



POLICY GOVERNING THE EXERCISE OF VOTING RIGHTS OF PUBLIC COMPANIES

PC-11 SHAREHOLDER PROPOSALS

PC-11.3 Proposals specifically about climate change

In 2017, CDPQ adopted a climate change strategy that requires the climate factor to be included in all investment decisions. The strategy also proposes targets and mechanisms that allow the organization to concretely and constructively address the transition to a low-carbon economy through its contribution as an investor in the face of this global challenge. In 2019, CDPQ joined the Net-Zero Asset Owner Alliance, which advocates carbon neutrality in portfolios by 2050.

In this context, it is vital for CDPQ to obtain the relevant information from companies. Accordingly, we will generally support proposals that require:

- Disclosure of the governance, strategy and measures adopted by a company in relation to climate change and management of the related risks;
- The adoption of greenhouse gas reduction targets and accountability on achieving them;
- The development of climate scenario analyses;
- Disclosure based on the framework proposed by the Task Force on Climate-Related Financial Disclosures (TCFD);
- Disclosure of lobbying activities, especially with regard to climate lobbying carried out by companies and their professional associations.

CDPQ may, at its discretion, abstain or vote against the person in charge of the relevant committee or the chair of the board accountable if no progress has been made after a process of commitment concerning the lack of climate change initiatives and measures.

As with all our voting decisions, we will take into account the market on which we are voting.