

Appendix 2 - Information released under the OIA – Israeli bank exclusion – correspondence from CEO Matt Whineray

Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3181985	19 January 2021	IC questions	Email from Matt Whineray Part 1 – Israeli banks	Partially released	Section 9(2)(a) – “protect the privacy of natural persons”

From: Matt Whineray
Sent: Tuesday, 19 January 2021 1:12 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: IC questions - sending both to [REDACTED], although just the first lot are relevant for [REDACTED].

Israeli Banks

Well done on a challenging piece of work.

1. I'd benefit from a bit more clarity on our peers' responses:
 - a. Has NGPF excluded any Israeli banks? If not, why not?
 - b. Can we ask PGGM what the current status of Israeli bank exclusions is? Which banks did PGGM exclude in 2014?
2. How many of the 112 companies listed in the OHCR report do we own in the passive equity portfolio?
3. Why is MSCI flag only yellow in relation to the activities of these banks? How should we think about that given the importance of the MCSI flags for our approach?

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3161917	20 January 2021	RE: Confidential – draft communications plan – Israeli banks – for review	All	Partially released	N/A

From: Matt Whineray <mwhineray@nzsuperfund.co.nz>

Sent: Saturday, 20 February 2021 10:54 AM

To: Catherine Etheredge <CEtheredge@nzsuperfund.co.nz>; Sarah Owen <SOwen@nzsuperfund.co.nz>

Cc: Stephen Gilmore <SGilmore@nzsuperfund.co.nz>; Anne-Maree O'Connor <aoconnor@nzsuperfund.co.nz>; [REDACTED]

Subject: RE: Confidential - draft communications plan - Israeli banks - for review

Sorry Catherine – I missed the bit requiring my OK – that’s OK.

Docs look good.

Matt

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

Sent: Friday, 19 February 2021 2:38 PM

To: Matt Whineray <mwhineray@nzsuperfund.co.nz>; Sarah Owen <SOwen@nzsuperfund.co.nz>

Cc: Stephen Gilmore <SGilmore@nzsuperfund.co.nz>; Anne-Maree O'Connor <aoconnor@nzsuperfund.co.nz>; [REDACTED]

Subject: RE: Confidential - draft communications plan - Israeli banks - for review

Hi Matt,

I understand [REDACTED] has emailed you directly in response to the query you had on FDC and, in response to your other question, as at 31 Jan 2021 the NZSF held (all via Blackrock Beta Fixed Income) 1.3 million Israeli State Bonds valued at NZ\$2.3m.

All our holdings in the Israeli banks have now been sold and, **subject to your OK**, we are going to contact the Minister's office this afternoon to start the process of briefing the Minister, his staff, the Minister of Foreign Affairs and MFAT under no surprises. I expect it will take a few days to ensure Ministers and MFAT are briefed & any questions answered, so we wouldn't be writing to the companies and starting the rest of the communications plan till (probably) later next week.

The redacted version of the IC paper is attached – this has been agreed between Comms, RI and Legal.

Document Number: 3185242

Version: 2

Page 3 of 16


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Kind regards
Catherine

From: Catherine Etheredge

Sent: Monday, 15 February 2021 8:59 AM

To: Matt Whineray <mwhineray@nzsuperfund.co.nz>; Sarah Owen <SOwen@nzsuperfund.co.nz>

Cc: Stephen Gilmore <SGilmore@nzsuperfund.co.nz>; Anne-Maree O'Connor <aoconnor@nzsuperfund.co.nz>; 

Subject: RE: Confidential - draft communications plan - Israeli banks - for review

Thanks Matt. It will just go on the website – here: <https://www.nzsuperfund.nz/publications/disclosures/oia/proactive-disclosure/>

For some information about the benefits of taking a proactive disclosure approach

see: <https://www.ombudsman.parliament.nz/sites/default/files/2020-12/Proactive%20release.pdf> (section 3).

Kind regards

Catherine

From: Matt Whineray <mwhineray@nzsuperfund.co.nz>

Sent: Monday, 15 February 2021 8:41 AM

Document Number: 3185242

Version: 2

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To: Catherine Etheredge <CEtheredge@nzsuperfund.co.nz>; Sarah Owen <SOwen@nzsuperfund.co.nz>

Cc: Stephen Gilmore <SGilmore@nzsuperfund.co.nz>; Anne-Maree O'Connor <aoconnor@nzsuperfund.co.nz>; [REDACTED]

Subject: RE: Confidential - draft communications plan - Israeli banks - for review

Thanks Catherine

I have marked a couple of comments in the doc.

When we say a proactive disclosure of the IC paper, does this mean we just put it on the website, or does it get pushed to all of our subscribers?

Thanks

Matt

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3152400	25 February 2021	RE: Draft letter to John Minto	All	Partially released	Section 9(2)(a) – “protect the privacy of natural persons”

From: Matt Whineray <mwhineray@nzsuperfund.co.nz>
Sent: Thursday, 25 February 2021 12:06 PM
To: Catherine Etheredge <CEtheredge@nzsuperfund.co.nz>
Cc: Conor Roberts <CRoberts@nzsuperfund.co.nz>; [REDACTED]
Subject: RE: Draft letter to John Minto

Thanks, Catherine.
Looks good.
Matt

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3181981	25 February 2021	RE: Israeli bank exclusions – update on timing/actions	Email from Matt Whineray	Relevant section released in part	Section 9(2)(a) – “protect the privacy of natural persons”

From: Matt Whineray
Sent: Thursday, 25 February 2021 1:50 PM
To: Sarah Owen <SOwen@nzsuperfund.co.nz>; [REDACTED]
Cc: [REDACTED]
Subject: RE: Israeli bank exclusions - update on timing/actions

I've told the chair and briefly discussed it with her

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3135825	28 February 2021	Agenda Matt – Friday 29 January 2021 (email to Guardians Chair with Agenda for weekly call)	Bullet point five	Relevant section released in full	N/A

- Investment Committee recommendation on Israeli Banks – Comms Plan will be ready next week.

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3152742	1 March 2021	Guardians of NZS – Israeli Investments (Letter to John Minto)	All	Released in full. The IC paper was attached to the email. It is available at: https://www.nzsuperfund.nz/assets/documents/responsible-investment/R-GNZS-IC-Paper-Exclusion-of-Israeli-Banks-January-2021.pdf	N/A

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26 February 2021

John Minto
Palestine Solidarity Network Aotearoa

Email: johnminto@orcon.net.nz

Kia ora Mr Minto,

I acknowledge your letter dated 11 December 2020 and thank you for taking the time to write to me with your concerns. I also acknowledge our previous correspondence as referenced, along with correspondence between the Guardians of New Zealand Superannuation (Guardians) and other individuals who have written to us in relation to the NZ Super Fund's investment in companies with activities connected with the Occupied Palestinian Territories (OPT).

The Guardians has a long-standing commitment to responsible investment. In 2019 our responsible investing practice was independently assessed by Willis Towers Watson in the course of their independent review of the Guardians and Fund. Willis Towers Watson rated the Guardians' responsible investment approach as excellent, and noted our approach to exclusions (where reputation issues are concerned) as aligning with best practice standards. The Guardians' approach to responsible investment has been recognised internationally, including being named by the UNPRI in 2019 as one of 47 asset owners on the UNPRI Leaders' Group as demonstrating "a breadth of responsible investment excellence".

The Guardians has researched the situation in the OPT and continued to monitor developments for some time. As you know, in 2012 several companies were excluded from the NZ Super Fund whose activities were considered to be in breach of the UN Global Compact Principles on human rights due to their direct and material involvement in construction of settlements or the separation barrier in the OPT. We continue to analyse relevant information as it comes to hand, and to apply our [Statement of Investment Policies Standards and Procedures](#) (SIPSP) and Responsible Investment Framework (RIF) in the light of that information. This work is ongoing.

The list of companies involved in certain specified activities related to the Israeli settlements in the OPT published by the United Nations Human Rights Council (UNHRC) in 2019 is one of a number of sources of information considered by us when assessing whether companies in our portfolio are breaching standards under our RIF. The list provides a database of companies believed by the UNHRC to be involved in certain specified activities but does not provide detail about the extent of a company's involvement or express a view as to the legality or otherwise of the activities of the companies on the list.

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We have long utilised other sources of information on this issue which provide more detail on the nature and degree of involvement, which is important under our RIF in determining if we conduct further research, engage, hold or exclude companies with some link to an issue flagged as a concern.

In January this year, the Chief Investment Officer approved a recommendation by the Guardians' Investment Committee to exclude securities issued by First International Bank of Israel, Israel Discount Bank, Bank Hapoalim, Bank Leumi and Bank Mizrahi-Tefahot from the portfolio. The decision to exclude was made applying considerations set down in the SIPSP and the RIF. The exclusions were implemented in February 2021. For further information about this decision please refer to our [website](#) where we have proactively disclosed the relevant Investment Committee paper.

We will continue to monitor the situation as it relates to Israel and the Occupied Palestinian Territories and apply the principles set down in our SIPSP and RIF to our investment portfolio.

Ngā mihi

Matt Whineray
Chief Executive Officer

#3110635

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3159821	2 March 2021	https://www.psna.nz/press-releases/nz-superfund	All	Released in full	N/A

From: Matt Whineray <mwhineray@nzsuperfund.co.nz>

Sent: Tuesday, 2 March 2021 9:21 PM

To: Board Member - Catherine Savage [REDACTED]; Board Member - Catherine Drayton [REDACTED]

Cc: Conor Roberts <CRoberts@nzsuperfund.co.nz>; Catherine Etheredge <CEtheredge@nzsuperfund.co.nz>

Subject: <https://www.psna.nz/press-releases/nz-superfund>

Catherine and Catherine,

Our exclusions of the Israeli banks have hit the press.

Attached is a press release from a Palestinian support group covering it. We believe this has gone to all MPs, at least.

Duncan Webb, Chair of the FEC, has tweeted about the decision this afternoon.

We should expect to be asked about it tomorrow – although it could come from either side.

The message from Catherine S is as per the Q&A, in essence:

The Board has oversight of the Responsible Investment Framework, which is the basis on which the Guardians makes decisions regarding exclusions from the portfolio. This decision is a good example of our considered and thorough approach to responsible investment issues, and we have been transparent in publishing our rationale for the exclusions. In terms of the specifics of the application of the framework, I will hand this question to Matt.

See you tomorrow.

Matt

Document Number: 3185242

Version: 2

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3174383	3 March 2021	RE: Notes from a call with MFAT	All	Relevant section released in part	Section 9(2)(a) – “protect the privacy of natural persons”

RE: Notes from a call with MFAT



Matt Whineray <mwhineray@nzsuperfund.co.nz>

To Conor Roberts; Anne-Maree O'Connor; Sarah Owen; Catherine Etheredge

[↩ Reply](#) [↩ Reply All](#) [→ Forward](#) [⋮](#)

Wed 3/03/2021 2:32 PM

In eDOCS Sent for filing In eDOCS

It's not obvious to me that we should be meeting with the Ambassador.

The match-ups are all wrong.

We deal with the companies – and note that none have responded. The banks aren't required to be consulted.

MFAT, or other core Crown should deal with the diplomats.

The relationship between the fund and the government should be easy for the ambassador to figure out without a meeting with us.

Where has the OIA come from?

Matt

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3181980	3 March 2021	RE: Exclusions	Email from Matt Whineray	Relevant section released in full	N/A

[See over page]

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From: Matt Whineray
Sent: Wednesday, 3 March 2021 9:45 AM
To: Anne-Maree O'Connor <aoconnor@nzsuperfund.co.nz>; Conor Roberts <CRoberts@nzsuperfund.co.nz>
Cc: Catherine Etheredge <CEtheredge@nzsuperfund.co.nz>
Subject: RE: Exclusions

I presume that not all companies listed on the Israeli exchange are in the MSCI index?

From: Anne-Maree O'Connor <aoconnor@nzsuperfund.co.nz>
Sent: Wednesday, 3 March 2021 9:29 AM
To: Conor Roberts <CRoberts@nzsuperfund.co.nz>
Cc: Matt Whineray <mwhineray@nzsuperfund.co.nz>; Catherine Etheredge <CEtheredge@nzsuperfund.co.nz>
Subject: Exclusions

Hi Conor

Our exclusions based on OPT is not divestment based on country.

From our June 30 2020 Public Listings we are excluding 5 out of 68 companies on that are listed on Israel stock exchange. So around still invested in around 93% of companies on that list. (That is not today's data but it is the principle).

The review of ethical guidelines for the Norwegian GPFG last year recommended expanding the exclusions of certain weapons amongst some other recommendations. These new exclusion categories are not covered by Treaties banning their production or use. The summary is below. It doesn't change our position regarding what we do versus other funds or our current focus on International Treaties re weapon bans.

<https://www.regjeringen.no/en/whatsnew/Ministries/fin/press-releases/2020/utredning-fra-etikkutvalget/report-from-a-committee-tasked-with-reviewing-the-ethical-framework-for-the-norwegian-gpfg-values-and-responsibility--the-ethical-framework/id2706505/>

Thank you

Anne-Maree

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Doc Ref	Doc Date	Doc Title	Sections Relevant to Request	Status	Withholding grounds if applicable
#3163594	6 March 2021	Fwd: Shame on YOU	All	Partially released. The name of and identifying details relating to the correspondent have been withheld to protect their privacy.	Section 9(2)(a) – “protect the privacy of natural persons”

[See over page]

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Fwd: Shame on YOU!!



Matt Whineray

To Catherine Etheredge, Conor Roberts

Reply Reply All Forward ...

Sat 6/03/2021 8:41 AM

In eDOCS

You forwarded this message on 8/03/2021 11:16 AM.
If there are problems with how this message is displayed, click here to view it in a web browser.

FYI. [Redacted]

From: [Redacted] <messages-noreply@linkedin.com>

Sent: Saturday, March 6, 2021 4:15 AM

To: Matt Whineray

Subject: Shame on YOU!!

Alert: External Email. If unknown sender or email address do not click links/attachments and never give out your username or password.

Matt Whineray

Your decision of divesting from Israeli banks is a disgrace and confirms what the whole world suspects: this new form of anti-semitism is spreading more than Covid. Actually, perhaps you don't know, but a huge number of palestinians workers will be fired - due to companies established in JUDEA and SAMARIA (Hystorical territory of the JEWISH PEOPLE, by the way) by your irresponsible decision. It's a SHAME!!! You're cowards and ignorants! You should go to a GOOD SCHOOL in order to be properly informed about the region dynamics!! You guys don't have a clue about what's going on over there!

Yes, interested...

No thanks...

Reply

View [Redacted] LinkedIn profile