



Ministry of Finance
Akersgata 40, P.O. Box 8008 Dep
0030 OSLO

Date: 24. august 2020
Your ref.:
Our ref.: 20/02140

Appointment and assumption of office of NBIM CEO

Reference is made to the recommendation issued on 21 August by the Storting Standing Committee on Finance and Economic Affairs, in which the Committee concludes as follows:

"The Committee's conclusions following consideration of the report by Norges Bank's Supervisory Council on the appointment of a new NBIM CEO are that:

- *The CEO of NBIM cannot have holdings or interests that could create or appear to create conflicts of interest that are liable to weaken the trust and reputation of Norges Bank, pursuant to the Bank's own ethical principles for employees.*
- *The CEO of NBIM cannot have holdings or interests that weaken, or can weaken, the GPFG's work on tax and transparency.*
- *These matters must be clarified before the new CEO of NBIM takes office.*

The Committee notes that according to the Law Department of the Ministry of Justice, 'the power to issue general instructions presumably exists, also if they are of importance for the specific appointment' under certain conditions.

The Committee notes that the Minister of Finance will contact Norges Bank's Executive Board – and assumes that the Committee's conclusions will be followed up, in an appropriate manner and within current legislation and rules."

Reference is also made to a meeting with the Minister of Finance on 21 August. At the meeting, the Governor expressed Norges Bank's desire to help to find a solution that will ensure stability and trust in the GPFG.

Today the Executive Board has met, and below is an account of the proposed changes in the contractual framework and the Executive Board's decision.

Proposed changes in the contractual framework

In a dialogue with the Bank's executive management, Nicolai Tangen has stated that in the light of the initiative of the Minister of Finance and deliberation by the Storting, he will now accept a transfer of his holding in AKO Capital LLP, in order to promote stability and trust in Norges Bank and NBIM. In line with this, he will transfer his holding and dividend rights in AKO Capital LLP, which are organised through DSHN Philanthropy LLP, with final and irrevocable effect to the charitable entity AKO Foundation. He will thereby no longer have any ownership interest in AKO Capital LLP.



NORGES BANK

Tangen has also stated that he will amend the management agreement with Gabler Investment A/S, so that his fund investments are liquidated and the proceeds held as bank deposits.

It is assumed that these actions are sufficient in meeting the Committee's requirements.

Implementation

In order to ensure the proper implementation of agreements etc that Tangen has entered into with the creation of DSHN, the transfer of his holding in AKO Capital LLP to the AKO Foundation will take place on 1 January 2021 or earlier, once the UK authorities have granted the necessary approvals. Until then, the existing agreement with Tangen remains in force, under which his ownership interest in AKO Capital LLP is administered by DSHN, with Erik Keiserud as independent trustee. It is important to underscore that also under this agreement all investment income DSHN receives from AKO Capital will go in its entirety to the AKO Foundation.

It is assumed that the AKO Foundation will exercise its voting rights in AKO Capital LLP through a board with a majority of persons independent of (not close associates with) Nicolai Tangen. Existing undertakings related to information barriers etc between Tangen and the AKO system remain in force to the extent it is possible and appropriate.

It is expected that Tangen's personal fund units, which are currently managed by Gabler Investment A/S, will be sold by 1 October. The existing agreement with Gabler Investment A/S will remain in force as long as it is necessary and appropriate.

Nicolai Tangen will take office as planned on 1 September.

The Executive Board's decision

At its meeting today, the Executive Board endorsed the following changes to Nicolai Tangen's employment contract:

- Nicolai Tangen's ownership interest and dividend rights in AKO Capital LLP shall be transferred with final and irrevocable effect to the charitable entity AKO Foundation on 1 January 2021 or earlier, once the UK authorities have granted the necessary approvals.
- Nicolai Tangen's management agreement with Gabler Investment A/S shall be amended so that his mutual fund investments are liquidated and the proceeds held as bank deposits.

The Governor has been authorised to approve necessary amendments to agreements and undertakings submitted to Norges Bank in connection with Nicolai Tangen's employment contract.

Sincerely,

Øystein Olsen
Governor

Birger Vikøren
Executive Director
General Secretariat

CC: Supervisory Council