

# GOVERNMENT PENSION FUND GLOBAL

First half 2025



# Request from the Ministry of Finance



Norges Bank  
Postboks 1179 Sentrum  
0107 Oslo

Deres ref

Vår ref  
25/4639-

Dato  
5. august 2025

## **Fornytt gjennomgang av arbeidet med ansvarlig forvaltning og investeringer i israelske selskaper**

De etiske retningslinjene for observasjon og utelukkelse av selskaper fra Statens pensjonsfond utland har kriterier rettet mot at fondet ikke skal være investert i selskaper der det er en uakseptabel risiko for selskapet medvirker til at stater begår grove brudd på folkeretten. Etikkrådet vurderer selskaper etter retningslinjene, og Norges Bank fatter beslutning i slike saker.

Ansvarlig forvaltning er en sentral del av Norges Banks mandat for forvaltningen av fondet. Norges Bank har i sin årsrapport for den ansvarlige forvaltningen redegjort for hvordan banken har fulgt opp mandatet. Banken redegjorde også for sitt arbeid blant annet under finanskomiteens høring i behandlingen av fondsmeldingen for 2025 (Meld. St. 22 (2024-2025)).

Situasjonen på Vestbredden og i Gaza har forverret seg den senere tiden. Krigføringen medfører grusomme lidelser. Flere har på denne bakgrunn stilt spørsmål ved enkeltinvesteringer i fondet, blant annet til fondets investering i selskapet Bet Shemesh Engines Holdings.

Det er forståelig at utviklingen i krigføringen vekker uro. I lys av dette og den alvorlige og forverrede situasjonen, ber departementet om en fornytt gjennomgang av Norges Banks arbeid med å følge opp mandatet, fondets investeringer i israelske selskaper og eventuelle nye tiltak som banken mener er nødvendige.

Det bes om svar så snart som mulig og senest innen 20. august 2025.

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Avdeling  
Avdeling for  
formuesforvaltning

Saksbehandler  
Yngvar Tveit

# Investments in Israel

Change in market value first half 2025

	Billion NOK
Market value 2024	22.2
Market value H1 2025	22.7
Change	0.5
<i>Net trades</i>	-0.4
<i>Market return</i>	2.3
<i>Dividends</i>	-0.2
<i>Currency effect</i>	-1.2

# Ethical exclusions

- Ethical guidelines provided by the Ministry of Finance
- Council on Ethics evaluates single companies
- Ongoing dialogue and coordination between Norges Bank and the Council on Ethics
- Norges Bank makes the decision after advice from the Council on Ethics
- Shares are sold in the market



# Exclusions and divestments in Israel

- Isreal government bonds sold in 2023
- 11 companies excluded based on advice from Council on Ethics (2009-)
- 10 companies sold based on risk assessments conducted by NBIM

# Measures to reduce complexity

- External fund management in Israel discontinued
- Bet Shemesh Engines Holdings sold
- 10 other companies outside the index sold
- Internal active positions closed

This simplifies complexity and the number of companies that the fund and the Council on Ethics monitor. Further measures are expected.

A dark blue world map is visible in the background, showing the outlines of continents and countries. The map is centered and covers the entire slide area.

Why do we use external managers?



Local experts

# External managers

5%

of the fund under  
external management

103

management  
organisations





# How do we monitor external managers?

- Expectations for responsible investments are included in the agreement with the managers
- We have the same expectations for all companies
- External managers report to us and are monitored continuously

# GOVERNMENT PENSION FUND GLOBAL

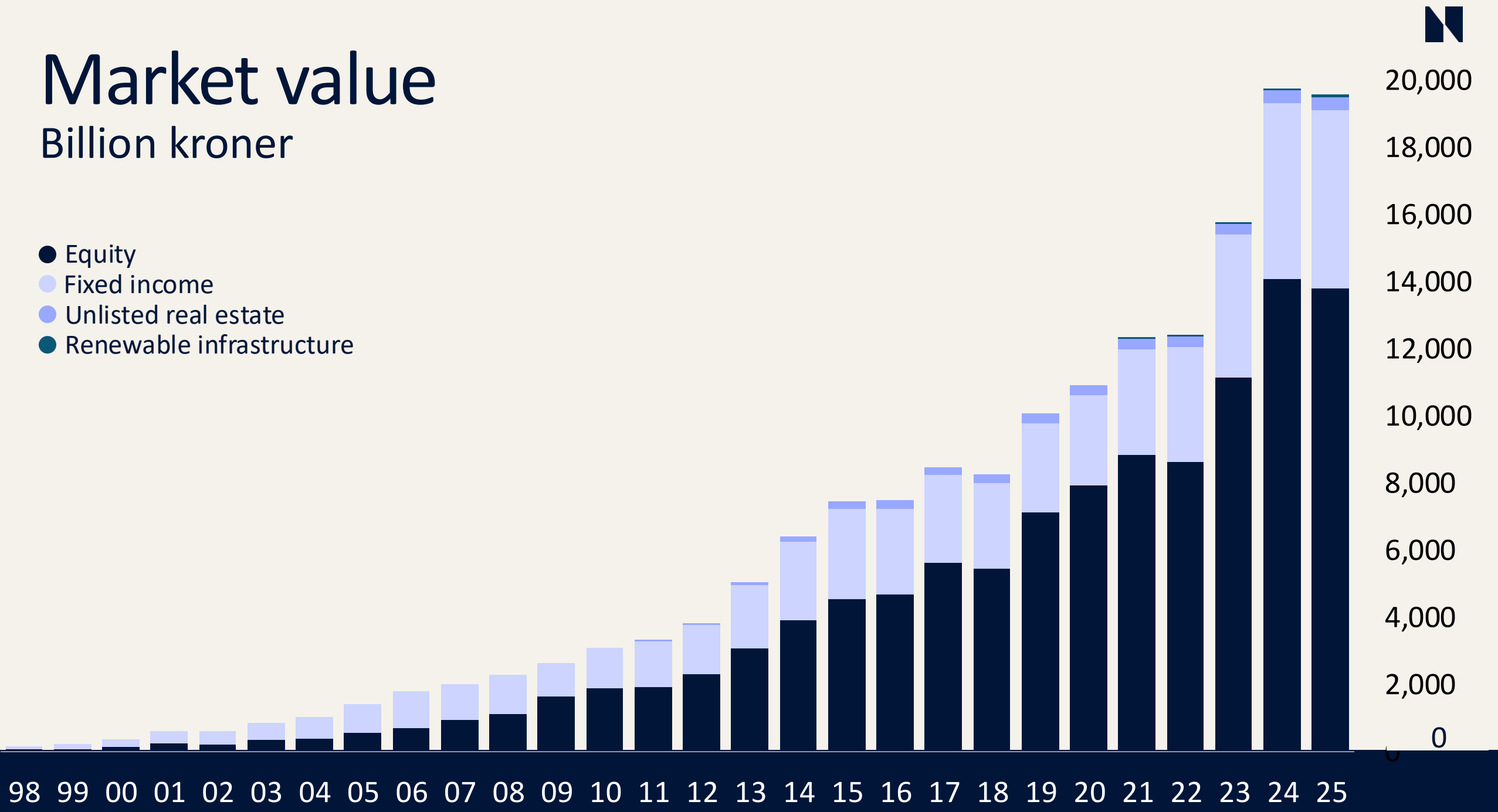
First half 2025



# Market value

Billion kroner

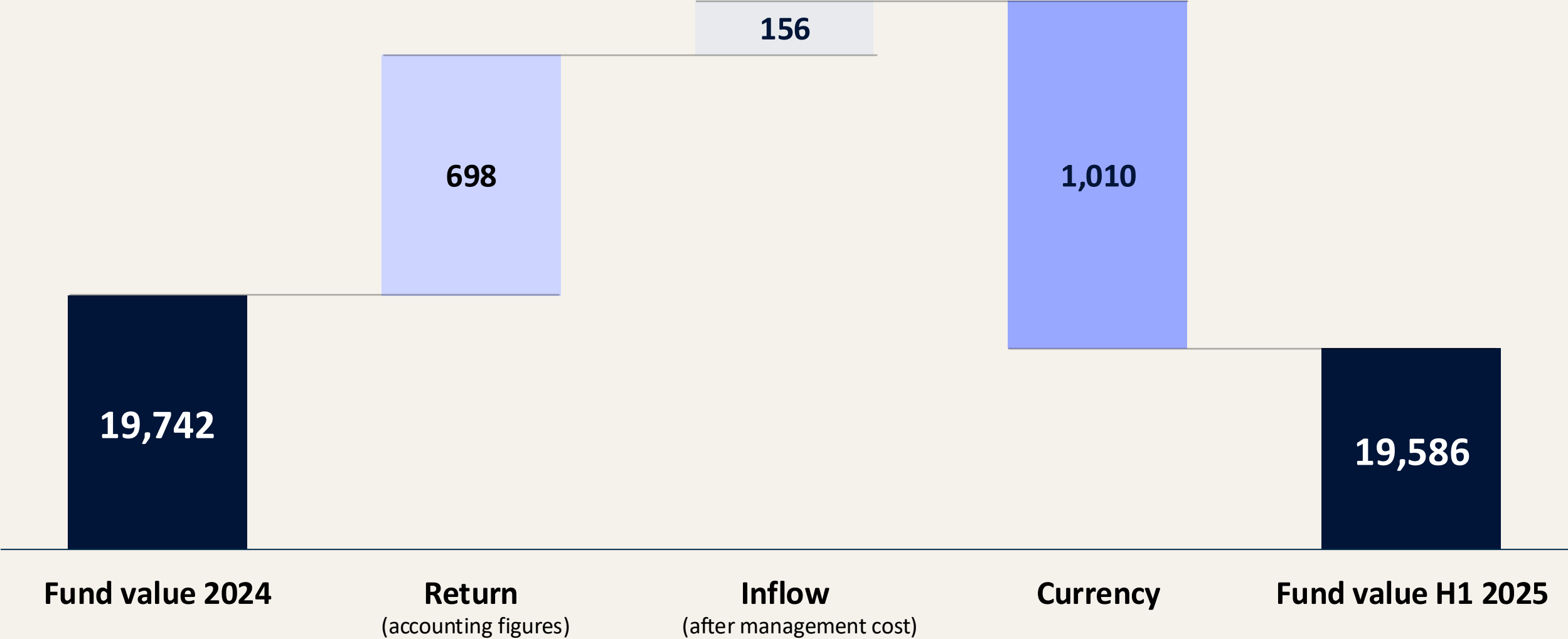
- Equity
- Fixed income
- Unlisted real estate
- Renewable infrastructure





# Decrease in the fund's value by 156 billion

Billion kroner







# Markets



# Strong return in the stock market

Dollar. Percent.





# Strongest return in financial sector

Dollar. Percent.





# Fluctuations in interest rate markets

10-year interest rate. US.



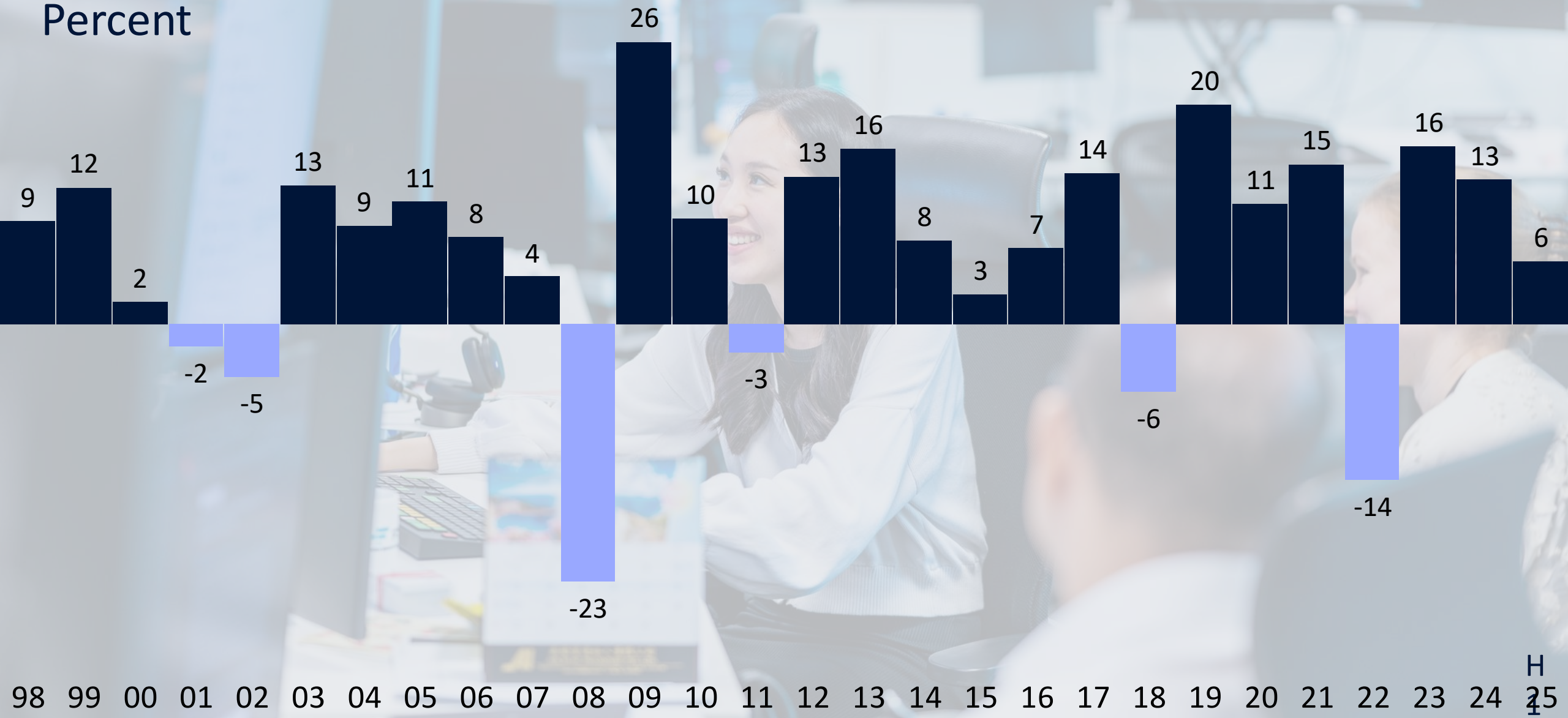




Fund's  
results

# Return H1 2025

Percent







# Return H1 2025

Billion kroner





Return equities  
7%






Return fixed income  
3%



An aerial photograph of a city at sunset. A prominent modern glass skyscraper stands out in the center, its windows reflecting the warm orange and yellow light of the setting sun. The city below is a dense grid of buildings, with some greenery visible in the foreground. The sky is a mix of soft pinks, oranges, and blues.

Return unlisted real estate  
4%

A photograph of an offshore wind farm with several white wind turbines on a blue sea under a clear sky. The turbines are arranged in a line, receding into the distance.

Return unlisted infrastructure  
9%



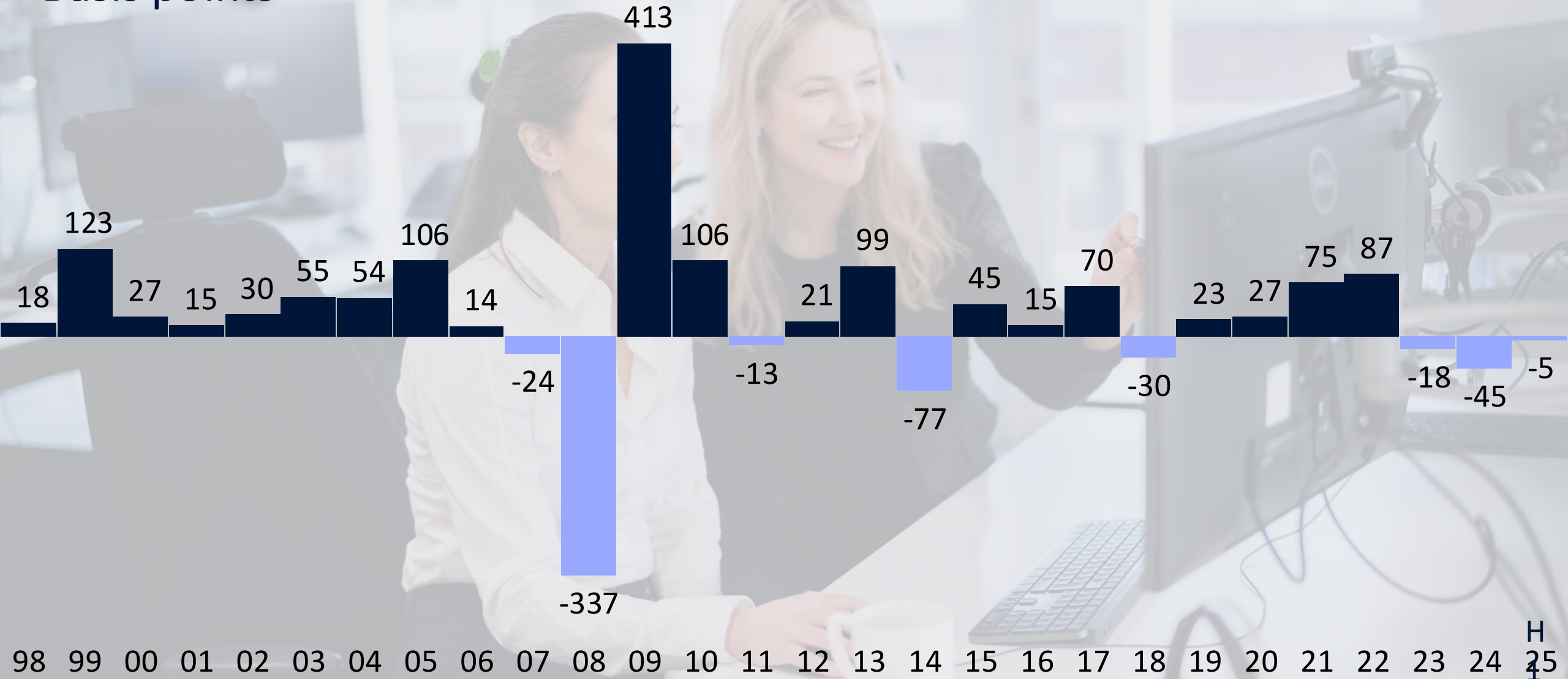
# Excess return

When the fund achieves a better return than the fund's benchmark index



# Excess returns

Basis points



# Contributions to relative return H1 2025

Basis points

Investment area	Contribution
Equities	3
Fixed income	6
Real assets	-12
Allocation	-2
Total	-5



# Excess return since inception

Billion kroner







Transparency

# Holding list



Total market value

**19,601,837,632,886** NOK

70 countries | 11,308 investments | 100 % of all investments

Equities →

**13,841,391,791,701** NOK

62 countries | 8,374 companies | 70.6 % of all investments

Fixed income →

**5,311,013,977,241** NOK

50 countries | 1,583 bonds | 27.1 % of all investments

Real estate →

**365,193,706,334** NOK

15 countries | 1,341 investments | 1.9 % of all investments

Renewable energy infrastructure →

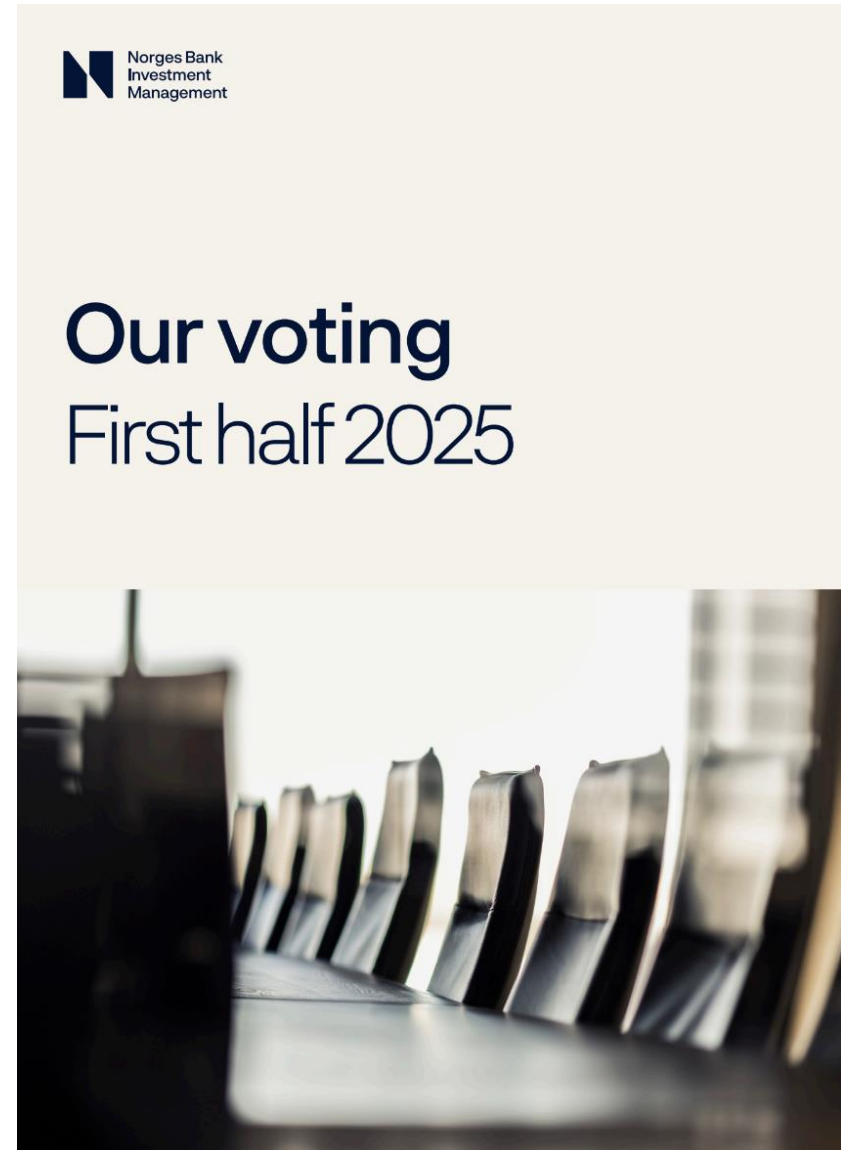
**84,238,157,610** NOK

5 countries | 10 investments | 0.4 % of all investments



Show list of countries ↗

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