

From: [REDACTED]
To: [Catherine Etheredge](mailto:Catherine.Etheredge@nzsuperfund.co.nz)
Subject: Re: OIA Request | NZ Super Fund excludes three companies on responsible investment grounds
Date: Thursday, 30 May 2013 2:13:06 PM

Dear Catherine,

I confirm the narrowing of the scope of my request as described in your email below.

Thank you for your assistance.

Kind regards,

On 30 May 2013 14:08, Catherine Etheredge <CEtheredge@nzsuperfund.co.nz> wrote:

Hi [REDACTED]

Thanks for your time on the phone just now and for clarifying your request.

As I understand it, you are happy to receive only the key reports and major documents relating to your questions. You do not require all information and you do not require emails.

Can you please confirm this by return email?

As discussed, we will do our best to provide you with the information as soon as possible.

My contact details are below.

Best regards

Catherine

Catherine Etheredge
Head of Communications

DDI: [+64 9 366 4905](tel:+6493664905)
Mobile: [+64 27 4777 501](tel:+649274777501)
Email: cetheredge@nzsuperfund.co.nz

A Great Team Building the Best Portfolio

PO Box 106 607, Auckland 1143, New Zealand
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From: [REDACTED]
Sent: Wednesday, 29 May 2013 1:13 p.m.
To: Catherine Etheredge
Subject: Re: OIA Request | NZ Super Fund excludes three companies on responsible investment grounds

Hi Catherine,

My number is [REDACTED]. Alternatively I can call you if you give me your contact details.

Many thanks,
[REDACTED]

On 29 May 2013 09:59, Catherine Etheredge <CEtheredge@nzsuperfund.co.nz> wrote:

Hi [REDACTED]

This email acknowledges your request under the OIA. Can you please supply a contact phone number so we can discuss your request with you?

Many thanks

Catherine

From: [REDACTED]
Sent: Tuesday, 28 May 2013 6:00 p.m.
To: Catherine Etheredge
Subject: OIA Request | NZ Super Fund excludes three companies on responsible investment grounds

Dear Catherine,

Thank you very much for your email. It was a very helpful starting point.

I would be grateful if, under the OIA, you could provide me with all information relating to the Super Fund's decision to exclude the three Israeli companies in 2012. Among the questions I am seeking to answer are:

- What was the nature of the exclusion process used by the Super Fund?
- Which bodies influenced the Super Fund's decision and how?
- How long had these companies been in the Super Fund portfolio?

- What triggered the research into the three Israeli companies and when?

Thank you.

Kind regards,
[REDACTED]

On 27 May 2013 10:09, Catherine Etheredge <CEtheredge@nzsuperfund.co.nz> wrote:

Hi [REDACTED]

Thanks for your email.

In coming to a decision the key issues were 1) and 2), as per your email below.

Our responsible investment standards have remained consistent over time, and we base our engagement and exclusion decisions on quality, verifiable information. As part of our research into companies we take account of information provided by research providers, regulators and NGOs close to the issue. In this case we relied on international rather than local information.

Best regards
Catherine

-----Original Message-----

From: [REDACTED]

Sent: Sunday, 26 May 2013 6:24 p.m.

To: Catherine Etheredge

Subject: NZ Super Fund excludes three companies on responsible investment grounds

Dear Ms Etheredge,

I am writing an article on New Zealand - Israel relations for TheDailyBlog.co.nz and would greatly appreciate your assistance.

A December 2012 press release (<http://www.nzsuperfund.co.nz/news.asp?pageID=2145831983&RefID=2141742545>

) states the following reasons for the exclusion of three Israeli companies:

1. Findings by the UN that the Separation Barrier and settlement activities were illegal under international law.
2. Votes by New Zealand for UN Security Council resolutions demanding the cessation and dismantling of the Separation Barrier, and the cessation of Israeli settlement activities in the OPT.
3. The Fund also viewed the companies' activities to be inconsistent with the UN Global Compact.

I would like to know whether the work of New Zealand peace and justice organisations or other bodies played any role in persuading the Super Fund to divest from companies involved in illegal activities such as these three.

I thank you in advance for your assistance.

Yours sincerely,
[REDACTED]

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From: [REDACTED]
To: [Alisha Lewis](mailto:Alisha.Lewis@nzsuperfund.co.nz)
Subject: Re: NZ Superannuation Fund - Response to OIA request
Date: Monday, 10 June 2013 11:38:34 AM

Dear Alisha,

Thank you very much for your email.

Kind regards,

[REDACTED]

On 6 June 2013 16:42, Alisha Lewis <ALewis@nzsuperfund.co.nz> wrote:

Dear [REDACTED]

Please find attached the response to your OIA request dated 28 May 2013.

Kind regards

Alisha

Alisha Lewis
Communications Executive

DDI: [REDACTED]
Mobile: [REDACTED]
Email: [REDACTED]

PO Box 106 607, Auckland 1143, New Zealand
Level 12, Zurich House, 21 Queen Street, Auckland, New Zealand
Office: [+64 9 300 6980](tel:+6493006980) | Fax: [+64 9 300 6981](tel:+6493006981) | Web: www.nzsuperfund.co.nz



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From: [REDACTED]
To: Catherine Etheredge
Subject: Re: FW: NZ Superannuation Fund - Response to OIA request
Date: Sunday, 4 August 2013 2:08:44 PM

Dear Catherine,

I would be grateful for an update on the processing of my request below.

Thank you.

Kind regards,

[REDACTED]

On 2 July 2013 02:18, Catherine Etheredge <CEtheredge@nzsuperfund.co.nz> wrote:

Hi [REDACTED]

Thanks for your follow up enquiries.

On points 1, 6 and 7, where you have requested material, I will need to go through our OIA process and consult internally about what we have and what we can provide.

On the remaining questions I have provided some answers below. For the purposes of your article you can attribute these answers to Anne-Maree O'Connor.

Will be in touch regarding the documents you have requested.

Best regards
Catherine

From: [REDACTED]
Sent: Monday, 1 July 2013 12:10 p.m.
To: Catherine Etheredge
Subject: Re: NZ Superannuation Fund - Response to OIA request

Dear Catherine,

Thank you for your letter dated 6 June 2013. The information you have provided has been very helpful.

I would be grateful for your assistance in answering a few additional questions:

1. You mention, "Over the years we have received information and questions on this issue from a number of NGOs and individuals". Could you please provide me with the correspondence between

the NZSF and these NGOs and individuals.

As per above – will come back separately on this.

2. Did the efforts of NGOs and peace groups calling for divestment from Israeli companies or calling for divestment from other companies on ethical grounds have any impact on NZSF's decision-making process in the case of the three now-excluded Israeli companies?

Actions of NGOs will have an indirect effect through the following – they can raise general awareness of issues amongst our research providers, investment sector, business community, governmental bodies and regulators. Their information can be informative, but can also be the opposite as opinion and campaigning techniques can lead to contradictory information. We cannot therefore say that NGOs calling for divestment led to our decision to divest. Given the complexity of the issue we focused on UN General Council Resolutions supported by NZ for guidance and then applied our decision-making framework.

3. Did the NZSF have any contact with representatives of the Government of Israel, either directly or indirectly, during the exclusion process or thereafter? Is the NZSF aware of any reaction from the Government of Israel to its decision? *No.*

4. Why did the NZSF decide to use the Norwegian Council on Ethics as an information source for the purposes of exclusion decisions in this case? *The Council had undertaken research on the issue which we valued.*

5. Briefly, why did the Guardians decide to introduce an updated responsible investment engagement process in September 2012? *We believed there would be some instances where engagement might not achieve the progress we would want in addressing material breaches of standards, and the resources required to engage were not warranted given the size of the holding in the portfolio.*

6. Could you please provide me with the RI Engagement Decision document for the excluded company Freeport-McMoRan Copper & Gold Inc. *As per above.*

7. Has the NZSF reviewed the practices of G4S, Caterpillar and Bank Hapoalim particularly in relation to Israel? If so, could you please provide me with review material. *As per above.*

Please do not hesitate to contact me to clarify any aspect of my request.

Thank you once again.

Kind regards,

[REDACTED]

On 6 June 2013 16:42, Alisha Lewis [REDACTED] wrote:

Dear [REDACTED]

Please find attached the response to your OIA request dated 28 May 2013.

Kind regards

Alisha

Alisha Lewis
Communications Executive

DDI:

Mobile:

Email:

PO Box 106 607, Auckland 1143, New Zealand
Level 12, Zurich House, 21 Queen Street, Auckland, New Zealand
Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz

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From: [REDACTED]
To: Catherine Etheredge
Subject: Re: FW: NZ Superannuation Fund - Response to OIA request
Date: Tuesday, 6 August 2013 2:39:55 PM

Thank you very much.

[REDACTED]

On 5 August 2013 21:35, Catherine Etheredge <CEtheredge@nzsuperfund.co.nz> wrote:

Hi [REDACTED]

Apologies for the delay in responding; I was off sick yesterday.

We have completed the document discovery process for your request and are working through our internal review and approval process. As part of this process, we will need to inform a number of external parties that their correspondence with us will be released under the OIA. While this will take some time to work through, we expect to be able to respond to you at the latest by the end of next week.

Best regards

Catherine

From: Harmeet Sooden [REDACTED]
Sent: Sunday, 4 August 2013 2:09 p.m.
To: Catherine Etheredge
Subject: Re: FW: NZ Superannuation Fund - Response to OIA request

Dear Catherine,

I would be grateful for an update on the processing of my request below.

Thank you.

Kind regards,
[REDACTED]

On 2 July 2013 02:18, Catherine Etheredge <CEtheredge@nzsuperfund.co.nz> wrote:

Hi [REDACTED]

Thanks for your follow up enquiries.

On points 1, 6 and 7, where you have requested material, I will need to go through our OIA process and consult internally about what we have and what we can provide.

On the remaining questions I have provided some answers below. For the purposes of your article you can attribute these answers to Anne-Maree O'Connor.

Will be in touch regarding the documents you have requested.

Best regards
Catherine

From: [REDACTED]
Sent: Monday, 1 July 2013 12:10 p.m.
To: Catherine Etheredge
Subject: Re: NZ Superannuation Fund - Response to OIA request

Dear Catherine,

Thank you for your letter dated 6 June 2013. The information you have provided has been very helpful.

I would be grateful for your assistance in answering a few additional questions:

1. You mention, "Over the years we have received information and questions on this issue from a number of NGOs and individuals". Could you please provide me with the correspondence between the NZSF and these NGOs and individuals.

As per above – will come back separately on this.

2. Did the efforts of NGOs and peace groups calling for divestment from Israeli companies or calling for divestment from other companies on ethical grounds have any impact on NZSF's decision-making process in the case of the three now-excluded Israeli companies?

Actions of NGOs will have an indirect effect through the following – they can raise general awareness of issues amongst our research providers, investment sector, business community, governmental bodies and regulators. Their information can be informative, but can also be the opposite as opinion and campaigning techniques can lead to contradictory information. We cannot therefore say that NGOs calling for divestment led to our decision to divest. Given the complexity of the issue we focused on UN General Council Resolutions supported by NZ for guidance and then applied our decision-making framework.

3. Did the NZSF have any contact with representatives of the Government of Israel, either directly or indirectly, during the exclusion process or thereafter? Is the NZSF aware of any reaction from the Government of Israel to its decision? *No.*

4. Why did the NZSF decide to use the Norwegian Council on Ethics as an information source for the purposes of exclusion decisions in this case? *The Council had undertaken research on the*

issue which we valued.

5. Briefly, why did the Guardians decide to introduce an updated responsible investment engagement process in September 2012? *We believed there would be some instances where engagement might not achieve the progress we would want in addressing material breaches of standards, and the resources required to engage were not warranted given the size of the holding in the portfolio.*

6. Could you please provide me with the RI Engagement Decision document for the excluded company Freeport-McMoRan Copper & Gold Inc. *As per above.*

7. Has the NZSF reviewed the practices of G4S, Caterpillar and Bank Hapoalim particularly in relation to Israel? If so, could you please provide me with review material. *As per above.*

Please do not hesitate to contact me to clarify any aspect of my request.

Thank you once again.

Kind regards,

[REDACTED]

On 6 June 2013 16:42, Alisha Lewis <ALewis@nzsuperfund.co.nz> wrote:

Dear [REDACTED]

Please find attached the response to your OIA request dated 28 May 2013.

Kind regards

Alisha

Alisha Lewis
Communications Executive

DDI:
Mobile:
Email:

[REDACTED]

PO Box 106 607, Auckland 1143, New Zealand
Level 12, Zurich House, 21 Queen Street, Auckland, New Zealand
Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz

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To: [REDACTED]
Subject: OIA request
Date: Friday, 16 August 2013 2:04:56 PM

[REDACTED] I am so sorry - we are not going to make our deadline of today to get you our response to your OIA request.

We are working on it and hopefully it won't take more than a few days longer.

Best regards
Catherine

To: [REDACTED]
Subject: OIA response
Date: Tuesday, 27 August 2013 2:35:25 PM
Attachments: 911590-[REDACTED] documents to be released under OIA.PDF
SUPERDOCS-#903789-[REDACTED] Response to OIA request.pdf

Hi Harmeet,

Once again, sincere apologies for the delay with this. The documents and our covering letter are attached. Please feel free to call / email me if you have any further questions.

Best regards

Catherine

Catherine Etheredge

Head of Communications

DDI: +64 9 366 4905

Mobile: +64 27 4777 501

Email: cetheredge@nzsuperfund.co.nz

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3 December 2009


Investment Watch Aotearoa/New Zealand


Dear 

The Chairman, David May, has passed to me for response your letter of 16 November 2009 regarding holdings on the New Zealand Superannuation Fund's portfolio.

I think it's important to note first that the majority of our 5000+ equities are held under passive index-tracking mandates. Because of the way such mandates function, we hold companies simply on the basis of whether they are or are not in the index – and in many cases they move in and out of that index – rather than as the consequence of deciding to invest in that company. This index-tracking approach means that we have small holdings in most listed emerging market companies, including in the Israeli companies referred to in your letter.

Notwithstanding that context, our monitoring of companies for environment, social and governance (ESG) issues is done regardless of how we have come to have an investment in a company or companies. The monitoring is done through an external research agency and from other information sources e.g. via issues raised in media reports or by special interest groups. This is significantly assisted by our transparency around our holdings, a list of which is published annually on our website.

Where a breach of standards is identified, we assess the nature of the breach and determine the best means to engage with the company, preferably in conjunction other larger shareholders. We hold this preference because by working with other investors where appropriate, we are able to exert more influence on a company or on corporate standards than by simply divesting ourselves from the companies in question. Such collaborative action is also consistent with the Guardians' objective to encourage companies to manage environmental, social and governance matters responsibly. Please refer to our website for more information on our responsible investment policy, engagement process and other activities.

In respect of the particular issues raised in your letter, we are aware that companies operating in conflict zones such as the West Bank face challenging security, operational and human rights risks. Thank you for the information you have provided on this issue, which we will use to

augment work we are already doing in this area via the UN Principles for Responsible Investment (UN PRI) network. The challenges facing corporations operating in countries with poor human rights records is a key focus for the UN PRI and we have written to the majority of our holdings as part of this UN initiative.

Yours sincerely



Anne-Maree O'Connor
Head of Responsible Investment
Guardians of New Zealand Superannuation

cc David May
Chairman
Guardians of New Zealand Superannuation

s/dl # 273963



COMMERCE COMMITTEE

22 September 2011

Mr David May
Chairman
Guardians of New Zealand Superannuation
P O Box 106607
Auckland 1143

Dear Mr May

Petition 2008/143 of Lois Griffiths and 382 others

The Commerce Committee is considering Petition 2008/143 of Lois Griffiths and 382 others, requesting that the New Zealand Parliament ask the Guardians of the New Zealand Superfund to divest the Fund from Elbit systems, Caterpillar, GAS and three major Israeli banks: Bank Hapoalim, Bank Leumi, and Israel Discount Bank, to ensure that New Zealanders are not profiteering from crimes against international humanitarian law.

To assist in its consideration of the petition, it would be helpful if the Guardians of the New Zealand Superfund could provide the committee with a written response to the issues raised in the petition. A copy of the petition is attached.

Your response should be forwarded by 12 pm on Tuesday, 14 October 2011, in writing, to the Clerk of the Committee, Commerce Committee, Bowen House, Parliament Buildings, Wellington, or emailed to catherine.corser@parliament.govt.nz.

Please note that your evidence will become public when released by the committee or when the committee makes its report to the House. Before releasing your response to the public, the committee may decide to release it to the petitioner for comment. You may apply for any or all of your evidence to be received in private or secret. The committee would require reasons before agreeing to such a request.

If you have any questions about the petition process, please contact me at catherine.corser@parliament.govt.nz or by phone on 04 817 9523.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'C. Corser'.

Catherine Corser
Clerk of the Committee
Commerce Committee

PETITION PRESENTED

on 9 September 2011

Petition of Lois Griffiths and 382 others

Requesting that the New Zealand Parliament ask the Guardians of the NZ Superfund to disinvest the Fund from Elbit Sysystems, Caterpuillar, G4S and three major Israeli banks: Bank Hapoalim, Bank Leumi and Israel Discount Bank.

Keith Locke

Committee referred to	Date	Date of Report	Recommendation
Commerce	9 September 2011		

To the House of Representatives

The petition of Lois Griffiths

Lois Griffiths

(I wish to be heard.)

48 St Andrews Square , Christchurch 8052

and 382 others

Respectfully requests:

That

the New Zealand Parliament ask the Guardians of the NZ Superfund to disinvest the Fund from Elbit Systems, Caterpillar, G4S and 3 major Israeli banks: Bank Hapoalim , Bank Leumi and Israel Discount Bank.

Lois Griffiths

ORIGINAL PETITION

To the House of Representatives

We request that the New Zealand Parliament ask the Guardians of the NZ Superfund to disinvest the Fund from Elbit Systems, Caterpillar, G4S and 3 major Israeli banks: Bank Hapoalim , Bank Leumi and Israel Discount Bank, to ensure that New Zealanders are not profiteering from crimes against international humanitarian law.

ELABORATION

The British philosopher Bertrand Russell was so disturbed by the Vietnam War that he established a tribunal in 1966, that became known as the Russell Tribunal on Vietnam, to investigate crimes committed in Vietnam and judge them according to international law. The Tribunal's panel included prominent international lawyers, writers and philosophers. Although the Tribunal had no legal status it was influential in exposing crimes against humanity and raising public opposition to the war. "May this Tribunal prevent *the crime of silence*", declared Bertrand Russell.

Today, and in the same spirit, the Bertrand Russell Foundation has supported the setting up of a Russell Tribunal on Palestine to examine the violations of international law, of which the Palestinians are victims, and that prevent the Palestinian People from exercising its rights to a sovereign State. This Tribunal intends to reaffirm the supremacy of international law as the basis for a solution to the Israeli Palestinian conflict. It will identify all the failings in the implementation of this right and will condemn all the parties responsible for these failings, in full view of international public opinion. Members of the International Support Committee of the RToP include Nobel Prize laureates, a former United Nations Secretary-General, two former heads of state, other persons who held high political office and many representatives of civil society, writers, journalists, poets, actors, film directors, scientists, professors, lawyers and judges.

The Tribunal's London Session in November 2010 specifically focused on the role of multinational corporations , including banks, in facilitating Israel's crimes.

The main questions the jury considered in London were:

1. Which Israeli violations of international law are corporations complicit in?
2. What are the legal consequences of the activities of corporations that aid and abet Israeli violations?
3. What are the remedies available and what are the obligations of states in relation to corporate complicity? The tribunal has named a number of corporations as being potential legally liable by enabling Israel to commit war crimes and crimes against humanity. The following list is of those that the NZ Superfund invests in. We request that the Guardians of the NZ Superfund be asked to disinvest the Fund from them.

1) G4S, a multinational British/Danish corporation, supplies scanning equipment and full bodyscanners to several military checkpoints in the West Bank, all of which have been built as part of the Separation Wall, whose route was declared illegal by the ICJ in its Advisory Opinion of 9. G4S operates in settlements, providing equipment for prisons for Palestinian political prisoners and for installations of the Israeli police in settlements.

2) Elbit Systems, a leading Israeli multinational, has an intimate and collaborative relationship with the Israeli military in developing weapons technology first used by the Israeli Army in its active combat operations, before marketing and selling the technology to countries worldwide. For example, Elbit supplied the Unmanned Aerial Vehicles (otherwise known as Drones) that were extensively and illegally used in the Gaza conflict. The Norwegian Pension Fund was divested from Elbit Systems as a result of this complicity in human rights violations.

3) Caterpillar, based in the US, supply specifically modified military D9 bulldozers to Israel, which are used in: (i) the demolition of Palestinian homes; (ii) the construction of settlements and the Wall; and (iii) in urban warfare in the Gaza conflict; in all cases causing civilian deaths and injuries, and extensive property damage not justified by military necessity.

The Church of England disinvested from Caterpillar some time ago.

4) Bank Hapoalim, Bank Leumi and Israel Discount Bank have branches in some illegal settlements and grant mortgages to settlers to buy property in illegal settlements.

C2 - Internal Use Only

Doc Ref 792854

From: Catherine Etheredge
Sent: Friday, 7 September 2012 12:40 p.m.
To: [REDACTED]
Subject: RE: PQ - Russel Norman

Hi [REDACTED]

The company has been excluded from the Norwegian Fund for construction of Jewish settlements in disputed territory in Israel.

Ours will be a passive holding.

Best regards
Catherine

Catherine Etheredge
Head of Communications

DDI: +64 9 366 4905
Mobile: +64 27 4777 501
Email: cetheredge@nzsuperfund.co.nz

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From: [REDACTED]
Sent: Friday, 7 September 2012 12:39 p.m.
To: Catherine Etheredge
Subject: RE: PQ - Russel Norman

Thanks Catherine.

It is likely an ethical question coming from Dr Norman so any thoughts on why the question might be raised would be helpful.

Also, whether it is part of a passive or active mandate?

Thanks
[REDACTED]

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- please immediately delete this email and notify the Treasury by return email or telephone (64 4 472 2733);
- any use, dissemination or copying of this email is strictly prohibited and may be unlawful.

From: Catherine Etheredge [<mailto:CEtheredge@nzsuperfund.co.nz>]
Sent: Friday, 7 September 2012 10:39 a.m.
To: [REDACTED]
Subject: RE: PQ - Russel Norman

C2 - Internal Use Only

Doc Ref 792854

Hi [REDACTED]

The answer is yes and the value of the holding as at 6/9/12 is NZ\$16,633.12.

Do you require any further background information?

Best regards
Catherine

Catherine Etheredge
Head of Communications

DDI: +64 9 366 4905
Mobile: +64 27 4777 501
Email: cetheredge@nzsuperfund.co.nz

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Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz

From: [REDACTED]
Sent: Thursday, 6 September 2012 5:06 p.m.
To: Catherine Etheredge
Subject: PQ - Russel Norman

Hi Catherine

We have had the following PQ come through from Russel Norman. Can you please provide us with an answer by midday Monday if possible?

Does the New Zealand Superannuation Fund have an investment in Shikun & Binui Ltd; and if so, what is the current value in New Zealand dollars of the investment?

Many thanks
[REDACTED]

[REDACTED]

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- b. any use, dissemination or copying of this email is strictly prohibited and may be unlawful.

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Doc Ref 811659

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 21 November 2012 9:04 a.m.
To: [REDACTED]
Subject: FW: Query from website

Hi [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications

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Mobile: +64 27 4777 501
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From: formmail@digitalstream.co.nz [<mailto:formmail@digitalstream.co.nz>]
Sent: Tuesday, 20 November 2012 2:18 p.m.
To: Enquiries
Subject: Query from website

Form to Email

Form to email received the following values

Name [REDACTED]
Company Student
Phone
email from [REDACTED]
Contact me by Email
Website feedback ==select==
My query How does the New Zealand Superannuation Fund justify helping to invest in Elbit Systems, when they kill innocent Palestinian children?
remoteip 202.50.90.9
referer <http://www.nzsuperfund.co.nz/index.asp?PageID=2145832561>

Message sent to: Recipient: 151

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Doc Ref 811659

Form Completed on Tuesday, 20 November 2012 2:18:20 p.m.

Form submitted from: <http://www.nzsuperfund.co.nz/index.asp?PageID=2145832561>

IP of submitter: 202.50.90.9

Powered By Digital Stream Ltd <http://www.digitalstream.co.nz>

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Doc Ref 811662

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]

Sent: Wednesday, 21 November 2012 9:07 a.m.

To: [REDACTED]

Cc: Kate; sean.palmer@parliament.govt.nz; simon.oconnor@parliament.govt.nz

Subject: RE: Investment enquiries.

Hi [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Please feel free to contact me directly if you would like further information.

Best regards

Catherine

Catherine Etheredge

Head of Communications

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Email: cetheredge@nzsuperfund.co.nz

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From: [REDACTED]

Sent: Tuesday, 20 November 2012 9:37 p.m.

To: Enquiries

Cc: Kate; sean.palmer@parliament.govt.nz; simon.oconnor@parliament.govt.nz

Subject: Investment enquiries.

The NZ Super Fund holds 36532 shares in (Israeli weapons manufacturer) Elbit Systems Ltd.

http://www.nzsuperfund.co.nz/files/Equity%20Listings/NZ%20Super%20Fund%20equities_listing_as_at_30_June_2012.pdf

They are currently valued around \$US34 to \$US35 each.

<http://www.nasdaq.com/symbol/eslt>

I have four questions;

- How much have these shares returned, per annum (in \$NZ), over the last five years?
- Is this a financially sound investment, with regard to security versus fecundity?
- Given the current Gaza unpleasantness, can a far better return be expected in the propinquitous future?

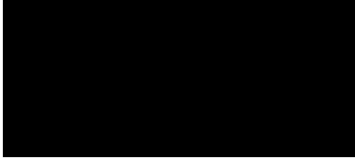
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Doc Ref 811662

- Is this an ethically sound investment?

Thank you in advance for your answers to these questions.

Regards,



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Doc Ref 811663

-----Original Message-----

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]

Sent: Wednesday, 21 November 2012 9:09 a.m.

To: [REDACTED]

Subject: RE: Divest from Elbit

Dear [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications
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-----Original Message-----

From: [REDACTED]

Sent: Tuesday, 20 November 2012 10:09 p.m.

To: Enquiries

Subject: Divest from Elbit

The NZ superannuation fund owns more than 36K shares in Israeli weapons manufacturer Elbit Systems Ltd. As one of the primary suppliers of Israel's military, navy, and airforce technology and equipment, Elbit has profited greatly from Israel's many attacks on Palestinian (and Lebanese) people.

New Zealand should not be making money from massacres.

Regards,
[REDACTED]

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Doc Ref 811664

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 21 November 2012 9:09 a.m.
To: [REDACTED]
Subject: RE: Ethics & the Superannuation Fund

[REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications

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From: [REDACTED]
Sent: Tuesday, 20 November 2012 11:30 p.m.
To: Enquiries
Subject: Ethics & the Superannuation Fund

New Zealanders should not be making money from human slaughter.

Get rid of shares in Elbit Systems Ltd NOW.

[REDACTED]
Auckland

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Doc Ref 811665

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 21 November 2012 9:12 a.m.
To: [REDACTED]
Subject: RE: Investments by NZ Superannuation Fund

Dear [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Best regards
Catherine

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Head of Communications

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From: [REDACTED]
Sent: Tuesday, 20 November 2012 11:54 p.m.
To: Enquiries
Subject: Investments by NZ Superannuation Fund

Dear Sir or Madam,

It has come to my attention recently that NZ Superannuation Fund has significant investments (some 36.532 shares) in Elbit Systems Ltd, an Israeli company which manufactures what are euphemistically called Unmanned Aircraft Systems (UAS).

These are more popularly known as 'drones', and have been part of the arsenal deployed against the unarmed civilian population of Gaza.

UAS systems targeted and assassinated Hamas leader Ahmed Jabari recently, one of a series of acts of aggression and response (by both sides) which has precipitated this latest tragedy unfolding in the Middle East.

While I realise that NZ Superannuation Fund must seek out the 'best' investment options and maximise returns on investment for its shareholders (who, at this stage, are the citizens of New Zealand), I and others like me are calling on your organisation to divest this sordid shareholding forthwith.

There are very many ethical alternatives available to NZ Superannuation Fund, acting as an agent of the state and on behalf of all New Zealanders as shareholders.

It is disappointing that this situation has come to pass and it would be a positive gesture if NZ Superannuation Fund were to listen to the concerns of New Zealanders who are outraged by the current wave of aggression against a civilian population.

We have no business supporting the arms trade.

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Doc Ref 811665

I await your reply with interest.

Regards



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Doc Ref 811666

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 21 November 2012 9:13 a.m.
To: [REDACTED]
Subject: RE: Contribution?

Dear [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications

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Mobile: +64 27 4777 501
Email: cetheredge@nzsuperfund.co.nz

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From: [REDACTED]
Sent: Wednesday, 21 November 2012 8:29 a.m.
To: Enquiries
Subject: Contribution?

Hi,

My name is [REDACTED]. As a New Zealander I find it completely inappropriate for NZ Superannuation Fund to have any sort of investment in Elbit Systems Ltd, especially in the light of the loss of human life suffered in the ongoing events in Gaza and Israel.

I find this investment morally offensive. I wonder if it's possible to remove and sort of contribution New Zealand may have to exacerbating this blood shed?

Thank you for your time today,
[REDACTED]

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Doc Ref 811669

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 21 November 2012 9:22 a.m.
To: [REDACTED]
Subject: RE: Stop unethical investment

Dear [REDACTED]

Thank you for your email. For your information, the New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Your views on the other companies mentioned have been noted and passed to our Responsible Investment team. For further information on the Fund's approach to Responsible Investment see our website at <http://www.nzsuperfund.co.nz/index.asp?pageID=2145876519>. Our most recent Responsible Investment Report is available at pages 38-42 of our 2012 Annual Report. This report is also available on line at http://www.nzsuperfund.co.nz/files/Annual%20Reports/NZ_Super_Fund_-_2011_12_Annual_Report_-_website.pdf.

Best regards
Catherine

Catherine Etheredge
Head of Communications

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From: [REDACTED]
Sent: Wednesday, 21 November 2012 5:25 a.m.
To: Enquiries
Subject: Stop unethical investment

To whom it may concern,

It was recently brought to my attention that the New Zealand Superannuation Fund has equity holdings in Elbit Systems Limited, an Israeli company that is one of the principal suppliers of Israel's military. As you are doubtless aware, the Israeli military is responsible for the deaths of thousands of innocent Palestinian and Lebanese children, women and men, not to mention the continued forceful and unjust colonisation of Palestinian land and forcing the land's rightful inhabitants into a life of fear, poverty and misery. Investing money in any organisation that assists and supports the perpetrators of such horrific violence is beyond reprehensible. As a New Zealander, I demand the Guardians of New Zealand Superannuation, a government organisation supposedly acting on my behalf, cease investing public money in such unethical enterprises. Furthermore, a mere cursory glance at the current

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Doc Ref 811669

list of the Fund's equity portfolio suffices to reveal that this is not an isolated example. Other corporations that appear on this list have been reported as having questionable (to put it mildly) activities, including the following:

Chevron Corp, the petrochemical company responsible for some of the worst environmental and human rights abuses in the world.

Halliburton Co., the oilfield services company, responsible for contamination of drinking water and vast environmental damage, including implication in the Deepwater Horizon catastrophe in 2010.

Monsanto, the world's largest producer of genetically modified seeds, with one of most outstandingly horrendous records of abuse of the human rights of food sovereignty, access to land and health.

Veolia, the water distribution and sewerage company that facilitates the unlawful colonisation of Palestinian land by Israel through the construction of transportation infrastructure to illegal Israeli settlements, as well as denying those most in need of the basic human right to water.

Wal-Mart, the American retailer with a shocking workers' rights record, whose average employees earn a salary that keeps them below the poverty line.

Stop unethical investment now!



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Doc Ref 811716

From: [REDACTED]
Sent: Wednesday, 21 November 2012 9:55 a.m.
To: Catherine Etheredge
Subject: Re: Investments by NZ Superannuation Fund

Hi Catherine,

Thank you for the swift reply.

If this information was publicly available, I'm sure your office would not be fielding enquiries such as mine at this time.

The latest document available at your website

(http://www.nzsuperfund.co.nz/files/Responsible%20Investment%20documents/Exclusion_list_31_August_2012_for_web.pdf) does not list Elbit as an exclusion or divestment.

regards
[REDACTED]

From: Catherine Etheredge <CEtheredge@nzsuperfund.co.nz>
To: [REDACTED]
Sent: Wednesday, 21 November 2012 9:11 AM
Subject: RE: Investments by NZ Superannuation Fund

[REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our portfolio.

Best regards
Catherine

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From: [REDACTED]
Sent: Tuesday, 20 November 2012 11:54 p.m.
To: Enquiries
Subject: Investments by NZ Superannuation Fund

Dear Sir or Madam,

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Doc Ref 811716

It has come to my attention recently that NZ Superannuation Fund has significant investments (some 36.532 shares) in Elbit Systems Ltd, an Israeli company which manufactures what are euphemistically called Unmanned Aircraft Systems (UAS).

These are more popularly known as 'drones', and have been part of the arsenal deployed against the unarmed civilian population of Gaza.

UAS systems targeted and assassinated Hamas leader Ahmed Jabari recently, one of a series of acts of aggression and response (by both sides) which has precipitated this latest tragedy unfolding in the Middle East.

While I realise that NZ Superannuation Fund must seek out the 'best' investment options and maximise returns on investment for its shareholders (who, at this stage, are the citizens of New Zealand), I and others like me are calling on your organisation to divest this sordid shareholding forthwith.

There are very many ethical alternatives available to NZ Superannuation Fund, acting as an agent of the state and on behalf of all New Zealanders as shareholders.

It is disappointing that this situation has come to pass and it would be a positive gesture if NZ Superannuation Fund were to listen to the concerns of New Zealanders who are outraged by the current wave of aggression against a civilian population.

We have no business supporting the arms trade.

I await your reply with interest.

Regards

[REDACTED]

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Doc Ref 811779

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 21 November 2012 2:19 p.m.
To: james.ihaka@nzherald.co.nz
Subject: Response to petition as requested

Hi James,

Nice to talk earlier.

I have attached the response we provided to the select committee in response to the petition in 2011. NB David May has since retired and the current Chair of the NZ Superannuation Fund is Gavin Walker.

Like many institutional investors a sizeable proportion of our investment portfolio is managed passively, tracking global equity indices in order to gain cost-effective, diversified exposure to share markets around the world. These 'passive' investments are selected according to market capitalisation rather than through active stock picking.

As discussed, the New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our investment portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications

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Mobile: +64 27 4777 501
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12 October 2011

Catherine Corser
Clerk of the Commerce Select Committee
Parliament Buildings
Wellington

Dear Ms Corser,

Response to Petition 2008/143 – Lois Griffiths and 382 others

You have asked the Guardians of New Zealand Superannuation for a response to the issues raised in the above petition, which requests that *the New Zealand Parliament ask the Guardians of the New Zealand Superannuation Fund to divest the Fund from Elbit Sytems, Caterpillar, G4S and three major Israeli banks: Bank Hapoalim, Bank Leumi and Israel Discount Bank, to ensure that New Zealanders are not profiteering from crimes against international humanitarian law.*

Before addressing the specifics of the petition, it may be helpful if we set out some contextual background about the Guardians and our approach to responsible investment. We have also provided detail about how we approach the exclusion or divestment of stocks engaged in particular activities, in Appendix 1.

Responsible Investment (RI) is part of meeting the investment mandate in our Act¹. We take that responsibility seriously and we are proud of what we have achieved relative to global benchmarks. We are a founding signatory of the United Nations Principles for Responsible Investment (UNPRI) and are one of the few signatories globally to be rated in the top quartile for our implementation of all six of the UN Principles.

We take a number of criteria into account when assessing our RI approach toward states and companies. As we discuss in more detail in Appendix 1, three of the key criteria are New Zealand law, significant policy positions of the New Zealand Government and international conventions to which New Zealand is a signatory. These criteria have been significant in shaping our decisions to exclude from the New Zealand Superannuation Fund companies involved in the manufacture or simulated testing of nuclear explosives; the manufacture of cluster munitions and of landmines; whaling; and, tobacco manufacturing.

The criteria will continue to be key to shaping any further RI policy decisions we make in respect of state or company activity. We trust this provides useful context as we turn to the matters raised in the petition.

The petition

The petitioners' concerns ultimately relate to the activities of the State of Israel. The petitioners' basis for seeking the exclusion of the named companies from the Fund, is their belief that the companies' activities enable those of the state.

As we have referred to above, and discussed in more detail in Appendix 1, we take a large number of issues into account when determining whether to exclude certain companies, including international sanctions and embargos.

¹ New Zealand Superannuation and Retirement Income Act 2001

When determining our RI position relative to sovereign states, including whether we should instruct our investment managers not to invest in relevant asset classes (such as sovereign bonds), we rely heavily – but not exclusively – on our interpretation of the official policy views and actions of the New Zealand Government.

There are a number of reasons for this. In our view the New Zealand Government is better placed to form official views on the impact on New Zealand's international reputation and relations, of commercial dealings with a particular state. The Government is also better placed to balance those views against their assessment of what is acceptable to the average New Zealander. As an agent of the New Zealand Government it is important that we conduct our investment activity consistent with any such official views. But we should not lead those views.

In interpreting the position of the New Zealand Government we take into account any New Zealand sanctions; any existing commercial dealings that New Zealand may have with another state; the stance of other agencies such as the Ministry of Foreign Affairs and Trade; and, from time to time, the advice of relevant independent experts.

Our interpretation of New Zealand's current position relative to the State of Israel means that we do, at present, allow our investment managers to trade in Israel's government securities and we have applied no embargo. Should this position change, for example as a result of the application of sanctions, we would of course take it very seriously.

Having said all that, we do form views and take RI action on companies irrespective of the presence or absence of sanctions against their home state. In that context, we are aware of the range of accusations against the companies named in the petition. As a matter of course the conduct of each is subject to ongoing RI screening by our RI research provider.

We have previously publicly confirmed that Elbit Systems Limited is on our list of companies reported to have breached our ESG standards. Placing a company on our list means that we are considering or are undertaking RI activity, including all or some of research, formal monitoring and engagement. Consistent with what we explain in Appendix 1, we disclose detail about company-specific RI activity only if it otherwise becomes public, or we make a decision to divest from the company.

We have made no public comment about the other companies. We reiterate that we would not disclose information about company-specific RI activity in other than the circumstances outlined in the previous paragraph. We can confirm, however, that based on our current understanding of the facts relating to the named companies' activities, we have not excluded any of the companies from the Fund.

If the Committee has any further questions, please do not hesitate to get in contact with me.

Yours sincerely



David May
Chairman

Appendix 1

As referred to in the main body of the letter, the Guardians was established under the New Zealand Superannuation and Retirement Income Act 2001 to manage and invest the New Zealand Superannuation Fund on a prudent, commercial basis in a manner consistent with –

- a) best-practice portfolio management; and
- b) maximising return without undue risk to the Fund as a whole; and
- c) avoiding prejudice to New Zealand's reputation as a responsible member of the world community.

We must establish, and adhere to, investment policies, standards and procedures for the Fund that are consistent with our duty to invest the Fund on a prudent, commercial basis. The Statement of Investment Policies, Standards and Procedures (SIPSP) must cover (amongst other things) ethical investment, including policies, standards and procedures for avoiding prejudice to New Zealand's reputation as a responsible member of the world community.

We have developed such a set of ethical investment policies, standards and procedures which are incorporated within our overall SIPSP. The relevant section of the SIPSP is attached as Appendix 2. It is also available on the policies section of our website: www.nzsuperfund.co.nz.

To put our RI policies, standards and procedures into effect we have developed an RI Framework. A copy of that is attached as Appendix 3. It is also available on our website.

Applying our Responsible Investment Framework

Most of our RI Framework is concerned with how we integrate environmental, social and governance issues into our investment decision making process. A significant part of that is how we exercise our rights as owners of the companies in which we invest to ensure those issues are receiving proper attention. Largely we do that through voting on shareholder resolutions and, in the case of companies who have breached our RI standards, through engagement with companies. We believe we can have a greater impact on company practices through dialogue with company management, especially when we do so in conjunction with others.

We invest across a wide range of companies (some 7000) engaged in a wide range of activities. We recognise that not all of these activities are acceptable to all our ultimate stakeholders, the New Zealand public. However some activities that some find objectionable others find reasonable. To avoid our decision-making becoming captive to the preferences of either the particular set of Guardians' Board and management in place at any one time, or the public interest group that could generate the most media attention, we developed a clear set of guidelines to guide our decisions on these more contentious activities.

In limited cases we come to a view that companies engaged in certain activities will be excluded from the Fund's allowable investment universe. Where we already own securities in a company engaged in those activities, we divest our holdings. To date we have excluded companies involved in whaling, landmine and cluster munitions production, production and testing of nuclear explosive devices, and manufacture of tobacco. In arriving at those decisions we carefully worked our way through the following factors:

GUARDIANS OF NEW ZEALAND SUPERANNUATION
Level 12, 21 Queen Street, Auckland
PO Box 106 607, Auckland, New Zealand. Phone: +64 9 3006980 Fax: +64 9 3006981
www.nzsuperfund.co.nz

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- *New Zealand law.* Against this point we are asking whether the activities of the company, were they to be carried out in New Zealand, would be legal under New Zealand law. Whaling, landmines, cluster munitions production and nuclear explosive devices production and testing are captured by this test.
- *International conventions to which New Zealand is a signatory.* In some cases New Zealand has committed to an international stance but that stance has not been codified under New Zealand law. Our original decisions to exclude companies involved in cluster munitions production were driven by this test.
- *Significant policy positions of the New Zealand Government.* A factor much more subject to interpretation but nevertheless important to take into account. This factor was particularly applicable to the exclusion of tobacco manufacturers and in this case the reality that engagement with tobacco companies was unlikely to change their activities was a compounding reason.
- *Impact of exclusion on expected Fund returns.* We consider this because of our obligation to maximise returns without undue risk. In most cases we are satisfied that single name exclusions have no material impact on the Fund's risk and return.
- *Actions of our peers.* This factor relates to our best practice obligations. The reality is that very few of our peers exclude securities. There are a handful of widely publicised exceptions particularly in Northern Europe and Scandinavia. Some US public funds exclude on very narrow issues of particular interest to their communities.
- *Severity of breach/action.* Against this test we need to consider the proximity of a company's activities to a particular excluded activity. Tobacco is a good example: we exclude the manufacturers but not the retailers.
- *Likelihood of success of alternative course (engagement).* Finally we consider whether engaging with the company could cause them to disengage from the activity in question. As mentioned in the case of tobacco we thought such engagement would be fruitless.

While we have established a formal approach to exclusions, our preference is to engage with companies when we are convinced on the facts that they have breached our RI Standards. Where these are foreign companies, we generally prefer to conduct engagements in concert with other investors, most often those who are also signatories – as are we – to the UNPRI.

We also prefer to keep our RI activity involving specific companies confidential as we believe that enhances the probability of positively influencing company behaviour. Confidentiality typically includes detail about all or some of the fact of a specific activity; the identity of the subject company or companies; the identity of any other parties (e.g. other investors) co-operating in the activity (engagements are often collaborative); and detail about the status and proceedings of the activity. This approach to confidentiality changes only to the extent that information is already public; by mutual consent with involved parties; or when we have decided to exclude a company and identify it on our list of exclusions on our website.

We note that we publish an overview of the RI issues we address through our engagement programme, within the RI section of each Annual Report.

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Doc Ref 811857

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 21 November 2012 4:34 p.m.
To: [REDACTED]
Subject: RE: NZ superfund enquiry

Dear [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our investment portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications

DDI: +64 9 366 4905
Mobile: +64 27 4777 501
Email: cetheredge@nzsuperfund.co.nz

A Great Team Building the Best Portfolio

PO Box 106 607, Auckland 1143, New Zealand
Level 12, Zurich House, 21 Queen Street, Auckland 1010, New Zealand
Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz

From: [REDACTED]
Sent: Wednesday, 21 November 2012 4:24 p.m.
To: Enquiries
Subject: NZ superfund enquiry

I wish to enquire why the NZ government is investing NZ taxpayers money in weapons manufacturing companies such as Elbit Systems Ltd in Israe? You have now made me complicit in murdering civilians including children. Shame on you.
I call for a divestment of tax payers money from companies that profit from war and murder

Yours faithfully
[REDACTED]

Information from ESET NOD32 Antivirus, version of virus signature database
7713 (20121120)

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

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Doc Ref 811858

-----Original Message-----

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]

Sent: Wednesday, 21 November 2012 4:36 p.m.

To: [REDACTED]

Subject: RE:

Dear [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Elbit was deleted from the MSCI indices in June and has subsequently dropped out of our investment portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications
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-----Original Message-----

From: [REDACTED]

Sent: Wednesday, 21 November 2012 2:45 p.m.

To: Enquiries

Subject:

Dear Sir/Madam,

It has come to my attention that the NZ Superfund has 36,532 shares in the Israeli weapons manufacturer Elbit Systems Ltd.

New Zealanders should not be making money from massacres! I urge the Superfund to divest divest from this company forthwith!

Sincerely,

[REDACTED]

--

Fear is the Mind Killer...
La paura uccide la mente
(_/)
(o.O)
(")_(")

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Doc Ref 811984

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Thursday, 22 November 2012 9:25 a.m.
To: [REDACTED]
Subject: RE: re shares

Hi [REDACTED]

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Like many institutional investors a sizeable proportion of our investment portfolio is managed passively, tracking global equity indices in order to gain cost-effective, diversified exposure to share markets around the world. These 'passive' investments are selected according to market capitalisation rather than through active stock picking. Elbit was deleted from the MSCI indices in June and has consequently dropped out of our investment portfolio.

Best regards
Catherine

Catherine Etheredge
Head of Communications

DDI: +64 9 366 4905
Mobile: +64 27 4777 501
Email: cetheredge@nzsuperfund.co.nz

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From: [REDACTED]
Sent: Wednesday, 21 November 2012 9:41 p.m.
To: Enquiries
Subject: re shares

Shame on NZ super fund, having shares in an Israeli arms manufacturer...Elbit systems.
Get rid of them. Palestinian and human blood is on your hands!
Please reply to this email.

Cheers
[REDACTED]

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Doc Ref 812502

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]

Sent: Friday, 23 November 2012 3:19 p.m.

To: [REDACTED]

Subject: RE: Elbit Systems Ltd

Hi [REDACTED]

Thanks very much for sending through the Facebook URL – I did find it through search yesterday.

Regarding your question: simply put, yes. While we exclude companies that are directly involved in the manufacture of cluster munitions, manufacture or testing of nuclear explosive devices and manufacture of anti-personnel mines, armaments companies which fall outside these categories are not excluded.

The decisions on excluded categories take account of: New Zealand or national law; international conventions to which New Zealand is a signatory; significant policy positions of the New Zealand Government; impact of exclusion on expected Fund returns; actions of our peers; severity of breach/action by the company concerned, and the likelihood of success of engagement. With regard to cluster munitions, nuclear explosive devices and anti-personnel mines, we note that New Zealand has signed international conventions banning these weapons, including from its own defence force.

With regards to the practices of companies we do hold, our preferred approach is to monitor our portfolio for breaches of the Fund's environmental, social and governance standards (these are aligned with the UN Global Compact), and to engage with selected companies where we believe those standards have been breached, and where we believe our engagement may have a positive impact. (For further information on our engagement framework and process see <http://www.nzsuperfund.co.nz/index.asp?pageID=2145879296>). In some limited cases we will and have moved to exclude specific companies from the Fund on the basis of their poor practices.

The Fund has investments in more than 7,000 listed companies around the world.

Best regards
Catherine

From: [REDACTED]

Sent: Friday, 23 November 2012 10:16 a.m.

To: Catherine Etheredge

Subject: Re: Elbit Systems Ltd

Hi Catherine,

Thanks for your reply. That has cleared it up. I notice in the intervening time between emails, you have answered several inquiries from others with concerns like mine (your replies have been posted on Facebook).

I am glad the NZSF does not currently invest in Elbit, however, I remain uneasy knowing that we may well invest in them again.

Could you please tell me if the NZSF currently invests in any arms manufacturers, or "defence weapons" manufacturers?

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Doc Ref 812502

In reply to your request, I don't think the URL for the picture will work due to the nature of Facebook (although you can try this <http://www.facebook.com/photo.php?fbid=10151294214976273&set=a.80366606272.101379.730066272&type=1&theater>), but for your information, I've attached a copy of the information to this email.

Perhaps you could do a search in Facebook and find it? However, I see it has now been "shared" 179 times, so it will be a significant undertaking to respond to them all. The viral nature of online social networks, eh?

Regards,

██████

On Thu, Nov 22, 2012 at 9:23 AM, Catherine Etheredge <CEtheredge@nzsuperfund.co.nz> wrote:

Hi ██████

Thank you for your email. The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Like many institutional investors a sizeable proportion of our investment portfolio is managed passively, tracking global equity indices in order to gain cost-effective, diversified exposure to share markets around the world. These 'passive' investments are selected according to market capitalisation rather than through active stock picking. Elbit was deleted from the MSCI indices in June and has consequently dropped out of our investment portfolio.

This is not the same as exclusion from our portfolio for breaches of our environmental, social and governance standards.

Hope that clarifies the situation for you.

I have not seen the Facebook rumour and would be happy to correct it if you send me a link to the relevant page.

Best regards

Catherine

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Doc Ref 812502

Catherine Etheredge
Head of Communications

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Mobile: [+64 27 4777 501](tel:+649274777501)
Email: cetheredge@nzsuperfund.co.nz

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From: [REDACTED]
Sent: Wednesday, 21 November 2012 10:40 p.m.
To: Enquiries
Subject: Elbit Systems Ltd

Dear Sir/Madam,

I'm sure you're aware of the rumor going around Facebook that says that the New Zealand Superannuation Fund invests in Elbit Systems Ltd - an Israeli weapons manufacturer supplying the current Israeli offensive on Palestine.

When I first heard that New Zealanders were profiting from the conflict, I was appalled.

Subsequently, I was somewhat heartened by the second rumour that Elbit was excluded from the NZSF investment portfolio in June 2012.

However, I note that the document "Companies excluded from the New Zealand Superannuation Fund as at 31 August 2012" available on your website, that Elbit is not listed as excluded.

http://www.nzsuperfund.co.nz/files/Responsible%20Investment%20documents/Exclusion_list_31_August_2012_for_web.pdf

Could you please clarify whether the NZSF invests in Elbit Systems Ltd, or whether the company has been excluded?

Regards,

[REDACTED]

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Doc Ref 812573

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Saturday, 24 November 2012 8:51 a.m.
To: Tim Macindoe
Cc: Macindoe Office
Subject: RE: Catherine Etheredge, NZ Superfund RE: Shares in Elbit Systems Ltd

Hi Tim

Yes, of course – please do forward it on.

Best regards
Catherine

From: Tim Macindoe [mailto:tim.macindoe@parliament.govt.nz]
Sent: Friday, 23 November 2012 4:54 p.m.
To: Catherine Etheredge
Cc: Macindoe Office
Subject: Catherine Etheredge, NZ Superfund RE: Shares in Elbit Systems Ltd

Dear Catherine,

Many thanks for copying me into your reply to [REDACTED] and [REDACTED] about their concerns. I appreciate your promptness in dealing with the matter.

I've had a few other emails on that subject so I trust you're happy for me to refer the same reply to the others.

Yours sincerely,

Tim Macindoe



Tim Macindoe
MP FOR HAMILTON WEST
Chairman of the Justice and Electoral Select Committee

Parliament Buildings Room G-044, Wellington 6160
Tel: 04 817 8229 | Fax: 04 817 6445

5 King St, Frankton | PO Box 382, Waikato Mail Centre,
Hamilton 3240 | Tel: 07 846 0055 | Fax: 07 846 0056
www.timmacindoe.co.nz

National
www.national.org.nz



Authorised by Tim Macindoe MP, 5 King Street, Frankton, Hamilton.

 Please consider the environment before printing this email

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Doc Ref 812573

From: Catherine Etheredge [mailto:CEtheredge@nzsuperfund.co.nz]

Sent: Friday, 23 November 2012 8:32 a.m.

To: [REDACTED]

Cc: Enquiries; Tim Macindoe; David Bennett; John Key; Winston Peters; ian sinclair; news@tvnz.co.nz

Subject: RE: Shares in Elbit Systems Ltd

Dear [REDACTED] and [REDACTED],

Thank you for your emails.

The New Zealand Superannuation Fund does not currently hold any shares in Elbit. Like many institutional investors a sizeable proportion of our investment portfolio is managed passively, tracking global equity indices in order to gain cost-effective, diversified exposure to share markets around the world. These 'passive' investments are selected according to market capitalisation rather than through active stock picking. Elbit was deleted from the MSCI indices in June and has consequently dropped out of our investment portfolio.

For further information on the Fund's responsible investment approach and framework, please see our website at <http://www.nzsuperfund.co.nz/index.asp?pageID=2145876519>.

Best regards
Catherine Etheredge

Catherine Etheredge

Head of Communications

DDI: +64 9 366 4905

Mobile: +64 27 4777 501

Email: cetheredge@nzsuperfund.co.nz

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From: [REDACTED]

Sent: Thursday, 22 November 2012 8:14 p.m.

To: [REDACTED]

Cc: Enquiries; tim.macindoe; david.bennett; John Key; winston.peters@parliament.govt.nz; ian sinclair; news@tvnz.co.nz

Subject: Re: Shares in Elbit Systems Ltd

Agree wholeheartedly! Please be informed that we will be taking this further.

[REDACTED]

On 22/11/2012, at 8:06 PM, [REDACTED] wrote:

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Doc Ref 812573

To whom it may concern

I have just been informed that the New Zealand Superannuation Fund owns 36,532 shares in Israeli weapons manufacturer Elbit Systems Ltd.

I and my fellow New Zealanders should not be benefitting financially from genocide of the Palestinian people.

I request that our funds are withdrawn immediately and any further "unethical" investments the fund has made to also be withdrawn and invested in ethical New Zealand companies. I understand this is not the first occasion the super fund has made unethical investments.

Please confirm your action.



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Doc Ref 815972

From: Catherine Etheredge

Sent: Thursday, 6 December 2012 4:34 p.m.

To: Gavin Walker

Cc: Adrian Orr; [REDACTED] Anne-Maree O'Connor; [REDACTED] Tim Mitchell

Subject: FW: NZ Superannuation Fund enquiry

Hi Gavin,

Thanks for your time earlier today. On a different matter, the below correspondent, Lois Griffiths, who has contacted us regarding the Fund's investments in Elbit Systems Ltd, among other companies active in Israel, has asked for her enquiry to be passed on to you. She was the author of a 2011 petition which sought to get the Fund to divest from Elbit, Caterpillar, G4S and three Israeli banks.

FYI earlier this week the IC decided to exclude Elbit from the Fund on responsible investment grounds, along with two other companies: Shikun & Binui and Africa Israel (and its subsidiary Danya Cebus). We expect to make these exclusions public next week and will be back in touch with Lois again then. If you would like more information on this issue please get in touch. We will copy the Board on the media release announcing the exclusions before it is distributed.

Best regards
Catherine

From: Catherine Etheredge

Sent: Thursday, 6 December 2012 4:11 p.m.

To: [REDACTED]

Subject: NZ Superannuation Fund enquiry

Dear [REDACTED]

Thank you for your email via our website. Your comments have been noted and passed on to our Chairman and CEO.

I have attached a copy of the Guardians' response to the petition and FYI the Committee's report is available at http://www.parliament.nz/NR/rdonlyres/60EEA9A7-4218-473F-BCFF-2347E483EBEB/244228/DBSCH_SCR_5595_Petition2008143ofLoisGriffithsand38.pdf

We expect to be in a position to respond more fully to your email next week.

In future, please feel free to contact me directly on the details below.

Best regards
Catherine Etheredge

Catherine Etheredge
Head of Communications

DDI:
Mobile:
Email:



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Doc Ref 815972

PO Box 106 607, Auckland 1143, New Zealand
Level 12, Zurich House, 21 Queen Street, Auckland 1010, New Zealand
Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz

From: formmail@digitalstream.co.nz [<mailto:formmail@digitalstream.co.nz>]
Sent: Thursday, 29 November 2012 2:53 p.m.
To: Enquiries
Subject: Query from website

Form to Email

Form to email received the following values

Name [REDACTED]
Company Optional
Phone
email from [REDACTED]
Contact me by Email
Website feedback Responsible Investment

Query re Responsible Investment Dear NZ Superfund, Please send this message to the Board or at least to the Chair. In September 2011, ex-MP Keith Locke presented a petition to Parliament, on my behalf, asking for Parliament to ask the Guardians of Superfund to divest from several corporations & banks complicit in Israel's breaking international law.

[REDACTED] the
Commerce Committee has rejected the petition. An MP friend of mine is unable to trace the Committee's report or the Guardians' report. So I am appealing to you directly. I have been to Israel and the West Bank and have met Palestinians whose houses have been destroyed. And I have followed the unsuccessful efforts of Rachel Corrie's parents to get at least an apology from Israeli authorities for their daughter's murder. So it sickens me that NZ Superfund still invests in Caterpillar USA, who export a specially designed armored bulldozer for the IDF. I hope that you have been shocked by the recent drone attacks on the people of Gaza. Drones are used not just to fire missiles but also to buzz around constantly, terrorizing the population. It sickens me that NZ Superfund invests in Elbit, an Israeli corporation that specializes in drones. Dr Richard Falk, UN Rapporteur on Human Rights in Palestine recommends that all funds everywhere should be divested from Caterpillar USA, Elbit, G4S and some others. There is so much more I could say. My petition also called for divestment from 3 Israeli banks that help finance illegal settlements in the West Bank. I know one could be cynical and argue, why should we care about international law, about morality etc as long as there are profits to be made. But I hope you will take note of what I am saying. ps Congratulations on divesting the Fund from Freeport McMoran on ethical grounds. Yours sincerely, Lois Griffiths 48 St Andrews Square Christchurch 8052

remoteip [REDACTED]
referer <http://www.nzsuperfund.co.nz/index.asp?PageID=2145832561>

12 October 2011

Catherine Corser
Clerk of the Commerce Select Committee
Parliament Buildings
Wellington

Dear Ms Corser,

Response to Petition 2008/143 – Lois Griffiths and 382 others

You have asked the Guardians of New Zealand Superannuation for a response to the issues raised in the above petition, which requests that *the New Zealand Parliament ask the Guardians of the New Zealand Superannuation Fund to divest the Fund from Elbit Sytems, Caterpillar, G4S and three major Israeli banks: Bank Hapoalim, Bank Leumi and Israel Discount Bank, to ensure that New Zealanders are not profiteering from crimes against international humanitarian law.*

Before addressing the specifics of the petition, it may be helpful if we set out some contextual background about the Guardians and our approach to responsible investment. We have also provided detail about how we approach the exclusion or divestment of stocks engaged in particular activities, in Appendix 1.

Responsible Investment (RI) is part of meeting the investment mandate in our Act¹. We take that responsibility seriously and we are proud of what we have achieved relative to global benchmarks. We are a founding signatory of the United Nations Principles for Responsible Investment (UNPRI) and are one of the few signatories globally to be rated in the top quartile for our implementation of all six of the UN Principles.

We take a number of criteria into account when assessing our RI approach toward states and companies. As we discuss in more detail in Appendix 1, three of the key criteria are New Zealand law, significant policy positions of the New Zealand Government and international conventions to which New Zealand is a signatory. These criteria have been significant in shaping our decisions to exclude from the New Zealand Superannuation Fund companies involved in the manufacture or simulated testing of nuclear explosives; the manufacture of cluster munitions and of landmines; whaling; and, tobacco manufacturing.

The criteria will continue to be key to shaping any further RI policy decisions we make in respect of state or company activity. We trust this provides useful context as we turn to the matters raised in the petition.

The petition

The petitioners' concerns ultimately relate to the activities of the State of Israel. The petitioners' basis for seeking the exclusion of the named companies from the Fund, is their belief that the companies' activities enable those of the state.

As we have referred to above, and discussed in more detail in Appendix 1, we take a large number of issues into account when determining whether to exclude certain companies, including international sanctions and embargos.

¹ New Zealand Superannuation and Retirement Income Act 2001

When determining our RI position relative to sovereign states, including whether we should instruct our investment managers not to invest in relevant asset classes (such as sovereign bonds), we rely heavily – but not exclusively – on our interpretation of the official policy views and actions of the New Zealand Government.

There are a number of reasons for this. In our view the New Zealand Government is better placed to form official views on the impact on New Zealand's international reputation and relations, of commercial dealings with a particular state. The Government is also better placed to balance those views against their assessment of what is acceptable to the average New Zealander. As an agent of the New Zealand Government it is important that we conduct our investment activity consistent with any such official views. But we should not lead those views.

In interpreting the position of the New Zealand Government we take into account any New Zealand sanctions; any existing commercial dealings that New Zealand may have with another state; the stance of other agencies such as the Ministry of Foreign Affairs and Trade; and, from time to time, the advice of relevant independent experts.

Our interpretation of New Zealand's current position relative to the State of Israel means that we do, at present, allow our investment managers to trade in Israel's government securities and we have applied no embargo. Should this position change, for example as a result of the application of sanctions, we would of course take it very seriously.

Having said all that, we do form views and take RI action on companies irrespective of the presence or absence of sanctions against their home state. In that context, we are aware of the range of accusations against the companies named in the petition. As a matter of course the conduct of each is subject to ongoing RI screening by our RI research provider.

We have previously publicly confirmed that Elbit Systems Limited is on our list of companies reported to have breached our ESG standards. Placing a company on our list means that we are considering or are undertaking RI activity, including all or some of research, formal monitoring and engagement. Consistent with what we explain in Appendix 1, we disclose detail about company-specific RI activity only if it otherwise becomes public, or we make a decision to divest from the company.

We have made no public comment about the other companies. We reiterate that we would not disclose information about company-specific RI activity in other than the circumstances outlined in the previous paragraph. We can confirm, however, that based on our current understanding of the facts relating to the named companies' activities, we have not excluded any of the companies from the Fund.

If the Committee has any further questions, please do not hesitate to get in contact with me.

Yours sincerely



David May
Chairman

Appendix 1

As referred to in the main body of the letter, the Guardians was established under the New Zealand Superannuation and Retirement Income Act 2001 to manage and invest the New Zealand Superannuation Fund on a prudent, commercial basis in a manner consistent with –

- a) best-practice portfolio management; and
- b) maximising return without undue risk to the Fund as a whole; and
- c) avoiding prejudice to New Zealand's reputation as a responsible member of the world community.

We must establish, and adhere to, investment policies, standards and procedures for the Fund that are consistent with our duty to invest the Fund on a prudent, commercial basis. The Statement of Investment Policies, Standards and Procedures (SIPSP) must cover (amongst other things) ethical investment, including policies, standards and procedures for avoiding prejudice to New Zealand's reputation as a responsible member of the world community.

We have developed such a set of ethical investment policies, standards and procedures which are incorporated within our overall SIPSP. The relevant section of the SIPSP is attached as Appendix 2. It is also available on the policies section of our website: www.nzsuperfund.co.nz.

To put our RI policies, standards and procedures into effect we have developed an RI Framework. A copy of that is attached as Appendix 3. It is also available on our website.

Applying our Responsible Investment Framework

Most of our RI Framework is concerned with how we integrate environmental, social and governance issues into our investment decision making process. A significant part of that is how we exercise our rights as owners of the companies in which we invest to ensure those issues are receiving proper attention. Largely we do that through voting on shareholder resolutions and, in the case of companies who have breached our RI standards, through engagement with companies. We believe we can have a greater impact on company practices through dialogue with company management, especially when we do so in conjunction with others.

We invest across a wide range of companies (some 7000) engaged in a wide range of activities. We recognise that not all of these activities are acceptable to all our ultimate stakeholders, the New Zealand public. However some activities that some find objectionable others find reasonable. To avoid our decision-making becoming captive to the preferences of either the particular set of Guardians' Board and management in place at any one time, or the public interest group that could generate the most media attention, we developed a clear set of guidelines to guide our decisions on these more contentious activities.

In limited cases we come to a view that companies engaged in certain activities will be excluded from the Fund's allowable investment universe. Where we already own securities in a company engaged in those activities, we divest our holdings. To date we have excluded companies involved in whaling, landmine and cluster munitions production, production and testing of nuclear explosive devices, and manufacture of tobacco. In arriving at those decisions we carefully worked our way through the following factors:

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- *New Zealand law.* Against this point we are asking whether the activities of the company, were they to be carried out in New Zealand, would be legal under New Zealand law. Whaling, landmines, cluster munitions production and nuclear explosive devices production and testing are captured by this test.
- *International conventions to which New Zealand is a signatory.* In some cases New Zealand has committed to an international stance but that stance has not been codified under New Zealand law. Our original decisions to exclude companies involved in cluster munitions production were driven by this test.
- *Significant policy positions of the New Zealand Government.* A factor much more subject to interpretation but nevertheless important to take into account. This factor was particularly applicable to the exclusion of tobacco manufacturers and in this case the reality that engagement with tobacco companies was unlikely to change their activities was a compounding reason.
- *Impact of exclusion on expected Fund returns.* We consider this because of our obligation to maximise returns without undue risk. In most cases we are satisfied that single name exclusions have no material impact on the Fund's risk and return.
- *Actions of our peers.* This factor relates to our best practice obligations. The reality is that very few of our peers exclude securities. There are a handful of widely publicised exceptions particularly in Northern Europe and Scandinavia. Some US public funds exclude on very narrow issues of particular interest to their communities.
- *Severity of breach/action.* Against this test we need to consider the proximity of a company's activities to a particular excluded activity. Tobacco is a good example: we exclude the manufacturers but not the retailers.
- *Likelihood of success of alternative course (engagement).* Finally we consider whether engaging with the company could cause them to disengage from the activity in question. As mentioned in the case of tobacco we thought such engagement would be fruitless.

While we have established a formal approach to exclusions, our preference is to engage with companies when we are convinced on the facts that they have breached our RI Standards. Where these are foreign companies, we generally prefer to conduct engagements in concert with other investors, most often those who are also signatories – as are we – to the UNPRI.

We also prefer to keep our RI activity involving specific companies confidential as we believe that enhances the probability of positively influencing company behaviour. Confidentiality typically includes detail about all or some of the fact of a specific activity; the identity of the subject company or companies; the identity of any other parties (e.g. other investors) co-operating in the activity (engagements are often collaborative); and detail about the status and proceedings of the activity. This approach to confidentiality changes only to the extent that information is already public; by mutual consent with involved parties; or when we have decided to exclude a company and identify it on our list of exclusions on our website.

We note that we publish an overview of the RI issues we address through our engagement programme, within the RI section of each Annual Report.

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Doc Ref 819360

From: Adrian Orr

Sent: Wednesday, 12 December 2012 8:41 a.m.

To: 'Russel Norman'

Cc: Catherine Etheredge

Subject: RE: New Zealand Superannuation Fund's investment in Shikun & Binui Ltd

Dear Russel,

Yes, you are right, I promised to get back to you by the end of November. I apologise for my delay.

We have considered the issues you mention very carefully and come to decisions. We will soon be making our decisions public as per our usual course of action. Our professional relationship with our investment managers has had to be respected, with practical issues the key reason for a delay in my responding to you.

We understand the reputational commitment the Guardians have embedded in our Act, and we have been working very diligently to ensure we retain our high global standards.

I hope to be able to chat with you in person on these and any other issues. At this stage, perhaps some time in the New Year may best suit you? I will liaise with your office and see if personal contact is possible and when best suits.

All the best,

Adrian

From: Russel Norman [<mailto:Russel.Norman@parliament.govt.nz>]

Sent: Tuesday, 11 December 2012 5:18 p.m.

To: Adrian Orr

Subject: RE: New Zealand Superannuation Fund's investment in Shikun & Binui Ltd

Dear Adrian,

I was expecting a response from you New Zealand Superannuation Fund's investment in Shikun & Binui Ltd before December. Can you please let me know where your consideration has arrived at? Are you considering divesting from other related companies such as Africa Israel Investments Ltd?

Israeli property development in the occupied territories is turning into a significant international human rights issue, so it would be good to ensure that the Fund has a clear position on this and other possibly implicated Israeli companies.

Human Rights Watch and others continue to report on the illegal building of unlawful settlements which will put the Fund's reputation at considerable risk if we are seen to be profiting from these activities.

My best,

Russel

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Doc Ref 819360

From: Adrian Orr [<mailto:aorr@nzsuperfund.co.nz>]
Sent: Friday, 21 September 2012 8:41 a.m.
To: Russel Norman
Cc: Anne-Maree O'Connor; Catherine Etheredge
Subject: RE: New Zealand Superannuation Fund's investment in Shikun & Binui Ltd

Dear Russel,

I have had the opportunity to talk to my team about the issue you raise below. We are aware of the issue and other related concerns, and there is on going consideration underway.

In order to assist your expectations around timing, we should be in a position to respond with more substance before December . We take RI issues very seriously and are continuously working through a prioritised list of issues. I am eager the background work and related issues are completed ahead of our final decisions.

With full respect,
Adrian

From: Russel Norman [<mailto:Russel.Norman@parliament.govt.nz>]
Sent: Wednesday, 19 September 2012 12:32 p.m.
To: Adrian Orr
Subject: New Zealand Superannuation Fund's investment in Shikun & Binui Ltd

September 19, 2012

New Zealand Superannuation Fund
Adrian Orr, Chief Executive Officer

Dear Adrian,

Through the use of Parliamentary Written Questions, I recently determined that the New Zealand Superannuation Fund (the Fund) is currently invested in Shikun & Binui Ltd. – an Israeli real estate company building settlements in East-Jerusalem and previously involved in building settlements in the occupied territories on the West Bank.

The International Court of Justice in The Hague, the UN Security Council, and the International Committee of the Red Cross, have all issued statements that the building of Israeli settlements on the West Bank and in East Jerusalem is contrary to the IV Geneva Convention. The purpose of the IV Geneva Convention is to protect civilians in situations of war and occupation.

As a result, I believe this particular investment risks the reputation of the Fund to be a responsible investor in the world community.

In June, the Norwegian Government's Pension Fund divested from Shikun & Binui Ltd. under the UN guidelines for responsible investment – the same guidelines our Fund is signed up to.

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Doc Ref 819360

I am writing to ask you consider divestment from Shikum & Binui Ltd. If you have already considered this option, I would be interested in your reasons for maintaining your investment in the company.

Please feel free to write or call if you have any further questions.

Yours sincerely,

Russel

Dr Russel Norman MP

Co-leader, Green Party of Aotearoa New Zealand

P: 04 817 6712 | F: 04 472 6003

E: russel.norman@parliament.govt.nz | W: www.greens.org.nz



Authorised by Russel Norman, Parliament Buildings, Wellington



"Anyone who believes exponential growth can go on forever in a finite world is either a madman or an economist" – Kenneth Boulding

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Doc Ref 817082

From: Robert Ashe [mailto:Robert.Ashe@parliament.govt.nz]

Sent: Wednesday, 12 December 2012 5:16 p.m.

To: Robert Ashe

Subject: Greens welcome Super Fund divestment decision – Green Party media release

12 December 2012

Greens welcome Super Fund divestment decision

The Green Party has today welcomed the New Zealand Superannuation Fund's decision to divest from four Israeli companies involved in the illegal construction of Israeli settlements in the occupied Palestinian territories.

The three companies are Africa Israel Investments and subsidiary Danya Cebus, Elbit Systems Limited, and Shikun & Binui. The value of the divestment is small, totalling about \$30,000 of the \$20 billion fund.

"We welcome the ethical lead the New Zealand Superannuation Fund has shown by divesting from companies involved in the building of new Israeli settlements in the occupied Palestinian territories," said Green Party Co-leader Dr Russel Norman.

"Continuing to profit from the companies illegal activities would have put the Superannuation Fund's reputation at considerable risk; the companies are likely in breach of the Geneva Convention which has been designed to protect civilians in time of war."

The International Court of Justice in The Hague, the UN Security Council, and the International Committee of the Red Cross have all stated that the building of Israeli settlements on the West Bank and in East Jerusalem is contrary to the Fourth Geneva Convention.

In its World Report 2012, Human Rights Watch reported that 'In the West Bank, including East Jerusalem, Israel demolished hundreds of Palestinian homes in the West Bank displacing more West Bank Palestinians last year than during any year since the UN started collecting cumulative figures in 2006'.

"The divestment decision will send a clear message to Israel that New Zealand will not sanction the human rights abuses they're committing in Palestine," Dr Norman said.

Human Rights Watch Israel Report 2012:

<http://www.hrw.org/world-report-2012/world-report-2012-israeloccupied-palestinian-territories>

For more information:

Russel Norman MP, 027 458 5181

Robert Ashe, Political & Media Advisor, 04 817 6714 / 027 499 0409

Authorised by Russel Norman, Parliament Buildings, Wellington. If you do not wish to receive future messages, send a reply with UNSUBSCRIBE in the subject line. Current photographs of Green MPs and Green Party logos can be downloaded from <http://www.greens.org.nz/mediaresources>

Robert Ashe

Green Party Advisor

Level 14.05, Bowen House

Parliament Buildings

Wellington

p 04 817 6714

m 027 499 0409

www.greens.org.nz

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Doc Ref 818196

From: [REDACTED]
Sent: Thursday, 13 December 2012 9:39 p.m.
To: Catherine Etheredge
Subject: Re: FW: Media Statement - NZ Super Fund excludes three companies on responsible investment grounds

Dear Catherine,

Thank you for this welcome news. Much appreciated!

I hope Caterpillar USA will be next. It will soon be 10 years since the murder of 23 year-old American Rachel Corrie. Quakers USA divested from Caterpillar earlier this year.

Thanks again for keeping us informed.

Warm regards,

[REDACTED]

----- Original Message -----

From: "Catherine Etheredge" <CEtheredge@nzsuperfund.co.nz>

To: [REDACTED]

Sent: 12/12/2012 4:20:09 PM

Subject: FW: Media Statement - NZ Super Fund excludes three companies on responsible investment grounds

Dear [REDACTED] further to our correspondence last week, please find attached a media statement we have just released.

Best regards
Catherine

Catherine Etheredge
Head of Communications

DDI: +64 9 366 4905

Mobile: +64 27 4777 501

Email: cetheredge@nzsuperfund.co.nz

A Great Team Building the Best Portfolio

PO Box 106 607, Auckland 1143, New Zealand
Level 12, Zurich House, 21 Queen Street, Auckland 1010, New Zealand
Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: <http://www.nzsuperfund.co.nz/>

From: New Zealand Superannuation Fund [mailto:cetheredge@nzsuperfund.co.nz]
Sent: Wednesday, 12 December 2012 3:50 p.m.
To: Catherine Etheredge

Subject: Media Statement - NZ Super Fund excludes three companies on responsible investment grounds

If this email does not display properly, view our [online version](#)

<http://www.nzsuperfund.co.nz/>

[Newsroom](#)

[Contact us](#)

Media
12 December 2012

Statement

New Zealand Superannuation Fund excludes three companies on responsible investment grounds

The New Zealand Superannuation Fund today announced that it had excluded three companies from its \$20 billion investment portfolio on responsible investment grounds.

Excluded Company	Criteria	Holdings at 31 Oct 2012
<u>Africa Israel Investments and subsidiary Danya Cebus</u>	Africa Israel and its subsidiary Danya Cebus have been excluded because of their involvement in the construction of Israeli settlements in the Occupied Palestinian Territories. The settlements have been cited as illegal under international law, and the Fund considers the companies' involvement to be inconsistent with the United Nations Global Compact.	NZ\$9,744
<u>Elbit Systems Limited</u>	Elbit has been excluded because of its involvement in the construction of NIL* the Separation Barrier in the Occupied Palestinian Territories. The Separation Barrier has been cited as illegal under international law, and the Fund considers the company's involvement to be inconsistent with the United Nations Global Compact.	
<u>Shikun & Binui</u>	Shikun & Binui has been excluded because of its involvement in the construction of Israeli settlements in the Occupied Palestinian Territories. The settlements have been cited as illegal under international law, and the Fund considers the company's involvement to be inconsistent with the United Nations Global Compact.	NZ\$19,898

Findings by the United Nations that the Separation Barrier and settlement activities were illegal under international law were central to the Fund's decision to exclude the companies, said Manager, Responsible Investment Anne-Maree O'Connor.

The Fund also factored in votes by New Zealand for UN Security Council resolutions demanding the cessation and dismantling of the Separation Barrier, and the cessation of Israeli settlement activities in the Occupied Palestinian Territories.

The Fund also viewed the companies' activities to be inconsistent with the UN Global Compact, the key benchmark against which the Fund measures corporate behaviour.

"In deciding whether a company is breaching the Fund's responsible investment standards and how material

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Doc Ref 818196

that breach is, we take account of the proximity and importance of the company's actions to an illegal or unethical activity," said Ms O'Connor.

"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."

"We also consider whether engagement by the Fund with the company concerned would realistically lead to a meaningful change in behaviour. In the case of these companies we have come to the conclusion that engagement is not likely to be effective."

Ms O'Connor said the exclusion decisions were based on an ongoing research and screening programme and, in the case of Elbit Systems Ltd, engagement with the company over an extended period. The stocks have now been sold.

All three stocks were held passively in the Fund's global equity portfolio, which is managed externally and includes shares in more than 6,500 companies around the world. Like many institutional investors, a sizeable proportion of the Fund's investment portfolio tracks global equity indices (including the MSCI large-cap equity index, MSCI emerging market index and MSCI small-cap index) in order to gain cost-effective, diversified exposure to share markets around the world. Investments in these companies move in and out of the Fund primarily according to their market capitalisation rather than through active stock picking. The portfolio is monitored daily for compliance with Fund exclusions.

The Fund's responsible investment standards and activities are set out in its responsible investment framework, available on <http://www.nzsuperfund.co.nz/>.

ENDS

* Elbit Systems Limited was deleted from the MSCI indices in June and subsequently dropped out of the Fund's segregated investment portfolio. Excluding it will ensure it does not re-enter the portfolio in the future, should its market capitalisation change. At 30 June 2012 the Fund's holdings in Elbit were worth \$36,532.

Media contact: Catherine Etheredge, Head of Communications, cetheredge@nzsuperfund.co.nz, 64 9 27 4777 501.

About the New Zealand Superannuation Fund
The New Zealand Superannuation Fund invests money, on behalf of the New Zealand Government, to partially pre-fund future universal superannuation payments. The Fund is a founding signatory of the United Nations' Principles for Responsible Investment (UNPRI). It is also a member of the Investor Group on Climate Change Australia/New Zealand, the International Corporate Governance Network and the Responsible Investment Association Australasia.

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Doc Ref 817812

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Monday, 17 December 2012 8:55 a.m.
To: Newsdesk
Subject: RE: Israel and the NZ Super

Hi Henry,

We publish our equity holdings annually. A link to the most recent list, as at 30 June 2012, is attached. http://www.nzsuperfund.co.nz/files/Equity%20Listings/NZ%20Super%20Fund%20equities_Listing_as_at_30_June_2012.pdf See page 43 for details of our holdings in Israeli companies. (As you are aware, Elbit, Africa Israel and Shikun & Binui have subsequently been excluded from the Fund).

Please note that this is not about Israeli companies; it is about the activities these three companies are involved in.

Best regards
Catherine

From: henrybenj@jwire.com.au [mailto:henrybenj@jwire.com.au] **On Behalf Of** Newsdesk
Sent: Saturday, 15 December 2012 6:41 a.m.
To: Catherine Etheredge
Subject: Israel and the NZ Super

Good morning Catherine

Withdrawal of investment in Israeli companies

Are there still Israeli companies in the fund's portfolio

If so, how many?

If so, can you tell me how much is currently invested in Israeli companies please?

Henry



Henry Benjamin [Editor]
www.jwire.com.au
0418 444 321
newsdesk@jwire.com.au

spread the word

From: Alisha Lewis [ALewis@nzsuperfund.co.nz] [mailto:/O=NZ SUPERANNUATION FUND/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=AXL04MUM]
Sent: Tuesday, 5 March 2013 9:14 a.m.
To: Gavin Walker
Subject: FW: Letter for Gavin Walker attached

Hi Gavin,

Just forwarding this on to you.

Regards,

Alisha

Alisha Lewis
Communications Executive

PO Box 106 607, Auckland 1143, New Zealand

Level 12, Zurich House, 21 Queen Street, Auckland, New Zealand

Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz



P Please consider the environment before printing this e-mail.

From: John Minto [mailto:johnminto@orcon.net.nz]
Sent: Monday, 4 March 2013 9:11 p.m.
To: Enquiries
Subject: Letter for Gavin Walker attached

Kia ora,

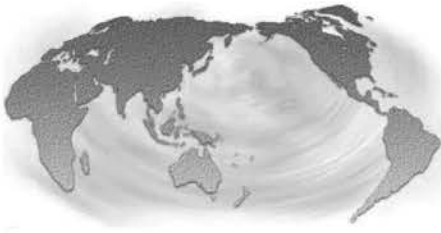
Please pass on the attached letter for Gavin Walker

Regards,

John Minto
4 Ethel Street
Morningside
Auckland
(09)8463173

0220850161

johnminto@orcon.net.nz



GLOBAL PEACE & JUSTICE AUCKLAND

www.gpja.org.nz

4 March 2013

Gavin Walker
Chair, Board of Guardians
NZ SuperFund
P O Box 106607,
Auckland 1143,

Email: enquiries@nzsuperfund.co.nz

Dear Gavin Walker and the Board of Guardians,

Firstly, congratulations on making the decision in December last year to exclude three companies involved in constructing illegal settlements in occupied Palestine and the construction of the separation barrier.

We believe that action was in line with the views of the majority of New Zealanders who do not want to see their money being used to prop up the occupation of Palestinian lands in violation of international law and the United Nations.

Your decision comes as the latest in a series of ethical exclusions such as your divestment from Freeport McMoran, Tokyo Electric Power Company, and companies involved in nuclear weapons and cluster munitions. It is essential that the SuperFund continues to ensure that its investments continue to be ethical and to reflect the wishes of the New Zealand public.

As you may be aware Israel is now subject to an international Boycott, Divestment and Sanctions (BDS) campaign because of its blatantly racist treatment of its Arab-Israeli citizens; its brutal military occupation of Palestinian territory; the construction of illegal Jewish-only settlements on Palestinian land and its blockade of the Gaza Strip.

The BDS campaign was launched in 2005 by some 260 Palestinian civil society organisations as the best way for the international community to support the Palestinian struggle for justice and human rights.

In 2009 a collection of NGOs focused on ending the Israeli occupation of Palestinian territories wrote to the Board to seek divestment of the New Zealand Superannuation Fund from corporations specifically engaged in activities that directly support the occupation of Palestinian land.

In light of the recent war on Gaza and the ongoing expansion of Israel's illegal settlements in the Palestinian West Bank we believe it is important that we reiterate our request that the Superannuation Fund divest its monies specifically from all Israeli corporations until the occupation of Palestinian territories ends.

Israeli companies

We note that as at 30 June 2012 the SuperFund had \$7,678,104 invested in 42 Israeli corporations.

These include,

BANK HAPOALIM: Has branches in the illegal West Bank settlements Gilo, Pisgat Ze'ev, Ramot and provides mortgages to houses and building in illegal settlements in the West Bank. Provided finance for at least two settlement constructions. Of course the settlements are a violation of international law.¹

BANK LEUMI: '(TLV:LUMI) (PINK:BLMIF) is the second largest bank in Israel. According to the Coalition of Women for Peace, it has branches in the following settlements in the West Bank: Ma'ale Edomim, Oranit, Pisgat Ze'ev, Gilo, Kiryat Arba, Katzerin. The bank has partial control over several companies that are involved in the occupation: Paz Oil Company (15%), Super Pharm (18%) and Hot Communication Systems (cable TV) (15%). Super Pharm is an Israeli drugstore chain with branches in the following settlements: Ma'ale Edomim, Pisgat Ze'ev, Gilo. Super Pharm is also one of the owners of Blockbuster in Israel, which has DVD vending machines in the settlements of Ariel, Giv'at Ze'ev, Ma'ale Edomim, and Sha'arei Tikva. Bank Leumi is also one of the banks lending money to the Citypass Consortium, which is building a tramway to connect Jerusalem with illegal settlements in the West Bank.'²

MIZRAHI TEFAHOT BANK :'(TLV:MZTF) has branches in the illegal settlements of Alon Shvut and Karnei Shomron, in the West Bank.'³

PAZ OIL: '(TLV:PZOL) has gas stations in West Bank settlements including Ma'ale Edomim, Kiryat Arba, Pisgat Ze'ev, Gilo, Karnei Shomron and Ofra. Subsidiary company PazGas is supplying cooking gas to West Bank settlements including Ma'ale Edomim and the settlement outpost of Havat Maon.'⁴

To summarise, we believe it is unacceptable that the SuperFund is investing money with corporations that finance and operate in Israeli-only settlements on stolen land in the West Bank in violation of international law. The majority of New Zealanders would be horrified to know that their money is being given to banks which finance the construction of these settlements which violate Article 49 of the Fourth Geneva Convention.

Hans van den Broek, former Minister of Foreign Affairs of the Netherlands, wrote last year,

¹ Adri Nieuwhof, 'Israeli banks entrenched in settlement building', 26 October 2009, available at: <http://electronicintifada.net/content/israeli-banks-entrenched-settlement-building/8507>

² Interfaith Peace Initiative, 'Companies Supporting the Israeli Occupation of Palestinian Land', October 2009, available at: <http://www.interfaithpeaceinitiative.com/profitting.pdf>

³ Ibid.

⁴ Ibid.

“Almost 20 years have passed since the Oslo Accords were signed – and peace in the Middle East seems more remote than ever. That no comprehensive peace has been achieved is due to a number of reasons. The stagnation of the peace process cannot be attributed to a single factor.

However, one of the main reasons – I would say the decisive one – is Israel’s incessant settlement policy in the West Bank and East Jerusalem. In recent years, this policy has been preventing the resumption of meaningful peace negotiations. But its negative impact goes much further: it threatens the viability of the two-state solution and thus the very feasibility of peace.

During the past decades, the EU has consistently criticized and condemned the settlement policy. Dozens of official EU statements and positions reaffirm the illegality of the settlements under international law and regard them as major obstacles to peace. Repeatedly, the EU has stressed that it will not recognise any unilateral changes to the pre-1967 borders, including with regard to Jerusalem.

As settlement construction has continued and accelerated, however, we Europeans have failed to move from words to action. So far, we have refrained from deploying our considerable political and economic leverage vis-à-vis Israel to contain developments on the ground that contradict our basic values and that undermine our strategic interests.⁵”

We reiterate this concern. New Zealand must also move from words to action by deploying our economic leverage to contain settlement construction.

Caterpillar

In addition we note the SuperFund has \$2,017,530 invested in Caterpillar Inc. The value of this investment has nearly doubled in the last three years despite the fact that we highlighted to the Board in 2009 that Caterpillar,

Supplies bulldozers to the IDF [Israeli Defence Force]. The IDF uses these to destroy Palestinian homes, orchards and olive groves in the Occupied Territories. They are also used to clear Palestinian land for illegal Israeli settlements, segregated roads and the Separation Wall. Despite years of corporate engagement by investors, Caterpillar is expanding its role in the occupation, recently announcing a joint venture with InRobTech to develop unmanned remote-controlled bulldozers for Israel.

In June 2012 United States retirement fund, Teachers Insurance and Annuity Association – College Retirement Equities Fund, divested \$72 million in shares from Caterpillar in response to requests from New York University faculty opposed to the investment and a campaign by US based group Jewish Voices for Peace.⁶

Divestment

⁵ Hans van den Broek, ‘Foreword’, in *Trading Away Peace: How Europe helps sustain illegal Israeli settlements*, October 2012, available at: <http://www.rightsforum.org/media/doc/tradingawaypeace.pdf>

⁶ Cecilie Surasky, ‘BDS Victory: TIAA –CREF dumps CAT stock’, *Jewish Voices for Peace*, 21 June 2012, available at: <http://jewishvoiceforpeace.org/blog/bds-victory-tiaa-cref-dumps-cat-stock>

In the 2009 letter it was noted,

...that the New Zealand Superannuation Fund has obligations in legislation. Specifically, Section 58 of the New Zealand Superannuation and Retirement Income Act 2001, requires the Guardians of the Fund to invest so as to avoid prejudice to New Zealand's reputation as a responsible member of the world community.

Section 61(d) of the Act demands a Statement of Investment Standards and Procedures that provides for ethical investment to avoid prejudice to New Zealand's reputation as a responsible member of the world community.

Moreover, we understand from your statement of Responsible Investment Policy, that the Trust is a founding signatory to the United Nations' Principles for Responsible Investment. In particular we are further told that the Guardians have adopted the United Nations Global Compact, which sets 'core values' for investment using considerations of such matters as human rights. The relevant principles of the UN Global Compact are;

Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2. Make sure they are not complicit in human rights abuses.

Divestment from the corporations listed above would end the New Zealand Superannuation Fund's complicity with the Israeli occupation of Arab lands and Israel's ongoing breaches of international law and violations of human rights therein.

We reiterate our call for divestment from the Superfund in Israeli corporations in general and specifically Caterpillar, which directly profits from the continued conflict in the occupied territories.

In light of Israel's recent announcement of new settlements and the latest Gaza conflict it is important that New Zealand ensures that it is not complicit in profiteering from these settlements and this conflict. Divestment would ensure this.

We look forward to hearing from you.

Regards,

A handwritten signature in black ink, appearing to read 'J. B. Minto', with a small flourish at the end.

John Minto
Spokesperson
GPJA
0220850161
johnminto@orcon.net.nz

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Doc Ref 842608

From: [REDACTED]
Sent: Thursday, 14 March 2013 1:14 p.m.
To: johnminto@orcon.net.nz
Subject: New Zealand Superannuation Fund

Dear Mr Minto,

Please find attached response to your letter dated 4 March 2013. A hard copy is on it's way to you.

Thank-you
Adrian

14 March 2013

John Minto
Global Peace & Justice Auckland
4 Ethel Street
Morningside
AUCKLAND

By email: johnminto@orcon.net.nz

Dear Mr Minto,

Thank you for your letter of 4 March 2013 on behalf of Global Peace & Justice Auckland regarding the New Zealand Superannuation Fund's approach to responsible investment and in particular our equity holdings in Israeli companies. Our Board Chairman Gavin Walker has asked me to respond to you on behalf of the Fund.

Before addressing the specifics of your letter, it may be helpful if we set out some contextual background about the Guardians and our approach to responsible investment (RI).

As you note, RI is part of meeting our investment mandate in our Act¹. When investing, we are required to avoid prejudicing New Zealand's reputation as a responsible member of the world community, and to apply best-practice portfolio management.

We take these responsibilities seriously and are proud of what we have achieved relative to global benchmarks. The Fund is a founding signatory of the United Nations Principles for Responsible Investment (UNPRI) and one of the few signatories globally to be rated in the top quartile for the implementation of all six of the UN Principles.

Our RI Policy supports the UN Global Compact Principles as an appropriate standard for companies in our global portfolio. Where companies have breached our standards, rather than excluding them from our portfolio, our preference is to utilise our position as shareholders to encourage them to implement improvements in their policies and practices. We prefer to engage with companies because we believe that investors with active RI strategies can play a role in encouraging companies to improve their management of environmental, social and governance issues. We also believe that companies that do so can improve their long-term financial performance. Exclusion is a last resort since shares are simply taken back up by the market.

We may, however, decide to exclude companies for severe breaches of our responsible investments standards, where we consider engagement is unlikely to be effective, due to the context of the company's operations or a lack of responsiveness from the company to the issue.

¹ New Zealand Superannuation and Retirement Income Act 2001

In deciding whether a company is breaching the Fund's responsible investment standards and how material that breach is, we take account of the proximity and importance of the company's actions to an illegal or unethical activity.

In our recent exclusion decisions in December 2012 relating to the issue of companies operating in the Occupied Palestinian Territories, we draw a distinction between the company 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 also 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.

In this context we reviewed a number of companies, including Caterpillar, and we remain confident in our process and decisions.

Your comments and the information you have provided have been noted and will be retained as part of our on-going RI research efforts.

Thank you again for your interest in this issue and for the information provided. For further information on our approach to RI please refer to www.nzsuperfund.co.nz.

Yours sincerely

A handwritten signature in black ink, appearing to be 'A. Orr', written over a horizontal line.

Adrian Orr
Chief Executive, New Zealand Superannuation Fund

CC Gavin Walker, Chairman, Guardians of New Zealand Superannuation

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Doc Ref 863805

From: Catherine Etheredge [CEtheredge@nzsuperfund.co.nz]
Sent: Wednesday, 15 May 2013 3:37 p.m.
To: Tim Hunter
Subject: Exclusions - previous announcements

Hi Tim,

Thanks for your time this afternoon. Please find below links to our previous statements on exclusions from the Fund for breaches of responsible investment standards.

- Freeport, KBR, TEPCO, Zijin:
<http://www.nzsuperfund.co.nz/news.asp?pageID=2145831983&RefID=2141742302>
- Africa Israel/Danya Cebus; Elbit; Shikun & Binui:
<http://www.nzsuperfund.co.nz/news.asp?pageID=2145831983&RefID=2141742545>

I've also attached the press release about the global RI Reporting Awards in which we have just discovered the Fund is a finalist.

Our 2011/12 Annual Report is available on our website at http://www.nzsuperfund.co.nz/files/Annual%20Reports/NZ_Super_Fund_-_2011_12_Annual_Report_-_website.pdf. The Responsible Investment Report is at pages 38-43. Page 40 includes a table with a breakdown of the Fund's engagement activities during 2011/12, including whether they were direct or collaborative engagements.

Best regards
Catherine

Catherine Etheredge
Head of Communications

DDI: +64 9 366 4905
Mobile: +64 27 4777 501
Email: cetheredge@nzsuperfund.co.nz

A Great Team Building the Best Portfolio

PO Box 106 607, Auckland 1143, New Zealand
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Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz

Embargoed until 00:01 BST, Tuesday 14th May 2013

AUSTRALIAN AND NEW ZEALAND INVESTORS SHORTLISTED FOR GLOBAL AWARD

Australian Future Fund, Vic Super, Construction & Building Unions Superannuation fund and New Zealand Superannuation Fund nominated for global responsible investment award.

A new global award to recognise excellence in responsible investment reporting has shortlisted the **Australian Future Fund** for best responsible investment report by a large pension fund. **Vic Super, the Construction & Building Unions Superannuation fund** and the **New Zealand Superannuation Fund** are in the running for best responsible investment reporting by a medium or smaller-sized fund. The winner will be announced at RI Europe in London on 11th June [link](#).

The 'RI Reporting Awards' [link to PDF](#) recognize those funds that are most transparent about how they are putting responsible investment into action. Reporting on RI issues is seen as vital for communicating publicly the steps that institutional investors are taking to address looming environmental dangers and financially material social risks (such as child labour, supply chains, tax), and, via better corporate governance, to promote sustainable corporate practices and help avoid a repeat of the 2008/09 financial crisis.

Good RI reporting is also the indicator of how seriously pension funds are taking their commitments to integrate increasingly 'material' ESG risks and opportunities into traditional financial analysis and investment decision processes.

The shortlist has been created from an analysis of the responsible investment reporting of over 1,000 of the world's largest pension funds from Europe, North America, Australasia, Latin America and Africa.

Hugh Wheelan, Managing Editor of Responsible Investor and Chair of the judging panel said:

"Institutional investors are living through a post financial crisis era where there is mounting pressure for them to be more responsible and transparent about environmental, social and corporate governance efforts as part of their fiduciary duty to protect beneficiary assets over the long term. Because pension funds sit at the top of the investment chain they can set the standards for others to follow. These awards recognize those pension funds that are visibly leading the way via their responsible investment reporting."

The full list of nominations is:

The full list of nominations is:

Nominated for best responsible investment report by a large pension fund

- Australian Future Fund, Australia
- BT Pension Scheme, UK
- California Public Employment Retirement Systems (CalPers), USA
- Fjaerde AP-fonden (AP4), Sweden
- Folksam, Sweden
- Government Employees Pension Fund, South Africa
- Pensioensfonds Zorg en Welzijn, Netherlands
- Previdência dos Funcionarios do Banco do Brasil, Brazil

Further information over page ...

Nominated for best responsible investment report by a small or medium-sized pension fund

- Church of England, UK
- Construction & Building Unions Superannuation, Australia
- Environment Agency (Active) Pension Fund, UK
- Government Pension Fund, Norway
- National Pensions Reserve Fund, Ireland
- New Zealand Superannuation Fund, New Zealand
- OPSEU Pension Plan, Canada
- Vic Super, Australia

Download the RI Reporting Awards Information & Nominations here -

http://www.responsible-investor.com/images/uploads/reports/RI_Reporting_Awards_Nominations.pdf

Download the RI Reporting Awards Criteria here -

http://www.responsible-investor.com/images/uploads/reports/RI_Awards_Criteria.pdf

The **two awards for Best RI Report 2013 will be announced at RI Europe** in London on 11th June, see -

<http://www.responsible-investor.com/europe2013>

The RI reporting Awards are being organised by Responsible Investor in association with our research partner the Responsible Finance Research Charity.

About Responsible Investor

Focusing on business critical news and data, Responsible Investor <http://www.responsible-investor.com> is the only dedicated news and events service reporting on responsible investment, ESG and sustainable finance for institutional investors globally.

About the Responsible Finance Research Charity

Responsible Finance Research (ReFineResearch) is a charitable institution which supports and leverages academic and industry research in the area of responsible investment. The charity aims to achieve deeper knowledge of responsible investing through innovative thinking, greater transparency and advanced research methods.

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Dear David May, Chair, Guardians of the N.Z. Superannuation Fund,

New Zealand Superannuation Fund investments in Occupation of Palestinian and Syrian Lands

The New Zealand Superannuation Fund currently holds investments in corporations deeply complicit in the belligerent Israeli occupation of the West Bank, East Jerusalem, Golan Heights and the blockade of the Gaza Strip.

Investments in these corporations materially support the continued Israeli occupation and Israel's continual violation of United Nations resolutions and international human rights and humanitarian law.

According to international law and the United Nations' UNSC resolution 242 (1967), the acquisition of territory by force is prohibited. Israel has occupied the West Bank, East Jerusalem, Gaza Strip and Syrian Golan Heights since 1967. This continuing occupation has been involved a myriad of serious human rights violations (see United Nations' E/CN.4/2004/6). Approximately five million Palestinian refugees are the result of successive Israeli expulsions since 1948. These refugees have their right to return and restitution under UNGA 194 (III) blocked by Israel. The unilateral annexation of Jerusalem by Israel is unlawful – cf. UNSC 252 (1968). The demographic and physical transformation of the Occupied Territories, through Israeli settler implants, is a war crime under the provisions of the Treaty of Rome of 1998 (A/Conf.183/9, Art8(2)(b) (viii)). The Israeli construction of a Separation Wall on occupied land violates the legal obligations of a belligerent occupier (A/ES-10/273). Israel has thwarted the Palestinians' right to self-determination, including the creation of a viable and sovereign state in their homeland – cf. UNGA 3236 (xxix) of 22 November 1974, UNSC 1397 (2002) and UNGA 58/292 of 6 May 2004.

On 9th July 2004, the highest judicial body of the United Nations, the International Court of Justice (ICJ), issued an Advisory Opinion on the Legal Construction of a Wall in the Occupied Palestinian Territories (A/ES-10/273 and Cor.1.). It ruled that the territory, including East Jerusalem, is unambiguously under 'belligerent occupation', (para 78, 101, 120) and such occupation is a denial of the Palestinian rights of self-determination. The ICJ ruled that both the Israeli settlements and the Separation Wall are built in breach of international law and that humanitarian law, the laws of war and human rights law apply cumulatively in the Occupied Palestinian Territory (paras 105-114).

The ICJ also stated that all States are under an obligation not to recognise the illegal situation resulting from the construction of the Separation Wall, must not render aid or assistance in maintaining that situation, and must see to it that any impediment to the Palestinian people's right to self determination is brought to an end (para 159). All States Parties to the Fourth Geneva Convention are under an obligation to ensure compliance by Israel with international humanitarian law as embodied in that Convention (para 159). The Court found that the Israeli obligations to comply were *erga omnes*, that is to all members of the international community. This in turn derived from the application of the *jus cogens* rule which means that breaches of obligation should not be recognised and this non-recognition is permanent.

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Such a finding indicates a very high level of legal obligation to States Parties. New Zealand is such a State Party, having signed the Fourth Geneva Convention on 11 February 1950 and ratified it 2 May 1959.

New Zealand has incorporated provisions of the Fourth Geneva Convention into New Zealand legislation, specifically the Geneva Conventions Act 1958 No19 (as of 1 July 2009), which is 'An Act to enable effect to be given to certain International Conventions done at Geneva on the 12th day of August 1949 and to certain Protocols additional to those Conventions, and for purposes connected therewith'.

New Zealand's International Crimes and International Criminal Court Act 2000, codifies the provisions of the Treaty of Rome, which relate to individual responsibilities for breaches of humanitarian law. This was the legislation under which a New Zealand judge issued an arrest warrant in 2006 for suspicion of war crimes against the former Chief of Israeli Defense Staff, now Minister of Strategic Affairs of Israel, Moshe Ya'alon, for his role in the assassination of Salah Shehade and others in Gaza in 2002.

On 20 July 2004, the General Assembly of the United Nations adopted by an overwhelming majority resolution ES-10/15 demanding that Israel heed the ICJ opinion. New Zealand voted in favour. Israel had adamantly refused to acknowledge the legitimacy of the ICJ, and for that matter the application of the Fourth Geneva Convention.

In 2005 a coalition of Palestinian NGOs and civil society organisations issued a call for the rest of the world to actively pursue non-violent punitive measures until Israel meets its obligation to recognize the Palestinian people's inalienable right to self-determination and complies with the precepts of international law by:

1. Ending its occupation and colonization of all Arab lands and dismantling the [Separation] Wall;
2. Recognizing the fundamental rights of the Arab-Palestinian citizens of Israel to full equality; and
3. Respecting, protecting and promoting the rights of Palestinian refugees to return to their homes and properties as stipulated in UN resolution 194 (III).

· Since September 2000, the Israeli army has killed more than 6,500 men, women and children in the Occupied Palestinian Territories (including Gaza) (OPT), by means of bombing, house demolitions and targeted assassinations. (Source: Palestine Solidarity Campaign, <http://www.palestinecampaign.org/images/apartheid%20factsheet%20-%20web.pdf>)

· Currently, about 10,000 Palestinian prisoners are being illegally held in Israeli jails, including more than 300 children, many under the system of 'administrative detention' — i.e. without charge or trial. (Source: Palestine Solidarity Campaign, <http://www.palestinecampaign.org/images/apartheid%20factsheet%20-%20web.pdf>)

· Israel uses more than 80 per cent of the water from the Mountain Aquifer, the main source of underground water in Israel and the OPT, while restricting Palestinian access to a mere 20

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per cent. Some 180,000-200,000 Palestinians living in rural communities have no access to running water and the Israeli army often prevents them from even collecting rainwater. (Source: Amnesty International, <http://www.amnesty.org/en/news-and-updates/report/israel-rations-palestinians-trickle-water-20091027>)

· Fully 95% of the Separation Wall is being built on Palestinian territory rather than on Israel's border, known as the Green Line. This means that the western sector of the Wall will effectively annex at least 10% of the West Bank to Israel. (Source: War on Want, <http://www.waronwant.org/attachments/Profiting%20from%20the%20Occupation.pdf>)

· The United Nations Human Rights Council Goldstone Report recently found that Israeli actions in the Gaza Strip between December 2008 and January 2009 may have amounted to war crimes. It cites a number of specific incidents in which Israeli forces launched 'direct attacks against civilians with lethal outcome'. These are, the Report says, cases in which the facts indicate no justifiable military objective pursued by the attacks. The incidents described include: Attacks in the Samouni neighbourhood, in Zeitoun, south of Gaza City, including the shelling of a house where soldiers had forced Palestinian civilians to assemble; Seven incidents concerning 'the shooting of civilians while they were trying to leave their homes to walk to a safer place, waving white flags and, in some of the cases, following an injunction from the Israeli forces to do so'; The targeting of a mosque at prayer time, resulting in the death of 15 people. (Source: United Nations, <http://www.unhchr.ch/hurricane/hurricane.nsf/view01/9B63490FFCBE44E5C1257632004EA67B?opendocument>)

The New Zealand Superannuation Fund, by investing in the listed corporations, is complicit in the occupation and the Israeli mechanisms of preserving that occupation, which include long-standing and severe breaches of international humanitarian and human rights law:

Corporation	Amount Invested	Activity[1]
Bank Leumi Le-Israel BM	\$1,475,329	The second largest bank in Israel. Has branches in the following settlements in the West Bank: Ma'ale Edomim, Oranit, Pisgat Ze'ev, Gilo and Kiryat Arba, and in Katzerin in the Golan Heights.
Bezeq Israeli Telecommunication Corp Ltd	\$227,510	The major Israeli telecommunication company. The company provides telecommunication services to all of the Israeli settlements, army bases and checkpoints in the West Bank and to Israeli settlements in the Syrian Golan Heights. The company built telecommunication infrastructure throughout the West Bank and Golan Heights. Additionally, its full subsidiary, Pelephone Communications, is an Israeli provider of cellular phone services, which erected close to a hundred antennas and telecommunication infrastructure facilities on occupied land in the West Bank and the Golan heights and provides cellular communication services to the settlers and Israeli soldiers in the occupied territory.

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		The company also owns YES which provide satellite broadcasting services to some of the checkpoints and to all Israeli settlements.
Boeing	\$701,826	Supplier of the F-15 Eagle and the AH-64 Apache attack helicopter to Israel.
Caterpillar	\$1,162,877	Supplies bulldozers to the IDF. The IDF uses these to destroy Palestinian homes, orchards and olive groves in the Occupied Territories. They are also used to clear Palestinian land for illegal Israeli settlements, segregated roads and the Separation Wall. Despite years of corporate engagement by investors, Caterpillar is expanding its role in the occupation, recently announcing a joint venture with InRobTech to develop unmanned remote-controlled bulldozers for Israel.
Cellcom Israel Ltd	\$137,157	An Israeli provider of cellular phone services. The company erected close to two hundred antennas and telecommunication infrastructure facilities on occupied land in the West Bank and the Golan Heights. The company provides cellular communication services to the settlers and Israeli soldiers in the Occupied Territory.
Delek Group Ltd	\$37,945	A fuel distributor. The company owns and operates a chain of Delek gas stations and Menta convenience stores near and in West Bank settlements
Elbit Systems Ltd	\$133,596	<p>One of two main providers of the electronic detection fence to the Separation Wall project in the occupied West Bank. Specifically, received the contract to the Jerusalem Envelope section of the Wall (Masu'a system) with the US Detekion.</p> <p>Subsidiaries Elbit Electro-Optics (El-Op) and Elbit Security Systems (Ortek) supplied and incorporated LORROS surveillance cameras in the Ariel section and for the A-ram wall.</p> <p>The company supplied UAVs (Unmanned Aerial Vehicles) to the Israeli army, which are in operational use in during combat in the West Bank and Gaza. The cameras in these UAV are manufactured by Controp Precision Technologies.</p> <p>According to reports, the company developed an armed UGV (Unmanned Ground Vehicle) for patrolling the border with Controp Precision Technologies and Tomcar.</p>

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Israel Bank Hapoalim BM	\$1,892,635	The largest Israeli Bank. Has branches in the illegal Gilo and Giv'at Ze'ev West Bank settlements and in the Golan Heights
Makhteshim-Agan Industries Ltd	\$1,803,893	Owns Fibertech which manufacture fiberglass pipes and products in a factory located in Karnei Shomron, which is an Israeli settlement in the occupied West Bank. The company also took part in various infrastructure projects in the West Bank.
Mizrahi Tefahot Bank Ltd	\$1,274,138	The Bank has branches in the following West Bank settlements: Alon Shvut, Karnei Shomron, Kedumim and Ramat Eshkol. The bank signed a financing agreement with the construction company Heftziba for the building of 58 housing units in the neighborhood settlement of Homat Shmuel (Har Homa) in East Jerusalem (the construction of most of the units was completed by 2008).
Partner Communications Co Ltd	\$137,182	An Israeli provider of cellular phone services. The company erected more than 160 antennas and telecommunication infrastructure facilities on occupied land in the West Bank and the Golan Heights. The company provides cellular communication services to the settlers and Israeli soldiers in the Occupied Territories.
United Technologies	\$5,517,080	Produces Blackhawk helicopters which are used by the Israeli military to attack Palestinian cities, refugee camps and villages.

We note that the New Zealand Superannuation Fund has obligations in legislation. Specifically, Section 58 of the New Zealand Superannuation and Retirement Income Act 2001, requires the Guardians of the Fund to invest so as to avoid prejudice to New Zealand's reputation as a responsible member of the world community.

Section 61(d) of the Act demands a Statement of Investment Standards and Procedures that provides for ethical investment to avoid prejudice to New Zealand's reputation as a responsible member of the world community.

Moreover, we understand from your statement of Responsible Investment Policy, that the Trust is a founding signatory to the United Nations' Principles for Responsible Investment. In particular we are further told that the Guardians have adopted the United Nations Global Compact, which sets 'core values' for investment using considerations of such matters as human rights.

The relevant principles of the UN Global Compact are;

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Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2. Make sure they are not complicit in human rights abuses.

Divestment from the corporations listed above would end the New Zealand Superannuation Fund's complicity with the Israeli occupation of Arab lands and Israel's ongoing breaches of international law and violations of human rights therein.

We look forward to hearing from you in the near future that you have divested from the above investments. We, of course, are only too happy to meet with you to discuss these investments should you have any questions about them.

Yours Sincerely,



On behalf of,

Investment Watch Aotearoa/New Zealand and,



Global Peace and Justice Auckland



Palestine Human Rights Campaign



Wellington Palestine Group

Cc Bill English, Minister of Finance

[1] The information provided is from <http://www.whoprofits.org/>, an online database maintained by leading Israeli peace organisation, *The Coalition of Women for Peace*.

RI Engagement Decision

Freeport McMoRan USA

Description of issue

Freeport McMoRan owns and operates the Grasberg gold and copper mine in Indonesia.

Freeport McMoRan's Grasberg mine in Indonesia has faced a long history of community resistance and security-related issues. The military and police force have a poor reputation for human rights abuses and illegal business activities that continue to this day. Elements in the Indonesian security forces assigned to mine have a history of ongoing human rights abuses. Freeport has responded to a long period of investor and NGO engagement by improving their own Human Rights policies and the training of its own security personnel. However, abuses and fatalities persist at the mine, including the deaths of several strikers last year during strike action that had endured for a number of months.

The company persists with payments to government security forces despite an independent human rights assessment recommending the company end the practice. The payments exacerbate community grievances and suspicion of the company. The company has put in place whistle-blowing systems but these payments and its dependence on the military and police during strikes must undermine trust in such a system. It is unclear if the security payments are legal under Indonesian law but the company states that it is part of the contractual requirements it has with the government. Despite this experience Freeport repeated the controversial practice of payment to government security forces in the Congo, where again such forces have a poor reputation for human rights.

Relevant RI standards

Regulatory Environment:	
Universal Declaration of Human Rights	Inconsistent with Human Rights Norms
National Local Law	Military payments may not be illegal
UN Global Compact Principles 1	Support international human rights
UN Global Compact Principles 2	Not complicit in human rights abuses

Assessment

Reputable evidence of breach

Materiality of issue

Contravention of international sanctions?	N	<p>The company has improved its Human Rights Policies and management systems, including training and control over its own security personnel. Human rights abuses related to the mine include a history of reprisals against indigenous protests over environmental and social impacts of the mine. The security presence in the area is heavy with separatist movements adding to the risk of conflict.</p> <p>Despite the company's efforts, there were fatalities at the hands of government security forces during strikes last year. Of particular concern is the company's continuation of financial and in-kind payments to the military. The impact of the abuses are severe and long-term. The company appears to have little control over the external security at the mine and there are accusations that the military are operating illegal businesses in the region.</p>
Significant regulatory non-compliance?	Y	
Severe long-term impact	Y	
Severe but short-term impact	Y	
Structural problem (history of problems)?	Y	
Direct involvement?	Y	

Assessment**Severe long term historical and ongoing impact****Key sources**

MSCI Reports. – (#401554)

Assessment**Reputable evidence based on reliable sources****Likely effectiveness of engagement****Context**

Issue conflicts with purpose of co.	N
Lack of ability to control situation	Y
Legal compliance is not sufficient	Y

Responsiveness

Structural issue (history of problems)	Y
History or culture of non-engagement	N
Lack of response to direct engagement	Y
Limited ability to collaborate with peers	N
Only responds to extreme engagement	N
Has reached limits of what company can do	Y
Language or cultural barriers	N

Company has lack of ability to control government security forces assigned to the mine area.

There has been significant improvement in its own human rights policies including training of police personnel. However Freeport has not addressed or ended payments to the military. The company appears to have a structural weakness in managing security and community issues as it has repeated this controversial policy to pay government forces in the Congo. Peers are actively engaging.

Assessment**Partial effectiveness so far but limited chance of further improvements****Resource requirements to engage**

One of our focus issues?	Y
NZ or Australian company?	N
Can engage with other investors?	Y
Can monitor company behavior?	Y
One of our larger holdings?	N
Exclusion will harm fund performance?	N
Engagement likely to succeed?	N

Human Rights especially in conflict zones is a focus issue. Significant resources already expended.

This is not a key company by region (Aus/NZ) or size so is unlikely to impact the portfolio return. However, further engagement is unlikely to be successful and we have reached the limits of what can be achieved, even with collaboration with other investors. Further resources would be extensive as it would need to challenge legal arguments on payments to security forces.

Assessment**Significant resources required to achieve any further progress****Recommendation****Exclude**

Other issues:

Freeport McMoRan has a history of poor environmental, human rights and governance performance at the Grasberg mine. The Norwegian Government Pension Fund excluded the company due to the severe environmental damage from riverine tailings disposal. The company has stated that the mine

cannot operate without this form of waste disposal, and the sustainability of its business is exposed to regulatory risk should Indonesia follow most of the rest of the world and ban riverine disposal.

This practice is also relevant to the social and security situation since it has led to an influx of people seeking to make a living from panning the tailings in the river for gold. This has in turn likely led to the increase in crime, HIV, and accusations of illegal military business operations in the area. Indigenous people are aggrieved and security forces take hard-line approach to political and community protests against the mine.

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Lois Griffith Petition—analysis

General Summary

Key points on the 6 stocks:

- All 6 have alleged activities to do with the Israel separation Barrier issues
- The 3 key issues that are common amongst these companies are alleged human rights abuses (by Caterpillar and G4S), and poor practices by the 3 Banks. By providing surveillance equipment – Elbit is seen as supporting the barrier initiative.
- The International Court of Justice (ICJ) deems the separate barrier to be illegal - http://en.wikipedia.org/wiki/Israeli_West_Bank_barrier
- An Israeli High Court decision on a petition from two Palestinian enclaves ordered the Israeli government to “within a reasonable period, reconsider the various alternatives for the separation fence route at Alfei Menashe”. Therefore the legality of certain aspects of the Separation Barrier project is questionable also under Israeli law itself. However, it is the State, *not the companies*, that were the responsible parties in this case.
- The three Banks are accused of providing finance to businesses and others that are located near or on the Separation barrier and providing mortgages to settlers in the disputed West Bank. On a separate business ethics issue all are implicated and entwined in the same breach of poor customer practices (charging higher fees, withholding customer taxes etc).
- The AP funds, ATP and the Norwegian Pension Fund have excluded Elbit systems, however none of the other companies have been excluded by any of our key peers (including PGGM).
- Two Danish institutions have also excluded Elbit Systems (Danish Bank (Danske Bank), and PKA Ltd. (Pensionskassernes Administration A/S), one of the largest funds administrating workers’ pension funds in Denmark)). Their main reasons were that the barrier only serves military purposes and violates Palestinian human rights. They have looked at whether companies produce custom designed products to the wall and thus have a particular involvement in repressive activities. <http://stopthewall.org/worldwideactivism/2166.shtml>
- [REDACTED]
- Elbit, and G4S have business ethics policies, and all 3 banks have an approach to CSR.
- When googling - The 3 companies and 3 banks are identified on one main NGO website (Who profits – focused on exposing companies operating in Israel) – stating that the Banks provide financing for the construction of housing projects in Israeli settlements in the occupied territory (providing loans and financial services to local authorities of West Bank settlements) – hence supporting the activities of the separation barrier.

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NZ – MFAT position

There is no evidence to state NZ has a sanction against Israel

Key points on why not to exclude

- Companies are not carrying out any illegal activity – therefore not prejudice to NZ’s reputation.
- NZ does not have any sanctions against Israel – our investment approach is consistent with international standards, New Zealand legislation and Crown actions

<http://www.mfat.govt.nz/Treaties-and-International-Law/09-United-Nations-Security-Council-Sanctions/index.php>

<http://www.mfat.govt.nz/Countries/Middle-East/Israel.php>

Elbit Systems

Elbit systems are on our RI Red list- and has been excluded by Norwegian Pension Fund because of its involvement in supplying surveillance to the Israel govt (which is then used in the monitoring of civilians crossing the separation barrier). A few of our peers have excluded Elbit systems based on the fact that: *The construction of parts of the barrier may be considered to constitute violations of international law, and Elbit, through its supply contract, is thus helping to sustain these violations. The International Court of Justice (ICJ) deems the separate barrier to be illegal.* For this reason, the AP funds (ethical council), ATP and the Norwegian Pension Fund have excluded Elbit systems.

See the Norwegian Pension Fund’s detailed report here: <http://www.regjeringen.no/pages/2236676/Tilrådning%20Elbit%20engelsk.pdf>

Table 1: 6 Companies on petition – based on MSCI and internet research

Company	Company activity	Key ESG issue	Summary of issues	MSCI detailed Research
Elbit Systems	Israel – Aerospace and defence	By supplying surveillance Cameras – company is seen as encouraging Separation barrier activity (Human rights abuses)	<p>Elbit Systems provided weapons and surveillance systems to the Israeli government for use in controversial military actions against both combatants and non-combatant civilians in the West Bank and the Gaza Strip.</p> <p>[REDACTED]</p> <p>The International Court of Justice determined that the construction of the wall - approximately 80% of which is in Palestinian territory - violates international law and is an illegal annexation.</p> <p>The company has a code of ethics policy – which states the company complies with all applicable laws, governmental rules and regulations. The Code contains a "whistleblower" process to encourage reports of Code violations.</p> <p>http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9Nzg3NzJ8Q2hpbGRJR0tMXxUeXBIPtM=&t=1</p>	[REDACTED]

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Caterpillar	US Company: Farm Machinery and heavy truck	Human rights abuses Supplying trucks to Israel	<p>Caterpillar has been constantly criticized by human rights groups for selling armored bulldozers to the Israeli government, which allegedly uses some of them to bulldoze Palestinian settlements to assist in the creation of the separation barrier.</p> <p>[REDACTED]</p> <p><i>have the legal right to regulate how customers use the company's products and that the vast majority of the company's machines are used for peaceful purposes.</i></p>	[REDACTED]
G4S	UK Company: Security and Alarm services	<p>[REDACTED]</p> <p>Has activity in Israel</p>	<p>[REDACTED]</p> <p>In South Africa the Company has been accused of retaliating against employees who report on the company's wrongdoing s.</p> <p>G4S has also received some bad press with its operations in Israel (proving guards for businesses on the separation barrier). By providing security services to illegal settlement businesses, it is alleged that G4S facilitates Israel's violations of international law.</p> <p>Although MSCI did not cover this in their report – its worth reading this internet link: http://electronicintifada.net/content/security-firm-g4s-confirms-involvement-israels-occupation/9169</p> <p>G4S – has a Code of Business ethics and is a signatory to the UNGC.</p> <p>G4S supports the principles of the United Nations Universal Declaration of Human Rights http://www.g4s.com/en/Social%20Responsibility/Our%20ethics/~/_media/Files/Corporate%20Files/g4s_business_ethics_policy.ashx</p> <p>Media release in March 2011 – where G4S – says that their security services in the West Bank are not in compliance with the company's ethical policies, even though their activities are not discriminating or controversial – therefore they will end a number of its activities in the occupied West Bank area. http://www.business-humanrights.org/media/documents/g4s-stops-activities-in-west-bank-11-mar-2011.pdf</p> <p>G4S in their CSR reports outlines a checklist - where they assess new market entries, major contracts</p>	[REDACTED]

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			and other significant investments to ensure they comply with political, ethical, social, technological, environmental and legal standards.	
Hapoalim Bank	Israel Bank	<p>Bribery and Corruption, and Poor business practices</p> <p>Financing project on West Bank</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>In addition, (From a NGO website, [REDACTED]) this bank is also in the spotlight as the Bank provides financing for the construction of housing projects in Israeli settlements in occupied territory, provides loans and financial services to local authorities of West Bank settlements and provides loans for Israeli businesses operating in the occupied territory (by providing such finance – the Bank is seen as supporting the occupation of the disputed territories).</p> <p>http://www.whoprofits.org/Company%20Info.php?id=570</p> <p>Bank Hapoalim is leading on the TASE's Maala index (index which measures and ranks ESG performance of Israeli public firms). The Bank has continuously been awarded the highest possible rank (since 2003) – Platinum - and received the highest grade in 2009 and 2010 (obtained from the Bank's website).</p> <p>Bank Hapoalim has also been added to the FTSE4Good global index.</p> <p>The banks is also a signatory to the UNGC.</p> <p>http://www.bankhapoalim.com/wps/portal/int/lobbyssr?WCM_GLOBAL_CONTEXT=bhint/int/home/sresponsibility&contentIDR=3cabec8046f5c6ddb971f9de98bedc56&useDefaultDesc=0&useDefaultText=0&proceed=1</p> <p>Last CSR report released in 2009.</p>	[REDACTED]
Bank Leumi	Israel Bank	Poor business practices	[REDACTED]	[REDACTED]

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		<p>Financing project on West bank</p>	<p>In addition (From a NGO website, and not covered by MSCI in any detail) - this bank is also in the spotlight as the Bank provides financing for the construction of housing projects in Israeli settlements in occupied territory, provides loans and financial services to local authorities of West Bank settlements and provides loans for Israeli businesses operating in the occupied territory (by providing such finance – the Bank is seen as supporting the occupation of the disputed territories). http://www.whoprofits.org/Company%20Info.php?id=499</p> <p>The company has a social responsibility approach – Lumi was awarded the highest possible rating-a Platinum Rating-for the Tase’s Maale Rating of corporate responsibility in 2009 - Leumi was identified as excelling in corporate governance. http://english.leumi.co.il/Articles/16925/</p> <p>Last CSR report released in 2006.</p>	
<p>Israel Discount Bank</p>	<p>Israel Bank</p>	<p>Poor business practices</p> <p>Financing Project on West Bank</p>	<div data-bbox="698 751 1928 1189" style="background-color: black; width: 100%; height: 100%;"></div> <p>In addition, (From a NGO website, and not covered by MSCI) this bank is also in the spotlight as the Bank provides financing for the construction of housing projects in Israeli settlements in occupied territory, provides loans and financial services to local authorities of West Bank settlements and provides loans for Israeli businesses operating in the occupied territory (by providing such finance – the Bank is seen as supporting the occupation of the separation barrier). http://www.whoprofits.org/Company%20Info.php?id=558</p>	<div data-bbox="1928 751 2092 821" style="background-color: black; width: 100%; height: 100%;"></div>

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			<p>Within its domestic market, Israel Discount Bank has consistently been recognized as being ranked among the Top 10 Israeli companies in terms of its corporate social responsibility and community involvement (From the banks website) – also listed on the Tase’s Maale Israeli sustainability index.</p> <p>Last CSR report released in 2009.</p>	
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Memorandum

To: Adrian Orr

cc: Paul Gregory; Tim Mitchell

From: [REDACTED] Anne-Maree O'Connor

Date: 7 Oct 2011

Subject: Commerce Committee – Israeli companies

The Issue

All 6¹ of the companies listed on the Lois Griffith petition are linked to the Israel Palestinian, West Bank or separation barrier issue.

In a 2004 advisory opinion, the International Court of Justice found that *"the construction of the wall, and its associated régime, are contrary to international law"*. Based on this, it can be considered that the State of Israel to be acting contrary to international law. Continued Israeli settlement in the West Bank is also aggravating the peace process.

An Israeli High Court decision on a petition from two Palestinian enclaves ordered the Israeli government to "within a reasonable period, reconsider the various alternatives for the separation fence route at Alfei Menashe²". Therefore the legality of certain aspects of the Separation Barrier project is questionable also under Israeli law itself. However, it is the State, *not the companies* that are the responsible parties in this case.

There is public (NGO) criticism, that by providing services to the government used in the construction and operation of the barrier, that Elbit, G4S and Caterpillar are directly, or indirectly helping to sustain these violations. In addition, NGOs criticize the three Banks, Hapoalim Bank, Bank Leumi and Israeli discount Bank, for helping to continue settlement in disputed territories by providing mortgages and financial services to settlers.

Analysis

The UN Guiding Principles on Business and Human Rights (John Ruggie report³) are grounded in recognition of a) States' existing obligations to respect, protect and fulfill human rights and fundamental freedoms; b) the role of business enterprises as specialized organs of society performing specialised functions, required to comply with all applicable laws and to respect human rights and finally c) the need for rights and obligations to be matched to appropriate and effective remedies when breached.

In this case, the State of Israel is responsible for the construction of the Separation Wall and is also responsible for allowing further settlement in the West Bank. Companies operating in areas of conflict are often indirectly drawn into human rights and other controversies through

¹ Elbit systems, Caterpillar, GAS, Bank Hapoalim, Bank Leumi, and Israel Discount Bank.

² Alfei Menashe is a Jewish Israeli settlement located in the seam zone on the western edge of the central West Bank



³<http://www.business-humanrights.org/media/documents/ruggie/ruggie-guiding-principles-21-mar-2011.pdf>

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the actions of States or governments. We encourage companies to draw on international guidelines to avoid or mitigate these risks.

Key analysis to date:

1. 
 Table 1 in appendix 1 provides a high level analysis on the 6 companies.
2. The Norwegian Council of Ethics decided the risk of complicity was there for Elbit (which provides security technology and services that are integral to the wall). The Council therefore excluded the company. However, the council also decided that Caterpillar was not complicit for providing bulldozers to the Israelis since they did not control what the bulldozers were used for. They were used by the Israeli government in the construction of the Wall and allegedly in clearing Palestinian homes as part of this construction. The Council has not made public if it is monitoring, reviewing or making decisions on the other companies mentioned in the petition.
3. All the companies will believe they are operating in compliance with Israeli law with regards to operations in the West Bank since they are permitted by the Government. G4S has also stated it has sought legal advice and is operating in accordance with international and UK law. However, G4S has decided to end some of its services in Israeli which it does not believe meets its own Corporate Ethical standards (press release March 2011)⁴.
4. The three banks (Hapoalim Bank, Bank Leumi and Israeli discount Bank) are criticized by NGO's for providing services and financing to Israeli citizens and businesses settling in West Bank territories. On a separate business ethics issue all are implicated and entwined in the same breach of poor customer practices (charging higher fees, withholding customer taxes etc). Nevertheless, all 3 bank's websites report approaches to Corporate Social Responsibility and all receive commendable rankings on Israeli ESG indices.

GNZS Action

Companies operating in regions of conflict face higher exposure to human rights and other social risks. For this reason, in 2009 GNZS was part of the UN Expert Group consultation on responsible business and responsible investment in conflict zones. This resulted in the UN "Guidance on Responsible Business in Conflict-Affected and High -Risk Areas: A Resource for Companies and Investors". This UN guidance provides the primary focus of our engagement with companies operating in these situations.

We added Elbit Systems to our High Risk list (Feb 2010) mainly on account of the Norwegian Council of Ethics reports. We analyzed the company and decided to take engagement action due to the level of concern regarding the separation barrier. 



⁴<http://www.business-humanrights.org/media/documents/g4s-stops-activities-in-west-bank-11-mar-2011.pdf>

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The other 5 companies are not on our High Risk List [REDACTED] and have not been excluded by any of our peer funds. Therefore we have taken no action rather than have MSCI screen these and deliver their analysis as part of their normal service to us.

Conclusion

Apart from Elbit, none of these companies are on our High Risk List. [REDACTED]

Going forward, we will continue to engage with Elbit Systems as part of our engagement process, requesting they implement the UN Guidance on conflict zones.

Based on our current understanding of the facts, we have no intention in adding the other 5 companies onto our engagement list, unless of course we become aware of additional information which changes our view. In the meantime, we will track the other 5 companies and keep abreast of any peer activity undertaken on these companies.

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Appendix 1

Table 1: Analysis of Companies on petition

Name	Alleged Issue specific to separation barrier	MSCI analysis	Have peers excluded?	GNZS Action
Elbit Systems	Human rights abuses: supplying surveillance Cameras used on the barrier (hence seen as encouraging barrier activity)		Yes Norwegian council of Ethics, AP Funds, and ATP	MSCI Screen plus Internal analysis On high risk stock list (engagement ongoing)
Caterpillar	Human rights abuses: Supplying trucks to Israel, which is then alleged as being used to bulldoze Palestinian homes		No	MSCI Screen only
G4S	Human rights abuses: Having security guards on the barrier (hence seen as encouraging barrier activity)		No	MSCI Screen only
Hapoalim Bank	Human rights abuses: financing settlements in the West Bank.		No	MSCI Screen only
Bank Leumi	Human rights abuses: financing settlements in the West Bank.		No	MSCI Screen only
Israeli discount Bank	Human rights abuses: financing settlements in the West Bank.		No	MSCI Screen only

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Main Companies				
Companies	Industry	Country	Action	Description
Separation Barrier				
Elbit systems	Military & Security	Israel	Don't Hold	Direct involvement through TORCH electronics system which appears to be one of main components of the barrier and control regime. Elbit is end-supplier and TORCH appears to be especially designed for and is integral to the separation barrier.
Group4Security	Global Security firm	UK	No action	Security equipment to checkpoints - is not integral in the respect Group4 equipment could readily be replaced by other equipment. G4S has decided to exit some contracts involving checkpoints, prisons and police stations in line with Business Ethics Policy.
Settlements construction				
Africal Israel (& Danya Cebus)	Property developer	Israel	Exclude decision pending	Direct construction of settlements in OPT
Shikun & Binui	Construction	Israel	Exclude decision pending	Direct construction of settlements in OPT
Caterpillar	Industrials	US	No action	Used by Government to clear Palestinian settlements - it is the government that is accountable for use of its equipment not Caterpillar.
Bank Hapoalim	Bank	Israel	No action	Not directly involved in construction or maintenance of settlements or barrier - proceeded no further with assessment

27 August 2013

Dear 

REQUEST UNDER THE OFFICIAL INFORMATION ACT 1982

Thank you for your request dated **1 July 2013** made pursuant to the Official Information Act 1982 ("OIA").

Your Request

Your request centred around documents, information and correspondence relating to the NZ Superannuation Fund's decision to exclude Africa Israel Investments and subsidiary Danya Cebus; Elbit Systems Limited; and Shikun & Binui from the Fund in December 2012. In addition to information we have previously supplied you via email, you have requested:

- the correspondence we referred to between the NZSF and any NGOs or individuals about the three Israeli companies;
- 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.

Our Response

Details of the information we have pertaining to your request are set out in the table **enclosed** at Appendix 1 to this letter. As set out in Appendix 1, we are withholding some of the information you have requested on the basis that we have good reasons for doing so under **Section 9** of the OIA.

Our reasoning is that it is necessary for us to withhold some of the information you have requested in order to:

- Protect the privacy of natural persons (section 9(2)(a))
- Prevent the disclosure of a trade secret, or prevent commercial prejudice to the person supplying or subject to the information requested (section 9(2)(b))
- Protect information which is subject to an obligation of confidence where disclosure of the information would be likely to prejudice the supply of similar information or information from the same source, and it is in the public interest that such information continue to be supplied, or where the supply would otherwise be likely to damage the public interest (section 9(2)(ba))
- Maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers and employees of any organisation (section 9(2)(g))
- Enable an organisation holding the information to carry out, without prejudice or disadvantage, commercial activities (section 9(2)(i))
- Enable an organisation holding information to carry on, without prejudice or disadvantage, negotiations (section 9(2)(j))

Where we have withheld information, we have considered whether the public interest in favour of disclosing that information outweighs our reasons for withholding it. We have reached the decision that the balancing test required, for each of the reasons outlined above, favours non-disclosure of some of the information requested on the bases that:

- A. Section 9(2)(a)** . We wish to protect the privacy of those staff whose names are in the documents who did not hold senior roles at the Guardians or other organisations and the privacy of members of the public who contact us.
- B. Section 9(2)(b)(i)** We carry out commercial activities in relation to the Fund. In investing the Fund we compete in a global market for access to the best investment managers and investment opportunities, as well as competing for a variety of suppliers such as investment advisers, responsible investment screening agencies, and custodians. Our business partners and suppliers are each commercial entities in their own highly competitive markets. They are very concerned about protecting their trade secrets and other intellectual property. They will not work with us if we cannot uphold the confidentiality of this truly sensitive information. We strongly believe that it is in the public interest that we can maintain the highest standards of commercial sensitivity with those we work with.
- C. Section 9(2)(b)(ii)** We carry out commercial activities in relation to the Fund. In investing the fund we compete in a global market for access to the best investment managers and investment opportunities, as well as competing for a variety of suppliers such as investment advisers, responsible investment screening agencies, and custodians. Our business partners and suppliers are each commercial entities in their own highly competitive markets. They are very concerned about protecting information relating to their pricing strategies, marketing strategies and other sensitive commercial information. They will not work with us if we cannot uphold the confidentiality of this truly sensitive information. We strongly believe that it is in the public interest that we can maintain the highest standards of commercial sensitivity with those we work with.
- D. Section 9(2)(ba)(i)** Our engagement with our partners, co investors, companies with which we engage on responsible investment matters and suppliers are frequently conducted on a confidential basis, with our correspondence with them being subject to an obligation of confidence. Our partners, co investors, companies in which the Fund is invested and suppliers are reassured by our pledges to maintain and respect confidentiality. They will not work with us if we cannot uphold confidentiality of this truly sensitive information, creating a very real risk that future engagement and the supply of such information would be jeopardised. It is in the public interest that we can maintain the highest standards of confidentiality and commercial sensitivity with those we work with.
- E. Section 9(2)(g)(i)** It is important for our efficient and effective operations that our staff and officers are able to express their opinions freely and frankly. Release of such information in the current case would be likely to inhibit future free and frank expression of opinions of our staff and officers, where it would be detrimental to the public interest
- F. Section 9(2)(i)** We carry out commercial activities in relation to the Fund. In investing the fund we compete in a global market for access to the best

investment managers and investment opportunities, as well as competing for a variety of suppliers such as investment advisers, responsible investment screening agencies, and custodians. Our responsible investment engagements are also part of our commercial activities. Our position will be prejudiced or disadvantaged if information concerning our strategy and likely future investment actions were made known to the relevant market participants ahead of any such actions. Our partners, and suppliers will not wish to work with us if we cannot uphold confidentiality of this truly sensitive information. It is in the public interest that we can maintain the highest standards of confidentiality and commercial sensitivity with those we work and engage with as well as our own commercial sensitivity.

- G. Section 9(2)(j)** We frequently engage with third parties including investment managers, advisers, custodians, co-investors, companies in which the Fund is invested, vendors and other suppliers in relation to investment management, investment and operational due diligence, custody of investments, and the appointment of suppliers relevant to those activities. This engagement frequently involves negotiations with those companies. The effectiveness of such negotiations would very likely be undermined if we disclosed the nature and details of the negotiations.

General

██████████ if you are not satisfied that we have adequately responded to your request, or if you have further questions, please contact me to clarify your requirements.

General

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

Yours sincerely



Catherine Etheredge
Head of Communications

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Appendix 1

No.	Doc Ref	Doc Date	Document Name	Whole Relevant to Request	Sections Relevant to Request	Released/ Withheld	Reason for withholding
1. Request for correspondence on this issue between the NZSF and NGOs and/or individuals							
1	71571	3/12/2009	Response to Investment Watch Dec 2009 Israel Companies	Yes		Released in full	N/A
2	273974	29/09/2011	2011-09-22 Letter to David May from Commerce Committee pertaining to Petition 2008/143 of Lois Griffiths and 382 Others	Yes		Released in full	N/A
3	792854	7/09/2012	Email trail between Catherine Etheredge (NZSF) and Treasury staff member: "RE: PQ – Russel Norman"	Yes		Released in full except name of Treasury staff member	Grounds A and E
4	811659	21/11/2012	Emails from Catherine Etheredge (NZSF) to member of public: "FW: Query from website"	Yes		Released in full except name of correspondent	Ground A
5	811662	21/11/2012	Email from Catherine Etheredge (NZSF): "RE: Investment enquiries - Elbit"	Yes		Released in full except name of correspondent	Ground A
6	811663	21/11/2012	Email from Catherine Etheredge (NZSF): "RE: Divest from Elbit"	Yes		Released in full except name of correspondent	Ground A
7	811664	21/11/2012	Email from Catherine Etheredge (NZSF): "RE: Ethics & the Superannuation Fund"	Yes		Released in full except name of correspondent	Ground A
8	811665	21/11/2012	Email from Catherine Etheredge (NZSF): "RE: Investments by NZ Superannuation Fund - Elbit"	Yes		Released in full except name of correspondent	Ground A
9	811666	21/11/2012	Email from Catherine Etheredge (NZSF): "RE: Contribution? - Elbit"	Yes		Released in full except name of correspondent	Ground A
10	811669	21/11/2012	Email from Catherine Etheredge (NZSF): "RE: Stop unethical investment - Elbit"	Yes		Released in full except name of correspondent	Ground A
11	811716	21/11/2012	Email from Catherine Etheredge (NZSF): "Re: Investments by NZ Superannuation Fund - Elbit"	Yes		Released in full except name of	Ground A

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No.	Doc Ref	Doc Date	Document Name	Whole Relevant to Request	Sections Relevant to Request	Released/ Withheld	Reason for withholding
						correspondent	
12	811779	21/11/2012	Email from Catherine Etheredge (NZSF) to James Ihaka, NZ Herald: "Response to petition as requested - Elbit" Attachment: "Guardians Final response to Israel petition" (PDF)	Yes		Released in full	N/A
13	811857	21/11/2012	Email from Catherine Etheredge (NZSF): "RE: NZ superfund enquiry"	Yes		Released in full except name of correspondent	Ground A
13A	811858	21/11/2012	Email trail between Catherine Etheredge (NZSF) and member of the public: "RE: Elbit"	Yes		Released in full except name of correspondent	Ground A
13B	811984	21/11/2012 - 22/11/2012	Email trail between Catherine Etheredge (NZSF) and member of the public: "RE: re shares"	Yes		Released in full except name of correspondent	Ground A
13C	812502	21/11/2012 - 23/11/2012	Email trail between Catherine Etheredge (NZSF) and member of the public: "RE: Elbit Systems Ltd"	Yes		Released in full except name of correspondent	Ground A
13D	812573	22/11/2012 - 23/11/2012	Email trail between Catherine Etheredge (NZSF) and members of the public /media/stakeholders: "RE: Catherine Etheredge, NZ Superfund RE: Shares in Elbit Systems Ltd"	Yes		Released in full except name of correspondent	Ground A
14	815972	6/12/2012	Email from Catherine Etheredge (NZSF) to Gavin Walker: "Email to GW re [REDACTED]" Attachment: "Guardians Final response to Israel petition" (PDF)	Yes		Released in full except email address of correspondent	Grounds A and E
15	819360	19/09/2012 - 12/12/2012	Email trail between Adrian Orr and Russel Norman: "RE: New Zealand Superannuation Fund's investment in Shikun and Binui Ltd"	Yes		Released in full	N/A
16	817082	12/12/2012	Email from Robert Ashe: "Greens Welcome Super Fund divestment decision – Green Party media release"	Yes		Released in full	N/A
17	818196	13/12/2013	Email correspondence between [REDACTED] and Catherine Etheredge: "Re: FW: Media Statement – NZ Super Fund excludes three companies on responsible investment grounds"	Yes		Released in full except email address of correspondent	Ground A

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No.	Doc Ref	Doc Date	Document Name	Whole Relevant to Request	Sections Relevant to Request	Released/ Withheld	Reason for withholding
18	817812	17/12/2012	Email from Catherine Etheredge (NZSF) to Henry Benjamin (journalist): "RE: Israel and the NZ Super"	Yes		Released in full	N/A
19	839945	05/03/13	Email FW: Letter for Gavin Walker attached - Palestine (2013-03-05)	Yes plus attachment		Released in full	N/A
20	842608	14/03/2013	Email to John Minto with our response 14 March 2013 Attachment: Response to John Minto - Global Peace & Justice Auckland - Israel (2013-03-05)	Yes		Released in full	N/A
21	863805	15/05/2013	Email from Catherine Etheredge (NZSF) to Tim Hunter, Sunday Star-Times: "Exclusions - previous announcements" Attachment: "RI Awards pr_au" (PDF)	No	Email	Released in full	N/A
22	896781	31/07/2013	Excerpt from Investment Watch Website - Letter to Guardians Israel	Yes – response is 71395		Released in full	N/A
2. Request for the RI Engagement Decision document for the excluded company Freeport-McMoRan Copper & Gold Inc.							
23	400928	25/07/2012	RI Engagement Decision – Freeport McMoRan July 2012	Yes		Partial Withhold	Grounds D, E, F and G
3. Request for NZSF reviews of the practices of G4S, Caterpillar and Bank Hapoalim particularly in relation to Israel							
24	269657	13/09/2011	Analysis table for Lois Griffiths petition - September 2011		Yes – mostly	Partial Withhold	Grounds A, B, C, D, F and G
25	275695	07/10/2011	Memo – Lois Griffiths Summary of Position Oct 2011	Yes		Partial Withhold	Grounds A, B, C, D, E, F and G
26	894081	23/07/2013	Companies operating in Israel & OPT	Yes		Released in full	N/A

From: [Harmeet Sooden](#)
To: [Catherine Etheredge](#)
Subject: Re: OIA response
Date: Sunday, 15 September 2013 8:18:44 AM

Hi Catherine

Thank you very much for this.

Kind regards,
[REDACTED]

On 27/08/2013, at 2:35 PM, Catherine Etheredge wrote:

Hi [REDACTED]

Once again, sincere apologies for the delay with this. The documents and our covering letter are attached. Please feel free to call / email me if you have any further questions.

Best regards

Catherine

Catherine Etheredge

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