

10 November 2021



REQUEST UNDER THE OFFICIAL INFORMATION ACT 1982

Thank you for your Official Information Act 1982 ("OIA") request, which we received on 30 September 2021.

On 7 October 2021 we sought to clarify your OIA request, and spoke to you on the phone on Friday, 8 October. During the call we explained some of the challenges in conducting an information search on such a broad subject as human rights and also provided you with an overview of the kind of information we believe we hold and whether or not different types of information would be likely to be released.

On Tuesday, 12 October we sent an email summarising the call, to which you replied on the same day confirming the scope of the request.

Your Request

As per your confirmation, you have requested the following information:

1. The number of focus stocks currently identified by the Guardians for analysis and monitoring as part of our engage/exclude process;
2. The number of stocks currently being actively considered for exclusion;
3. The number of human rights investor engagements in which the Guardians is participating;
4. For the period since 1 January 2021, the:
 - number of written complaints, by human rights issue, received from members of the public and/or advocacy groups;
 - number of media engagements in respect of the Fund's investments, by human rights issue; and
 - number and details of engagements (emails / meetings) with political stakeholders specifically dedicated to the relevant human rights issue.

We agreed we would not include, under question 4, statistics for complaints or engagements which are mainly focussed on human rights issues relating to the Occupied Palestinian Territories (OPT), some of which reference human rights abuses in China and Myanmar by way of comparison. These are not included in our response.

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Our response:

1. The number of focus stocks currently identified by the Guardians for analysis and monitoring as part of our engage/exclude process

As at 10 November, we are currently considering 58 stocks under our Responsible Investment Framework, which provides for, broadly, research/analysis, monitoring, engagement and exclusion.

2. The number of stocks currently being actively considered for exclusion

There are currently no companies which are currently being “actively considered” for exclusion – which we interpret as the point where a recommendation to exclude has been prepared for our Investment Committee to review and endorse and for our CIO to then consider and approve.

As noted above, there are currently 58 stocks on our focus list. These are at various stages of consideration under our Responsible Investment Framework.

Recommendations to exclude a company typically but do not always follow a period of engagement with that company. When considering whether exclusion may be appropriate we take into account the factors set out in our Responsible Investment Framework, which include whether and how the company has responded to engagement or whether we consider engagement is unlikely to be effective.

3. The number of human rights investor engagements in which the Guardians is participating

The Guardians is currently participating in three collaborative investor engagement such initiatives related to human rights. These are as follows:

1. Investor Statement on Human Rights and Business Activities in Myanmar: <https://investorsforhumanrights.org/investor-statement-myanmar-human-rights-and-business-activities-supporting-military-junta>
2. Facial Recognition Initiative: https://www.candriam.com/4a49b8/siteassets/campagne/facial-recognition/2021_06_investor_statement_en_final.pdf. This initiative is engaging with several companies included in our portfolio to address the risks raised by facial recognition technology products and services.
3. Supply chain issues relating to the treatment of minority groups in Xinjiang – we have commenced engagement on this issue, via an external service provider, with companies that source from the region. More information is available here.

The Guardians has recently concluded an engagement with social media companies Meta (owners of Facebook), Alphabet (owners of YouTube) and Twitter. For the past two years, the Guardians has led a global collaborative engagement initiative calling for these companies to strengthen controls to prevent the live-streaming and distribution of objectionable content on their platforms.

More information about the initiative is available on our website, which also includes an open letter to Facebook, Alphabet and Twitter published on behalf of the engagement participants.

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The initiative was recently named the Stewardship Initiative of the Year by the United Nations-supported Principles for Responsible Investment.

Our external engagement service provider, BMO, reports each quarter on the number of company engagements they have undertaken on human rights. These reports are publicly available on our website at: <https://www.nzsuperfund.nz/how-we-invest/responsible-investment/engagement/>. In summary, for the year to date commencing 1 January 2021, BMO has reported as follows:

Quarter	# of company engagements	Further detail as applicable
Q1 2021	89	Report includes a case study on a human rights engagement with Tyson Foods
Q2 2021	41	N/A
Q3 2021	24	N/A

Further information on BMO's engagement activities on our behalf are contained in our Annual Report for the year to 30 June 2021. Please refer to pages 63 and 64.

4a and 4b Summary of written complaints and media engagements since 01 January 2021

Issues (excluding OPT)	Number of written complaints on the relevant human rights issue received from members of the public and/or advocacy groups	Number of media engagements in respect of Fund's investments and the relevant human rights issue
Human Rights generally	1 (this complaint raised a range of ESG concerns including but was not limited to human rights).	0
China	5	3
Myanmar	15	5
Saudi Arabia	1	0
Top Glove	1	1

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4c Number and details of engagements (emails / meetings) with political stakeholders specifically dedicated to the relevant human rights issue

There has been recent engagement with the Co-Chairs of the New Zealand Inter-Parliamentary Alliance on China (NZIPAC). The details are as follows:

	Date	Details
1	23 September 2021	Simon O'Connor MP and Louisa Wall MP wrote in their capacity as co-Chairs of NZIPAC to the Guardians' Chair enclosing a draft report by NGO Hong Kong Watch: ESG, China and Human Rights, criticising NZ Super Fund holdings in certain companies.
2	14 October 2021	The Guardians responds in writing to the above letter and offering a meeting.
3	4 November 2021	The Guardians' Chair and Head of Communications met with Simon O'Connor and Louisa Wall.

While there were no other issue-specific engagements, there were some more general engagements touching on one or more of the human rights issues outlined above. These are set out below (excluding Select Committee attendances).

	Date	Details
1	16 April 2021	The Guardians' Head of RI and Head of Communications met with Golriz Gaharaman, MP in Auckland. The meeting covered the application of the Guardians' RI framework with a general focus on human rights and war crimes/atrocities, mostly with respect to Myanmar and Saudi Arabia.
2	20 May 2021	The Guardians' Senior Communications Strategist met with Golriz Gaharaman MP and Green Party staffers in Wellington. The meeting covered the same ground as the 16 April 2021 meeting.
3	17 May 2021	At Treasury's request, the Guardians provided a briefing note, on behalf of the Crown Financial Institutions (CFIs), to Treasury. The purpose of the note was to "provide Treasury with information to assist it in building the Minister of Finance's confidence in responding to reactive questions (e.g. on recent human rights issues) by supporting the CFIs' ethical investment policies and execution."
4	24 May 2021	Louisa Wall MP completed an attachment with the Guardians under the auspices of the NZ Business and Parliamentary Trust in May 2021. During this attachment she met with the Head of Responsible Investment on the application of our Responsible Investment Framework, including how the Guardians approaches human rights issues in its portfolio.
5	11 August 2021	The Guardians' Chair, CEO, Head of Responsible Investment and Head of Communications met with the Minister of Finance and officials in Wellington on 11 August 2021 to discuss the operation of the Guardians' RI Framework and how we manage issues when they arise in the portfolio. This was a follow-up meeting to the 17 May 2021 briefing note referenced above.

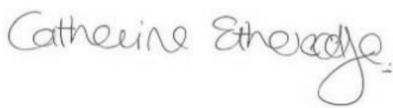
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General

We have not withheld any information, but you have the right to seek a review by the Ombudsman's Office if you are unhappy with your response. Contact details for the Ombudsman's Office can be found at: <http://www.ombudsman.parliament.nz>.

Please note that we may choose to publish our response to your request on our website at www.nzsuperfund.co.nz.

Yours sincerely

A handwritten signature in grey ink that reads "Catherine Etheredge". The signature is written in a cursive style with a small flourish at the end.

Catherine Etheredge
Head of Communications