
MANDATE OF THE HUMAN RESOURCES 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 Human Resources 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, Talent and Performance.

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.

7. Secretariat

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

8. Mandate

9. The Committee reviews the orientations and strategies for human resources management and ensures their alignment with CDPQ's strategy and mission. It focuses particularly on performance evaluation, succession planning, and compensation, as well as the general practices and policies of CDPQ regarding integrated human resources management.

The responsibilities of the Human Resources Committee include the following:

Appointment, performance and compensation

- a) With respect to the President and Chief Executive Officer, review and recommend to the Board for approval:
 - i) The parameters that the Board should recommend to the Government during the consultation on his compensation and other conditions of employment
(Section 5.3 of the Act)
 - ii) Annually, his remuneration and other conditions of employment according to the parameters set by the Government
(Sections 5.3 and 13.10 (2.1) of the Act)
 - iii) Designation of a member of CDPQ's personnel to exercise his functions in case that officer is absent or unable to act
(Section 5.11 of the Act)
 - iv) Any recommendation to remove him from office
(Section 5.14 of the Act)
- b) Approve the expertise and experience profile for the appointment of the President and Chief Executive Officer
(Sections 5.3 and 13.10 (2) of the Act)
- c) In collaboration with the Chair of the Board, review and recommend for approval to the Board the objectives, assessment criteria and annual evaluation of the President and Chief Executive Officer
(Section 13.10 (2.1) and (3) of the Act)
- d) Review and, as necessary, recommend to the Board significant changes to the organizational structure (including functions and reporting relationships of officers and officer job descriptions)
- e) Review and recommend to the Board, upon the recommendation of the President and Chief Executive Officer, 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
(Section 13.1 (5) of the Act)

- f) Review and recommend to the Board the standards and scales of remuneration and other conditions of employment of its officers, other than the President and Chief Executive Officer, of other employees of CDPQ, and of the most senior officer and other employees of its wholly-owned subsidiaries in accordance with the conditions defined by the Government (Sections 13.1 (4) and 15 of the Act, sections 23, 24 and Schedule A of the Internal by-law)
- g) Review and recommend to the Board at least annually the relative and absolute performance objectives for CDPQ's variable compensation
- h) Annually review the performance evaluations of officers carried out by the President and Chief Executive Officer
- i) Review and recommend annually to the Board the salary revision, salary scales, variable compensation envelope, and the estimated budget for CDPQ employees, CDPQ Infra, and international offices, if applicable, and monitor the above
(Sections 13.1 (4) and 15 of the Act, sections 23, 24 and Schedule A of the Internal by-law)
- j) At the same time as any recommended change to the officers' variable compensation, examine model compensation scenarios illustrating the impact of future results on remuneration
- k) Receive information about remuneration in CDPQ's reference market
- l) Review the annual performance management report, which includes data on high performers and promotions
- m) Receive an annual report on CDPQ's pension plans
- n) Review the conditions of retirement, termination of employment, or any other specific circumstance of the President and Chief Executive Officer and other officers

Integrated human resources management practices and policies

- o) Review, at least every three years, CDPQ's human resources policies and recommend them to the Board for approval, and receive reports on their application, when required
(Section 13.10 (1) of the Act)
- p) Ensure that human resources orientations and practices take into account talent and culture trends and are aligned with CDPQ's strategy and priorities, particularly with regard to equity, diversity and inclusion
- q) Ensure that CDPQ complies with applicable laws and regulations regarding human resources management
- r) Review the results of employee engagement surveys and the indicators related to talent management
- s) Review the reports on talent management, including the monitoring of key human resources indicators

- t) Annually review the respective responsibilities of CDPQ's officers, as well as review and recommend to the Board for approval the succession planning and development program for these officers
(Section 13.10 (4) of the Act)
- u) Review and, if advisable, recommend any new benefit plan or ancillary benefit plan or any amendments made to existing plans that affect senior management
- v) Recommend to the Board, if advisable, the adoption of a regulation prescribing the cases and conditions in and on which exceptions to the application of the *Act respecting the Pension Plan of Management Personnel* (chapter R-12.1) or the *Act respecting the Government and Public Employees Retirement Plan* (chapter R-10) may be authorized under section 15.2 of the CDPQ Act
(Section 15.2 of the Act)

Talent and Performance group

- w) Review annually the Talent and Performance EVP group's business plan and strategic priorities.
- x) Annually communicate to the President and Chief Executive Officer his assessment of the performance of the Executive Vice-President, Talent and Performance
- y) In collaboration with the President and Chief Executive Officer, review the succession plan for the Executive Vice-President, Talent and Performance
- z) Ensure that the Executive Vice-President, Talent and Performance has direct access to the Committee Chair and meet with her regularly in the absence of management

Mandate and assessment of Committee performance

- aa) Together with the Governance and Ethics Committee, carry out every other year an assessment of the adequacy of its mandate and carry out annually an assessment of its performance

10. Other mandates

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

11. 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 Governance and Ethics Committee, with copies to the Chair of the Board and 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. The renewal of the mandate of an external expert is approved by the Committee, upon the recommendation of the Committee Chair and the Chair of the Board.

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)

12. Private meetings

As part of its mandate, the Committee holds a private discussion session with the President and Chief Executive Officer. It may, if necessary, hold private discussion sessions with the Executive Vice-President, Talent and Performance.

The Committee members regularly meet at the beginning or end of a meeting, with or 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.

13. 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)

The Committee shall also submit to the Board, prior to its publication, a summary of its proceedings to be included in CDPQ's annual report. This summary shall discuss the performance of its mandate and include a report about the remuneration of the Chief Executive Officer as well as the five most highly remunerated officers who assume or have assumed management responsibilities in CDPQ and the five most highly remunerated officers from among all the legal persons of which CDPQ holds at least 90% of the common shares directly or indirectly, except those referred to in section 37.1 of CDPQ Act.

(Sections 13.6, 13.10 and 46 (k) 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*.