

MINUTES OF THE EXECUTIVE BOARD MEETING OF 14 SEPTEMBER 2016

Present:

Executive Board: Øystein Olsen, Jon Nicolaisen, Egil Matsen, Hilde Myrberg, Kjetil Storesletten, Karen Helene Ulltveit-Moe and Steinar Juel

Alternates: Arne Hyttnes and Kristine Landmark

Employee representatives: Henrik Borchgrevink (items 164-166)

Management: Ida Wolden Bache (items 161-162), Torbjørn Hægeland (items 161-162), Ingrid Solberg (items 161-162), Kristin Gulbrandsen (items 161-162), Olav Bø (items 161-162), Kristine Høegh-Omdal (items 161-162), Sindre Weme (items 161-162), Runar Malkenes (items 161-162), Bjarne Gulbrandsen (items 161-166), Olav Mundal (items 161-166)

The following were distributed for information together with the discussion documents:

- Agenda for the seminar of 13 September 2016 on investment management
- Report from the Audit Committee meeting of 8 August 2016
- Report from the REIB meeting of 24 August 2016
- National report from the regional network 3/2016
- Memo from Monetary Policy of 8 September 2016
- GPF performance and risk, June 2016
- Memo from NBIM of 29 July 2016
- GPF performance and risk, July 2016
- Memo from NBIM of 29 August 2016
- Letter to Finanstilsynet of 17 August 2016 – Regulation on requirements for residential mortgage loans

161/2016 Recommendation to the Ministry of Finance on the countercyclical capital buffer

Discussion documents:

- HIGHLY CONFIDENTIAL memo from Monetary Policy of 9 September 2016

The Central Bank Governor outlined the basis for the recommendation to the Ministry of Finance on the countercyclical capital buffer.

The Executive Board discussed the need for a countercyclical capital buffer at banks. In light of the Executive Board's discussions, a draft letter to the Ministry of Finance with a recommendation on the countercyclical capital buffer for the third quarter of 2016 is to be presented for final consideration at the Executive Board's meeting of 21 September 2016.

162/2016 Draft monetary policy report with financial stability assessment 3/16

Discussion documents:

- HIGHLY CONFIDENTIAL memo from Monetary Policy of 9 September 2016

The Governor presented the main elements of the draft monetary policy report, including the analysis and assessment of the economic situation and the outlook for monetary policy. The Governor also referred to presentations and discussions at the seminar on the monetary policy situation.

The Executive Board discussed the economic outlook and the monetary policy stance. In light of the Executive Board's discussions and new information, a draft "Executive Board's Assessment" is to be presented for final consideration at the Executive Board's meeting of 21 September 2016.

163/2016 Briefing on current issues in Central Banking Operations

The Governor presented current issues in Central Banking Operations.

164/2016 Minutes of the Executive Board meeting of 10 August 2016

The Executive Board approved the minutes of its meeting of 10 August 2016.

165/2016 Appointments to the Executive Board's subcommittees

Discussion documents:

- Memo from the General Secretariat of 8 September 2016

The Executive Board decided that:

- Steinar Juel should be appointed a member of the Remuneration Committee. Hilde Myrberg and Kristine Landmark should continue as chair and member respectively. These appointments apply until 31 December 2017.
- Kathryn Baker and Arne Hyttnes should continue as members of the Ownership Committee until 31 December 2017. Egil Matsen should chair the committee.
- Kjetil Storesletten and Karen Helene Ulltveit-Moe should continue as members of the Risk and Investment Committee until 31 December 2017. Egil Matsen should chair the committee.

166/2016 Any other business

There was no other business.

Executive Board members:

Executive Board alternates:

Employee representatives in respect of items 164-166:

ANNEX TO THE MINUTES OF THE EXECUTIVE BOARD MEETING OF 14 SEPTEMBER 2016

Meeting of 14 September 2016 between the Council on Ethics for the Government Pension Fund Global and Norges Bank's Executive Board

Present:

From the Council on Ethics: Johan H. Andresen, Hans Christian Bugge, Cecilie Hellestveit and Arthur Sletteberg

From Norges Bank: Øystein Olsen, Jon Nicolaisen, Egil Matsen, Hilde Myrberg, Kjetil Storesletten, Karen Helene Ulltveit-Moe, Steinar Juel, Arne Hyttnes and Kristine Landmark

Others: Eli Ane Lund (Secretariat to the Council on Ethics), Pål Haugerud, Dag Huse, Bjarne Gulbrandsen and Olav Mundal (Norges Bank)

The Council on Ethics for the Government Pension Fund Global (GPFG) has been established by the Ministry of Finance to advise Norges Bank on the observation and exclusion of companies from the GPFG's portfolio.

The work of the Council on Ethics and Norges Bank on the observation and exclusion of companies is to be based on the *Guidelines for observation and exclusion from the Government Pension Fund Global*. Section 7 of the guidelines requires regular meetings between the Council and the Bank.

The Executive Board and the Council on Ethics discussed their experience of working together to date. The Council on Ethics presented its work, and Norges Bank explained how it uses the Council's recommendations.