



# POLICY GOVERNING THE EXERCISE OF VOTING RIGHTS OF PUBLIC COMPANIES

## PC-4 BOARD OF DIRECTORS

### PC-4.4 Nomination process and directors' expertise

We encourage each company to implement a candidate evaluation procedure suitable to its situation, and to inform shareholders of this procedure.

The nomination committee or its equivalent is encouraged to establish a profile of the expertise and experience desirable for the board (by developing a competency matrix or otherwise) and to adopt a candidate selection procedure. This procedure should take into account the skills and competencies that the board as a whole should possess, as well as the skills and competencies of each candidate. We recommend that companies disclose the skills matrix in their proxies.

The various recommendations submitted at shareholder meetings associated with the candidate nomination process are examined by CDPQ on a case-by-case basis.

We are generally in favour of allowing shareholders to propose candidates for directorships, provided that the candidates are well qualified, round out the board's expertise profile and are prepared to act in the best interests of the company.