

4 October 2022

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By email: [REDACTED]

Dear [REDACTED]

Official Information Act (OIA) requests regarding Kiwi Wealth and Kiwi Group Holdings valuations

I refer to your official information requests to the Guardians of NZ Superannuation, the Crown entity that manages the NZ Super Fund, dated 26 and 27 September for:

Information requested regarding the sale and associated transaction [for Kiwi Wealth and Kiwi Group Holdings]:

- 1. Please provide information, including calculations, assumptions, and workings that support the valuation of the transaction.*
- 2. Please provide information about parties (banks, investment banks, consultants, others) that participated in the valuation of the transaction and the fees they received for their services.*
- 3. In case multiple parties were involved in valuing the transaction, please provide for each of these parties their valuations and the information they offered in support: calculations, assumptions, workings, etc.*
- 4. In case multiple parties were involved in the transaction and in case the valuations of these parties diverged, please supply information that explains why the valuation was chosen.*
- 5. Please provide information regarding critical milestones (and their dates) of the valuation process.*

Please also explain any relevant caveats that should be kept in mind when analysing this information.

Kiwi Wealth

In respect of Kiwi Wealth, the Guardians was not directly involved in the sale process, did not undertake a valuation of Kiwi Wealth and therefore does not hold any relevant information. Your request is therefore refused under section 18(g) of the OIA, in that the information is not held.

Kiwi Group Holdings

We have decided to refuse your request, primarily under sections 9(2)(b)(ii) and 9(2)(i) of the OIA – “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” and “enable... any... organisation holding the information to carry out, without prejudice or disadvantage, commercial activities”.

We invest the Fund on a prudent, commercial basis, and non-public information regarding the approach to valuation of our investments has a high level of commercial sensitivity. Disclosure of the granular details of the valuation process would have a serious impact on our ability to fulfil our functions in the future by providing third parties with insights on how we may value a particular asset and also by jeopardising the provision of information between various parties through removing the confidence that it would remain confidential. This information sharing is essential to fulfilling our mandate as an investor.

Furthermore, the particulars of our approach to valuing the Fund's direct investments represent our proprietary 'know how' and expertise. Releasing this information would make this information freely available to our competitors and counterparties in the investment marketplace and prejudice our ability to effectively invest the Fund on behalf of taxpayers and realise full value for our assets.

We have considered whether the public interest in favour of disclosure outweighs our reasons for withholding such information and consider that it does not. We note that the Crown's \$527m 2022 offer price for the NZ Super Fund's 25% holding in KGHL has been publicly announced. As part of the acquisition, all stakeholders settled on a fair valuation taking into account KGHL's growth and prospects.

We also note that, since we invest the Fund for the benefit of taxpayers, there is a strong public interest in enabling us to fulfil our commercial activities without unreasonable constraint. There is therefore a strong public interest in not disclosing the underlying sensitive information as to the approach for valuing our private market investments given the negative impacts this is likely to have on our investment activities.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that it is our policy to proactively release our responses to official information requests where we consider the request to be a material one. Our response to your request will be published shortly at <https://www.nzsuperfund.nz/publications/disclosures/oia/>, with your personal information removed.

Yours sincerely



Catherine Etheredge

Head of Communications