



**Statement by Eugene S. Sunshine, Northwestern University
Senior Vice President for Business and Finance
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Northwestern University, which in 2005 restricted investments in four companies doing business in Sudan, is considering the possibility of prohibiting University investments in other companies with business operations there.

University leaders are working with Northwestern students who have recently asked the University not to invest in companies that conduct business in the East African country because of genocide that has occurred in the Darfur region of Sudan.

In October 2005 Northwestern instructed the firms that invest money on behalf of Northwestern to sell any holdings those firms had in four foreign-owned companies that had been identified as supporting the government regime in Sudan. Those companies were: Sinopec Corp., a Chinese oil company; PetroChina Company, Ltd., a Chinese oil company; ABB Ltd., a Swiss power company; and Tatneft, a Russian oil company. One of Northwestern's management firms held investments in Sinopec and sold those at that time. Northwestern's management firms did not hold any direct investments in the other three companies. Northwestern does not hold individual stocks itself but works with management firms that invest funds on behalf of the university.

In May 2006, the University reaffirmed its commitment not to invest in all four companies.

Deciding not to hold stocks in particular companies for political or social reasons is an action that Northwestern takes only after thorough consultation with the Board of Trustees Investment Committee and careful consideration by the University administration. We believe the action taken in 2005 and reaffirmed that following year was appropriate. Students had not raised the issue at that time; it was a decision by the University administration and the Board of Trustees.

University research indicates that Northwestern was the third major university, following Harvard and Stanford, to act on the Darfur conflict. Since that time, several other institutions, including Dartmouth, Yale, Columbia and the University of California have taken similar actions.

In 1997 the U.S. imposed sanctions that banned American companies from conducting business in Sudan. However, international firms not subject to American sanctions continue to operate in the country.

In recent weeks, Northwestern students have raised the issue of the University prohibiting investing in other foreign-owned companies that do business in Sudan. We appreciate the students' efforts in raising this issue and we will consider their requests thoughtfully.

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