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Norges Bank Investment Management voting on Climate Resolutions in 2023

av Lucy Brooks

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Foreword

Norges Bank Investment Management (NBIM) exists to ensure the long-term welfare and prosperity of Norwegians. It is also one of the “ten financial actors that can accelerate a transition away from fossil fuels”.¹ Engaging with portfolio companies is a central pillar of the NBIM Fund’s Climate Action Plan. Framtiden i våre hender (Future in our Hands) wanted to find out whether NBIM voted in favour of climate resolutions at Annual General Meetings at fossil fuel companies and banks financing fossil fuels in 2023.

Recognizing the Shift Away from Fossil Fuels

The urgency of climate action has been underscored by the landmark IEA report 'Net Zero by 2050',² prompting a paradigm shift among major investors. Recognizing the imperative to limit global temperature rise to below 1.5 degrees Celsius in alignment with the Paris Agreement, the tide is turning against financing new fossil fuel projects.³ The spectre of stranded assets looms large as high-carbon investments face increasing financial risk amid the transition to a low-carbon economy. The world economy is already on track to shrink by one fifth by 2050, and it shrink more if we keep increasing emissions.⁴

Assessments like the Net Zero Company Benchmark⁵ from Climate Action100+, and insights from think tanks such as Carbon Tracker have highlighted a stark reality: most oil and gas companies lack Paris-aligned business models.⁶ In 2024, a comprehensive evaluation of the largest listed oil and gas firms revealed **none** are presently aligned with the Paris Agreement's objectives.⁷

Response of Funds and Asset Managers- Divestment or Engagement

Investors failing to adjust their policies and practices in response to the climate crisis are heightening their exposure to stranded assets, escalating financial risks, and jeopardising the pursuit of a balanced mandate of returns.⁸

Many investment funds globally have concluded that their engagement efforts with fossil fuel companies have proven ineffective and are thus divesting from those companies that do not align with the Paris agreement. Notably, the largest pension funds in the Netherlands, PFZW, ABP and PME; as well as the Church of England in the U.K; and one of the largest public pension funds in the USA, the New York State Common Retirement Fund, have all recently opted to substantially divest from companies failing to demonstrate credible climate strategies.

"Intensive conversations with the sector have made it clear that most fossil fuel companies are not willing to change their business model"- PFZW Fund manager, 2023.

¹ Environmental Innovation and Societal Transitions. Vol 44, September 2022, pp.60-78. [Ten Financial actors can accelerate a transition away from fossil fuels](#)

² IEA. 2021. [Net Zero by 2050](#)

³ Intergovernmental Panel on Climate Change, [AR6 Synthesis Report: Climate Change 2023](#), March 2023, ; Olivier Bois von Kursk et al., "[Navigating Energy Transitions: Mapping the Road to 1.5°C](#)," International Institute for Sustainable Development, October 21, 2022; International Energy Agency, "[Net Zero by 2050](#)," May 2021.

⁴ The Guardian. 17 April 2024. [Climate crisis: average world incomes to drop by nearly a fifth by 2050](#)

⁵ Climate Action 100+ [Net Zero Company Benchmark](#)

⁶ Carbon Tracker. (2023). [Absolute Impact 2023: Progress on oil and gas emissions targets has stalled.](#)

⁷ CarbonTracker, 2024. [Paris Maligned II: Climate alignment assessments](#) evaluates alignment with Paris-climate goals, based on five key metrics: Investment Options, Recent Project Sanctions, Production Plans, Emission Targets, and Executive Remuneration.

⁸ Institutional Investors Group on Climate Change (IIGCC). 2022. [Global Investor Statement to Governments on the Climate Crisis.](#)

While some funds opt for divestment, others continue to leverage their shareholder influence to advocate for climate-related resolutions. Various Dutch investment funds,⁹ Danish pension funds¹⁰ and Norwegian banks¹¹ consistently threw their weight behind ambitious climate resolutions in 2023. These resolutions increasingly call for commitments to emission reduction targets and Paris-aligned transition plans.

NBIM lagging behind

Yet, amidst this shift, NBIM's voting pattern in 2023 reveals a disconcerting trend. Contrary to the tide of climate action, NBIM has, at times, opposed critical shareholder resolutions on climate during annual general meetings. This misalignment between NBIM's Climate Engagement Strategy and its actual voting behaviour signals a troubling gap in action.

NBIM's failure to endorse climate resolutions in line with internationally agreed goals undermines its role as a steward of sustainable finance. By continuing to finance high-emission companies without demanding tangible climate commitments, NBIM risks both its financial responsibilities to its stakeholders (the Norwegian people), and its reputation as a leader in responsible investment.

To navigate these challenges, we recommend that NBIM align its voting decisions with its Climate Action Plan, prioritizing climate resolutions that support the global transition to a low-carbon economy. This is particularly important at high-emission companies whose strategy and business practices have not improved despite years of engagement. Additionally, NBIM should refrain from dismissing resolutions as 'too prescriptive' when they in fact align with its climate objectives. NBIM should also actively consider filing its own shareholder climate proposals to the major fossil fuel companies and banks. Embracing proactive shareholder advocacy, NBIM can drive meaningful change within the fossil fuel industry, encourage other investors, and uphold its commitment to a sustainable future.



Anja Bakken Riise
CEO, Future in Our Hands

⁹ Follow This. 2024. [Climate Votes Top 10 Investors The Netherlands](#)

¹⁰ Ansvarlig Fremtid, 2024. [Their Votes our Future.](#)

¹¹ Follow This. 2024. [Norway Voting Report 2023](#)

2 – NBIM’s climate expectations

In its Climate Action Plan ¹², NBIM states “NBIM [...] stands to benefit from an orderly transition that allows for [...] the phasing out of carbon-intensive energy provision and activities.”

At the Glasgow COP26 in 2021, the Norwegian Prime Minister Jonas Gahr Støre announced the goal to make NBIM the leading fund in responsible investment and the management of climate risk.¹³ He emphasised that climate risk is indeed a financial risk, and needs to be managed as such. He said “As a responsible investor, the fund will base its ownership work on an overall, long-term goal of net-zero emissions from the companies it is invested in.” This highlights the importance of integrating climate considerations into the fund's investment strategy to address the challenges posed by climate change and ensure the long-term sustainability of the fund's investments.

NBIM published its Climate Action Plan¹⁴ in 2022, which emphasises using its shareholder power to influence companies, with divestment as a last resort.

Engaging with portfolio companies is a central pillar of the Fund’s Climate Action Plan, alongside influencing market standards, and divesting from high-risk companies. In the Plan, and in a September 2023 update of its Climate Change Expectations for Companies paper,¹⁵ NBIM states that it will ask companies to put in place:

- **Board oversight:** Company boards should ensure climate risks and opportunities are integrated into corporate strategy and risk management.
- **Climate risk disclosures:** Companies should analyse and disclose the way in which climate risk may impact their operations, value chains and demand for their products.
- **Greenhouse gas reporting:** Companies should report scope 1, scope 2 and scope 3 greenhouse gas emissions in accordance with the Greenhouse Gas Protocol.
- **Net zero 2050:** Companies should commit to net zero by 2050 or sooner and align their activities with the objectives of the Paris Agreement.
- **Interim targets:** Companies should set science-based interim emission reduction targets that cover scope 1, scope 2 and material scope 3 emissions, consistent with region- and industry-appropriate pathways for net zero by 2050.
- **Transition plans:** Companies should implement time-bound, quantified transition plans, to deliver on interim emission reduction targets, and annually disclose progress.

NBIM states in the Climate Action Plan: “We believe that voting can be a powerful tool in cases where companies fail to manage material climate risks and opportunities adequately.”

“We will communicate our concerns to boards if they fail to meet our expectations on board oversight, management and disclosure of material climate risks. We may also decide to vote against directors, climate transition plans and/or executive remuneration plans, and file shareholder proposals.”

Regarding the process of escalation if a company does not fulfil expectations, NBIM’s Climate Action Plan states:

¹² NBIM (2022). [2025 Climate Action Plan](#)

¹³ Prime Minister Jonas Gahr Støre 2021. [Statement at the UN Climate Change Conference in Glasgow](#)

¹⁴ NBIM (2022). [2025 Climate Action Plan](#)

¹⁵ NBIM. 2022. [Climate Change Expectations of companies](#)

“Companies whose transition plans fall significantly short of those of their peers, and which do not respond to engagement, will be candidates for assessment under the climate-related conduct exclusion criterion.”¹⁶

According to NBIM’s guidelines for Observation and Exclusion of companies: *“Companies may be excluded or placed under observation if there is an unacceptable risk that the company contributes to or is responsible for [...] acts or omissions that on an aggregate company level lead to unacceptable greenhouse gas emissions.”¹⁷*

NBIM has a climate engagement focus list of around 170 companies, representing 70 % of the equity portfolio’s financed scope 1 and 2 emissions and those with elevated climate risk. The focus list is not publicly shared, but we expect this list to include high-emitting global oil and gas companies.

¹⁶ NBIM, (2022). [2025 Climate Action Plan](#). §10 Company level.

¹⁷ [Guidelines for Observation and Exclusion of companies from the Government Pension Fund Global \(GPFG\)](#). Sec.4.

3 – Oil & Gas companies

Norges Bank as an owner of Oil and Gas companies

NBIM is an owner in several of the largest, high-emitting global oil and gas companies, and their investment is growing year on year.

BP, Chevron, Exxon, Shell and TotalEnergies are among the top 15 emitting Oil & Gas firms globally. All of these, as well as Marathon and Valero, are flagged by Climate Action 100+ (CA100+) as 'inadequate' in relation to climate alignment.¹⁸

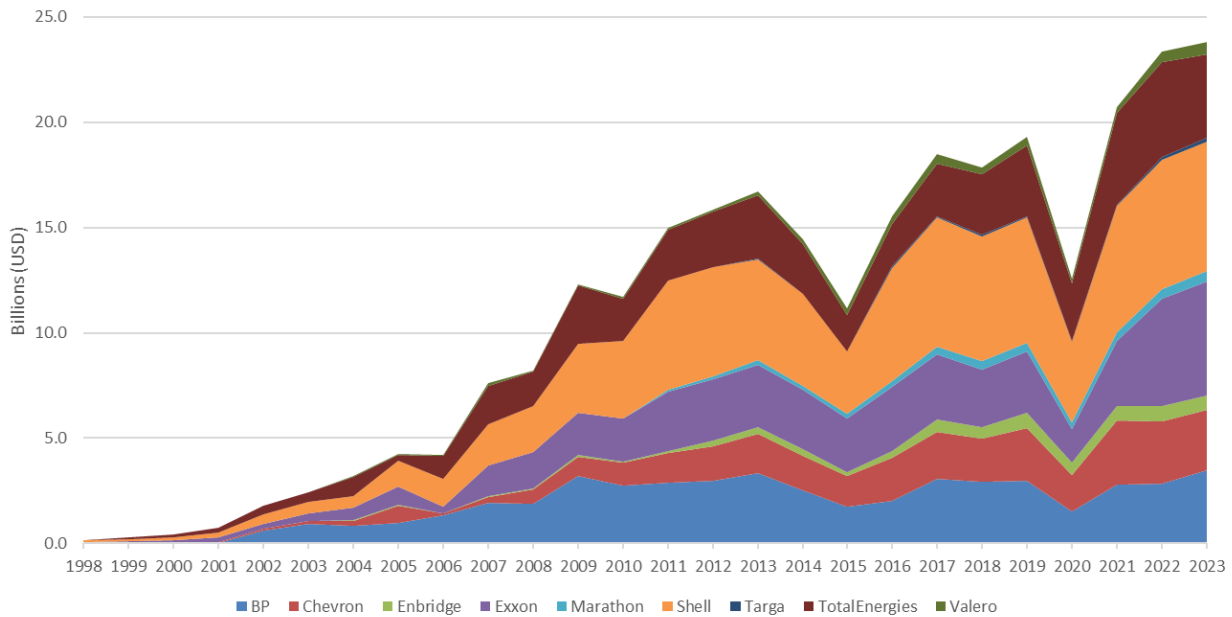


Figure 1 NBIM's investment in the Oil & Gas majors from 1998 to 2023, in billions of US dollars

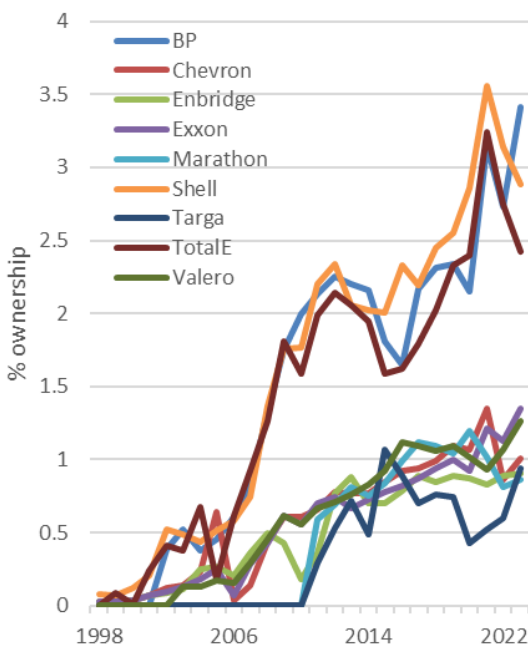


Figure 2 NBIM's percentage ownership of Oil & Gas companies 1998-2023

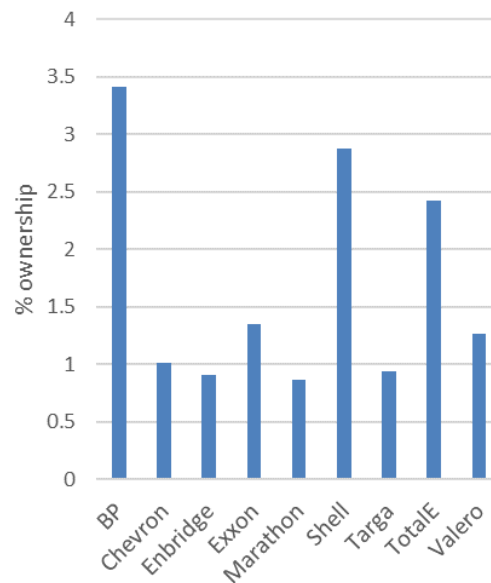


Figure 3 NBIM's percentage ownership of Oil & Gas companies in 2023

¹⁸ Climate Action 100+. 2024. [Company Assessments Oil and Gas](#). Ca100+ is a global investor initiative engaging companies to curb GHG emissions and improve climate related financial disclosures.

NBIM votes on Climate Resolutions at Oil & Gas Companies in 2023

Future in our Hands (FIVH) sought to discover whether NBIM used their voting rights to influence fossil fuel companies to take necessary climate action in 2023. FIVH endeavoured to identify all climate resolutions (filed by both management and shareholders) at all companies in NBIMs portfolio in the 'Energy' sector. FIVH identified 16 climate resolutions at 9 Oil & Gas companies (BP, Shell, TotalEnergies, Chevron, Enbridge, Exxon, Marathon, Targa, Valero). Of these 16, 14 shareholder proposals are calling for climate-friendly business practices, and 2 are management proposals (at Shell and TotalEnergies) to approve a climate strategy. FIVH analysed NBIMs votes on these resolutions.

As shown in Table 1 and Table 2, NBIM voted FOR climate action on 7 of the 16 climate resolutions identified. Overall NBIM voted in support of climate issues (ie. voted against a climate-harmful strategy, or for a climate -positive strategy) at four Oil & Gas companies (2 resolutions at Chevron, and 1 resolution each at Valero, Enbridge and Targa).

NBIM's voting at Exxon was mixed: Five shareholder resolutions were tabled at Exxon. NBIM voted in support of climate issues on 2 of these resolutions, but supported a climate-harmful strategy on another 3.

NBIM supported a climate-harmful strategy at all the resolutions tabled at four of the Oil & Gas majors (BP, Shell, TotalEnergies, and Marathon; Table 1), companies which are all flagged by CA100+ as inadequate in relation to climate alignment. Overall NBIM supported a climate-harmful strategy for 9 out of the 16 climate resolutions identified (Table 2).

A complementary 2024 report published by the advocacy group Follow This on the voting pattern of Norway's five largest investors (NBIM, Nordea, Storebrand, DNB, and KLP) revealed that NBIM has a different voting attitude to the other the investors on resolutions requesting Paris-aligned emissions reduction targets.¹⁹ As shown in Table 3, Nordea, Storebrand, DNB and KLP voted in favour of climate resolutions at all the 5 oil companies in the assessment. However, NBIM voted against these resolutions at 3 of the 5 oil companies (Shell, BP, and TotalEnergies).

¹⁹ Follow This. 2024. [Norway Voting Report 2023](#)

Table 1 NBIM votes on climate resolutions at 9 Oil & Gas companies in 2023- Summary.²⁰
 There were 2 resolutions assessed at Shell, TotalEnergies, and Chevron; 5 resolutions at Exxon; and 1 resolution each at BP, Enbridge, Marathon, Targa, and Valero.







Company		Norges Bank Investment Management
	BP	
	Shell	
	TotalEnergies	
	Chevron	
	Enbridge	
	Exxon	
	Marathon	
	Targa	
	Valero	

Table Legend

-  NBIM voted against the climate at all the resolutions at this company
-  Mixed vote: NBIM voted for the climate in some resolutions and against the climate for others at this company
-  NBIM voted for the climate at all the resolutions at this company
-  Flagged by CA100+ as a climate underachiever ²¹

²⁰ The voting data was retrieved in February 2024 from NBIM [API access to our voting](#).

²¹ These companies recorded a 'yes' to 3 or fewer of the benchmark items 1,3,5 and 10 in the [CA100+ Net Zero Company Benchmark](#) as of March 2024, indicating insufficient transition progress.

Table 2 NBIM votes on 16 climate resolutions at 9 Oil & Gas companies in 2023- Detailed analysis
These are all of the resolutions we identified at the selected companies as being of particular significance for addressing climate change.²²


Company	Resolution	 Norges Bank Investment Management	
		Voting aligned with climate goals at this resolution	Voting aligned with climate goals at this company overall
BP	#25: Align scope 3 climate target with Paris	X	●
Shell	#25: Shell Energy Transition Progress	X	●
	#26: Align 2030 GHG Reduction Target with Paris	X	
Total	#14: Opinion on Climate progress	X	●
	#Resolution A: Set targets for indirect Scope 3 emissions	X	
Chevron	#6: Set Medium-Term Scope 3 GHG Reduction Target	✓	●
	#7: Recalculate GHG Emissions Baseline	✓	
Enbridge	#5: Disclose Scope 3 Emissions	✓	●
Exxon	#8: Report Methane Emission Disclosure Reliability	X	●
	#9: Set Medium-Term Scope 3 GHG Reduction Target	✓	
	#10: Report on Impacts of Oil Spills from Operations Offshore of Guyana	X	
	#11: Recalculate GHG Emissions Baseline	✓	
	#12: Report on ARO under IEA NZE Scenario	X	
Marathon	#9: Report on Just Transition	X	●
Targa	#5: Report on Methane emissions	✓	●
Valero	#5: Set GHG emissions targets (Scope 1, 2, 3)	✓	●

Table Legend

- ✓ Voted against a climate-harmful strategy or for a climate-friendly strategy
- X Supported a climate-harmful strategy

- NBIM voted against the climate action at all the resolutions at this company
- Mixed vote: NBIM voted in support of climate action in some resolutions and against the climate for others at this company
- NBIM supported climate action at all the resolutions at this company

²² To determine the climate impact of voting positions, Future in our Hands relied on the recommendation of Climate Action 100+ (flagged votes); and shareholder activists including Follow This, Share Action, and Climate Votes.

Table 3 'The voting pattern of Norway's five largest investment firms at Big Oil general meetings in 2023.'
 Source: Follow This. Norwegian Voting Report, 2024, p. 3.²³



Climate votes largest investors in Norway

Votes on climate resolutions requesting Paris-aligned emissions reduction targets 2023

	Assets Under Management					
 Norges Bank Investment Management	€ 1,313 bn.	✗	✗	✗	✓	✓
 Nordea	€ 251 bn.	✓	✓	✓	✓	✓
 storebrand	€ 106 bn.	✓	✓	✓	—	—
 DNB	€ 83 bn.	✓	✓	✓	✓	✓
 ALP	€ 67 bn.	✓	✓	✓	✓	✓

✓ for

✗ against

— no shares

It is a reasonable to assume that the reason why NBIM rejected certain climate proposals at high-emitters in 2023 is because it judged them to be 'too prescriptive', a point of view explained in an NBIM Asset Manager Perspective report in 2020.²⁴ It is unfortunate that this policy leads to rejection of climate-related proposals that are otherwise reasonable.

²³ Follow This. 2024. [Norway Voting Report 2023](#)

²⁴ NBIM. 2020. [Asset Manager Perspective- Shareholder Proposals on Sustainability](#)

CASE STUDY 1- SHELL, Align GHG scope 3 target with Paris

Shareholder Resolution (#26): Request Shell to Align its Existing 2030 Reduction Target Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement.

Justification for selection as a case study:

Shell's Climate strategy is considered inadequate in the independent evaluations provided by Carbon Tracker Initiative and the research group Accela.^{25,26}

Setting Paris-aligned targets covering Scope 3 is paramount, because they account for over 90% of Shell's total Scope 1, 2, and 3 emissions.²⁷ A target for 2030 is also paramount, as the Intergovernmental Panel on Climate Change (IPCC) has stated that *"unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to close to 1.5°C or even 2°C will be beyond reach."*²⁸

For Shell, 2030 is particularly pertinent as it is within Shell's ten-year planning period; Shell states in the legal disclaimer of its Climate Target: *"Shell's operating plans cannot reflect our 2050 net-zero emissions target and 2035 NCF target, as these targets are currently outside our planning period."*²⁹

The Vote: A vote FOR this proposal is a vote for climate action. Twenty percent of Shell's investors voted for this proposal, including many Danish Pension Funds,³⁰ as well as the Norwegian banks Nordea, Storebrand, DNB, and KLP.³¹

NBIM states in its Climate change Expectations of companies:³²

"It is the goal of our responsible investment management for our portfolio companies to align their activities with global net zero emissions in line with the Paris Agreement."

"Interim targets: Companies should set science-based interim emission reduction targets that cover scope 1, scope 2 and material scope 3 emissions, consistent with region- and industry-appropriate pathways for net zero by 2050".

One would expect NBIM to vote in line with these expectations.

The NBIM vote:

NBIM voted against resolution #26, ie. AGAINST Shell setting Paris aligned scope 3 targets for 2030.

NBIM also voted FOR resolution #25, endorsing Shell's Energy Transition Progress report for 2022. Seven Danish pension funds voted AGAINST the transition plan as it was not sufficiently aligned with the Paris agreement.

In addition NBIM voted FOR every management proposal and FOR the re-election of every board member at Shell. This indicates that they are fully satisfied with, and endorse, the Shell board's

²⁵ Carbon Tracker Oil and Gas Team. 2024. [Oil and Gas company profile: Shell](#).

²⁶ Accela. 2024. [Shell's Energy Transition Update 2024](#).

²⁷ Shell Global. Accessed March 2024. *"Our target includes Scope 3 emissions, which account for over 90% of our total emissions."* in *"What is a net-zero emissions energy business?"* [Our Climate Target: Frequently Asked Questions | Shell Global](#)

²⁸ IPCC. 2021. *"The report [...] finds that unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to close to 1.5°C or even 2°C will be beyond reach."* [Climate change widespread, rapid, and intensifying](#)

²⁹ Shell Global. Accessed March 2024 *"Shell's operating plans cannot reflect our 2050 net-zero emissions target and 2035 NCF target, as these targets are currently outside our planning period."* [Our climate target | Shell Global](#) (Legal disclaimer at bottom of the page)

³⁰ Ansvarlig Fremtid, 2024. [Their Votes our Future](#).

³¹ Follow This. 2024. [Norway Voting Report 2023](#)

³² NBIM. 2023. [Climate Change Expectations of companies](#)

oversight, management, and disclosure of climate risks, and that they find Shell's climate strategy adequate.

NBIM states in the Voting report ³³ and Voting Guidelines 2023: ³⁴

"We will not support the re-election of a director, or the entire board, if the company has experienced material failures in the oversight, management or disclosure of climate risks."

CASE STUDY 2- TOTALENERGIES, 'Say on climate' resolution

Management "Say on Climate" Resolution (#14): Management requests shareholders to approve the company's Sustainable Development and Energy Transition Plan.

The way a Fund such as NBIM votes on this type of resolution should be considered as a key hallmark for their commitment to support the Paris-agreement.

Justification for selection as a case study:

The IEA and others have made it very clear, that if the world should have any chance of succeeding to reach the Paris Agreement ambition of limiting the global warming to a maximum of 1.5 degrees, no new fossil extraction projects should be established. ³⁵

According to an assessment of TotalEnergies' Climate Strategy by Reclaim Finance, by 2030 the company will still only have a 33% of all new investments placed in "low carbon technologies", while the majority of investments will continue to finance the extraction of fossil energy. Therefore by 2030, a modest 14% of the company's energy production will be green, while the rest (86%) will be based on fossil energy. ³⁶

TotalEnergies climate actions are considered inadequate to meet the Paris Agreement in the independent evaluations provided by Carbon Tracker Initiative, InfluenceMap and the Rocky Mountain Institute. ³⁷

Scientists are concerned about TotalEnergies insufficient transition plan, and in the run-up to the TotalEnergies AGM, 188 scientists and experts called on TotalEnergies shareholders to vote AGAINST the firm's climate strategy. ³⁸

As the TotalEnergies Climate Progress report 2023 does not align with IEAs recommendations, it cannot be considered a recipe for a business model that supports the Paris Agreement. TotalEnergies is also the international oil firm that approved the most new oil and gas projects in 2022.

The Vote: A vote AGAINST this proposal is a vote for climate action. Three of the Danish Pension funds (Industriens Pension, Nordea & PKA) voted AGAINST the resolution (ie. for higher climate ambitions). As did the Swiss asset managers Credit Suisse and Swiss Life. ³⁹

The NBIM vote:

NBIM voted FOR the resolution, i.e.. against higher climate ambitions.

In addition, one shareholder resolution (ResolutionA) was co-filed at the AGM by 17 institutional investors with US\$1.2 trillion AUM. ⁴⁰ The resolution requested TotalEnergies to set targets for

³³ NBIM. 2023. [Our voting. First half 2023.](#)

³⁴ NBIM. 2023. [Global Voting guidelines 2023.](#) Sect. 2. Board decisions and conduct. §9.

³⁵ IEA. 2021. [Net Zero by 2050](#)

³⁶ Reclaim Finance. 2023. [Assessment of TotalEnergies' Climate Strategy.](#)

³⁷ Climate Action 100+. 2023. [TotalEnergies Company Assessment](#)

³⁸ Le Monde. March 13 2024. ['We call on TotalEnergies shareholders to vote against the firm's climate strategy'](#)

³⁹ Greenpeace Switzerland. 2024. [Voted Against Climate and Nature](#)

⁴⁰ Follow This. 2023. [Large coalition of investors and activists shareholder file climate resolution at TotalEnergies](#)

Scope 3 emissions. NBIM voted AGAINST ResolutionA, despite NBIMs expectation that *“Companies should set science-based interim emission reduction targets that cover scope 1, scope 2 and material scope 3 emissions, consistent with region- and industry-appropriate pathways for net zero by 2050.”*⁴¹ Thirty percent of TotalEnergies shareholders voted for ResolutionA (ie. for climate action), including several Danish pension fund managers.

In addition, NBIM fully endorsed the board’s oversight, management, and disclosure of climate risks by voting FOR every management proposal and FOR the re-election of every board member at TotalEnergies. This signals that NBIM is fully satisfied with TotalEnergies management of climate risk. NBIMs policy⁴² is to *“vote against a director or the entire board, if the company has experienced material failures in the oversight, management or disclosure of climate risks”*.

⁴¹ NBIM. 2022. [Climate Change Expectations of companies](#)

⁴² NBIM. 2023. [Global Voting guidelines 2023](#). Sect. 2. *Board decisions and conduct*. §9.

4 – Banks financing fossil fuel

Norges Bank as an owner of banks financing fossil fuel

The world's preeminent energy and climate experts have made it clear: Any new fossil fuel development after 2021 risks our ability to keep global warming below 1.5°C.⁴³ Potential emissions from fossil fuels already in production or under construction — the wells already drilled or being drilled, the mines already dug — already take the world well past 2°C of global warming.

NBIM owns shares in all of the so-called *Dirty Dozen*⁴⁴ banks- the top 12 banks financing fossil fuels globally, 2016-2022. Ownership in these banks gives NBIM the unique opportunity to influence these banks through active engagement, voting for climate positive resolutions, and proposing their own shareholder resolutions.

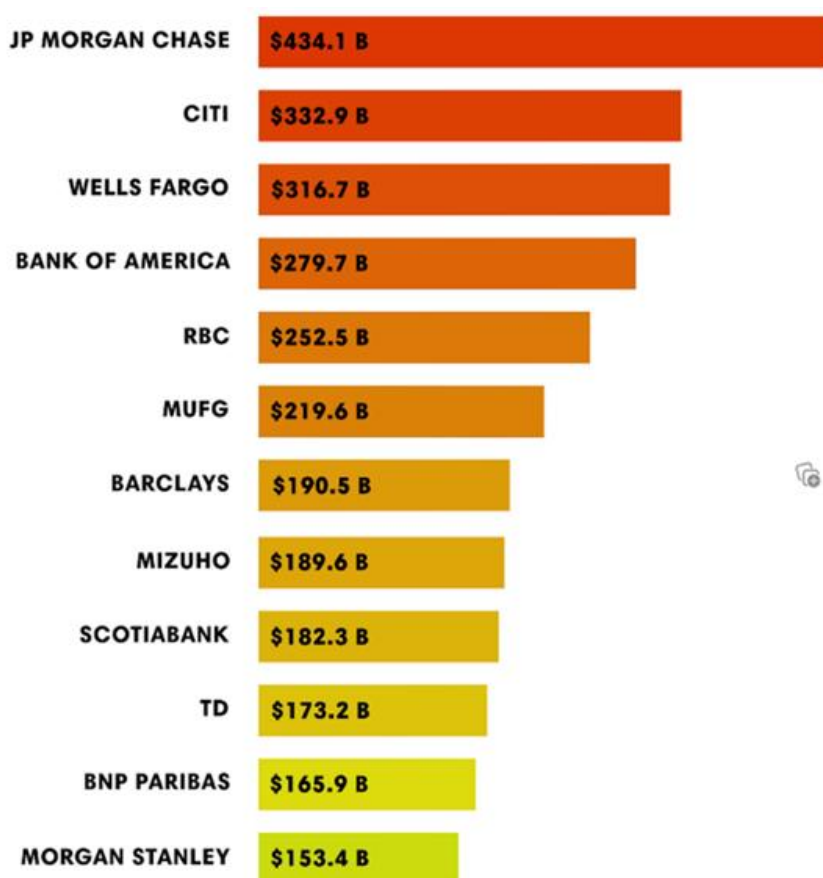


Figure 4 The top 12 banks financing fossil fuels globally, 2016 to 2022. Fossil fuel financing in Billions of US Dollars (RBC- Royal Bank of Canada; TD- Toronto Dominion). These 12 banks are dubbed 'The Dirty Dozen'.⁴⁵ Source: Rainforest Action Network et al. 2023.

⁴³ Intergovernmental Panel on Climate Change, [AR6 Synthesis Report: Climate Change 2023](#), March 2023, ; Olivier Bois von Kursk et al., "[Navigating Energy Transitions: Mapping the Road to 1.5°C](#)," International Institute for Sustainable Development, October 21, 2022; International Energy Agency, "[Net Zero by 2050](#)," May 2021.

⁴⁴ Rainforest Action Network et al. 2023. [Banking on Climate Chaos](#) Fossil Fuel Finance Report

⁴⁵ Rainforest Action Network et al. 2023. [Banking on Climate Chaos](#) Fossil Fuel Finance Report

NBIM votes on Climate Resolutions at banks financing fossil fuel in 2023

FIVH identified 17 relevant climate resolutions filed at 10 of the top 12 banks financing fossil fuels in 2023 (JP Morgan, Citibank, Wells Fargo, Bank of America, Royal Bank of Canada, Scotiabank, Morgan Stanley, Toronto Dominion, Mizuho, and MUFG). No climate resolutions were filed at the banks BNP Paribas or Barclays.

As shown in Table 4, NBIM voted in support of climate issues on 5 of the 17 climate resolutions, and voted for the climate overall at 2 of the banks (Scotiabank and Toronto Dominion, TD).

NBIM's votes at 2 of the banks, Wells Fargo and Bank of America, was mixed. At Wells Fargo NBIM voted in support of climate issues on 2 resolutions and for a climate-harmful strategy on 1 resolution; while at Bank of America NBIM voted in support of climate issues on 1 resolution and for a climate-harmful strategy at 2.

NBIM supported a climate harmful strategy on 12 of the 17 resolutions, and overall supported a climate-harmful strategy at 6 of the 10 banks (JP Morgan Chase, Citigroup, Royal Bank of Canada, Morgan Stanley, Mizuho, and MUFG).

At 6 of the banks a resolution calling for the phase out of financial support for **new** fossil fuel exploration was tabled. NBIM consistently voted against this proposal.

Table 4 NBIM votes on 17 climate resolutions at 10 of the largest global banks financing fossil fuel in 2023- Detailed analysis ⁴⁶

These are all of the resolutions FIVH identified at the selected banks as being of particular significance for addressing climate change. The banks were identified from the Banking on Climate Chaos report 2023. ⁴⁷


Company	Resolution	 Norges Bank Investment Management	
		Voting aligned with climate goals at this resolution	Voting aligned with climate goals at this bank overall
JPMorgan Chase	#6 Phase out new fossil fuel exploration	X	●
	#9 Report on climate transition plan	X	
	#12 <u>Absolute GHG Emission Goals</u>	X	
Citigroup	#6 Phase out new fossil fuel exploration	X	●
Wells Fargo	#7 Climate Lobbying report	✓	●
	#8 Report on climate transition plan	✓	
	#9 Phase out new fossil fuel exploration	X	
Bank of America	#8 <u>Absolute GHG Emission Goals</u>	X	●
	#9 Report on climate transition plan	✓	
	#10 Phase out new fossil fuel exploration	X	
RBC	Sp4 Absolute GHG Emission Goals	X	●
	Sp5 Phase out new fossil fuel exploration	X	
Scotiabank	Sp2 Set expectations for net-zero plans of high-GHG-emitting clients	✓	●
Morgan Stanley	#6 Phase out new fossil fuel exploration	X	●
TD	SP 6 Disclose Transition Plan Towards 2030 Emission Reduction Goals	✓	●
Mizuho	#2 Disclose Transition Plan to Align with Paris Agreement	X	●
MUFG	#3 Disclose Transition Plan to Align with Paris Agreement	X	●

Table Legend

- ✓ Voted against a climate-harmful strategy or for a climate-friendly strategy
- X Supported a climate-harmful strategy

- NBIM voted against climate action at all the resolutions at this bank
- Mixed vote: NBIM voted in support of climate action in some resolutions and against the climate for others at this bank
- NBIM supported climate action at all the resolutions at this bank

⁴⁶ The voting data was retrieved in February 2024 from NBIM [API access to our voting](#).

⁴⁷ Rainforest Action Network et al. 2023. [Banking on Climate Chaos](#) Fossil Fuel Finance Report

CASE STUDY 3- ROYAL BANK of CANADA, Phase-out of lending and underwriting to new fossil exploration

Shareholder Resolution (#5): Request the Royal Bank of Canada (RBC) to adopt a policy for a time-bound phase-out of the RBC's lending and underwriting to projects and companies engaging in new fossil fuel exploration, development and transportation.

Justification for selection as a case study:

In 2023, for the first time, a Canadian bank was the #1 annual financier of fossil fuels (rather than US bank JP Morgan Chase). Royal Bank of Canada (RBC) provided fossil fuel projects with \$42.1 billion dollars in 2022, including \$4.8 billion for tar sands and \$7.4 billion into fracking. Canadian banks are becoming the banks of last resort for fossil fuels, providing \$862 billion to fossil fuel companies since the Paris Agreement. RBC finances expansion projects like the Coastal GasLink fracked gas pipeline. That project violates human rights and Indigenous sovereignty, and has proceeded without consent from Wet'suwet'en Hereditary leadership.⁴⁸

RBC has in fact committed to align its financing with the goals of the Paris Agreement, to achieve net-zero emissions by 2050 consistent with limiting global warming to 1.5°C. Without a policy to phase out financing of new fossil fuel exploration, development and transportation, RBC cannot meet its climate commitments.

A pension funds voting on this type of resolution should be considered as a key hallmark for their commitment to support the Paris-agreement.

The Vote: A vote FOR this proposal is a vote for climate action. Several Danish pension funds voted FOR this proposal, as did the French insurer AXA.

NBIM states in its Climate change Expectations of companies⁴⁹

"It is the goal of our responsible investment management for our portfolio companies to align their activities with global net zero emissions in line with the Paris Agreement."

The NBIM vote:

NBIM voted against resolution #5, ie. AGAINST Royal Bank of Canada adopting a policy limiting new fossil fuel expansion.

In addition NBIM fully endorsed the RBC board's oversight, management, and disclosure of climate risks by voting FOR every management proposal and FOR the re-election of every board member at the 2023 AGM. This signals that NBIM is fully satisfied with RBC's management of climate risk. NBIMs policy⁵⁰ is to "vote against a director or the entire board, if the company has experienced material failures in the oversight, management or disclosure of climate risks." In April 2024, at the most recent RBC AGM, NBIM again voted for all management proposals, and against all shareholder resolutions.

⁴⁸ Ansvarlig Fremtid, 2024. [Their Votes our Future.](#)

⁴⁹ NBIM. 2023. [Climate Change Expectations of companies](#)

⁵⁰ NBIM. 2023. [Global Voting guidelines 2023](#). Sect. 2. Board decisions and conduct. §9.

5 – Recommendations

In line with NBIM's mandate, which acknowledges that sustainable development is vital for generating long-term returns for all Norwegians, we propose the following:

1. **NBIM should vote in favour of climate resolutions aligned with internationally agreed climate goals.** This is **essential** at the highest emitting companies which continue with harmful strategy and business practices after years of engagement.
2. **NBIM should align its voting decisions with the expectations outlined in its own Climate Action Plan.**
3. **NBIM should accelerate filing their own shareholder climate proposals at the major fossil fuel companies and banks.** NBIM filed only 4 shareholder resolutions in 2023, 2 of which were withdrawn.
4. **NBIM should refrain from invoking the "too prescriptive" clause regarding climate resolutions, when the objectives of such resolutions align with NBIM's own climate expectations.**

