

# Decision to exclude companies

June 1<sup>st</sup>, 2024

## 1 Introduction

According to *KLP's Guidelines for Responsible Investment and Guidelines for Responsible Investments and KLP mutual funds*<sup>1</sup>, companies that breach KLP's product-based criteria will be excluded from all KLP and KLP funds' portfolios.

On June 1<sup>st</sup>, 2024, KLP and the KLP funds have decided to exclude 3 companies from its investment universe, because they are in breach with KLP and KLP-funds criterium on controversial weapons. To read more about our work on exclusions please visit our [website](#).

## 2 Excluded companies by criteria

KLP's exclusions are based on data and analysis from our data provider MSCI Inc, publicly available company data (including annual reports), and dialogue with relevant companies.

### 2.1 Weapons

**The company develops or produces weapons or key components of weapons that violate fundamental humanitarian principles through their normal use. Such weapons include, biological weapons, chemical weapons, nuclear weapons, non-detectable fragments, incendiary weapons, blinding laser weapons, anti-personnel mines, and cluster munitions.**

- Brookfield Renewable Corporation
- Cameco Corporation
- Solar Industries India Limited

## 3 Assessment

### Brookfield Renewable Corporation og Cameco Corporation

Brookfield Renewable Partners, a Canadian Private Equity fund and subsidiary of Brookfield Renewable Corporation, and Cameco Corporation have in November 2023 completed acquisition of Westinghouse Electric Company, where each owns 51 and 49 percent respectively<sup>2</sup>.

Westinghouse, via its subsidiary WesDyne, manufactures tritium producing burnable absorber rods - TPBARs. No evidence has been found to suggest that the Westinghouse subsidiary also produces tritium, and the company confirms it in its statement that it only produces TPBARs that are sent on for insertion and irradiation in the Watts Bar nuclear

---

<sup>1</sup><https://www.klp.no/en/english-pdf/Guidelines%20for%20KLP%20as%20a%20responsible%20investor.pdf>

<sup>2</sup> <https://www.cameco.com/media/news/cameco-and-brookfield-complete-acquisition-of-westinghouse-electric-company>

reactors<sup>3</sup>. Watts Bar nuclear reactors in addition to commercial activity are also used to produce tritium which is an essential part of US nuclear weapons and their maintenance<sup>4</sup>.

At the end of 2022, Westinghouse Government Services LLC<sup>5</sup> (formerly WesDyne International LLC) has been awarded a \$168,749,208.05 final contract from the Department of Energy National Nuclear Security Administration for the supply of TPBARs. Under this contract, which expires on September 30, 2044, Westinghouse will supply TPBARs<sup>6</sup> to support NNSA's mission to maintain and improve the safety, reliability and performance of the United States (US) nuclear weapons stockpile<sup>7</sup>.

While the TPBARs may have some non-military use (so-called "dual-use" products), it is this case clearly noted that TPBARs will be used to produce tritium only for military purposes and will ensure the maintenance of US nuclear weapons. The exception for "dual-use" products therefore does not apply.

### **Solar Industries India Limited**

Solar Industries India Limited is an India-based integrated global explosives company. The Company is primarily involved in the manufacturing of complete range of industrial explosives and explosive initiating devices.

The company produces the Pinaka Multi Barrel Rocket Launcher System (MBRL), which is a delivery platform capable of launching rockets of different types, including rockets equipped with cluster munitions and anti-personnel mines. This is in breach with KLP and the KLP funds' weapon criterion and thus the company is excluded from our investment universe.

## **4 Decision**

KLP and KLP funds exclude the 3 companies listed above from all of investments effective June 1<sup>st</sup>, 2024.

---

<sup>3</sup> <https://www.westinghousenuclear.com/media/rkepsyqj/westighouse-cfff-wgs-faq-final-draft-ii.pdf>

<sup>4</sup> [https://www.energy.gov/sites/default/files/2014/08/f18/EIS-0288-DSEIS-S1-Summary-2014\\_o.pdf](https://www.energy.gov/sites/default/files/2014/08/f18/EIS-0288-DSEIS-S1-Summary-2014_o.pdf)

<sup>5</sup> <https://www.westinghousenuclear.com/media/rkepsyqj/westighouse-cfff-wgs-faq-final-draft-ii.pdf>

<sup>6</sup> <https://www.highergov.com/contract/DEACo200DP00229/>

<sup>7</sup> <https://www.federalregister.gov/documents/2023/09/14/2023-19909/amended-record-of-decision-for-the-production-of-tritium-in-commercial-light-water-reactors>