

COUNCIL ON ETHICS

THE GOVERNMENT PENSION FUND GLOBAL

UNOFFICIAL ENGLISH TRANSLATION

To Norges Bank

19.12.2018

Recommendation to revoke the exclusion of General Dynamics Corp from the Government Pension Fund Global

1 Introduction

The Council on Ethics recommends that the exclusion of General Dynamics Corp (GD) from investment by the Government Pension Fund Global (GPF) be revoked. The company has been excluded since 2005 due to its production of cluster munitions. This activity has now ceased, thereby eliminating the grounds for the company's exclusion.

2 Background

The Council on Ethics recommended that GD be excluded from the GPF in 2005, due to the company's production of cluster munitions of the type CBU-97 / CBU-105.¹

Pursuant to section 5(5) of the guidelines for observation and exclusion from the GPF, the Council on Ethics may, on the basis of new information, recommend to Norges Bank that the exclusion of a company be revoked.

3 Information from the company

In response to the Council on Ethics' query, GD confirmed that it has ceased to produce the type of cluster munitions that formed the original grounds for exclusion and that it no longer produces any type of cluster munitions:

*"[...] we have terminated our involvement in the manufacture of components for the CBU-97/CBU-105 Sensor Fused Weapon. We can also state that General Dynamics is not, to the best of our knowledge, involved in activities prohibited by the provisions of the two principal international accords related to landmines and cluster munitions, the Convention on Cluster Munitions, and the Convention on the Prohibition of the Use of Stockpiling, Production, and Transfer of Anti-Personnel Mines and of their Destruction."*²

4 Council on Ethics' assessment

On the basis of the above, the Council on Ethics considers that there are no grounds for maintaining the company's exclusion.

¹ The Council on Ethics' recommendation to exclude producers of cluster munitions, June 2005: <https://etikkradet.no/tilradning-om-utelukkelse-av-selskaper-som-involvert-i-produksjon-av-klasevapen/>.

² Email from General Dynamics Corp to the Council on Ethics, 16 November 2018.

5 Recommendation

The Council on Ethics recommends that the exclusion of General Dynamics Corp from the Government Pension Fund Global (GPF) be revoked.

Johan H. Andresen Chair	Hans Christian Bugge	Cecilie Hellestveit	Trude Myklebust	Brit K. S. Rugland
(Sign.)	(Sign.)	(Sign.)	(Sign.)	(Sign.)