

30 June 2021



Jason Walls  
Chief Political Reporter  
NZME  
By email: [Jason.walls@nzme.co.nz](mailto:Jason.walls@nzme.co.nz)

Dear Jason,

## REQUEST UNDER THE OFFICIAL INFORMATION ACT 1982

Thank you for your request to the Guardians of New Zealand Superannuation (“Guardians”), dated 22 June 2021, made pursuant to the Official Information Act 1982 (“OIA”).

### Your Request

You have requested:

- a breakdown of how much cryptocurrency the NZ Super Fund has under management
- a list of how much of each currency (i.e. Bitcoin, Ethereum etc.) is owned and
- a breakdown of how much cryptocurrency the NZ Super Fund has as of the 2020, 2019, 2018 and 2017 financial years.

### Our Response

NZ Super Fund investments are either held directly or by external investment managers who have discretion to invest on our behalf within an agreed investment mandate.

The NZ Super Fund does not currently hold, nor has it previously held, any cryptocurrency investments directly. Cryptocurrency is not an asset class that the Guardians is targeting for investment by the NZ Super Fund.

One of the Fund’s 34 external investment managers currently has a non-material, <NZ\$20,000 exposure to cryptocurrency. We are withholding the name of the manager concerned and the nature of the position on the following grounds:

- **Section 9(2)(b)(i)** – “protect information where the making available of the information would disclose a trade secret”.
- **Section 9(2)(b)(ii)** – “protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information”.
- **Section 9(2)(ba)(i)** – “protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available 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 should continue to be supplied”.
- **Section 9(2)(i)** – “enable a Minister of the Crown or any department or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities”.

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To explain, the external investment manager concerned is a commercial entity operating in its own highly competitive market. The nature of the bespoke investment positions this manager chooses to take represents confidential, commercially sensitive and non-public information that, if disclosed, would put this manager at a disadvantage relative to its competitors.

Furthermore, in carrying out commercial activities in relation to the NZ Super Fund, we compete in a global market for access to the best investment managers, who are very concerned about protecting their trade secrets and sensitive commercial information. They will not work with us if we cannot uphold the confidentiality of this information. We are concerned that the supply of such information to us by our investment managers would be jeopardised should we disclose this information. We also note that in the event we were to disclose this confidential information to the public, it is likely that other entities with which the Guardians might wish to invest would be reluctant to engage with us because of the risk that their confidential information will be disclosed.

We have considered whether the public interest in favour of disclosure outweighs our reasons for withholding this information and concluded that it does not. It is in the public interest that we can maintain the highest standards of confidentiality and commercial sensitivity with those we work with, in order to compete on a level playing field with other investors and maximise returns to the Fund.

In respect of whether the NZ Super Fund's external investment managers have had exposure to cryptocurrency in 2017, 2018 or 2019, your request is declined under section 18(g) of the OIA. We do not hold this information.

### **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.ombudsman.parliament.nz>.

Please note that we may choose to publish our response to your request on our website at [www.nzsuperfund.nz](http://www.nzsuperfund.nz).

Feel free to contact me on 09 366 4905 or [cetheredge@nzsuperfund.co.nz](mailto:cetheredge@nzsuperfund.co.nz) to further discuss your request.

Yours sincerely



**Catherine Etheredge**  
**Head of Communications**  
**Guardians of New Zealand Superannuation**