

MANDATE OF THE BOARD OF DIRECTORS

1. Role

The affairs of Caisse de dépôt et placement du Québec (hereinafter “La Caisse”) are, pursuant to the *Act respecting the Caisse de dépôt et placement du Québec* (hereinafter “La Caisse Act”), administered by a board of directors (hereinafter the “Board”) which also supervises its management.

(Section 5 of the Act)

The Board’s role is to ensure that La Caisse is managed in compliance with the provisions of its incorporating act and regulations and that the institution takes the necessary measures to attain the objectives set out in its mission, i.e. to receive moneys on deposit as provided by law and manage them with a view to achieving optimal return on capital within the framework of depositors’ investment policies while at the same time contributing to Québec’s economic development.

The Board meet as often as needed to serve the interests of La Caisse, but at least once every two months, at the head office or at any other place in Québec fixed by a notice of meeting.

(Section 4 of the Internal by-law)

2. Composition

The Board consists of no fewer than 9 and no more than 15 members, including the Chair of the Board and the President and Chief Executive Officer, who is a member of the Board by virtue of the office. Members are appointed for a term of up to four years and may be renewed twice for service in that capacity only, for a consecutive or non-consecutive term.

(Section 5 of the Act)

At least two-thirds of the members of the Board, including the Chair of the Board, must qualify as independent members in the opinion of the Government. Members qualify as independent members if they have no direct or indirect relationships or interests, for example of a financial, commercial, professional or philanthropic nature, which are likely to interfere with the quality of their decisions as regards the interests of La Caisse.

(Section 5.5 of the Act)

At least three-quarters of the members of the Board must reside in Québec.

(Section 5.4 of the Act)

As least 40% of the members of the Board must be women.

(Section 5.3.1 of the Act)

As least one member must be 35 years of age or under at the time of appointment.

(Section 5.3.2 of the Act)

As least one member must be, in the opinion of the Government, representative of the diversity of Québec society.¹

¹ La Caisse must comply with this requirement by May 31, 2025.

(Section 5.3.3 of the Act)

3. Meetings

Meetings are called by notice to the members by the Secretary or Assistant Secretary on behalf of the Chair of the Board. Meetings of the Board may be held without notice, provided that the members consent. The presence of a member at a meeting indicates his consent.

(Sections 5 and 9 of the Internal by-law)

The Chair of the Board shall call a meeting upon written request of four members.

(Section 6 of the Internal by-law)

4. Quorum

A majority of members must be present to form a quorum of the Board.

(Section 10 of the Internal by-law)

5. Chair

The Chair of the Board shall preside at meetings of the Board. If the Chair of the Board is absent or unable to act, the Board appoints a substitute among the chairs of committees established under section 13.3 of the La Caisse Act to replace him, on the recommendation of the Governance and Ethics Committee. When replacing the Chair of the Board, the person so designated exercises the same responsibilities and has the same powers as the Chair of the Board.

(Sections 5.7, 5.9 of the Act)

6. Secretariat

La Caisse's Secretary or Assistant Secretary shall act as Secretary.

7. Mandate

The Board's responsibilities include the following:

Strategic plan and orientations

- a) Approve the strategic planning process
- b) Approve La Caisse's strategic and business plans at least once annually
(Section 13.1 (3) of the Act)
- c) Monitor management's implementation and the effectiveness of the strategic plan and business plan

- d) Approve the deposit of any amount from a new depositor
(Section 20.1 of the Act / Regulation respecting deposits by certain public bodies or their pension funds and the conditions of such deposits)
- e) Approve, monitor compliance with, and review or confirm La Caisse's general policies on a periodic basis or as needed
- f) Review at least every three years and approve La Caisse's policies
- g) Adopt measures to assess the effectiveness and performance of La Caisse, including benchmarking against similar enterprises; the measures are to be carried out every three years by an independent firm
(Sections 13.1 (15) and 46 (n) of the Act)

Finance, internal controls and audit

- h) Approve La Caisse's annual budgets
(Section 13.1 (3) of the Act)
- i) Approve La Caisse's financial statements and accompanying press releases
(Section 13.1 (3) of the Act)
- j) Approve La Caisse's annual report
(Section 13.1 (3) of the Act)
- k) Review La Caisse's returns on its portfolios
- l) Supervise and evaluate the integrity and effectiveness of internal controls and information disclosure controls
(Section 13.2 of the Act)
- m) Review at least every three years and approve the financial disclosure policy
(Section 13.2 of the Act)
- n) Hear the Auditor General at the latter's request
(Section 13.2 of the Act)
- o) Assign a mandate to any external auditor as deemed appropriate by the Board
(Section 13.1 (9) of the Act)

Investment and risk management

- p) Approve, monitor compliance with, and review or confirm investment policies, standards and procedures on a periodic basis or as needed
(Section 13.1 (6) of the Act)
- q) Review and approve proposed deals within the scope of the investment strategies approved by the Board
(Section 13.12 (4) of the Act)

- r) Identify the principal risks associated with La Caisse's affairs and establish risk and opportunity management framework policies, monitor compliance and confirm them on a periodic basis or as needed
(Section 13.1 (1) of the Act)

Human resources

- s) Approve any significant changes to management's organizational structure
- t) Appoint with the Government's approval, the President and Chief Executive Officer of La Caisse, taking into account the expertise and experience profile established by the Board and approve at the time of appointment and at least annually thereafter, the remuneration and other conditions of employment of the President and Chief Executive Officer in keeping with parameters set by the Government after consultation with the Board
(Section 5.3 of the Act)
- u) In collaboration with the Chair of the Board, approve the objectives, the assessment criteria and annual evaluation of the President and Chief Executive Officer
(Section 13.1 (13) of the Act)
- v) Approve the appointment of the members of the Board of CDPQ Infra and Espace CDPQ, including the Chair of the Board, on the recommendation of the President and Chief Executive Officer
- w) Approve the appointment and remuneration of officers reporting directly to the President and Chief Executive Officer and of the most senior officer of each wholly-owned subsidiary of La Caisse, on the recommendation of the President and Chief Executive Officer
(Section 13.1 (5) of the Act)
- x) Ensure that processes are in place for the recruitment, training and development of the skills of members of management
- y) Approve the human resources policies as well as the standards and scales of remuneration and other conditions of employment of officers other than the President and Chief Executive Officer and employees of La Caisse and each of its wholly-owned subsidiaries
(Sections 13.1 (4), 15 of the Act)
- z) Annually set targets to be reached, review annual results and approve, as appropriate, the allocation of amounts paid out under any variable remuneration program
- aa) Annually evaluate the performance of the President and Chief Executive Officer and other La Caisse officers in light of the targets to be attained
- bb) Plan the succession of the President and Chief Executive Officer and review and approve succession plans by the President and Chief Executive Officer for other officers
(Section 13.1 (14) of the Act)

Governance and ethics

- cc) Annually at least every three years and approve La Caisse's governance rules as well as those of CDPQ Infra and Espace CDPQ
(Section 13.1 (7.1) of the Act)
- dd) Review at least every three years and approve rules of ethics applicable to members of the Board, officers and employees of La Caisse, CDPQ Infra and Espace CDPQ as well as the legal persons, other than those referred to in section 37.1 of the La Caisse Act, of which La Caisse holds at least 90% of the common shares directly or indirectly, including the rules on the management and disclosure of conflicts of interest, ensure that these rules are communicated to the persons subject to them
(Section 13.1 (8) of the Act, section 35 of the Internal by-law)
- ee) Ensure that policies are in place to create a culture of integrity within La Caisse
- ff) Review at least every three years and approve the stewardship investing policy
(Section 13.1 (7) of the Act)
- gg) Approve La Caisse's stewardship investing report
- hh) Approve the expertise and experience profiles for the appointment of Board members, with the exception of the Chair of the Board
(Sections 5.6 and 13.1 (11) of the Act)
- ii) Recommend to the Government any nomination for a member of La Caisse's Board as well as any recommendation for reappointment as a member proposed by the Chair of the Board
(Section 5 of the Act)
- jj) Approve the Board's succession plan
- kk) In order to assist the Board in carrying out its mandate, establish an Audit Committee, an Investment and Risk Management Committee, a Human Resources Committee, and a Governance and Ethics Committee, define their mandate, designate their members and receive their reports and recommendations
(Sections 13.1 (10) and 13.3 of the Act)
- ll) Establish any other committee as it deems necessary to examine specific issues or facilitate the proper functioning of La Caisse, specifying its mandates, if any, designate their members and receive the reports and recommendations of such committee
(Section 13.5 of the Act)
- mm) Ensure the annual performance evaluation of the Board, Board committees, Board and committee chairs and individual members and approve the assessment criteria
(Sections 13.1 (12) and (13) of the Act)

- nn) Ensure that all Board committees exercise their functions properly
(Section 13.2 of the Act)
- oo) Approve the initiation and ongoing training program for members and ensure its implementation
(Section 13.2.1 of the Act)
- pp) Review the mandate of the Board and each of its committees every other year to determine whether they are appropriate
- qq) Ensure that measures established to obtain feedback or comments from any interested party regarding La Caisse's practices or actions
- rr) Determine La Caisse's delegations of authority
(Section 5.7, 5.12 and 13.1 (2) of the Act and section 32 of the Internal by-law)

Regulations

- ss) Make La Caisse regulations and submit them to the Government for approval when such approval is required by law
(Section 13 of the Act)

8. Resources

The President and Chief Executive Officer shall see that the Board has adequate human, material and financial resources, particularly as regards external experts, to perform its functions.

(Section 5.13 of the Act)

To fulfill its responsibilities, the Board may consult all La Caisse records and contact any officer, employee or auditor, if that is justified to exercise its duties.

(Section 17 of the Internal by-law)

9. Private meetings

As part of its mandate, the Board holds a private discussion session with the President and Chief Executive Officer.

The members of the Board meet regularly at the beginning or end of a meeting, with or without management present.

Any member may ask the Chair of the Board that a meeting, or any part of it, be held without management present.

10. Reports

The Board approves a summary of its proceedings, which contains a section pertaining to La Caisse's governance, which appears in La Caisse's annual report.

(Section 46.1 of the Act)

It also receives summaries of Committee proceedings after each Committee meeting as well as the summaries that appear to said annual report.

(Sections 13.6 and 46 of the Act)

The numbers mentioned under the sections correspond to the relevant section of the *Act respecting the Caisse de dépôt et placement du Québec* or the *Internal by-law of Caisse de dépôt et placement du Québec*.