

11 December 2014

████████████████████
Wellington Palestine Group
P.O. Box 309, Wellington
████████████████████

Dear ██████████

REQUEST UNDER THE OFFICIAL INFORMATION ACT 1982

Thank you for your request dated **10 November 2014** made pursuant to the Official Information Act 1982 ("OIA") and received by us on **13 November 2014**.

Your Request

You have requested the following information: copies of all emails, documents, minutes, correspondence or reports held by the NZ Superannuation Fund which relate to ethical investment issues of the Fund's prospective or actual investment in any companies with possible or actual involvement in the Occupied West Bank and/or East Jerusalem.

This includes:

- Documentation pertaining to any investigations or research carried out by the Fund or delegated parties when the Fund initially invested in any Israeli companies suspected to have possible or actual involvement in the Occupied West Bank and/or East Jerusalem;
- Documentation relating to the Fund's decision to divest from (or exclude) three Israeli companies in 2012;
- Documentation, from 2012 until the present, relating to the Fund's decision not to divest from (or exclude) any companies whose commercial activities involve operating in the Occupied West Bank and/or East Jerusalem; including all sources of reasoning, case law and sources relating to the matters of proximity and materiality, and documentation relating to any investigations, research or engagement with the companies;
- Any such documentation relevant to decisions or investigations pertaining to any companies mentioned in a letter from the Wellington Palestine Group (letter signed by ██████████ dated April 24 2014).

For good order, the companies mentioned in the letter from ██████████ are as follows:

- Africa Israel Investments and subsidiary Danya Cebus;
- Elbit Systems Ltd;
- Shikun & Binui;
- Caterpillar;
- G4S PLC and G4S Israel;
- Cellcom Israel;
- Bank Hapoalim BM
- Bank Leumi Le-Israel BM
- Bezeq The Israel Telecommunication Corp Ltd and subsidiary Pelephone Communications
- Delek Group Ltd
- Mizrahi Tefahot Bank Ltd
- Partner Communications.

Our Response

We believe that a large amount of information relevant to your request has already been released by us under the Official Information Act. We have attached these responses, which are summarised below, to our response to you.

Document number	Nature of request	Date of response	Location
879033	Documents and information relating to our decision to exclude Africa Israel Investments and subsidiary Danya Cebus; Elbit Systems Limited; and Shikun & Binui from the Fund	6 June 2013	Attached at Appendix I
911688	Correspondence between the NZSF and any NGOs or individuals about the three Israeli companies (as per above); <ul style="list-style-type: none"> • the RI Engagement Decision document for the excluded company Freeport-McMoRan Copper & Gold Inc.; and • any material relating the NZSF's reviews of the practices of G4S, Caterpillar and Bank Hapoalim particularly in relation to Israel. 	27 August 2013	Attached at Appendix II
1327159	Any recent reviews or assessments we have conducted on Israel Chemicals and G4S in relation to Israel; <ul style="list-style-type: none"> • information/internal documents explaining why Boeing (and by extension other arms manufacturers) would not be a candidate for divestment. 	29 August 2014	Attached at Appendix III

Each of these responses contains, where appropriate, details of our decisions regarding releasing or withholding information under the Official Information Act. We have reviewed these responses and remain comfortable with our decisions in regards to each item. Where we have withheld information we have considered whether the public interest in favour of disclosing that information outweighs our reasons for withholding it, and have concluded that it does not.

Your request has also captured letters from us notifying Elbit Systems, Shikun & Binui and Africa Israel that they have been excluded from the New Zealand Superannuation Fund, and exclusion directives regarding these companies to our external fund managers BlackRock, QS Investors and State Street Global Advisors. We are currently assessing these documents and consulting with third parties regarding their release, and will be in touch shortly.

We do not hold any further material information, i.e. information relating to investment decisions and responsible investment research or investigations, that is relevant to your request. To explain, these investments are part of our global equity portfolio and move in and out of our portfolio, generally in line with their representation in global share-market indices, according to decisions made via our external investment managers. For this reason pre-investment documentation specifically relating to each company does not exist in the way that it does with companies the Guardians have actively and specifically chosen to invest in. Your request is therefore declined on the basis that the information you requested does not exist (section 18(e)).

General

Under our responsible investment framework we have developed guidelines to integrate the consideration of risks, engage with companies and exclude under certain criteria. As previously communicated, in considering possible breaches of our responsible

investment standards, we draw a distinction between being directly and materially involved in an activity versus being a supplier of materials or services in the normal course of business. In doing so, we consider whether the product or service is integral to the activity and tailor-made as opposed to being an off-the-shelf substitute or readily replaceable alternative.

You have the right to seek a review by the Ombudsman's Office of our decision to withhold information. Contact details for the Ombudsman's Office can be found at: <http://www.ombudsman.parliament.nz/>.

Yours sincerely



Adrian Orr
Chief Executive Officer