

Rights Action
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Norwegian Pension Fund Withdraws Investments from Tahoe Resources (40% owned by Goldcorp Inc) due to human rights record in Guatemala

Below:

- information about lawsuit in Canada against Tahoe Resources
- Mining Watch letter to Canada Pension Plan, to divest from Tahoe Resources
- How to support

Norwegian Oil Fund Offloads Tahoe Resources And Other Firms Over Environmental, Human Rights Records

27 January 2015, by Jonathan Williams

<http://www.ipe.com/news/esg/norwegian-oil-fund-offloads-firms-over-environmental-human-rights-records/10006379.article>

Norway's NOK6.7trn (€764bn) sovereign wealth fund has divested from three firms after concerns were raised over their environmental, ethical and human rights records.

The fund's Council of Ethics revealed in its 2014 annual report that Tahoe Resources, Innophos Holdings and Noble Group had been recommended for exclusion from the [Government Pension Fund Global](#)'s investment universe.

Tahoe, a mining company headquartered in the US, was criticised for activities in Guatemala that allegedly run an "unacceptable" risk of human rights violations. The report noted that the establishment of a gold mine in the country had resulted in "various acts of violence", with the country's government declaring a month-long state of siege in 2013 over the ensuing unrest.

Innophos was criticised for its acquisition of phosphate from Western Sahara, which it said resulted in the company contributing to "particularly serious violations" of ethical standards due to extraction of the mineral compound. The council said it had concerns over the unresolved legal status of the land used for the mining.

Noble Group, the Hong Kong-based supply chain firm, was criticised for the risk of environmental damage due to the conversion of rainforest into palm oil plantations.

While the Norwegian Finance Ministry did not agree to ban the fund from holding shares in the companies, they are nevertheless no longer part of its portfolio. As of January, the decision as to whether to exclude companies from the fund's investment universe [shifted from the government to Norges Bank Investment Management](#).

According to the most recent complete breakdown of the fund's portfolio, published by NBIM in 2013, it held shares worth NOK86.5m in Tahoe – up from NOK54m at the end of December.

The fund's shares in Innophos were worth NOK36.1m at the end of 2013, while NBIM does not list any holdings in Noble Group past 2012 – worth NOK276m at the time – despite the council's exclusion recommendation only being sent to the government in June 2013.

Two further companies were also recommended for exclusion – China Railway Group, in which the fund held shares worth NOK306.5m in 2013 – and India's National Thermal Power Company (NTPC).

NTPC was criticised for its proposal to build a coal-fuelled power plant in Bangladesh, close to a large Mangrove forest and one of the Bengal tiger's remaining natural habitats.

The risk of gross corruption at China Railway was cited as reason for recommending its exclusion.

NBIM recently announced it would fund research into sustainability in gold and copper mining. For more on the Government Pension Fund Global's approach to responsible investment, read IPE's interview with Yngve Slyngstad, chief executive of NBIM.

Information About Lawsuit In Canada Against Tahoe Resources:

Canadian Centre for International Justice, www.cciij.ca, Matt Eisenbrandt, 604-569-1778, meisenbrandt@ccij.ca

Mining Watch Calls On Canada Pension Plan To Divest from Tahoe Resources

http://www.miningwatch.ca/sites/www.miningwatch.ca/files/cppib_open_letter_8_may_2014_1.pdf

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