

NATURAL RESOURCES

The Natural Resources group invests primarily in real assets and other opportunities in timber and agriculture.

Given the high exposure of natural resources investments to weather conditions, we perform climate change risk assessments as part of our investment due diligence. In fiscal year 2017, we assessed the ongoing impact of climate change on crop yields and agricultural property operations on several continents. Climate change parameters include the frequency and severity of extreme weather events, occurrence of colder temperatures, precipitation levels and water availability.

Responsible investment in action

TimberWest: In 2011, PSP Investments acquired a 50% interest in TimberWest.

TimberWest is western Canada's largest private timberland company and has been in operation for over 100 years.

In 2016, TimberWest undertook a number of outreach initiatives with local communities in British Columbia. It worked with First Nations and environmental groups to help pass the Great Bear Rainforest Land Use Order. The company also contributed to funding construction of the Vancouver Island link in Canada's Great Trail project.

In addition, we supported an assessment of TimberWest's health and safety performance. Following that, the company implemented a health and safety improvement action plan for both itself and its subcontractors.