



Caisse de dépôt et placement
du Québec

FUTURE RESEARCH NEEDS: INSIGHTS FROM PRI SIGNATORIES PRI ACADEMIC CONFERENCE

Presented by: Marie-Claude Provost
Senior Advisor, Policy and Proxy Management

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The Organization

02

Socially Responsible Investment
Policy and Approach

03

Academic Research Needs



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01 THE ORGANIZATION

More than 40 years of investment: Context

- > Founded in July 1965
- > Act of Québec's National Assembly
- > Mandate to manage the funds deposited by public pension and insurance plans as well as various public bodies
- > Depositors' net assets total \$120 billion as of December 31, 2008 (25 depositors)
- > Most funds internally managed



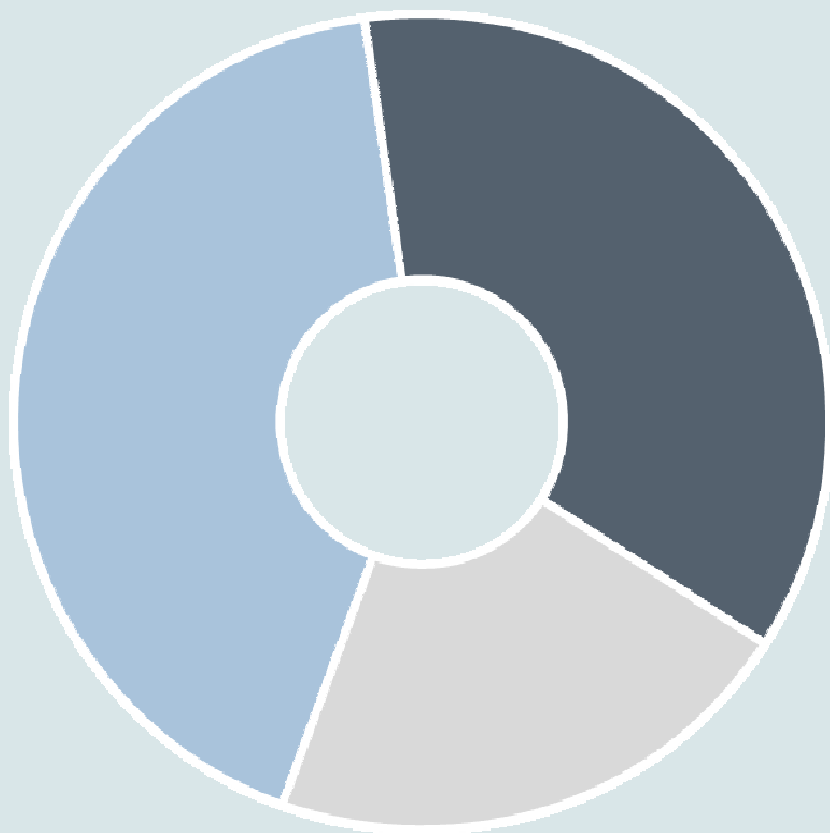
The Caisse vis-à-vis its peers: A major fund manager

- > Among the largest institutional fund managers in Canada and North America
- > One of the world's 10 largest real estate asset managers
- > Leading Canadian private equity investor



Breakdown of depositors' net assets: A diversified global portfolio

As at December 31, 2008 %



● FIXED INCOME

Short Term Investments	3.7
Real Return Bonds	0.5
Bonds	37.4
Long Term Bonds	2.6

44.2

● EQUITY MARKETS

Canadian Equity	10.9
U.S. Equity	1.9
Foreign Equity	3.4
Emerging Markets Equity	2.6
Québec International	3.6

22.4

● OTHER INVESTMENTS

Investments and Infrastructures	3.6
Private Equity	8.3
Real Estate Debt	9.6
Real Estate	12.0
Hedge Funds	3.3
Commodities	1.1

37.9

Asset Allocation and other

0.4

ABCP

(4.9)

Total

100.0



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02 SOCIALLY RESPONSIBLE INVESTMENT POLICY AND APPROACH



Socially responsible investment

- > Proxy voting policy since 1994
- > SRI Policy since 2005
- > The Caisse is among the original signatories to the United Nations' Principles for Responsible Investment in 2006
- > The Caisse supports the *Carbon Disclosure Project* and the *Extractive Industry Transparency Initiative*
- > The Caisse also participates in other working groups on ESG considerations within industry associations



Socially responsible investment Policy

- > Covers all asset classes
- > Approach:
 - > Promotes dialogue and communication with companies
 - > No systematic exclusion
 - > Decentralized
- > Application:
 - > Systematic proxy voting
 - > Proactive dialogue and communication
 - > Incorporation of ESG issues in investment decision-making



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03 ACADEMIC RESEARCH NEEDS



USEFULNESS OF ACADEMIC RESEARCH

- > What is useful
 - > Quality and independence
 - > Big picture of the responsible investment approach
 - > Possibility to anticipate structural changes (well advanced research)
 - > Research on new technologies (Clean Tech)
 - > Research on the economic value of green real estate



RESEARCH SUBJECTS OF INTEREST

- > Isolated costs of ESG items for comparative purposes and determination of the ability to withhold the social license (ex: in the mining sector, costs by a unit of production / in RE, costs related to leasehold green improvements)
- > Impact of the company's withdrawal from a project on its performance and on local communities
- > Reliability of certifications



RESEARCH SUBJECTS OF INTEREST

- > The ESG challenge of small and medium-sized businesses
- > Impact of ESG focussed compensation incentives (who does it? how is it done?)