

## **MANDATE OF THE GOVERNANCE AND ETHICS COMMITTEE**

---

### **1. Constitution**

There is hereby established a committee of the Board of Directors (hereinafter the “Board”) of Caisse de dépôt et placement du Québec (hereinafter “CDPQ”) called the Governance and Ethics Committee.

(Section 13.3 of the Act)

### **2. Composition**

The Committee is composed of independent members of the Board.

(Section 13.4 of the Act)

### **3. Guests**

Other Board members may be invited to take part in committee meetings on a regular or occasional basis without being members of the Committee or having voting rights.

The Chair of the Board may take part in any meeting of the Committee.

(Section 13.7 of the Act)

Upon invitation by the Committee, any other person may attend, in whole or in part, a meeting, when the Committee considers it necessary or desirable.

### **4. Meetings**

Regular meetings are held on the dates, at the times and locations set by the Board. They are called by notice sent to members by the Secretary or the Assistant Secretary on behalf of the Committee Chair. Committee meetings may be held without notice if the members consent to the holding of such meetings. The presence of a member at a meeting indicates his consent.

An extraordinary meeting may be called at any time by the Committee Chair, the Chair of the Board, the President and Chief Executive Officer, one of the Committee members or the Executive Vice-President, Legal Affairs and Secretariat.

The Committee members regularly meet before or after a meeting without management being present. Any Committee member may ask the Chair that a Committee meeting, or any part of it, be held without management being present.

### **5. Quorum**

A majority of members must be present to form a quorum of a board committee.

In the absence of a quorum, the Chair of the Board may, if he is not a member of the Committee, and at the request of the Committee Chair, serve as a member for this meeting and have voting rights.

(Section 20 of the Internal by-law)

## **6. Chair**

The Committee Chair, as designated by the Board from among independent members, chairs the Committee meetings. When the Committee Chair is unable to attend a meeting, the Chair of the Board or a member of the Committee may act as Chair for this meeting.

(Section 21 of the Internal by-law)

## **7. Secretariat**

The Secretary or Assistant Secretary of CDPQ may serve as secretary.

## **8. Mandate**

The mandate of the Committee is to assure the Board that CDPQ upholds the highest standards in terms of governance and ethics. The committee is notably responsible for monitoring the structure, the composition and the operations of the Board and its committees.

The responsibilities of the Governance and Ethics Committee include the following:

### *Governance and ethics policies and practices*

- a) Review, at least every two years, and recommend to the Board for approval the governance rules for CDPQ and for Ivanhoé Cambridge, Otéra and CDPQ Infra  
(Section 13.11 (1) of the Act)
- b) Review, at least every three years, and recommend to the Board for approval the rules of ethics and professional conduct applicable to members of the Board, officers and employees of CDPQ, Ivanhoé Cambridge, Otéra and CDPQ Infra as well as the legal persons, other than those referred to in section 37.1 of the CDPQ Act, of which CDPQ holds at least 90% of the common shares directly or indirectly, including rules on conflicts of interest  
(Sections 13.11 (4) of the Act and section 35 of the Internal by-law)
- c) Review any situation where there appears to be a conflict of interest and conflicts of interests brought to its attention involving a member of the Board and take any measure deemed appropriate to end the situation
- d) Review any violation of the rules of ethics and professional conduct committed by a member of the Board, a member of senior management, or an employee and any sanction imposed as a result of that violation
- e) Receive an annual report from CDPQ's Director Designation Committee
- f) Receive annual reporting on the use of CDPQ's budgetary envelope for donations and sponsorships
- g) Review all reports submitted pursuant to the Policy on sustainability, particularly with regard to the integration of environmental, social and governance (ESG) factors

- h) Review, at least every three years, policies that fall under the responsibility of the Committee and recommend them to the Board for approval, including notably:
  - i) A sustainability policy  
(Section 13.1 (7) of the Act)
  - ii) A policy concerning the governance principles that CDPQ intends to promote in companies where it exercises its voting rights
  - iii) A policy on preventing and detecting fraud and corruption; and
  - iv) A policy against harassment and other types of corruption
- i) Review and recommend to the Board, as applicable, a regulation prescribing additional dispositions or control measures to ensure compliance with section 41 of the Act respecting CDPQ regarding the personal use of any information received respecting the operations of CDPQ  
(Section 41 of the Act and section 35 of the Internal by-law)
- j) Review and recommend to the Board, as applicable, a regulation establishing situations where an officer of CDPQ is subject to section 42 of the Act respecting CDPQ dealing with statements of interest  
(Section 42 of the Act)
- k) Ensure that every member of the Board shall, at the time they assume their duties and every year thereafter, forward to the Board a list of their interests in any legal persons and a list of such interests as their spouse may have together with a statement of all transactions that have changed such lists during the year  
(Section 42 of the Act)

*Structure, composition and operations of the Board and its committees*

- l) Review any candidacy to become a member of CDPQ's Board and any recommendation for renewing the mandate of a member proposed by the Chair and make recommendations on the matter  
(Section 5 of the Act)
- m) See to the establishment and maintenance of structures and procedures to enable the Board to act independently of management  
(Section 13.11 (2) of the Act)
- n) Review every other year the mandates of the Board and its committees and recommend any necessary changes to the Board, if any  
(Section 13.11 (3) of the Act)
- o) Annually review the composition, size, and structure of committees of the Board and the appointment of Committee chairs  
(Section 13.1 (10) of the Act)
- p) Recommend to the Board, in collaboration with the President and Chief Executive Officer, the appointment of members of the Boards of Ivanhoé Cambridge, Otéra and CDPQ Infra, including the Board Chair

- q) Review and recommend to the Board for approval the expertise and experience profiles for appointing Board members, with the exception of the Board Chair and the President and Chief Executive Officer  
(Sections 5.6 and 13.11 (5) of the Act)
- r) Annually review the process for assessing the performance of Board members, the Board as a whole, Board committees, and Board and Committee chairs, including recommending to the Board for approval the assessment criteria, and recommend to the Board the action plans it deems appropriate  
(Sections 13.11 (6) and (7) and paragraph 2 of the Act)
- s) Review, as part of the evaluation process or when required, the needs of the Board and its committees in terms of the frequency of meetings, meeting agendas, working papers, reports, and information as well as the running of meetings and make recommendations to the Board in this regard
- t) Review and recommend to the Board the initiation and ongoing training program for members  
(Section 13.11 (8) of the Act)
- u) Periodically review:
  - i) the procedure for dismissing a Board member  
(Section 5.8 of the Act)
  - ii) the number of missed meetings following which the absence of a member constitutes a vacancy  
(Section 10 of the Act)
- v) Periodically prepare recommendations to be transmitted to the Government regarding the salary, additional salary, fees, or allowances of all Board members, including the Board and Committee chairs, but not the President and Chief Executive Officer  
(Section 5 of the Act)
- w) Evaluate the quality of the independent members with regard to the criteria established by the Act and regulations of the Government  
(Section 5.5 of the Act)
- x) In collaboration with the Chair, examine and recommend to the Board for approval the Board succession plan  
(Section 13.1 (14) of the Act)
- y) If the Chair of the Board is absent or unable to act, recommend to the Board the designation of a substitute among the chairs of committees established under section 13.3 of the CDPQ Act  
(Section 5.9 of the Act)
- z) Recommend to the Board the establishment of other Board committees to review specific issues or facilitate the proper functioning of CDPQ and define their mandates  
(Section 13.5 of the Act)

Legal Affairs and Secretariat EVP group

- aa) Annually communicate to the President and Chief Executive Officer their assessment of the effectiveness of the Executive Vice-President, Legal Affairs and Secretariat

Mandate and assessment of Committee performance

- bb) Carry out a review and assess every other year of the adequacy of its mandate and annually of its ability to fulfill it

## **9. Other mandates**

The Committee carries out other mandates entrusted to it by the Board.

## **10. Resources**

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

(Section 5.13 of the Act)

When the Committee wishes to use the services of external experts, it shall send, for information purposes, prior notice to the Chair of the Board, with a copy to the President and Chief Executive Officer. This notice shall include a description of the mandate and the budget. The Chair of the Board shall inform the Board when such mandates are granted.

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

(Section 17 of the Internal by-law)

## **11. Reports**

The Committee shall report to the Board on the results of its work after each of its meetings. This report contains in particular the recommendations that it considers necessary.

(Section 18 of the Internal by-law)

It shall also submit to the Board a summary of its proceedings to be included in the annual report of CDPQ, including the activities carried out during the fiscal year – particularly its assessment of the structures and procedures put in place to ensure the independence of the Board.

(Sections 13.6 and 46 (l) of the Act)

Records of deliberations of the Committee are made available to members of the Board for information once approved.

(Section 19 of the Internal by-law)

---

The numbers in parentheses refer to the corresponding sections in the *Act respecting the Caisse de dépôt et placement du Québec* or the *Internal by-law of Caisse de dépôt et placement du Québec*.