

February 1, 2012

Professor Ola Mestad, Chairman  
Council on Ethics  
Norway Government Pension Fund  
Etikkrådet for Statens pensjonsfond utland Postboks 8008 Dep.0030 Oslo, Norway via email:  
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Recommendation that the Norway Pension Fund divest all its holdings;in Shell due to the severe environmental damage caused by Shell's negligence in the Niger Delta, Nigeria

Dear Chairman Mestad,

We, the undersigned Right Livelihood Award laureates from around the world, write to you today asking you to take action on a matter of grave importance regarding corporate social responsibility and ethical investment.

We write on the basis of our understanding of the laudable ethical standards your Council on Ethics has established with which to screen all investments made by the Norway Pension Fund, in particular its environmental standards. We note that in the past you have divested from companies known to cause severe environmental harm in their operations in the forest and mining sectors. Section 2 of your Guidelines for the observation and exclusion of companies from the Government Pension Fund Global's investment universe states, (inter alia):

3) The Ministry of Finance may, on the advice of the Council of Ethics, exclude companies from the investment universe of the Fund if there is an unacceptable risk that the company contributes to or is responsible

For

(a) serious or systematic human rights violations, such as murder, torture, deprivation of liberty, forced labour, the worst forms of child labour and other child exploitation

(b) serious violations of the rights of individuals in situations of war or

Conflict

(c) severe environmental damage

(d) gross corruption;

(e) other particularly serious violations of fundamental ethical norms.

(4) In assessing whether a company shall be excluded in accordance with paragraph 3, the Ministry may among other things consider the probability of future norm violations; the severity and extent of the violations; the connection between the norm violations and the company in which the Fund is invested; whether the company is doing what can reasonably be expected to reduce the risk of future norm violations within a reasonable time frame; the company's guidelines for, and work on, safeguarding good corporate governance, the environment and social conditions; and whether the company is making a positive contribution for those affected, presently or in the past, by the company's behaviour.

The devastation of the Niger Delta environment by oil companies operating there has been widely documented (see for example the research paper titled Double Standards - Shell practices in Nigeria compared with international standards to prevent and control pipeline oil spills and the Deepwater Horizon oil spill at <http://milieudefensie.nl/publicaties/rapporten/double-standard>). Shell is a major player in the oil sector of Nigeria and the company has been responsible for a series of oil spills gas flares as well as human rights abuses that have gone on for decades. In other words, Shell has for

decades caused severe environmental and social harm in the region. And, Shell is well aware of the damage it continues to cause, and has not taken necessary action to remedy the continuing problems. We feel Shell's negligent behavior in the Niger Delta satisfies the stipulations set forth in Paragraphs 3 and 4 of your Ethical Guidelines referenced above.

International and Nigeria scientists and communities come to the same conclusion that the Delta is one of the most severely oil-impacted ecosystems in the world. Studies have also estimated that the average volume of oil spilled in the Niger Delta each year equaled that spilled by the Exxon Valdez in Alaska in 1989 – officially reported to be about 220,000 barrels. It is our conclusion that most of this environmental injury is due to the largest petroleum producer in the Delta - Shell.

The United Nations Environment Programme (UNEP) conducted an assessment of oil contamination in Ogoniland (part of Shell's operating area in the Delta), and published its final Ogoniland Environmental Assessment on August 4 2011. The UNEP report concluded that the region has been continuously and severely damaged by oil pollution and would require a cumulative 35 years to detoxify its environment. Six months after, no action has been taken by Shell or by the Nigerian government to clean up Ogoniland. The UNEP report is available at [www.unep.org](http://www.unep.org).

Mr. Chairman, we feel it is time the international community takes a strong stand against such ongoing corporate malfeasance.

Thus, we were delighted to see the Council's Annual Report 2009 state the following:

"The Council is also going to investigate more closely the Fund's investments in coal mines in light of the many accidents in this industry, and is as well as looking into oil pollution in the Niger Delta in light of the many oil spills in the region over a prolonged period and the impact this may have on the environment and human health.

We feel that it would be unethical for the Norway Fund to continue "profiting" from its investments in Shell, while Shell is "profiting" from its continuing negligence regarding the environment and people of the Niger Delta.

We applaud your investigation of environmental and social injury caused by oil operations in the Niger Delta. And by way of this letter, we respectfully encourage the Council on Ethics to recommend full divestment, or exclusion, of all holdings of the Norway Government Pension Fund in Royal Dutch Shell, Plc., and its subsidiaries, due to the consistent and severe environmental and social harm caused by Shell's negligent oil and gas operations in the Niger Delta, Nigeria.

We feel divestment by the Norway Fund will provide strong motivation for Shell to dramatically improve its environmental and social performance in Nigeria and globally. Such action would similarly motivate other companies operating in the Delta in which the Fund is invested.

Sincerely,

1. Nnimmo Bassey, Nigeria, RLA Laureate 2010
2. Angie Zelter, UK, Trident Ploughshares, RLA Laureate 2001
3. Alyn Ware, New Zealand, RLA 2009
4. Anwar Fazal, Malaysia, RLA 1982, and Director of Right Livelihood College
5. P.K. Ravindran, K S S P, India, RLA Laureate 1996

6. Rosalie Bertell, USA, RLA Laureate 1986
7. Juan Pablo Orrego, Chile, RLA Laureate 1998
8. Dr. Martin Almada, Paraguay, RLA Laureate 2002
9. Alison Linnecar, France, earlier at IBFAN, RLA 1998
10. René Ngongo, Democratic Republic of Congo, RLA Laureate 2009
11. Dom Erwin Kräutler, Brazil, RLA Laureate 2010
12. M S Mohamed Idris, Sahabat Alam, Malaysia, RLA Laureate 1988 and Consumers Association of Penang
13. Dr. Hannumappa Sudarshan, India, Karuna Trust & VGKK, RLA Laureate 1994
14. Dr. Asghar Ali Engineer, India, RLA Laureate 2004
15. Henk Hobbelink, GRAIN (international organisation, based in Spain), RLA Laureate 2011
16. Tony Clarke, Canada, RLA Laureate 2005
17. S Gyalson, Director, India, Ladakh Ecological Dvelopment Group, RLA Laureate, 1986
18. Andras Biro, Hungary, RLA Laureate 1995
19. Swami Agnivesh, India, RLA Laureate 2004
20. Shrikrishna Upadhyay, Nepal, RLA Laureate 2010
21. Nicanor Perlas, Philippines, RLA Laureate 2003
22. Ida Kuklina, The Committee of Soldiers' Mothers of Russia, RLA Laureate 1996)
23. Helen Mack Chang, RLA Laureate 1992
24. Jakob von Uexkull, UK, Founder and Co-Chair of the Right Livelihood Award Foundation
25. Monika Griefahn, Germany, Co-Chair of the Right Livelihood Award Foundation
26. Marianne Andersson, Sweden, Board member of the Right Livelihood Award Foundation
27. Dr. Juliane Kronen, Germany, Board member, Right Livelihood Award Foundation
28. Ursula Schulz-Dornburg, Germany, Jury member, Right Livelihood Award Foundation