




The image shows two overlapping forms from the PRI LEA (Leadership Engagement Assessment) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are used for assessing engagement with companies. LEA 02 includes a section for 'Reason for interaction' with checkboxes for 'To support investment decision-making in a company's transition to a sustainable future', 'To encourage corporate action on ESG issues', 'To support investment decision-making in a company's transition to a sustainable future', and 'Other specify'. LEA 03 includes a section for 'Reason for interaction' with checkboxes for 'To support investment decision-making in a company's transition to a sustainable future', 'To encourage corporate action on ESG issues', 'To support investment decision-making in a company's transition to a sustainable future', and 'Other specify'.

RI TRANSPARENCY REPORT

2013/14

Caisse de dépôt et placement du Québec



UNEP Finance Initiative
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

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 2013-14 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. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly 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.

PRI disclaimer

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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	✓	n/a							✓
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	✓	Public							✓
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	-	n/a							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	-	n/a							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	-	n/a	✓						
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	✓	Public							✓
OA 19	Internal and external review and assurance of responses	-	n/a							✓

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	✓	Public	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Public	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Description of ESG integration	✓	Public	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Public	✓						
LEI 14	ESG issues in index construction	✓	Private	✓						
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	✓	Public	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
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	✓	Public		✓					
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	✓	Public		✓		✓			
LEA 08	Monitor / discuss service provider information	✓	Public		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
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	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	-	n/a		✓					
LEA 14	Examples of ESG engagements	✓	Private		✓					
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	✓	Private		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

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	-	n/a	✓					✓	
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	✓	Public				✓			
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	-	n/a		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
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						✓	

Caisse de dépôt et placement du Québec

Reported Information

Public version

Organisational Overview

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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 bank
- ☐ Reserve - sovereign or government controlled fund
- ☐ Other, specify

OO 01.2 Additional information. [Optional]

La Caisse serves 31 depositors, primarily public and private pension and insurance funds in Québec. In addition to managing their funds, La Caisse provides investment consulting services to all its depositors.

To learn more about Caisse's depositors: <http://www.lacaisse.com/en/about-us/clients>

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

800

OO 02.4 Additional information. [Optional]

800 is for La Caisse only. The real estate group composed of La Caisse's subsidiaries has approximately 1,800 employees.

OO 03 **Mandatory** **Descriptive** **General**

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

- ☐ Yes
☒ No

OO 03.3 Additional information. [Optional]

We apply our RI policy to subsidiaries' assets.

OO 04 **Mandatory** **Gateway/Peering** **General**

OO 04.1 Indicate the year end date for your reporting year.

31/12/2013

OO 04.2 Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		245	000	000	000
Currency	CAD				
Assets in USD		232	601	909	128

OO 04.3 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 04.4 Additional information. [Optional]

This figure represents the total AUM. Caisse usually reports publicly Net total AUM.

OO 06	Mandatory	Descriptive	General
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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 broad ranges
- ☒ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

PRESS RELEASE
MONTREAL 26/02/2014

Returns

(for the period ended December 31, 2013)

Specialized portfolio	Net assets at December 31, 2013 (\$ millions) ¹	4 years			1 year		
		Net investment results (\$ millions) ¹	Return %	Index %	Net investment results (\$ millions) ¹	Return %	Index %
Fixed Income							
Bonds	55,016	8,920	5.7	4.7	33	0.2	(1.2)
Real Estate Debt	8,818	2,741	9.1	4.7	8	0.1	(1.2)
Short Term Investments	3,512	218	1.0	0.9	61	1.1	1.0
Long Term Bonds	1,896	986	6.5	6.6	(143)	(6.5)	(6.4)
Subtotal	69,242	12,865	5.9	4.5	(41)	0.0	(1.2)
Inflation-Sensitive Investments							
Real Estate	22,570	8,660	13.0	14.0	2,896	15.1	15.6
Infrastructure	8,048	3,250	16.8	15.3	641	10.6	22.6
Real Return Bonds	1,188	148	4.1	4.1	(170)	(13.1)	(13.1)
Subtotal	31,807	12,058	13.4	13.7	3,367	12.5	15.6
Equity							
Canadian Equity	23,069	5,071	6.4	7.5	3,368	16.3	14.8
Global Quality Equity	17,225	2,587	n.a.	n.a.	2,587	32.4	26.1
Global Equity	3,485	3,422	n.a.	n.a.	2,024	32.2	31.0
Emerging Markets Equity	10,256	976	3.1	3.1	384	4.0	3.7
U.S. Equity	9,730	5,538	16.5	16.4	3,639	41.3	41.3
EAFE Equity	9,832	3,547	9.3	8.9	2,733	31.5	31.0
Equity Markets ²	73,597	22,853	9.5	9.7	14,735	23.7	22.4
Private Equity	20,182	9,978	16.5	11.3	3,426	19.7	22.7
Subtotal²	93,779	32,831	10.9	10.0	18,161	22.9	22.6
Hedge Fund	3,667	419	3.6	3.1	85	2.9	2.9
Asset Allocation	1,189	(197)	n.a.	n.a.	182	n.a.	n.a.
ABTN ³	(107)	2,985	n.a.	n.a.	728	n.a.	n.a.
Total⁴	200,149	61,182	10.0	8.8	22,768	13.1	12.6

¹Net assets and net investment results are net of operating expenses.

²The Québec International portfolio closed out on November 30, 2012. Its contribution is included in these figures.

³The ABTN portfolio financing slightly exceeds the fair market value of its investments and accounts for the negative net assets.

⁴The total includes Overlay Strategies and cash activities of individual funds.

To upload the image click the Save button below

OO 06.2

Additional information. [Optional]

This is the reporting we do in our annual report and La Caisse is committed to ensuring that the public reporting of its assets is carried out in a consistent manner for all publications. Please note that the AUM reported at the beginning of this questionnaire is the total AUM as compared to our annual detailed reporting (by asset class) which is in net assets.

Because this public reporting is different from the one required in this Framework, please note that net assets show a percentage reaching 10% for Private Equity but that threshold is not reached when calculated on the total assets required for answering this Framework.

OO 08	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 08.1

Indicate the breakdown of your organisation's AUM by market.

Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %

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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The mission of La Caisse de dépôt et placement du Québec is to achieve an optimal return on the deposits of its clients, or depositors, while contributing to Québec's economic development. Created in 1965, La Caisse is now one of the largest institutional fund managers in Canada and North America. A leading private equity investor in Canada, it is also one of the 10 largest real estate asset managers in the world. La Caisse's financial soundness has earned it the best credit ratings issued by the following credit rating agencies: Moody's Investors Service, Standard and Poor's, and Dominion Bond Rating Service. La Caisse serves 31 depositors, primarily public and private pension and insurance funds in Québec. In addition to managing their funds, La Caisse provides investment consulting services to all its depositors. La Caisse is committed to acting in a fiduciary spirit to provide long-term, risk-adjusted, liability-driven returns to its depositors. As at December 31, 2013, its depositors' net assets totaled \$200 billion, representing a four year annualized return of 10% and an overall return of 13.1% for 2013. Contributing to Québec's economic development, La Caisse is a leading investor in Québec, defining itself as a long-term partner for promising, high quality, well-managed companies. In line with its mission, La Caisse has reaffirmed its commitment to strengthening its presence and fulfilling its leadership role in Québec. Its objectives are to support successful companies in their plans to expand locally and internationally, play a leadership role in the university and financial sectors, and pursue its efforts to purchase Québec goods and services and promote sustainable development. Earning an optimal return on funds under management, La Caisse implements a diversification strategy to increase the value of its clients' funds. It invests in financial markets in Québec, elsewhere in Canada, and around the world, in various types of assets, and in all economic sectors. La Caisse's foreign investment strategy is based on partnership, particularly in private equity and real estate. This approach helps to minimize the risks related to investing and opens the door to a wide range of business opportunities and large-scale international projects. As an institutional investor, La Caisse tries to influence the social, environmental, and governance performance of companies. It has also been committed to sustainable development for several years, addressing social, economic and environmental issues through its actions. Adopting best governance practices, La Caisse manages and coordinates its activities in accordance with the rules of transparency, integrity, and responsibility specific to its role as investor. In addition, it encourages the companies in which it invests to adopt sound governance policies and to manage all types of risk they are facing.

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.

- ☒ We incorporate ESG issues into investment decisions on our internally managed assets
- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☒ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☒ We cast our (proxy) votes directly or via service providers
- ☐ None of the above

OO 10.2 Indicate if your combined internally and externally managed listed equities are 10% or more of your total AUM.

- ☒ Yes, our total listed equities are 10% or more of our total AUM
- ☐ No, our total listed equities are less than 10% of our total AUM

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
- ☐ Fixed Income – other
- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☐ Cash
- ☐ Other (1)
- ☐ None of the above

'Other (1)' [as defined in OO 05]

Advances to depositors, investment income (accrued and receivable), transactions being settled and other assets

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
- ☒ Property
- ☒ Hedge funds
- ☒ Farmland
- ☐ None of the above

OO 12	Mandatory	Gateway	General
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OO 12.1

The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, 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. Direct - Fixed Income and Infrastructure are always 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 - Fixed Income

- ☐ Fixed Income - Corporate

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
- ☐ Property
- ☐ Hedge funds
- ☐ Farmland

Closing module

- ☒ Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

Caisse de dépôt et placement du Québec

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Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
OA 01.1	Indicate if you have a responsible investment policy.		
	<input checked="" type="radio"/> Yes <input type="radio"/> No		
OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.		
	<input checked="" type="radio"/> Yes <input type="radio"/> 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]		

La Caisse is a mainstream institutional investor that believes in investing responsibly. Its commitment has led it to include environmental, social and corporate governance (ESG) criteria in its investment decisions. It encourages the companies in which it invests to adopt practices that comply with the principles of corporate responsibility. Also, it cooperates with global investors to promote these principles and find ways to make them reality. As one of the largest institutional investors in Canada, La Caisse tries to influence the companies' ESG practices. La Caisse's RI policy is built around the following key areas:

- 1) Environmental, social and governance (ESG) criteria.** The integration of ESG criteria in portfolio management decisions is already entrenched in the Equity Markets group, Private Equity and Corporate Fixed Income. La Caisse is always enhancing the process of integrating these criteria in those classes as well as in other asset class decision making, to improve the assessment of all investment related risks and opportunities.
- 2) Exclusions.** Although shareholder dialogue and engagement remain principal policy tools, exceptional circumstance, in which a violation of local or international law will entail a review, could lead to exclusion. For example, la Caisse shall exclude from its portfolio companies that produce antipersonnel mines and cluster bombs on the basis of non compliance with international conventions.
- 3) Shareholder engagement.** La Caisse's shareholder engagement activities are conducted through a proactive dialogue with companies, independently or in collaboration with investor groups, to improve the level of information available on companies in which it invests and influence their responsible business practices. La Caisse will enhance its shareholder engagement efforts with these companies by targeting specific issues recommended by the Responsible Investment committee. La Caisse's shareholder engagement activities also include the systematic exercise of its voting rights at shareholder meetings.
- 4) Responsible Investment Committee.** A standing Responsible Investment Committee is also being established to examine responsible investment issues, structure existing initiatives and develop the approach in line with La Caisse's ongoing priorities.

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

OA 02.2	Provide a URL to your responsible investment policy.
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URL

http://www.lacaisse.com/sites/all/files/medias/en/lacaisse/gouvernance/documents/politique_investissement_responsable_en.pdf

☐ No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
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☒ 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.
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Policy or document name	URL
Proxy-voting policy and guidelines	http://www.lacaisse.com/sites/all/files/medias/en/lacaisse/gouvernance/documents/politique_exercice_droit_vote_en.pdf

☐ No

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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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 checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" 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 03.2

Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

The RI Policy applies to all asset classes held by La Caisse. Even so, the practices and methods that are used to integrate ESG criteria, in whole or in part, may differ from one asset class to another depending on the nature of the investment, the type of instrument and the portfolio's investment strategy.

As for the proxy-voting policy, very few guidelines are specific on social or environmental proposals but those are analysed on a case-by-case basis according to the RI Policy principles.

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.

☒ Yes

OA 04.2

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

La Caisse's Act (*An Act Respecting the Caisse de depot et placement du Quebec*, R.S.Q. c. C-2, sections 38-42.1) prevents it to make a financial transaction with an employee, a member of the Board or other related parties.

La Caisse does have a Code of Ethics for its employees where conflicts of interest are addressed but it concerns the conflict or potential conflict of the employee in relation to its functions. This Code can be found at the following link:
http://www.lacaisse.com/sites/all/files/medias/en/lacaisse/gouvernance/documents/code-ethique-dirigeants-employees_en.pdf - Section 4.5 addresses conflicts of interest.

Because of La Caisse's structure, situations of conflicts of interest in the investment process between La Caisse and its depositors do not apply. La Caisse's portfolio managers invest the depositors' funds in accordance with the depositors' investment policies and the specialized portfolios' investment policies. Depositors' funds are pooled in those specialized portfolios.

☐ No

OA 04.3

Additional information. [Optional]

Objectives and strategies

OA 05**Mandatory****Gateway/Core Assessed****General****OA 05.1**

Indicate if your organisation sets objectives for its responsible investment activities.

☒ Yes

OA 05.2

Indicate how frequently your organisation sets or revises objectives for responsible investment.

☒ 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.

- ☐ Quarterly
☐ Biannually
☐ Annually
☒ Every two years or less
☐ It is not reviewed
☐ No

OA 05.4

Additional information. [Optional]

La Caisse's process is still informal in terms of setting objectives and reviewing the performance. It is more a discussion we have on the Responsible Investment Committee regarding important issues we want to address. In 2013, La Caisse wanted to improve its knowledge on water issues and its engagement activities regarding compensation.

These two objectives were met the following way:

Water issues:

- Research was done internally and also requested of experts
- A conference on water issues was organized and specialized information was presented
- Engagement was made with energy companies to determine the best water management practices

Compensation engagement:

- Engagement on compensation issues was intensified with Canadian-listed companies
- A compensation tool is being developed to provide La Caisse with exhaustive information enabling it to conduct extensive compensation engagement and to make comparisons and more thorough analyses.

Governance and human resources

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
 - Members of the Executive Committee**
 - ☒ 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
 - ☐ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☒ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other role, specify
 - Some risk managers**
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify

OA 08.2

Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

	Number
--	--------

8

OA 08.3	Additional information. [Optional]
----------------	------------------------------------

The 8 dedicated staff are: 6 professionals, 1 technician and 1 external service provider

Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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OA 10.1	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.
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☒ Yes

OA 10.2	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

- ☐ Asian Corporate Governance Association
- ☐ 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)
☐ 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)
☐ Global Real Estate Sustainability Benchmark (GRESB)
☐ Institutional Investors Group on Climate Change (IIGCC)
☐ Interfaith Center on Corporate Responsibility (ICCR)
☐ International Corporate Governance Network (ICGN)
☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
☐ Investor Network on Climate Risk (INCR)/CERES
☐ Local Authority Pension Fund Forum
☒ Principles for Responsible Investment

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

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--

We also participate in our regional group of signatories formed in Quebec.

- ☐ 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
 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

Pensions Investment Association of Canada

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

- ☐ Basic
☒ Moderate
☐ Advanced

☒ Other collaborative organisation/initiative, specify

Long Term Investor Club

	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

Finance & Sustainability Initiative

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

- ☐ Basic
☐ Moderate
☒ Advanced

☐ No

OA 10.3	Additional information. [Optional]
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La Caisse is also a member of Institut des administrateurs de sociétés. Its involvement is basic in this organisation.

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.
----------------	--

☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☒ 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

Organisation of an annual ESG conference for the local finance community and Caisse's depositors. In 2013, the conference was on water issues.

☐ No

OA 11.3

Additional information. [Optional]

Among the promotional activities:

- La Caisse supports financially the University of Concordia Sustainable Investment Program Certification.
- There are two on-going RI research projects given to two different universities.
- A Caisse representative participated in a panel at a UNGC event.

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
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OA 12.1

Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.

☒ Yes

- ☒ Yes, individually
- ☒ Yes, in collaboration with others

OA 12.2

Select the methods you have used.

- ☒ Endorsed written submissions to governments, regulators or standard-setters developed by others
- ☒ Drafted your own written submissions to governments, regulators or standard-setters
- ☐ Participated in face-to-face meetings with government members or officials to discuss policy
- ☒ Other, specify

Participated in face-to-face meetings with regulators

Participated in the drafting of our peer group written submissions to regulators

OA 12.3	Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.
----------------	--

☒ Yes, publicly available

	provide URL
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<http://www.lautorite.qc.ca/en/previous-consultations-securities-pro.html>

	provide URL
--	-------------

http://www.osc.gov.on.ca/en/SecuritiesLaw_proposed_index.htm#review

☐ No

☐ No

Innovation

OA 18	Voluntary	Descriptive	General
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OA 18.1	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
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Increasingly, we approach important Canadian ESG issues in a collaborative manner with a small group of large Canadian pension funds in order to influence and improve practices. This increases the seriousness of the approach in the eyes of companies and different stakeholders and promotes internal knowledge and discussions.

Caisse de dépôt et placement du Québec

Reported Information

Public version

Direct - Listed Equity Incorporation

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

LEI 02	Voluntary	Descriptive	PRI 1
LEI 02.1	Provide a brief overview of how you incorporate ESG issues in listed equity investments.		

ESG integration is firmly entrenched in the equity markets sector, primarily for the Canadian market. Noteworthy improvements have been achieved in international active management. Over the years, tools have been developed to enable managers to incorporate ESG criteria into their analyses. Managers monitor these factors closely for any impacts on their portfolios. Note that ESG factors are primarily used in active management. For its indexed management approach, La Caisse relies on the exercise of its voting rights and, to a lesser extent and in collaboration with other investors, on shareholder engagement. Tools have been developed internally to integrate within the analysis the score attributed to companies we held in our portfolio (Canadian and US) as well as provide indications about strengths and concerns. The complete research reports are then available for a more thorough analysis of those issues. Moreover, information gathered through engagement and/or proxy voting is communicated to analysts and portfolio managers for integration and consideration purposes. An equity responsible investment team works directly with the research team by supporting research, preparing the ESG profile and monitoring emerging risks. For the Canadian market, the ESG scores attributed to the companies are integrated in the investment decision-making sheet. This document is submitted to and discussed with investment team. An integration model, mostly used in the Canadian market in the Materials sector, has been developed. It is based on an exhaustive list of items to verify with a company. This includes the composition of the Board, company management, environmental protection measures and existing local community acceptance policies, among others (in total 50 possible aspects). For all sectors, a reference checklist establishes an ESG risk profile for each industry sector and a risk rating is assigned. The sector ratings addresses a range of ESG risks and are submitted to La Caisse's Responsible Investment Committee for approval. The managers conduct a qualitative assessment of the information from a risk and economic value impact standpoint for shareholders. A score derived from this exercise is assigned and integrated into a more comprehensive company analysis. Research is also an important part of integrating ESG criteria. La Caisse encourages ESG research, primarily by requiring securities dealers to produce reports with an analysis on these factors, as well as by subscribing to specialized research firms services and participating in conferences on the subject.

ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
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)
- ☒ Screening + Integration strategies

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)	<div> <div></div> <div>%</div> </div>
	100

- ☐ 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.
----------	---

La Caisse is a mainstream investor as opposed to an ethical fund. Its RI policy relies on a risk management approach of ESG elements which calls for an integration strategy:

Integration of ESG criteria in investment analysis and decision making enables the Caisse's managers to develop a more complete portrait of a company and to systematically consider all risks and opportunities associated with such criteria. The Caisse ensures full or partial integration of ESG criteria by taking these elements into consideration from the standpoint of risk and on the same basis as traditional financial factors. Their integration is based on specialized research and on knowledge of companies gained by Caisse managers and analysts in their discussions with corporate officers.

Such integration allows the managers to properly price those risks and opportunities in their financial models.

In order to fulfill its obligations towards its depositors, it is imperative for La Caisse, as a mainstream investor, not to limit its universe *a priori*, except for specific, well-cases, as stated in its policy :

The Caisse will exclude the securities of certain companies from its portfolio only in unusual circumstances, namely contravention of local or international legislation. To determine such exclusion, an internal committee will examine the matter and assess the impacts and costs of such exclusion. Excluded securities may be reintroduced into the Caisse's portfolio at a later date if the circumstances so justify.

In fact, the only existing exclusions are companies that produce the following arms: cluster munitions and antipersonnel mines.

LEI 04	Voluntary	Additional Assessed	PRI 1
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Type of ESG information

- ☒ Raw ESG company data

Indicate who provides this information

- ☒ ESG research provider
☐ Sell-side
☒ In-house – specialised ESG analyst or team
☐ In-house – analyst or portfolio manager
☒ Company-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
☒ Sell-side
☒ In-house – specialised ESG analyst or team
☒ In-house – analyst or portfolio manager
☒ Sector-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
☒ Sell-side
☒ In-house – specialised ESG analyst or team
☒ In-house – analyst or portfolio manager
☒ Country-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
☐ Sell-side
☒ In-house – specialised ESG analyst or team
☒ In-house – analyst or portfolio manager
☒ Screened stock list

Indicate who provides this information

- ☒ ESG research provider
☐ Sell-side
☒ In-house – specialised ESG analyst or team
☐ In-house – analyst or portfolio manager
☒ Issue-specific analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☐ Other, specify

LEI 04.3	Indicate if you incentivise brokers to provide ESG research.
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☒ Yes

LEI 04.4	Describe how you incentivise brokers.
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We encourage brokers by giving special research mandates on ESG subjects and also by paying commissions to brokers who produce ESG research.

☐ No

LEI 05	Voluntary	Additional Assessed	PRI 1
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LEI 05.1	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
-----------------	---

- ☒ Engagement
 - ☒ We have a systematic process to ensure the information is made available.
 - ☐ We occasionally make this information available.
 - ☐ We do not make this information available.
- ☒ (Proxy) voting
 - ☒ We have a systematic process to ensure the information is made available.
 - ☐ We occasionally make this information available.
 - ☐ We do not make this information available.

(A) Implementation: Screening

LEI 06	Mandatory	Descriptive	PRI 1
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LEI 06.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.
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Type of screening

- ☒ Negative/exclusionary screening

Screened by

- ☒ Product
- ☐ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☐ Environmental and social practices and performance
- ☐ Corporate governance

	Description
--	-------------

Exclusions of companies that produce the following arms: cluster munitions and antipersonnel mines only.

- ☐ Positive/best-in-class screening
- ☐ Norms-based screening

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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Establishment of screening criteria: An analysis of international conventions and external independent research is conducted by RI specialists along with the portfolio managers. Engagement is also made with companies to fully understand the situation. A proposal is then submitted to the RI Committee which decides which criteria to apply.

Review of criteria: Periodically (at least once a year) along with the new research coming out.

Notification: Through RI presentations given to our depositors.

LEI 06.3	Additional information. [Optional]
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Screening is a very exceptional RI strategy at La Caisse which mainly uses integration.

LEI 07	Mandatory	Core Assessed	PRI 1
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LEI 07.1

Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- ☒ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

LEI 07.2

Additional information. [Optional]

Screening is a very exceptional RI strategy at Caisse which mainly uses integration.

LEI 08

Voluntary

Additional Assessed

PRI 1

LEI 08.1

Indicate which processes your organisation uses to ensure that fund criteria are not breached

- ☐ Checks are performed to ensure that stocks meet the funds' screening criteria. These checks are:
- ☒ Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- ☐ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Other, specify
- ☐ None of the above

LEI 08.2

If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.

An alert will identify the breach. The Compliance department will be informed and, after reviewing the situation, will quickly ask the manager to sell the securities covered by the exclusions.

LEI 08.3	Additional information.
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The automated IT systems prevents investments to be made in excluded companies.

(C) Implementation: Integration of ESG issues

LEI 10	Voluntary	Descriptive	PRI 1
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LEI 10.1	Describe how you integrate ESG factors into investment decision making processes.
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Please refer to answer to question LEI 02.1.

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 checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input 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 checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input 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]
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The systematical review of ESG items applies to most of the actively managed Listed equities. However, in certain markets, it is not yet as systematic because the information is more difficult to obtain.

LEI 12	Voluntary	Descriptive	PRI 1
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LEI 12.1	Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis.
-----------------	---

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Company information and/or ratings on ESG are updated regularly
- ☐ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

LEI 12.2	Describe how ESG information is held and used by your portfolio managers.
-----------------	---

- ☒ ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☐ Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify
- ☐ None of the above

LEI 12.3	Additional information.
-----------------	-------------------------

Note that the ESG information and analysis standard section of company research notes only exists for our Canadian portfolio.

LEI 13	Voluntary	Additional Assessed	PRI 1
---------------	------------------	----------------------------	--------------

LEI 13.1	Indicate into which aspects of investment analysis you integrate ESG information.
-----------------	---

- ☐ (Macro) economic analysis
- ☒ Industry analysis
- ☐ Systematically
- ☒ Occasionally
- ☒ Analysis of company strategy and quality of management
- ☒ Systematically
- ☐ Occasionally
- ☐ Idea generation
- ☐ Portfolio construction
- ☒ Fair value/fundamental analysis
- ☒ Systematically
- ☐ Occasionally

LEI 13.2	Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis.
-----------------	--

- ☒ Adjustments to income forecasts (sales, earnings, cash flows)
- ☒ Adjustments to valuation tools (discount rates, return forecasts, growth rates)
- ☒ Other adjustments to fair value projections, specify

Multiples, for example P/E and P/C. ESG risks are also included in a company's risk profile analysis.

☐ Other, specify

Outputs and outcomes

LEI 16	Voluntary	Descriptive	PRI 1
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LEI 16.1	Indicate if you believe that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance.
-----------------	--

	a) Impacted funds' financial performance
--	--

Screening		Integration of ESG issues	
<input type="radio"/> Yes		<input checked="" type="radio"/> Yes	
<input type="radio"/> No		<input type="radio"/> No	

	b) Reduced funds' risk or volatility
--	--------------------------------------

Screening	Integration of ESG issues
<input type="radio"/> Yes	<input checked="" type="radio"/> Yes
<input type="radio"/> No	<input type="radio"/> No

c) Improved funds' ESG performance

Screening	Integration of ESG issues
<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes
<input type="radio"/> No	<input type="radio"/> No

LEI 16.2

Describe how you are able to determine these outcomes and your actual performance.

Although short term portfolio impact can be difficult to determine, long term ESG integration reduces risks of an ESG problem impacting company operation, reputation, valuation and stock price.

Communication

LEI 18

Mandatory

Core Assessed

PRI 2,6

LEI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

☒ We disclose it publicly

Provide URL

http://www.lacaisse.com/sites/all/files/medias/en/nouvelles-medias/documents/ra2012_rapport_annuel_en.pdf

LEI 18.2

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

☐ Yes

☒ No

LEI 18.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and/or the public regarding your approach to ESG incorporation.

Reporting to public	Reporting to clients/beneficiaries
<input checked="" type="radio"/> Broad approach to ESG incorporation <input type="radio"/> Detailed explanation of ESG incorporation strategy used	<input type="radio"/> Broad approach to ESG incorporation <input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used

LEI 18.4	Indicate how frequently you typically report this information.
---------------------	--

Reporting to public	Reporting to clients/beneficiaries
<input type="radio"/> Quarterly or more frequently <input checked="" type="radio"/> Between quarterly and annually <input type="radio"/> Less frequently than annually <input type="radio"/> Other, specify	<input type="radio"/> Quarterly or more frequently <input checked="" type="radio"/> Between quarterly and annually <input type="radio"/> Less frequently than annually <input type="radio"/> Other, specify

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

Caisse de dépôt et placement du Québec

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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Engagement

Overview

LEA 01	Voluntary	Descriptive	PRI 2
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La Caisse's RI Policy clearly states that :

"Direct dialogue with corporate officers is the preferred approach, especially with Québec and Canadian companies because of their proximity; such discussions may also be undertaken in cooperation with other investors."

(...) "With respect to La Caisse's shareholder engagement, it appears that dialogue is an effective and responsible long-term approach because it can be used to link performance and reasonable behaviour. Moreover, it serves to convey La Caisse's expectations, to take into account the realities facing such companies and, as required, to support them in their ESG-related initiatives."

Shareholder engagement activities primarily take shape through La Caisse's proactive dialogue with companies to improve the level of information available about the companies in which it invests as well as to influence the responsible business practices of those companies. Should an unforeseen event occur, we would also engage in a reactive manner. We encourage and ask companies to present their approach and strategy as far as ESG factors are concerned. It could refer to the whole approach or only to certain aspects of it. If it is a company that we systematically meet on this matter from year to year, we follow up on progress, on improvements that were requested or activities that were being implemented. All Canadian public companies in La Caisse's actively managed portfolio were contacted during 2013, either as part of its process of making companies aware of the importance to participate in certain initiatives as part of shareholder meetings or as part of meetings with La Caisse's managers and analysts or dedicated RI staff. ESG issues were regularly addressed at these meetings for purposes of reviewing the company's ESG practices, or of discussing a specific matter in which La Caisse hoped to see improvement. As per its policy, La Caisse positions itself as a partner, working with companies and helping them improve their social responsibility in various ways. In its responsible investment approach, La Caisse interacts with companies to encourage the publication of information relevant to all shareholders. Through shareholder engagement, La Caisse expresses its views and positions on ESG-related issues, problems or opportunities. It usually communicates privately with companies, as La Caisse found this was a more effective approach. Accordingly, La Caisse generally does not disclose the names of companies with which it has communicated. Certain investment sectors in which La Caisse is prominent present significant shareholder engagement challenges when it comes to responsible investment principles. La Caisse is confident that its influence and willingness to cooperate with companies in these sectors bring improvements in terms of the environment, more efficient technologies and respect for communities. At the beginning of 2013, La Caisse identified shareholder engagement themes with regards to which it planned to take action or initiate dialogue with portfolio companies. Of the identified themes, shareholder engagement activities in 2013 focused primarily on compensation, governance, environmental and social issues associated with natural resource use and water. Financial analysts and portfolio managers are often the ones conducting these engagements within the course of the meetings they have with the companies. RI dedicated staff will provide research on the issues and help prepare those meetings or join the meetings or contact the company directly depending on the matter and the engagement objective. The recent increase in the size of the research team has allowed La Caisse to build meaningful relationships with international companies where regular meetings are scheduled with the goal of engaging on their ESG activities, obtaining an update and monitoring progress. These engagements are often done by dedicated RI staff but could also be done by the investment and research team. On site visits are also part of La Caisse's approach to engagement, as it often provides a form of audit of ESG practices in daily operations.

Depending on the type of engagement and the subjects to be discussed, La Caisse will engage with different company representative, including board members, management (CEO, CFO), investor relations, and dedicated sustainability managers at the company level.

LE 20 PRI 2 Mandatory

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.
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Type of engagement	Reason for interaction
Individual/Internal staff engagements	<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
Collaborative engagements	<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
Service provider engagements	<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 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

**LEA
03.2**

Describe how you identify and prioritise engagements.

We identify the engagement themes and select engagement activities accordingly. At the beginning of 2013, La Caisse identified shareholder engagement themes concerning which it planned to take action or initiate dialogue with portfolio companies. The themes were chosen based on the following criteria: • ESG risk analysis by sector and exposure to risks defined as significant in portfolio investments; • the ability to intervene and potential levers for dialogue with companies, either directly or through groups.

Moreover, some of the engagement activities are handled by the analysts. They are the main contacts for the portfolio managers and engage with the companies within their portfolio and the sector they cover. While analysts are informed of La Caisse's ESG priorities, their engagement activities are part of the investment process and it will be up to them to prioritize at the portfolio level.

☐ No

LEA 04

Mandatory

Core Assessed

PRI 2

**LEA
04.1**

Indicate if you define specific objectives for your engagement activities.

☐ Yes

☒ 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.

Following an engagement, if a company has committed itself to take actions, we will make sure it is done by getting back to the company, by reviewing the documentation, by visiting operation sites or through regular meetings the analysts and portfolio managers have with the company. A lack of reaction by a company following an engagement could impact the analyst's views on a company and therefore impact the investment decision-making. Successful examples of engagement and best practices learned from previous engagements can help improve future engagements.

While specific objectives are not pre-determined, each engagement is structured around the expectations that companies should manage any ESG risk that could have a material impact on the company's long-term risk-adjusted return.

☐ No

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]

La Caisse does not have a formal process but will monitor some opportunities offered by groups in which it participates and will also prioritize peers collaborative engagement. It will analyze the possibilities on a case-by-case basis and will usually align it with the engagement themes established.

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.

We monitor by keeping contact with the companies and by reviewing documentation.

☐ No

**LEA
06.4**

Additional information. [Optional]

Most of the collaborative engagements that we made this year were with different authorities and regulators. Few of them, although important, were with companies.

Process for engagements conducted with/on your behalf by service providers

LEA 07

Mandatory

Core Assessed

PRI 2,4

**LEA
07.1**

Indicate if you play a role in the engagement process that your service provider conducts on your behalf.

- ☒ Yes

LEA 07.2	Indicate what role you play in engagements that your service provider conducts on your behalf.
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- ☐ Specify the issues for the engagement
- ☐ Specify the objectives for the engagement
- ☒ Select the companies to be engaged with
- ☐ Participate directly in the engagements with your service provider
- ☐ Actively monitor and review the activities of the service provider
- ☒ Other, specify

We provide feedback on the development of the themes and engagement plan for the year. We discuss the reports and request additional information.

☐ No

LEA 07.3	Additional information. [Optional]
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We participate in the selection of the companies.

LEA 08	Mandatory	Core Assessed	PRI 2,6
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LEA 08.1	Indicate whether you monitor and/or discuss the following information provided to you by your service provider
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Please select all that apply

- ☒ The subject (or ESG issue(s)) of engagement
- ☒ The objectives of the engagement
- ☒ The rationale for engagement
- ☐ The frequency/intensity of interactions with companies
- ☒ Progress towards achieving engagement goals
- ☒ Outcomes that have been achieved from the engagement
- ☒ Next steps for engagement activity
- ☐ Other, specify
- ☐ None of the above

General processes for all three groups of engagers

LEA 09	Voluntary	Additional Assessed	PRI 1,2
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LEA 09.1	Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.
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Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Service provider engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
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LEA 10.1	Indicate if you track the number of companies you engage with.
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Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" 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
Collaborative engagements	<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
Service provider engagements	<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

Outputs and outcomes

LEA 12	Voluntary	Additional Assessed	PRI 2
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LEA 12.1	Indicate if your engagements in the reporting year covered E, S and/or G issues.
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Type of engagement	Coverage
Individual / Internal staff engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative engagements	<input checked="" type="checkbox"/> Environmental <input type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Service provider engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information

**LEA
12.2**

Provide an estimated breakdown by E, S and/or G issues.

Individual / Internal staff engagements

% Environmental only

15

% Social only

10

% Corporate Governance only

25

% Overlapping ESG issues

50

100%

Collaborative engagements

% Environmental only

25

	% Corporate Governance only
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75

100%

	Service provider engagements
--	------------------------------

	% Environmental only
--	----------------------

23

	% Social only
--	---------------

30

	% Corporate Governance only
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47

100%

LEA 12.3	Additional information.
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The indicators relate to engagement with companies but we also pursue engagement with industry associations such as the Mining Association of Canada (comprehensive engagement and participation in a committee). We also participated in a collaborative engagement with organizations mostly comprised of companies that formed groups to develop better security practices in supply chains.

Precision: our service provider adds another category of issues which is "Strategy and risk". Considering the responses options, we added this category to Corporate governance.

Communication

LEA 15	Mandatory	Core Assessed	PRI 2,6
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LEA 15.1	Indicate whether your organisation proactively discloses information on its engagements.
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- ☐ 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
15.6

Additional information. [Optional]

We disclose publicly very general information on engagement themes. Exceptionally, we could disclose or make public statements. We disclose to a certain extent to our depositors. Our approach is usually a confidential one with the companies as it fits better with our relationship approach and our experience has proven that we obtain better results that way. La Caisse has good access to the companies in which it invests and prefers to communicate in a collaborative way with the companies on its requests and expectations in terms of ESG issues.

(Proxy) voting and shareholder resolutions

Overview

LEA 16	Voluntary	Descriptive	PRI 2
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).		

Each year, La Caisse analyzes all proposals tabled at the shareholder meetings of public companies in its portfolios. An internal team exercises voting rights at the shareholder meetings of Canadian and U.S. companies. For international companies, votes are exercised by an external supplier in accordance with La Caisse policies and guidelines. All voting positions for Canadian and U.S. companies are published on La Caisse website (www.lacaisse.com). For shareholder meetings of international companies, the internal team ensures that the supplier votes in accordance with La Caisse policies. In 2013, the Caisse voted on 40,601 proposals at 3,972 shareholder meetings:

- Canada: 155 meetings
- United States: 733 meetings
- International: 3,084 meetings.

Votes on management proposals: Most proposals at shareholder meetings are submitted by the company's management and are related to the election of directors, the appointment of auditors compensation and other matters that arise in the normal course of business. Although La Caisse usually supports management recommendations, it will sometimes oppose them.

12.8% of La Caisse total votes in 2013 were against management proposals: 6.6% in Canadian companies, 11.7% in U.S. companies and 13.5% in international companies.

Votes on shareholder proposals: Shareholder proposals submitted at meetings are reviewed and analyzed on a case-by-case basis. In 2013 La Caisse voted on 497 shareholder proposals at meetings of Canadian and U.S. companies, and supported 322 (64.8%) of these proposals.

LPV 02 PRI 2

Process			
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LEA 17	Mandatory	Descriptive	PRI 2
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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 17.2	Additional information.[Optional]
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As mentioned in the description of our approach, an internal team exercises voting rights at the shareholder meetings of Canadian and U.S. companies. For international companies, votes are exercised by an external supplier in accordance with La Caisse policies and guidelines.

We have an internal team that does the research and uses the service provider's research and recommendations in order to make our own voting decisions in Canada and the U.S. The team uses the same process to review selected international meetings.

LEA 19	Voluntary	Descriptive	PRI 2
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LEA 19.1	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
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- ☒ Obtain confirmation that votes have been lodged:
- ☒ for a majority of votes
- ☐ for a minority of votes
- ☒ 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.

Our internal system as well as that of the service provider provides electronic confirmation that the votes have been sent and lodged according to our instructions.

Moreover, considering flaws that have been identified in the proxy-voting system, La Caisse has been actively participating in a Canadian peer group that aims to improve the integrity of the proxy-voting system. Many meetings have occurred with regulators, intermediaries and other participants in this system. The peer group also provided comments in response to a consultation in Canada and is following further developments closely.

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:
- ☐ votes in selected markets
 - ☒ votes on certain issues (all markets)
 - ☐ votes for significant shareholdings (all markets)
 - ☐ other, explain
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

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%)

%

99

	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
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LEA 23.1	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
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- ☒ 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:
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Voting instructions	Breakdown as percentage of votes cast
For (supporting) management proposals	<div> <div></div> <div>%</div> </div> 87
Against (opposing) management proposals	<div> <div></div> <div>%</div> </div> 13
Abstentions	<div> <div></div> <div>%</div> </div> 0

100%

- ☐ No, we do not track this information

Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6
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LEA 26.1	Indicate if your organisation proactively discloses information on your voting activities.
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- ☒ We disclose it publicly

	provide URL
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<http://www.lacaisse.com/fr/nouvelles-medias/votes-procuration>

**LEA
26.2**

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

☐ Yes

☒ No

**LEA
26.3**

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

Reporting to the public	Reporting to clients/beneficiaries
<p>Indicate how much of your voting record you disclose</p> <p><input type="radio"/> All voting decisions</p> <p><input checked="" type="radio"/> Some voting decisions</p> <p><input type="radio"/> Only abstentions and opposing vote decisions</p> <p><input type="radio"/> Summary of votes only</p>	<p>Indicate how much of your voting record you disclose</p> <p><input type="radio"/> All voting decisions</p> <p><input checked="" type="radio"/> Some voting decisions</p> <p><input type="radio"/> Only abstentions and opposing vote decisions</p> <p><input type="radio"/> Summary of votes only</p>
<p>Indicate what level of explanation you provide</p> <p><input type="radio"/> Explain all voting decisions</p> <p><input checked="" type="radio"/> Explain some voting decisions</p> <p><input type="radio"/> Only explain abstentions and votes against management</p> <p><input type="radio"/> No explanations provided</p>	<p>Indicate what level of explanation you provide</p> <p><input type="radio"/> Explain all voting decisions</p> <p><input checked="" type="radio"/> Explain some voting decisions</p> <p><input type="radio"/> Only explain abstentions and votes against management</p> <p><input type="radio"/> No explanations provided</p>

**LEA
26.4**

Indicate how frequently you typically report voting information.

Reporting to the public	Reporting to clients/beneficiaries
<p><input type="radio"/> Continuously (primarily before meetings)</p> <p><input checked="" type="radio"/> Continuously (soon after votes are cast)</p> <p><input type="radio"/> Quarterly or more frequently</p> <p><input type="radio"/> Between quarterly and annually</p> <p><input type="radio"/> Less frequently than annually</p> <p><input type="radio"/> Other, specify</p>	<p><input type="radio"/> Continuously (primarily before meetings)</p> <p><input type="radio"/> Continuously (soon after votes are cast)</p> <p><input type="radio"/> Quarterly or more frequently</p> <p><input type="radio"/> Between quarterly and annually</p> <p><input type="radio"/> Less frequently than annually</p> <p><input checked="" type="radio"/> Other, specify</p> <p>They have access to the public disclosure on our website but they also receive an annual report and detailed examples.</p>

**LEA
26.5**

Describe any other differences in the information being disclosed. [Optional]

La Caisse will provide its depositors with an annual report and presentation that could provide more information on the voting decisions than what is disclosed publicly.

- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

Caisse de dépôt et placement du Québec

Reported Information

Public version

Direct - Property

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

PR 05	Mandatory	Core Assessed	PRI 1-6
PR 05.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.		
	<input type="radio"/> Yes <input checked="" type="radio"/> No		
PR 05.3	Additional information. [Optional]		

Although there is no formal RPI policy, La Caisse's subsidiary, Ivanhoe Cambridge, does have an Environmental Management Program that governs environmental issues for the managed portfolio of properties. The policy is confidential. Moreover, Caisse's general RI Policy applies to real estate assets.

Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
PR 08.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.		
	<input checked="" type="radio"/> Yes		
PR 08.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]		

Environmental analysis and reports from experts are always done in the due diligence exercise and very strict requirements are made through the whole investment decision-making process in that regard, up until the top level management. During acquisitions, dispositions or development projects, Ivanhoe Cambridge conducts the appropriate environmental audit or update audit prior to completing the transaction or to starting construction. Ivanhoe Cambridge engages a qualified environmental consultant to review existing reports and formulate a plan of action. At a minimum for all acquisitions, a Phase I Environmental Site Assessment (ESA) is conducted. In most cases, no environmental concerns are identified by the Phase I ESA. When material issues are identified either through the Phase I ESA or by the existing environmental reports, further intrusive investigations are conducted. After the investigations are completed, the environmental consultant prepares a liability analysis report that documents the actual or potential cost to resolve the environmental issues identified on-site, which assists in making decisions during negotiations.

☐ No

PR 10	Mandatory	Core Assessed	PRI 1,3
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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.
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ESG issues

☒ Environmental

List up to three typical examples of environmental issues

Energy use / greenhouse gases

Consumption and efficiency

Flooding and contamination

☒ Social

List up to three typical examples of social issues
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Health and safety

Disability access

Security

☒ Governance

List up to three typical examples of governance issues
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Business ethics

Bribery and corruption

Risk management

Selection, appointment and monitoring third-party property managers

PR 13	Mandatory	Core Assessed	PRI 4
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PR 13.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
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☒ Yes

PR 13.2

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- ☒ Selection process of property managers incorporated ESG issues
 - ☒ For all third party property managers
 - ☐ For a majority of property managers
 - ☐ For a minority of property managers
- ☒ Contractual requirements when appointing property managers includes ESG issues
 - ☒ For all third party property managers
 - ☐ For a majority of property managers
 - ☐ For a minority of property managers
- ☒ Monitoring of property managers covers ESG responsibilities and implementation
 - ☒ For all third party property managers
 - ☐ For a majority of property managers
 - ☐ For a minority of property managers

☐ No

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

☐ 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.
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- ☐ >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.
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ESG issues

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

PR 15.3	Additional information. [Optional]
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We have not begun to set official ESG targets at a property or on a company-wide basis as we are still improving our measuring and reporting capabilities to establish accurate baselines which will then lead to setting targets. Although we have not set targets, we are monitoring our property data to establish a level of consistency and accuracy. We also publish a Corporate Social Responsibility report yearly for the activities of our managed properties.

Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
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PR 17.1	Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.
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- ☒ >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)

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

Occupier engagement

PR 18	Mandatory	Core Assessed	PRI 2
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PR 18.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
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- ☐ >90% of occupiers
- ☒ 51-90% of occupiers
- ☐ 10-50% of occupiers
- ☐ <10% of occupiers

(in terms of number of occupiers)

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

PR 18.3	Additional information. [Optional]
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Note that our answer to question PR 18.1 concerns only the properties managed by us. 55 % of the properties we managed have committees to promote sustainable development and green initiatives. However, in the third party managed properties, we don't monitor this information.

Communication

PR 23	Mandatory	Core Assessed	PRI 6
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PR 23.1	Indicate if your organisation proactively discloses ESG information on your property investments.
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☒ Disclose publicly

provide URL

http://www.ivanhoecambridge.com/en/~/_media/EF14FDD555F443C3BECF96E9E96B999D.ashxx

PR 23.2	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.
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☒ Yes

PR 23.4	Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.
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- ☐ 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
- ☐ No
- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries