



NORGES BANK  
INVESTMENT MANAGEMENT

PRI Association  
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Your ref.: [Reference]  
Our ref.:RUR

## Response to the survey on proposals and methods to strengthen PRI signatory accountability

We refer to the consultation of the signatories to the PRI dated July 2017. Strengthening the accountability and commitment of PRI signatories to the six Principles is key to the development of responsible investment globally. We support the need for PRI to deliver a methodology to identify signatories failing to make progress in implementing the six Principles.

As a PRI signatory, Norges Bank Investment Management welcomes the opportunity to give feedback on the proposed minimum requirements and showcasing leadership. You can find our response to the specific questions set out in the survey in the appendix to this letter. We have also delivered our response electronically.

Yours sincerely,

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## APPENDIX

### Norges Bank Investment Management's response to specific questions

#### Minimum requirements

*Do you agree that all signatories should have a policy that covers RI, E, S or G issues as a minimum requirement? Y/N*

*Please explain your answer.*

YES.

Fulfilling the six PRI principles should be appropriate to the signatory's mandate and based on the institution's policy to ensure a transparent, systematic and consistent approach to responsible investment.

*Do you agree that 50% should be the minimum threshold? Please explain your answer. If no, what should the minimum threshold be?*

YES.

For an investor to be called a responsible investor, the organisation's policy should cover at least half of AUM, regardless of asset class mix. We believe a higher threshold could be considered.

*Do you agree that PRI signatories should have either internal or external staff implementing RI as a minimum requirement? Y/N Please explain your answer.*

YES.

The policy must somehow be implemented, either by internal or external staff, or a combination thereof. Internal staff could be dedicated full time staff, but it could also be investment staff, e.g. where the strategy and the organisational set up is so that the chief investment officer and/or individual portfolio managers are involved in implementation of the responsible investment strategy. Commonly, one would also see other departments being involved in implementation, such as risk, legal, policy etc. It is important that PRI recognises the many ways this requirement may be fulfilled so that the individual organisation finds a way to organise its RI work that fits its specific characteristics.

*Do you agree that PRI signatories should have senior level commitment/accountability as a minimum requirement? Y/N*

*Please explain your answer.*

YES.

We believe it to be key that the RI strategy and its implementation plan is anchored at senior management level to ensure accountability and a transparent, consistent and structured implementation.



*Do you agree with the proposed timeline: Agree, Disagree, Too long, Too short? Please explain your answer.*

Agree.

The proposed timeline should give the signatory in question appropriate time to implement necessary changes to avoid delisting. Based on the support plan developed by PRI, the signatory will have the opportunity to disclosure changes through the 2019 and 2020 reporting before PRI will decide on a potential delisting.

*Do you have any further comments on minimum requirements?*

NO

### **Leadership**

*Do you agree that a signatory's combined score should not be published as part of the report? Please explain your answer.*

YES.

We agree that with a combined score may not always provide a meaningful result given the potential wide variations in size, asset mix, strategy etc. It may also be that inclusion into the leadership group also should reflect how the individual signatory scores towards its peer group as already defined in the reporting framework.

*Do you believe the weighting of this pillar is adequate?*

YES

*Do you believe the weighting of this pillar is adequate?*

YES

*Do you believe that the proposed weighting of this adequate?*

YES

*Should signatories be rewarded for choosing to report on modules that are currently voluntary to report for them? Please explain your answer.*

YES.

The point here is to select leader and we agree that, while not impacting the scoring, willingness to submit additional data should be a component in defining leadership.

*Do you have any further comments on leadership?*

NO