



North Carolina Department of State Treasurer

RICHARD H. MOORE
STATE TREASURER

325 NORTH SALISBURY STREET
RALEIGH, NORTH CAROLINA 27603-1385

November 1, 2006

For Immediate Release
Contact: Sara Lang 919-807-3132

TREASURER MOORE DIVESTS FROM COMPANIES INVOLVED IN CRISIS IN DARFUR

WINSTON-SALEM – State Treasurer Richard Moore announced today that North Carolina Retirement Systems (NCRS) has divested from nine companies that are providing monetary or military support to the Sudanese government. These companies – Bharat Heavy Electricals, China Petroleum and Chemical Corp., Nam Fatt, Oil & Natural Gas Company, PECD Berhad, PetroChina Company, Sudan Telecom Company, Tatneft OAO and Videocon Industries Limited – have demonstrated little or no interest in changing their activities or helping to improve the welfare of the Sudanese people. The divestment is part of a new policy developed by Moore to bring the pension fund's \$70 billion in assets to bear in helping to end the crisis in Darfur and in recognition of the long-term risks posed to companies with ties to the Sudanese government.

“Our state pension funds should not be used to invest in companies that profit from genocide,” Moore said. “Our North Carolina values compel us to stand up for what is right. Our divestiture sends a strong message that those who are complicit in the genocide in Sudan will continue to face serious consequences in the world community.”

The new NCRS policy regarding Sudan begins with divestment from the nine companies that have been identified by CALPERS, the University of California system and other state systems as the most egregious offenders. NCRS will continue to do its own research and work with other states and pension funds to identify companies whose operations in the Sudan are supporting the Sudanese government's actions. NCRS staff will engage these companies and encourage positive change, a strategy that has proven successful in many corporate governance policies.

In the Darfur region of the Sudan, the bloody war between various rebel factions, militia groups and the government has been raging for years. The United Nations estimates that over 400,000 people have been killed and 2 million have been displaced from their homes. The Sudanese government has been complicit in these ongoing attacks, which the U.S. government has deemed genocide. The United States has also labeled Sudan a state sponsor of international terrorism.

Institutional investors in the United States, including NCRS, have been monitoring the situation in Sudan for some time and are beginning to take action relative to investments in that country. Moore sought the guidance of federal officials, including Secretary of State Condoleezza Rice, Homeland Security Secretary Michael Chertoff and Commerce Secretary Carlos Gutierrez, in developing a policy regarding investments in the Sudan. However, the administration, which is in the best position to provide such information, has refused to provide a comprehensive list of companies that are aiding the Sudanese government or otherwise condoning the human rights violations. The responses received by Moore and other state officials have been either form letters or a resounding silence, forcing state governments and pension funds to take individual action.

###

Fax: (919) 508-5167

Phone: (919) 508-5176

website: www.treasurer.state.nc.us

The Department of State Treasurer includes Local Government Commission Teachers' and State Employees' Retirement System, Local Governmental Employees' Retirement System, Public Employees' Social Security Agency, Legislative Retirement Fund, Escheats Fund, and Tax Review Board.
An Affirmative Action/Equal Opportunity Employer