

Decision to exclude Oshkosh Corporation and ThyssenKrupp AG

1 Summary

As of June 2025, KLP and the KLP Funds (KLP) have decided to exclude Oshkosh Corporation and ThyssenKrupp AG from its investments. The exclusion relates to the criterion in its guidelines for responsible investment that states: *“KLP should exclude companies from its investments where there is an unacceptable risk that they could contribute to or be responsible for (...) the sale of weapons to states in armed conflicts that use the weapons in ways that represent serious and systematic breaches to international law governing the conflicts.”*

Oshkosh Corporation is a US industrial company that designs and manufactures vehicles. Through its wholly owned subsidiary Oshkosh Defense, the company supplies vehicles to the Israeli Defence Forces (IDF). ThyssenKrupp AG is a German industrial group that operates in several different business sectors. ThyssenKrupp has previously sold warships to the IDF and has signed an agreement with the IDF to supply submarines over a nine-year period. The submarines are capable of hitting targets on land with both conventional and nuclear armaments.

Several UN bodies have reported that Israel’s persistent and targeted destruction of buildings in the Gaza Strip, in the aftermath of Hamas’s attack on Israel on 7 October 2023, represents a violation of international laws that regulate the conduct of hostilities (humanitarian law). This information has been in the public domain for some time. KLP takes the position that, since the start of 2024, it should have been possible to understand that there is a risk that weapons sold to Israel may be used in violation of international law.

Both the UN High Commissioner for Human Rights and a group of UN Special Rapporteurs have stated that companies which sell weapons to Israel risk being complicit in actions that are grave breaches of humanitarian law.¹ The statement specifically named several weapons producers in KLP’s investment portfolio, namely Oshkosh Corporation and ThyssenKrupp AG.

KLP recognizes that it will frequently be difficult for companies to withdraw their deliveries to Israel. Nevertheless, the company has an independent duty to exercise due diligence in order to avoid complicity in violations of fundamental human rights and humanitarian law.

In its decision to exclude Oshkosh Corporation and ThyssenKrupp, KLP has attached importance to the companies’ failure to document their due diligence assessments relating to potential complicity in violations of humanitarian law. In relation of the above, KLP has given weight to the fact that both companies have had a long-standing relationship with the IDF and that their weapons deliveries have continued after the war in Gaza broke out.

As in other cases, the decision to exclude is a tool by means of which KLP may reduce its association with unacceptable conditions that are ongoing or likely to occur in the future.

¹ <https://www.ohchr.org/en/press-releases/2024/06/states-and-companies-must-end-arms-transfers-israel-immediately-or-risk>

2 Background

2.1 Israel's violations of humanitarian law in Gaza

Since the Six-Day War in 1967, Palestinians have lived under Israeli occupation in the West Bank, including East Jerusalem, and in Gaza (also referred to as the Gaza Strip). The areas are collectively referred to as the Occupied Palestinian Territory (oPt), as defined by the UN and in international law.²

On 7 October 2023, Hamas and other armed Palestinian groups in the Gaza Strip launched a wide-ranging attack on Israel. According to the Israeli authorities, around 1,200 people, mainly civilians, were killed and 250 taken hostage.³ In response, the Israeli government declared war on Hamas and launched widespread military assaults on the Gaza Strip, with the objective of neutralising Hamas and liberating the hostages.

The Israeli Defence Force (IDF) operates in densely populated areas in Gaza. Large parts of the Gaza Strip have been laid waste by extensive bombing. According to the UN, over 2 million people, almost half of Gaza's population, have been internally displaced and lack access to food, fuel, shelter and medical services⁴.

On 19 June 2024, the UN's Independent Commission of Inquiry presented a report to the UN Human Rights Council on the war in Gaza.⁵ The report was the UN's first thorough investigation into the war and primarily covered the period from 7 October 2023 to 31 December 2023. The report also touched on conditions in the West Bank and East Jerusalem. The Commission of Inquiry concluded that there are reasonable grounds to assume that both Israeli authorities and Palestinian armed groups have committed war crimes. In addition, the Commission concluded that the Israeli authorities are responsible for serious human rights violations in connection with military operations in Gaza.⁶

Civil society organizations like Amnesty International have documented widespread violations of international humanitarian law in Gaza, including assaults that have impacted civilians and civilian infrastructure, and have warned that military equipment being supplied to entities engaged in the conflict could contribute to such violations.⁷ Humanitarian law is part of the body of international law applicable to armed conflicts, and its purpose is to limit unnecessary suffering during wars. It requires that a distinction be made between combatants and non-combatants, and affords particular protection to civilians, prisoners of war and others who are not participating actively in the hostilities.

Under international law, Israel, like all other states, has a right to defend itself against armed attack, including from groups like Hamas. At the same time, Israel has a duty under humanitarian law to abide by its fundamental principles, particularly the duty to protect civilians who are not actively involved in combat. Military assaults must be proportional to avoid unnecessary harm to the civilian population. It is violation of this principle of proportionality in particular that Israel has been accused of.

In the past two years, the International Court of Justice (ICJ) has issued several injunctions against Israel in connection with the war in Gaza. In 2024, the ICJ issued a legally binding order mandating that Israel halt its invasion of Rafah, since the humanitarian situation was considered disastrous.⁸ The ICJ has further ordered Israel to prevent actions which could amount to genocide, safeguard the provision of humanitarian assistance to the civilian population in Gaza and permit investigations to be conducted. Israel has not complied with these injunctions. The International Criminal Court (ICC) has issued arrest warrants for Israel's prime minister

² <https://www.bbc.com/news/newsbeat-44124396>.

³ <https://www.idf.il/en/mini-sites/remembering-the-october-7-massacre/the-october-7-massacre-explained/>

⁴ <https://press.un.org/en/2024/sgsm22310.doc.htm> (June, 2024)

<https://www.ochaopt.org/content/humanitarian-situation-update-297-gaza-strip> (June, 2025)

⁵ <https://documents.un.org/doc/undoc/gen/g24/o86/64/pdf/g24o8664.pdf>

⁶ [Israel's assault on the foundations of international law must have consequences: UN experts | OHCHR](#).

⁷ Amnesty International (2024) *Gaza: Civilians bear the brunt of conflict*. Available at:

<https://www.amnesty.org/en/latest/news/2024/12/amnesty-international-concludes-israel-is-committing-genocide-against-palestinians-in-gaza/> (Accessed: 23 June 2025). Også Human Rights Watch har understreket viktigheten av ansvarlig våpeneksport for å forhindre medvirkning til krigsforbrytelser og andre alvorlige menneskerettighetsbrudd i området, se Human Rights Watch (2024) Continued Arms Exports to Israel. Available at: <https://www.hrw.org/news/2024/06/25/continued-arms-exports-israel-face-constructive-notice> (Accessed: 23 June 2025).

⁸ <https://www.icj-cij.org/sites/default/files/case-related/192/192-20240524-ord-01-00-en.pdf>. See also [www.fn.no](#), 27 May 2025: [Den internasjonale domstolen beordrer Israel til å stanse Rafah-offensiven – hva skjer nå?](#)

Benjamin Netanyahu and the country's former defence minister Yoav Gallant, with respect to allegations of war crimes and crimes against humanity.⁹ Arrest warrants were also issued against leaders of Hamas. As of 18 June 2025, 55,637 Palestinians had been killed and 129,880 wounded since October 2023, according to the Palestinian Ministry of Health. Over half of those killed were women, children and elderly people.¹⁰

The situation for the civilian population in Gaza has steadily worsened since March this year. On 2 March 2025, Israel instigated a complete blockade on all aid and other supplies coming into Gaza. This has led to an acute shortage of food and medicines, and widespread starvation among the population. The UN High Commissioner for Human Rights has said that the ongoing situation is "tantamount to ethnic cleansing".¹¹

2.2 Sales of weapons to Israel

In June 2024, the UN High Commissioner for Human Rights and a group of UN experts stated that companies which sell weapons, components or ammunition to Israeli forces risk becoming complicit in serious violations of human rights and humanitarian law.¹² According to the UN expert group, there is evidence showing that weapons or equipment that companies on the list have sent to the IDF are being used in the war in Gaza. Several weapons manufacturers were named in this connection, including Oshkosh Corporation and ThyssenKrupp.

The group's statement also details the duties that investors and companies have to avoid any complicity in serious violations of human rights and humanitarian law. In KLP's decision to exclude, emphasis is placed on the expert group's statement, including the companies encompassed by its review.¹³

3 Information provided by the company and dialogue with KLP

3.1 Oshkosh Corporation

KLP has been in contact with Oshkosh Corporation in the aftermath of expert group's statement. The company confirmed that it has sold, and continues to sell, equipment that is used by the IDF in Gaza. This includes lorries which the IDF converts into the "Panther" multipurpose armoured personnel carrier¹⁴, Joint Light Tactical Vehicles (JLTVs),¹⁵ and armoured personnel carrier (APC) hulls¹⁶. The United Nations Register of Conventional Arms (UNROCA) defines JLTVs as "armoured combat vehicles".¹⁷ JLTVs may be used for a number of tactical missions, including surveillance, direct fire support for infantry manoeuvres and the transportation of military personnel.¹⁸ Weapons systems may be mounted on the majority of vehicle models. Armoured personnel carriers (APCs) are included in the same category. The contract for the first deliveries of JLTVs was signed after the outbreak of war, while the contract for the first deliveries of APC hulls was entered into before the war started.

KLP has asked the company for details of the due diligence assessments it performs in connection with deliveries to states engaged in armed conflict. In reply, Oshkosh Corporation referred to its internal human rights guidelines.¹⁹ These guidelines cover human rights in the supply chain and the company's efforts to follow-up on these. The guidelines do not mention assessments of the company's own operations or the sale of weapons to areas in which armed conflicts are ongoing.

3.2 ThyssenKrupp

⁹ Situation in the State of Palestine: ICC Pre-Trial Chamber I rejects the State of Israel's challenges to jurisdiction and issues warrants of arrest for Benjamin Netanyahu and Yoav Gallant | International Criminal Court.

¹⁰ <https://www.ochaopt.org/content/reported-impact-snapshot-gaza-strip-18-june-2025>

¹¹ <https://www.ohchr.org/en/press-releases/2025/05/turk-deplores-gaza-escalation-pleads-global-action-stop-more-killings>.

¹² States and companies must end arms transfers to Israel immediately or risk responsibility for human rights violations: UN experts | OHCHR.

¹³ *ibid*

¹⁴ <https://www.nationaldefensemagazine.org/articles/2019/12/12/oshkosh-provides-israel-with-modified-military-vehicles>

¹⁵ OSHKOSH TO BUILD JLTVS FOR ISRAELI DEFENSE FORCES | Oshkosh Defense.

¹⁶ OSHKOSH DEFENSE SELECTED TO PRODUCE EITAN ARMORED PERSONNEL CARRIER HULLS FOR THE ISRAELI MINISTRY OF DEFENSE | Oshkosh Defense.

¹⁷ <https://www.unroca.org/categories: Category 2 of Major Conventional Arms: Armoured combat vehicles> Tracked, semi-tracked or wheeled self-propelled vehicles, with armoured protection and cross-country capability, either: (a) designed and equipped to transport a squad of four or more infantrymen, or (b) armed with an integral or organic weapon of at least 12.5 millimetres calibre or a missile launcher.

¹⁸ <https://oshkoshdefense.com/vehicles/light-tactical-vehicles/jltv/#jltv-variants>.

¹⁹ Ethics | Oshkosh Corporation.

KLP has been in contact with ThyssenKrupp in the aftermath of expert group's statement. The company has disclosed that it has a long-term relationship with IDF. ThyssenKrupp delivered four warships of the type Sa'ar 6 to the Israeli Navy in the period November 2020 to May 2021²⁰. ThyssenKrupp has further confirmed an ongoing contract to deliver the submarine INS Drakon in 2025, as well as three further Dakar-class submarines over a nine-year period²¹. The contracts for the delivery of warships and submarines were signed before the outbreak of war. Under the UNROCA's categorisation of conventional weapons, warships and submarines are included in Category VI. Warships. The submarines have the capacity to hit targets on land with both conventional and nuclear weapons. It is known that the Israeli Navy is part of the Israeli war attacks in Gaza²².

KLP has asked the company for details of the due diligence assessments it performs in connection with deliveries to states engaged in armed conflict. In reply, ThyssenKrupp stated primarily that it complies with national laws and guidelines. Apart from this, KLP has received no further information about the way the company performs due diligence assessments.

4. KLP's assessment

4.1 General

KLP has assessed whether there *"is an unacceptable risk that they could contribute to or be responsible for (...) the sale of weapons to states in armed conflicts that use the weapons in ways that represent serious and systematic breaches to international law governing the conflicts"*. This criterion was included in the Council on Ethics for the Norwegian Government Pension Fund Global's ethical guidelines in 2021 at the suggestion of the government-appointed Ethics Commission.²³ KLP incorporated equivalent criterion into its own guidelines for responsible investment. Under the new criterion, companies which sell weapons to states operating in conflict zones may be excluded.

In this case, KLP has first assessed whether the product being sold falls within the scope of this criterion. The term "weapon" is considered to mean military equipment which may be used in combat and directly impact civilians. In the Norwegian government white paper that discussed the Ethics Commission's report, it also follows that no limits should be applied with respect to "the size of companies or deliveries, or the size of specific deliveries as a percentage of a company's total turnover".²⁴ Reference is further made to the Council on Ethics' recommendation regarding Bharat Electronics.²⁵

KLP further presumes that the buyer is a *state engaged in armed conflict*. Importance is attached to what relevant international bodies have said about the situation in Gaza, as mentioned above.

It follows from this criterion that the exclusion of a company may be considered if the buyer uses the weapons in violation of humanitarian law. KLP presumes that there must be a link between the sale and the violations, or that there is, at the very least, a risk that the weapons can be used for violations of humanitarian law. It will be sufficient that the company is aware that the type of weapons sold may be used in assaults on civilians. The latter is the basis that there is no prerequisite for information that links specific weapons to specific violations.

With respect to the company's knowledge of how the weapons are used, reference is made to the Ethics Commission's report, which states that it should be possible to "substantiate with a reasonable degree of certainty that the company knows or should have been able to foresee uses which constitute violations of international humanitarian law".²⁶

The weapons industry is unlike other industries in that exports of weapons are strictly regulated by governments and harmonised with the foreign policy and security interests of the exporting country. In connection with the export of weapons, many companies abide primarily to licences granted by their own government authorities.

²⁰ <https://www.thyssenkrupp-marinesystems.com/en/newsroom/press-releases/press-detail-page/%2522ins-atzmaut%2522-and-%2522ins-nitzachon%2522-handed-over-to-israeli-navy-163059>

²¹ <https://www.thyssenkrupp-marinesystems.com/en/newsroom/press-releases/press-detail-page/dual-milestones-for-thyssenkrupp-marine-systems:-launching-of-'ins-drakon'-and-the-start-of-production-of-the-first-class-'dakar'-submarine-for-the-israel-defense-forces-289273>

²² <https://www.unrwa.org/resources/reports/unrwa-situation-report-172-situation-gaza-strip-and-west-bank-including-east-jerusalem>

²³ Verdier og ansvar, Det etiske rammeverket for Statens pensjonsfond utland, NOU 2020: 7 - regjeringen.no. A summary of the report Values and Responsibility: The Ethical Framework for the Norwegian Government Pension Fund Global is available in English at:

<https://www.regjeringen.no/contentassets/86dac65c22384dda9584dc2b1a052a91/en-gb/pdfs/nou202020200007000engpdfs.pdf>.

²⁴ NOU 2020: 7, p. 190.

²⁵ Council on Ethics' recommendation relating to [Bharat Electronics Ltd](#)

²⁶ NOU 2020: 7, p. 191.

However, KLP considers that the assessment of companies' behaviour must not be restricted to the terms of existing export licenses and regulations. For KLP, it is of particular importance that companies which sell weapons to countries engaged in war or conflict exercise a particularly high level of due diligence to avoid becoming involved in violations of human rights and humanitarian law. This is set out in the UN's Guiding Principles for Business and Human Rights, and the OECD's Guidelines for Multinational Enterprises.

Comments to chapter IV (Human Rights) of the OECD's guidelines state the following:

45. "Moreover, in situations of armed conflict enterprises should respect the standards of international humanitarian law. In the context of armed conflict or heightened risk of gross abuses, enterprises should conduct enhanced due diligence in relation to adverse impacts, including violations of international humanitarian law."

Furthermore, the UN Working Group on Business and Human Rights has prepared a circular on weapons manufacturers and their obligations under the UN's Guiding Principles, which states:

"Many arms companies still reference strict compliance with both the national laws in countries of operation and the provisions of international regulations and treaties as a substitute for human rights due diligence, arguing that home State approval fulfils their risk assessment responsibilities. As seen above, export controls cannot replace HRDD. Moreover, this misses an essential point of the Guiding Principles: the business responsibility to respect human rights under Pillar II of the Guiding Principles "exists independently of States' abilities and/or willingness to fulfil their own human rights obligations." ²⁷

Thus, companies cannot avoid their duty to perform independent human rights due diligence, as required by the UN's Guiding Principles, through the expedient of referring to national export licences and international regulations.

4.2 Oshkosh Corporation

On the basis of the information available, including information provided by the company, KLP considers that there is an unacceptable risk that the Oshkosh Corporation is selling vehicles to a state engaged in armed conflict and that these may be used in ways that constitute a serious and systematic violation of internationally recognised rules regulating the conduct of hostilities. See the factors informing KLP's assessment in section 4.1 above.

With respect to the company's knowledge of how the vehicles are being used, KLP considers that the company should have been able to foresee the risk of use resulting in breach of humanitarian law. This includes the equipment's potential use by the IDF in assaults and for the transportation of military personnel. The company has confirmed that it has sold equipment to Israel over a long period of time, and that it has ongoing direct sales to the IDF. Furthermore, extensive information is publicly available on the situation in Gaza, as well as information from credible UN sources on the company's alleged involvement through the sale of military equipment. In such a situation, the company is expected to perform enhanced due diligence assessments to investigate more thoroughly how the equipment is actually being used, and to take steps to prevent any complicity in violations of humanitarian law. The actual circumstances of the case, as well as a lack of transparency about the company's due diligence assessments, indicate that there is an unacceptable risk of future violations of KLP's investment guidelines.

4.3 ThyssenKrupp AG

On the basis of the information available, including information provided by the company, KLP considers that there is an unacceptable risk that ThyssenKrupp is supplying military equipment to a country engaged in armed conflict and that this may be used in connection with serious and systematic violations of humanitarian law. See the factors informing KLP's assessment in section 4.1 above.

KLP takes the position that companies must perform thorough and documented due diligence assessments to identify and reduce their risk of complicity in violations of international law, particularly in situations like the Gaza conflict, where the risk of military equipment being misused is well documented.

Extensive information has been published by the UN and other credible sources which highlights the risk that military equipment sold to Israel may contribute to the violation of humanitarian law. Despite this, ThyssenKrupp has not pointed to any specific risk assessments or measures to avoid such complicity. The company has provided only general answers without documenting operative measures. Although the company could not foresee how the war would develop when the warships were delivered, it is expected of the company to actively assess risk and take any measures necessary.

On this basis, KLP considers the risk of future violations of its guidelines to be unacceptable. This, combined with the company's failure to assess risk and take the necessary actions, constitutes grounds for exclusion.

²⁷ <https://www.ohchr.org/sites/default/files/2022-08/BHR-Arms-sector-info-note.pdf>.

5. Conclusion

On the basis of the above, Oshkosh Corporation and ThyssenKrupp are excluded from investment by KLP and the KLP Funds with effect from June 2025.