19 September 2016

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CRICOS Provider No. 00120C

Dear [Name],

Freedom of Information Request No. 201600029C

The purpose of this letter is to give you a decision about access to a document that you requested under the Freedom of Information Act 1982 (FOI Act). On 12 August 2016 you requested access to:

"a copy of the most recent report made by the Investment Office on the Universities' compliance with the Socially Responsible Investment Policy, under Section 6 of that policy"

This document has been identified as one prepared for and discussed at the meeting of the ANU Council in October 2014. By way of explanation for an October 2014 document being the most recent document fitting the description of the one requested by you, in October 2015 the ANU Council decided to move away from direct management of its domestic investment portfolio and instead appointed an external portfolio manager to improve the management of its endowment. Under this system, ANU makes no decisions itself about any individual stocks but requires its external manager to meet the following conditions:

- Exclude companies that draw more than 20 per cent of revenues from coal, gambling, tobacco or pornography.
- Weight the portfolio to reduce carbon intensity (tonnes of CO2 produced per $1 million of revenue) to ensure that it is at least 25 per cent lower than the ASX 200.
- Ensure that the portfolio demonstrates a 10 per cent improvement in the overall Environment, Social, Governance (ESG) rating relative to the ASX 200 benchmark.

This was done to more efficiently decrease the University's investment exposure to CO2 intensive industries without increasing the University's exposure to volatility in the equities market. If this balance was not managed it might adversely impact the University's financial stability, including its ability to meet obligations to pay superannuation liabilities.

The portfolio the University holds changes from day to day, but as a result of these October 2015 changes, ANU decreased the CO2 intensity of its domestic portfolio from 276 tonnes/$1m (in Sep 2015) to 169 tonnes/$1m (in October 2015) - a 39 per cent decrease in CO2 intensity compared to the previous policy. As of February 2016, the ANU domestic portfolio CO2 intensity was 154 tonnes/$1m, compared to 352 tonnes/$1m in September 2014 before ANU began its divestment strategy. The CO2 intensity of the ANU portfolio has decreased by a factor of 2.3, i.e. more than halved.

While a small component of this decrease is due to market factors beyond ANU control, it is mainly due to the University's deliberate policy to limit exposure to CO2 intensive industries.
The University will continue to evaluate the methods available to simultaneously meet its obligations to achieve a high and stable return on its investment portfolio and decrease its CO2 intensity. These efforts are part of an overall commitment to making ANU a more sustainable university, and to contribute as best we can to the overall goal of global carbon emission reduction.

Turning now to the decision before me, as the Freedom of Information delegate I find that this document is partially exempt from release under Sections 47(1)(b), 47C and 22 of the FOI Act.

Section 47(1)(b) provides that:

(1) A document is an exempt document if its disclosure under this Act would disclose:

(a) trade secrets; or
(b) any other information having a commercial value that would be, or could reasonably be expected to be, destroyed or diminished if the information were disclosed.

The document contains information which is commercially valuable to the Australian National University. In making my decision I considered the following factors:

(a) the value of the information to the University;
(b) its disclosure would destroy or diminish the commercial value of the information;
(c) the information is not publicly available

I have therefore exempted commercially valuable material.

Section 47C provides that:

(1) A document is conditionally exempt if its disclosure under this Act would disclose matter (deliberative matter) in the nature of, or relating to, opinion, advice or recommendation obtained, prepared or recorded, or consultation or deliberation that has taken place, in the course of, or for the purposes of, or for the purposes of, the deliberative processes involved in the functions of an agency or Minister of the Government of the Commonwealth.

Parts of the document contain conditionally exempt information, following from its nature as an internal working document. Provision of parts of the document would disclose matter in the nature of consultation and deliberation that took place for the purposes of deliberative processes involving functions of the University. The document identified records recommendations and advice.

There is a public interest in protecting the integrity of the decision-making process, by separating the final decision-making policy or steps towards making the final decision, from the opinions and advice of persons who provided their opinions into the consideration of the matter. The document does not constitute final decisions nor was it intended as such. The views expressed in the document are merely preliminary in nature.

Subsection 47C(2) also provides that:

(2) Deliberative matter does not include either of the following:

(a) operational information (see section 8A);
(b) purely factual material.

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Because the opinions expressed in the document involve a portion of the process to form judgment, I am satisfied that the information is not operational information or purely factual material and is therefore not excluded under subsection 47C(2). In reaching my decision, I considered public interest factors in favour and against disclosure of the information.

In relation to factors favouring disclosure, I believe the following are relevant:

- the general public interest in access to information under the Act; and
- the general public interest to scrutinise the operations of an agency.

In relation to the factors against disclosure, I believe the following are relevant:

- the disclosure of the information would restrict the ability of University staff in future to record their opinions directly and freely during a deliberative process; and
- there is a public interest in protecting the integrity of the decision-making process by separating the final decision-making policy, including the steps and reasons therefore, from the opinions and advice of the employees who contributed to the deliberation.

I have considered the public interest factors both in favour and against disclosure and I find that the factors identified at immediately above outweigh the factors in favour of disclosure. I find that the parts of the document are exempt under section 47C of the Act. I therefore have redacted information relating to the deliberative process.

Section 22 of the Act applies if:

(a) an agency or Minister decides:

   (i) to refuse to give access to an exempt document; or;
   (ii) that to give access to a document would disclose information that would reasonably be regarded as irrelevant to the request for access; and

(b) it is possible for the agency or Minister to prepare a copy (an edited copy) of the document, modified by deletions, ensuring that:

   (i) access to the edited copy would be required to be given under Section 11A (access to documents on request); and
   (ii) the edited copy would not disclose any information that would reasonably be regarded as irrelevant to the request; and

(c) it is reasonably practicable for the agency or Minister to prepare the edited copy, having regard to:

   (i) the nature and extent of the modification; and
   (ii) the resources available to modify the document; and

(d) it is not apparent (from the requestor from consultation with the applicant) that the applicant would decline access to the edited copy.

I have determined that the document includes matter irrelevant to the request and that information has been redacted from the document.
Outstanding charges
We received your deposit of $20 on 1 September 2016. Upon completion of your request, the amount for processing was calculated to be $165.

Following payment of the outstanding charge of $145 the University will provide the requested document to you via email unless you indicate your preference for a different manner of delivery.

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Payment of charges
Payments to The Australian National University can be made by direct deposit to the following bank account:

**Bank:** NATIONAL AUSTRALIA BANK  
**Branch:** CANBERRA CITY, LONDON CIRCUIT & AINSLIE AVE CIVIC SQUARE, AUSTRALIAN CAPITAL TERRITORY (ACT), AUSTRALIA, 2601  
**BSB:** 082-902  
**Account Number:** 674507553  
**Account Name:** THE AUSTRALIAN NATIONAL UNIVERSITY GENERAL ACCOUNT  
**Reference:** FREEDOM OF INFORMATION REQUEST
If you wish to discuss this decision, please contact me using the details below.

Yours sincerely

Maggie Shapley
Associate Director, Records and Archives
R.G. Menzies Library
+61 2 6125 9602
foi@anu.edu.au
Your review rights

If you are dissatisfied with my decision, you may apply for internal review or Information Commissioner review of the decision. We encourage you to seek internal review as a first step as it may provide a more rapid resolution of your concerns.

Application for Internal Review of Decision

Section 54A of the Act, gives you the right to apply for an internal review of my decision.

It must be made in writing within 30 days of receipt of this letter, no particular form is required but it is desirable to set out in the application the grounds on which you consider the decision should be reviewed.

The application should be addressed to:

   Executive Director (Administration & Planning)
   Building 10
   The Australian National University
   Canberra ACT 2601

Or via email: edap@anu.edu.au

Application for Information Commissioner Review of decision

Under section 54L of the FOI Act, you may apply to the Australian Information Commissioner to review my decision. An application must be made in writing within 60 days of the date of this letter, and be lodged in one of the following ways:

   online:   https://forms.business.gov.au/aba/oaic/foi-review/
   email:   enquiries@oaic.gov.au
   post:   GPO Box 2999, Canberra ACT 2601
   in person:   Level 3, 175 Pitt Street, Sydney NSW