CPP
INVESTMENT
BOARD

Canada Pension Plan Investment Board
One Queen Street East, Suite 2700,
P.O. Box 101, Toronto, Ontario M5C 2W5
Toll Free 1 866-557-9510
Telephone 416-868-4075
Web site www.cppib.ca

March 6, 2008

The Honourable Percy E. Downe, P.C.
Senate of Canada
Ottawa, Ontario
K1A 0A4

Dear Senator Downe:

Thank you for your letter of January 16, 2008.

In response to the Canadian government's decision to impose sanctions on Burma through the Special Economic Measures Act (SEMA), we have undertaken a review of our portfolio to ensure CPP Investment Board is in compliance with the regulations, which were introduced on December 26, 2007.

The CPP Investment Board is in full compliance with the measures announced by the Government of Canada.

Our updated website message reflects the above-mentioned statement (attached).

With respect to your question on our enhanced portfolio review, we undertook an enhanced review of our public equity holdings, more than 2,600 companies, in the fall of 2007, recognizing the increased human rights risks in Burma. We drew upon third party research on companies that potentially had operations in Burma. We enhanced this information with additional research by internal staff, including contacting several Canadian and international companies to verify their current operations.

No companies in our public equity portfolio, to the best of our knowledge, have material operations in Burma. However, we identified several Canadian and international companies for direct engagement to encourage improved transparency and corporate responsibility strategy with regard to the small portions of their business that might include operations in Burma. Our engagement with these companies is ongoing.

Consistent with the CPP Investment Board's belief that constraints decrease returns and/or increase risk over time, we do not screen stocks. Instead, in line with our *Policy on Responsible Investing*, we believe that engagement with companies is an effective strategy to encourage improved performance on and disclosure of environmental, social and governance issues, particularly for large institutional investors with a long investment horizon like the CPP Investment Board. This approach is consistent with the UN Principles for Responsible Investment.

The CPP Investment Board is committed to public transparency of our responsible investing activities, including timely disclosure of our proxy votes. We currently produce an annual Proxy Voting Report, and annual reporting on engagement activities will begin in fall 2008.

Direct engagement, however, is conducted privately because we believe this is more effective than publicly disclosing these activities. The names of companies with which we have engaged, therefore, are not typically disclosed publicly. Nevertheless, we retain the right to do so if we believe we are not seeing sufficient progress in any given engagement situation.

Thank you very much for your interest in CPP Investment Board's responsible investing activities.

Sincerely,

David F. Denison