

Framtiden i våre hender

# Oil Fund VoteWatch: Climate

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Norges Bank Investment Management  
voting on climate resolutions.

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# Norges Bank Investment Management voting on Climate Resolutions in 2024

The Oil fund, managed by 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.”](#) Engaging with portfolio companies is a central pillar of the fund’s Climate Action Plan.

Earlier this year Framtiden i våre hender (Future in our Hands) published the report [Norges Bank Investment Management Voting on Climate 2023](#) which, for the first time, examined NBIM’s voting patterns in 2023 at 19 key company AGMs. The report found that, despite NBIM’s Climate Action Plan, the fund fell short of expectations by continuing to support climate-harmful resolutions at companies in high-emitting sectors, such as fossil fuels. This contrasted with several investment funds in Denmark, the Netherlands, and Norway, which consistently voted for climate resolutions promoting better climate management. These findings revealed a significant gap between NBIM’s climate expectations and its actual voting behaviour.

This follow-up report presents NBIM’s voting on key climate resolutions filed in the first half of 2024 at companies critical to the success of the Paris Agreement. We have looked at the twenty-one resolutions at 16 companies, which were flagged as critical by the advocacy organisations [Climate Action 100+](#), [Reclaim Finance](#), and [ShareAction](#).

## Flagged resolutions

Flagged resolutions are shareholder proposals at company AGMs (Annual General Meetings) identified by advocacy groups for their significance on environmental, social, and governance (ESG) issues.

[Climate Action 100+](#): Highlights key resolutions on corporate climate action, such as emissions targets and decarbonization strategies.

[Reclaim Finance](#): Focuses on fossil fuel financing, urging investors to push companies toward climate-friendly policies.

[ShareAction](#) flags various ESG issues, including climate change, social inequality, and workers' rights.

## Results

We have documented how NBIM voted on these 21 resolutions, and classified what rationale they used when explaining how they voted.

Table 1. NBIM votes on the climate resolutions filed at major companies in 2024 flagged by Share Action, Climate Action 100+, and Reclaim Finance. ✓ indicates that NBIM voted FOR better management or disclosure of climate risks; X indicates that NBIM supported the company board AGAINST better management or disclosure of climate risk. NBIMs rationale for each vote is shown in the rationale column, using specific codes that we have assigned, which are explained in table 2.


Company	Resolution	 Norges Bank Investment Management	Rationale
PACCAR Inc.	#6. Climate-related Policy Engagement	✓	1a
Berkshire Hathaway	#2. Align business activities with Paris Agreement goals	✓	1a
	#3. Report GHG emissions	✓	1a
Valero	#1d. Vote against director due to deficient climate disclosure and targets	X	0
Shell	#23. Align climate targets with goals of the Paris Agreement	X	2a
	#22. Shell's energy transition strategy	X	0
	#1-15, 19, 20 Vote against directors due to Climate lobbying	X	0
The Southern Company	#6. Report GHG targets	X	2b
NextEra Energy	#5. Climate lobbying	X	2b
Chevron	#1a, b, d. Vote against directors due to Climate lobbying	X	0
Toyota	#4. Climate lobbying	X	0
Nippon Steel	#8. Climate lobbying	X	3
BlackRock	#7. Voting on climate policies	X	0
Chubb	#15. Reduce GHG emissions	X	3
Zurich Insurance	#1.3. Sustainability report	X	0
ExxonMobil	#1.6, 1.12. Vote against directors due to shareholder intimidation	✓	1b
TotalEnergies	#14. Sustainability report	X	0
	#2-16. Vote against directors due to Oil & Gas expansion	X	0
BP	#1-14, 21. Vote against directors and remuneration due to Oil & Gas expansion	X	0
Repsol	#10. Energy Transition Strategy	X	0
	#1-6, 9. Vote against directors and remuneration due to Oil & Gas expansion	X	0

Table 2. The codes we have used in the 'rationale' column of Table 1, summarising NBIM's rationale for each voting decision.

NBIM voted against the company board (and FOR better management or disclosure of climate risks)		NBIM voted with the company board (and AGAINST better management or disclosure of climate risk)	
code	NBIM's Rationale	code	NBIM's Rationale
1a	'The company's disclosure is not sufficient'	0	No rationale given
1b	'Due to shareholder intimidation'	2a	'The company fulfills NBIM's climate expectations, but NBIM has asked for further disclosures.'
		2b	'NBIM found no failures in management of sustainability risk.'
		3	'The proposal is too prescriptive.'

## NBIM votes at flagged climate resolutions

As shown in Table 1, in the first half of 2024, NBIM (Norges Bank Investment Management) voted on 21 flagged climate resolutions and management votes, across 16 companies in which the Norwegian Oil Fund holds shares. The flagged resolutions were aimed at enhancing the management or disclosure of climate risk. Twelve companies had one flagged climate resolution each presented at the AGM, while three companies (Berkshire Hathaway, TotalEnergies, and Repsol) had two flagged resolutions each, and one company (Shell) had three flagged resolutions presented at the AGM. The results, presented above in Table 1, indicate how NBIM voted on these resolutions, and NBIM's rationale behind their voting decision.

The table shows that NBIM supported climate-related initiatives in only four of the 21 resolutions, as indicated by green ticks in column 3. These included one resolution at Paccar Inc. (resolution #6. *Climate-related Policy Engagement*); two resolutions at Berkshire Hathaway (resolution #2. *Align business activities with Paris Agreement goals* and resolution #3. *Report GHG emissions*); and one resolution at ExxonMobil (resolution #1.6 & 1.12. *Vote against directors due to shareholder intimidation*).

The 2024 ExxonMobil AGM vote was significant because it highlighted growing investor dissatisfaction with the company's handling of climate risk and shareholder rights. Some investors, including major institutional shareholders, voted against management due to ExxonMobil's inadequate climate action and its controversial lawsuit against shareholders who had proposed stronger emissions targets. These investors, including NBIM, viewed the legal action as an attempt to stifle shareholder input and diminish transparency.

In these four cases, NBIM voted against the company board and in favour of improved climate management or disclosure, demonstrating that NBIM does occasionally hold companies accountable for their climate-related shortcomings.

However, NBIM voted to support the company board in 17 of the 21 resolutions, shown by red crosses in column 3, effectively voting against better climate management or disclosure at most of the companies.

The overall voting pattern suggests that NBIM continues to align closely with company boards, opposing the majority of climate resolutions aimed at enhancing corporate climate responsibility.

## NBIM's voting rationale

Table 2 explains the codes used in the rationale column of Table 1, summarizing NBIM's rationale for each voting decision. These are codes we have applied to classify the rationale texts, not codes that NBIM itself uses.

In the majority of cases (12 out of 17 times), NBIM did not provide any explanation when voting with the company board against better management or disclosure of climate risk. This aligns with their voting guidelines, which state that they generally do not provide a rationale when voting in support of management recommendations.

In a few notable cases, however, NBIM did provide a rationale when voting with the company board. They used the rationale "*the company fulfills NBIM's climate expectations, but NBIM has asked for further disclosures*") at Shell for resolution #23, which proposed aligning climate targets with the Paris Agreement. This is a significant vote, as many other investors opposed management on this resolution, and NBIM's decision to justify their support for the board suggests they may have been anticipating external criticism. NBIM's Climate Action Plan emphasizes that companies should commit to net-zero emissions by 2050, making this vote a key test of their approach. The significance of this resolution at Shell is explored in more detail later in this report.

In two further cases when voting with the company board against better climate management, NBIM used the rationale that there were "*no failures in the management of sustainability risk*" (at The Southern Company and at NextEra Energy); and in two additional cases, NBIM argued that "*the resolutions were too prescriptive*" (at Nippon Steel and at Chubb).

According to NBIM's voting guidelines, they always provide an explanation in cases where they vote against the board's recommendation. In all four cases highlighted in this report, when NBIM voted against the company board and in favor of better climate risk management or disclosure, they provided their voting rationale. In three cases, they cited the rationale that "*the company's disclosure is not sufficient.*" This applied to resolutions at Paccar Inc. (#6 *Climate-related Policy Engagement*), and at Berkshire Hathaway (#2 *Align business activities with Paris Agreement goals*, and #3 *Report GHG emissions*). At ExxonMobil NBIM voted against the reelection of the lead Director due to "*shareholder intimidation*" (Resolution #1.6, & 1.12 *Vote against directors due to shareholder intimidation*).

# Case Study: Vote on Paris alignment at the 2024 Shell AGM

In its expectation document, *Climate change expectations of companies*, NBIM states:







- “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”.

At Shell's Annual General Meeting in May 2024, a significant climate resolution was filed by activist shareholder group Follow This:

Resolution #23 *Align Shell's medium-term emissions reduction targets covering the greenhouse gas (GHG) emissions of the use of its energy products (Scope 3) with the goal of the Paris Climate Agreement.*

This resolution, urging the company to align its carbon emissions reduction targets with the Paris Agreement, was filed by a coalition of 27 institutional investors with over \$4 trillion in assets. The resolution focused on pushing Shell to adopt stronger medium-term targets that included Scope 3 emissions — the emissions from burning the fuels Shell produces. The resolution followed a controversial decision by Shell in March 2024 to scale back its 2030 carbon reduction target.

Table 3 The voting of Norway's four largest investors, and Europe's largest private asset manager Amundi, at the Shell AGM in 2024 on climate resolution #23 'Align climate targets with goals of the Paris Agreement' ✓ indicates that the investor voted FOR Shell to align climate targets with goals of the Paris Agreement. X indicates that the investor voted AGAINST Shell aligning climate targets with goals of the Paris Agreement

	Assets under management	
	\$1600 billion	X
	\$100 billion	✓
	\$90 billion	✓
	\$120 billion	✓
	\$2000 billion	✓

As shown in Table 3, Europe's largest private asset manager Amundi, and the Norwegian banks KLP, DNB, and Storebrand all supported the resolution, while NBIM did not support Paris- alignment of Shell's targets. Overall, the resolution received 18.6% support. This is slightly lower than the 20% support that a resolution with the same wording received the previous year in 2023. Although this percentage represents a minority, it still signals significant dissent among shareholders. Companies like Shell, as major contributors to global

fossil fuel production, are in a unique position to lead the transition from high-emission energy sources to cleaner alternatives. With fossil fuels responsible for approximately 90% of global greenhouse gas emissions, resolutions like this play a crucial role in holding oil majors accountable for their contribution to climate change. These initiatives are essential to pushing these companies to actively participate in reducing climate risks and aligning their strategies with global efforts, such as the Paris Agreement, to limit global warming.

A notable aspect of this resolution was its support from major institutional investors including Amundi, Europe's largest private asset manager. Yet, despite this backing, Norges Bank Investment Management (NBIM), voted against the resolution. This decision raises questions about NBIM's commitment to using its shareholder power to push for better climate risk management at major companies like Shell. Given that NBIM itself emphasizes the importance of companies aligning with net-zero by 2050 and the Paris Agreement, its failure to support this key resolution is remarkable.

Shell's decision to weaken its 2030 targets and the rejection of this resolution highlight the ongoing tension between corporate profitability and long-term sustainability. In this context, NBIM's vote to support Shell's management can be seen as a missed opportunity to align its voting with its own Climate Action Plan. The result at the Shell AGM also demonstrates a broader trend in NBIM's voting pattern, where it opposes the majority of important climate-related resolutions aimed at enhancing transparency and climate management, despite increasing pressure from other investors.

## NBIM's Influence at Shell

**Ownership:** NBIM holds approximately 3% of total shares in Shell, giving it direct voting power of 3% at Shell's AGM.

**Voting Power:** Beyond its 3% ownership, NBIM's pre-disclosure of its voting intentions (five days before the AGM) has been shown to influence other shareholders. This pre-disclosure can sway [an additional 2.7%](#) of votes, potentially increasing NBIM's total influence on voting outcomes to 5.7%

