

# PSP Investments

— Investor update

June 11, 2019

PSP

# PSP Investments

- Approaching 20 years of operation
- One of Canada's largest pension investment managers, with \$168.0 billion of net assets under management as of March 31, 2019
- Over 800 professionals in Ottawa, Montréal, New York, London and Hong Kong
- Increasing our worldwide presence



# We've made significant progress toward Vision 2021 in three years

## Cultivate One PSP

## Improve Brand Locally and Internationally

## Increase Our Global Footprint

## Increase Scalability and Efficiency

## Develop Our Talent

- 1 Total fund / total return
- 2 analytics
- 3 **collaboration**

- 4 **communications & branding**
- 5 relationship management

- 6 **International offices**

- 7 **Investment scalability**
- 8 operational efficiency

- 9 **attraction**
- 10 retention & development
- 11 inclusion & diversity
- 12 **culture**

# Financial highlights – FY19

**\$168.0**B NET AUM



1-YEAR TOTAL FUND  
NET PORTFOLIO  
RETURN



5-YEAR NET  
ANNUALIZED  
RETURN



10-YEAR NET  
ANNUALIZED  
RETURN

**\$48.8** Billion

Cumulative net investment  
gains above return objective  
over 10 years

**\$90.1** Billion

Cumulative  
10-year net  
performance income

# Asset Class Overview

PSP Investments C\$ **168.0** Billion Net AUM

## Public Markets

**\$80.8\*** Billion Net AUM      **4.6%** 1-year rate of return      **8.0%** 5-year annualized return

## Private Equity

**\$23.5** Billion Net AUM      **16.1%** 1-year rate of return      **7.9%** 5-year annualized return

## Private Debt

**\$10.5** Billion Net AUM      **9.2%** 1-year rate of return      **14.2%** Since inception annualized return (3.3 years)

## Real Estate

**\$23.5** Billion Net AUM      **7.6%** 1-year rate of return      **11.8%** 5-year annualized return

## Infrastructure

**\$16.8** Billion Net AUM      **7.1%** 1-year rate of return      **12.7%** 5-year annualized return

## Natural Resources

**\$6.8** Billion Net AUM      **11.1%** 1-year rate of return      **12.0%** 5-year annualized return

## Complementary Portfolio

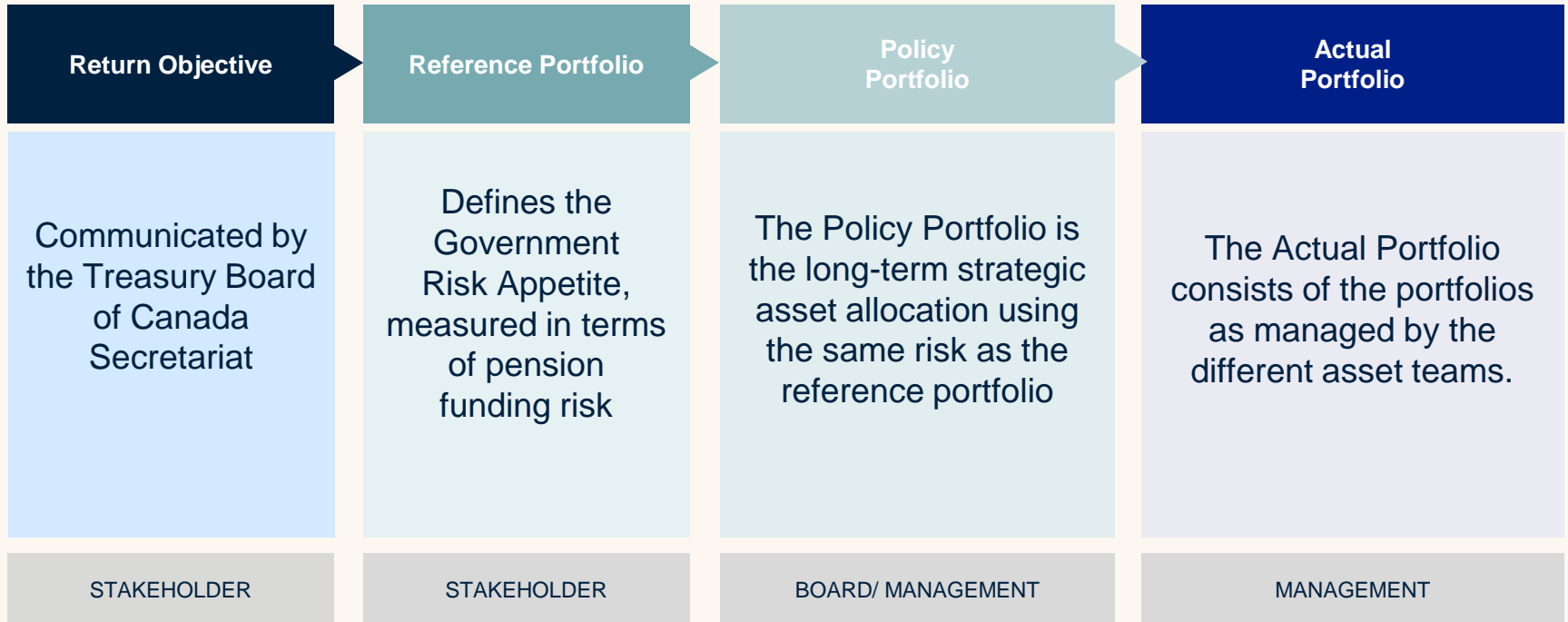
**\$1.4** Billion Net AUM      **0.04%** 1-year rate of return      **15.6%** Since inception annualized return (2.2 years)

All figures are as at March 31, 2019.

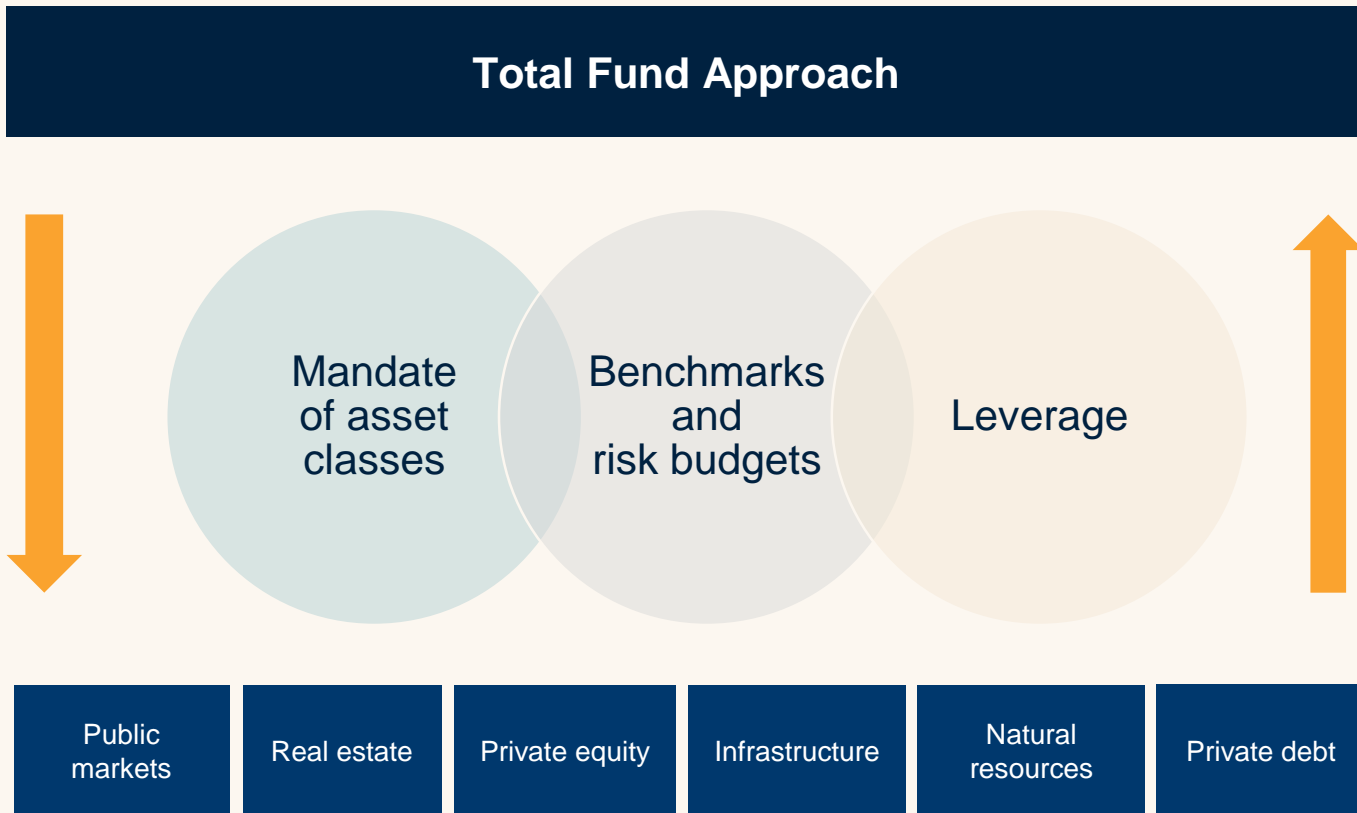
\*Exclude cash and cash equivalents.

Net AUM denotes assets under management.

# PSP's value chain



# Balance approach: top-down, bottom-up

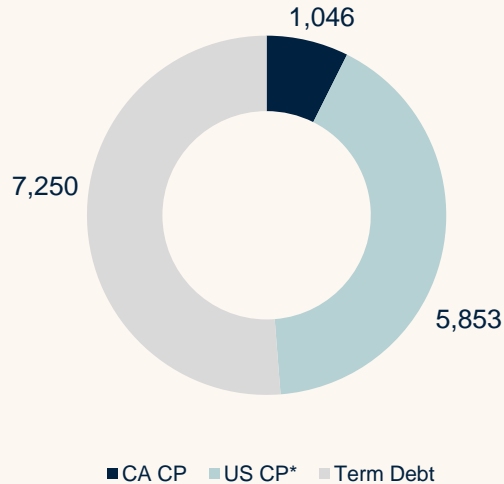


# Term Debt Program

## - Current Profile

- Benchmark size issuance
- Laddered maturity profile with limited refinancing risk
- Most recent issuance: **C\$1.25bln PSP Capital 3.00% Nov 5, 2025**
- Maximum limit on recourse debt is 10% of AUM

Debt Outstanding (C\$M)



Maturity Profile (C\$M)

