

Mevr Jose Meijer and Dhr Cees de Veer, and all Members of the ABP Board
Oude Lindestraat 70
Heerlen, 6411 EJ

Dear members of the ABP Board,

In the horrifying context of thousands of deaths in Gaza, including hundreds of innocent children, I am writing to you today before your Board meeting on August 28th, to respectfully call on you to divest from three Israeli banks: Leumi, Hapoalim and Mizrahi-Tefahot.

Thirty years ago, major global companies realised that they could no longer continue to invest in South Africa because their funds were helping to prop up the apartheid regime - even companies whose guilders, pounds and dollars did not appear to be directly linked to human rights violations and the racist oppression of the vast majority of our people. The withdrawal of trade and financial support by multinational corporations with a conscience was ultimately one of the key levers that brought the apartheid state - bloodlessly - to its knees.

The same is true now of the Israel / Palestine conflict. Continued economic support from multinational companies to Israeli institutions engaged in activities that are repressive and illegal under international law, helps perpetuate the cycles of violence and fuels extremism. ABP currently has €68 million Euros invested in three Israeli banks that enable the expansion of Israeli settlements on occupied Palestinian territories, and profit from the illegal seizure of this land. Your Board has a choice - continue to turn a blind eye to the facts and claim ABP investments are somehow ring-fenced from bolstering Israel's occupation, or join the growing movement towards divestment, which will reduce the company's risk, respect international law and strike a powerful, non-violent blow for peace in the Middle East.

Almost 1.8 million people around the world have already called on ABP to divest, including tens of thousands of Dutch citizens and many pension holders. I am joining them to urge you to withdraw ABP's investments in these three banks.

Directors:

P Gobodo-Madikizela; D L MacRobert; C A Moses; T T Tutu-Gxashe; D M Tutu; N L Tutu; M A Tutu (Executive Director)

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ABP's investment in these banks are also counter to several of the UN Guiding Principles on Business and Human Rights - also known as the Ruggie Framework. As you know, these guidelines provide conceptual and operational clarity for the Human Rights principles of the UN Global Compact, and are incorporated in the OECD-guidelines for Multinational Enterprises. The Netherlands is a signatory to those guidelines and last year it based its National Action Plan on Business and Human Rights on these very principles.

Israeli settlements have been declared illegal by the United Nations and potentially constitute a war crime under the Rome Statute of the International Criminal Court. In 2013, the Dutch National Prosecutor's office concluded that the "construction of the barrier and/or settlements may be considered to be a violation of International Humanitarian law, among which are the Geneva conventions of 1949." The Prosecutor highlighted that: "Persons and legal entities within the Dutch jurisdiction are required not in any way to be involved in, or contribute to, possible violations of the Geneva Conventions or other rules of International Humanitarian Law."

The continued occupation of Palestinian lands and the associated human rights' abuses fuel hostilities between Israel and Palestine, and pose a fundamental block to the two-state solution - which I, the Dutch government and many others believe is the best peaceful resolution to this decades long conflict. The alternative is the possibility that South Africa faced in the 1980s - a path that leads to greater repression, deeper hatred and an ever more vicious cycle of violence.

The legal and ethical rationale for divestment is clear. There is also a business rationale. If you opt to withdraw during this week's Board meeting, it would be good for ABP's bottom line because good ethics is good business - and for a pension fund, a trustworthy reputation is paramount. It would also send a clear signal to other multinationals that it is time to divest. Multinationals which continue to do business with Israeli companies that underpin the occupation and which contribute to a sense of "normalcy" in Israeli society are doing the people of Israel and Palestine a disservice. They are contributing to the perpetuation of a profoundly unjust status quo.

I genuinely believe we are near a tipping point when business becomes a driver of peace. Another giant Dutch pension fund, PGGM, pulled tens of millions of euros from Israeli banks earlier this year, the Bill and Melinda Gates Foundation withdrew millions from Britain's G4S, and the US Presbyterian Church divested an estimated \$21 million from HP, Motorola Solutions, and Caterpillar.



In the early days of the divestment campaign against the apartheid regime, the movement was hampered by cynicism from many quarters, particularly international business, and controversy about the possible negative impact on 'ordinary South Africans'. But history shows that divestment played a key role in the liberation of black South Africans from oppression. It was the right choice for the companies then and it is the right choice for companies invested in the Israeli occupation now.

For years, governments and the UN have been calling on Israel to stop building settlements and have called them the greatest obstacle to peace. ABP's decision now could bolster that call and help tip the balance in favour of peace. ABP would help make clear to the Israeli authorities that the economic cost of perpetuating the occupation and the illegal expansion of settlements is too great to continue.

This is not about taking a political decision or being pro-Palestinian or anti-Israeli. This is about ABP upholding the social, moral and legal responsibility of ABP. It is about doing what is right - about showing that you value the dignity of all people in the region - Palestinians and Israelis.

I urge you to help turn the tide against violence and hatred. Your leadership could help to change the existing dynamic between Israel and Palestine - and stop ABP from being tainted by its collaboration with Israel's occupation.

God bless you.

Archbishop Emeritus Desmond Tutu (Cape Town – South Africa)