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Annual Information Form

Series 1 and Series 2 Class "A" Shares (the "Shares")

The Autorité des marchés financiers
has not expressed an opinion
about these Shares and it is an offence
to claim otherwise.

June 30, 2022

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1. DESIGNATION, CONSTITUTION AND HISTORY OF THE FONDS DE SOLIDARITÉ FTQ¹

1.1 The Fonds de solidarité FTQ's Corporate Name and Location of its Head Office

FONDS DE SOLIDARITÉ DES TRAVAILLEURS DU QUÉBEC (F.T.Q.) (the "Fonds de solidarité FTQ")

The Fonds de solidarité FTQ's head office is located at 545 Crémazie Blvd. East, Suite 200, Montréal, Québec, H2M 2W4.

1.2 Constituting Act, Date and Manner of Constitution of the Fonds de solidarité FTQ

The Fonds de solidarité FTQ is a development capital investment fund with union roots created on the initiative of the Fédération des travailleurs et travailleuses du Québec FTQ (the "FTQ") (referred to in English as the Québec Federation of Labour). The Fonds de solidarité FTQ was established under the *Act to establish the Fonds de solidarité des travailleurs du Québec (FTQ)*, which was enacted by the Québec National Assembly on June 23, 1983, and amended subsequently by other laws (the "Act").

1.3 Changes to the Act Announced Over the Past Five (5) Years (2017-2022), Including Investment Restrictions and Practices

The amendments to the Act were put forward mainly in the last Government of Québec Budgets and in the information bulletins of the ministère des Finances du Québec.

The main changes made since 2017 are summarized as follows:

- the addition of one eligible investment category, i.e. the investments made in the Teralys Capital Fonds d'Innovation 2018 s.e.c. fund, and the inclusion, in the investments considered to have been made, of the sums committed to this fund but not yet disbursed at the end of a fiscal year, for any fiscal year beginning after May 31, 2018²;
- the merger of the caps on strategic investments and investments in major projects having a structuring effect on Québec's economy, which cannot exceed 27.5% of its net assets for any fiscal year beginning after May 31, 2018³;
- the easing of the administrative process regarding the time limits of certain formalities and the extension of the transfer of an investment to former spouses⁴;

¹ To the extent the understanding of the text requires, words importing use of the masculine gender include all genders and vice versa and words importing use of the singular include the plural and vice versa.

² See Information Bulletin 2018-10, published December 13, 2018.

³ See Québec's March 21, 2019, budget.

⁴ See Québec's March 10, 2020, budget.

- the extension, until May 31, 2026, of the local fund category as eligible investments for the application of the investment limit and a 50% increase of the amount of the investments included in this category for the purposes of calculating the investment limit for any fiscal year ending before January 1, 2027⁵.

1.4 Important Changes Made by the Fonds de solidarité FTQ Over the Past Three (3) Years (2019-2022) Regarding Other Investments

The main changes are summarized as follows:

- changing the benchmark index for the passive management of global equity portfolio for the MSCI World Low Carbon ESG;
- the assumption by Addenda Capital Inc. of the management of the bond portfolio as well as that of the money market portfolio on January 14, 2020;
- the withdrawal of the overlay hedging strategy for managing the currency risk of U.S. dollar-denominated assets paid held in global equity portfolios and the currency hedging guidelines in May 2021;
- a progressive transition to update the target allocation of the Other Investments Portfolio so as to reduce fixed income securities exposure and increase the weight of shares.

2. DESCRIPTION OF THE FONDS DE SOLIDARITÉ FTQ'S GENERAL ACTIVITY

2.1 Description of the Fonds de solidarité FTQ's Distribution Network and How to Subscribe

See the short form prospectus for further information.

2.2 Principal Investment Standards and Board of Directors' Policies Respecting Capital Investments and Other Investments

2.2.1 Principal Investment Standards Applicable to the Fonds de solidarité FTQ

Under the Act, the Fonds de solidarité FTQ may invest in any enterprise, in any manner whatsoever. However, the value of all eligible investments, as defined in the Act, must represent, on average, at least 65%⁶ of its average net assets for the preceding fiscal year.

⁵ See Québec's March 25, 2021, budget.

⁶ See Quebec's March 26, 2015, budget.

Within the meaning of the Act, for the purpose of calculating the investment rule, the following investments are "eligible investments" if they entail no security⁷ or hypothec and consist of:

- (a) investments in eligible enterprises (under the Act, "eligible enterprise" signifies an active enterprise whose majority of employees reside in Québec and whose assets are less than \$100 million or whose net equity is less than \$50 million);
- (b) investments made otherwise than as first purchaser for the acquisition of securities issued by eligible enterprises;
- (c) investments in new or substantially renovated income-producing immovables situated in Québec, other than a shopping centre (except in the case of a project in the recreation and tourism sector);
- (d) reinvestments in an eligible enterprise with assets less than \$350 million or with net equity less than \$150 million;
- (e) strategic investments made:
 - (i) in accordance with an investment policy adopted by the board of directors of the Fonds de solidarité FTQ and approved by the Minister of Finance, in an enterprise whose assets are less than \$500 million or whose net equity is not over \$200 million;
 - (ii) otherwise than as first purchaser for the acquisition of securities issued by an enterprise having such assets or net equity; or
 - (iii) in property infrastructure projects with a socio-economic vocation;
- (f) investments⁸ of at least \$25 million the strategic value of which has been recognized by the Minister of Finance, provided that they are not otherwise eligible investments;
- (g) the following investments outside Québec:
 - (i) in a private fund outside Québec, up to the amount invested by such private fund in Québec enterprises whose assets are less than \$100 million or net equity is less than \$50 million;
 - (ii) in a company or legal person outside Québec whose assets are less than \$500 million or whose net equity is less than \$200 million, up to the amount it invests either in a subsidiary which actively operates

⁷ Subject to guarantees given for a business whose assets are less than \$100 million or whose net assets are less than \$50 million provided such guarantees formed part of a financial package for the succession of a business in which participates the Fonds Relève Québec, s.e.c., that has become the Fonds de transfert d'entreprises du Québec, s.e.c. in June 2018.

⁸ This type of investment covers an initial capital outlay, an additional capital outlay or an investment otherwise than as a first purchaser.

an enterprise the majority of whose employees are resident in Québec, or in a major investment project in Québec;

- (iii) in an enterprise whose activities outside Québec have or will likely have an impact on the increase or maintenance of the level of employment or economic activity in Québec;
- (iv) in new or substantially renovated income-producing immovables situated outside Québec, provided that the investment has or could have an impact on the increase or maintenance of the level of employment or economic activity in Québec;
- (h) investments made in a local venture capital fund established and managed in Québec or in a local fund recognized by the Minister of Finance, provided they are made with the expectation that the local fund will invest at least 150% of the aggregate of the sums it receives from the Fonds de solidarité FTQ, Fondation (the *Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi*) and *Capital regional et coopératif Desjardins*, in Québec enterprises with assets less than \$100 million or a net equity of less than \$50 million which are not otherwise eligible investments. For the application of the investment rule, this type of investment, if made no later than May 31, 2026, will increase the dollar amount invested by 1.5 times;
- (i) investments made in FIER Partners, LLP;
- (j) investments made in Teralys Capital Fonds de fonds, s.e.c.;
- (k) investments made in June 2018 in the Fonds de transfert d'entreprises du Québec s.e.c., previously known as the Fonds Relève Québec, s.e.c., including investments entailing a security insofar as such investments are part of a financing arrangement to ensure the succession of a business in which Fonds de transfert d'entreprises du Québec has an interest. For the purpose of the investment rule, this type of investment increases the dollar invested by 1.5 times;
- (l) investments made in Fonds Valorisation Bois, s.e.c.;
- (m) investments made in Teralys Capital Fonds d'Innovation s.e.c.;
- (n) investments of up to \$100 million in Fonds de solidarité FTQ Pôles Logistiques, s.e.c. For the purposes of the investment rule, this type of investment increases the dollar invested by 1.25 times;
- (o) investments made in Teralys Capital Fonds d'Innovation 2018 s.e.c.

The total investments that qualify under paragraphs (b) to (g) as mentioned above are limited to the following percentages of the Fonds de solidarité FTQ's net assets at the end of the preceding fiscal year:

- 12.5% for all investments mentioned in paragraphs (b) and (d);
- 5% for all investments mentioned in paragraphs (c) and (g)(iv);
- 27.5% for all investments mentioned in paragraphs (e) and (f);

- 7.5% for all investments mentioned in paragraph (g).

The Fonds de solidarité FTQ may consider as still being eligible, for the calculation of an eligible investment at the end of a fiscal year, the sums from eligible disinvestments for the fiscal year which exceed 2% of its average net assets for the previous fiscal year.

Certain eligible investments are also governed by investment policies adopted by the Board of Directors of the Fonds de solidarité FTQ and approved by the Minister of Finance for limited periods.

The investments which the Fonds de solidarité FTQ has agreed to make and for which it has committed but not disbursed funds at the end of a fiscal year are taken into consideration but are subject to certain exceptions when calculating the eligible investments, up to 12% of the Fonds de solidarité FTQ's net assets at the end of the preceding fiscal year.

To encourage greater distribution of risk among numerous projects, the Act stipulates that the Fonds de solidarité FTQ cannot make an investment in an enterprise that would make the total amount of its investment in that enterprise greater than 5% of all of the Fonds de solidarité FTQ's assets. However, the fair value of an investment made by the Fonds de solidarité FTQ may exceed 5% of its assets. Nevertheless, the Fonds de solidarité FTQ may invest up to 10% of its assets to purchase up to 30% of the voting rights of an enterprise that is not an eligible enterprise as defined in the Act, but nonetheless does business in Québec. In addition, the percentage of concentration of the Fonds de solidarité FTQ's investments in an enterprise may, regardless of the restriction concerning the acquisition or holding of voting shares, be raised to 10% of its assets if the enterprise is a financial institution registered with the *Autorité des marchés financiers* or the Office of the Superintendent of Financial Institutions and is part of a financial group recognized by the Québec Minister of Finance.

When the Fonds de solidarité FTQ makes an investment in the form of a guarantee or security, the Act provides that it must establish and maintain in its accounting records, for the duration of such guarantee or security, a reserve equal to at least 50% of the amount thereof.

Impact of Investments by the Fonds de solidarité FTQ Across Québec

The Fonds de solidarité FTQ invests mainly in the form of development capital, as provided by the *Regulation respecting Development Capital Investment Fund Continuous Disclosure*, as unsecured venture capital, in accordance with its mission and objectives. These investments are classified internally by the Fonds de solidarité FTQ into three categories: development capital, venture capital and structuring capital. The Fonds de solidarité FTQ allocates its development capital investment portfolio in various sectors of the economy in order to ensure a certain risk diversification. It focuses mainly on traditional economic sectors which, as at May 31, 2022, made up the majority of its development capital investment portfolio. The Fonds de solidarité FTQ also invests in real estate and in the new economy sectors, such as life sciences, energy and environmental science as well as information technology and telecommunications. The Fonds de solidarité FTQ always offers information on and training in economic matters for workers when it is involved in an investment project.

Fonds de solidarité FTQ's Regional and Local Commitment

One of the Fonds de solidarité FTQ's major priorities is its regional and local commitment, which has become one of its development objectives. With the *Fédération québécoise des municipalités* ("FQM"), it has established the "*Fonds locaux de solidarité FTQ, s.e.c.*", the purpose of which is to promote the emergence of local funds within Regional County Municipalities ("RCMs"). These local funds make investments in small businesses (less than \$100,000) to support the strengths of the community and contribute to the development of regional employment. The Fonds de solidarité FTQ intends to continue the implementation of this commitment by broadening the network of local Funds by the largest possible number of RCMs that are not currently covered. In fact, the Fonds de solidarité FTQ makes available to all RCMs an amount of \$86 million.

With the active cooperation of the socio-economic stakeholders of the regions, the Québec government and trade unions, the Fonds de solidarité FTQ has created the Fonds régionaux de solidarité FTQ, s.e.c. This link in the regional chain of investments answers the financing and investment needs of regional enterprises, generally from \$100,000 to a maximum of \$5 million per enterprise. The Fonds régionaux de solidarité FTQ, s.e.c. can support economic development and greater regional employment; develop and maintain true investing expertise in all regions of Québec; ensure the long-term establishment of enterprises in their region; facilitate business start-ups by improving their capitalization and providing technical support to entrepreneurs; support the sustainable growth of businesses by facilitating family, managerial, strategic, or external transfer transactions; and support those in charge of economic development for their region.

2.2.2 Sustainable Development Framework Policy

The Sustainable Development Framework Policy defines the main directions and the general approach of the Fonds de solidarité FTQ with regard to sustainable development and socially responsible investment. Its principal objective is to establish the framework that the Fonds de solidarité FTQ intends to implement in regard to sustainable development and socially responsible investment. Another goal of this policy is to encourage the Fonds to promote its sustainable development and socially responsible investment approaches to ensure that they are integrated in its activities and network. The Sustainable Development Framework Policy is available at fondstq.com (in French only).

2.2.3 Risk Management Policy

The Risk Management Policy defines the general principles, the risk management framework, the roles and responsibilities as well as the risk management process. Its objective is to set out the principles that govern an overall and integrated management of risks, in accordance with integrated risk management good practices, and to govern the Fonds de solidarité FTQ's day-to-day risk management of risks, by presenting the risk governance structure and the risk management process. The Risk Management Policy is supplemented by guidelines.

2.2.4 The Fonds de solidarité FTQ's Integrated Financial Assets Management Policy

In the last three years, changes have been made to the Integrated Financial Assets Management Policy, Investment Policy, and Other Investment Portfolio Policy.

The Integrated Financial Assets Management Policy is aimed at ensuring that the Fonds de solidarité FTQ will be able to fulfil its mission and satisfy stakeholder expectations while achieving optimum return/risk performance through sound diversification. In order to achieve its investment and risk-management objectives, the Fonds de solidarité FTQ takes an integrated and overall approach to managing its financial assets, and monitors investments using integrated management targets.

The Integrated Financial Assets Management Policy applies to all Fonds de solidarité FTQ financial assets, comprised of Development Capital Investments and Other Investments. The Investment Policy and the Other Investments Portfolio Policy form an integral part of the Integrated Financial Assets Management Policy. The purpose of the Policies is to formulate the investment rules and general principles applicable to the various financial assets, to define the roles and responsibilities of the various stakeholders, to specify investment return objectives and risk targets as well as the procedures to be followed to ensure that such objectives are achieved.

2.2.5 Investment Policy

The purpose of the Investment Policy is to state the general principles and guidelines applicable to development capital investment and to define the roles and responsibilities of the various stakeholders. The Policy presents the goals of Private Equity and Impact Investment Services, the analytical criteria and limits of direct investments, external funds and listed Québec shares.

The Investment Policy is completed by guidelines on the procedures pertaining to the authorization, modification, disbursement and disinvestment of development capital investments, as well as a guideline for investments in Québec listed shares portfolios.

2.2.6 Other Investments Portfolio Policy

The Other Investments Portfolio Policy determines asset classes and asset allocation targets in order to achieve medium- and long-term performance and risk-management objectives. The Policy is completed by guidelines on rebalancing as well as managing derivative financial instruments. The guidelines specify the management structure for each asset class and the measures to be adopted by investment managers, including investment content limits, quality standards and performance and risk management objectives.

3. COMPLIANCE WITH REGULATORY REQUIREMENTS APPLICABLE TO THE FONDS DE SOLIDARITÉ FTQ

3.1 Declaration of the Fonds de solidarité FTQ regarding its Management and Applicable Practices and Restrictions

The Fonds de solidarité FTQ is managed adequately and in accordance with the requirements, restrictions and legal and regulatory practices applicable to it.

Cash management involves liquidity and financial risk management. It is a priority for the Fonds de solidarité FTQ to ensure that it has enough liquidity to meet its commitments. In order to optimize its cash management, the Fonds de solidarité FTQ has a revolving credit facility, which allows for greater flexibility in the management of its liquidity, including for the redemption of its Shares.

Apart from the \$20 million in financing granted by Québec's Minister of Finance and the FTQ to the Fonds de solidarité FTQ when it was created, the occasional use of its credit facility, and the management of notes resulting from liquidity surpluses from regional, local and real estate funds and from certain other specialized funds, the Fonds de solidarité FTQ has no indebtedness.

3.2 Fonds de solidarité FTQ's Shares: An Eligible Investment under the Canada *Income Tax Act*

Shares of the Fonds de solidarité FTQ held in an RRSP or a RRIF, i.e. Series 1 Shares, constitute a recognized registered investment as defined in the *Income Tax Act*. Series 2 Shares are held in a non-RRSP account.

Shares held in an RRSP or a RRIF, i.e. Series 1 Shares, may be withdrawn from the RRSP or RRIF, at the holder's option. The Fonds de solidarité FTQ will exchange the Series 1 Shares for Series 2 Shares following a deregistration or withdrawal request submitted by the shareholder.

Refer to the short form prospectus for further information.

4. DESCRIPTION OF SHARES OFFERED BY THE FONDS DE SOLIDARITÉ FTQ

4.1 Description of the Shares Offered through the Short Form Prospectus and Main Characteristics

The Shares are issued in the form of Series 1 or Series 2 Class "A" Shares, as the case may be. Series 1 Shares are those that are transferred to an RRSP or a RRIF. Series 2 Shares are held in a non-RRSP account.

Regardless of the Series, such Shares rank equally among each other, as Class "A" Shares, with respect to the payment of dividends, where applicable, and the sharing of the Fonds de solidarité FTQ's property upon its dissolution, liquidation or the distribution of all or part of its assets among the holders of Shares. They also rank equally among each other, where applicable, with respect to purchase by agreement or redemption transactions.

The number of Shares that the Fonds de solidarité FTQ issues annually is determined by its Board of Directors, and this number may be limited in the event the Fonds de solidarité FTQ does not meet the level of eligible investments as defined in the Act. The Fonds de solidarité FTQ may also cease to issue Shares during a fiscal year. Refer to the short form prospectus for further information.

4.1.1 Characteristics of Shares Offered

Refer to the short form prospectus for further information.

4.2 Other Rights Granted to Shareholders in Terms of Authorization Involving any Matter Provided in the Fonds de solidarité FTQ's Charter or its Articles of Incorporation

The Fonds de solidarité FTQ's by-laws (the "By-laws") provide that the Board of Directors may enact or vote by-laws which do not contravene the Act or any applicable law and that it may revoke, amend or implement the Fonds de solidarité FTQ's by-

laws. Nonetheless, each such by-law and each revocation, amendment or reinstatement of the by-laws will, unless it is ratified in the interim by a special general meeting of shareholders duly called for such purpose, only be in effect until the next annual general meeting and, if it is not ratified at such annual general meeting, it will cease to be in effect as of such time.

5. EVALUATION OF SECURITIES HELD IN PORTFOLIO

All development capital investments and other investments are measured at fair value as of the date of the Fonds de solidarité FTQ's statement of financial position.

Financial instruments are valued in foreign currency and converted into Canadian dollars at the exchange rate in effect on the valuation date.

See Section 11, Subsection 11.1.2 of this information form with respect to the management framework applicable to the process for valuing development capital investments.

5.1 Financial Instruments Not Traded on Active Markets

Financial Instruments not traded on active markets consist of shares, units and loans and advances. A vast majority of these shares and units are voting and participating shares of operating companies and participating units of limited partnerships.

These instruments are measured at fair value using appropriate valuation techniques and models that may not be principally based on observable market information. Observable market information is used in valuation models if they are available.

The fair value is established based on reasonable assumptions that reflect the assumptions that market participants would use to fix the fair value based on the best information possible in the circumstances. Certain assumptions may have a material impact on fair value, including those used to determine cash flow characteristics, the rate of capitalization and the required rate of return, in light of economic conditions, the outlook for the relevant industry segment and conditions specific to the business enterprise.

5.2 Financial Instruments Traded on Active Markets

Financial Instruments traded on active markets consist of listed shares, bonds and money market instruments. These instruments are measured at the close of trading as at the date of the Fonds de solidarité FTQ's statement of financial position at applicable market prices pursuant to accounting principles.

5.3 Derivative Financial Instruments

Derivative financial instruments traded on active markets are measured at the close of trading as of the date of the Fonds de solidarité FTQ's statement of financial position at applicable market prices pursuant to accounting principles. Derivative financial instruments that are not traded on active markets are measured using appropriate valuation techniques, including discounting future cash flows at the current rate of return.

6. PRICE FOR THE ISSUANCE, REDEMPTION AND PURCHASE-BY-AGREEMENT OF THE FONDS DE SOLIDARITÉ FTQ'S SHARES

6.1 Method Used by the Fonds de solidarité FTQ to Determine the Share Price for the Issuance, Redemption and Purchase by Agreement

Refer to the short form prospectus for further information.

6.2 Frequency of Determining the Price for the Issuance, Redemption and Purchase by Agreement of the Fonds de solidarité FTQ's Shares

The Fonds de solidarité FTQ's fiscal year begins on June 1 and ends on May 31 each year. The first six-month period ends on November 30, and the net assets per Share is determined based on financial information as of such date, and will from now on be published around December 23. The fiscal year ends May 31, and the net assets per Share is determined based on financial information as of such date, and will from now on be published around June 23.

Refer to the short form prospectus for further information.

7. SUBSCRIPTION AND PURCHASE OF SHARES

7.1 Subscription Methods Applicable to the Fonds de solidarité FTQ's Shares

Whether it is the first or a subsequent subscription, there are three (3) methods for subscribing to the Fonds de solidarité FTQ's Shares: payroll deduction, which is still the preferred method for workers, automatic bank withdrawal and subscription in a single payment.

As of the date of publication of this Annual Information Form, only contributions through payroll deductions and existing pre-authorized withdrawal arrangements are accepted. Refer to the short form prospectus for details about the subscription methods.

7.2 Determination of Share Issue Price by the Board of Directors

Refer to the short form prospectus for further information.

7.3 How to Invest in the Fonds de solidarité FTQ's Shares

Refer to the short form prospectus for further information.

7.4 Fees Paid by Investors

Refer to the short form prospectus for further information.

8. SHARE REDEMPTION

8.1 Redemption and Purchase by Agreement Procedures for the Fonds de solidarité FTQ's Shares

The Fonds de solidarité FTQ may either redeem the Shares in the circumstances prescribed by the Act or purchase them by agreement in the exceptional circumstances set out in the Purchase-by-Agreement Policy adopted by the Fonds de solidarité FTQ's Board of Directors and approved by Québec's Minister of Finance. Other than under these circumstances, the Fonds de solidarité FTQ may not redeem or purchase a shareholder's Shares by agreement.

Redemptions Prescribed by the Act

According to the Act, the Fonds de solidarité FTQ is required to purchase all or part of the Fonds de solidarité FTQ's Shares purchased by a shareholder under the circumstances listed in the short form prospectus.

Purchase by Agreement

The Fonds de solidarité FTQ may only purchase Shares by agreement in the cases described in the Purchase-by-Agreement Policy adopted by the Fonds de solidarité FTQ's Board of Directors and approved by Québec's Minister of Finance. The circumstances which give rise to a purchase-by-agreement by the Fonds de solidarité FTQ and the terms of purchase are also described in the short form prospectus.

8.2 Determination by the Board of Directors of the Redemption or Purchase by Agreement Price of the Fonds de solidarité FTQ's Shares

Refer to the short form prospectus for further information.

8.3 Circumstances Under Which the Fonds de solidarité FTQ May Suspend the Redemption or Purchase by Agreement of its Shares

Pursuant to the Québec *Taxation Act*, the Fonds de solidarité FTQ must pay a penalty to the Québec government when all the sums paid following purchases by agreement made during a given fiscal year, excluding those paid under the Home Ownership Plan ("HOP") and the Lifelong Learning Plan ("LLP"), exceed 2% of the paid-up capital. Since this provision came into force, the amount of purchases by agreement made by the Fonds de solidarité FTQ has always been below this limit.

In addition, under the Québec *Companies Act* and section 2 of the Act, the Fonds de solidarité FTQ must meet certain solvency tests before paying for Shares that it redeems or purchases by agreement. Such tests involve the preservation of the Fonds de solidarité FTQ's capital and are designed to ensure that the Fonds de solidarité FTQ can meet its obligations as they become due. Since its inception, the Fonds de solidarité FTQ has always met these solvency tests.

9. RESPONSIBILITY WITH RESPECT TO THE FONDS DE SOLIDARITÉ FTQ'S ACTIVITIES

9.1 Terms Relating to the Management and Administration of the Fonds de solidarité FTQ

As provided in the By-laws, the directors manage the Fonds de solidarité FTQ's business and can enter into or cause to be entered into, for it and on its behalf, contracts which the Fonds de solidarité FTQ may legally sign; they may also exercise all other powers and take all other steps which the Fonds de solidarité FTQ is authorized to exercise or take under the Act or any other applicable law. The directors may also authorize any director, Board committee, internal committee, officer or employee of the Fonds de solidarité FTQ, and any other natural or legal person, to act on their behalf, and to give such person all the powers they are legally authorized to delegate to him.

Moreover, the direction and current day-to-day management of the Fonds de solidarité FTQ's operations is entrusted to a President and Chief Executive Officer assisted by three Executive Vice-Presidents (Private Equity and Impact Investment; Business Development, Savings Market; and Finance), a Vice-President of Human Resources, a Vice-President of Corporate and Legal Affairs and Corporate Secretary, a Vice-President of Communications and Marketing, a Senior Vice-President of Information Technology, Project Management and Administration as well as managers for each department.

The office of the Executive Vice-President, Private Equity and Impact Investment is responsible for the overall strategy of the Private Equity and Impact Investment division and its execution, including the achievement of volume, performance and relevance objectives. The term "Private Equity" refers to investments made directly or through investment funds in private companies. With its private equity investments, the Fonds seeks to produce a positive social and environmental impact while generating financial returns, hence the "Impact Investment". In addition, the Executive Vice-President, Private Equity and Impact Investment determines and analyzes potential investments before making any investment recommendation to the various decision-making bodies. It also ensures the rise in value of such investments, monitors them and, when advisable, ensures that the investments are sold.

The office of the Executive Vice-President, Business Development, Savings Market, and Centre de formation économique covers all services offered to individual investors. It oversees the coordination of activities relating to record-keeping for the Fonds de solidarité FTQ and the FlexiFonds Funds, which are mutual funds the units of which are exclusively distributed by FlexiFonds de solidarité FTQ inc., a wholly-owned subsidiary of the Fonds de solidarité FTQ (the "FlexiFonds Funds"), as well as the management of Share redemption or purchase by agreement requests. It is also responsible for all services offered to local representatives ("LRs") who voluntarily promote the Fonds de solidarité FTQ in their respective workplaces. And lastly, it oversees the coordination of Share subscription-related activities and manages all workplace training activities as well as any training and information for the LR network.

The office of the Executive Vice-President, Finance covers all activities related to accounting services and operations, financial control, taxation and valuation of development capital investments as well as supply management. It is also responsible for the activities in the Other Investments sector, which include, allocating assets,

drafting policies, selecting and overseeing external portfolio managers as well as cash management. Finally, it covers risk management and financial management activities, which include financial compliance, monitoring policy compliance, as well as budget control. The Executive Vice-President is the Chief Financial Officer within the meaning of the Securities legislation and the Chief Risk Officer.

The office of the Vice-President, Human Resources is responsible for the development and framework applicable to the management of human resources, talent and labour relations.

The office of the Vice-President, Corporate and Legal Affairs and Corporate Secretary is responsible for implementing the strategic direction relating to the governance of the Fonds as well as the legal, corporate and regulatory affairs for all of the Fonds' operations. It ensures that the Fonds observes good governance and ethics rules. In particular, it provides investment legal services and ensures compliance with the Act and other applicable laws with respect to the eligibility of investment structures. This office also handles all litigation matters for the various Vice-Presidents. Lastly, it heads the Corporate Secretariat, which offers legal services to the various vice-presidency offices and ensures that the Fonds de solidarité FTQ's is in compliance with its obligations, including its regulatory, governance and securities obligations.

The office of the Vice-President, Communications and Marketing is responsible for organizational and corporate communications intended for the media and the public as well as the corporate image. It is also responsible for the development of marketing activities for the Investment and Savings Market sectors and for the FlexiFonds Funds, providing, among other things, strategy, marketing, market introduction and business intelligence execution advisory services. It is also in charge of relations with government and public authorities.

The office of the Senior Vice-President, Information Technology, Project Management and Administration, defines the technology orientation to properly meet the business requirements of the Fonds de solidarité FTQ and support the organization in managing its projects and providing administrative services, including management of the occupants and the building.

The office of the Vice-President, Internal Audit, through its independent and objective activities, provides the Fonds de solidarité FTQ with assurance regarding the degree to which it controls operations and gives it advice for making improvements. It assists the Fonds de solidarité FTQ in achieving its objectives by assessing its risk management, monitoring and corporate governance procedures, and by making recommendations to enhance their efficacy.

Lastly, a management committee, made up of the President and Chief Executive Officer, the Executive Vice-President, Private Equity and Impact Investment, the Executive Vice-President, Business Development, Savings Market, the Executive Vice-President, Finance, the Vice-President, Human Resources, the Senior Vice-President, Information Technology, Project Management and Administration, the Vice-President, Communications and Marketing, and the Vice-President, Corporate and Legal Affairs and Corporate Secretary, is responsible for developing and recommending strategic orientations to the Board of Directors and ensuring they are implemented and, more generally, it is responsible for overseeing the Fonds de solidarité FTQ's operations.

9.1.1 Record-keeping

The Fonds de solidarité FTQ maintains its own shareholder and Share transfer registers, except in respect of RRIFs, where the task of maintaining the registers has been entrusted to Desjardins Trust Inc. (the "Trust").

9.1.2 Accounting Services

The office of the Vice-President of Financial Control, Taxation and Valuation and the office of the Vice-President of Accounting Operations, which report to the Executive Vice-President of Finance, are mainly in charge of the following:

- preparing the consolidated financial statements (the "financial statements") and other financial documents required by law;
- ensuring that all the Fonds de solidarité FTQ's operations have been treated appropriately in accordance with applicable Canadian Generally Accepted Accounting Principles, namely the International Financial Reporting Standards ("IFRS") and applicable tax laws;
- exercising controls to ensure compliance with the rules, standards and internal or external policies issued respectively by the Fonds de solidarité FTQ or the regulatory authorities relating to the Fonds de solidarité FTQ's financial operations;
- establishing the net assets of the Fonds de solidarité FTQ.

9.2 Management of Portfolio Assets, Analysis of Development Capital Investments and Other Investments, and Decision-making

9.2.1 Management and Analysis of Development Capital Investments

The Fonds de solidarité FTQ allocates its development capital investment portfolio in various sectors of the economy in order to ensure some exposure diversification while trying to meet the investment rule under the Act. Each year, the Board of Directors approves sector-based targets for investment volume, by risk category.

The Fonds de solidarité FTQ invests mainly in the form of development capital (unsecured venture capital). The value of and return on these investments, which may take various forms of financing instruments such as loans, security interests, guarantees, investment in share capital, etc., vary depending on the performance of the enterprises in which the sums are invested.

Economic viability is still the basic criteria taken into account in determining whether to authorize an investment. However, the Fonds de solidarité FTQ avoids concentrating too many of its investments in one business or one economic sector. As a general rule, it holds a minority interest in the businesses in which it invests, and evaluates investment projects taking the following criteria into account:

- financial aspects;
- quality of the management team;
- the market;

- exit opportunities;
- legal aspects;
- taxation;
- ESG (environmental, social and governance) factors;
- reputation risks;
- extent of innovation;
- quality of processes and operational infrastructures;
- the relevance for the Fonds de solidarité FTQ 's stakeholders; and
- social reporting of the enterprise.

To monitor its investments, protect its interests and provide all the necessary support to its partners, the Fonds de solidarité FTQ has the freedom to add various conditions, which may vary according to the projects, to its decision to invest in a business. In every case, access to reliable information is essential.

In order to fully play its role, the Fonds de solidarité FTQ aims to be an impact investor. The consideration given to ESG factors constitutes additional leverage that helps increase the value of our investments through an analysis of our partner companies' ESG matters. This principle is set out in the Sustainable Development Framework Policy available on the Fonds de solidarité FTQ's website at fondsftq.com.

In September 2021, the Fonds created the Direction de l'accompagnement et création de valeur (*Value Creation and Support Department*), whose mandate is to carry out ESG due diligence for each investment or reinvestment project. During the due diligence process, the Fonds de solidarité FTQ identifies which of the company's material processes should be analyzed according to various international standards (SASB, TCFD, CDC, IFC, etc.). The Fonds de solidarité FTQ analyzes the practices, policies and controls implemented by the company based on the documents it provided, conducts interviews with the management team and, ultimately, prepares a report of its findings to be presented to the Investment Committee. Upon completion of the transaction, the Fonds shares the results of its due diligence with the company and, if applicable, proposes to help it improve its ESG maturity.

Finally, one of the Fonds de solidarité FTQ's major priorities is its regional and local commitment, including the creation and maintaining of jobs in various regions of Québec. It has made this one of its major development objectives. See "Fonds de solidarité FTQ's Regional and Local Commitment" in paragraph 2.2.1 of this information form.

9.2.2 Development Capital Investments Framework

Investments files are first submitted for review to the professional teams under the Executive Vice-President, Private Equity and Impact Investment. Multidisciplinary teams support the various activities of such Executive Vice-Presidency by bringing additional expertise to them in terms of professional services, including legal, tax,

business valuations, market studies, due diligence, labour relations and marketable securities. When a file meets the Fonds de solidarité FTQ's investment criteria, it is presented for recommendation or approval, as the case may be, to an investment committee. Many of these files are then sent for authorization to a higher governing body, depending on the level of authorization required. Therefore, the Investment Committees shall recommend, but not authorize, investment files for which the cumulative amount exceeds their authorization limits, which files must then be submitted for review and final decision (approval or rejection) to the Board of Directors.

The Fonds de solidarité FTQ's governing bodies are as follows:

- the Board of Directors: investments for which the cumulative amount exceeds the investment committees' authorization limits and, in particular, all majority interest investments, upon recommendation of the appropriate Investment Committees;
- the Executive Committee: exceptionally for certain matters in the place of the Board of Directors, for example in cases where urgency so requires;
- the Investment Committee – Development capital (industries; aerospace, infrastructure and transportation; entertainment and consumer goods; services; agri-food and health): for initial cumulative investments of up to \$35 million, then additional cumulative investments of up to \$50, \$75 and \$100 million dollars, respectively;
- the Investment Committee – Innovation and venture capital (life sciences; information technology and telecommunications; structuring capital; fund management): for initial cumulative investments of up to \$20 million, then additional cumulative investments of up to \$30, \$40 and \$50 million respectively;
- the Investment Committee – Mining Sector (mines, energy and environment): for initial cumulative investments of up to \$15 million, then additional cumulative investments of up to \$25, \$35 and \$50 million respectively;
- the board of the Fonds Immobilier FTQ: for initial cumulative investments of up to \$35 million, then additional cumulative investments of up to \$50, \$75 and \$100 million respectively;
- the investment committees also approve turnaround files for cumulative investments of up to \$5 million without taking into consideration funds invested when the particular file was under the sector team's responsibility. Any amount exceeding that threshold is approved by the Board of Directors.

The President and Chief Executive Officer or a committee composed of officers of the Fonds de solidarité FTQ has delegated powers allowing for the authorization, in urgent and exceptional circumstances, of an investment of a value up to an including \$2 million.

9.2.3 Framework for Other Investments

The Fonds de solidarité FTQ's Integrated Financial Assets Management Policy, its Other Investments Portfolio Policy, guidelines and, where applicable, provisions stipulated in a management agreement govern the management of financial assets held in the Other Investments Portfolio. Moreover, a disciplined re-balancing process is applied to ensure that allocations in asset classes remain aligned with the target distribution for the Other Investments Portfolio.

A succinct management summary is submitted to the Board of Directors every six months by the Executive Vice-President, Finance and covers the following: (i) the performance of the Fonds de solidarité FTQ's financial assets with comparables; and (ii) the distribution of its financial assets.

A report by the Chair of the Financial Assets Management Committee is submitted to the Board of Directors every six months.

9.3 Management of Assets (Purchases/Sales) in Portfolio by the Fonds de solidarité FTQ and Brokerage Activities

The Fonds de solidarité FTQ acts as manager of its assets and, as such, is free to give orders to securities brokers for the purpose of placing its trades. The relative size of the amounts paid as commission in this regard is marginal compared to the Fonds de solidarité FTQ's overall income.

9.4 Oversight by the Board of Directors

9.4.1 Nature of Oversight by the Board of Directors

The Board of Directors has delegated to the Financial Assets Management Committee oversight of the implementation of and compliance with the Fonds de solidarité FTQ's Integrated Financial Assets Management Policy. It has also delegated responsibility for approving certain investments to the governing bodies identified in paragraph 9.2.2 of this information form.

The Board of Directors is also responsible for the adoption and monitoring of overall risk management policies and procedures. In this respect, it is assisted, as applicable, by the Audit Committee, the Integrated Risk Management Committee and the Financial Assets Management Committee.

With respect to the Fonds de solidarité FTQ's governance practices, including the policies and procedures of the Board of Directors and its committees, see Section 11 and Subsections 11.1, 11.2 and 11.3 of this Annual Information Form.

9.5 Custodian of the Fonds de solidarité FTQ's Assets

A securities custodian agreement and administration contract (the "Custodian and Administration Agreement") in accordance with the provisions of Part 6 of *Regulation 81-102 respecting investment funds* was entered into with Desjardins Trust Inc. (the "Trust") on October 2, 2008, and then amended on July 1, 2013, and January 1, 2015. It sets out the terms relating to the custody of portfolio assets. The Trust's offices are located at 1 Complexe Desjardins, Montréal, Québec, H5B 1E4.

The Fonds de solidarité FTQ uses the services of sub-custodians. The Custodian and Administration Agreement gives the Trust the power to appoint, with the written consent of the Fonds de solidarité FTQ, sub-custodians required or useful for efficient safekeeping of the assets of the Fonds de solidarité FTQ. A sub-custodian agreement was entered into on June 12, 2015, between the Trust, the Fonds de solidarité FTQ and RBC Investor Services Trust with respect to global equity. A second sub-custodian agreement was signed April 15, 2015, and amended on January 26, 2021, by the Trust, the Fonds de solidarité FTQ and the Caisse centrale Desjardins respecting the purchase of shares through an investor's financial institution and deduction-at-source services offered by employers. On January 1, 2017, Caisse centrale Desjardins merged with the Fédération des caisses Desjardins du Québec, which explains the transfer of contractual obligations to such entity.

Since June 1, 2004, there has been an agreement between the Trust and the Fonds de solidarité FTQ which sets out the terms and conditions applicable to the services provided by the Trust since that date as trustee of the RRSP and RRIF set up for shareholders of the Fonds de solidarité FTQ.

9.6 Management of the Fonds de solidarité FTQ's Financial Assets and its Network

9.6.1 Management of the Fonds de solidarité FTQ's Assets in Terms of Development Capital Investments and Other Investments

The Fonds de solidarité FTQ manages its financial assets itself and is registered as an investment fund manager pursuant to *Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("Regulation 31-103"). For the purpose of such registration, the Ultimate Designated Person and the Chief Compliance Officer of the Fonds de solidarité FTQ are Ms. Janie C. Béique and Ms. Stéphanie Raymond-Bougie, respectively.

The Development Capital Investment Portfolio

Since its inception in 1983, the Fonds de solidarité FTQ has built a solid investment network that provides businesses wanting to grow with access to patient capital based on their needs. The Fonds de solidarité FTQ's investment network, which covers all of Québec, revolves around the following five (5) levels of investment:

- The Fonds de solidarité FTQ generally offers \$5 million and up for large companies⁹. The Fonds de solidarité FTQ is involved particularly in the financing of mergers, acquisitions, expansions, the development of new markets or shareholder interest buy-backs;
- The Fonds régionaux de solidarité FTQ generally offer capital ranging from \$100,000 to \$5 million to meet the financing needs of businesses in their regions;

⁹ Venture capital is not subject to these parameters.

- The Fonds locaux de solidarité created by the Fonds de solidarité FTQ and the FQM meet the needs of smaller businesses wishing to obtain financing in amounts less than \$100,000;
- The Fonds immobilier de solidarité FTQ specializes in investments in real estate development projects. Its main objective is to create and maintain jobs through building or renovating major office buildings and residential, commercial, industrial and institutional properties;
- The other specialized funds form an investment network in both Québec and elsewhere that invests in various sectors of the economy. The Fonds de solidarité FTQ's commitment to that network continues, with the ongoing goal of facilitating access to capital for Quebec SMEs in all stages of their development.

Québec entrepreneurs have access to the entire investment network of the Fonds de solidarité FTQ via its website fondsftq.com. In addition to facilitating the search for our financing projects by our partner companies and members of our teams of experts, this "one-stop" shop for investment provides details regarding the Fonds de solidarité FTQ, the regional funds, the local funds and the real estate fund.

The Other Investments Portfolio

The Fonds de solidarité FTQ's Other Investments Portfolio is made up of amounts not invested in growth capital of partner enterprises. The management of the Other Investments Portfolio is subject to the Other Investments Portfolio Policy which is an integral part of the Integrated Financial Assets Management Policy, which is intended to provide sound diversification of the Fonds de solidarité FTQ's financial assets. A sufficient portion of the financial assets is invested in order to respond to the Fonds de solidarité FTQ's liquidity needs and generate constant income allowing it to meet its expenses and help provide a reasonable return for its shareholders.

As at May 31, 2022, the Other Investments Portfolio is composed of the fixed income securities and share portfolios. All of the portfolios are managed externally by specialized managers. The office of Vice-President of Asset Allocation and External Management of Fonds de solidarité FTQ is responsible for establishing and overseeing the allocation of assets and management of the Other Investments Portfolio.

In managing its assets, the Fonds de solidarité FTQ can also use derivative financial instruments to facilitate the management of the portfolios, improve returns, manage its market risks, make changes in asset allocation and in certain cases, manage the hedging of foreign currencies.

9.6.2 External Investment Managers Hired by the Fonds de solidarité FTQ

The Fonds de solidarité FTQ gives mandates to external investment managers. The following is a list of those managers:

External Investment Managers	Address
Addenda Capital Inc.	800 René-Lévesque Blvd. W. Suite 2750

External Investment Managers	Address
	Montréal, Québec H3B 1X9
State Street Global Advisors, Ltd.	1981 McGill College Avenue Suite 500 Montréal, Québec H3A 3A8
Triasima Portfolio Management Inc.	900 de Maisonneuve Blvd. W. Suite 2520 Montréal, Québec H3A 0A8
Montrusco Bolton Investments Inc.	1501 McGill College Avenue Suite 1200 Montréal, Québec H3A 3M8

9.6.3 Daily Management of a Significant Portion of the Fonds de solidarité FTQ's Portfolio by External Investment Managers

A significant portion of the Fonds de solidarité FTQ's Other Investments Portfolio, namely 41% of its assets under management, is managed by two external investment managers on a daily basis: Addenda Capital Inc. and State Street Global Advisors, Ltd. The mandate entrusted to Addenda Capital Inc. involves the management of the bond and the money market portfolios; the mandate entrusted to State Street Global Advisors, Ltd. is an index-linked management applicable to global shares. Both the advisers were chosen following a thorough selection process and a selection committee recommended their approval by the Financial Assets Management Committee. The officers of each of these external investment managers have both been the subject of a due diligence procedure satisfactory to the Fonds de solidarité FTQ.

The discretionary management agreement entered into with Addenda Capital Inc. in 1997 was amended on June 21, 2016, then on November 15, 2016, and most recently on June 2, 2020. This contract may be terminated by each of the parties upon 30 days' prior notice.

The first mandate entrusted to State Street Global Advisors, Ltd. was signed on April 5, 2006. It was consolidated on June 30, 2015, and on June 3, 2016, and underwent a first amendment on December 11, 2017, and a second amendment on May 31, 2019. The contract may also be terminated by each party upon 30 days' prior notice.

The following individuals are mainly responsible for executing mandates for Addenda Capital Inc. and State Street Global Advisors, Ltd.:

ADDENDA CAPITAL INC.	
Name and Title	Role and Experience
<p>Benoît Durocher Executive Vice-President & Chief Economic Strategist Industry experience: 37 years Firm experience: 24 years</p>	<p>In his capacity as Executive Vice-President & Chief Economic Strategist, Benoît Durocher is responsible for the firm's economic analysis and overall economic outlook. Mr. Durocher also leads the active duration bonds team and contributes to maintaining client relations. In addition to being a member of the Executive Committee, he sits on the firm's investment, active duration investment, investment risk, credit, and sustainable investing committees.</p> <p>Previously, Mr. Durocher held the positions of President and Chief Executive Officer (2006-2008), President and Chief Operating Officer (2003-2006), Vice-President, Client Service (2000-2002), and Senior Economist and Portfolio Manager (1997-2000). Before joining Addenda, Mr. Durocher worked as Senior Account Manager (1997) and Senior Economist (1991-1996) at the Royal Bank of Canada. He also worked as an economist at the <i>Ministère du Revenu</i> and the <i>Ministère des Finances</i> du Québec (1985-1991).</p> <p>Mr. Durocher has a Bachelor's degree in Economics from McGill University and a Master's degree in Economics from Université Laval.</p>

<p>Carl M. Pelland</p> <p>Vice-President, Fixed Income and Co-Head, Corporate Bonds</p> <p>Industry experience: 25 years</p> <p>Firm experience: 12 years</p>	<p>As Vice-President, Fixed Income and Co-Head, Corporate Bonds, Carl M. Pelland actively participates in the development of the active duration strategy and is responsible for its implementation. He co-leads the firm's corporate bond strategy and heads the Montreal corporate bond team. Mr. Pelland also participates in the management of specialized and alternative strategies bond mandates. He chairs the Active Duration Investment Committee and is a member of the Investment Committee of the firm.</p> <p>Mr. Pelland has many years of experience in the bonds and derivative products industry. Previously, he was Senior Portfolio Manager, Fixed Income and Co-Head, Corporate Bonds (2018-2021) and Portfolio Manager, Corporate Bonds (2009-2018). Before joining Addenda Capital, he was Analyst, Corporate Credit at Desjardins Global Asset Management (2006-2009). He also worked at Cristallin Management (2005) and CDP Capital (1996-2004).</p> <p>Mr. Pelland completed a Bachelor of Commerce degree with Honours in Finance and International Management at the University of Ottawa and a Master's degree in Finance at the University of Sherbrooke. He is a Chartered Financial Analyst (CFA®) and has passed the Canadian Securities Institute exam on futures options contracts.</p>
<p>Anouk Lapointe</p> <p>Senior Portfolio Manager, Fixed Income</p> <p>Industry experience: 20 years</p> <p>Firm experience: 20 years</p>	<p>As Senior Portfolio Manager, Fixed Income, Anouk Lapointe is involved in the management of Active Duration bond mandates. She participates in strategy development and monitoring for government, currency, specialized and liability-driven investment mandates. Ms. Lapointe also develops management tools to monitor positioning and risk levels. She is a member of the Active Duration Investment Committee.</p> <p>Previously, she was Portfolio Manager, Fixed Income (2019-2021); Assistant Manager, Fixed Income (2013-2014); Manager, Risk and Portfolio Strategies (2008-2013) and Analyst (2001-2008).</p> <p>Ms. Lapointe has a Bachelor of Commerce degree from McGill University, a Certificate in Investment Performance Management (CIPM®) designation and a Chartered Investment Manager (CIM®) designation.</p>

<p>Claudio Ferri</p> <p>Senior Portfolio Manager, Fixed Income</p> <p>Industry experience: 20 years</p> <p>Firm experience: 7 years</p>	<p>As Senior Portfolio Manager, Fixed Income, Claudio Ferri is a member of the Active Duration Fixed Income Portfolio management team. In addition to managing portfolios, he contributes to the success of our various investment strategies by maintaining relationships with brokers and ensuring the orderly execution of trades. He is a member of the Brokerage Committee.</p> <p>Mr. Ferri has many years of experience in finance. He was previously a Portfolio Manager and Head Trader, Fixed Income (2018-2021) and Trader, Fixed Income (2013-2018). And prior to joining Addenda Capital, Mr. Ferri worked at State Street as Vice-President, Senior Fixed Income Portfolio Manager and Trader (2004-2013) Fixed Income Operations Manager (2001-2004).</p> <p>Mr. Ferri has a Bachelor of Commerce with a Major in Finance from Concordia University.</p>
<p>STATE STREET GLOBAL ADVISORS, LTD.</p>	
<p style="text-align: center;">Name and Title</p>	<p style="text-align: center;">Role and Experience</p>
<p>Emiliano Rabinovich</p> <p>Vice-President, State Street Global Advisors, Ltd.</p> <p>Industry experience: 19 years</p> <p>Firm experience: 16 years</p>	<p>Emiliano Rabinovich is Managing Director of State Street Global Advisors and Senior Portfolio Manager in the firm’s Global Equity Beta Solutions (GEBS) team. Within this group, he is the strategy leader for their Tax Aware, Smart Beta and ESG products. Emiliano currently manages a varied mix of funds that include both traditional indexing and a variety of alternative beta mandates. Also, Emiliano manages local and global strategies and fund structures, which include separate accounts, commingled funds, mutual funds and ETFs.</p> <p>Mr. Rabinovich joined State Street Global Advisors in Montreal in 2006, where he was the Head of the GEBS team in Canada. He has been working in the investment management field since 2003.</p> <p>Mr. Rabinovich holds a BA in Economics from the University of Buenos Aires and a Master of Arts in Economics from the University of CEMA. He has also earned the CFA Designation and is a member of Boston CFA Society.</p>

9.7 Directors and Officers of the Fonds de solidarité FTQ as of the Date of the Annual Information Form

9.7.1 Information Applicable to the Fonds de solidarité FTQ's Directors and Officers

List of the Fonds de solidarité FTQ's Directors
(as at June 30, 2022)

Name and Municipality of Residence	Principal Occupation	Position(s) with the Fonds de solidarité FTQ
Yvon Barrière ^(b) Drummondville, Québec	Executive Vice-President, Public Service Alliance of Canada (PSAC), Québec Region, and Vice-President, FTQ	Director
Janie C. Béïque ^(d) Verdun, Québec	President and CEO of Fonds de solidarité FTQ	Director, member of the Executive Committee, Financial Asset Management Committee, the Boards of the Fonds immobilier de solidarité FTQ, the Advisory Committee of the Fonds régionaux de solidarité FTQ s.e.c. and the Board of Directors of FlexiFonds de solidarité FTQ inc.
Éric Boisjoly ^(b) Grenville-sur-la-Rouge, Québec	Executive Director, FTQ - Construction and Vice-President, FTQ	Director
Denis Bolduc ^(b) Québec, Québec	General Secretary of the Fédération des travailleurs et travailleuses du Québec (FTQ)	Third Vice-Chair of the Board, member of the Executive Committee, Governance and Ethics Committee, Human Resources Committee, Integrated Risk Management Committee, Investment Committee – Development Capital, and Vice-Chair of the Boards of the Fonds immobilier de solidarité FTQ, the advisory committee of the Fonds régionaux de solidarité FTQ s.e.c. and the advisory committee of the Fonds locaux de solidarité FTQ s.e.c.
Daniel Boyer ^(b) Laval, Québec	President of the Fédération des travailleurs et travailleuses du Québec (FTQ)	First Vice-Chair of the Board and the Executive Committee, Vice-Chair of the Governance and Ethics Committee, the Human Resources Committee, the Financial Assets Management Committee, the Investment Committee – Development Capital and the board of directors of FlexiFonds de solidarité FTQ inc.

Name and Municipality of Residence	Principal Occupation	Position(s) with the Fonds de solidarité FTQ
Loïc Breton ^(c) Montréal, Québec	President of the Syndicat des employés et employées professionnels-les et de bureau (SEPB), Québec	Director and member of the Investment Committee - Innovation and Venture Capital
Frédéric Brisson ^(b) Québec, Québec	General Secretary of the Canadian Union of Public Employees (CUPE), Québec	Director
Daniel Cloutier ^(b) Terrebonne, Québec	Québec Director of Unifor and Vice-President, FTQ	Director
Anouk Collet ^(c) Laval, Québec	Senior Advisor to the National President of United Food and Commercial Workers International Union (UFCW) and Vice-President, FTQ	Director, and Vice-Chair of the Investment Committee – Innovation and Venture Capital
Michèle Colpron* ^(a) Saint-Lambert, Québec	Corporate director	Director, Chair of the Financial Assets Management Committee, Vice-Chair of the Audit Committee, member of the Governance and Ethics Committee and the Integrated Risk Management Committee
Sonia Ethier ^(c) Saint-Roch-de-Richelieu, Québec	Corporate director	Director
Denis Labrèche* ^(a) Laval, Québec	Corporate director	Director, Chair of the Audit Committee and the Valuation Committee, member of the Integrated Risk Management Committee, the Investment Committee – Development Capital and the boards of the Fonds immobilier de solidarité FTQ
Dominic Lemieux ^(b) Saint-Esprit, Québec	Québec Director of the United Steelworkers and Vice-President, FTQ	Director and Vice-Chair of the Investment Committee – Mining Sector
Françoise E. Lyon* ^(a) Sainte-Julie, Québec	President and Managing Partner, DGC International Inc. and Corporate Director	Director and member of the Audit Committee, the Human Resources Committee, the Investment Committee – Development Capital, and the Investment Committee – Innovation and Venture Capital

Name and Municipality of Residence	Principal Occupation	Position(s) with the Fonds de solidarité FTQ
Sylvie Nelson ^(b) Montréal, Québec	President of the Syndicat québécois des employées et employés de service (SQEES), section local 298 and Vice-President, FTQ	Director
Roger A. Renaud* ^(a) Montréal, Québec	Corporate director	Director, member of the Audit Committee, the Human Resources Committee, the Integrated Risk Management Committee, the Financial Assets Management Committee and the Investment Committee - Development Capital, Chair of the Investment Committee - Innovation and Venture Capital, and Chair of the Board of FlexiFonds de solidarité FTQ inc.
Jean-Claude Scraire* ^(a) Milles Isles, Québec	Corporate director	Director, Chair of the Integrated Risk Management Committee, member of the Executive Committee, the Governance and Ethics Committee, the Human Resources Committee and the Investment Committee - Mining Sector, and Chair of the boards of the Fonds immobilier de solidarité FTQ
Claude Séguin* ^(a) Westmount, Québec	Corporate director	Chair of the Board of Directors, the Executive Committee, the Governance and Ethics Committee, and the Human Resources Committee
Pierre-Maurice Vachon* ^(a) Québec, Québec	Corporate director	Second Vice-Chair of the Board of Directors, Chair of the Investment Committee - Development Capital and the Investment Committee - Mining Sector, member of the Executive Committee, the Human Resources Committee, the advisory committee of the Fonds régionaux de solidarité FTQ s.e.c. and the advisory committee of the Fonds locaux de solidarité FTQ s.e.c.

* Independent members who have no affiliation with either the Fonds de solidarité FTQ, the FTQ or its affiliated unions as defined in the Act and in the Policy respecting the Independence of Members of the Board of Directors and of Members of Committees Constituted by the Board of Directors of the Fonds de solidarité FTQ.

- (a) Directors elected at the Fonds de solidarité FTQ's general shareholders' meeting, as well as any director appointed to fill a vacancy, who qualify as independent persons and whose appointment is recommended by the Board's Governance and Ethics Committee.
- (b) Directors appointed by the Conseil général of the Fédération des travailleurs et travailleuses du Québec.
- (c) Directors elected at the general meeting of shareholders of the Fonds de solidarité FTQ and who are elected from among candidates selected further to a call for nominations.

(d) Director for the term of her office as President and CEO of the Fonds de solidarité FTQ.

List of Officers of the Fonds de solidarité FTQ
(as at June 30, 2022)

Name and Municipality of Residence	Principal Occupation and Position with the Fonds de solidarité FTQ
Claude Séguin Westmount, Québec	Chair of the Board
Daniel Boyer Laval, Québec	First Vice-Chair of the Board
Pierre-Maurice Vachon Québec, Québec	Second Vice-Chair of the Board
Denis Bolduc Québec, Québec	Third Vice-Chair of the Board
Janie C. Béique Verdun, Québec	President and CEO, and designated person responsible with respect to registration as investment fund manager and member of the Management Committee
Serge Cadieux Saint-Sauveur, Québec	Executive Vice-President, Business Development, Savings Market and the economic training centre and member of the Management Committee
Sylvain Paré Laval, Québec	Executive Vice-President, Finance and member of the Management Committee
Dany Pelletier Longueuil, Québec	Executive Vice-President, Private Equity and Impact Investment and member of the Management Committee
Geoffrey Bainbridge Repentigny, Québec	Vice-President, Human Resources and member of the Management Committee
Chantal Doré Boucherville, Québec	Senior Vice-President, Information Technology, Project Management and Administration and member of the Management Committee
Diane Lafontaine Notre-Dame-de-L'Île-Perrot, Québec	Vice-President of Communications and Marketing and member of the Management Committee

Name and Municipality of Residence	Principal Occupation and Position with the Fonds de solidarité FTQ
Natalie Brown Montréal, Québec	Vice-President, Corporate and Legal Affairs, Corporate Secretary and member of the Management Committee
Philippe Bonin Boisbriand, Québec	Adviser to the President – Corporate Development
Véronique Landry Saint-Bruno, Québec	Senior Director, Corporate and Legal Affairs and Assistant Corporate Secretary
Stéphanie Raymond-Bougie Montréal, Québec	Chief Compliance Officer and Director of Legal Affairs and Compliance

Over the past five (5) years, all the directors and officers of the Fonds de solidarité FTQ held the offices they currently hold as indicated opposite their name under the heading “Principal Occupation” with the exception of **Yvon Barrière** who, prior to June 2018, was Regional Vice-President of the Union of Safety and Justice employees (USJE-CSC), Québec Division; **Éric Boisjoly** who, prior to June 2018, was Assistant Executive Director of FTQ-Construction; **Denis Bolduc** who, prior to December 2019, was President and General Secretary of the Canadian Union of Public Employees (CUPE), Québec Division; **Frédéric Brisson**, who was President of the Conseil provincial des affaires sociales from October 2017 to May 2021; **Daniel Cloutier** who, prior to his appointment as Québec Director of Unifor in April 2022, was the health-safety and environment national representative and coordinator of the Service de défense des accidentés du travail d’Unifor (SDAT); **Anouk Collet** who, prior to March 2019, was Executive Assistant to the National President of UFCW; Sonia Ethier who, from June 2015 to June 2018, was Executive Vice-President of the Centrale des syndicats du Québec (CSQ), and was promoted to President and held this position from that year until June 2021; **Dominic Lemieux** who, prior to April 1, 2020, was Assistant Québec Director of the United Steelworkers; **Claude Séguin** who, prior to April 2018, was advisor to the Executive Chair of the Board of Directors of CGI Group Inc.; **Janie C. Béïque** who, prior to July 6, 2018, was Chief of Investments and Strategic Investment Initiatives and who, prior to November 2017, was Senior Vice-President, Natural Resources, Industries, Entertainment and Consumer Goods and who, since April 1, 2021, is President and CEO of the Fonds de solidarité FTQ; **Serge Cadieux** who, prior to September 2020, was Senior Vice-President of Workplace Subscription and LR Network, and Economic Training, who, prior to August 2019, was Third Vice-Chair of the Board of directors of Fonds de solidarité FTQ and a member of its committees and who, prior to December 2019, was Secretary General of the FTQ; **Diane Lafontaine** who, prior to her appointment to the Fonds de solidarité FTQ, was Chief Operating Officer (Québec) at Rise People, a digital HR AssureTech SME, and who from 2011 to 2019, acted as Assistant Vice-President, Marketing and Communications at Sun Life; **Dany Pelletier** who, prior to July 2021, was Chief Operating Officer, Investments for the Fonds de solidarité FTQ; **Natalie Brown** who, prior to her appointment to the Fonds de solidarité FTQ, was Senior Director, Legal Affairs at Desjardins Group since 2016 and who, prior to that, was Senior Legal Counsel at Desjardins Group since 2014; **Philippe Bonin** who, prior to January 2022, when he was appointed Adviser to the President – Corporate Development, was Senior Director, Corporate Affairs, Regulatory Compliance and Assistant Corporate Secretary at the Fonds de solidarité FTQ; **Véronique Landry** who, prior to January 2022, when

she was appointed Senior Director, Corporate and Legal Affairs and Assistant Corporate Secretary, was Director of Legal Affairs, Litigation and Turnaround, since July 2019, and who, prior to that, was a lawyer at the Fonds de solidarité FTQ; and **Stéphanie Raymond-Bougie** who, prior to April 20, 2022, the date of her appointment as Chief Compliance Officer and Director of Legal Affairs and Compliance, was a lawyer at the Fonds de solidarité FTQ since September 2021 and who, from January 2021 to May 2021, was Director-Corporate Affairs at Intelcom and who, from July 2018 to December 2020, was a lawyer at the Fonds de solidarité FTQ and who, from April 2017 to May 2019, was a lawyer at Novalex.

9.7.2 The Fonds de solidarité FTQ's Board Committees (as of June 30, 2022)

COMMITTEES	MEMBERS	PRINCIPAL OCCUPATION
Executive Committee	Claude Séguin*, Chair Janie C. Béique Daniel Boyer, First Vice-Chair Denis Bolduc Jean-Claude Scraire* Pierre-Maurice Vachon*	Corporate director President and CEO President, FTQ Secretary General, FTQ Corporate director Corporate director
Audit Committee	Denis Labrèche*, Chair Michèle Colpron*, Vice-Chair Françoise E. Lyon* Roger A. Renaud*	Corporate director Corporate director President and Managing Partner, DGC International Inc. and Corporate director Corporate director
Financial Assets Management Committee	Michèle Colpron*, Chair Daniel Boyer, Vice-Chair Janie C. Béique Sophie Leblanc* Marie-Hélène Noiseux* Marc Provost* Roger A. Renaud* Claude Turcot*	Corporate director President of the FTQ President and CEO Chief Investment Officer & Treasurer, McGill University Full professor, École des sciences de la gestion, Université du Québec à Montréal Corporate director Corporate director Chartered Financial Analyst (CFA) and member of the Canadian Institute of Actuaries
Valuation Committee	Denis Labrèche*, Chair Marc-André Girard* Pierre Maillé*	Corporate director Vice-President, Finances and General Manager, Pro Kontrol Consultant, PwC
	Renata Eva Milczarek*	Chartered Business Valuator and Co-Founder of Mareval S.E.N.C.R.L.

<p>Integrated Risk Management Committee</p>	<p>Jean-Claude Scraire*, Chair Denis Bolduc, Vice-Chair Lyne Bouchard*</p> <p>Michèle Colpron* Denis Labrèche* Louise Pellerin-Lacasse* Roger A. Renaud*</p>	<p>Corporate director Secretary General, FTQ Associate Professor, Faculty of Business Administration, Université Laval Corporate director Corporate director Risk Management Expert Corporate director</p>
<p>Governance and Ethics Committee</p>	<p>Claude Séguin*, Chair Daniel Boyer, Vice-Chair Denis Bolduc Michèle Colpron* Jean-Claude Scraire*</p>	<p>Corporate director President of the FTQ Secretary General of the FTQ Corporate director Corporate director</p>
<p>Human Resources Committee</p>	<p>Claude Séguin*, Chair Daniel Boyer, Vice-Chair Denis Bolduc Françoise E. Lyon*</p> <p>Roger A. Renaud* Jean-Claude Scraire* Pierre-Maurice Vachon*</p>	<p>Corporate director President of the FTQ Secretary General of the FTQ President and Managing Partner, DGC International Inc. and Corporate director Corporate director Corporate director Corporate director</p>
<p>Purchase-By-Agreement Decision-Making Committee</p>	<p>Véronique Landry, Chair</p> <p>Annie St-Arnaud</p> <p>Chantal Lefebvre</p> <p>Patrick Schumann</p>	<p>Senior Director, Corporate and Legal Affairs and Assistant Corporate Secretary Director, Business Intelligence and Product Development Director, Saving Services Department - Compliance Vice-President, Saving Services Department</p>
<p>Investment Committee – Development Capital</p>	<p>Pierre-Maurice Vachon,* Chair Daniel Boyer, Vice-Chair Denis Bolduc Pierre Fortin*</p> <p>Marcel Gagnon* Denis Labrèche* Françoise E. Lyon*</p>	<p>Corporate director President of the FTQ Secretary General of the FTQ Consultant, agricultural and industrial import/export Corporate director Corporate director President and Managing Partner, DGC International Inc. and Corporate director</p>
	<p>Katia Marquier*</p> <p>Roger A. Renaud*</p>	<p>Chief Financial Officer, Fednav Limited Corporate director</p>

<p>Investment Committee – Innovation and Venture Capital</p>	<p>Roger A. Renaud*, Chair Anouk Collet, Vice-Chair Loïc Breton Jean De Serres* Chantal Laberge* Françoise E. Lyon* Claude McMaster* Michelle Savoie* Jacques Simard*</p>	<p>Corporate director Executive Assistant to the National President of UFCW and Vice-President, FTQ President of SEPB - QC Vice-President, Scientific Affairs and Operations, Paladin Labs Corporate director and management consultant President and Managing Partner, DGC International Inc. and corporate director Corporate director and business coach Corporate director Full professor, Université Laval and Director, Cancer Genomics Laboratory, Centre de recherche du CHUO/CHUL</p>
<p>Investment Committee – Mining Sector</p>	<p>Pierre-Maurice Vachon*, Chair Dominic Lemieux, Vice-Chair Michel Champagne* Denis Landry* Angelina Mehta* Christian Pichette* Jean-Claude Scraire*</p>	<p>Corporate director Québec Director, United Steelworker and Vice-President, FTQ Geologist and former CEO of Corporation de développement SIDEX Financing advisor to mining companies Director, Mining, Laurentian Bank Securities and Corporate director Corporate director Corporate director</p>
<p>Boards of the Fonds immobilier de solidarité FTQ</p>	<p>Jean-Claude Scraire,* Chair Denis Bolduc, Vice-Chair Janie C. Béique Michel Cyr* Denis Labrèche* Gervais Levasseur* Sylvain Paré Louise Rochette* Julie Salvail*</p>	<p>Corporate director Secretary General of the FTQ President and CEO Strategic consultant in real estate development Corporate director Investment Management Consultant Executive Vice President, Finance Compliance Officer, Corporate Affairs, Kaleido Growth Inc. Senior Director of Legal Affairs and Assistant Corporate Secretary, Groupe Jean Coutu</p>

<p>Advisory committee of the Fonds régionaux de solidarité FTQ s.e.c.</p>	<p>Luc Pinard, Chair</p> <p>Denis Bolduc, Vice-Chair Janie C. Béïque</p> <p>Jean-Claude Des Rosiers*</p> <p>Claude Lévesque*</p> <p>Nancy Simoneau*</p> <p>Richard St-Gelais*</p> <p>Pierre-Maurice Vachon*</p>	<p>President and Chief Executive Officer of the Fonds régionaux de solidarité FTQ</p> <p>Secretary General of the FTQ</p> <p>President and Chief Executive Officer, FTQ</p> <p>President and Chief Executive Officer, EvoluTel inc. and Chair of the board of directors of Gestion du FRS Outaouais inc.</p> <p>Chair of the board of directors of Gestion du FRS Montérégie inc.</p> <p>President, The Group Simoneau Inc., and Director, Gestion du FRS Montréal inc.</p> <p>Chair of the board of directors of Gestion du FRS Saguenay-Lac-St-Jean inc.</p> <p>Corporate director and Chair of the board of directors of Gestion du FRS Chaudière-Appalaches inc.</p>
<p>Advisory committee of the Fonds locaux de solidarité FTQ s.e.c.⁽¹⁾</p>	<p>Luc Pinard, Chair</p> <p>Denis Bolduc, Vice-Chair Pierre-Maurice Vachon*</p>	<p>President and CEO of the Fonds régionaux de solidarité FTQ</p> <p>Secretary General of the FTQ</p> <p>Corporate director</p>
<p>Board of directors of FlexiFonds de solidarité FTQ inc.</p>	<p>Roger A. Renaud, Chair Daniel Boyer, Vice-Chair Janie C. Béïque Bernard Tanguay*</p>	<p>Corporate director</p> <p>President, FTQ</p> <p>President and CEO</p> <p>Corporate director</p>

* Independent members with no affiliation with either the Fonds de solidarité FTQ, the FTQ or its affiliated unions within the meaning of the Act and of the Policy respecting the Independence of Members of the Board of Directors and of Members of Committees Constituted by the Board of Directors of the Fonds de solidarité FTQ.

(1) This table only presents members designated by the Fonds de solidarité FTQ, alone or in conjunction with others.

Criteria to Determine the Independence of External Members of the Board

The composition of both the Board of Directors and the Executive Committee are in compliance with the Act and the By-laws of the Fonds de solidarité FTQ. In determining the independence of external members, the Fonds de solidarité complies with the Act, and although not governed by *Regulation 52-110 respecting audit committees*, it nevertheless refers to it for guidance. The Fonds de solidarité FTQ adopted the Policy respecting the Independence of Members of the Board of Directors and of Members of Committees Constituted by the Board of Directors of the Fonds de solidarité FTQ, pursuant to which a person qualifies as independent if, regard being had to the interests of the Fonds de solidarité FTQ, neither that person nor a member of his or her immediate family, directly or indirectly has a material relationship or interest that could adversely affect the interests of the Fonds de solidarité FTQ. Also,

in the three years prior to his or her appointment or election, that person must not have been employed by the Fonds de solidarité FTQ, the FTQ or any of its affiliated unions and other bodies that, according to its articles are affiliated with it, or have acted as a union delegate in any such affiliated union or body.

Main Governing Bodies

Information on the main governing bodies of the Fonds de solidarité FTQ appearing under the heading "Key Governing Bodies" in the section on governance in the report entitled "Management Discussion and Analysis for the Year ended May 31, 2022, is incorporated by reference in this Annual Information Form. The report is available at fondsftq.com and on SEDAR.

9.7.3 Names and Places of Residence of the Fonds de solidarité FTQ's External Auditors

Deloitte LLP, Deloitte Tower, 1190 Avenue des Canadiens-de-Montréal, Suite 500, Montréal, Québec, H3B 0M7, and Raymond Chabot Grant Thornton LLP, National Bank Tower, 600 de la Gauchetière W., Suite 2000, Montréal, Québec, H3B 4L8, jointly audit the financial statements of the Fonds de solidarité FTQ to ensure that they fairly present in all material respects the financial position, financial performance and cash flows of the Fonds de solidarité FTQ in accordance with the IFRS. The financial statements disclose the net asset value per Share. The auditors are independent within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

Deloitte LLP also audits the statement of development capital investments, at cost, in accordance with the provisions of section 18 of the *Regulation respecting development capital investment fund continuous disclosure* (the "Continuous Disclosure Regulation").

10. CONFLICTS OF INTEREST

10.1 Principal Security Holders

10.1.1 Holders of Voting Securities of the Fonds de solidarité FTQ as at June 17, 2022

As at June 17, 2022, no person held more than 10% of the voting securities of the Fonds de solidarité FTQ.

On the same date, all the directors and officers of the Fonds de solidarité FTQ held 46,838.6219 Shares, representing approximately 0.01% of the issued and outstanding voting Shares. Also on that same date, all the members of the Valuation Committee held 980.6299 Shares, representing approximately 0.0003% of the issued and outstanding voting Shares.

10.1.2 Requirements under the Act with Respect to Conflicts of Interest

The Act contains provisions with respect to conflicts of interest. Under such provisions, any director or officer having a financial or other interest in an economic activity which causes his personal interest to conflict with that of the Fonds de solidarité FTQ must, under penalty of removal from office, disclose his interest and

abstain from voting on any decision involving the activity in which he has an interest. A director or officer is also deemed to have an interest in any economic activity if a member of his immediate family has an interest in such activity.

Furthermore, the Act provides that the Fonds de solidarité FTQ may not make an investment in favour of any of its officers, directors or a member of their immediate family, nor in favour of any of its major shareholders (namely, a person who directly or indirectly holds more than 10% of the issued and paid-up capital of the Fonds de solidarité FTQ), under penalty of nullity of contract. Moreover, the Fonds de solidarité FTQ may not invest in a business in which any of its directors or officers holds a material interest (namely, holding more than 10% of the units or shares of the business), or in a business controlled by him (i.e., if he is able to elect the majority of shareholders), under penalty of nullity of contract.

10.2 Governance Practices of the Fonds de solidarité FTQ

The Fonds de solidarité FTQ is implementing an entire series of measures for detecting conflict-of-interest situations and for managing and monitoring actual or apparent conflicts of interest.

It has adopted the Conflicts of Interest Management Policy, which provides a framework for the management of conflicts of interest issues that it may face as investment fund manager of the Fonds de solidarité FTQ and as investment fund manager of the FlexiFonds Funds, with the objective of recording in writing the mechanisms for the identification and documentation of actual and perceived conflicts of interest between the Fonds and the FlexiFonds Funds as well as between the interests of its shareholders and those of the FlexiFonds Funds' unitholders.

For more information on governance practices that apply to the Fonds de solidarité FTQ's employees and directors, refer to Section 11.1.3.

10.3 Entities that are Members of the Fonds de solidarité FTQ group that Provides it with Various Services

10.3.1 Agreement Between the FTQ and the Fonds de solidarité FTQ

The Fonds de solidarité FTQ pays the FTQ compensation according to an agreement respecting compensation for services rendered in connection with economic training, social reporting, development of the savings market, presence on various governing bodies of the Fonds de solidarité FTQ, support and rules relating to certain activities. These transactions are assessed at the exchange value, which corresponds to the consideration determined and agreed to by the parties.

The notes to the Fonds de solidarité FTQ's audited financial statements as at May 31, 2022, refer to the amounts paid by the Fonds de solidarité FTQ to the FTQ.

11. FONDS DE SOLIDARITÉ FTQ GOVERNANCE

Recent Developments

On July 12, 2021, Dany Pelletier was appointed Executive Vice-President, Investments; his title has since been changed to Executive Vice-President, Private Equity and Impact Investment. This change of title results from organizational adjustments. He is a member of the Management Committee.

On March 28, 2022, Stéphanie Raymond-Bougie was appointed Director of Legal Affairs and Compliance. Since April 20, 2022, she acts as Chief Compliance Officer, replacing Philippe Bonin, who has held this position on an interim basis since the departure of Mario Tremblay, on June 11, 2021.

On May 19, 2022, Véronique Landry, Senior Director, Corporate and Legal Affairs and Assistant Corporate Secretary, was put in charge of the protection of personal information. Therefore, Ms. Landry is Chief Privacy Officer.

On May 30, 2022, Natalie Brown began acting as Vice-President, Corporate and Legal Affairs and Corporate Secretary. This position had been vacant since the departure of Mario Tremblay on June 11, 2021. Ms. Brown reports directly to the President and CEO, Janie C. Béique, and is a member of the Management Committee.

11.1 The Fonds de solidarité FTQ's Governance Practices, Including Board Policies and Procedures

The Fonds de solidarité FTQ has been governed by the Continuous Disclosure Regulation set up by the *Autorité des marchés financiers* with respect to investment funds which are reporting issuers constituted under the *Act*, the *Act constituting Capital regional et coopératif Desjardins* and the *Act to establish Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi*.

11.1.1 Financial Governance Practices

Although it is not governed by *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*, the Fonds de solidarité FTQ decided, on a voluntary basis and out of a concern for transparency, to draw its inspiration from the principles stated in such Regulation 52-109 to set up a financial compliance framework program, thereby demonstrating its willingness to comply with best practices in financial governance.

A framework program of financial compliance allows for the performance of work related to the documentation and evaluation of the design and effectiveness of internal control over financial information and disclosure controls and procedures. These controls provide reasonable assurance that the financial information prepared and reported is reliable and that the financial statements are prepared in accordance with Canadian generally accepted accounting principles in effect.

The work performed in relation to the program of financial compliance is carried out thoroughly, based on COSO,¹⁰ a recognized financial governance reference framework. Identified differences with regards to design and effectiveness are reported to management and are the subject of action plans designed to correct them which are continually monitored. Compensatory controls are identified and evaluated to manage the risks associated with deficient controls.

The President and Chief Executive Officer and the Executive Vice-President, Finance of the Fonds de solidarité FTQ rely on the work performed under the program

¹⁰ Committee of Sponsoring Organizations of the Treadway Commission, Framework 2013.

of financial compliance when they confirm their responsibility for the controls by signing attestations every six months to such effect. The attestations for the six months ended November 30th of each year concern solely on the design of controls whereas the attestations for the 12 months ended May 31st concern the design and the effectiveness of controls.

During the fiscal year ended May 31, 2022, the Fonds de solidarité FTQ satisfactorily completed the evaluation of the design and effectiveness of internal control over financial information and disclosure controls and procedures. The conclusions regarding the design and effectiveness of controls are duly published in the management report of the Fonds de solidarité FTQ. The attestations signed by the President and CEO and the Executive Vice-President, Finance have been filed on SEDAR. A mechanism of sub-attestation by several officers and managers of the Fonds de solidarité FTQ also supported the signing of these attestations.

11.1.2 The Management Framework Applicable to the Procedure for Evaluating Investments

The management framework applicable to the procedure for evaluating investments is found in the Continuous Disclosure Regulation, which sets out the minimum qualifications required of specialized valuers hired by the Fonds de solidarité FTQ and requires that all relevant information regarding valuations (other than that applicable to publicly traded companies) be submitted to an independent valuation committee composed of a majority of members who are independent qualified valuers with no affiliation with the Fonds de solidarité FTQ.

Following a Board resolution passed in April 2009, a valuation committee composed of four people, the majority of whom are qualified valuers independent of the Fonds de solidarité FTQ within the meaning of the Continuous Disclosure Regulation, was set up by the Fonds de solidarité FTQ. The four (4) members of the Valuation Committee are:

- Denis Labrèche, who chairs the committee. Mr. Labrèche is also a member of the Board of Directors of the Fonds de solidarité FTQ, the chair of its Audit committee, a member of the Integrated Risk Management Committee, the Investment Committee — Development Capital and the boards of the Fonds immobilier de solidarité FTQ. Prior to that he was a partner, responsible for valuation services and financial modeling at Ernst & Young. He is a certified CPA, CA and EEE and is a member in good standing of those professional associations. He has at least 30 years' relevant experience with at least five years' experience in business valuation.
- Marc-André Girard, who is Vice-President, Finances and General Manager, Pro Kontrol. Prior to that, he was a partner in the Advisory, Transactions and Restructuring group at KPMG LLP, and held various positions as an expert in business valuation and financial analysis. He is a Chartered Professional Accountant (CPA), Certified General Accountant (CGA) and Chartered Business Valuator (CBV) and is a member in good standing of those professional associations. He has at least 10 years' relevant experience with at least five years' experience in business valuation.
- Pierre Maillé, who is a consultant for PwC. Mr. Maillé was previously a partner with PwC and headed the Valuations, Modelling and Disputes group for the province of Québec until 2016. He holds the title of FCBV and has more than

35 years of experience in business valuation and financial analysis in various industries.

- Renata Eva Milczarek, who provides business valuation and forensic accounting services with Mareval S.E.N.C.R.L. She previously held positions with various organisations such as KPMG (Bermuda office), Raymond Chabot Grant Thornton (Montreal office), Russell Investment Group, based in Paris, and the Caisse de dépôt et placement du Québec, in the Paris and Warsaw offices. She is also a member of the Ordre des comptables professionnels agréés (CPA, CA, CFF, CF) and of the Canadian Institute of Chartered Business Valuators (CBV Institute). She has 34 years of relevant experience with 32 years of experience in business valuation.

All the members of the Valuation Committee are independent and have no affiliation with the Fonds de solidarité FTQ, the FTQ or its affiliated unions within the meaning of the Policy respecting the Independence of Members of the Board of Directors and of Members of Committees Constituted by the Board of Directors of the Fonds de solidarité FTQ and have no direct or indirect material relationship with or interest in the Fonds de solidarité FTQ within the meaning of the *Continuous Disclosure Regulation*.

Under the *Continuous Disclosure Regulation*, the President and CEO of the Fonds de solidarité FTQ and the Executive Vice-President, Finance must certify that the fair value of each investment was established through a procedure that complies with the procedure described in the Continuous Disclosure Regulation. These certificates must certify, in particular, the reasonableness of the aggregate fair value of the investment portfolio and must not be delivered unless the following procedure has been followed:

- (i) valuations have been prepared or reviewed by a qualified valuator who has freely signed each of the valuations for which he was responsible;
- (ii) the fair value of the investments held directly has been established through the application of valuation principles based on guidelines generally used in the venture capital industry in Québec by professional business valuers holding the professional title of CBV, the whole in compliance with Canadian generally accepted accounting principles;
- (iii) the valuation principles have received the prior approval of the Fonds de solidarité FTQ's Board of Directors or of any other governing body to whom the board has delegated this responsibility;
- (iv) for investments in growth capital made in specialized funds, the fair value has been determined based on the most recent audited financial statements received from such funds, adjusted by the qualified valuator, if applicable, to reflect more recent financial information made available to the valuator.

Excluding publicly traded issuers, the Valuation Committee reviews all relevant information regarding valuations to be reasonably assured of compliance by the Fonds de solidarité FTQ with the procedure set out in subparagraphs (i), (ii), (iii) and (iv) hereinabove. The Valuation Committee submits, on a quarterly basis, a written report of its review to the Audit Committee to whom the Fonds de solidarité FTQ's Board of Directors has delegated the responsibility of receiving the report.

11.1.3 Governance Practices (Other Than Financial) - Codes of Ethics and Professional Conduct Applicable to Employees and Directors

The Codes of ethics and professional conduct in effect at the Fonds de solidarité FTQ (the "Code(s)"), namely the code that applies to employees and the code that applies to directors, provide that each employee or director sitting on Fonds de solidarité FTQ boards or committees must give priority to the Fonds de solidarité FTQ's interests over his personal interests and those of third parties. They must also avoid placing themselves in an actual or apparent conflict of interest. The Codes prohibit certain personal transactions that could give rise to such a conflict of interest. Pursuant to the Codes, employees and directors must refrain from giving or receiving any gift, prize, invitation to an entertainment activity that could reasonably be perceived as likely to influence that person in the performance of his or her duties or adversely affect the credibility of the Fonds de solidarité FTQ. It is up to each of the Fonds de solidarité FTQ's employees and directors to comply with the rules of conduct governing them in the performance of their duties and to disclose any situation that could give rise to a conflict of interest.

Sanctions or disciplinary measures may be imposed on an employee or a director who contravenes any provision of the Code. Furthermore, any breach of the Code by a director may be referred to the Governance and Ethics Committee for consideration and decision. All employees and directors must fill out a declaration of interests held and a declaration regarding their compliance with the Code on an annual basis.

The employees' code now refers to a phone line managed by KPMG LLP so that they can report situations regarded as infringing the Code and relating to financial or accounting information or illegalities.

The Code of Ethics and Professional Conduct for the Fonds de solidarité FTQ's directors is similar to the employees' code, although it contains special provisions relating to the office of director.

The Board of Directors is the competent authority that must approve the various codes and amendments recommended by the Governance and Ethics Committee. The Governance and Ethics Committee currently has authority over application of the Codes to employees and directors. The Corporate and Legal Affairs and General Secretariat Branch supports the Governance and Ethics Committee regarding the application of the Code to employees and must report thereon to the Committee. The Governance and Ethics Committee receives all requests or questions from directors and senior management regarding the Code. Lastly, the Governance and Ethics Committee reviews all major cases involving ethics and professional conduct and application of the Code to directors and to senior management.

The Corporate and Legal Affairs and General Secretariat Branch ensures that employees and directors are adequately informed and trained regarding the content of their respective Codes. It also receives the declarations, attestations and reporting of employees and directors under these Codes. Lastly, it provides interpretations regarding the content of such Codes and provides information and gives advice regarding the application thereof, in particular with respect to ethical situations that could arise.

11.2 The Fonds de solidarité FTQ's Policies/Guidelines

The policies and other documents comparable in terms of their nature and importance set out the business guidelines in effect at the Fonds de solidarité FTQ. These policies and other documents include:

- the Sustainable Development Framework Policy;
- the Risk Management Policy;
- the Integrated Financial Assets Management Policy, which covers the Investment Policy and the Other Investments Portfolio Policy;
- the Public Securities Management Policy;
- the Policy respecting the Purchase-by-Agreement of the Fonds de solidarité FTQ's Shares;
- the Disclosure Policy;
- the Master Policy concerning the Protection of Information Assets;
- the Master Policy on Records Management;
- the Master Policy concerning Directors and Committee Members;
- the Policy respecting the Protection of Personal Information;
- the Policy respecting the Independence of Members of the Board of Directors and of Members of Committees Constituted by the Board of Directors of the Fonds de solidarité FTQ;
- the Policy on Director Compensation;
- the Policy concerning Representation on the Boards of Business Partners;
- the Policy concerning the Responsible Procurement of Goods and Professional Services;
- the Policy applicable to the Entrusting of Mandates to the Independent Auditors and for Mandates Entrusted to the Independent Auditors, for Auditing and Other Services;
- the Policy respecting the Compliance with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*;
- the Policy on Donations and Sponsorships;
- the Policy respecting the Use of Social Media;
- the Policy on the Prevention and Reporting of Financial Fraud;
- the Satisfaction Issue Resolution and Complaint Processing Policy;
- the Policy on the Initiation and Settlement of Litigation;
- the Business Continuity Policy;

- the Policy for the Management of Extreme Cases;
- the Liquidity Risk Management Policy;
- the Policy on the Management of Conflicts of Interests;
- the collective agreement;
- the Codes of ethics and professional conduct applicable to employees and directors of the Fonds de solidarité FTQ;
- the charters applicable to the Board of Directors, the Executive Committee, the Governance and Ethics Committee, the Human Resources Committee, the Audit Committee, the Integrated Risk Management Committee, the Financial Assets Management Committee, the Valuation Committee, the various Investment Committees, the disclosure committee mandated by the Fonds de solidarité FTQ's management to oversee the Reporting Policy and the Purchase-by-Agreement Decision-Making Committee;
- the guidelines on exercising voting rights;
- the computer security standards;
- the Policy on Lobbying Activities Compliance; and
- other policies and operational guidelines in effect in the Fonds de solidarité FTQ's various departments.

International Code of Conduct and Guidelines Respecting the Fonds de solidarité FTQ's Exercise of Voting Rights

The Fonds de solidarité FTQ has adopted a code of conduct respecting the international activities of its business partners and of their suppliers. The code sets out the standards that must be met in terms of business relations, community development, employee rights, management systems and respect for the environment by partners and their suppliers. The Fonds de solidarité FTQ also has guidelines respecting its exercise of voting rights as a shareholder of companies whose securities are publicly traded. These guidelines set out the principles to which the Fonds de solidarité FTQ generally adheres, and in particular with respect to the composition of the Board of Directors, executive compensation, takeovers, shareholder rights and social responsibility. The Code of conduct and the guidelines are available in French on the Fonds de solidarité FTQ's web site.

Global Reporting Initiative ("GRI")

Since 2010, the Fonds de solidarité FTQ has produced an Operations and Sustainability Report based on the GRI guidelines. The GRI allows the Fonds de solidarité FTQ's performance to be reported globally, incorporating profits and impacts related to the Fonds de solidarité FTQ's activities according to three aspects – social, economic and environmental.

Shareholder Association for Research and Education ("SHARE")

Since May 2012, the Fonds de solidarité FTQ has been associated with SHARE, a Canadian leader in responsible investment for institutional investors. This association allows it, for example, in conjunction with other Canadian institutional investors, to propose directly to the executives of companies in which it invests improvements it feels are necessary or to demand greater transparency and accountability from them.

11.3 Decision-Making Structure Applicable to the Management of Financial and Other Risks

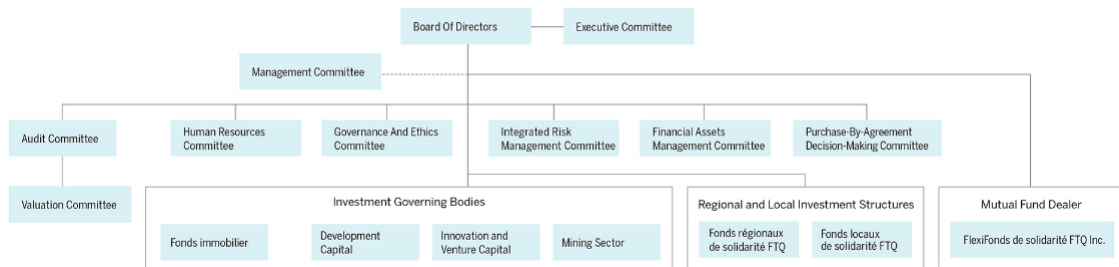
Governance of the Fonds de solidarité FTQ (including investment decisions in particular) is carried out by the Board of Directors, the Executive Committee, the Governance and Ethics Committee, the Human Resources Committee, the Audit Committee, the Integrated Risk Management Committee, the Financial Assets Management Committee, the Valuation Committee and by the Purchase-By-Agreement Decision-making Committee. Governance is also carried out by investment governing bodies created for the Development Capital, Innovation and Venture Capital and Mining sectors, as well as by the governing bodies of the Fonds immobilier de solidarité FTQ. In addition to this governance structure, there are regional and local investment structures, namely the Fonds régionaux de solidarité FTQ and the Fonds locaux de solidarité FTQ, and the FlexiFonds de solidarité FTQ inc. mutual fund dealer.

The Fonds de solidarité FTQ has an integrated risk management framework which is supported by a risk management policy. The main purpose of the integrated risk management framework is to give the Fonds de solidarité FTQ's management a global vision of all risks, to allow it to ensure that they are all managed according to their degree of importance.

During the 2021-2022 fiscal year, and in response to the crisis resulting from the COVID-19 pandemic, the Fonds de solidarité FTQ has updated its integrated risk profile that allows its main financial and non-financial risks to be prioritized, before and after taking into consideration the effectiveness of the controls set up to mitigate the exposure of the Fonds de solidarité FTQ to these risks.

As integrated management of financial assets is an essential component of risk management, the Fonds de solidarité FTQ has put in place a management structure to ensure that management and risk control strategies are applied and that resulting operational decisions take account of the level of risk considered acceptable. A Financial Assets Management Committee as well as an Integrated Risk Management Committee reporting to the Board of Directors are constituted.

The governance structure of the Fonds de solidarité FTQ, which includes a risk management role, is as follows:



The composition of the Board of Directors and of the Executive Committee complies respectively with the requirements of the Fonds de solidarité FTQ's Act and By-laws. For operational purposes, the investment governing bodies of the Fonds immobilier de solidarité FTQ are regarded as one investment committee.

For more information, refer to the Fonds de solidarité FTQ's Management Discussion and Analysis for the Year ended May 31, 2022, and to Section 9.7.2 of this Annual Information Form.

11.3.1 Person in Charge of Applicable Policies and Procedures and Nature of Board Intervention

In performing its duties, the Board of Directors has delegated to the Financial Assets Management Committee responsibility for formulating, implementing, keeping current, monitoring and following up the Integrated Financial Assets Management Policy, and the Investment Policy and the Other Investments Policy related thereto, including the appropriate guidelines. The Board of Directors remains responsible for adopting new policies and for amending existing ones.

11.4 Derivative Financial Instruments

In managing its assets, the Fonds de solidarité FTQ also trades in derivative financial instruments. Derivative financial instruments serve to facilitate management of the portfolios, improve returns, manage market risks, make changes in asset allocation and in certain cases, manage the hedging of foreign currencies. Derivative financial instruments require particular management due to the specific risks inherent in using them. The use of derivative financial instruments must comply with Policies, the Derivative Financial Instruments Framework Guideline, any applicable securities legislation, and must be approved by the Financial Assets Management Committee. The following are eligible investments:

- futures and options traded on recognized stock exchanges or on other organized trading systems where market prices are readily available; and
- over-the-counter contracts and swaps executed pursuant to an International Swaps and Derivatives Association ("ISDA") master agreement entered into with a financial institution that has received at least an "A" rating as defined by DBRS Morningstar (previously, Dominion Bond Rating Service) or an equivalent rating from Moody's, Standard & Poor's or Fitch Ratings.

Derivative financial instruments must be based on a foreign currency, interest rate instruments, shares, exchange-traded funds, stock exchange indices and sub-indices or goods.

11.4.1 Existence of Controls Independent of Operations

Any strategy that uses derivative financial instruments must be analyzed in order to consider all of the inherent risks and reviewed by the decision-making bodies for approval.

Any use of derivative financial instruments must comply with the Integrated Financial Assets Management Policy, the Other Investments Portfolio Policy and the

Derivative Financial Instrument Framework Guideline, as well as the applicable securities legislation.

When the Fonds de solidarité FTQ wishes to trade in derivative financial instruments other than futures or foreign currency options with a new counterparty, it must first enter into an ISDA agreement with a Credit Support Annex ("CSA") and open a transactional account with it. The Corporate and Legal Affairs and General Secretariat Branch prepares and sends the Fonds de solidarité FTQ's standard ISDA agreement to the counterparty for comments. It negotiates the legal aspects of agreements and advises the Office of the Vice-President, Asset Allocation and External Management with respect to any business negotiations.

The professionals and managers of the Office of the Vice-President, Asset Allocation and External Management or the Office of the Executive Vice-President – Special Assignments - Private Equity and Impact Investment may trade in foreign currencies and exchange-traded derivative financial instruments. According to the Guideline and trade authorization procedure, these transactions must be approved by an authorized manager who will ensure that the transactions comply with the policies, guidelines and procedures applying to the management of the Fonds de solidarité FTQ's financial assets. These transactions are transmitted on the same day to the Office of the Vice-President – Accounting Operations.

A quarterly report on current derivative financial instrument positions is submitted to the Financial Assets Management Committee.

11.5 Securities Lending, Repurchase Agreements or Reverse Repurchase Agreements: Risk Management Policies and Practices

The Fonds de solidarité FTQ's Integrated Financial Assets Management Policy allows for securities making up the financial assets to be lent to a borrower for a fixed period and with the goal of improving returns. Securities-lending activities are managed by the custodian and subcustodian of the Fonds de solidarité FTQ pursuant to a master agreement and the applicable legislation. As a general rule, there is no securities lending on listed shares managed by the Private Equity and Impact Investment sector.

11.5.1 Instructions, Policies and Procedures Applicable to the Person in Charge of Executing Trades on Behalf of the Fonds de solidarité FTQ

The Fonds de solidarité FTQ has subscribed to a securities lending program offered by the Trust and has entered into a participation agreement with it for such purpose. The agreement sets out the terms and conditions applicable to the lending of securities, repurchase agreements and reverse repurchase agreements, the highlights of which are as follows:

- all the securities held by the Trust may be lent, with the exception of those excluded by the Fonds de solidarité FTQ;
- the available securities may be lent to borrowers designated by the Trust, according to a list updated regularly;
- the Trust holds all the guarantees received in consideration for the loans;
- in the event the borrower of the securities defaults, the Trust agrees to

hand over to the Fonds de solidarité FTQ equivalent reinvestment securities or the fair value of the security.

Furthermore, the Fonds de solidarité FTQ expands its security lending activities to some of its foreign securities held by RBC Investor Services Trust, in its capacity as sub-custodian of the Trust. These activities are carried out under the Trust's securities lending program, subject to the terms set out in the agreement entered into between the Trust, the Fonds de solidarité FTQ and RBC Investor Services Trust.

11.5.2 Risk Management Procedures

In connection with the securities lending, repurchase agreement or reverse repurchase agreement activities, the counterparty, collateral, reinvestment and trading risks are all managed by the custodian and the subcustodian authorized to carry out such transactions, according to the following procedures:

- counterparty risk: annual review of the financial health of each counterparty, setting of trading limits per counterparty, maintaining of a healthy diversification of transactions;
- collateral risk: conservative measures for evaluating the quality of the collateral, concentration limits, daily monitoring of the fluctuation of the market value of the collateral;
- reinvestment risk: regular review of the credit quality of issuers, continuous follow-up of ratings assigned by the credit agencies and the Trust's asset liability (matching) management policy;
- operational risk: use of computer systems recognized in the securities lending industry, establishment of administrative procedures, the application of which is validated and checked periodically.

The custodians are in charge of managing securities lending transactions in accordance with the agreement, the investment policy and applicable legislation. The office of the Vice-President, Financial Management and Risk Management, checks the custodians' compliance certificates.

11.5.3 Persons in Charge

The Corporate and Legal Affairs and General Secretariat Branch and the Office of the Vice-President, Accounting Operations are in charge of preparing and reviewing the agreement with the Trust and the policies and procedures it includes. The Fonds de solidarité FTQ's Integrated Financial Assets Management Policy authorizes the Fonds de solidarité FTQ to enter into securities lending, repurchase and reverse repurchase agreements.

The Corporate and Legal Affairs and General Secretariat Branch prepares and sends the Fonds de solidarité FTQ's securities lending agreement to the counterparty for comments. It negotiates the legal aspects of the agreements and advises the Office of the Vice-President, Accounting Operations with respect to the negotiation of business issues.

12. TAX CONSEQUENCES

12.1 Tax Rules Applicable to the Fonds de solidarité FTQ

The Fonds de solidarité FTQ is liable for income tax under the Canada *Income Tax Act*. It is also subject to the Québec *Taxation Act*, under which it pays income tax. To a lesser extent, the Fonds de solidarité FTQ may also be subject to tax in other Canadian provinces, due to certain investments held in limited partnerships with permanent establishments in provinces other than Québec.

For the purpose of Canadian and provinces tax laws, the Fonds de solidarité FTQ is a private corporation. As such, it can obtain a refund on part of the federal tax paid on its investment income.

For the purpose of the Canada *Income Tax Act*, the Fonds de solidarité FTQ is subject to the rules governing mutual funds. As such, the Fonds de solidarité FTQ can obtain a refund on its capital gains taxes paid by redeeming its Shares and purchasing them by agreement. It can also obtain such a tax refund either by declaring a dividend to its shareholders or by triggering a deemed dividend resulting from an increase in the issued and paid-up share capital account relating to Class A Shares, Series 1. Since Class A Shares, Series 1 are held in RRSPs or RRIFs, shareholders holding such Shares are not required to add their share of deemed dividends to their taxable income for the year in which they were deemed to have been paid. Thus, by triggering a deemed dividend on Class A Shares, Series 1, the Fonds de solidarité FTQ recovers a portion of the taxes it paid without any tax consequences for the holders of Class A Shares, Series 1 or Series 2.

For the purpose of the Québec *Taxation Act*, the Fonds de solidarité FTQ is deemed to be a mutual fund. As such, the Fonds de solidarité FTQ may, for the purpose of calculating its Québec tax, deduct from its taxable income an amount by which its taxable capital gains for the year exceed all its eligible capital losses for the year and its net capital losses deducted during the year. Accordingly, the capital gains earned by the Fonds de solidarité FTQ are not subject to Québec tax.

For the purpose of taxation in provinces other than Québec, the Fonds de solidarité FTQ is subject to taxation rules similar to those applicable under the Canada *Income Tax Act*.

12.2 Tax Consequences Resulting From the Issuance, Redemption or Transfer of Shares for the Shareholders

Refer to the short form prospectus for further information.

13. MATERIAL CONTRACTS

13.1 Agreements Entered Into With External Investment Managers

Addenda Capital Inc.

The parties are bound by agreement since October 24, 1997. The most recent Management Agreement was entered into with Addenda Capital Inc. on June 12, 2015, and was initially amended on June 21, 2016. The agreement sets out the management mandate and reporting requirements. It refers to an Investment Policy and the

consideration paid by the Fonds de solidarité FTQ as management fees is calculated based on the value of the assets managed. The Management Agreement was amended again on November 15, 2016, in order to allow the managers to trade with derivative financial instruments, and a third time on June 2, 2020, in connection with the transfer to Addenda Capital Inc. of the management of the bond and the money market portfolios, which were previously managed internally. The Fonds de solidarité FTQ or Addenda Capital Inc. may terminate the agreement at any time by giving the other party thirty (30) days' written notice.

State Street Global Advisors, Ltd.

The first Management Agreement entered into with State Street Global Advisors, Ltd. was signed on April 5, 2006, then amended on several occasions before being restated on June 30, 2015. On June 3, 2016, the agreement was amended and restated again, and then underwent a first amendment on December 11, 2017, and a second amendment on May 31, 2019. The agreement sets out the management mandate and reporting requirements and refers to the Other Investments Portfolio Policy. The consideration paid by the Fonds de solidarité FTQ as management fees is calculated based on the value of the assets managed. The Fonds de solidarité FTQ or State Street Global Advisors, Ltd. may terminate the agreement at any time by giving the other party thirty (30) days' written notice.

Triasima Portfolio Management Inc.

The Management Agreement entered into with Triasima Portfolio Management Inc. is dated June 23, 2014. The agreement sets out the management mandate and reporting requirements and refers to the Other Investment Policy. The consideration paid by the Fonds de solidarité FTQ as fees is calculated based on the value of the assets managed. The Fonds de solidarité FTQ or Triasima Portfolio Management Inc. may terminate the agreement at any time by giving the other party thirty (30) days' written notice.

Montrusco Bolton Investments Inc.

An Investment Management Agreement was entered into with Montrusco Bolton Investments Inc. on June 23, 2014. The agreement sets out the management mandate and reporting requirements and refers to the Other Investment Portfolio Policy. The consideration paid by the Fonds de solidarité FTQ as fees is calculated on the basis of the value of assets managed. The Fonds de solidarité FTQ or Montrusco Bolton Investments Inc. may terminate the agreement at any time by giving the other party at least thirty (30) days' written notice.

A copy of these agreements may be examined during business hours at the Fonds de solidarité FTQ's head office located at 545 Crémazie Blvd. E., Suite 200, Montréal, Québec, H2M 2W4

13.2 Agreement with the Fonds de solidarité FTQ's Custodian

The securities custodianship and administration agreement entered into with the Trust on October 2, 2008, amended on July 1, 2013, and January 1, 2015, sets out the terms respecting the deposit of portfolio securities. The agreement sets out the reporting requirements. The consideration paid by the Fonds de solidarité FTQ as fees is calculated based on the value of the assets under custodianship. The Fonds de

solidarité FTQ or the Trust may terminate the agreement at any time by giving the other party ninety (90) days' written notice.

A copy of this agreement may be examined during business hours at the Fonds de solidarité FTQ's head office located at 545 Crémazie Blvd. E., Suite 200, Montréal, Québec, H2M 2W4.

14. LITIGATION AND ADMINISTRATIVE MATTERS

14.1 Litigation and Non-Compliance Orders

As of the date hereof, the Fonds de solidarité FTQ has not been the subject of any notice of non-compliance by an administrative authority and is not a party to any material litigation which could have an adverse repercussion on the situation of the Fonds de solidarité FTQ.

15. ADDITIONAL INFORMATION

15.1 Availability of Information

Information about the Fonds de solidarité FTQ may be obtained at no charge and upon request:

- **by telephone:**

in Montréal: at (514) 383-FONDS (3663)
in Québec City: at (418) 628-FONDS (3663)
toll-free: at 1 800 567-FONDS (3663)

- **in person:**

8717 Berri St.
Montréal, Québec H2M 2T9

755 Saint-Jean Blvd.
Pointe-Claire, Québec H9R 5M9

5000 des Gradins Blvd., Suite 320
Québec City, Québec G2J 1N3

- **in writing:**

Fonds de solidarité FTQ
P.O. Box 1000, Chabanel Station
Montréal, Québec H2N 0B5

- **by Internet:**

fondsftq.com
sedar.com

15.2 Additional Financial Information

This Annual Information Form contains information to be completed by consulting the continuous disclosure file as at June 30, 2022, made up of the following documents: the audited annual consolidated financial statements; the annual audited statement of development capital investments, at cost; the annual unaudited statement of other investments; the annual unaudited index of the Fonds de solidarité FTQ's share in investments made by specialized funds, at cost; the annual MD&A; the Operations and Sustainability Report; the short form prospectus, notice of the annual meeting of shareholders and Management Proxy Circular.

15.3 Additional Information Available to any Person in Paper Form

The Fonds de solidarité FTQ will provide, upon request, any person or company who asks the Saving Services for a paper copy of the following documents:

- (i) its annual information form and a copy of any document or the relevant pages of any document incorporated into it by reference;
- (ii) a copy of its short form prospectus and a copy of any document or the relevant pages of any document incorporated into it by reference;
- (iii) a copy of its audited consolidated financial statements filed for its last fiscal year or for any interim period following its latest fiscal year;
- (iv) a copy of its annual MD&A for its latest fiscal year or for any interim period following its latest fiscal year;
- (v) a copy of the audited statement of development capital investments, at cost, for its latest fiscal year or for any interim period subsequent to its latest fiscal year;
- (vi) a copy of the annual unaudited statement of other investments for its latest fiscal year or for any interim period subsequent to its latest fiscal year;
- (vii) a copy of the annual unaudited index of the Fonds de solidarité FTQ's share in investments made by the specialized funds, at cost, for its latest fiscal year or for any interim period subsequent to its latest fiscal year;
- (viii) a copy of the notice of its upcoming or latest annual general meeting at which directors were elected;
- (ix) a copy of the Management Proxy Circular and a copy of any document or of the relevant pages of any document incorporated therein by reference;
- (x) a copy of any other document incorporated by reference in its short form prospectus which the Fonds de solidarité FTQ is not required to provide under paragraphs (i), (ii) or (iii).

Reasonable fees may be charged for certain documents requested by a person who is not a shareholder of the Fonds de solidarité FTQ.

15.4 Additional Information regarding the Remuneration of Directors and Officers of the Fonds de solidarité FTQ

This information will be found in the notice to be published in connection with the next meeting, which will be held in a hybrid format, i.e., simultaneously in person and virtually on October 15, 2022.

16. EXEMPTIONS AND AUTHORIZATIONS OBTAINED BY THE FONDS DE SOLIDARITÉ FTQ

The exemptions and authorizations which have been obtained by the Fonds de solidarité FTQ are summarized as follows:

- in September 1989, the Québec Securities Commission exempted the Fonds de solidarité FTQ from the requirement of registering as a dealer with respect to the distribution of its shares (Decision No. 89-C-0292);
- on September 20, 1989, the Québec Securities Commission exempted the Fonds de solidarité FTQ from, among other things, the requirements of sections 96 and 97 of the *Securities Act* with respect to insider reporting regarding the Fonds de solidarité FTQ (Decision No. 1583-I-89);
- on February 24, 2006, the *Autorité des marchés financiers* exempted the Fonds de solidarité FTQ from the requirement of holding equity securities listed for trading on an eligible exchange, as prescribed by paragraph 2.2(c) of Regulation 44-101, to allow it to qualify for the short form prospectus regime (Decision No. 2006-MC-0463).
- on April 26, 2012, the *Autorité des marchés financiers* exempted the Fonds de solidarité FTQ from the application of paragraphs 1) and 2) of section 12.1 and sections 12.10, 12.11 and 12.14 of Regulation 31-103, provided that the Fonds de solidarité FTQ follows certain conditions (Decision 2012-DIST-0011);
- on May 6, 2013, the *Autorité des marchés financiers* exempted the Fonds de solidarité FTQ from the requirement of registering as a securities adviser as prescribed by section 148 of the *Securities Act* for its activities as manager of the endowment fund for the *Fondation du maire: le Montréal inc. de demain* (Decision No. 2013-SACD-0005);
- on May 30, 2019, the *Autorité des marchés financiers* exempted the Fonds de solidarité FTQ, on behalf of the FlexiFonds Funds, from the requirement of subsection 2.1(1) of Regulation 81-102 preventing a mutual fund from purchasing a security of an issuer if, immediately after the transaction, more than 10% of its net asset value would be invested in securities of this issuer, in order to allow the FlexiFonds Funds to purchase and hold Class "C" Shares and maintain the target allocation level;

- on May 30, 2019, the *Autorité des marchés financiers* exempted the Fonds de solidarité FTQ, on behalf of the FlexiFonds Funds, from the requirement of paragraph 2.5(2)(a) of Regulation 81-102 preventing a mutual fund from purchasing or holding a security of another investment fund, in order to allow the FlexiFonds Funds to purchase and hold Class "C" Shares.