JOB DESCRIPTION FOR THE EXECUTIVE DIRECTOR OF NORGES BANK INVESTMENT MANAGEMENT

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1 Principal duties

The Executive Director and Chief Executive Officer of NBIM ("the Executive Director") is delegated the responsibility for all activities, including the management, operation and development of NBIM, to support the strategic objectives with respect to assets under management.

The Executive Director reports directly to Norges Bank's Executive Board and is in charge of the administration of NBIM in accordance with the principles and guidelines laid down by the Executive Board. The Executive Director establishes and chairs NBIM's Leader Group.

2 Advisory and preparatory work

The Executive Director of NBIM is the Executive Board's closest professional adviser on issues concerning investment management, and is responsible for providing well-founded and documented advice on investment strategy and other aspects of investment management. This responsibility includes:

- Prepare the basis for decisions on investment management to be taken by the Executive Board;
- Ensure relevant theoretical and practical expertise and advisory capacity;
- Provide advice on matters concerning changes in investment strategy, asset classes, asset allocation, investment risk, benchmark indices, investment limits and other operating parameters for the funds and portfolios under management.

3 Planning and management

The Executive Director has the professional and administrative responsibility for NBIM and shall maintain and develop an appropriate organisation to support NBIM's investment strategy. This includes:

- Develop an appropriate management structure within NBIM;
- Prepare and implement the strategic and annual plans and ensure that these are formally updated on a regular basis, as well as whenever necessary to reflect significant changes;
- Ensure NBIM operates in a cost effective manner and propose an annual budget and cost framework for activities;
- Provide financial reporting and accounting, including records to Norges Bank, for the preparation of quarterly and annual accounts in line with applicable accounting rules and Norges Bank's accounting policies;
- Manage Norges Bank's overseas offices and take care of all functions relating to the operation of such offices, including the maintenance of relationships with regulatory authorities and the facilitation of representation arrangements.

4 Human resources and organisational development

The Executive Director is responsible for the organisational development and personnel management of all employees within NBIM. This includes:

- Recruit NBIM personnel and chair the employee participation committee (MPU);
- Motivate and develop employees so that NBIM has the human resources and competence to ensure high professional standards;
- Define and document the primary responsibilities for employees representing direct reports;
- Establish a human resources policy for NBIM's employees, including personnel services, based on the overall rules applying to Norges Bank;
- Establish and administer compensation arrangements which ensure recruitment of competent personnel for positions at all levels in NBIM in accordance with the principles for compensation of NBIM employees as laid down by the Executive Board;
- Conduct, at least annually, a review of compensation arrangements, including benchmarking against competitors in the local markets where NBIM operates;
- Prepare materials for the Executive Board's Compensation Committee for all NBIM matters, in accordance with the Committee's mandate;
- Establish legal entities and structures, represent Norges Bank as owner and contract counterparty vs. such entities, and appoint directors of such entities to support real estate investments. This delegation also applies for entities subject to Central Bank Act section 8a (within the parameters set out in said provision). The Executive Director may further delegate these powers.

5 Service providers

The Executive Director may utilise the services of third party providers to achieve the strategic direction. This includes:

- Establish guidelines to support when outsourcing may be used, together with prudent and thorough selection processes;
- Perform monitoring and control activities to oversee external service providers, including external investment management institutions.

6 Safeguarding of legal interests

The Executive Director shall ensure that the legal interests of Norges Bank, NBIM and the funds are protected and pursued. This includes:

- Safeguard assets in the funds through appropriate legal means;
- Ensure limited liability for Norges Bank in relation to the activities of NBIM;
- Mitigate legal risks associated with contracts and documentation across all parts of NBIM's operations;
- Pursue interests under contract and as an owner of financial instruments through legal means. This includes recovery of claims, participation in shareholder actions and litigations in line with the principles laid down by the Executive Board.

7. Responsible investment management and active ownership

The Executive Director shall incorporate responsible investment considerations into investment management activities and shall exercise ownership rights on behalf of the funds and portfolios managed by NBIM. This includes:

- Exercise ownership rights in line with the guidelines laid down by the Ministry of Finance and the Executive Board's principles for ownership management;
- Contribute to the development of good international practice in the field of responsible investment and corporate governance, and prepare and maintain strategies and principles to support this work;

- Develop and maintain internal guidelines to support the integration of social, environmental and corporate governance issues into the investment management process, aligned with internationally recognised principles;
- Maintain contact with similar funds and other institutions and represent a centre of expertise in the fields of responsible investment and active ownership.

8 Risk and compliance

The Executive Director of NBIM is responsible for establishing internal risk and compliance systems and procedures, appropriate for the funds and portfolios under management. This includes:

- Ensure that assets are managed within the constraints laid down by the fund owners and the Executive Board of Norges Bank and that restrictions are regularly monitored for compliance;
- Ensure that assets are managed so that they comply with market rules and regulations and that
- NBIM's adherence to these obligations are regularly monitored for compliance;
- Manage all contact between the Norwegian and foreign regulatory authorities with respect to NBIM activities;
- Establish satisfactory risk systems and control procedures for investment management which meet international recognised standards, including systems for the management of market, credit, counterparty and operational risks, valuation and measurement of returns;
- Establish and maintain contingency plans for NBIM's operations;
- Organise NBIM's operations in such a way that, to the extent possible, its employees do not have access to confidential information from other parts of Norges Bank;
- Maintain guidelines for valuation of instruments in connection with internal transactions between the real estate portfolio and the equity and fixed income portfolios;
- Establish appropriate requirements and procedures governing the code of conduct of NBIM employees in accordance with the ethical rules laid down by the Executive Board and ensure such rules are observed;
- Manage the exclusions of companies from the funds and portfolios in line with the Ministry of Finance's decisions.

The Executive Director shall also take steps to ensure that the supervisory and audit bodies of Norges Bank can perform their control, supervisory and audit functions in line with applicable regulations.

9 Communication and reporting

The Executive Director is responsible for the effective external communication of Norges Bank's investment management activities together with reporting to meet the requirements established by fund owners and the Executive Board of Norges Bank. This includes:

- Work to build confidence in Norges Bank's investment management activities amongst the funds' owners and the general public;

- Prepare and publish external quarterly and annual reports on the investment management activities, in accordance with the requirements laid down by the Ministry of Finance and the Executive Board's principles for organisation and management;

- Present Norges Bank's views and provide information on its investment management operations in internal and external forums;

- Participate in ad hoc, quarterly and annual press conferences where NBIM represents an agenda item;

- Respond to ad-hoc enquiries from the media with requests for information.