

POLICY

SAFEGUARDING OF LEGAL INTEREST

Issued by	Chief Executive Officer
Issued	11/11/2008
Updated	07/06/2022

1. Purpose

The purpose of this policy is to ensure that the legal interests of Norges Bank and the funds managed by Norges Bank Investment Management are appropriately safeguarded.

2. Policy

Norges Bank Investment Management (NBIM) shall safeguard the legal interests related to Norges Bank's role as manager and as the legal owner of the assets under management. NBIM has an obligation to preserve, protect and pursue such legal interests, including taking steps to pursue claims or recover assets, and taking legal actions through litigation where this is necessary. This also applies with regard to legal entities established for the unlisted real assets investments.

2.1 Safeguarding of legal interests

- We will safeguard the assets of the funds and Norges Bank's legal, tax, commercial and operational interests through use of appropriate legal means.
- We will ensure compliance with relevant laws and regulations, including rules on public procurement (where applicable).
- We will protect the assets of the funds by preserving the sovereign immunity of Norges Bank and the State of Norway where this is available.
- We will seek to limit liability for Norges Bank in relation to the activities of NBIM.
- We will ensure adequate legal advice is available to assess and mitigate NBIM's legal, tax, commercial and operational risks.
- We will ensure that the unlisted real asset investments are structured and held through separate legal entities with their own decision-making bodies.

2.2 Litigation and recovery

- NBIM shall pursue and protect legal interests related to the funds, including the rights and obligations Norges Bank may have in its role as (i) asset manager, (ii) legal owner of shares and bonds and other financial instruments, or (iii) a party to a contract and in other areas where NBIM may need to pursue rights and interests, or protect against liability.

- NBIM shall recover and pursue claims Norges Bank as asset manager may have against counterparties due to their bankruptcy or insolvency or other events of default or non-payment. These processes may include taking legal actions before the courts to pursue or defend our legal position.

2.3 Securities litigation

- NBIM shall have systems and procedures for obtaining information about securities litigation, including class actions, filed in the markets in which the funds are invested. The aim of this is to identify cases which are relevant to Norges Bank, and where the Bank, either as a shareholder or as a bondholder, may have suffered losses which may be recovered through pursuing relevant claims.
- NBIM may in certain securities litigation cases take a more active and direct approach. Direct actions should be considered only where: (i) there have been actions on the part of the company, its management or its advisers which clearly appear to give rise to liability for damages, (ii) these actions have resulted in losses for shareholders or bondholders, (iii) the Bank's losses in this respect are considerable, (iv) the case has a strong legal basis, (v) there is sufficient material/evidence to support the case, and (vi) the defendant(s) is/are believed to be able to pay.
- There shall be an assessment of potential reputational impact on Norges Bank related to being a plaintiff in such court proceedings.