

# RI TRANSPARENCY REPORT

## 2014/15

# Ontario Teachers' Pension Plan

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	✓	Private							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	-	n/a							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	-	n/a	✓						
OA 15	ESG issues for internally managed assets not reported in framework	-	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	-	n/a							✓
OA 19	Internal and external review and assurance of responses	-	n/a							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	-	n/a	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	✓	Private							✓
SAM 05	ESG incorporation strategies	✓	Public	✓	✓					
SAM 06	Selection processes (listed assets)	✓	Public	✓					✓	
SAM 07	Appointment considerations (listed assets)	✓	Private				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	✓	Public		✓					
SAM 10	Selection processes (non-listed assets)	✓	Public	✓					✓	
SAM 11	Appointment considerations (non-listed assets)	🔒	n/a				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	🔒	n/a	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	-	n/a		✓					
SAM 16	Disclosure of RI considerations	✓	Public						✓	

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
LEI 02	Description of ESG incorporation	-	n/a	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	-	n/a	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	-	n/a	✓						
LEI 06	Types of screening applied	⚡	n/a	✓						
LEI 07	Processes to ensure screening is based on robust analysis	⚡	n/a	✓						
LEI 08	Processes to ensure fund criteria are not breached	⚡	n/a	✓						
LEI 09	Types of sustainability thematic funds/mandates	⚡	n/a	✓						
LEI 10	Description of ESG integration	-	n/a	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	-	n/a	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 14	ESG issues in index construction	⚡	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	-	n/a	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	-	n/a	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	-	n/a		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	-	n/a	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 13	Companies changing practices / behaviour following engagement	-	n/a		✓					
LEA 14	Examples of ESG engagements	-	n/a		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Public		✓					
LEA 20	Securities lending programme	-	n/a		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 24	Shareholder resolutions	-	n/a		✓					
LEA 25	Examples of (proxy) voting activities	-	n/a		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Breakdown of investments by strategy	✓	Private							✓
PE 02	Typical level of ownership	✓	Private							✓
PE 03	Description of approach to RI	✓	Public	✓					✓	
PE 04	Investment guidelines and RI	✓	Public		✓					
PE 05	Fund placement documents and RI	🔒	n/a	✓			✓		✓	
PE 06	Formal commitments to RI	🔒	n/a				✓			
PE 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 08	ESG advice and research when selecting investments	✓	Public	✓						
PE 09	ESG issues in investment selection process	✓	Public	✓		✓				
PE 10	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PE 11	Encouraging improvements in investees	✓	Private	✓	✓					
PE 12	ESG issues impact in selection process	✓	Private	✓						
PE 13	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 14	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 15	Actions taken by portfolio companies to incorporate ESG issues into operations	-	n/a		✓					
PE 16	Type and frequency of reports received from portfolio companies	-	n/a		✓	✓				
PE 17	Disclosure of ESG issues in pre-exit	-	n/a		✓					
PE 18	ESG issues affected financial/ESG performance	-	n/a	✓	✓					
PE 19	Examples of ESG issues that affected your PE investments	-	n/a	✓		✓				
PE 20	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
PE 21	Approach to disclosing ESG incidents	🔒	n/a						✓	



Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Private							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Description of approach to RI	✓	Public	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	🔒	n/a	✓			✓		✓	
PR 07	Formal commitments to RI	🔒	n/a				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	🔒	n/a				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	-	n/a	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	-	n/a	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments by equity and debt	✓	Private							✓
INF 02	Breakdown of assets by management	✓	Private							✓
INF 03	Largest infrastructure	✓	Public							✓
INF 04	Description of approach to RI	✓	Public	✓					✓	
INF 05	Responsible investment policy for infrastructure	✓	Public	✓					✓	
INF 06	Fund placement documents and RI	🔒	n/a	✓			✓		✓	
INF 07	Formal commitments to RI	🔒	n/a				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
INF 12	ESG issues impact in selection process	✓	Private	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	🔒	n/a				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	✓	Private		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	✓	Private		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	✓	Private	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
INF 23	Approach to disclosing ESG incidents	🔒	n/a						✓	

# Ontario Teachers' Pension Plan

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Gateway/Peering	General
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**OO 01.1** Select the category which best represents your primary activity.

- ☒ Non-corporate pension or superannuation or retirement or provident fund or plan
- ☐ Corporate pension or superannuation or retirement or provident fund or plan
- ☐ Insurance company
- ☐ Foundation or endowment
- ☐ Development finance institution
- ☐ Reserve - sovereign or government controlled fund
- ☐ Other, specify

OO 02	Mandatory	Peering	General
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**OO 02.1** Select the location of your organisation's headquarters.

Canada

**OO 02.2** Indicate the number of countries in which you have offices (including your headquarters).

- ☐ 1
- ☒ 2-5
- ☐ 6-10
- ☐ >10

**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

1100

OO 03	Mandatory	Descriptive	General
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**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- ☐ Yes
- ☒ No

OO 04	Mandatory	Gateway/Peering	General
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**OO 04.1** Indicate the year end date for your reporting year.

31/12/2014

**OO 04.2**

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		152	000	000	000
Currency	CAD				
Assets in USD		139	130	281	243

**OO 04.5**

Indicate the level of detail you would like to provide about your asset class mix.

- ☒ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- ☐ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 06**
**Mandatory**
**Descriptive**
**General**
**OO 06.1**

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- ☐ Publish our asset class mix as percentage breakdown
- ☒ Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	<10%
Fixed income – corporate	<10%	0
Fixed income – government	10-50%	0
Fixed income – other	0	0
Private debt	0	0
Private equity	<10%	<10%
Property	10-50%	0
Infrastructure	<10%	0
Commodities	0	0
Hedge funds	<10%	<10%

Forestry	<10%	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 09	Voluntary	Descriptive	General
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OO 09.1	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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At Ontario Teachers' Pension Plan:

Our Mission is to provide outstanding service and retirement security for our members - today and tomorrow.

Our Vision is to be the world's leading pension plan organization. This means being:

- The best at what we do (fund management, risk management, member services)
- Respected as industry thought leaders
- The partner of choice

### Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.
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- ☒ We incorporate ESG issues into investment decisions on our internally managed assets
- ☒ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☒ We cast our (proxy) votes directly or via service providers
- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☐ None of the above

OO 11	Mandatory	Gateway	General
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**OO 11.1**

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- ☐ Fixed income – corporate
- ☐ Fixed income – government
- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☐ Hedge funds
- ☒ Forestry
- ☐ None of the above

**OO 11.2**

Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.

- ☒ Private equity
- ☐ Hedge funds
- ☐ None of the above

**OO 12****Mandatory****Gateway****General****OO 12.1**

The modules and sections that you will be required to complete are listed below.

*This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.*

**Core modules**

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers**

Direct - Listed Equity incorporation

- ☒ Listed Equity incorporation

Direct - Listed Equity active ownership

- ☒ Engagements
- ☒ (Proxy) voting

#### Direct - Other asset classes with dedicated modules

- ☒ Private Equity
- ☒ Property
- ☒ Infrastructure

#### **RI implementation via external managers**

#### Indirect - Selection, Appointment and Monitoring of External Managers

- ☒ Listed Equities
- ☒ Private Equity

#### **Closing module**

- ☒ Closing module



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### Overarching Approach

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**OA 01.1** Indicate if you have a responsible investment policy.

- ☒ Yes  
☐ No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

- ☒ Yes  
☐ No

**OA 01.3** Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

At Ontario Teachers' Pension Plan (Teachers'), responsible investing is our method of managing risks and opportunities so that we not only make well-informed buying decisions, but also remain effective stewards of our investments for as long as we own them. We take this approach because it helps us to achieve the best risk-return trade-off for our members. Therefore, at Teachers':

- We objectively consider and evaluate environmental, social and governance ("ESG") risks alongside other risk factors in our investment decision-making and asset management processes because we believe they can materially impact the value of our investments.
- We are active owners and take a responsible approach in our asset management practices. We believe that good governance is fundamental to effective responsible investing.
- We continue to expand our knowledge, deepen our understanding, and evolve our practices by continually assessing current and emerging ESG risks. We share experience across the Plan by fostering a culture of thought leadership and collaboration.
- We seek clear and relevant disclosure of information that may assist us in making investment decisions.
- We collaborate with like-minded investors to more effectively execute Responsible Investing.

OA 02	Mandatory	Core Assessed	PRI 6
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**OA 02.1** Indicate if your responsible investment policy is publicly available.

- ☐ Yes  
☒ No

**OA 02.3** Indicate if your other policies or guidance documents related to responsible investment are publicly available.

- ☒ Yes  
☐ Yes, all  
☒ Yes, some

**OA 02.4**

List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Investment Policies and Procedures	<a href="http://www.otpp.com/documents/10179/20940/Statement+of+Investment+Policies+%26+Procedures+2012/72ae966f-7aa9-40ae-b8fa-3642e76597df">http://www.otpp.com/documents/10179/20940/Statement+of+Investment+Policies+%26+Procedures+2012/72ae966f-7aa9-40ae-b8fa-3642e76597df</a>
Corporate Governance Principles and Voting	<a href="http://www.otpp.com/documents/10179/20940/TeachersCorpGovE.pdf/cfca9682-9368-4cf4-96ce-fe5381d5647e">http://www.otpp.com/documents/10179/20940/TeachersCorpGovE.pdf/cfca9682-9368-4cf4-96ce-fe5381d5647e</a>
Risk Appetite	<a href="http://www.otpp.com/documents/10179/20940/OTPP_RiskAppetiteStatement_EN.pdf/9c2131ac-930c-4edb-848a-e5b4e60de454">http://www.otpp.com/documents/10179/20940/OTPP_RiskAppetiteStatement_EN.pdf/9c2131ac-930c-4edb-848a-e5b4e60de454</a>
Investment Beliefs	<a href="http://www.otpp.com/documents/10179/20940/-/a2792268-6b8d-45b6-a152-2edb5af94406/Investment%20Beliefs.pdf">http://www.otpp.com/documents/10179/20940/-/a2792268-6b8d-45b6-a152-2edb5af94406/Investment%20Beliefs.pdf</a>

☐ No

**OA 03**

**Mandatory**

**Core Assessed**

**PRI 1,2**

**OA 03.1**

Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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☒ Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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Annual Code of Conduct certification

☐ No

## Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1	Indicate if your organisation sets objectives for its responsible investment activities.
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☒ Yes

OA 05.2	Indicate how frequently your organisation sets or revises objectives for responsible investment.
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☒ At least once per year

☐ Less than once per year

OA 05.3	Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.
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☐ Quarterly

☐ Biannually

☒ Annually

☐ Every two years or less

☐ It is not reviewed

☐ No

## Governance and human resources

OA 07	Voluntary	Descriptive	General
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**OA 07.1**

Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.

The Board of Ontario Teachers' Pension Plan (Teachers') has established: 1) a risk appetite statement that formalizes its tolerances for identified risks, including ESG; and 2) an investment policy that addresses the risks that are relevant and material at the total fund level. ESG risks are also addressed in this document.

OTPP has a Responsible Investment Committee (RIC) with representation from across all asset classes, legal and communications. The RIC is jointly headed by the Chief Investment Risk Officer (CIRO) and the SVP of Fixed Income. Both report to the Chief Investment Officer and then to the CEO. The CIRO also reports directly to the Board. The RIC reports quarterly to the Investment Risk Committee.

The Governance Committee is a sub-committee of the RIC. This committee meets bi-monthly to discuss emerging corporate governance issues and to develop, where appropriate, a "Teachers' response/approach". The committee has representation from across the fund. The Governance Committee is chaired by the Head of Corporate Governance.

Annually, the board is provided with a report on our responsible investing activities.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

**OA 08****Mandatory****Gateway/Core Assessed****General****OA 08.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

### Roles present in your organisation

- ☒ Board members or trustees
  - ☒ Oversight/accountability for responsible investment
  - ☐ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify  
Chief Investment Risk Officer

- ☒ Oversight/accountability for responsible investment
- ☒ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Portfolio managers
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
  - ☐ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ External managers or service providers
- ☐ Other role, specify
- ☐ Other role, specify

<b>OA 08.2</b>	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
----------------	-------------------------------------------------------------------------------------------------

	Number
--	--------

5

<b>OA 08.3</b>	Additional information. [Optional]
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Ontario Teachers' Pension Plan uses an integrated approach to responsible investing where all investment staff participate in the implementation of responsible investing. Risks are identified and managed throughout the investment process from diligence to exit.

## Promoting responsible investment

<b>OA 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
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<b>OA 10.1</b>	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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### Select all that apply

- ☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

☒ Asian Corporate Governance Association

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

☐ Association for Sustainable & Responsible Investment in Asia

☐ Australian Council of Superannuation Investors

☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

☐ CDP Forests

☒ CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

☐ CFA Institute Centre for Financial Market Integrity

☒ Council of Institutional Investors (CII)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

☐ Eumedion

☒ Extractive Industries Transparency Initiative (EITI)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☒ Global Investors Governance Network (GIGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced
- ☒ Global Real Estate Sustainability Benchmark (GRESB)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☒ International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☐ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify  
Institutional Limited Partners Association (ILPA)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced
- ☒ Other collaborative organisation/initiative, specify  
Canadian Coalition for Good Governance



	Your organisation's role in the initiative during the reporting year (see definitions)
--	----------------------------------------------------------------------------------------

- ☐ Basic  
☐ Moderate  
☒ Advanced

☒ Other collaborative organisation/initiative, specify

Rotman International Centre for Pension Management

	Your organisation's role in the initiative during the reporting year (see definitions)
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- ☐ Basic  
☐ Moderate  
☒ Advanced

☒ Other collaborative organisation/initiative, specify

Pension Investment Association of Canada

	Your organisation's role in the initiative during the reporting year (see definitions)
--	----------------------------------------------------------------------------------------

- ☐ Basic  
☐ Moderate  
☒ Advanced

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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☒ Yes

OA 11.2	Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.
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- ☐ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations  
☒ Provided financial support for academic or industry research on responsible investment  
☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry  
☒ Spoke publicly at events and conferences to promote responsible investment  
☒ Wrote and published in-house research papers on responsible investment  
☒ Encouraged the adoption of the PRI  
☒ Other, specify

Teachers' investment staff regularly participates in peer groups and ad-hoc discussions. As well, we work with our service providers on ESG management strategies .

☐ No



# Ontario Teachers' Pension Plan

## Reported Information

### Public version

#### Indirect – Manager Selection, Appointment and Monitoring

## PRI disclaimer

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## Overview

<b>SAM 02</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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### SAM 02.1

Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

☐ Yes

☒ No

<b>SAM 03</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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### SAM 03.1

Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Private equity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### SAM 03.2

Additional information. [Optional]

With regards to Private Equity, responsible investment factors are typically considered when evaluating new managers (Selection) and when working with existing managers post-investment (Monitoring). The integration of ESG factors into investment processes and portfolio company management by external managers is of particular interest. We seek to understand how each manager evaluates these factors as part of their investing process. Through this work, we create alignment of interest and foster the ongoing development of our collective responsible investing knowledge that advances the practice of responsible investing in private equity. We do not include specific responsible investing requirements in our contracts with GPs. Through interactions with managers, including through the limited partner advisory committee, we seek transparent discussion and disclosure of ESG efforts.

## Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

## Overview

<b>SAM 05</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1,2</b>
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### SAM 05.1

Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

## Active investment strategies

Active investment strategies	LE		
Screening	<input type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

### SAM 05.2

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

	LE	
We engage directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>	
We require our external managers to engage on our behalf	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

### SAM 05.3

Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

	LE	
We cast our (proxy) votes directly or via service providers on our externally managed assets	<input type="checkbox"/>	
We require our external managers to cast our (proxy) votes on our behalf	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

## Selection

### SAM 06

Mandatory

Core Assessed

PRI 1-6

### SAM 06.1

Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

## General

	LE		
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>		
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input type="checkbox"/>		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>		
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>		
Discuss the type of ESG reporting you expect	<input checked="" type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>		
Other general aspects in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

## ESG incorporation

	LE		
Evaluate the quality and coverage of ESG research used by managers	<input checked="" type="checkbox"/>		
Assess how the manager incentivises brokers to provide ESG research	<input type="checkbox"/>		
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues	<input checked="" type="checkbox"/>		
Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance	<input checked="" type="checkbox"/>		
Other ESG incorporation issues in your selection process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

(Proxy) voting

	LE
Discuss the managers' voting processes	<input checked="" type="checkbox"/>
Discuss how information gained through research for (proxy) voting is used in investment-decision making	<input type="checkbox"/>
Other (proxy) voting issues in your selection process, specify	<input type="checkbox"/>
None of the above	<input type="checkbox"/>

If you select any 'Other' option(s), specify

In general, Teachers' also evaluates engagement outcomes and how engagement and active ownership processes are implemented. We also review the skills, competencies and experience of the individuals charged with implementing responsible investment.

## Monitoring

SAM 08	Mandatory	Core Assessed	PRI 1
<b>SAM 08.1</b>	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:		

## General

	LE		
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>		
Highlight examples of good responsible investment practice by other managers	<input type="checkbox"/>		
Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>		
Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors	<input type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted risk or volatility	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input type="checkbox"/>		
Other general aspects of your monitoring, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

## ESG incorporation

	LE		
Request information on ESG incorporation in specific investment decisions	<input checked="" type="checkbox"/>		
Other ways you monitor ESG incorporation, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

## (Proxy) voting



	<b>LE</b>
Review the number or percentage of votes cast	<input checked="" type="checkbox"/>
Request an explanation of reasons for votes cast	<input checked="" type="checkbox"/>
Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes	<input type="checkbox"/>
Review the number of resolutions on ESG issues filed or co-filed	<input type="checkbox"/>
Discuss the changes in company practice (outcomes) that have been achieved from voting activities	<input type="checkbox"/>
Other ways you monitor (proxy) voting activities, specify	<input type="checkbox"/>
None of the above	<input type="checkbox"/>

<b>SAM 09</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>SAM 09.1</b>	For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.
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☒ We track or collect this information

	Votes cast (to the nearest 5%)
--	--------------------------------

	%
--	---

100

	Specify the basis on which this percentage is calculated
--	----------------------------------------------------------

- ☐ Of the total number of ballot items on which they could have issued instructions
- ☒ Of the total number of company meetings at which they could have voted
- ☐ Of the total value of your listed equity holdings on which they could have voted
- ☐ We do not track or collect this information

## Private equity (PE), property (PR) and infrastructure (INF) - non-listed assets

### Selection

<b>SAM 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1-6</b>
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**SAM 10.1**

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:

**General**

	PE		
Review the manager's/general partner's responsible investment policy	<input checked="" type="checkbox"/>		
Discuss the manager's governance and management of responsible investment	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>		
Assess the external manager's reporting and how it will help you to monitor that it is acting consistent with the agreed-upon ESG-related policies and practices during the life of the fund	<input type="checkbox"/>		
Review the manager's responsible investment disclosure, including PRI reporting	<input type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>		
Other general aspects in your selection process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

**Investment selection (pre-investment) of underlying holding**

	PE		
Assess the manager's policies, processes and systems for identifying ESG-related value drivers and managing material ESG-related risks pre-investment	<input checked="" type="checkbox"/>		
Other pre-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

	Investment monitoring (post-investment) of underlying holding
--	---------------------------------------------------------------

	PE		
Understand if and how the manager influences and supports its portfolio companies'/assets' management of ESG-related risks and pursuit of ESG-related opportunities	<input checked="" type="checkbox"/>		
Discuss examples of how managers have previously identified and addressed ESG issues in their portfolios on an ongoing basis	<input checked="" type="checkbox"/>		
Assess the manager's/general partner's approach to managing and disclosing material incidents at the manager / General Partner and underlying holdings	<input checked="" type="checkbox"/>		
Other post-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

If you select any 'Other' option(s), specify
----------------------------------------------

We seek alignment with our external managers in how they evaluate risk and return, which includes their handling of ESG factors. Where expectations are not met in this regard, it would impact a selection decision of a particular fund.

## Monitoring

<b>SAM 12</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1-6</b>
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<b>SAM 12.1</b>	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager, typically do any of the following:
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	General
--	---------

	PE		
Include responsible investment as a standard agenda item at performance review meetings	<input type="checkbox"/>		
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>		
Review manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>		
Encourage your managers to consider joining responsible investment initiatives or organisations or participate in collaborative projects with other investors	<input type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input type="checkbox"/>		
Other general aspects of your monitoring, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

#### Investment selection (pre-investment) of underlying holding

	PE		
Discuss how the analysis of ESG issues affected investment decisions during the reporting period	<input type="checkbox"/>		
Other ways ESG issues are incorporated in the pre-investment process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

#### Investment monitoring (post-investment) of underlying holding

	PE		
Request reports on the ESG characteristics of the manager's underlying holdings and discuss related developments that may impact holdings in the fund	<input type="checkbox"/>		
Request examples of ESG issues identified within the portfolio and action taken in response	<input checked="" type="checkbox"/>		
Request details of how ESG factors were considered when preparing to exit from investments	<input type="checkbox"/>		
Other ways ESG issues are monitored in the post-investment process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

If you select any 'Other' option(s), specify

In general, Teachers' encourages an ongoing dialogue between the private equity General Partner (GP) and the Limited Partners (LPs) on its ESG processes. We recognize that there will be a range of understanding and implementation among GPs and among its LP base. Where appropriate, there is an encouragement to use tools such as the ESG Disclosure Framework, which Teachers' helped to develop, to facilitate this communication (<http://www.unpri.org/whatsnew/3600/>).

#### SAM 12.2

Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]

Teachers' also works through a fund's limited partner advisory board. This can be a constructive forum for the GP to share its practices and to hear from LPs what they are seeing in other firms. Ongoing collaboration between GPs and LPs will be important to advance the integration of ESG factors and responsible investment into the general discussion of investment underwriting.

### Communication

#### SAM 16

Mandatory

Core Assessed

PRI 6

#### SAM 16.1

Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

- ☐ Yes, we disclose information publicly
- ☐ Yes, we disclose information to clients/beneficiaries only
- ☒ We do not proactively disclose information to the public and/or clients/beneficiaries

#### SAM 16.4

Additional information. [Optional]

We publicly disclose our approach to responsible investment, without regard to asset class.

# Ontario Teachers' Pension Plan

## Reported Information

### Public version

#### Direct - Listed Equity Incorporation

## PRI disclaimer

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## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
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#### LEI 03.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

#### ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☒ Integration alone (i.e. not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied - you may (estimate +/- 10%)	<table> <tr> <td></td><td>%</td></tr> <tr> <td>100</td><td></td></tr> </table>		%	100	
	%				
100					

- ☐ Screening + Integration strategies
- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☐ No incorporation strategies applied

Total actively managed listed equities

100%

#### LEI 03.2

Describe your primary reasons for choosing a particular ESG incorporation strategy.

Investment decisions are rarely made on the basis of any single factor, financial or non-financial. Therefore, Ontario Teachers' Pension Plan does not screen out investments based solely on environmental, social or governance (ESG) criteria, but rather considers them in the context of the risks of the investment opportunity including characteristics such as their investment horizon. Our Investment Policy is clear on this point: "Investments should not be selected or rejected solely on the basis of ESG factors, which should only be taken into account to the extent that such factors have a material impact on the financial return of an investment."

#### LEI 03.4

Additional information. [Optional]

Consistent with Teachers' integrated approach, ESG is incorporated into the analysts' research framework where the analyst or portfolio manager believes it to be of concern for the particular investment.

## (C) Implementation: Integration of ESG issues

LEI 11	Mandatory	Core Assessed	PRI 1
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**LEI 11.1** Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<input type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

**LEI 11.2** Additional information. [Optional]

Generally, Teachers' investment staff considers ESG risks within their fundamental research where they see risks to be present. Materiality of the issue will be specific to the particular investment opportunity depending on characteristics including sector, geography, company, etc.

## Communication

LEI 18	Mandatory	Core Assessed	PRI 2,6
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**LEI 18.1** Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

- ☐ We disclose it publicly
- ☐ We disclose it to clients and/or beneficiaries only
- ☒ We do not proactively disclose it to the public and/or clients/beneficiaries

**LEI 18.7** Additional information. [Optional]

We publicly disclose our approach to responsible investing, without regard to asset class.



# Ontario Teachers' Pension Plan

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

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## Engagement

### Overview

LEA 02	Mandatory	Gateway	PRI 1,2,3
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#### LEA 02.1

Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.

Type of engagement	Reason for interaction
<b>Individual/Internal staff engagements</b>	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
<b>Collaborative engagements</b>	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
<b>Service provider engagements</b>	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

### Process

#### Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
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**LEA 03.1**

Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

- ☐ Yes  
☒ No

**LEA 03.3**

Additional information. [Optional]

At present, Ontario Teachers' Pension Plan has an integrated approach to engagements which is done on a case-by-case basis rather than a top-down approach. In this process, individual portfolio managers, based on their in-depth knowledge of the company, are empowered to engage with companies. With this knowledge, the investment staff is the best position to assess the appropriateness and approach of any ESG engagement activity.

**LEA 04****Mandatory****Core Assessed****PRI 2****LEA 04.1**

Indicate if you define specific objectives for your engagement activities.

- ☒ Yes
- ☐ Yes, for all engagement activities
  - ☒ Yes, for the majority of engagement activities
  - ☐ Yes, for a minority of engagement activities
- ☐ No

**LEA 04.2**

Indicate if you monitor the actions that companies take following your engagements.

- ☒ Yes
- ☐ Yes, in all cases
  - ☒ Yes, in the majority of cases
  - ☐ Yes, in the minority of cases

**LEA 04.3**

Describe how you monitor and evaluate the progress of your engagement activities.

Teachers' typically monitors and evaluates the progress of engagement activities through the actions taken by the board as disclosed in the annual information circulars.

- ☐ No

**LEA 04.4**

Additional information. [Optional]

Some of Teachers' engagements do not have specific objectives as they are designed to maintain an open line of communication between us and our investment. Therefore, we will monitor those engagements where specific ESG issues are addressed and the company indicates that it will undertake a plan of action to address our concerns.

## Process for engagements conducted via collaborations

LEA 05	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

#### LEA 05.1

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

- ☐ Yes  
☒ No

#### LEA 05.3

Additional information.[Optional]

At present Teachers' has an integrated approach to engagements which is done on a case-by-case basis. Several factors are taken into consideration before engaging, including the views of the individual portfolio managers (as the ones most knowledgeable about specific companies), governance trends and emerging issues.

LEA 06	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

#### LEA 06.1

Indicate if the collaborative engagements in which you are involved have defined objectives.

- ☒ Yes
- ☐ Yes, for all collaborative engagement activities
  - ☒ Yes, for the majority of collaborative engagement activities
  - ☐ Yes, for a minority of collaborative engagement activities
- ☐ No

#### LEA 06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

- ☒ Yes
- ☒ Yes, in all cases
  - ☐ Yes, in the majority of cases
  - ☐ Yes, in the minority of cases

#### LEA 06.3

Describe how you monitor and evaluate the progress of your collaborative engagement activities.

Similar to how we monitor and evaluate other engagements, we monitor the actions taken by the company's board.

- ☐ No

### General processes for all three groups of engagers

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
--------	-----------	-----------------------	-------

#### LEA 10.1

Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
<b>Individual / Internal staff engagements</b>	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
<b>Collaborative engagements</b>	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

## Communication

<b>LEA 15</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2,6</b>
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**LEA 15.1** Indicate whether your organisation proactively discloses information on its engagements.

- ☐ We disclose it publicly
- ☐ We disclose it to clients and/or beneficiaries only
- ☒ We do not proactively disclose it to the public and/or clients/beneficiaries.

**LEA 15.8** Additional information. [Optional]

Teachers' views engagements as opportunities to better understand the company and what drives its value and for the company to better understand us. Engagements are an ongoing process by which we build a relationship with a company/board with the end goal of increasing shareholder value.

## (Proxy) voting and shareholder resolutions

### Overview

<b>LEA 16</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
---------------	------------------	--------------------	--------------

**LEA 16.1** Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).

One of our most important rights as investors is the right to vote. Ontario Teachers' Pension Plan ensures that our votes are cast in a manner that is most consistent with our Corporate Governance Principles and in the best economic interests of company shareholders over the long term. Our objective is to vote every share of every company we own at every shareholder meeting irrespective of market.

We consider the right to vote to be one of the most important tools for promoting good corporate governance.

Additionally, a vote against management is usually a catalyst for an engagement.

When voting in markets around the world, our vote decision will factor in the characteristics of that market. We exercise our votes in all markets in which we invest.

We believe that having a default position to vote in favour of management in any market is irresponsible. All our votes are based on an analysis of the proposal against our stated Corporate Governance Principles and Proxy Voting Guidelines (available at [www.otpp.com](http://www.otpp.com)).

## Process

LEA 17	Mandatory	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 17.1	Indicate how you typically make your (proxy) voting decisions and what this approach is based on.
----------	---------------------------------------------------------------------------------------------------

	Approach
--	----------

- ☐ We use our own research or voting team and make our own voting decisions without the use of service providers.
- ☒ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.

	Based primarily on
--	--------------------

- ☐ the service provider voting policy signed off by us
- ☒ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain
- ☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf.

LEA 19	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 19.1	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
----------	-----------------------------------------------------------------------------------------------------------------------------

- ☐ Obtain confirmation that votes have been received by the company:
- ☒ Participate in projects to improve the voting trail and/or to obtain vote confirmation
- ☐ None of the above

LEA 19.2	Provide additional information on your organisation's vote confirmation efforts.
----------	----------------------------------------------------------------------------------

Teachers' knows of no market where a true vote confirmation is available - that is, where we are able to receive confirmation that the vote was cast as instructed and the proper number of shares were attached to that vote.

Within our home market, we are working with regulators, service providers and peers to improve the proxy voting system. One of the main goals is to create a system where votes can be tracked as they work their way through the system and a true vote confirmation is provided by the company.

LEA 21	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
----------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- ☒ Yes, in most cases
- ☐ Sometimes, in the following cases:
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

LEA 21.2	Additional information. [Optional]
----------	------------------------------------

Teachers' believes that transparency of our proxy votes is important. All votes are cast in a thoughtful manner and consistent with our stated proxy voting guidelines and corporate governance principles. To that end, we publish all our votes on our web site ahead of the annual meeting for anyone to view. In addition, we will provide a rationale to accompany any vote that is contrary to the management recommendation.

## Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
----------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- ☒ We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

100

	Specify the basis on which this percentage is calculated
--	----------------------------------------------------------

- ☐ of the total number of ballot items on which you could have issued instructions
- ☒ of the total number of company meetings at which you could have voted
- ☐ of the total value of your listed equity holdings on which you could have voted
- ☐ We do not track or collect this information

LEA 23	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 23.1	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
----------	------------------------------------------------------------------------------------------------------------

- ☒ Yes, we track this information

**LEA 23.2**

Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	
Against (opposing) management recommendations	
Abstentions	

0%

**LEA 23.3**

For the reporting year, describe your approach towards voting on shareholder resolutions.

Teachers' evaluates shareholder proposals on a case-by-case basis. We will generally not support proposals that in our view place arbitrary constraints on the company, its board or management, duplicate existing practices and/or hinder the creation of long-term shareholder value. We will generally support proposals that relate to enhancing disclosure on issues we believe present a material risk to the company or generally improve the company's corporate governance processes and practices.

☐ No, we do not track this information

**LEA 23.4**

Additional information.

With respect to the breakdown requested in question 23.2, we believe decisions on each voting issue are wholly dependent upon the proposal. Generally, tracking votes based on whether they were for or against management on an aggregate level does not provide any valuable information about voting or corporate governance practices. What we do monitor is the consistency of the vote against our proxy voting guidelines.

## Communication

**LEA 26**

**Mandatory**

**Core Assessed**

**PRI 2,6**

**LEA 26.1**

Indicate if your organisation proactively discloses information on your voting activities.

☒ We disclose it publicly

provide URL

<http://www.otpp.com/investments/responsible-investing/voting-our-shares/proxy-votes>

**LEA 26.2**

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

☒ Yes



**LEA 26.3**

Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.

Indicate how much of your voting record you disclose

- ☒ All voting decisions
- ☐ Some voting decisions
- ☐ Only abstentions and opposing vote decisions
- ☐ Summary of votes only

Indicate what level of explanation you provide

- ☐ Explain all voting decisions
- ☒ Explain some voting decisions
- ☐ Only explain abstentions and votes against management
- ☐ No explanations provided

**LEA 26.4**

Indicate how frequently you typically report voting information.

- ☒ Continuously (primarily before meetings)
- ☐ Continuously (soon after votes are cast)
- ☐ Quarterly or more frequently
- ☐ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

# Ontario Teachers' Pension Plan

## Reported Information

### Public version

#### Direct – Private Equity

## PRI disclaimer

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## Overview

PE 03	Voluntary	Descriptive	PRI 1-6
-------	-----------	-------------	---------

PE 03.1	Provide a brief overview of your organisation's approach to responsible investment in private equity.
---------	-------------------------------------------------------------------------------------------------------

Typically, Ontario Teachers' Pension Plan (Teachers') has at least one board seat in nearly all of its direct private equity investments. In all cases, Teachers' governance rights are prudent and commensurate with its level of ownership (for both minority and majority stakes).

Good governance and promoting sustainable business practices is a core element of Teachers' investment beliefs. In our direct private equity holdings, we use our position of influence to advance good governance, spur on value creation and encourage responsible behaviour on all material environmental, social and governance issues by monitoring management and using direct influence. Our responsibility as fiduciaries is to evaluate and manage all risks carefully, and ensure that the Pension Plan is appropriately compensated for the risks taken.

PE 04	Mandatory	Core Assessed	PRI 2
-------	-----------	---------------	-------

PE 04.1	Indicate if your organisation's investment guidelines for private equity refer to responsible investment.
---------	-----------------------------------------------------------------------------------------------------------

- ☒ Our investment guidelines do refer to responsible investment
- ☐ Our investment guidelines do not refer to responsible investment
- ☐ We do not have investment guidelines

## Pre-investment (selection)

PE 07	Mandatory	Gateway	PRI 1
-------	-----------	---------	-------

PE 07.1	Indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
---------	------------------------------------------------------------------------------------------------------------

- ☒ Yes

PE 07.2	Describe your organisation's approach to incorporating ESG issues in private equity investment selection. [Optional]
---------	----------------------------------------------------------------------------------------------------------------------

The assessment of ESG risks and opportunities is an integral and consistent component of each of Teachers' direct private equity investment due diligence and decision making processes. Deal teams are responsible for identifying material ESG risks/opportunities, engaging third party consultants as appropriate to assist with the assessment, and raising key issues/findings to the investment underwriting committee alongside other risks. OTPP's internal risk team is also engaged to assist with the review and assessment of ESG issues. When an investment is made, any material ESG risks and/or opportunities identified during the pre-investment stage are incorporated into value creation plans and ongoing monitoring. This approach is applied consistently across all industries and geographies, though the depth of the assessment will depend on the materiality of the ESG issues that are identified.

- ☐ No

PE 08	Voluntary	Descriptive	PRI 1
-------	-----------	-------------	-------

PE 08.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the private equity investment selection process.
---------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

☒ Internal staff

	Specify role
--	--------------

Risk Management / Responsible Investment Oversight

☒ External resources

- ☒ Environmental advisors
- ☐ Social advisors
- ☐ Corporate governance advisors
- ☒ Regulatory and/or legal advisors
- ☒ Other, specify type of advisors/roles

Consultants with a private equity focus on ESG / Sustainability

☐ No use of internal or external advice on ESG issues

PE 08.2	Additional information.
---------	-------------------------

In general, Teachers' internal resources help identify ESG risks/opportunities, and external resources will assist as required with more detailed assessments.

PE 09	Mandatory	Core Assessed	PRI 1,3
-------	-----------	---------------	---------

PE 09.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
---------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------

#### ESG issues

☒ Environmental

	List up to three typical examples of environmental issues
--	-----------------------------------------------------------

Environmental governance - e.g., waste reduction, pollution control

Operational effectiveness - e.g., energy efficiency, logistics, recycle or re-use efforts

Long-term environmental factors that affect the sustainability of business practices

☒ Social

	List up to three typical examples of social issues
--	----------------------------------------------------

Employee matters: Health and safety, regulatory requirements, employee engagement and general labour practices

Community and stakeholder relations

Reputational risks (to OTPP and the portfolio company)

☒ Governance

List up to three typical examples of governance issues

Control and rights commensurate with ownership level

Management oversight, e.g., risk management, strength, depth, compensation and succession planning

Board structure and composition, e.g., independence, mix of skills, and alignment of compensation schemes to business goals

## Post-investment (monitoring and active ownership)

PE 13

Mandatory

Gateway/Core Assessed

PRI 2

PE 13.1

Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.

☒ Yes

PE 13.2

Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- ☐ >90% of portfolio companies
- ☒ 51-90% of portfolio companies
- ☐ 10-50% of portfolio companies
- ☐ <10% of portfolio companies

(in terms of total number of portfolio companies)

PE 13.3

Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

### ESG issues

- ☐ Environmental
- ☐ Social
- ☐ Governance
- ☒ We do not set and/or monitor against targets

☐ No

PE 13.4

Additional information. [Optional]

In 2014, Teachers' focus was on enhancing the coverage and monitoring of ESG issues in its direct private equity portfolio companies. We continually look to expand our understanding and practice of responsible investing. Teachers' practices responsible investing through a governance framework where the tone and direction of ESG consideration is set at the portfolio company's board level. The management teams at each company are ultimately held responsible for reporting and executing on ESG initiatives that are identified. Reports back to the portfolio company's board on any risks or opportunities are then communicated appropriately within Teachers'.

PE 14	Mandatory	Core Assessed	PRI 2
-------	-----------	---------------	-------

PE 14.1	Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).
---------	---------------------------------------------------------------------------------------------------------------------------------------------------------

- ☐ Yes  
☒ No

## Communication

PE 20	Mandatory	Core Assessed	PRI 6
-------	-----------	---------------	-------

PE 20.1	Indicate whether your organisation proactively discloses ESG information on your private equity investments.
---------	--------------------------------------------------------------------------------------------------------------

- ☐ Disclose publicly  
☐ Disclose to investor clients (LPs)/beneficiaries only  
☒ No proactive disclosure to the public or to clients (LPs)/beneficiaries

PE 20.8	Additional information. [Optional]
---------	------------------------------------

We publicly disclose our approach to responsible investment, without regard to asset class.

# Ontario Teachers' Pension Plan

## Reported Information

### Public version

#### Direct - Property

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## Overview

PR 04	Voluntary	Descriptive	PRI 1-6
-------	-----------	-------------	---------

PR 04.1	Provide a brief overview of your organisation's approach to responsible investment in property where you have equity stakes.
---------	------------------------------------------------------------------------------------------------------------------------------

Cadillac Fairview applies responsible investing strategies throughout the lifecycle of our managed properties. For example,

- During the evaluation of a potential investment, the due diligence process includes a formal evaluation of environmental, social and governance (ESG) aspects.
- During the design and construction of new properties, ESG is integrated into the formal approach including a focus on achieving the highest levels of the Leadership in Energy and Environmental Design (LEED) certification and implementing top health and safety practices.
- Once the building is operational, there are programs to reduce environmental impact and enhance value in managed properties that include established energy, water and waste targets in addition to certifications such as BOMA BEST or LEED for Existing Buildings.

PR 05	Mandatory	Core Assessed	PRI 1-6
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PR 05.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.
---------	-----------------------------------------------------------------------------------

☒ Yes

PR 05.2	Provide a URL if your RPI policy is publicly available. [Optional]
---------	--------------------------------------------------------------------

<http://www.cadillacfairview.com/social-responsibility/>

☐ No

PR 05.3	Additional information. [Optional]
---------	------------------------------------

As a leading North American real estate company, Cadillac Fairview strives to achieve excellence when it comes to operating in a socially, ethically and environmentally responsible manner. The spirit of our ongoing efforts to manage our business as a conscientious member of our community and to improve our performance in this regard is reflected in the high standards we have set for ourselves in our Corporate Social Responsibility Policy.

Cadillac Fairview's Corporate Social Responsibility Policy focuses on three essential areas as follows and as further explained on the website link above:

**Social commitment:** Our social commitment reflects Cadillac Fairview's recognition of the importance of ensuring the health and welfare of our employees, tenants and customers as well the value of actively investing in our community and participating in philanthropic activities.

**Environmental commitment:** Cadillac Fairview strives to be an industry leader by adopting progressive environmental standards and practices that demonstrate our commitment to corporate social responsibility. We diligently evaluate the way we build and manage our properties, looking for innovative ways to reduce our carbon footprint and minimize our impact on the planet.

**Corporate governance commitment:** Our governance commitment ensures that we consistently strive to achieve the highest ethical standards in our dealings with our employees, tenants, customers, contractors and suppliers and that we treat them with fairness and respect.



## Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
-------	-----------	---------	-------

PR 08.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
---------	------------------------------------------------------------------------------------------------------

☒ Yes

PR 08.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]
---------	--------------------------------------------------------------------------------------------------------------------------------

During the pre-investment phase, a list of environmental, social, and governance risks and opportunities that relate specifically to the subject investment/market is developed by individuals from our organization involved in the potential acquisition. The material ESG items identified are then assigned to specific due diligence work streams.

☐ No

PR 10	Mandatory	Core Assessed	PRI 1,3
-------	-----------	---------------	---------

PR 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
---------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### ESG issues

☒ Environmental

List up to three typical examples of environmental issues
-----------------------------------------------------------

Geographic issues such as susceptibility and vulnerability flooding and land contamination

Land Use

Certifications such as LEED Status

☒ Social

List up to three typical examples of social issues
----------------------------------------------------

Accessibility issues such as disability access

Tenant type and demography

Occupier satisfaction and turnover

☒ Governance

List up to three typical examples of governance issues
--------------------------------------------------------

Shareholder structure and rights

Executive benefits and compensation

Bribery and corruption

**PR 10.2**

Additional information. [Optional]

A materiality assessment is completed on ESG issues which are dependent on the asset type, investment type and location of the investment.

## Post-investment (monitoring and active ownership)

### Overview

**PR 14****Mandatory****Gateway****PRI 2****PR 14.1**

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

☒ Yes

**PR 14.2**

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☒ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☒ We consider ESG issues in other post-investment activities, specify

Procurement, maintenance (i.e., green cleaning, efficient equipment, etc.), LEED for existing buildings, etc.

**PR 14.3**

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

During the property planning phase:

- Define achievable sustainability targets. A LEED preliminary evaluation is conducted.
- Include sustainability experts on every project to identify and assess sustainable building opportunities before we even break ground and during process
- Foster collaboration between our development team, architects, consultants and contractors

During the property building phase:

- Use sustainable building practices to reduce our environmental footprint during the construction process, i.e., limit energy, water, waste to landfill, raw material and carbon intensity of each project
- Work with partners that demonstrate outstanding health and safety records
- Engage with clients to collaborate on environmentally-conscious decisions

During, the property management phase, we:

- Ensure properties are continuously monitored for waste output, energy and water use
- Ensure each property has a green team that is consists of a cross-functional team of members
- Achieve and maintain third-party green certifications (ie LEED and BOMA BEST)
- Ensure properties meet regulatory requirements and highest level of Health and safety standards

- Engage key stakeholders (ie. Clients , owner, community) as active partners
- Regularly assess sustainability related investment opportunities

☐ No

## Property monitoring and management

PR 15	Mandatory	Core Assessed	PRI 2,3
-------	-----------	---------------	---------

### PR 15.1

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☐ >90% of property assets
- ☒ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

### PR 15.2

Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

#### ESG issues

☒ Environmental

List up to three example targets per issue

Energy

Water

Waste

☒ Social

List up to three example targets per issue

Health and safety

Accessibility

Occupier satisfaction and turnover

☒ Governance

List up to three example targets per issue

Shareholder structure and rights

Disclosure (i.e., benchmarks)

Bribery and corruption

☐ We do not set and/or monitor against targets

PR 15.3	Additional information. [Optional]
---------	------------------------------------

GREEN AT WORK™ is Cadillac Fairview's national sustainability operational platform. Since its official launch, we have applied leading practices to integrate sustainability into our property management and operations. Our efforts focus on five pillars for maximum impact.

ENERGY: To reach our target of a 2.5% annual reduction in energy, we used energy conservation techniques, leading operational standards and efficiency technologies where possible. We aim to further reduce our consumption and demand in future years.

WASTE MANAGEMENT: Our goal is to divert 70-90% (target by asset type) of waste from landfill every year. We continue to meet this goal by implementing an industry-leading approach to waste diversion and waste minimization. We continue to strive for zero waste throughout our portfolio.

ENVIRONMENTAL PROTECTION: We are focused on minimizing adverse impacts from our activities, products and services on land, air and water. With this focus, we are able to meet our target of reducing water consumption by 2% annually.

SUSTAINABLE PROCUREMENT: Our contractors, consultants and suppliers play an essential role in our sustainability journey. Whenever possible, we use environmentally friendly products and services and follow best management practices at all properties.

STAKEHOLDER COLLABORATION: We believe in Building Sustainability Together™ by working with our clients, employees, suppliers and customers to share information about our ongoing green initiatives and involve all partners in the program's success.

## Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
-------	-----------	---------------	-------

PR 17.1	Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.
---------	-------------------------------------------------------------------------------------------------------------------

- ☒ >90% of active developments and refurbishments
- ☐ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

<b>PR 17.2</b>	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.
----------------	----------------------------------------------------------------------------------------------------------------------------------------

- ☒ Minimum environmental site selection requirements
- ☒ Minimum environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☒ Minimum energy efficiency requirements
- ☐ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☐ Other, specify

<b>PR 17.3</b>	Additional information. [Optional]
----------------	------------------------------------

Cadillac Fairview developments strive to achieve the highest levels of LEED and other ESG factors. The drivers for our commitment to ESG include but are not limited to: client demand , economic benefit, compliance with regulations and our commitment to being a good corporate citizen.

## Occupier engagement

<b>PR 18</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
--------------	------------------	----------------------	--------------

<b>PR 18.1</b>	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------

- ☒ >90% of occupiers
- ☐ 51-90% of occupiers
- ☐ 10-50% of occupiers
- ☐ <10% of occupiers

(in terms of number of occupiers)

<b>PR 18.2</b>	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
----------------	---------------------------------------------------------------------------------------------------------------------------------

- ☒ Distribute a sustainability guide to occupiers
- ☒ Organise occupier events focused on increasing sustainability awareness
- ☒ Deliver training on energy and water efficiency
- ☒ Deliver training on waste minimisation
- ☒ Provide feedback on energy and water consumption and/or waste generation
- ☒ Provide feedback on waste generation
- ☒ Carry out occupier satisfaction surveys
- ☒ Other, specify

Provide information on achievement of third-party industry standard (i.e., LEED or BOMA BEST)

<b>PR 18.3</b>	Additional information. [Optional]
----------------	------------------------------------

The occupants of Cadillac Fairview's managed buildings are engaged on ESG issues through many ways. Examples of property initiatives include but not limited to:

- Office Green Councils consisting of key members of the landlord and tenants organizations working together to educate and make differences in landlord and tenant organizations.
- Office campaigns or ecofairs to educate on specific issues and building performance ( ie energy, water, waste, air quality, etc.).
- Office occupant training regarding access tenant energy data in near to real time intervals.
- Retail annual meeting to discuss Cadillac Fairview's GREEN AT WORK Program and property performance.
- Office and retail events to educate or celebrate specific issues such as Earth Hour
- Other communications via posters, elevator screens, emails, etc.

## Communication

<b>PR 23</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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<b>PR 23.1</b>	Indicate if your organisation proactively discloses ESG information on your property investments.
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- ☉ Disclose publicly

	provide URL
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<http://www.cadillacfairview.com/social-responsibility/green-at-work/>

<b>PR 23.2</b>	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.
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- ☐ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- ☐ Other property reporting standards, specify
- ☒ No property specific reporting standards are used

**PR 23.3**

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

☒ Yes

**PR 23.4**

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ☐ ESG information on how you select property investments
- ☒ ESG information on how you monitor and manage property investments
- ☒ Information on your property investments' ESG performance
- ☐ Other, specify

**PR 23.5**

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- ☐ Quarterly or more frequently
- ☐ Semi annually
- ☒ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc, specify

**PR 23.6**

Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

Cadillac Fairview discloses ESG in many formats including an annual sustainability report, client meetings, property level communication programs including landlord/tenant green teams, owner committee meetings, etc.

- ☐ No
- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries

# Ontario Teachers' Pension Plan

## Reported Information

### Public version

#### Direct - Infrastructure

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.



## Overview

INF 03	Voluntary	Descriptive	General
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INF 03.1	Indicate up to three of your largest infrastructure sectors by AUM.
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Sector	Main infrastructure sectors (by AUM)
Largest infrastructure sector	<input checked="" type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Second largest infrastructure sector	<input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input checked="" type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Third largest infrastructure sector	<input type="radio"/> Transportation <input checked="" type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify

INF 04	Voluntary	Descriptive	PRI 1-6
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<b>INF 04.1</b>	Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.
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ESG considerations are an important aspect of OTPP's due diligence during the investment phase. We carefully consider all risks related to ESG and in many cases we hire advisors to provide us with further insight into critical matters. In the ownership phase, we carefully monitor ESG risks through comprehensive ERP programs, from which key risks are communicated to the Board (where we sit). We review risks and opportunities and in some cases propose steps to improve the situation (whether that be mitigating a risk or seizing an opportunity).

<b>INF 05</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1-6</b>
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<b>INF 05.1</b>	Indicate if your organisation has a responsible investment policy for infrastructure.
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- ☐ Yes  
☒ No

<b>INF 05.3</b>	Additional information. [Optional]
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Teachers' has over-arching Responsible Investment Principles and Guidelines (see [www.otpp.com](http://www.otpp.com)) which incorporate responsible investing.

## Pre-investment (selection)

<b>INF 08</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>INF 08.1</b>	Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.
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- ☒ Yes

<b>INF 08.2</b>	Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection. [Optional]
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Teachers' Infrastructure Group actively incorporates ESG into the due diligence process and ESG factors weigh on the risk-return analysis. We additionally take these factors into account in the early stages of investment ideas when we look at country risk.

- ☐ No

<b>INF 09</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1,4</b>
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<b>INF 09.1</b>	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the infrastructure investment selection process.
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- ☒ Internal staff  
☒ Specify role  
 Review of ESG risk factors

- ☐ Specify role
- ☐ Specify role
- ☒ External resources
  - ☒ Environmental advisors
  - ☒ Social advisors
  - ☐ Corporate governance advisors
  - ☒ Regulatory and/or legal advisors
  - ☐ Other, specify type of advisors/roles
- ☐ No use of internal or external advice on ESG issues

<b>INF 09.2</b>	Additional information.
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In general, Teachers' internal and external resources are used where ESG issues are material to the investment. Materiality will be specific to the particular investment opportunity depending on characteristics including sector, geography, company, etc.

<b>INF 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
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<b>INF 10.1</b>	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
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#### ESG issues

- ☒ Environmental

List up to three typical examples of environmental issues
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Environmental governance – e.g., pollution liabilities such as contamination of site / soil

Regulatory compliance

Long-term environmental factors that affect the business such as climate change

- ☒ Social

List up to three typical examples of social issues
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Employee matters: Health and safety, regulatory requirements, employee engagement and general labour practices

Community and stakeholder relations

Government relations

- ☒ Governance

List up to three typical examples of governance issues
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Board structure and composition issues, e.g., alignment of compensation schemes to business goals, independence, mix of skills

Management oversight, e.g., risk management, strength, depth, compensation and succession planning

Control and rights commensurate with ownership level

## Post-investment (monitoring and active ownership)

### Overview

INF 14	Mandatory	Gateway	PRI 2
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#### INF 14.1

Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.

☒ Yes

#### INF 14.2

Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.

- ☒ We consider ESG issues in the monitoring and operation of infrastructure
- ☒ We consider ESG issues in infrastructure maintenance
- ☒ We consider ESG issues in stakeholder engagements related to our infrastructure
- ☐ We consider ESG issues in other post-investment activities, specify

☐ No

### Infrastructure monitoring and operations

INF 15	Mandatory	Core Assessed	PRI 2
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#### INF 15.1

Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.

- ☒ >90% of infrastructure assets
- ☐ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

#### INF 15.2

Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

☒ Environmental

List up to three example targets per issue

Environmental compliance

☒ Social

List up to three example targets per issue

Employee health and safety

- ☐ Governance
- ☐ We do not set and/or monitor against targets

INF 16	Mandatory	Additional Assessed	PRI 2
INF 16.1	Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).		
<input type="radio"/> Yes <input checked="" type="radio"/> No			
INF 16.4	Additional information. [Optional]		

## Infrastructure maintenance

INF 18	Mandatory	Core Assessed	PRI 2
INF 18.1	Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.		
<input checked="" type="radio"/> >90% of active maintenance projects <input type="radio"/> 51-90% of active maintenance projects <input type="radio"/> 10-50% of active maintenance projects <input type="radio"/> <10% of active maintenance projects <input type="radio"/> N/A, no maintenance projects of infrastructure assets are active			
(in terms of number of active maintenance projects)			

## Communication

INF 22	Mandatory	Core Assessed	PRI 6
INF 22.1	Indicate if your organisation proactively discloses ESG information on your infrastructure investments.		
<input type="radio"/> Disclose publicly <input type="radio"/> Disclose to clients/beneficiaries only <input checked="" type="radio"/> No proactive disclosure to the public or to clients/beneficiaries			

We publicly disclose our approach to responsible investment, without regard to asset class.