

3 November 2016

**Robert Ashe**  
**Green Party**  
By email: [robert.ashe@parliament.govt.nz](mailto:robert.ashe@parliament.govt.nz)

Dear Robert,

## REQUEST UNDER THE OFFICIAL INFORMATION ACT 1982

Thank you for your request dated **4 October 2016** made pursuant to the Official Information Act 1982 ("OIA").

### Your Request

You have requested the following information: *all reports and emails reporting back from your staffer's recent trip to Indonesia organised by the UN Principles for Responsible Investment, WWF Indonesia, and WWF International.*

Details of the information we have pertaining to your request, and our response in respect of that request, are set out in the table below.

### General Comments

Palm oil is a high priority responsible investment issue for us and one on which we are currently focused. The trip to which you refer in your request was made by a Guardians of New Zealand Superannuation ("Guardians") staff member along with representatives of 21 other global investors. The visit involved meeting with local palm oil companies; federal and provincial government in Indonesia; and local representatives of WWF and other NGOs. Further details about the trip are available here:

[www.unpri.org/news/global-investors-increasing-their-engagement-efforts-on-the-sustainability-of-palm-oil-producers](http://www.unpri.org/news/global-investors-increasing-their-engagement-efforts-on-the-sustainability-of-palm-oil-producers)

Palm oil has been an engagement focus of ours for several years, with some notable improvements achieved.

- In a collaborative process coordinated by the UNPRI over 2015/16, we engaged with 14 companies with the objective of improving and promoting the sustainability certification of palm oil. This was focused on both palm oil producers and buyers.
- We have also previously participated in a UNPRI palm oil engagement that focused on improving sustainability standard-setting in the industry.
- In June 2015 we supported a letter from the UNPRI Investor Working Group on Palm Oil to the Roundtable on Sustainable Palm Oil (RSPO) encouraging an early review of RSPO's standards. The letter can be viewed here: <http://greencentury.com/wp-content/uploads/pdf/RSPOLetterFINALwithsignatories.pdf>. RSPO's response can be viewed here: <https://rspo.org/news-and-events/news/rspo-response-to-ceres-letter-from-institutional-investors-and-brands>.

Our global engagement provider BMO is also active on the palm oil issue on behalf of ourselves and other institutional investors. A relevant public report by BMO (ESG Viewpoint – Palm Oil –

March 2016) is available on our website at: <https://www.nzsuperfund.co.nz/performance-esg-management/engagement-reports>.

### Our Response – refer to Appendix I for released information

Document Reference	Document Date	Document Title	Sections Relevant to Request	Released	Reason/s for withholding	Ref. page in Appendix I
1984591	2016-09	Trip Notes	All	Withheld in entirety	Section 9(2)(a) Section 9(2)(b)(ii) Section 9(2)(ba)(i) Section 9(2)(g) Section 9(2)(i)	N/A
1990355	2016-10-13	Responsible Investment – CFI Quarterly Paper - Global Equities - Engagement Update	Fourth bullet point (excluding bullets in table) in <i>Section 3 Focus List Update : Agenda items 5.c)(i) – 5.c)(iii)</i>	Partially withheld	Section 9(2)(a) Section 9(2)(b)(ii) Section 9(2)(ba)(i) Section 9(2)(g) Section 9(2)(i)	Page 1
2029922	2016-10-05	“Sending regards to you...”. Email from Guardians staff member to Adrian Orr	Final sentence	Relevant sentence released in full (other than individuals' names)	Section 9(2)(a)	Page 2
2029927	2016-10-02	“Re: UNPRI Indonesian Palm Oil Trip”. Email from Guardians staff member to trip participants and organisers; and attachment 2027960 (“Engagement Meeting Presentation (8 Sept 2016).		Partially withheld	Section 9(2)(a) Section 9(2)(b)(ii) Section 9(2)(ba)(i) Section 9(2)(g) Section 9(2)(i)	Page 3
2040973	2016-10-06	Investment Forum Presentation – UNPRI Investor Trip to Indonesia RE: Palm Oil – Version 1	All	Partially withheld	Section 9(2)(a) Section 9(2)(b)(ii) Section 9(2)(ba)(i) Section 9(2)(g) Section 9(2)(i)	Page 7
2030729	2016-10-17	Investment Forum Presentation – UNPRI Investor Trip to Indonesia RE: Palm Oil – Version 2 (Revised Version shared with CFIs)	All	Partially withheld	Section 9(2)(a) Section 9(2)(b)(ii) Section 9(2)(ba)(i) Section 9(2)(g) Section 9(2)(i)	Page 24

As set out above, 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. Where we have withheld information we have considered whether the public interest in favour of disclosing that information outweighs our reasons for withholding it, and have concluded that it does not. The reasons on which we rely are as follows:

- *Section 9(2)(a) – to protect the privacy of natural persons.* We have chosen to withhold names mentioned in documents and some photographs featuring people who participated in the engagement trip in order to protect the privacy of these individuals
- *Section 9(2)(b)(ii) – to prevent commercial prejudice to the companies that have supplied, or are the subject of, information we hold.* As part of the engagement trip we visited and researched a number of companies. These companies are commercial entities in their own right, operating in highly competitive environments. They will not engage with us if we cannot uphold the confidentiality of their commercially sensitive information. It is in the public interest that we maintain the highest standards of commercial sensitivity with those we work with.
- *Section 9(2)(ba)(i) – to protect information which is subject to an obligation of confidence.* In the course of the engagement trip a number of companies and other organisations provided information to us in confidence. For engagement to be effective it is essential that those we engage with feel able to be free and frank with us. They are unlikely to continue to engage with us on a free and frank basis if we cannot uphold the confidentiality of their sensitive information. Failure to uphold the confidentiality of information provided by a company we are engaging with will also create a very real risk that future engagements and the supply of such information will 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.
- *Section 9(2)(g) – to maintain the effective conduct of public affairs through free and frank expression of opinions.* Engaging with companies that we invest in and with other organisations about investment issues is very important for our efficient and effective operations. It would be prejudicial to our operations if our engagement partners did not feel able to express free and frank opinions to our staff. Equally, it is important that our staff are able to express their opinions freely and frankly. Release of information which will inhibit frankness and candour in future engagement communications and expressions of opinion by our staff will be detrimental to our decision making and to the effectiveness of engagements, which would be detrimental to the public interest.
- *Section 9(2)(i) – to enable the Guardians to carry out, without prejudice or disadvantage, commercial activities.* Our engagement activities are carried out as part of our commercial activities in relation to the Fund. It is in the public interest that we can maintain the highest standards of confidentiality and commercial sensitivity with those we work with in the course of our commercial activities, as well as our own commercial sensitivity. 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, or if information needed for our commercial activities ceased to be made available to us because of our inability to maintain its confidentiality.

## 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



**Adrian Orr**  
Chief Executive Officer