

COUNCIL ON ETHICS

THE GOVERNMENT PENSION FUND GLOBAL

To Norges Bank

27 May 2021

**Recommendation to revoke the exclusion of Hanwha Corp from the
Government Pension Fund Global**

1 Introduction

The Council on Ethics recommends that the exclusion of the company Hanwha Corp (“Hanwha”) be revoked.¹ The company has been excluded due to its production of cluster munitions. Hanwha is no longer involved in the production of cluster munitions, and there is no longer a basis for excluding the company.

2 Background

In 2007, the Council on Ethics recommended the exclusion of Hanwha due to the company’s production of cluster munitions.² Since then, the company has been excluded from the GPFG.

According to section 5 (5) of the guidelines for observation and exclusion from the Government Pension Fund Global, based on new information, the Council on Ethics can recommend Norges Bank that the exclusion of companies be revoked.

3 Information from the company

Following an enquiry by the Council on Ethics, Hanwha informs that it no longer has any activities related to the production of cluster munitions, and that in future the company will not produce such weapons. The company further informs that the cluster munition production has been taken over by a separate company, KDI, to which Hanwha sold all ownership interests at the end of 2020.³

4 The Council on Ethics' assessment

Based on the above, the Council on Ethics finds that there is no basis for maintaining the exclusion of Hanwha.

¹ Issuer ID: 117698.

²The Council on Ethics recommendation on the exclusion of Hanwha Corp.(2007): <https://etikkradet.no/rheinmetall-ag-og-Hanwha-corp/>.

³ Exchange of emails between the Council of Ethics and Hanwha Corp, 23 April and 4 May, 2021.

5 Recommendation

The Council on Ethics recommends that the exclusion of Hanwha Corp from the Government Pension Fund Global be revoked.

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Chair

(Sign.)

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(Sign.)

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