



GOVERNMENT PENSION FUND GLOBAL: EXPERIENCES AND ORGANISATION

**DEPUTY GOVERNOR
EGIL MATSEN**

Oslo, 27 October 2017

A large fund– 8 000 billion

GPFG. In billions of NOK

STATSADMINISTRASJONEN

Anvæningsbegjæring til
Finansdepartementet

3 0 MAI 1996

30. mai 1996

Finans- og tolldepartementet

Navn og adresse	Postnummer eller banknummer	Kr.
Norges Bank Postboks 1179 0107 OSLO	0629.06.30019	1 201 120 502,16

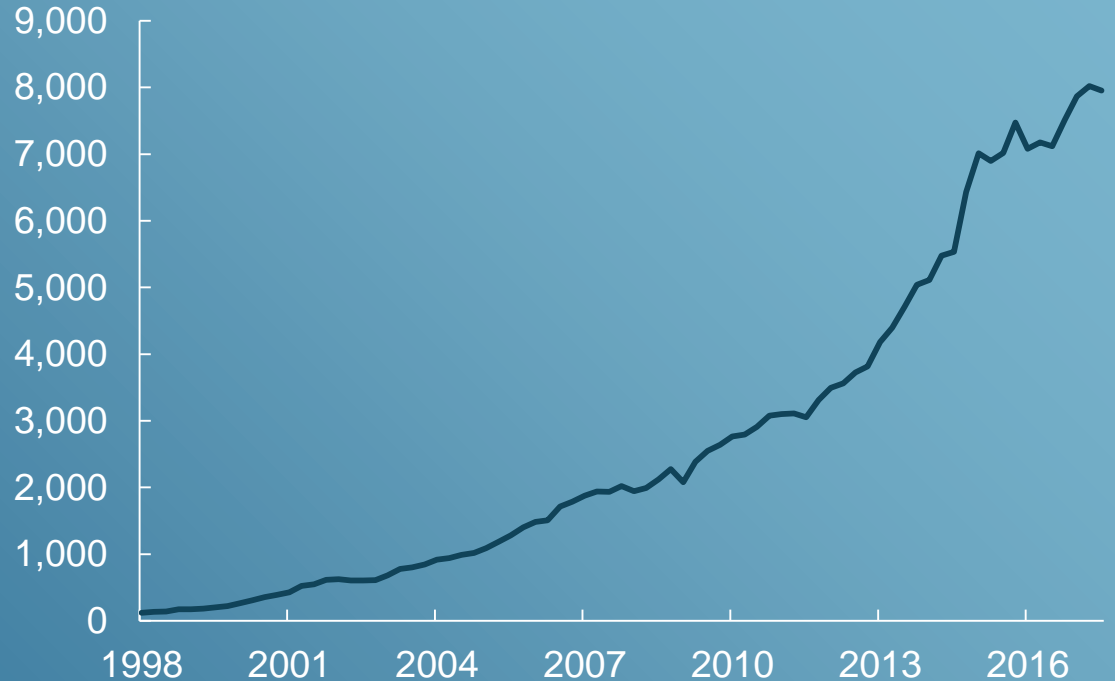
Sum 1 201 120 502,16

Konkontroll med kontoen:
enmilliardni hundreogåttiennmillionerett hundreogtjueåttetusenf hundreogto
16/139

Konto nr: 848001 - Statens Petroleumsfond.

Overføring til Statens Petroleumsfond.

Gerd Waller Nilssen

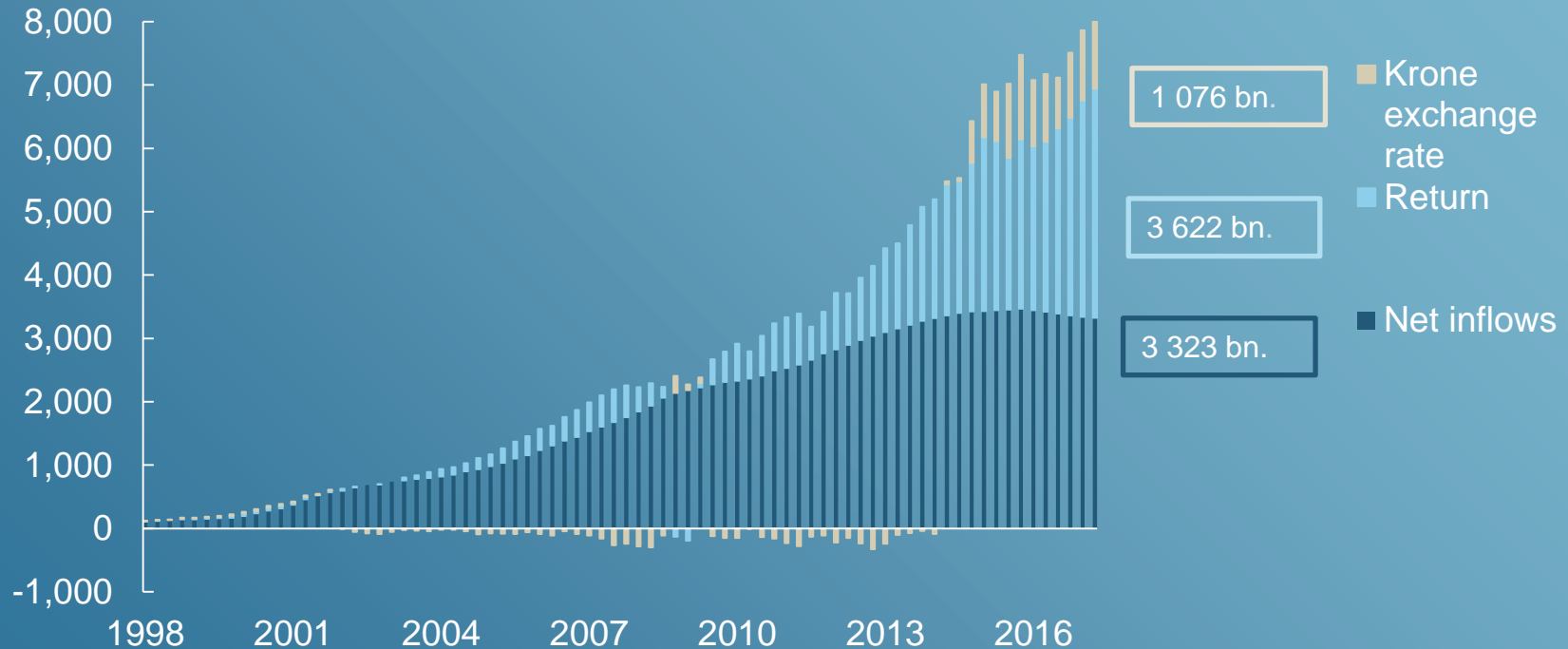


Source: Norges Bank



A large fund

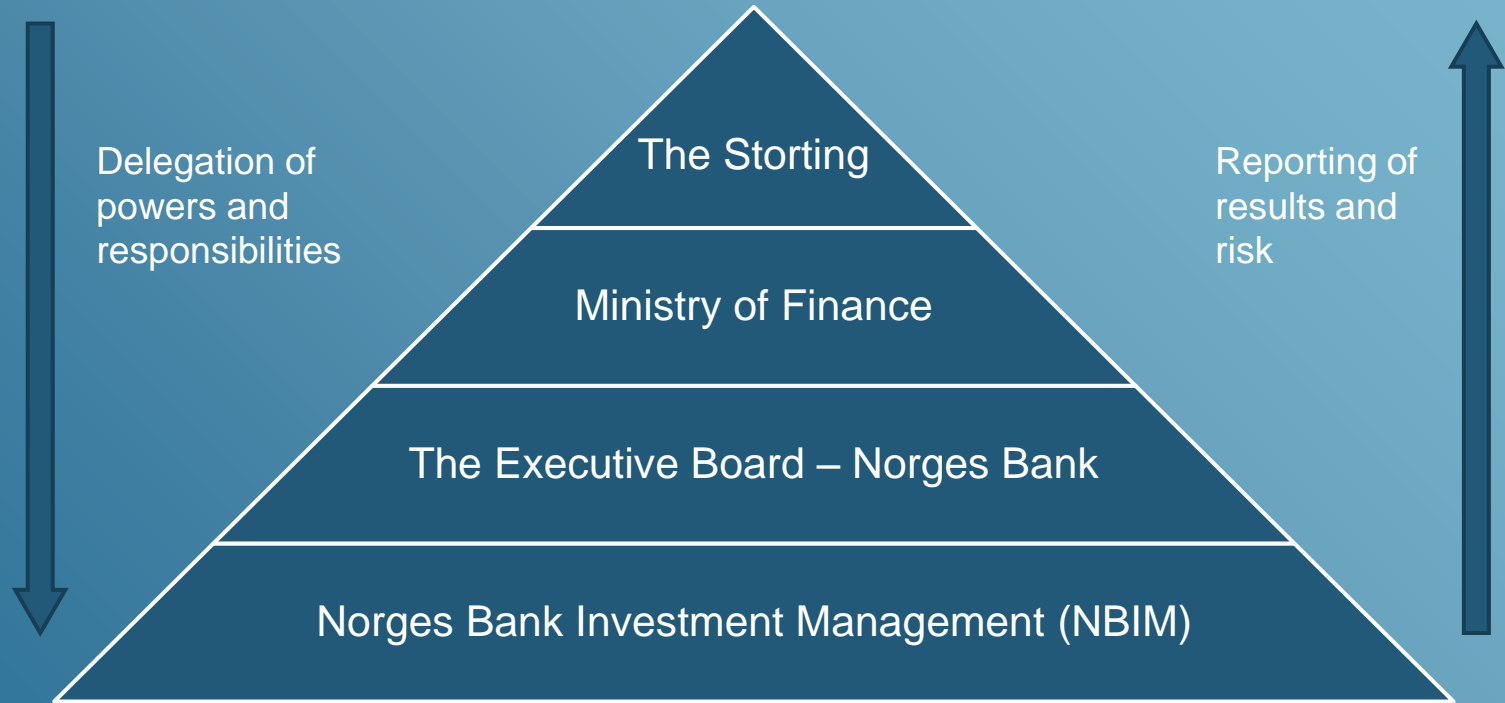
GPFG. In billions of NOK¹⁾



1) At June 30 2017
Source: Norges Bank



Governance structure



Return on the GPFG and benchmark index

Index



1) Equities, fixed income and real estate. 2) Benchmark index for equities and fixed income investments 3) At June 30 2017
Sources: Bloomberg Barclays Indices, FTSE and Norges Bank



Asset allocation – GPFG, CPPIB and GIC

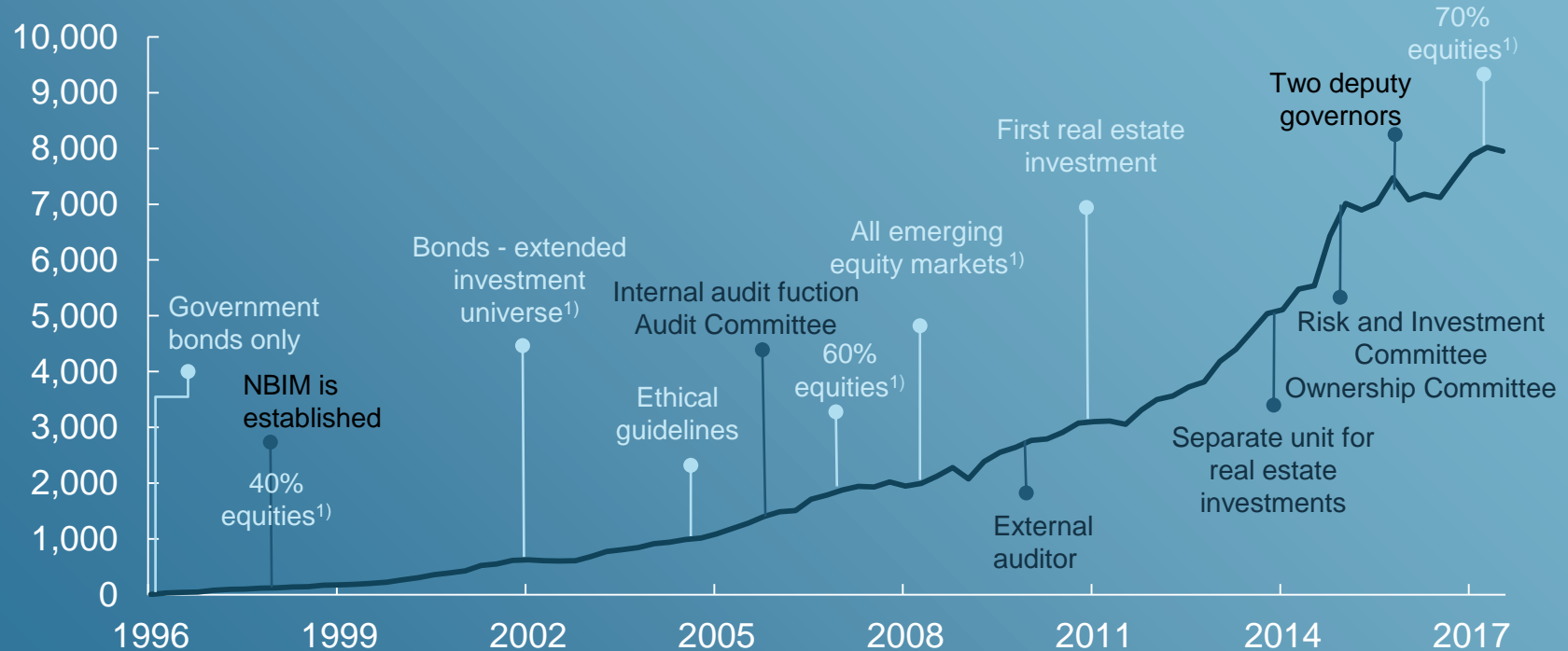
	GPFG	CPPIB	GIC
Public equity	65	37	44
Bonds	32	22	40
Real estate	3	13	7
Private equity		18	9
Infrastructure		10	

Sources: CCPIB Annual Report 2017, GIC Report 2016/2017, Norges Bank



Evolution of strategy and governance structure over time

GPFG. In billions of NOK



1) Timing of strategy decisions 2) FTSE Global All Cap
Source: Norges Bank



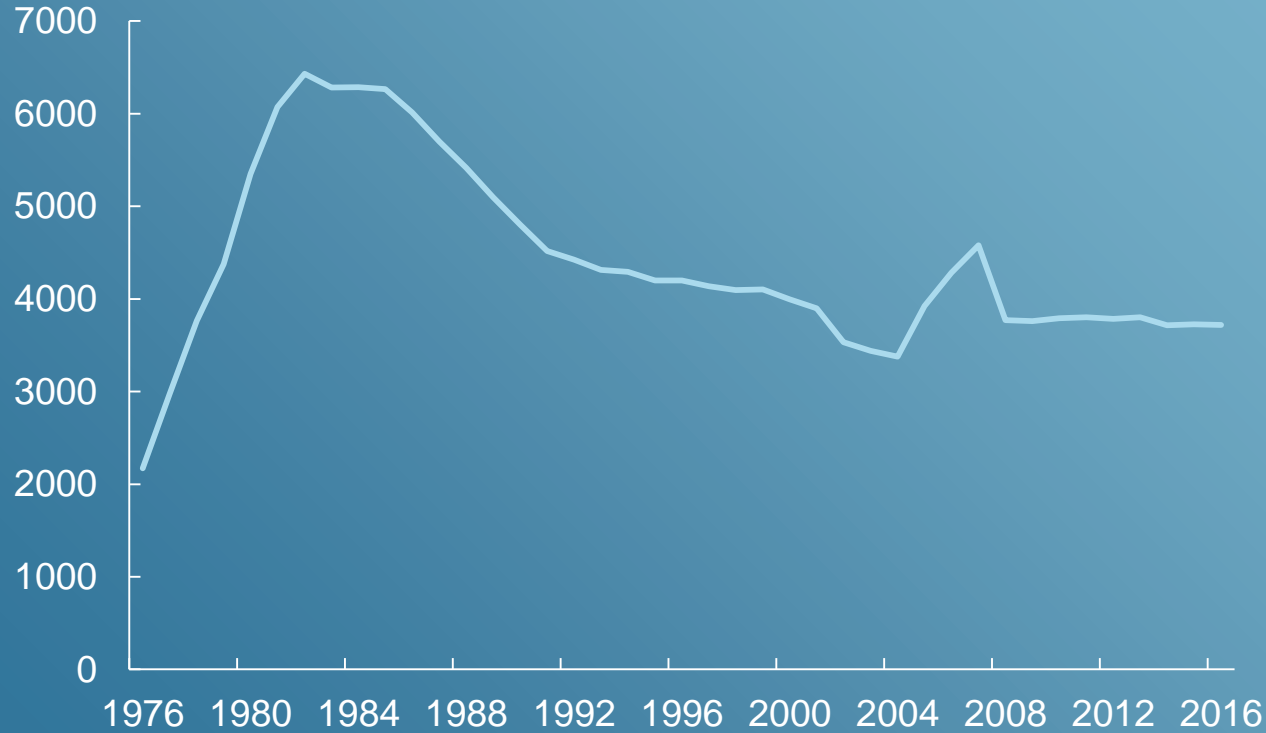
Important considerations for the future

- Objective of investment management
 - avoid multiple objectives
- Division of responsibility in the governance model
 - clear division of roles and responsibilities
- Board composition
 - expertise in finance and investment management and a clear understanding of the fund's role in the Norwegian economy and Norway's economic policy
- Cost-effective investment management
 - a single manager generates economies of scale



The Alberta Heritage Savings Trust Fund

Real value. In millions of Canadian dollars



Source: The Alberta Heritage Savings Trust Fund Annual Report 2016-2017 and Statistics Canada



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