**NBIM’ answer**

It was announced by the Norwegian government on 27 February 2022 that the Government Pension Fund Global will withdraw from Russia, and the fund’s investments in Russian companies are currently frozen. The fund’s exposure to Ukrainian companies is limited, constituting ~220 mNOK in 3 companies as of 31/12/2021 ([Investments (nbim.no)](https://www.nbim.no/en/the-fund/investments/#/2021/investments/equities)).

NBIM considers that ensuring respect for human rights is essential for good business practice and risk management. We have published an [Expectation Document on Human Rights](https://www.nbim.no/contentassets/0ff34e35ba1a44c3b6c2039466ccbec7/human_rights_2021_web.pdf), which lays out our expectations of companies in this regard. We expect companies to follow international standards such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In line with these international standards, companies should conduct human rights due diligence based on the perspectives of those who may be negatively impacted. When companies operate in conflict-affected areas, they should conduct enhanced human rights due diligence to identify, prevent and mitigate heightened risks.

As part of our ongoing human rights due diligence of the portfolio, we review the portfolio with the aim to identify companies that could have a significant adverse impact on people, and to prioritise action to reduce the risk from owning such companies. This includes companies with operations or business relationships in conflict-affected areas.

We also have regular dialogue with investee companies to understand whether those that are exposed to risks have adequate policies and processes in place for preventing or mitigating potential and actual negative impacts. In 2021, we expanded our dialogue with companies with operations or business relationships in conflict-affected areas where we seek to better understand their risk exposure and management practices, and we use our leverage as an investor to encourage the companies to conduct enhanced due diligence.

Further, the independent Council on Ethics is charged with making recommendations to Norges Bank on the observation and exclusion of companies in the fund’s portfolio in accordance with criteria in the Guidelines for observation and exclusion of companies from the fund. The criteria include situations where there is an unacceptable risk that a company contributes to or is responsible for serious violations of the rights of individuals in situations of war or conflict, or the sale of weapons to states engaged in armed conflict that use the weapons in ways that constitute serious and systematic violations of the international rules on the conduct of hostilities.

More specifically, please see the following statements regarding the fund’s investments in Russian companies:

28 February 2022 announcement [The Government Pension Fund Global to exit Russia - regjeringen.no](https://eur02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.regjeringen.no%2Fen%2Faktuelt%2Fthe-government-pension-fund-global-to-exit-russia%2Fid2902556%2F&data=04%7C01%7CLine.Aaltvedt%40nbim.no%7Cad53303ccb764f14be2508da081f2d19%7C4a653e38cdfe40468620e0fa13765079%7C0%7C0%7C637831227236892467%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=w4FyttHQsKmGxXjFC%2B7viAvd%2Fo%2BH6RWOYZPiKC9Evzs%3D&reserved=0)

15 March 2022 letter: [The Government Pension Fund Global's investments in Russia (nbim.no)](https://www.nbim.no/en/publications/submissions-to-ministry/2022/the-government-pension-fund-globals-investments-in-russia/)