in NOK million	2021	2020
Profit before taxes	**4 300**	**2 074**
Change in temporary differences	(111)	375
Of which change in temporary differences previous years	7	12
Correction for change in temporary differences taken to comprehensive income	123	(62)
Total change in temporary differences	**19**	**325**
Non-deductible expenses	63	67
Impairment of shares in subsidiaries	1	218
Dividends from subsidiaries	(2 756)	(1 829)
Total permanent differences	**(2 692)**	**(1 544)**
Total taxable income	**1 627**	**855**
Calculated current tax expense	(358)	(188)
Withholding tax foreign dividends	(1)	(1)
Correction in provisions for previous years' taxes	1	4
Total current tax expense	**(358)**	**(185)**
Change in deferred tax liabilities	3	69
Total tax expense	**(355)**	**(116)**

Deferred tax liabilities

Amounts in NOK million	2021	2020
Financial derivatives	75	50
Accumulated write-downs outside the tax exemption method	0	(11)
Hedging reserve in equity	(72)	(195)
Property, plant and equipment	(297)	(256)
Pension liabilities	(620)	(589)
Leases	(13)	(9)
Other current liabilities	(37)	(65)
Basis deferred tax	(964)	(1 075)
Deferred tax asset	(212)	(237)
Change in deferred tax	**(24)**	**83**
Change in deferred tax taken to comprehensive income	**27**	**(14)**
Change in deferred tax in the income statement	**3**	**69**

Reconciliation of total tax expense

Amounts in NOK million	2021	2020
22% of profit before taxes	(947)	(456)
Dividends from subsidiaries	606	402
Write-downs shares in subsidiaries	0	(48)
Non-deductible expenses	(15)	(14)
Withholding tax	(1)	(1)
Correction previous years' taxes	1	2
Total tax expense for Orkla ASA	**(355)**	**(116)**

Note 11 Financial risk

The risk associated with financial instruments in Orkla ASA is related to the following activities:

The Group's internal bank
Orkla ASA's Group Treasury manages the interest rate and currency risk for the Group. The Group Treasury acts as the Group internal bank and as a rule executes all external funding and hedging transactions in interest rate and currency derivatives. The subsidiaries mitigate their currency risk by entering into internal currency hedging contracts with the internal bank, which in turn hedges this risk through external hedging positions. In addition, the internal bank holds debt in foreign currencies in order to hedge currency risk on internal loans, book equity and goodwill. In 2021, NOK 265 million was recognised in the income statement in connection with these hedges (NOK -270 million in 2020). The internal bank does not actively take on currency risk. Intercompany loans and deposits are at floating interest rates, and no intra-Group interest rate hedging contracts are made. Further details of the management of interest rate and currency risk for Group-external items are disclosed in Note 30 to the consolidated financial statements.

Derivatives and hedge accounting
Currency forward contracts. The internal bank's internal and external currency forward contracts and cross currency swaps are recognised at fair value in the statement of financial position with changes in fair value recognised through profit and loss. Foreign currency effects related to internal and external loans are also accounted for through profit and loss.

Interest rate swaps. External funding for the Group is mainly originated through Orkla ASA. Loans issued at fixed interest rates are normally swapped to floating interest rates through interest rate swaps. These swaps are accounted for as fair value hedges with fair value changes recognised through profit and loss. As at 31 December 2021, the fair value of these interest rate swaps was NOK -4 million (NOK 96 million in 2020). During the year NOK 100 million was recognised as income in the income statement related to changes in the fair value of the hedged loans.

When Orkla hedges future interest payments, interest rate swaps, where Orkla receives floating interest rates and pays fixed interest rates, are used. These interest rate swaps are accounted for as cash flow hedges with changes in fair value recognised through comprehensive income. As at 31 December 2021, the fair value of these swaps amounted to NOK -72 million (NOK -195 million in 2020).

Equity hedging reserve. Change in the equity hedging reserve:

Amounts in NOK million	2021	2020
Opening balance hedging reserve before tax	(177)	(129)
Reclassified to profit/loss – net financial items	56	70
Fair value change during the year	50	(118)
Closing balance hedging reserve before tax	**(70)**	**(177)**
Deferred tax hedging reserve	16	43
Closing balance hedging reserve after tax	**(54)**	**(134)**

The hedging reserve is expected to be reclassified to the income statement as follows (before tax):
2022: NOK -23 million
After 2022: NOK -47 million

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Note 12 Other matters

PAYE tax guarantee and guarantee for pension liabilities
Orkla ASA has a bank guarantee to cover Pay-As-You-Earn (PAYE) tax payable by employees and pension liabilities for employees who earn more than 12G on behalf of its Norwegian subsidiaries. The company has NOK 60 million in restricted assets such as margin deposits under derivative contracts.

Material leases
Orkla ASA leases Drammensveien 149 in Oslo from its subsidiary Drammensveien 149 AS. The premises are also subleased to the companies Orkla Foods Norge, Orkla Health, Orkla Home & Personal Care, Lilleborg, Orkla Confectionery & Snacks Norge, Pierre Robert Group, Hydro Power, Orkla IT, Orkla House Care and Orkla Eiendom. Annual leasing costs total NOK 89 million.

Matters disclosed in the Notes to the Consolidated Financial Statements
Share-based payment – Note 11
Events after the balance sheet date – Note 38

Shareholders in Orkla ASA
A list of the largest shareholders in Orkla ASA is presented in Note 32.

Declaration from the Board of Directors of Orkla ASA

We confirm that the financial statements for the period 1 January up to and including 31 December 2021 have, to the best of our knowledge, been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the Group as a whole, and that the Board of Directors' report includes a fair review of the development and performance of the business and the position of the company and the Group as a whole, together with a description of the principal risks and uncertainties that they face.

Oslo, 15 March 2022
The Board of Directors of Orkla ASA

Stein Erik Hagen Chairman of the Board	Ingrid Jonasson Blank	Nils K. Selte	Liselott Kilaas
Peter Agnefjäll	Anna Mossberg	Anders Kristiansen	Terje Utstrand
Sverre Josvanger	Karin Hansson	Roger Vangen	Jaan Ivar Semlitsch President and CEO

(This translation from Norwegian of the Declaration from the Board of Directors has been made for information purposes only.)

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Independent Auditor's Report

To the Annual Shareholders' Meeting of Orkla ASA

Opinion

We have audited the financial statements of Orkla ASA (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the balance sheet as at 31 December 2021, the income statement, statement of comprehensive income, statements of cash flows and changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the balance sheet as at 31 December 2021, income statement, statements of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with simplified application of International accounting standards according to section 3-9 of the Norwegian Accounting Act,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.
- Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company since 1986 and were reelected by the general meeting of the shareholders in 2003.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Revenue recognition – accrued discount liabilities

Basis for the key audit matter

Revenue from contract with customers is recognised when the significant risk and rewards of ownership of the goods have been transferred to the buyer. Further, revenue is measured at fair value of the expected consideration to be received from sales. Discounts and other benefits earned by customers represents a variable consideration and is included in the fair value. Due to the multitude and variety of agreements and contractual terms, the determination of discounts recognized on sales made during the year is considered complex and requires management judgement. Revenue recognition including discounts and other benefits earned is therefore a key audit matter.

Our audit response

Our audit procedures included identifying, understanding, evaluating and testing management procedures and controls for determining the reduction in revenues by discounts as well as compliance of policies with applicable accounting standards. Further, we identified and assessed the effectiveness of the Group's internal controls. Our audit included analytical procedures and detailed testing that discounts are recognised in the correct period. We tested the accuracy and completeness of the accrued discount liability and the underlying calculation. These procedures included testing of the basis for calculating discounts and other benefits against actual sales and agreed terms. Also, we have tested the accuracy of historical accrued discount liabilities and evaluated the disclosures provided by management in the consolidated financial statements to applicable accounting standards.

We refer to the Group's disclosures in notes 4 and 9 in respect of revenue recognition and related contract liabilities of discounts and other benefits.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by applicable legal requirements is not included, we are required to report that fact.

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We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements
Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act and of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the

related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of our audit of the financial statements of Orkla ASA we have performed an assurance engagement to obtain reasonable assurance whether the financial statements included in the annual report, with the file name Orklaasa-2021-12-31-no.zip, has been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation given with legal basis in Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements included in the annual report have been prepared, in all material respects, in compliance with the ESEF Regulation.

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Management's responsibilities
Management is responsible for the preparation of an annual report and iXBRL tagging of the consolidated financial statements that complies with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary to enable the preparation of an annual report and IXBRL tagging of the consolidated financial statements that is compliant with the ESEF Regulation.

Auditor's responsibilities
Our responsibility is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation based on the evidence we have obtained. We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance that the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its annual report in XHTML format. We evaluated the completeness and accuracy of the iXBRL tagging and assessed management's use of judgement. Our work comprised reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 16 March 2022
Ernst & Young AS

Petter Larsen
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been made for information purposes only.)

Historical key figures

Historical key figures are presented for each of the last four years (2017–2020) as they were presented in the respective annual reports. Subsequent accounting restatements (due, for instance, to changes in accounting policies, recognition as "Discontinued operations", etc.) are thus not reflected in the set of figures presented. This is because Orkla wishes to show the Group as it was reported in the years in question, so as to illustrate the actual level of activity in the years concerned.

	Definition		2021	2020	2019	2018	2017
Income statement							
Operating revenues		(NOK million)	50 441	47 137	43 615	40 837	39 561
EBIT (adj.)*		(NOK million)	6 145	5 492	5 088	4 777	4 635
Other income and expenses		(NOK million)	(415)	(930)	(561)	(482)	(201)
Operating profit		(NOK million)	5 730	4 562	4 527	4 295	4 434
EBIT (adj.) margin*	1	(%)	11.0	11.7	11.7	11.7	11.7
Profit/loss from associates and joint ventures		(NOK million)	855	1 000	659	264	313
Ordinary profit/loss before taxes		(NOK million)	6 366	5 348	4 931	4 358	4 571
Gains/profit/loss discontinued operations		(NOK million)	-	-	-	-	5 066
Profit/loss for the year		(NOK million)	4 898	4 422	3 898	3 354	8 657
Cash flow							
Net cash flow		(NOK million)	(6 971)	756	(2 064)	(3 044)	8 471
Capital as at 31 December							
Book value of total assets		(NOK million)	70 564	63 007	57 413	52 509	53 408
Market capitalisation	2	(NOK million)	88 058	87 081	88 967	68 007	88 683
Equity ratio	3	(%)	55.8	59.8	60.8	64.9	65.2
Net interest-bearing liabilities	4	(NOK million)	12 758	6 380	6 551	3 037	14
Net gearing	5		0.32	0.17	0.19	0.09	0.00

* EBIT (adj.) = Operating result before other income and expenses

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	Definition		2021	2020	2019	2018	2017
Interest coverage ratio	6		47.1	44.8	38.1	33.5	23.1
Average annual borrowing rate		(%)	1.5	1.8	2.5	3.4	2.2
Share of floating interest-bearing liabilities	7	(%)	96	57	49	39	38
Average time to maturity liabilities	8	(year)	3.5	3.2	3.7	4.0	4.3
Shares							
Average number of shares outstanding, diluted		(x 1 000)	997 105	1 000 461	999 929	1 008 810	1 017 472
Average number of shares outstanding		(x 1 000)	997 105	1 000 461	999 929	1 008 810	1 017 472
Share-related key figures							
Share price at 31 December		(NOK)	88.36	87.00	88.96	68.04	87.05
Earnings per share, diluted	9	(NOK)	4.82	4.37	3.84	3.24	8.43
Ordinary dividend per share (proposed for 2021)		(NOK)	3.00	2.75	2.60	2.60	2.60
Payout ratio	10	(%)	62.2	62.9	67.7	80.2	30.8
Price/earnings ratio	11		18.3	19.9	23.2	21.0	10.3
Personnel							
Number of employees			21 423	18 110	18 348	18 510	18 178
Number of man-years			20 839	17 388	17 692	17 633	17 569

1 EBIT (adj.)/Operating revenues
2 Market capitalisation is calculated on the basis of number of shares outstanding x Share price at year end
3 Book equity/Total assets
4 Total interest-bearing liabilities - Interest-bearing receivables and liquid assets (cash, bank deposits etc.)
5 Net interest-bearing liabilities/Equity
6 (Profit before tax + Net interest expenses)/(Net interest expenses)
7 Liabilities with remaining period of fixed interest of less than one year
8 Average time to maturity for interest-bearing liabilities and unutilised committed credit facilities
9 Profit for the year after non-controlling interests/Average number of shares outstanding, diluted, at year-end
10 Ordinary dividend per share/Earnings per share, diluted
11 Share price/Earnings per share, diluted

Alternative performance measures (APM)

Organic growth

Organic growth shows like-for-like turnover growth for the Group's business portfolio and is defined as the Group's reported change in operating revenues adjusted for effects of the purchase and sale of companies and currency effects. In calculating organic growth, acquired companies will be excluded 12 months after the transaction date. Sold companies will be excluded pro forma 12 months prior to the transaction date. Currency effects are neutralised by translating this year's turnover at last year's exchange rates.

Organic growth is included in segment information and used to identify and analyse the turnover growth in the existing business portfolio. Organic growth provides an important picture of the Group's ability to carry out innovation, product development, correct pricing and brand-building.

Reconciliation of organic growth is shown in a separate table on the next page.

EBIT (adj.)

EBIT (adj.) shows the Group's current operating profit before items that require special explanation, and is defined as reported "Operating profit before other income and expenses". Items included in "Other income" and "Other expenses" (OIE) are disclosed in Note 14. These include M&A costs, restructuring or integration expenses, any major gains and write-downs on both tangible and intangible assets, and other items that only to a limited degree are reliable measures of the Group's current profitability. EBIT (adj.) margin and growth are derived figures calculated in relation to operating revenues.

EBIT (adj.) is one of the Group's key financial figures, internally and externally. The figure is used to identify and analyse the Group's profitability from normal operations and operating activities. Adjustment for items in OIE which to a limited degree are reliable measures of the Group's current operating profit or loss increases the comparability of profitability over time.

EBIT (adj.) is presented on a separate line in the Group's income statement and in segment reporting; see Note 7.

Change in underlying EBIT (adj.)

Change in underlying EBIT (adj.) shows like-for-like EBIT (adj.) growth for the Group's business portfolio and is defined as the Group's reported change in EBIT (adj.) adjusted for effects of the purchase and sale of companies and currency effects. In calculating the change in underlying EBIT (adj.), acquired companies will be included pro forma 12 months before the transaction date. Sold companies will be excluded pro forma 12 months prior to the transaction date. Currency effects are neutralised by calculating this year's EBIT (adj.) at last year's currency exchange rates. Underlying EBIT (adj.) margin and change therein are derived figures calculated in relation to operating revenues.

Underlying EBIT (adj.) growth is used for internal management purposes, including for identifying and analysing underlying profitability growth in the existing business portfolio, and provides a picture of the Group's ability to develop growth and improve profitability in the existing business. The measure is important because it shows the change in profitability on a comparable structure over time.

The reconciliation of change in underlying EBIT (adj.) for Branded Consumer Goods incl. HQ is shown on the next page.

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Earnings per share (adj.)
Earnings per share (adj.) show earnings per share adjusted for "Other income" and "Other expenses" (OIE) after estimated tax. Items included in OIE are specified in Note 14. The effective tax rate for OIE is lower than the Group's tax rate in both 2021 and 2020 chiefly due to non-deductible transaction costs. Write-downs were also taken in 2020 with no tax effect.

If other items of a special nature occur under the company's operating profit or loss, adjustments will also be made for these items. No such adjustments had been made as at 31 December 2021. As at 31 December 2020, adjustments were made for a gain on the sales of the associates Andersen & Mørck AS and Alkärrsplans Utvecklings AB. An adjustment was also made in 2020 for the reversal of a net deferred tax liability of NOK 75 million related to activities outside Norway.

In the second quarter of 2021, Orkla allocated share options to senior executives (see Note 11). This could have a dilutive effect for other shareholders and diluted figures are therefore presented for earnings per share and earnings per share (adj.). The calculation of earnings per share is disclosed in Note 17.

Net replacement investments and expansion investments
When making decisions regarding investments, the Group distinguishes between replacement investments and expansion investments. Expansion investments are the part of overall reported investments considered to be investments in either new geographical markets or new categories, or which represent significant increases in capacity.

Net replacement investments include new leases and are reduced by the value of sold fixed assets to sales value.

The purpose of this distinction is to show how large a part of the investments (replacement investments) mainly concern maintenance of existing operations and how large a part of the investments (expansion) are investments which must be expected to generate increased contributions to profit in future, exceeding expectations of normal operations.

Net replacement investments and expansion investments are presented in the statement of cash flows (Orkla format); see the Report of the Board of Directors and Note 7.

Net interest-bearing liabilities
Net interest-bearing liabilities are the sum of the Group's interest-bearing liabilities and interest-bearing receivables. Interest-bearing liabilities include bonded loans, bank loans, other loans, lease liabilities and interest-bearing derivatives. Interest-bearing receivables include liquid assets, interest-bearing derivatives and other interest-bearing receivables.

Net interest-bearing liabilities are the Group's primary management parameter for financing and capital allocation, which is used actively in the Group's financial risk management strategy. The statement of cash flows (Orkla format) therefore shows the change in net interest-bearing liabilities at Group level; see the Report of the Board of Directors and Note 7.

Net interest-bearing liabilities are reconciled in Note 28 and Note 29.

Structure (acquired and sold companies)
Structural growth includes adjustments for the acquisition of the businesses Eastern, NutraQ, New York Pizza, Sigurd Ecklund, Hans Kaspar, Nói Síríus, Cake Décor Limited, For All Baking Limited, Ambasador92, Proteinfabrikken, Seagood Fort Deli, Norgesplaster, Win Equipment, Gortrush and Havrefras. Adjustments have been made for the sale of Credin Russia, SarltaS, Vestlands-lefsa, Italiensk Bakeri, Gorm's and the Skin Care business in Poland, as well as the closure of Pierre Robert Sverige. Adjustments have also been made for the loss of the distribution agreements with Panzani and OTA Solgryn. A structural adjustment was made at business area level for the internal relocation of Frödinge. In addition, adjustments were made in 2020 for the acquisition of Lecora, Easyfood, Confection by Design, Risberg, Kanakis, Credin Sverige, Vamo, Kotipizza, Helga, Anza Verimex and the sale of Glyngøre.

Organic growth per business area

	1.1.–31.12.2021			
Sales revenues change %	Organic growth	FX	Structure	Total
Orkla Foods	1.8	-3.4	4.2	2.5
Orkla Confectionery & Snacks	3.4	-3.3	2.2	2.3
Orkla Care	2.3	-2.7	7.4	7.0
Orkla Food Ingredients	10.4	-5.2	7.1	12.3
Orkla Consumer Investments	4.8	-3.5	8.1	9.3
Branded Consumer Goods	**4.3**	**-3.7**	**5.2**	**5.8**

	1.1.–31.12.2020			
Sales revenues change %	Organic growth	FX	Structure	Total
Orkla Foods	3.7	5.8	-0.4	9.1
Orkla Confectionery & Snacks	2.0	6.4	-	8.5
Orkla Care	9.2	6.2	1.9	17.3
Orkla Food Ingredients	-5.9	6.8	3.1	3.9
Orkla Consumer Investments	2.1	5.9	5.7	13.6
Branded Consumer Goods	**1.6**	**6.2**	**1.3**	**9.1**

Underlying EBIT (adj.) changes with corresponding figures for Branded Consumer Goods incl. HQ

EBIT (adj.) change %	Underlying growth	FX	Structure	Total
1.1. - 31.12.2021	-3.4	-3.4	6.8	-0.1
1.1. - 31.12.2020	5.4	6.4	1.8	13.7

EBIT (adj.) margin growth change percentage points	Underlying growth	Structure/FX	Total	EBIT (adj.) margin (%)
1.1. - 31.12.2021	-0.9	0.3	-0.7	11.0
1.1. - 31.12.2020	0.4	0.0	0.5	11.7

Figures may not add up due to rounding-off.

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5. Other information

Share information

Our high operational efficiency ensures our shareholders long-term value growth that exceeds what they would have received through relevant, competitive investment options. Shareholders see this return in the form of the long-term price performance of the Orkla share combined with the dividend that is paid out.

Higher market capitalisation and trading volume for the Orkla share
The Orkla share is listed on the Oslo Stock Exchange under the ticker code ORK. All shares have equal rights and are freely transferable. In terms of market capitalisation, Orkla was the 11th largest company on the Oslo Stock Exchange as at 31 December 2021. Its market capitalisation was NOK 88.5 billion, an increase of NOK 1.4 billion from the end of 2020. In 2021, a total of NOK 2.8 billion was paid out in ordinary dividends. The average daily volume of Orkla shares traded on the Oslo Stock Exchange in 2021 was 1.6 million, equivalent to 0.2 per cent of the total number of Orkla shares issued that year. The Orkla share can also be traded through Orkla's Level-1 ADR programme in the USA. Read more about our ADR programme on our website under "Investor Relations".

Good return for shareholders over time
Our shareholders have enjoyed a good return on their shares over time. The table below shows the average annual return (including reinvested dividends) on the Orkla share compared with the Oslo Stock Exchange Benchmark Index (OSEBX).

Dividends to be increased
A combination of dividends and an increase in the share price will ensure that our shareholders receive a competitive return on their investment over time. We have maintained a steady, stable increase in the dividends paid out, and our goal going forward is to further increase our dividends, normally within 50–70 per cent of earnings per share.

The Board of Directors proposes that the company distribute a dividend of NOK 3 per share for the 2021 financial year. The dividend will be paid out on 3 May 2022 to shareholders of record on the date of the Annual General Meeting.

Return on investment, including reinvested dividends, as at 31 December 2021

Date	Orkla	OSEBX
Last year	5.0%	23.4%
Last 3 years	12.7%	14.5%
Last 5 years	7.2%	11.9%
Last 10 years	12.1%	12.0%

Source: FactSet

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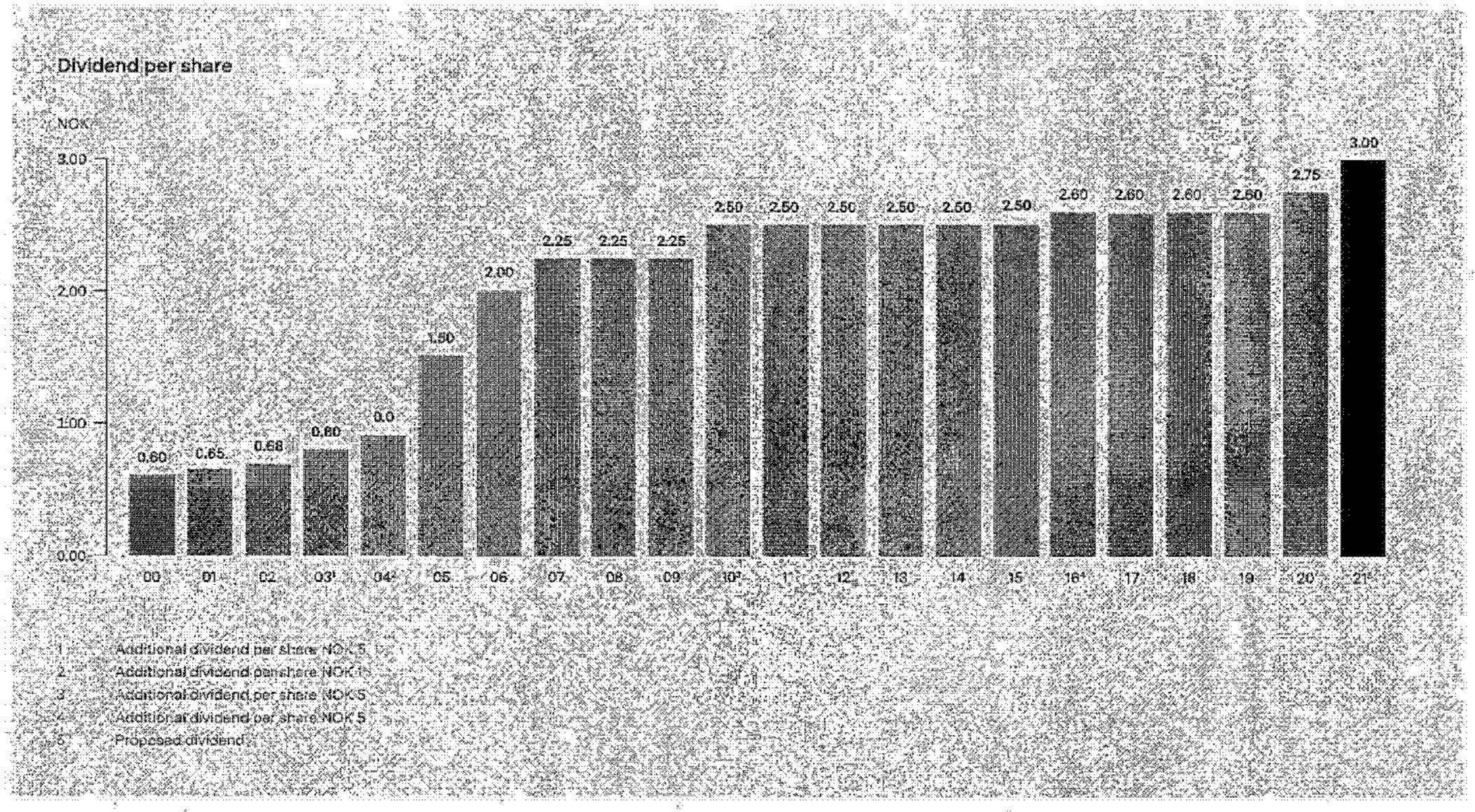
Dividend per share
NOK
3.00
2.00
1.00
0.00
0.60
0.65
0.68
0.80
0.0
1.80
2.00
2.25
2.25
2.25
2.50
2.50
2.50
2.50
2.50
2.50
2.60
2.60
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16⁴
17
18
19
20⁵
21⁵
1 Additional dividend per share NOK 5
2 Additional dividend per share NOK 5
3 Additional dividend per share NOK 5
4 Additional dividend per share NOK 5
5 Proposed dividend

We buy back our own shares

We supplement the dividend by buying back a moderate number of our own shares. At the Annual General Meeting in 2021, the Board of Directors was granted authorisation to buy back up to 100 000 000 Orkla shares. The authorisation was granted for a limited period of time and must be exercised at the latest by the 2022 Annual General Meeting. Shares acquired by the Board under the authorisation must be cancelled or used in connection with employee incentive programmes, including the Group's employee share purchase programme. The authorisation was used in 2021, when the Board of Directors bought back five million shares. As at 31 December 2021, we owned 4 852 874 treasury shares.

The Board of Directors will propose to the General Meeting that the authorisation to buy back Orkla shares be renewed in 2022.

Voting rights

Orkla has one class of share, and each share carries one vote. The value of the share is NOK 1.25. Shareholders are entitled to vote the number of shares they own. The shares must be registered in the Norwegian Central Securities Depository (VPS) as of the date the Annual General Meeting is held.

Shareholders who have acquired shares shortly before the Annual General Meeting may therefore only exercise their voting rights for these shares if the acquisition has been registered in the VPS, or if proof is presented that the acquisition has been reported to the VPS. Read more about Orkla's voting rights and the Annual General Meeting on our website, under "Investor Relations".

Shareholders by geographical region[1]

Country	Shares
Norway	53%
USA	16%
UK	8%
Other	22%

1. As at 31 December 2021
Source: VPS

Financial calendar 2022

Date	Event
20 April	Annual General Meeting
21 April	Share traded ex-dividend[1]
3 May	Dividend payment[1]
5 May	1st quarter report
14 July	2nd quarter report
27 October	3rd quarter report

1 Subject to the approval of the proposed dividend at the Annual General Meeting

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The 20 largest shareholders as at 31 December 2021

Shareholders	Number of shares	% of capital[2]
Canica AS[1]	250 386 000	25.1%
Folketrygdfondet	77 267 329	7.8%
First Eagle Investment Management, L.L.C.	40 070 867	4.0%
The Vanguard Group, Inc.	25 951 056	2.6%
BlackRock Institutional Trust Company, N.A.	25 233 671	2.5%
DNB Asset Management AS	24 352 494	2.4%
Nordea Funds Oy	17 603 628	1.8%
Handelsbanken Asset Management	17 007 528	1.7%
KLP Forsikring	15 515 854	1.6%
Storebrand Kapitalforvaltning AS	13 816 589	1.4%
American Century Investment Management, Inc.	13 481 766	1.4%
BlackRock Advisors (UK) Limited	10 213 793	1.0%
Legal & General Investment Management Ltd.	9 351 066	0.9%
State Street Global Advisors (UK)	9 331 817	0.9%
Danske Invest Asset Management AS	8 605 183	0.9%
Alfred Berg Kapitalforvaltning AS	8 535 455	0.9%
Robeco Institutional Asset Management B.V.	8 076 752	0.8%
Arctic Fund Management AS	7 463 543	0.8%
M & G Investment Management Ltd.	7 330 748	0.7%
ODIN Forvaltning AS	6 621 102	0.7%
Total 20 largest shareholders	**596 516 241**	**59.9%**
Number of shares issued	**1 001 430 970**	
Number of shares outstanding	**996 578 096**	

Source: The list of shareholders is supplied by Nasdaq

1 Canica: Canica AS, Tviet 5 AS and shares privately held by Mr Stein Erik Hagen.

2 Percentage of shares outstanding

Key figures for the Orkla share

	2021	2020	2019	2018	2017	2016	2015
Share price, high (NOK)	91.60	97.14	91.98	87.3	87.3	83.55	72.25
Share price, low (NOK)	76.00	75.00	64.16	64.6	73.4	64.65	48.73
Share price, closing 31.12	88.36	87.00	88.96	68.04	87.05	78.2	70.1
Diluted earnings per share (NOK)	4.82	4.37	3.84	3.24	8.43	4.22	3.24
Dividend paid per share (NOK)	3.00[1]	2.75	2.6	2.6	2.6	2.6	2.5
Percentage of foreign shareholders	47%	51%	54%	51%	53%	52%	55%
Number of shares issued as of 31.12.	1 001 430 970	1 001 430 970	1 001 430 970	1 018 930 970	1 018 930 970	1 018 930 970	1 018 930 970
Number of shares outstanding as of 31.12.	996 578 096	1 000 929 170	1 000 305 788	999 520 711	1 018 754 037	1 017 717 835	1 017 990 670

1 Proposed dividend

Analyst overview

Brokerage house	Contact	Tel.	E-mail
ABG Sundal Collier	Petter Nystrøm	+47 22 01 61 35	petter.nystrom@abgsc.no
Arctic Securities	Carl Frederick Bjerke	+47 21 01 31 21	cfb@arctic.com
Carnegie	Eirik Rafdal	+47 22 00 93 78	eirik.rafdal@carnegie.no
DNB Markets	Ole Martin Westgaard	+47 24 16 92 98	ole.martin.westgaard@dnb.no
Goldman Sachs	John Ennis	+44 207 552 9608	john.ennis@gs.com
Handelsbanken Capital Markets	Nicklas Skogman	+46 870 13 128	nicklas.skogman@handelsbanken.se
Kepler Cheuvreux	Markus Borge Heiberg	+47 23 13 90 84	m.heiberg@keplercheuvreux.com
Nordea Markets	Kristoffer B. Pedersen	+47 24 01 50 14	Kristoffer.B.Pedersen@nordea.com
Pareto Securities	Joachim Husé	+47 24 13 21 07	Joachim.huse@paretosec.com
Sanford C. Bernstein	Bruno Monteyne	+44 20 7170 5086	bruno.monteyne@bernstein.com
SEB Enskilda	Markus Bjerke	+47 21 00 85 17	markus.bjerke@seb.no
Sparebank 1 Markets	Øyvind Mossige	+47 24 13 37 02	oyvind.mossige@sb1markets.no
UBS	Charles Eden	+44 207 568 9622	charles.eden@ubs.com

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Additional information for value purposes

One possible model for valuing Orkla is based on distinguishing between the branded consumer goods business, where the value lies in future earnings from continuing operations, and the Group's negotiable assets, which have identifiable market values and where earnings are not a part of Orkla's operating profit from the branded consumer goods business.

Industrial & Financial Investments

Industrial & Financial Investments consist mainly of the associate Jotun (in which Orkla has a 42.6 per cent equity interest), and the consolidated businesses Hydro Power and Orkla Eiendom (real estate).

Jotun

Orkla owns 42.6 per cent of Jotun, which we report as an associate. Jotun is a well-established global manufacturer of paint and powder coatings, and holds strong positions in Scandinavia, Asia and the Middle East. The company is steadily expanding and has had good organic growth in recent years. Jotun reported operating revenues of NOK 22.8 billion i 2021 and operating profit of NOK 3.1 billion. Net interest-bearing liabilities as of 31 December 2021 totalled NOK 1.8 billion.

Hydro Power

Our power operations have been fully consolidated into Orkla's income statement and we report them as Hydro Power. The power operations consist primarily of two assets: a reservoir power plant in Sauda (85 per cent interest) and a run-of-the-river plant in Sarpefossen.

The Sauda hydropower operations are regulated by a civil law lease agreement with Statkraft. The lease runs until 31 December 2030, after which the power plants will be returned to Statkraft in return for financial compensation equivalent to the estimated residual value, written down for tax purposes, of the newly built plants (around NOK 1.1 billion).

The Saudefaldene plant's average annual production (2012-2021) is 1 873 GWh. Saudefaldene leases approximately 1 TWh per year from Statkraft and has corresponding delivery commitments. The net effect of this is zero, provided that production exceeds the delivery commitments. The rest of the power is sold on the spot market.

Payroll expenses and other operating costs related to the Sauda operations amounted to NOK 95 million in 2021. Major maintenance investments are generally recognised in the financial statements under operating expenses. Saudefaldene receives an annual amount from Statkraft in compensation for major maintenance investments. The net charge in 2021 and 2020 was NOK 0 million.

Depreciation in 2021 totalled NOK 46 million. The Sarpefossen power operations are based on power rights that are not subject to reversion, and average annual production (2012-2021) totals 597 GWh. The power is sold on the spot market. Payroll expenses and other operating costs related to these activities totalled NOK 47 million in 2021. Depreciation amounted to NOK 10 million in 2021.

Orkla Eiendom

Orkla Eiendom (real estate) meets the Group's needs for specialised expertise and assistance in the real estate sector, and is responsible for the administration, development and sale of properties that are not utilised in Orkla's branded consumer goods operations. Orkla also has a historical portfolio of real estate-related investments, which are being sold in accordance with the current strategy.

After completion of our new headquarters, Orkla Eiendom received two rental properties with a total area of around 40 000 m2 in an attractive location at Skøyen, Oslo. Approximately 13 000 m2 of this space is leased to external lessees. The other most important project is a housing development project at Torshov, Oslo.

As at 31 December 2021, the book value of Orkla's real estate investments was NOK 1.9 billion. About NOK 1.7 billion of that amount was related to the three largest properties. In addition to ensuring efficient operations, we will in future focus on realising the potential value in the development projects, securing assets and freeing up capital by selling properties and projects that are not to be further developed. Current development projects entail a need for investments during the construction period, while gains are primarily expected to be realised in the period 2022–2025.

Read more at www.orklaeiendom.no/english/

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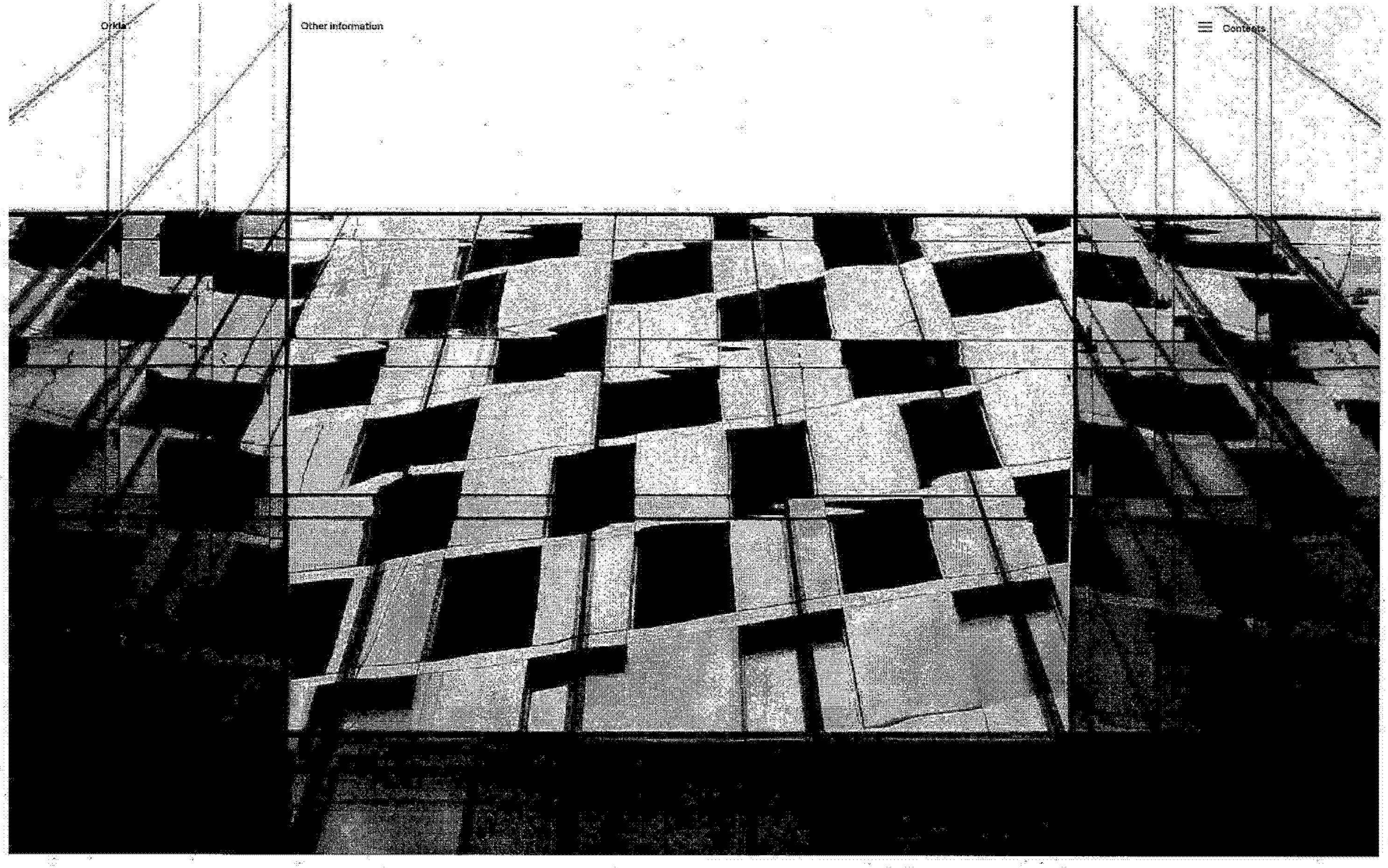

Stein Erik Hagen

Board of Directors

- Stein Erik Hagen
- Ingrid Jonasson Blank
- Nils K. Selte
- Liselott Kilaas
- Peter Agnefjäll
- Anna Mossberg
- Anders Kristiansen
- Terje Utstrand
- Sverre Josvanger
- Karin Hansson
- Roger Vangen
- Caroline Marie Hagen Kloe

Chairman of the Board (b. 1956)
Degree from the Retail Institute (now the Norwegian School of Retail)

Mr Hagen was first elected to the Board in 2004, has been Chairman of the Board since 2006, and is up for election in 2022. Mr Hagen established the first business of his own in 1976 and he and his children jointly own the family company, Canica AS, and other companies. He is active in a number of the family companies and sits on the Board of the family's charitable foundations. Mr Hagen is member of the Board of the Byrd Hoffman Watermill Foundation in New York and the Board of the Prostate Cancer Foundation, USA and member of the Spine Leadership Council at the Hospital for Special Surgery, New York. Mr Hagen is Chairman of the Nomination Committee of Anora Group Plc and member of the Board of The World Economic Forum Family Business Community.

Mr Hagen and related parties own 250 387 691 shares in Orkla ASA.[1,2]
Mr Hagen attended all Board meetings in 2021.

1 Not independent.
2 Shares owned as at 31 December 2021.

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Ingrid Jonasson Blank

Board of Directors

Stein Erik Hagen
- **Ingrid Jonasson Blank**

Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
Sverre Jobvanger
Karin Hansson
Roger Vangen
Caroline Marie Hagen Kjos

Member of the Board (b. 1962)
B.Sc. in Business Administration and Economics from the University of Gothenburg

Ms Jonasson Blank was first elected to the Board in 2014, and is up for election in 2022. She held various positions at ICA from 1986 to 2010, most recently as EVP Functional Market Responsibility, ICA Sverige. She is currently member of the Board of Haypp Group AB, Forenom Group Oy, Bilia AB, Musti Group Oy, Nordic Morning Group Oy, Astrid Lindgren AB, Kjell & Co AB and ZetaDisplay AB.

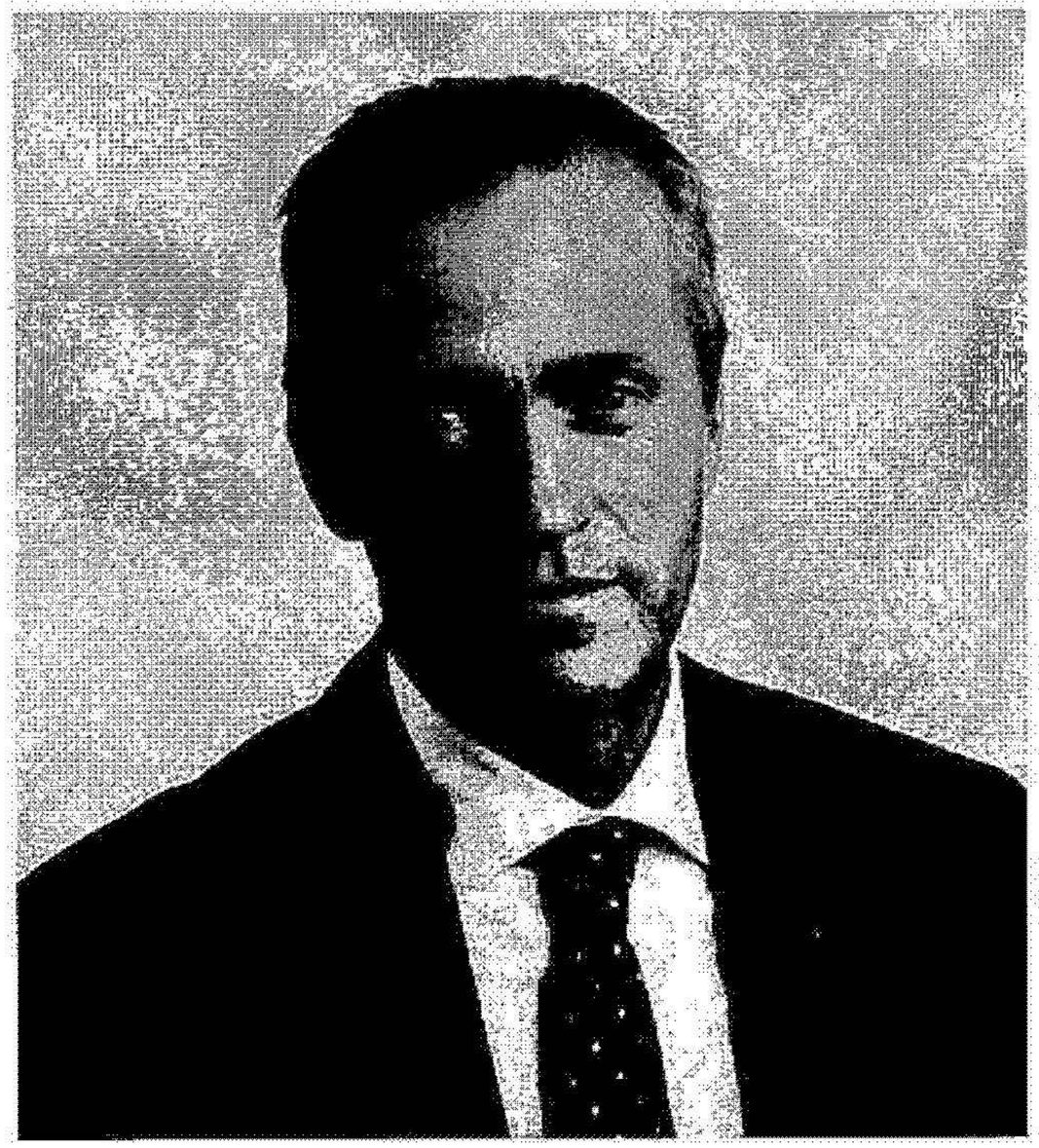
Ms Jonasson Blank and related parties own 9 000 shares in Orkla ASA.[2]
Ms Jonasson Blank attended all Board meetings in 2021.

1 Independent Board member.
2 Shares owned as at 31 December 2021.

Nils K. Selte

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
• Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
Sverre Josvanger
Karin Hansson
Roger Vancen
Caroline Marie Hagen Kjos



Member of the Board (b. 1965)
M. Sc. in Business, BI Norwegian Business School

Mr. Selte was first elected to the Board in April 2014 and is up for election in 2022. Since 2014 he has been CEO of Canica AS where he has been employed since 2001 as CEO and Finance Director. Mr Selte was previously Group Treasurer at ICA Ahold AB in 1999–2001, before which he held the post of Finance Manager at Hakon Gruppen AS. In 1994–1996 he was Finance Manager at Livi Norge AS and in 1991–1994 consultant at the Office of the Auditor General of Norway. Nils K. Selte is Chair of the Board of Komplett ASA, member of the Board of Jernia AS and member of the Board of Anora Group Plc. He also serves on the Board of several Canica companies.

Mr. Selte and related parties own 107 000 shares in Orkla ASA.[2]
Mr Selte attended all Board meetings in 2021.

1 Not independent.
2 Shares owned as at 31 December 2021.

20220701369 19

Liselott Kilaas

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
- **Liselott Kilaas**
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
Sverre Josvanger
Karin Hansson
Roger Vangen
Caroline Marie Hagen Kjos

Member of the Board (b. 1959)
M.Sc. in Mathematical Statistics, University of Oslo, and
Master of Business Administration, IMD, Lausanne

Ms Kilaas was first elected to the Board in April 2017 and is up for election in 2022. She was CEO of Aleris Group from 2013 to 2017. Prior to that, she was Managing Director of Aleris Norge and subsequently Managing Director of Aleris Norge og Danmark. Ms Kilaas is member of the Board of Directors and the Audit Committee of Folketrygdfondet, Norsk Hydro, Nobina AB and Peab AB. She is also Chair of the Board of Avonova, member of the Board and Chair of the Quality and Sustainability Committee of Ambea AB, Chair of the Board of Implantica, member of the Board of Recover Nordic and MRH – Blikk diagnostikk.

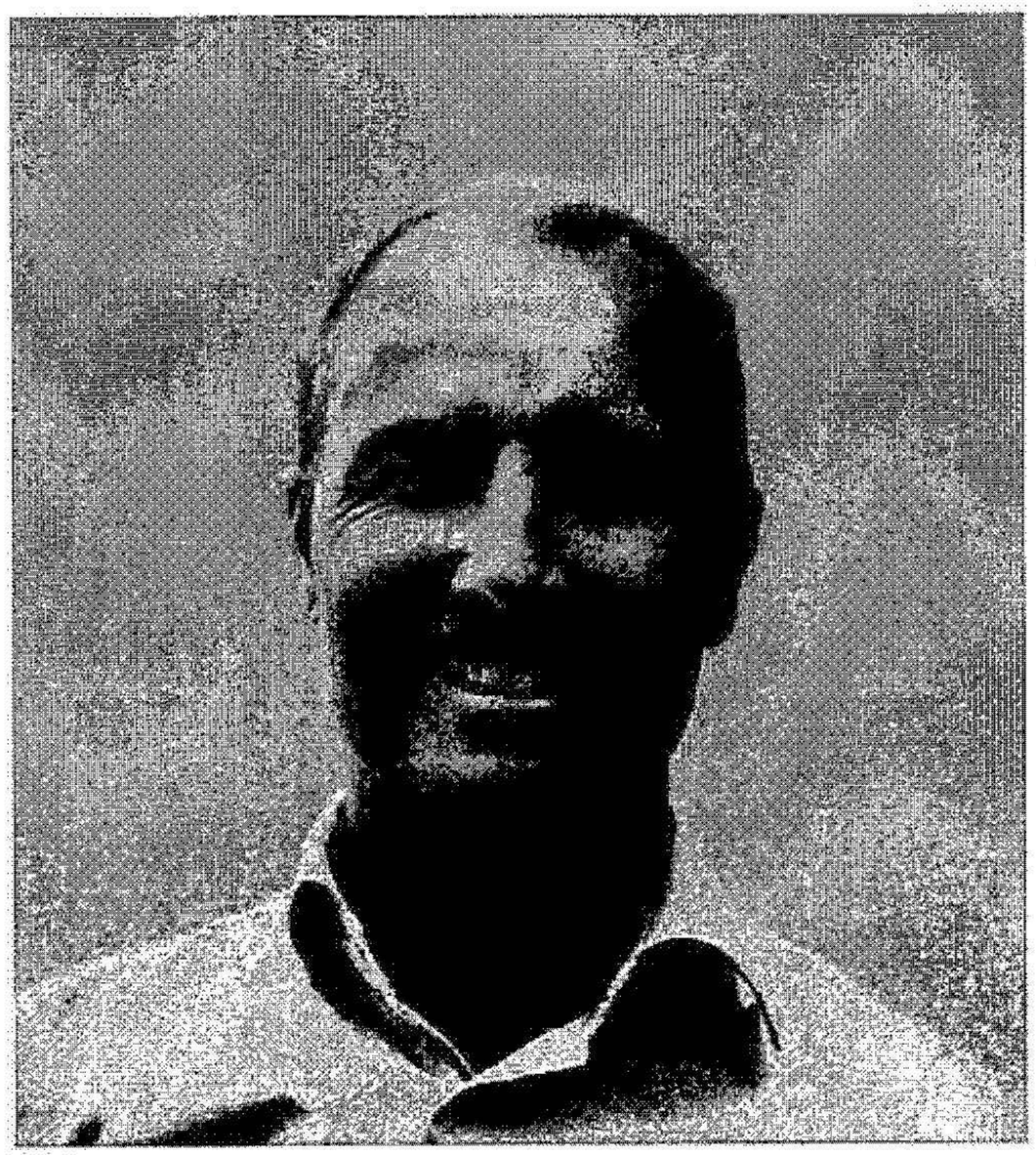
Ms Kilaas and related parties own 12 500 shares in Orkla ASA.[1,2]
Ms Kilaas attended all Board meetings in 2021.

1 Independent Board member.
2 Shares owned as at 31 December 2021.

Peter Agnefjäll

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
· Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
Svanhe Jogvansar
Karin Hansson
Roger Vangen
Caroline Marie Hagen Kjos



Member of the Board (b. 1971)
Master of Science in Business Administration, Linköping University

Mr Angefjäll was first elected to the Board in April 2019 and is up for election in 2022. He was President and CEO of the IKEA Group (Ingka Holding B.V.) in 2013–2017. Prior to that, he was Managing Director and Country Manager for IKEA Retail Sweden. He began his career as a trainee at IKEA in 1995 and has since held a number of executive positions in the IKEA Group. He is currently member of the Advisory Board of Deichmann Group, Chair of the Supervisory Board of Ahold Delhaize N.V. and operating advisor to the private equity team in the Abu Dhabi Investment Authority (ADIA).

Mr Angefjäll and related parties own 20 000 shares in Orkla ASA.[2]
Mr Angefjäll attended all Board meetings in 2021.

1 Independent Board member.
2 Shares owned as at 31 December 2021.

20220701369 20

Anna Mossberg

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
• **Anna Mossberg**
Anders Kristiansen
Terje Utstrand
Svante Josvanger
Karin Hansson
Roger Vangen
Caroline Marie Hagen Kjos

Member of the Board (b. 1972)
M.Sc. in Industrial Engineering & Management, Luleå University of Technology and Executive MBA from Stanford and IE University

Ms Mossberg was first elected to the Board in 2020 and is up for election in 2022. She has previously held various positions in Tella, as well as those of CEO of Bahnhof, SVP Strategy at Deutsche Telekom AB and Industry Leader at Google LLC. Ms Mossberg is currently member of the Board and the Finance Committee of Swisscom AG, member of the Board, the Audit Committee and the Compensation Committee of Swedbank AB, and member of the Board and the Audit Committee of Byggfakta AB. Ms Mossberg is member of the Advisory Board of Axcel Management and of the Boards Impact Forum.

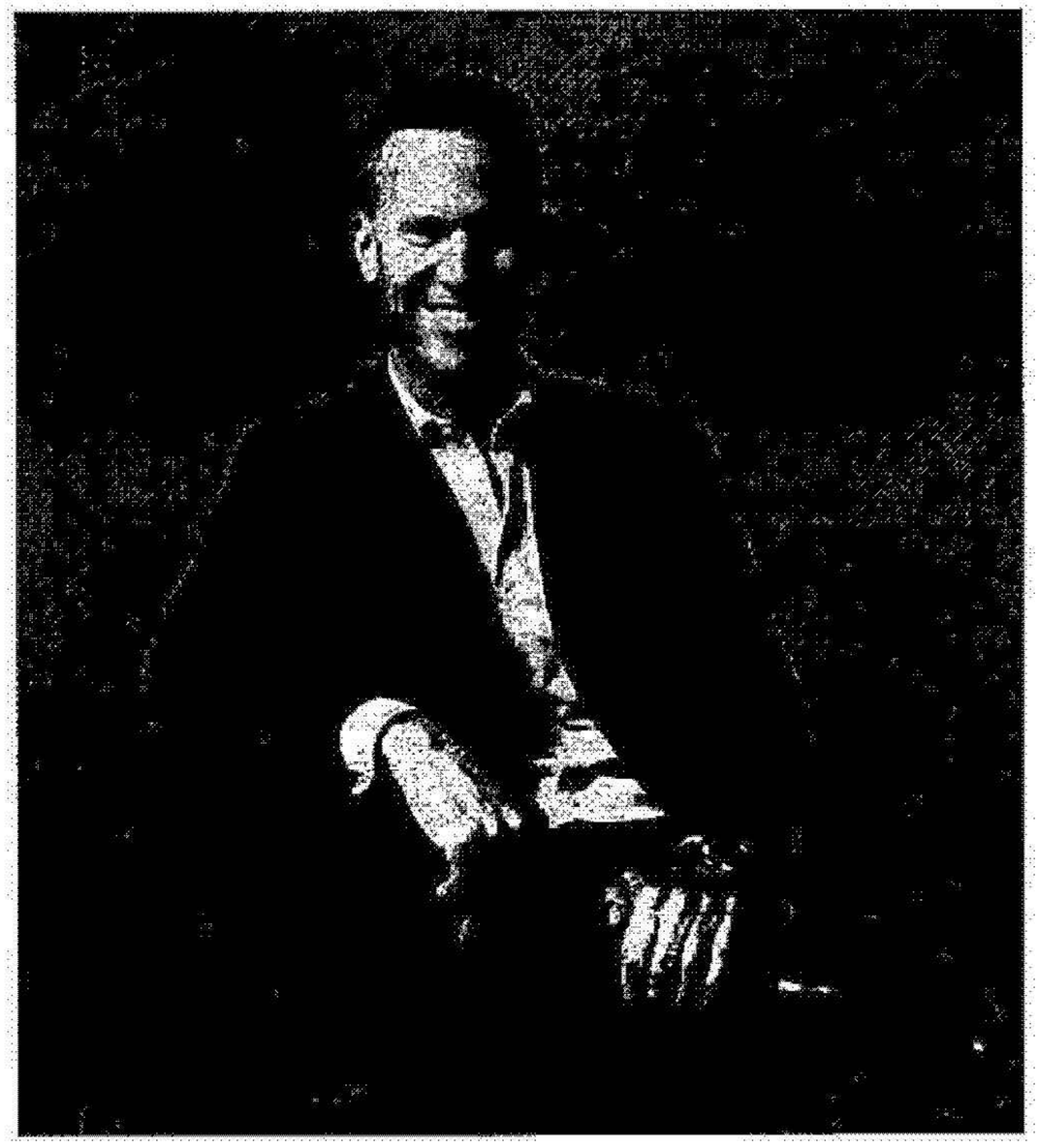
Ms Mossberg and related parties own 5 566 shares in Orkla ASA.[2]
Ms Mossberg attended all Board meetings in 2021.

1. Independent Board member.
2. Shares owned as at 31 December 2021.

Anders Kristiansen

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
• Anders Kristiansen
Terje Utstrand
Sverre Josvanger
Karin Hansson
Roger Vangen
Caroline Marie Hacer Kjos



Member of the Board (b. 1967)
EFG from Business School and Sports School Denmark, Hammersmith & West London College

Mr Kristiansen was first elected to the Board in 2020 and is up for election in 2022. Since 2017, Anders Kristiansen has held the post of Group CEO of Esprit Holdings Ltd. In 2000–2010 Mr Kristiansen worked for Lyreco, serving as Managing Director in France and China. In 2010–2011 he headed Staples in China. In 2011–2012 Mr Kristiansen was Vice CEO of Bestseller Fashion Group China, before taking over in 2013 as CEO of New Look, where he worked until 2017.

Mr Kristiansen and related parties own 33 900 shares in Orkla ASA.[2]
Mr Kristiansen attended seven Board meetings in 2021.

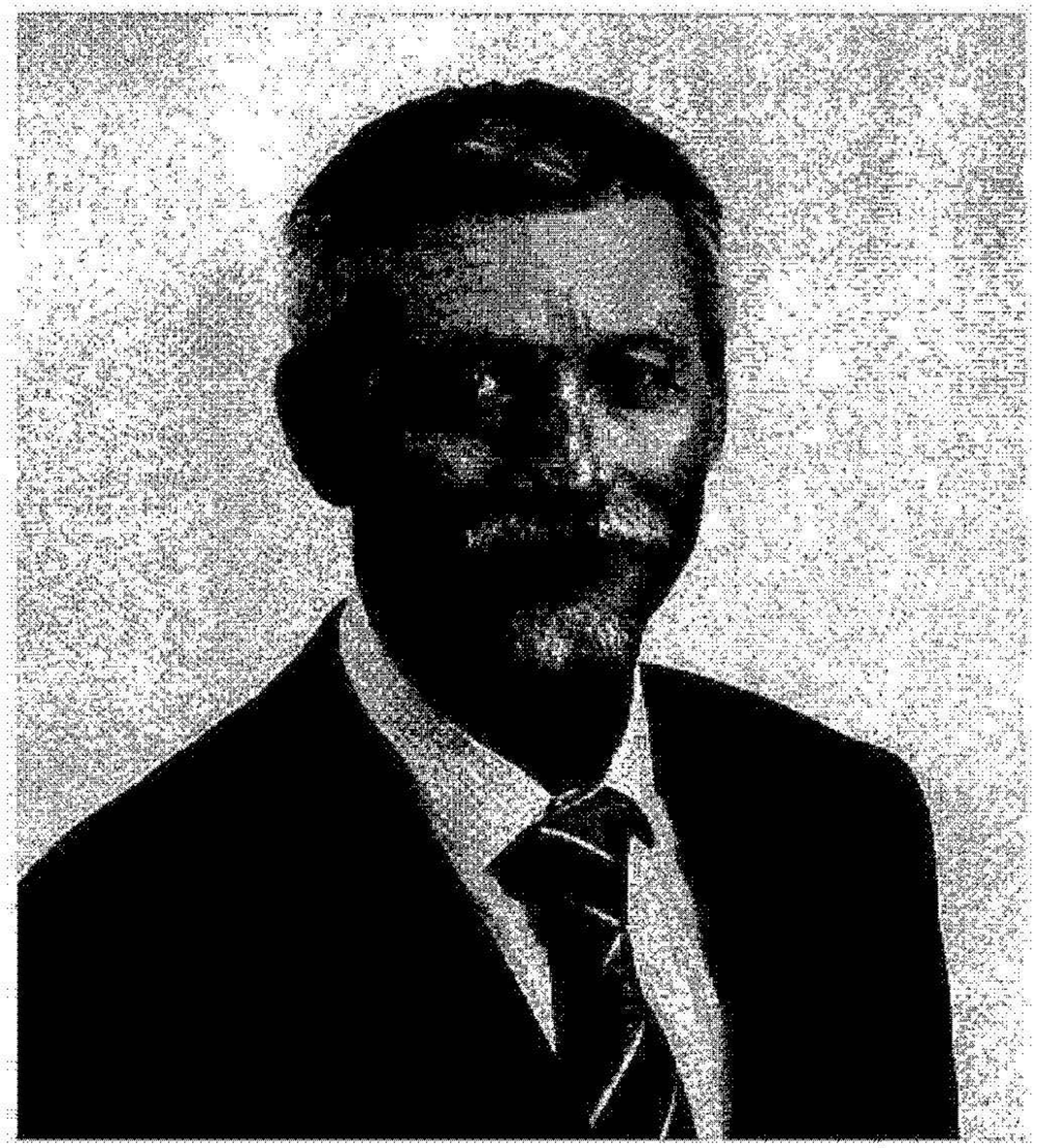
1 Independent Board member.
2 Shares owned as at 31 December 2021.

20220701569221

Terje Utstrand

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
- Terje Utstrand
Svein-e Jasvanger
Karin Hansson
Roger Vangen
Caroline Marie Hagen Kjos



Employee representative on the Board (b. 1964)

Mr Utstrand was first elected to the Board in 2012 and is up for election in 2022. He has served as chief employee representative since 2010 and is Chair of the Board for LO union members at Orkla. He is also Chair of Orkla's Committee of Union Representatives and European Works Council. Mr Utstrand has also been NNN union representative at Orkla Confectionery & Snacks Norge AS (formerly Nidar) since 1999 (chief employee representative 2002–2010), deputy member of the Board of Nidar AS in 2004–2010 and member of the Board of Orkla Brands AS in 2008–2012. He has been a member of Orkla's Committee of Union Representatives-Working Committee since 2000.

Mr Utstrand and related parties own 10 409 shares in Orkla ASA.[1]
Mr Utstrand attended all Board meetings in 2021.

1 Shares owned as at 31 December 2021.

Sverre Josvanger

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
· Sverre Josvanger
Karin Hanssen
Roger Vanngen
Caroline Marie Hagen Kjos

Employee representative on the Board (b. 1963)

Mr Josvanger was first elected to the Board in 2012 and is up for election in 2022. He is Chair of the Executive Committee for Salaried Employees at Orkla and has served as secretary of Orkla's Committee of Union Representatives and the Working Committee of the Executive Committee since 2012. He is also member of the European Works Council, and has served on Orkla's Pension and Insurance Council (POFFO) since 2012. Mr Josvanger has been head of the trade union division at Nidar since 1994 and chief union representative for salaried employees at Nidar since 2010. Since May 2014 he has been member of the Audit Committee. He has been employed at Orkla Confectionery & Snacks as sales consultant since 1988.

Mr Josvanger and related parties own 20 622 shares in Orkla ASA.[1]
Mr Josvanger attended all Board meetings in 2021.

1 Shares owned as at 31 December 2021.

20220701369222

Karin Hansson

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
Sverre Josvanger
· Karin Hansson
Roger Vangen
Caroline Marie Hagen Kjos

Employee representative on the Board (b. 1960)

Ms Hansson was first elected to the Board in 2016 and is up for election in 2022. She is employed at Orkla Foods Sverige, and is an elected representative of the Swedish Food Workers' Union at Orkla Foods Sverige and a member of the Working Committee of Orkla Foods' Liaison Committee. She is also a member of Orkla's Committee of Union Representatives, the Working Committee of the Executive Committee and the European Works Council.

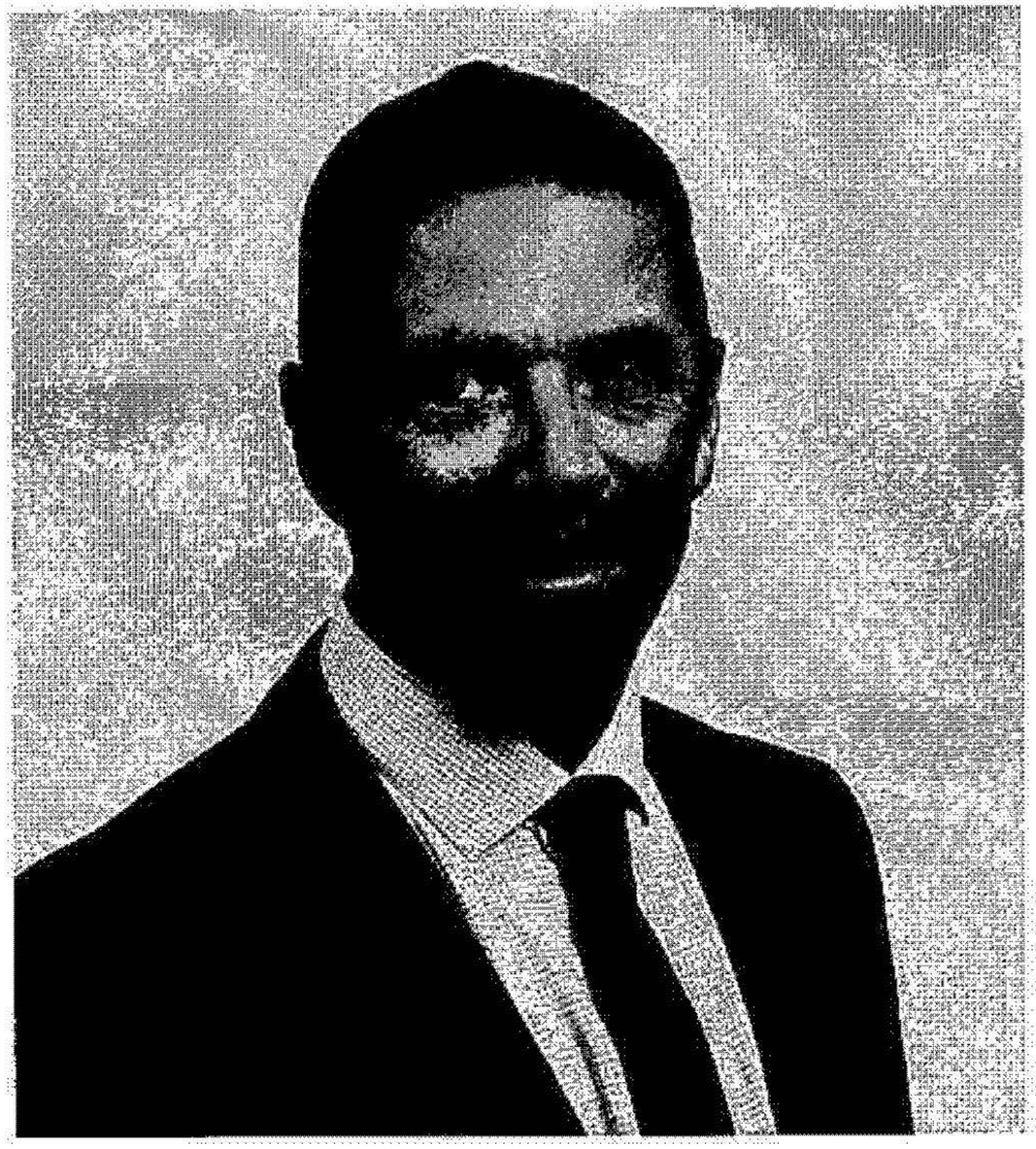
Ms Hansson and related parties own 1 993 shares in Orkla ASA.[1]
Ms Hansson attended all meetings in 2021.

1 Shares owned as at 31 December 2021.

Roger Vangen

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
Sverre Josvanger
Karin Hansson
- Roger Vangen
Caroline Marie Hagen Kjos



Employee representative on the Board (b. 1965)

Mr Vangen was first elected to the Board in 2016 and is up for election in 2022. He is employed at Orkla Foods Norge and NNN union representative at Orkla Foods Norge, Stranda branch. Mr Vangen is also a member of the Committee of Representatives at Orkla Foods Norge, the Liaison Committee's Working Committee at Orkla Foods, the Board for LO union members at Orkla, Orkla's Committee of Union Representatives, the Working Committee of the Executive Committee and the European Works Council.

Mr Vangen and related parties own 10 208 shares in Orkla ASA[1][2]
Mr Vangen attended all Board meetings in 2021.

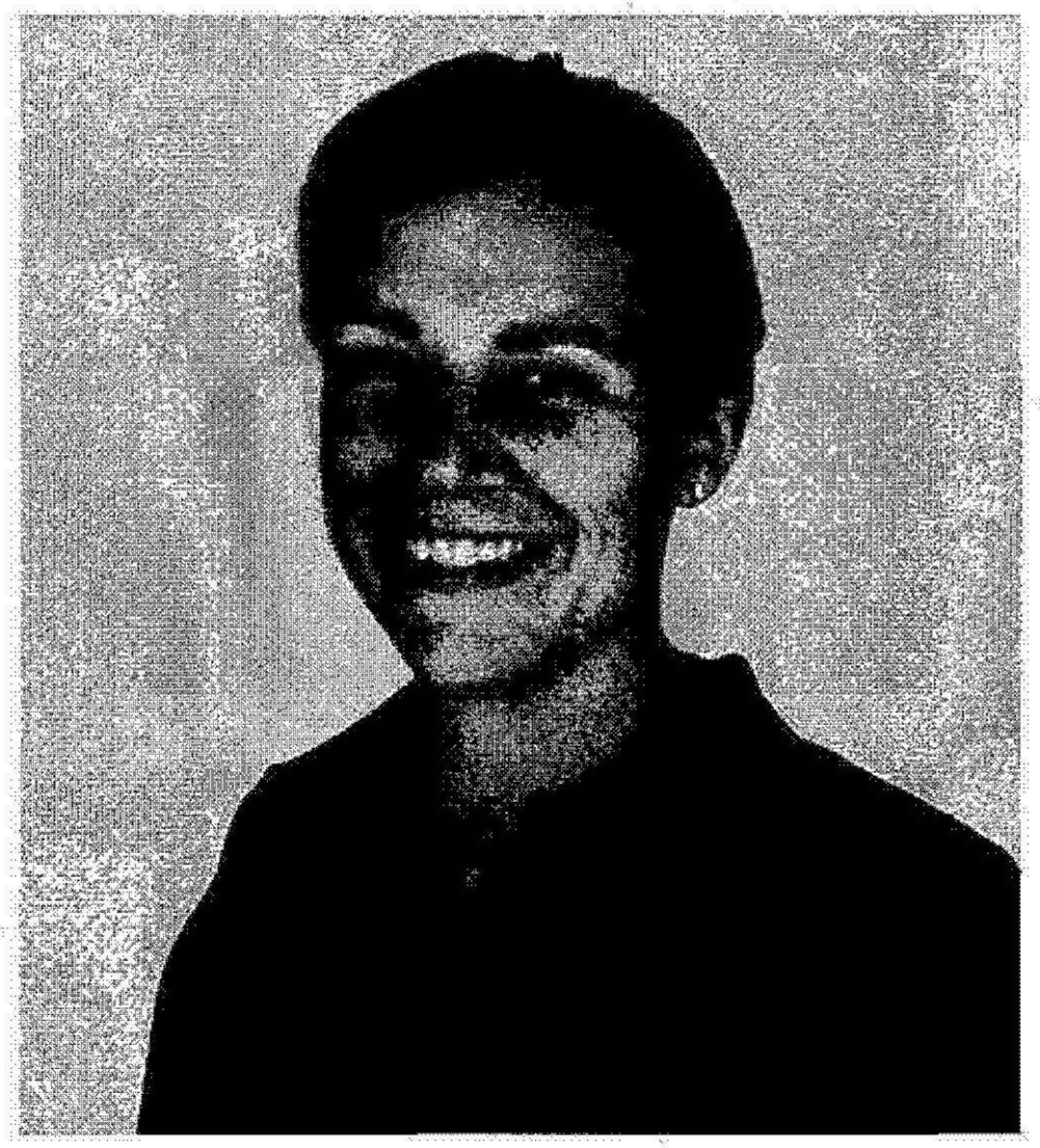
1. Shares owned as at 31 December 2021.
2. Mr Vangen purchased 342 shares in Orkla on 4 March 2022, thereby increasing his shareholding to 10 550 shares

20220701369 23

Caroline Marie Hagen Kjos

Board of Directors

Stein Erik Hagen
Ingrid Jonasson Blank
Nils K. Selte
Liselott Kilaas
Peter Agnefjäll
Anna Mossberg
Anders Kristiansen
Terje Utstrand
Sverre Josvanger
Karin Hansson
Roger Vangen
Caroline Marie Hagen Kjos

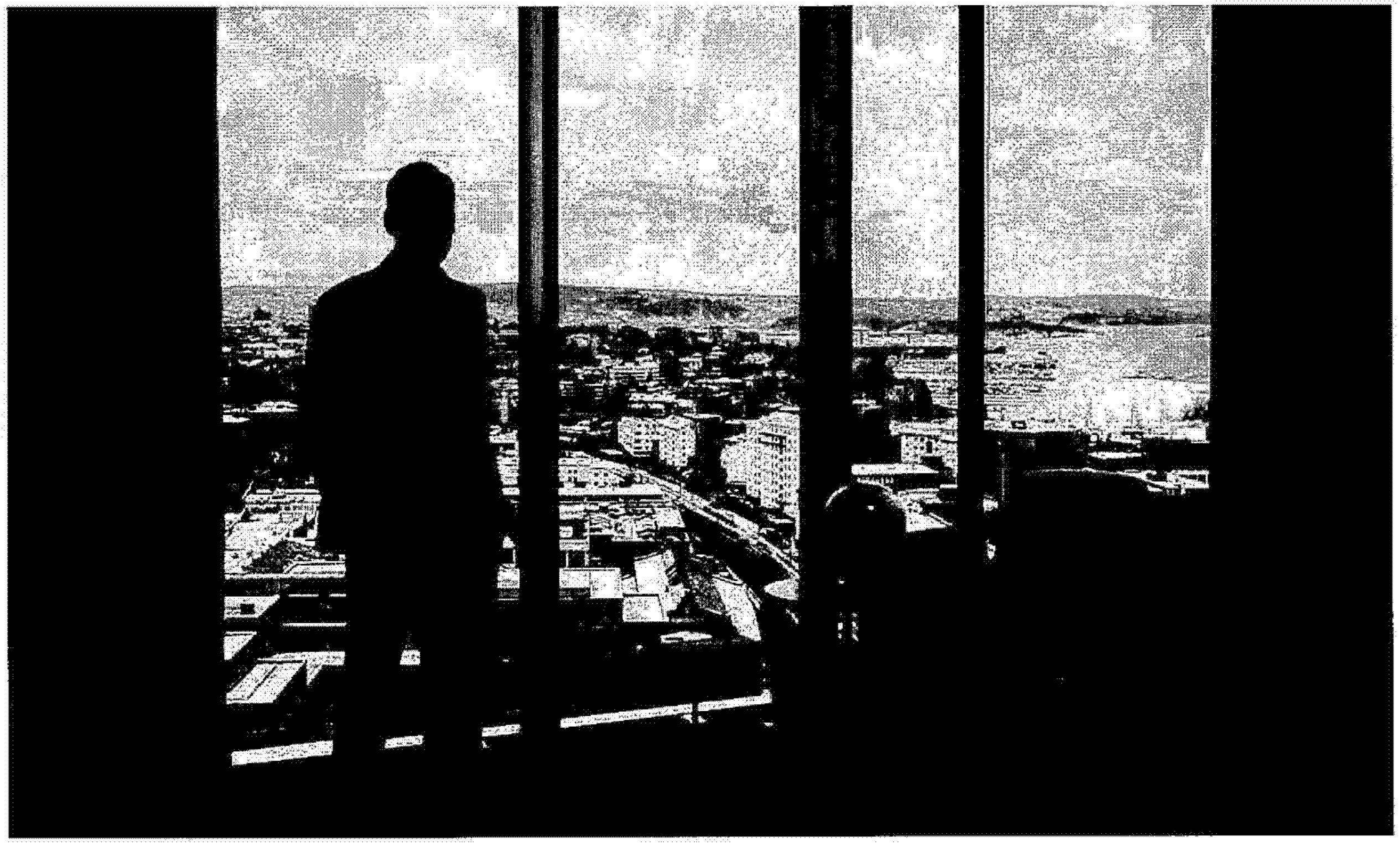


Personal Deputy Member for Stein Erik Hagen and Nils K. Selte (b. 1984)
Bachelor of Business Administration from Parsons
The New School for Design, New York

Ms Hagen Kjos was first elected to the Board in 2016 and is up for election in 2022. She works as Project Manager at Canica International AG, Switzerland, where she shares responsibility for investments and strategy with the General Manager. She has previously been employed as Project Manager in marketing and purchasing in JemiaGruppen. Ms Hagen Kjos is Chair of the Board of Directors of Canica AS.

Ms Hagen Kjos and related parties own no shares in Orkla ASA.[1,2,3]
Ms Hagen Kjos attended all Board meetings in 2021.

1 Not independent
2 Shares owned as at 31 December 2021.
3 Ms Hagen Kjos has a significant equity interest in the Canica companies, but she has no controlling influence in them.



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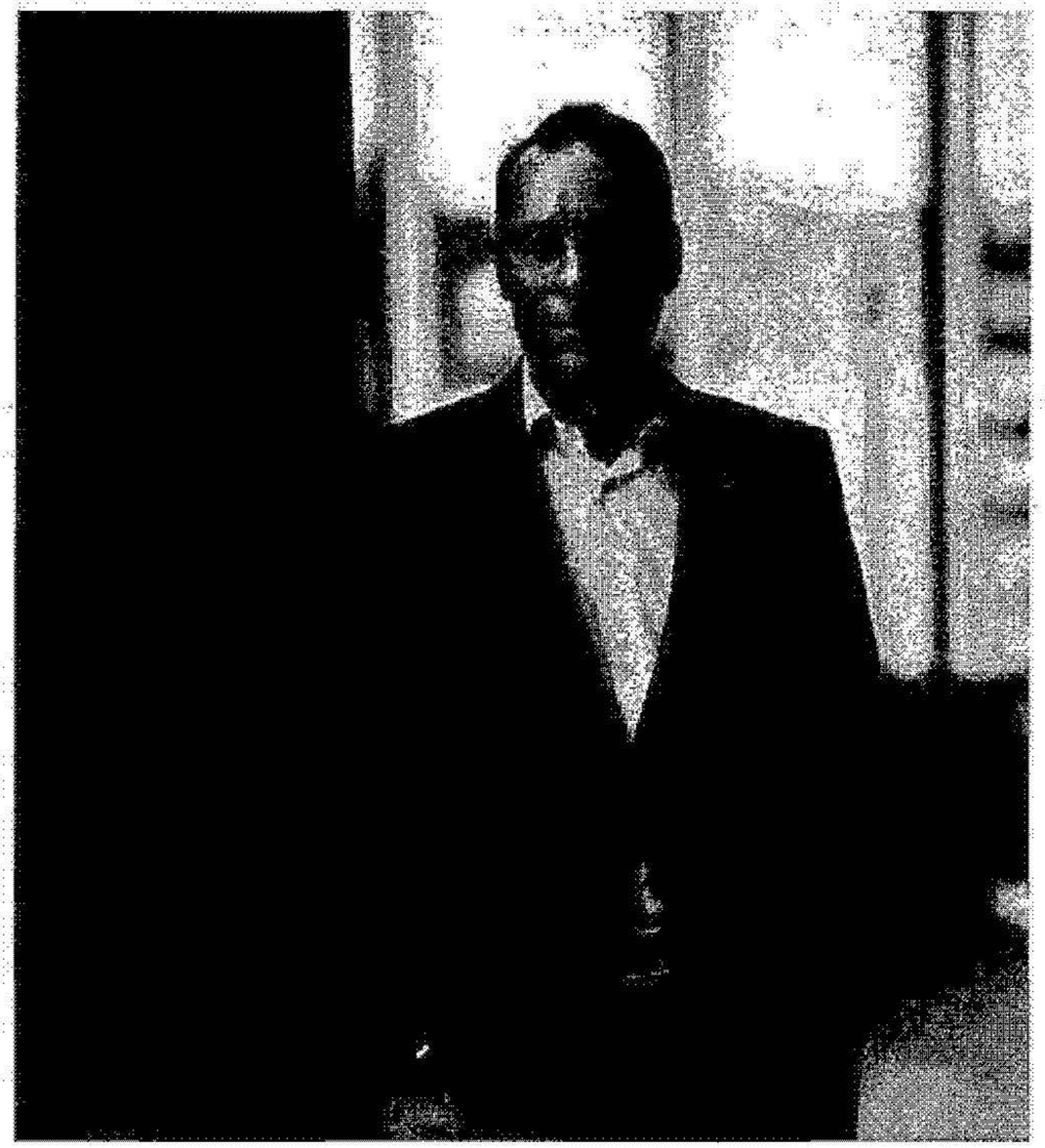
Jaan Ivar Semlitsch

The Group Executive Board

- **Jaan Ivar Semlitsch**
- Atle Vidar Nagel Johansen
- Ingvill T. Berg
- Hege Holter Brekke
- Johan Clain
- Thomas Ljungqvist
- Harald Ullevoldsæter
- Sverre Prytz
- Christer Grönberg
- Håkon Magelí



President and CEO (b. 1971)
MBA, Norwegian School of Economics (NHH), Bergen,
MBA Exchange, Kellogg School of Management, Chicago

Mr Semlitsch has been President and CEO of Orkla since 15 August 2019. Prior to that, he served as CEO of Elkjøp Nordic, which he headed for more than six years. In the last year, he was also CEO of the parent company Dixons Carphone International. Mr Semlitsch was CEO of REMA Industries in 2009–2013, Plantasjen in 2007–2009 and COO of Statoil Retail Europe in 2004–2007. Before that, he held the position of CEO of Expert Danmark. In 1996–2001 he was Associate Partner at McKinsey & Company, where he had a variety of assignments for companies in the grocery retail sector and FMCG, in both Scandinavia and the UK. Mr Semlitsch has been a member of the Board of Directors of DNB ASA since 2014.

Mr Semlitsch and related parties own 85 171 shares in Orkla ASA.[1][2]

1 Shares owned as at 31 December 2021.
2 Mr Semlitsch purchased 6 500 shares in Orkla on 3 March 2022, thereby increasing his shareholding to 91 671 shares

Atle Vidar Nagel Johansen

The Group Executive Board

Jaan Ivar Semlitsch
• Atle Vidar Nagel Johansen
Ingvild T. Berg
Hege Holter Brekke
Johan Clarin
Thomas Ljungqvist
Harald Ullevoldsæter
Sverre Prytz
Christer Grönberg
Håkon Magelí

Executive Vice President and CEO of Orkla Foods (b. 1963)
Certified Financial Analyst, Norwegian School of Economics (NHH), Bergen, M.Sc. Business (siviløkonom), BI Norwegian Business School, Oslo

Mr. Nagel Johansen has been a member of Orkla's Group Executive Board since 2012, since 2021 as CEO of Orkla Foods. From 2018 to 2021 he was first head of Supply Chain, after which he served as CEO of Orkla Care. Prior to that he was CEO of Orkla Foods in 2012-2018, Orkla Foods Nordic in 2008–2012 and Orkla Foods in 2005–2008. Before then, he was Marketing Director at Orkla Foods International and Finance Director at Orkla Foods. Mr Nagel Johansen was CFO at Tandberg Data ASA in 1999–2000. In the 1990s he was Finance Director at Sætre AS/Orkla Snacks and head of Economic Planning & Analysis at Orkla ASA. He began his career as a financial analyst at Jotun Fonds and Carl Kleruff & Co.

Mr Nagel Johansen and related parties own 28 450 shares in Orkla ASA.[1]

1 Shares owned as at 31 December 2021.

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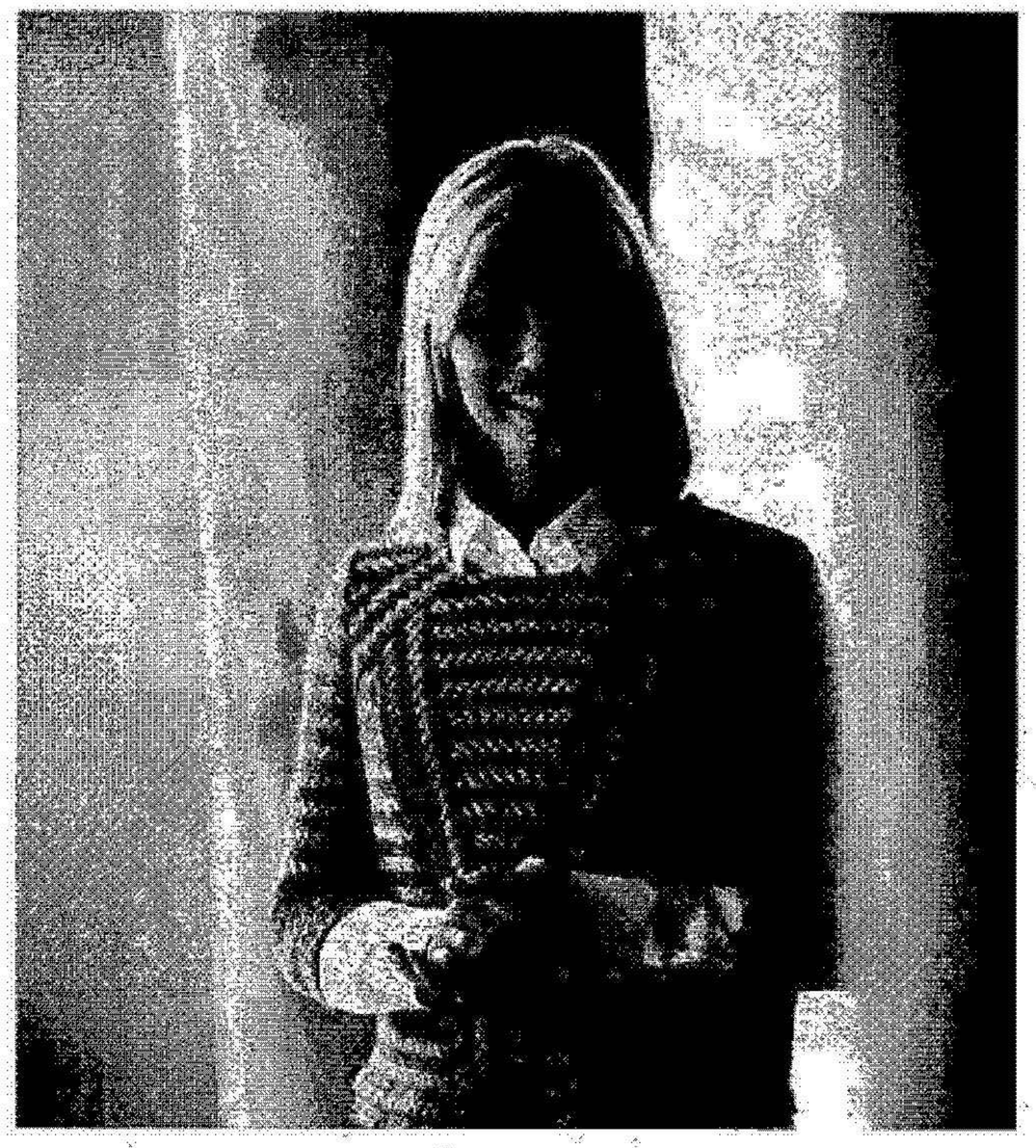
Ingvill T. Berg

The Group Executive Board

Jaan Ivar Semlitsch
Atle Vidar Nagel Johansen
• Ingvill T. Berg
Hege Holter Brekke
Johan Clarin
Thomas Ljungqvist
Harald Ullevoldseter
Sverre Prytz
Christer Grönberg
Håkon Magell



Executive Vice President and CEO of Orkla Confectionery & Snacks (b. 1976)
MBA, Norwegian School of Economics (NHH), Bergen.

Ms Berg has been a member of Orkla's Group Executive Board and CEO of Orkla Confectionery & Snacks since 2021. Prior to that, she was CEO of Orkla Confectionery & Snacks Norge (OCSN). Ms Berg has held several senior management positions in sales and marketing at OCSN and Nidar AS and in sales and business development at Arcus in 2003-2006. In 1999-2003 she was employed as management consultant at Arthur Andersen/Bearingpoint.

Ms Berg and related parties own 2 365 shares in Orkla ASA.[1]

1 Shares owned as at 31 December 2021.

Hege Holter Brekke

The Group Executive Board

Jaan Ivar Semlitsch
Atle Vidar Nagel Johansen
Ingvild T. Berg
• **Hege Holter Brekke**
Johan Clarin
Thomas Ljungqvist
Harald Ullevoldseter
Sverre Prytz
Christer Grönberg
Håkon Magelí

Executive Vice President and CEO of Orkla Care (b. 1969)
M.Sc. Business (siviløkonom), BI Norwegian Business School, Oslo

Ms Brekke became a member of Orkla's Group Executive Board as CEO of Orkla Care in 2021. She has been CEO of Orkla Health since 2018 and of Pierre Robert Group since 2015. Prior to that, Ms Brekke was Director of Marketing & Innovation at Orkla Foods. Ms Brekke began her career at Orkla in 1996 and has held several senior management positions in Orkla ASA, Nidar and Orkla Foods. She has also held various senior executive positions in innovation and marketing at TINE and Plantasjen ASA, and was a member of TINE's Corporate Management in 2007-2014. In 1993-1996, Ms Brekke was a strategy advisor at McKinsey & Company.

Ms Brekke and related parties own 7 065 shares in Orkla ASA.[1]

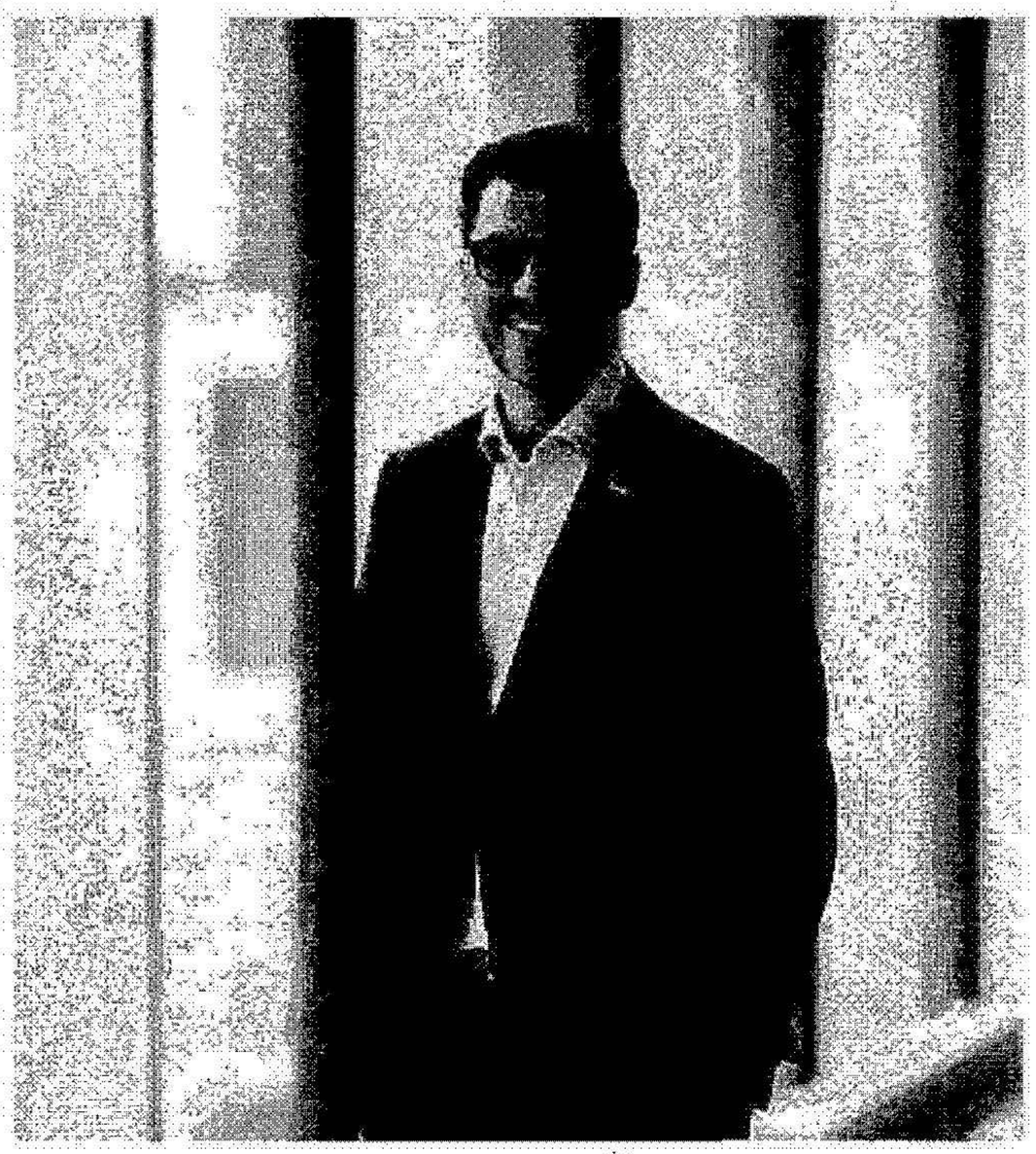
1 Shares owned as at 31 December 2021.

20220701369 26

Johan Clarin

The Group Executive Board

Jaan Ivar Semlitsch
Atle Vicar Nagel Johansen
Ingvill T. Berg
Hege Holter Brekke
• Johan Clarin
Thomas Ljungqvist
Harald Ullevoldsæter
Sverre Prytz
Christer Grönberg
Håkon Magelí



Executive Vice President and CEO of Orkla Food Ingredients (b. 1971)
M.Sc. Business Administration, Gothenburg School of Business, Economics and Law, Gothenburg

Mr Clarin has been a member of Orkla's Group Executive Board since 2013. He has been CEO of Orkla Food Ingredients since 2018, before which he was head of Operations at Orkla. In 2007–2013 Mr Clarin held several executive positions at Sony Mobile Communications AB, the last as Global Head of Manufacturing and Logistics and President & CEO of Beijing Mobile Communications Ltd. He was also member of the Board of Directors of Sony Mobile's Chinese joint venture in 2011–2013. Prior to that, Mr Clarin held the post of Senior Manager at Accenture AB in 1997–2006, with focus on supply chain management.

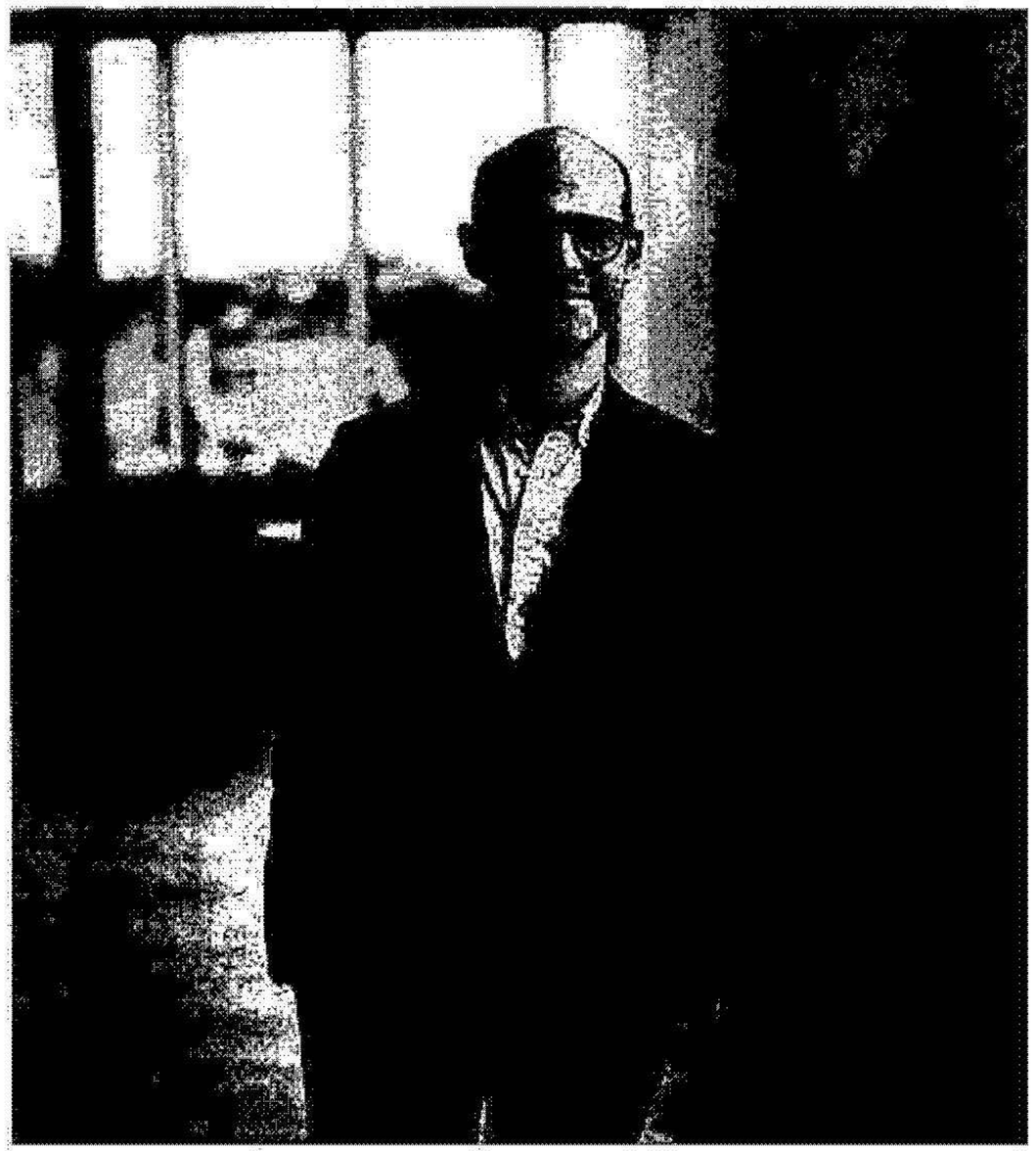
Mr Clarin and related parties own 6 241 shares in Orkla ASA.[1][2]

1 Shares owned as at 31 December 2021.
2 Mr Clarin purchased 6 000 shares in Orkla on 3 March 2022, thereby increasing his shareholding to 12 241.

Thomas Ljungqvist

The Group Executive Board

Jaan Ivar Semlitsch
Atle Vidar Nagel Johansen
Ingvill T. Berg
Hege Holter Brekke
Johan Clarin
• Thomas Ljungqvist
Harald Ulleveldseter
Sverre Prytz
Christer Grönberg
Håkon Magelí



Acting Executive Vice President and CEO of Orkla Consumer & Financial Investments (b. 1979)
M.Sc., International Business & Finance, Stockholm School of Economics

Mr Ljungqvist was appointed Acting EVP as of February 2022. Since 2020 he has been CFO of Orkla Consumer & Financial Investments and Head of Orkla Ventures. Mr Ljungqvist has prior M&A and business development experience from both Orkla and Sapa, he was CFO of Orkla Investments from 2014 to 2018 and headed Investor Relations at Orkla ASA from 2018 to 2020. Mr Ljungqvist also has acquisition and strategy experience from UBS (Zurich) and Capgemini (Stockholm).

Mr Ljungqvist and related parties own 7 844 shares in Orkla ASA.[1]

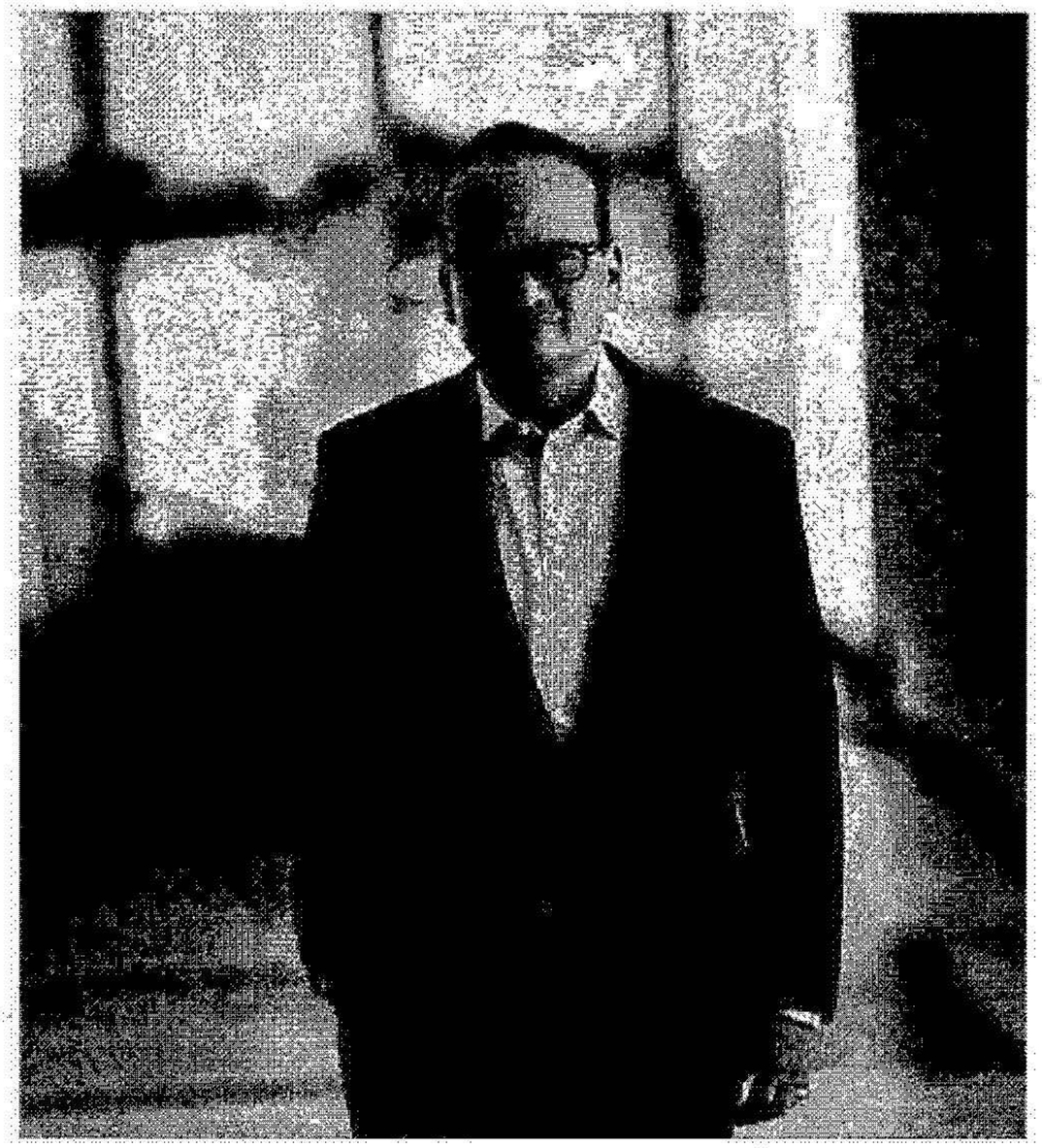
1 Shares owned as at 31 December 2021.

20220701369227

Harald Ullevoldsæter

The Group Executive Board

Jaan Ivar Semlitsch
Atle Vidar Nagel Johansen
Ingvild T. Berg
Hege Holter Brekke
Johan Ciarin
Thomas Ljungqvist
• Harald Ullevoldsæter
Sverre Prytz
Christer Grönberg
Håkon Mageli



Executive Vice President and CFO (b. 1963)
Certified Financial Analyst, Norwegian School of Economics (NHH), Bergen, M.Sc Business (siviløkonom), BI Norwegian Business School, Oslo

Mr Ullevoldsæter has been a member of Orkla's Group Executive Board since March 2020. He returned to Orkla in 2019, after having served as CFO at Nortura SA since 2014. In 1996–2014 Mr Ullevoldsæter worked in Orkla, where he held a number of management positions in finance, including those of Finance Director and member of the management team of Orkla Brands and Orkla Brands Nordic. Mr Ullevoldsæter also worked for nine years as financial analyst in DNB Markets.

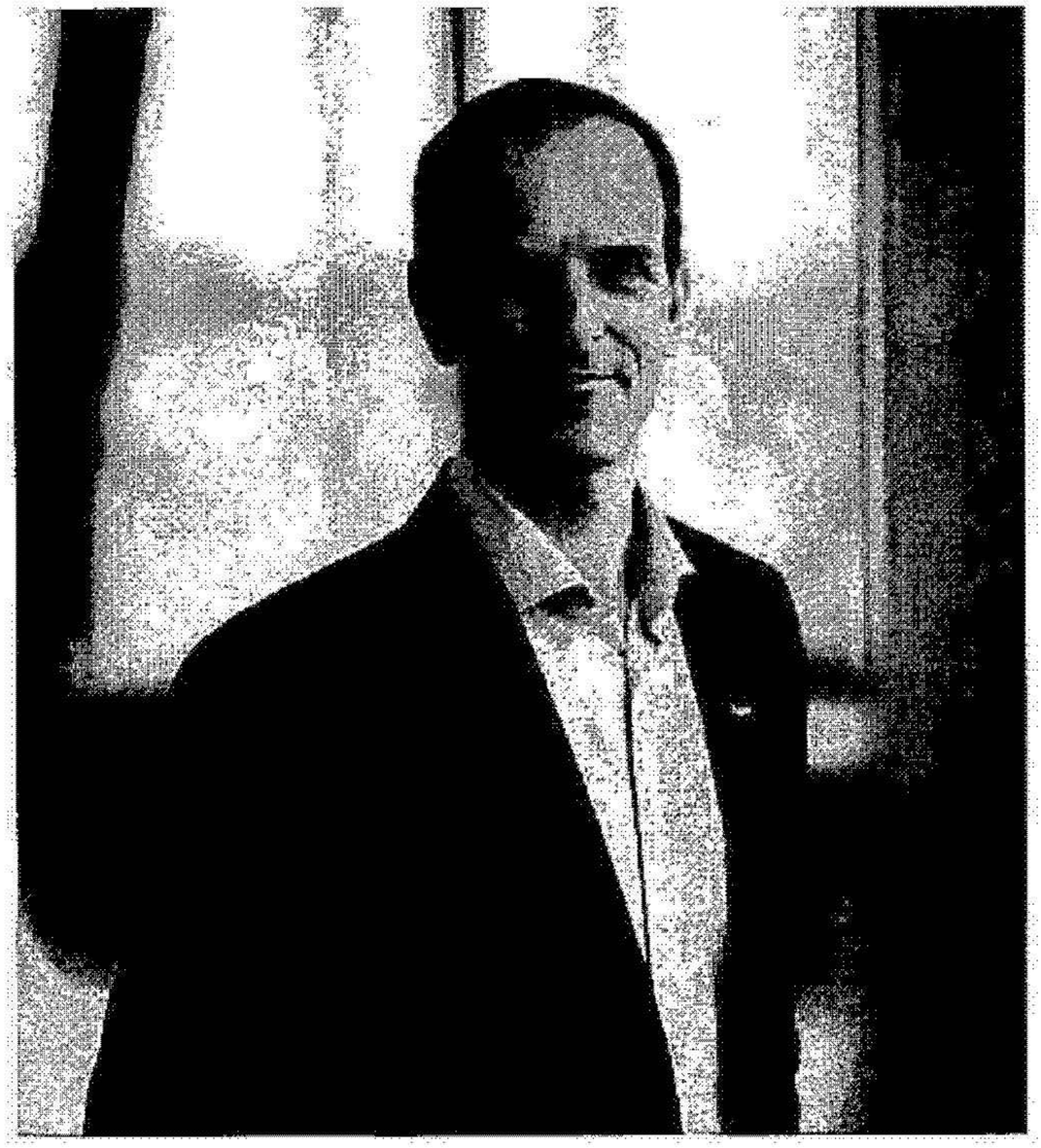
Mr Ullevoldsæter and related parties own 1 552 shares in Orkla ASA.[1] [2]

1 Shares owned as at 31 December 2021.
2 Mr Ullevoldsæter purchased 6 000 shares in Orkla on 24 February 2022, thereby increasing his shareholding to 7 552 shares.

Sverre Prytz

The Group Executive Board

Jaan Ivar Semlitsch
Atle Vidar Nagel Johansen
Ingvil T. Berg
Hege Halter Brekke
Johan Claréus
Thomas Ljungqvist
Harald Ullevoldseter
· Sverre Prytz
Christer Grönberg
Håkon Macell



Executive Vice President, M&A and Strategy (b. 1969)
BS Chemical Engineering, University of Michigan, Ann Arbor, MSCEP, Chemical Engineering, Massachusetts Institute of Technology, Massachusetts, MBA Finance, University of Chicago, Illinois

Mr Prytz has been a member of Orkla's Group Executive Board since December 2019. He previously served as Managing Partner at Helix Advisors. For seven years prior to that, he held various management positions in BW Group, including that of CEO of BW Ventures and BW Gas Solutions. He also has experience from ADM Capital in 2007–2008, DuPont Company in 2002–2007 and McKinsey in 1995–2002. Mr Prytz is a member of the Board of Directors of Safe4 Security Group.

Mr. Prytz and related parties own 671 shares in Orkla ASA.[1]

1 Shares owned as at 31 December 2021.

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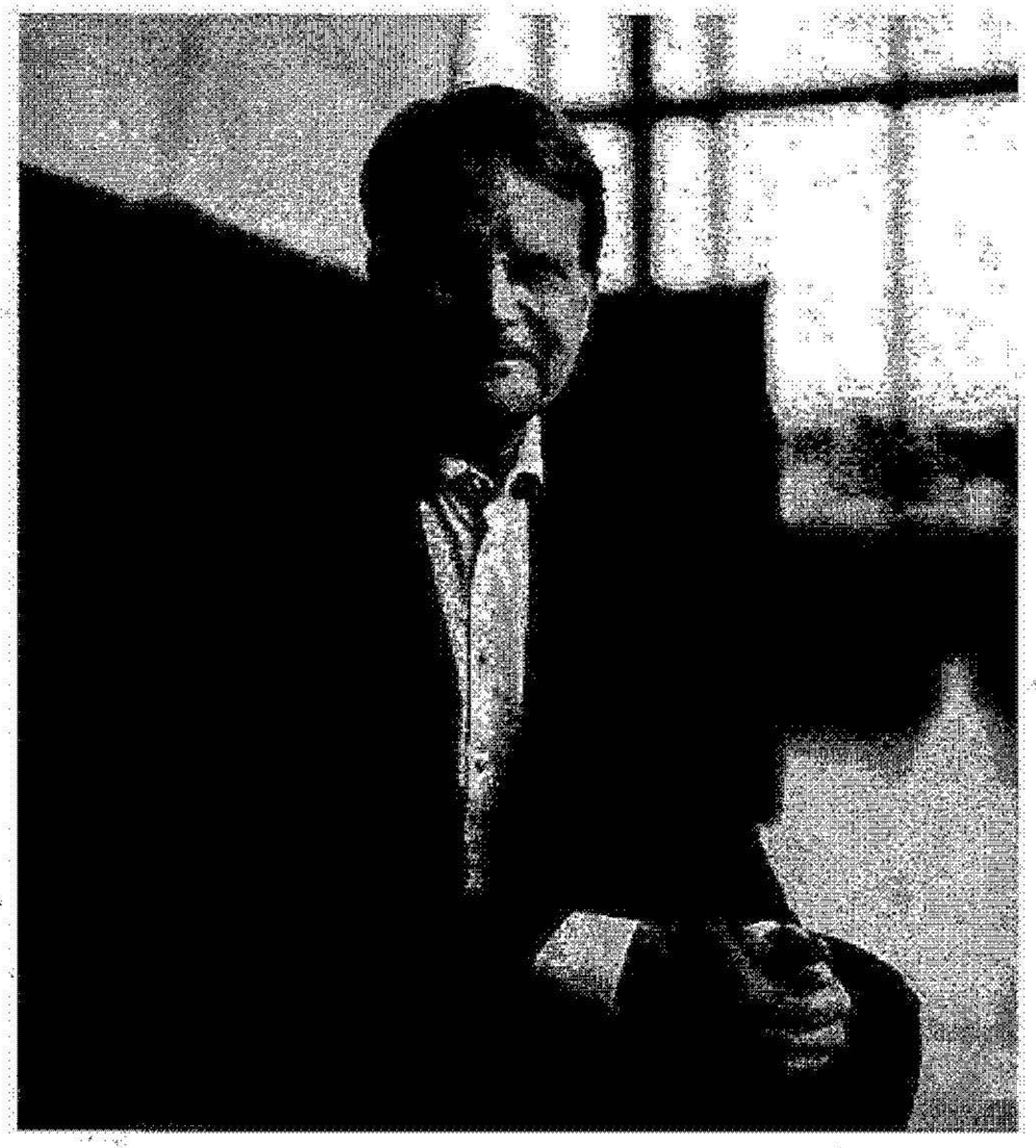
Christer Grönberg

The Group Executive Board

Jann Ivar Samiltsch
Atle Vidar Nagel Johansen
Ingvill T. Berg
Hege Holter Brekke
Johan Clarin
Thomas Ljungqvist
Harald Ulleveldsæter
Svein Prytz
* **Christer Grönberg**
Håkon Magell



Executive Vice President, Group Functions (b. 1961)
Degree in Human Resources, Lund University, Lund and Kristianstad University, Kristianstad

Mr Grönberg has been a member of Orkla's Group Executive Board since 2014. He has been head of Group Functions since 2018, before which he was head of HR. In 2010–2014, Mr Grönberg was HR Director at Orkla Foods, prior to which he held the position of HR Director at Stabburet in 2008–2010. Mr Grönberg was employed at Procordia Food in 1998–2008, for eight years as HR Director. In 1982–1998, Mr Grönberg pursued a career in the Swedish Armed Forces.

Mr Grönberg and related parties own 16 470 shares in Orkla ASA.[1]

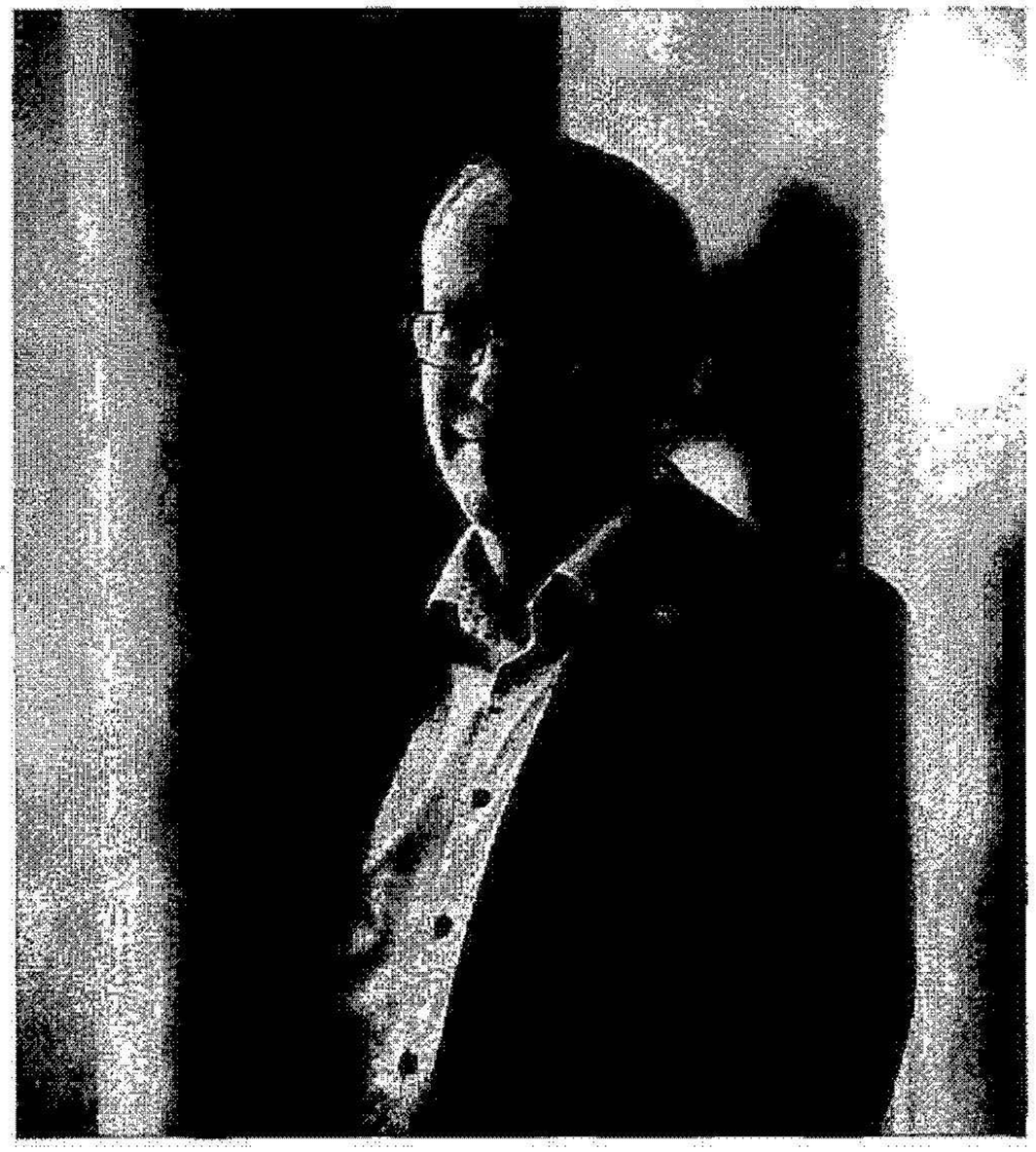
1 Shares owned as at 31 December 2021.

Orkla's expanded Group Executive Board also comprises:

Håkon Mageli

The Group Executive Board

Jaan Ivar Semlitsch
Atle Vidar Nagel Johansen
Ingvill T. Berg
Hege Holter Brekke
Johan Clarin
Thomas Ljungqvist
Harald Ullevoldsæter
Sverre Prytz
Christer Grönberg
· Håkon Mageli



Group Director, Corporate Communications & Corporate Affairs (b. 1964)
M.Sc. Business (siviløkonom), BI Norwegian Business School, Oslo,
The Executive Programme, Darden School of Business, Virginia, USA

Mr Mageli has been a member of Orkla's Group Executive Board since 2012. He was Director of Corporate Affairs at Orkla Brands in 2008–2012. Prior to that, in 1995–2008, Mr Mageli was *Information Director at Orkla Foods*. In 1993–1995, he was *Director Public Affairs*, Orkla Foods, in Brussels, and Company Secretary, Nora Foods in 1991–1993. Mr Mageli worked as a journalist at Dagens Næringsliv in 1985–1990. He is Chair of the Board of the Federation of Norwegian Food and Drink Industry, Chair of the Confederation of Norwegian Enterprise's Trade Policy Committee, and Chair of the Board of Matmerk – The Norwegian Food Branding Foundation.

Mr Mageli and related parties own 100 669 shares in Orkla ASA.[1]

1 Shares owned as at 31 December 2021.

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Governing bodies and elected representatives

Nomination Committee
Nomination Committee elected by the General Meeting (see Article 6 of the Articles of Association)[1]
Anders Christian Stray Ryssdal (10 243)[2]
Nils-Henrik Pettersson (42 080)
Kjetil Houg
Rebekka Glasser Herlofsen

Board of Directors
Stein Erik Hagen (250 387 581)
Ingrid Jonasson Blank (9 000)
Nils K. Selte (107 000)
Liselott Kilaas (12 500)
Peter Agnefjäll (20 000)
Anna Mossberg (5 566)
Anders Kristiansen (33 900)

Employee-elected Board members
Terje Utstrand (10 408)
Sverre Josvanger (20 662)
Roger Vangen (10 208)
Karin Hansson (1 993)

Shareholder-elected Deputy Board member
Caroline Marie Hagen Kjos (0)[3]

Auditor
Ernst & Young AS (0)
Petter Frode Larsen (0), State Authorised Public Accountant

1 Figures in parentheses indicate the number of shares owned per 31 December 2021, including shares owned by related parties.
2 Owned by related parties.
3 Ms Hagen Kjos has a significant stake in the Canica companies, but she has no controlling interest in them.

Corporate democracy at Orkla ASA
Active employee participation in the governing bodies, both at Group level and in the individual Group companies, is an important element of decision-making processes at Orkla. The aim has been to evolve representational arrangements that adequately ensure broad-based involvement and genuine influence. Orkla's current corporate democracy system was established in an agreement signed in 2020 between union representatives and the company's executive management.

The employees are represented by four of the 11 members of Orkla's Board of Directors. A Committee of Union Representatives has been established for employees of the Norwegian, Swedish and Danish companies in the Orkla Group. This arrangement ensures broad representation for Group employees, based on company, union and country. In Norway, there are also separate committees of representatives for LO union members and for salaried employees. The committees meet regularly with the Group's executive management to discuss matters relevant to the Group.

A European Works Council (EWC) has been established at Orkla, and liaison committees have been established in the Orkla Foods, Orkla Confectionery & Snacks, Orkla Food Ingredients, Orkla Care and Orkla Consumer & Financial Investments business areas.

In addition to the corporate arrangements described above, the employees are represented on the Board of Directors and works council of major companies in the Orkla Group. The list below shows the members of Orkla's Committee of Union Representatives as at 31 December 2020.

Orkla Committee of Union Representatives

Working Committee
Terje Utstrand, Chair
Karin Hansson, 1st Deputy Chair
Peer Sørensen, 2nd Deputy Chair
Sverre Josvanger, Secretary
Roger Vangen, member
Janne Halvorsen, member
Dorota Galik, member

Committee of Representatives
(in addition to the Working Committee)
Johan Stålbom
Anders Nordgren
Erik Nordby
Robert Kollevåg
Harald Pedersen
Mette Novak
Ingrid S. Nielsen
Stig-Gøran Nilsen
Morten Gilberg
Geir F. Engelbrethsen
Frank Bjørneseth

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Group Directory

Orkla ASA
Drammensveien 149, 0277 Oslo, Norway
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00
www.orkla.no

Branded Consumer Goods

Orkla Foods
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00
www.orkla.no

Orkla Foods Norge AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00
www.orkla.no

- Orkla Foods Norway AS, Idun div. Rygge
- Orkla Foods Norway AS, Nora div. Rygge
- Orkla Foods Norway AS, div. Elverum
- Orkla Foods Norway AS, div. Arna
- Orkla Foods Norway AS, div. Sem
- Orkla Foods Norway AS, div. Råbekken
- Orkla Foods Norway AS, div. Sem
- Orkla Foods Norway AS, div. Støgstad, Stranda
- Orkla Foods Norway AS, div. Svemorka, Stranda
- Orkla Foods Norway AS, div. Sunda, Oslo
- Orkla Foods Norway AS, div. Stabburet, Vigrestad
- Orkla Foods Norway AS, div. Voss

Orkla Foods Sverige AB
Isbergs gata 9 b SE-211 19, Malmö, Sweden
Phone: + 46 10 142 40 00
www.orkla.se

- Orkla Foods Sverige AB, Eslöv, Sweden
- Orkla Foods Sverige AB, Fågelmara, Sweden
- Orkla Foods Sverige AB, Kumla, Sweden
- Orkla Foods Sverige AB, Tollarp, Sweden
- Orkla Foods Sverige AB, Vansbro, Sweden
- Orkla Foods Sverige AB, Örebro, Sweden
- Orkla Foods Sverige AB, Kungshamn, Sweden
- Lecora AB, Vadstena, Sweden

Orkla Foods Danmark A/S
Delta Park 45, 4. Sal, DK-2665 Vallensbæk Strand, Denmark
Phone: + 45 43 58 93 00
www.orkla.dk

- Orkla Foods Danmark A/S, Ansager, Denmark
- Orkla Foods Danmark A/S, Havnsø, Denmark
- Orkla Foods Danmark A/S, Skælskør, Denmark
- Orkla Foods Danmark A/S, Ringkøping, Denmark
- Orkla Foods Danmark A/S, Struer, Denmark
- Easyfood A/S, Kolding, Denmark
- Struer Brød A/S, Struer, Denmark

Orkla Foods Oy
Box 683, FI-20361 Turku, Finland
Phone: + 358 20 785 4000

Orkla Foods Latvija
1 Zvaigznu Street, Spilve, Babite Parish,
Babite Region, LV 2101, Latvia
Phone: + 371 67080302
www.orkla.lv

- Spilva factory, Babite parish, Latvia

Orkla Eesti AS
Tallinna mnt 1, Poltsamaa, 48103 Jogeva maakond, Estonia
Phone: + 372 6877 710
www.orkla.ee

Orkla Foods Lietuva
UAB Orkla Foods Lietuva Veiverių 134C,
LT-46551, Kaunas, Lithuania
Phone: + 370 37 390 942
www.orklafoods.lt

Felix Austria GmbH
Felixstraße 24, AT-7210 Mattersburg, Austria
Phone: + 43 2626 610-0
www.felix.at

Orkla Foods Česko a Slovensko
Walterovo náměstí 329/3,
158 00 Praha 5, Jinonice, Czech Republic
Phone: + 420 257 198 111
www.orkla.cz – www.vitana.cz

- Orkla Foods Česko a Slovensko a.s., Byšice, Czech Republic
- Orkla Foods Česko a Slovensko a.s., Roudnice nad Labem, Czech Republic
- Orkla Foods Česko a Slovensko a.s., Varnsdorf, Czech Republic
- Orkla Foods Česko a Slovensko a.s., Kunovice, Czech Republic
- Orkla Foods Česko a Slovensko a.s., Stare Město, Czech Republic
- MUFFI s.r.o., Praha, Czech Republic
- Orkla Foods Slovensko s.r.o., Pezinok, Slovakia

Hame s.r.o.
Na Drahach 814 CZ-686 04 Kunovice, Czech Republic
Phone: + 420 572 534 111
www.hame.cz

- Hame s.r.o., Babice, Czech Republic
- BAPA s.r.o., Letohrad, Czech Republic
- BAPA s.r.o., Hněvotín, Czech Republic
- FRUTA Podivín, a.s., Podivín, Czech Republic
- Slovacke Fruta, a.s. Kunovice, Czech Republic
- PIKA, a.s., Bzenec, Czech Republic
- OTMA – Sloko, s.r.o., Mařatice, Czech Republic
- DOMA Prešov s.r.o., Prešov, Slovakia
- HAME HUNGARIA Kft., Komárom, Hungary
- HAME FOODS, Bogolyubovo, Russia
- HAME Agrimex, Panenské Břežany, Czech Republic

MTR Foods Private Limited
No. 1, 2nd & 3rd floor, 100 Feet Inner Ring Road
Ejipura, Bangalore – 560047, India
Phone + 91 80 40 81 21 00
www.mtrfoods.com

- Rasoi Magic Foods Pvt. Limited, Pune, India
- Kota plant, Kota, India
- Guntur plant, Pradesh, India
- MTR Foods Pvt. Limited, Bangalore, India
- MTR Foods Pvt. Limited, Kothamangalam Unit, India
- Vannpuram, Tamarind Unit, Kerala, India
- Vannpuram, Adimali unit I, Kerala, India
- Vannpuram, Adimali unit II, Kerala, India
- MTR Foods Pvt. Limited, Theni plant, Theni, India

Eastern Condiments Ltd
No. 34/137 A, NH Bypass,
Edapally (P.O), Kochi 682024, India
Phone + 91 48 4300 1100
www.eastern.in

Orkla Confectionery & Snacks
P. O. Box 423 Skøyen, Oslo, Norway
Phone: + 47 22 54 42 00
www.orkla.no

Orkla Confectionery & Snacks Norge AS
P. O. Box 423 Skøyen, Oslo, Norway
Phone: + 47 22 54 42 00
www.nidar.no – www.kims.no – www.saetre.no

- Trondheim
- Skreia

Orkla Confectionery & Snacks – Noi Sirius
Hesthálsi 2–4, IS-110 Reykjavik
Phone: + 354 575 1800
www.noi.is

Orkla Confectionery & Snacks Sverige AB
Box 1196, SE-171 23 Solna, Sweden
Phone: + 46 77 111 10 00
www.orkla.se – www.olw.se – www.goteborgskex.se

- Filipstad, Sweden
- Kungälv, Sweden

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Orkla Confectionery & Snacks Danmark A/S
Somarksvej 31-35, DK-5471 Sønderso, Denmark
Phone + 45 63 89 12 12
www.orkla.dk

Orkla Confectionery & Snacks Finland AB
Ayritie 16, FI-01510 Vantaa, Finland
Phone + 358 20 791 8600

- Haraldsby, Åland, Finland
- Vaajakoski, Finland

Orkla Latvija SIA
Tallinas iela 72, Rīga, Latvia
Phone: + 371 67 080 302
www.orkla.lv

- Ādažu Čipsi factory, Jaunkūlas 2, Ādaži, Ādažu novads, LV-2164
- Laima, Riga, Latvia
- Margiris, Kaunas, Lithuania
- Staburadze cakes, Artilērijas street 55, Riga, LV-1009
- New Laima factory, Laimas street 6, Birznieki, Ādažu novads, LV-2164

Orkla Eesti AS
Porguvalja tee 6, Lehmja, Rae vald, EE-Harjumaa 75 306, Estonia
Phone: + 372 6877 710
www.orkla.ee

- Orkla Confectionery & Snacks – Kalev, Harju, Estonia

Orkla Care
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone + 47 22 54 40 00

Orkla Home & Personal Care AS
P. O. Box 673 Skøyen, 0214 Oslo, Norway
Phone + 47 22 54 40 00
www.orkla.no

- Orkla Home & Personal Care, avd. Ski, Norway
- Orkla Home & Personal Care, avd. Flisa, Norway
- Riemann A/S, Hillerød, Denmark
- Jordan Asia Pacific Sdn Bhd, Kuala Lumpur, Malaysia
- Peri-dent LTD, Galashiels, Scotland
- Peri-dent Star Sdn Bhd, Nilai, Malaysia

Orkla Health AS
P. O. Box 353 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00
www.orkla.no – www.orklahealth.com

- Lofoten Marine Oils AS 50/50 JV, Norway
- Peter Möller, Oslo, Norway

NutraQ AS
Sjølyst plass 3, 0278 Oslo, Norway
Phone: + 47 21 95 12 00
www.nutraq.com

- NutraQ, avd. Trollhättan, Strömstad og Stockholm, Sweden
- NutraQ, avd. Oslo og Myre, Norway
- NutraQ, avd. København, Denmark
- NutraQ, avd. Warszawa, Poland
- NutraQ, avd. Kerava, Finland
- NutraQ, avd. Amsterdam, Netherlands
- NutraQ, avd. Praha, Czech Republic
- NutraQ, avd. Milano, Italy

Orkla Care AB
Box 1336, SE-171 26 Solna, Sweden
Phone: + 46 (0) 10 142 40 00
www.orkla.se

- Orkla Care AB, avd. Falun, Sweden

Orkla Care A/S
Delta Park 45, 3. sal, 2665 Vallensbæk Strand, Denmark
Phone +45 43 56 56 56
www.orkla.dk

- Orkla Health, avd. Ishøj, Denmark
- Orkla Health, avd. Lynge, Denmark

Orkla Care Oy
Ayritie 16, FI-01510 Vantaa, Finland
Phone: + 358 10 218 370
www.orklacare.fi

Orkla Care S.A.
Ul. Polna 21, 05-520 Radzymin, Poland
Ul. Fabryczna 5a, 00-446 Warszawa, Poland
Phone: + 48 22 349 67 00
www.orklahealth.pl

- Orkla Care S.A, avd. Radzymin, Poland

Orkla Care SIA
Gustava Zemgala gatve 74, Rīga, LV-1039, Latvia
Phone: + 371 672 12 405
www.orklahealth.lv

Orkla Care UAB
Trinapolio 9E, LT-08337 Vilnius, Lithuania
Phone: + 370 5 23 10 654
www.orklahealth.lt

Orkla Wound Care
Box 1336, SE-171 26 Solna, Sweden
Phone: + 46 10 142 64 00
www.orkla.com – www.orklacare.se – www.firstaid.cederroth.com

Norgesplaster AS
Granlivegen 21, 4700 Vennesla, Norway
Phone: + 47 38 15 22 00
www.norgesplaster.no

Orkla Cederroth, S.A.U.
S.A.U. Pol. Ind. Can Barri, C/D, naves 11–12,
08415 Bigues I Riells, Barcelona, Spain
Telefon: + 34 93 865 70 09

Health & Sport Nutrition Group HSNG AB
Svetsarvägen 15, 171 41 Solna, Sweden
P. O. Box: Box 1196, 171 23 Solna, Sweden
www.gymgrossisten.com – www.bodystore.com – www.fitnessmarket.com

- Proteinfabrikken AS, Norway
- Proteinfabrikken AB, Sweden
- Fitness Market Nordic AB, Sweden
- VM International AB, Sweden

Orkla Food Ingredients
P. O. Box 423 Skøyen, NO-0213 Oslo, Norway
Phone: + 47 22 54 40 00

Idun Industri AS
- Idun Industri AS, Hvam and Rakkestad, Norway
- Bako AS, Hvam, Norway
- Mybakery, Hvam, Norway
- Orchard Valley Foods Sweden AB, Malmö, Sweden
- Nimatopaal i Dala-Järna AB, Dala-Järna, Sweden
- Frima Vafler, Århus, Denmark
- NIC UK, Omagh, Glasgow, Cornwall og Essex, UK
- Eisunion, Nürnberg, Germany
- NIC Nederland B.V., Waddinxveen, Netherlands
- Win Equipment NISSEI, Bunschoten, Netherlands
- Laan Heiloo B.V., Heiloo, Netherlands
- Vaffelbagaren, Kristianstad, Sweden
- Orchard Valley Foods, Tenbury Wells, UK
- Arne B. Corneliussen AS, Oslo, Norway
- County Confectionery Ltd, St. Ives, UK
- Orchard Valley Foods Australia Ltd, Coburg Victoria, Australia
- Confection by Design Ltd, Harrogate, UK
- Hans Kaspar AG, Zürich, Switzerland
- Cake Décor Ltd, Glasgow, Scotland
- For all Baking Ltd, Glasgow, Scotland

Odense Marcipan A/S, Odense, Danmark
- Frödinge, Vimmerby, Sweden

Credin A/S, Juelsminde, Danmark
- Credin Sverige AB, Stenkullen, Sweden
- Credin Polska, Sobotka, Poland
- Credin Group, Freixeira, Portugal
- Credin Productos Alimenticios, Barcelona, Spain

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CBP A/S, Vejle, Danmark
- Dragsbæk A/S, Thisted, Denmark
- Kjarnavörur hf, Reykjavik, Island
- Innbak hf, Reykjavik, Island
- UAB Vilniaus Margarino Gamykla (VMG), Vilnius, Lithuania
- KT Food, Randers, Denmark
- Gæðabakstur, Reykjavik, Island
- Blume Food I/S, Randers, Denmark
- NATURLI® Foods, Randers, Denmark
- PureOil I/S, Thisted, Denmark
- Grondansk ApS, Vejen, Denmark
- Isbud, Reykjavik, Island
- SR Foods & Ingredients, Randers, Denmark
- Nonni Litli ehf – Reykjavik, Island
- Ismejeriet Thy, Thisted, Denmark
- Skovlund, Ansager, Denmark

OFI S&D
- KåKå AB, Lomma, Orebro, Sollentuna og Göteborg, Sweden
- Jästbolaget AB, Sollentuna, Sweden
- Werners Gourmetservice, Skara, Sweden
- Tredo AB, Södertälje, Sweden
- Condite Oy, Naantali, Finland
- Minordija, Kaunas, Lithuania
- LaNordija, Riga, Latvia
- Vilmix, Viljandi, Estonia
- PGD, Warszawa Poland
- Ambasador 92, Piaseczno, Poland
- Ekvia, Nitra, Slovakia
- Belusa Foods, Beluša, Slovakia
- Orkla Food Ingredients Cesko, Středokluky, Czech Republic
- Kanakis, Athen, Greece

Orkla Foods Romania SA, București, Romania
- Orkla Foods Romania, Covasna, Romania
- Orkla Foods Romania, Iași, Romania
- Orkla Foods Romania, București, Romania

Sonneveld Group B.V., Papendrecht, Nederland
- Sonneveld Ltd., Thirsk, UK
- Sonneveld OOO, St. Petersburg, Russia
- Sonneveld NV/SA, Brüssel, Belgium
- Sonneveld Kft, Ócsa, Hungary
- Vamo BV, Duiven, Netherlands
- Quattro Enzyme Solutions BV, Papendrecht, Netherlands

Orkla Consumer & Financial Investments

Lilleborg AS
Drammensveien 149, 0277 Oslo, Norway
Phone: + 47 815 36 00
www.orkla.no – www.lilleborg.no
- Lilleborg AS, teknisk avdeling, Furuset, Oslo, Norway

Orkla House Care AB
P. O. Box 133, SE-564 23 Bankeryd, Sweden
Phone: + 46 36 37 63 00
www.anza.se

Orkla House Care Norge AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 19
www.orklahousecare.com

Orkla House Care Danmark A/S
Delta Park 45, 3. Sal, 2665 Vallensbæk Strand, Denmark
Phone: + 45 47 33 74 00
www.orklahousecare.com

Orkla House Care
Koralenhoeve 25, 2160 Wommelgem, Belgium
www.orklahousecare.com

Orkla House Care/Harris China/Harris Decorating Tools
West Off of G321 National-Highway Fangzhi-Road, Mugang Town, Zhaoqing City, Guangdong Province, PRC, China
www.orklahousecare.com

LG Harris & Co Ltd
Stoke Prior, Bromsgrove, B60 4AE, UK
Phone: + 44 1527 575441
www.harrisbrushes.com

Pierre Robert Group AS
Drammensveien 149, 0277 Oslo, Norway
Phone: + 47 22 54 40 00
www.pierrerobertgroup.no

Orkla Eiendom AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00
www.orklaeiendom.no

Orkla Energi AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00

Sarpsfoss Ltd
P. O. Box 162, NO-1701 Sarpsborg, Norway
Phone: + 47 69 11 80 00

- Mossefossen ANS, Moss, Norway

Aktieselskabet Saudefaldene
Vangsnes, 4200 Sauda, Norway
Phone: + 47 52 78 80 00

Trælandsfos Holding AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00

Kotipizza Group OY
Verkkosaarenkatu 5, 00580 Helsinki

New York Pizza GmBH
Centrcallee 277, 46047 Oberhausen, Germany
New York Pizza, Smederij 15, Postbus 9031, 1180 Ma Amstelveen, Netherlands

Other companies and other group companies

Orkla IT AS
P. O. Box 383 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 09 61 00

Orkla Insurance Company DAC
Elm Park, Merrion Road, Dublin 4, Ireland
Phone: + 353 1 407 4992

Orkla Asia Pacific Pte Ltd
6 Shenton Way, OUE Downtown 1, #43-01, 068809, Singapore
Phone: + 65 9643 1029

Orkla Design AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00

Orkla Investeringer AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00

Orkla Ocean AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00

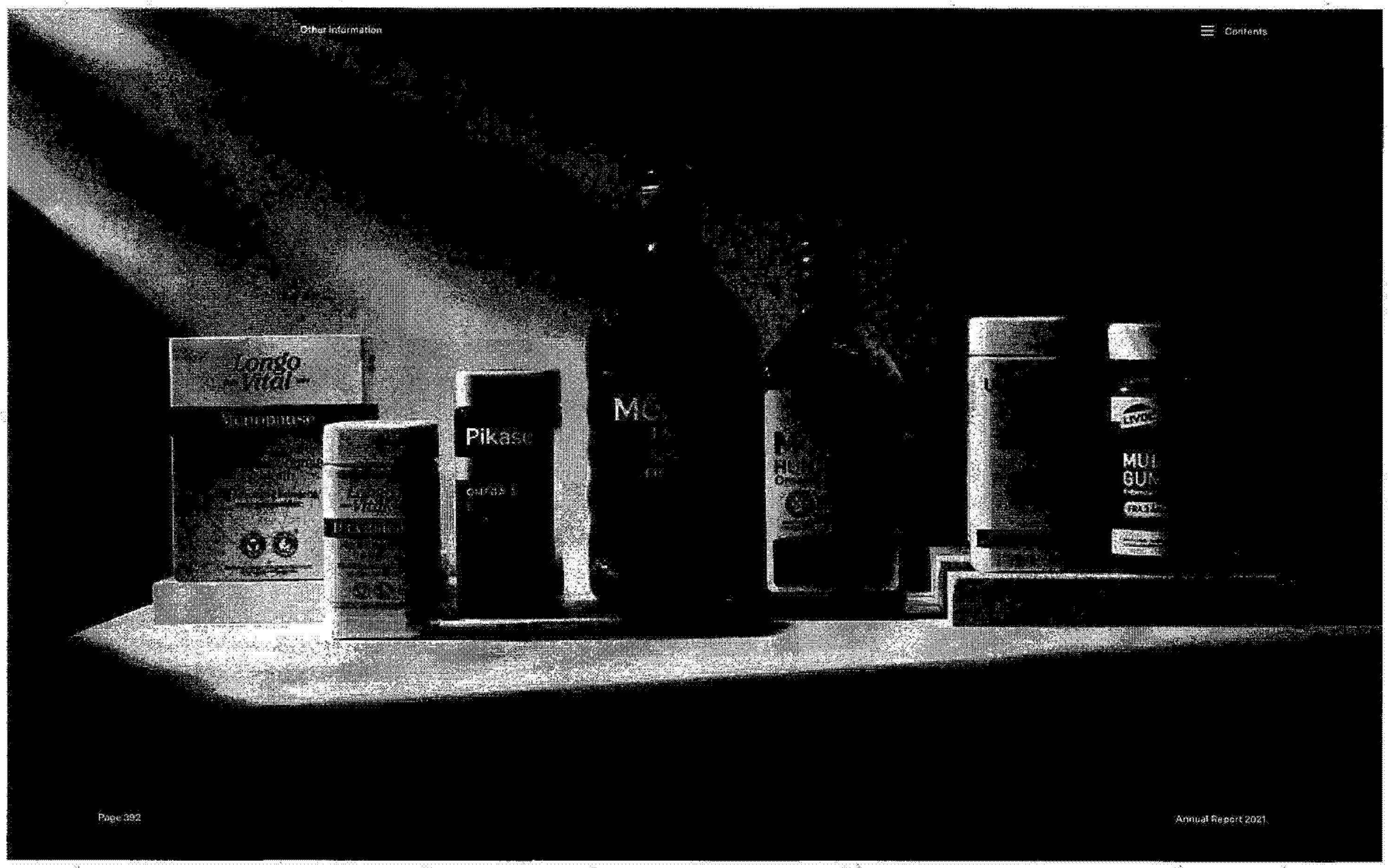
Orkla Trading AS
P. O. Box 423 Skøyen, 0213 Oslo, Norway
Phone: + 47 22 54 40 00

Orkla Accounting Center Estonia OÜ
Tornimae tn 2 Tallinn, 15010, Estonia
Phone: + 372 6219002

Design
ANTI

Photo
Bjørn Wad

20220701369353


Pikase

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