

Robert Parizeau Officially Becomes the Fonds de solidarité FTQ's First Independent Chairman of the Board

Montréal, May 15, 2014 – The Fonds de solidarité FTQ yesterday officially appointed Robert Parizeau as Chairman of the Board. This is the first time the Board has been chaired by a person who is independent of the Fonds or the FTQ and its affiliated unions, marking an important step in the institution's new governance.

Since his arrival on the Board in February, Mr. Parizeau has also been overseeing the work of the new Governance and Ethics Committee, which has been tasked with implementing a series of proposed improvements to the Fonds' governance. However, the legislation governing the Fonds must first be amended by the National Assembly before the Board can be reconfigured according to the recommendations announced by the Fonds on February 6.

"The National Assembly must now act and amend the constituting act of the Fonds de solidarité FTQ," said Mr. Parizeau. "The proposed changes to the Fonds' governance will allow the Board to better play its role and tap into additional complementary skills. However, these changes must be implemented with due respect for the various stakeholders, because we must not forget that the Fonds de solidarité wouldn't be what it is today and could not continue growing in the long term without the unwavering support of the FTQ, its affiliated unions and Québec's labour movement in general."

"The Fonds has made great strides by proposing best governance practices that will give shareholders more power while staying true to its labour roots. After all, nearly half of the Fonds' shareholders were recruited by local representatives, who are unionized workers themselves and who promote the Fonds in workplaces all across Québec. I am very pleased to have an experienced director like Mr. Parizeau agree to chair the Board at this pivotal moment in the Fonds' history," commented Daniel Boyer, President of the FTQ and First Vice-Chair of the Fonds' Board of Directors.

"The Fonds de solidarité FTQ is an important institution and I'm proud to become Chairman of the Board," concluded Mr. Parizeau.

Reforms already underway

The Fonds has already implemented some of the recommendations made in February. Aside from the arrival of Mr. Parizeau, who is the first independent Chairman of the Board, two of the proposed committees—the Governance and Ethics Committee and the Human Resources Committee—have already been set up.

Formed in April, the Human Resources Committee is composed primarily of independent members (independent of the Fonds and the FTQ and affiliated unions). Since the Fonds is seeking to fill the position of CEO, the first mandate assigned to this Committee was to make recommendations regarding the employment terms and conditions for the CEO, including compensation. More generally, the Committee will

examine the compensation of the Fonds' management team as well as review and oversee succession planning.

Also composed primarily of independent members (independent of the Fonds and the FTQ and affiliated unions), the Governance and Ethics Committee was issued its first mandate shortly after it was formed in February, namely to oversee the implementation of the Fonds' governance reform announced on February 6. This Committee is also tasked with supporting the Board of Directors with the introduction of a continuing education and self-assessment program for its various bodies, as well as for general aspects relating to the Fonds' governance. Together with management, it will also foster an ethical culture and secure the buy-in of everyone at the Fonds, i.e. directors, committee members, management and all employees.

In keeping with best practices in the prevention of fraud and financial impropriety promoted by the Canadian securities authorities and in accordance with the *Code d'éthique et de déontologie du personnel cadre et syndiqué* (Code of Conduct for Management and Unionized Employees), the Fonds has also engaged a large accounting firm to set up an ethics hotline for Fonds employees.

About the Fonds de solidarité FTQ

The Fonds de solidarité FTQ helps drive our economy. With net assets of \$9.7 billion as of November 30, 2013, the Fonds is a development capital investment fund that channels the savings of Quebecers into investments in all sectors of the economy to help further Québec's economic growth. Its investments, in all sectors of the economy, contribute to the creation and maintenance of businesses and development in Quebec. The Fonds is a partner, either directly or through its network members, in close to 2,400 companies. With its more than 615,000 owner-shareholders, it has helped, on its own or with other financial partners, to create, maintain and protect more than 170,000 jobs. For more information, visit www.FondsFTQ.com.

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INFORMATION SHEET

The elements of the Fonds' new governance which require legislative amendments are:

1. Presidency of the Board of Directors AND and all the Board's committees (including those authorizing Fonds régionaux and Fonds immobilier investments) reserved for a member independent of both the Fonds and the FTQ¹.
2. Reconfiguration of the Board of Directors:

Composition of the Board of Directors of the Fonds de solidarité FTQ

	Before the reform	After the reform
Directors nominated by the FTQ	10	7
Independent directors	4 ²	7 ³
Directors elected by shareholders following a call for nominations	2	4
President and CEO	1	1
TOTAL	17	19

3. Enshrinement in the Fonds Act of the regulation adopted in 2009 requiring any investment to be approved by an investment committee made up of a majority of members independent from the Fonds and the FTQ¹; since 2009, this regulation has granted the independent members that authorize investments, including the Fonds immobilier, a veto. Furthermore, in order to increase the power of these Boards, the amount at which an investment must be submitted to the Board of Directors will BE increase.
4. Creation of three new committees composed of a majority of members independent from the Fonds and the FTQ¹, these being (i) governance and ethics, (ii) human resources and (iii) risk management.
5. The duration of Board member mandates will be limited to 12 years.

¹ Including unions affiliated to the FTQ.

² Nominated by the Board.

³ From now on, elected following a recommendation of the governance and ethics committee formed by a majority of independent individuals.

Robert Parizeau

Robert Parizeau serves as Chairman of the Board, non-executive, of Aon Parizeau Inc., insurance brokers and risk management consultants, and he acts as an advisor to the Aon Group in Québec. Mr. Parizeau also sits on the board of the Institute for Governance of Private and Public Organizations, and he co-chairs the board of the Institute of Corporate Directors for Québec. He is a member of the board of SCOR Reinsurance Company of Canada and he has served as Chairman of the Board of Gaz Métro Inc. He has also served on such important boards of directors as the National Bank of Canada, Power Corporation, Canam Group and Van Houtte Inc. Mr. Parizeau will helm the Fonds through its changes in governance.



Source: Fonds de solidarité FTQ

BOARD OF DIRECTORS AS OF MAY 14, 2014

Robert Parizeau	Chair and Independent Member of the Board
Daniel Boyer	First Vice-Chair and Member of the Board
Pierre-Maurice Vachon	Vice-Chair and Independent Member of the Board
Serge Cadieux	Secretary and Member of the Board
Christine Beaubien	Independent Member of the Board
Gerry Boutin	Member of the Board
Louise Chabot	Member of the Board
Anouk Collet	Member of the Board
Michèle Colpron	Independent Member of the Board
Denis Labrèche	Independent Member of the Board
Lucie Levasseur	Member of the Board
Jean-Pierre Ouellet	Member of the Board
Yves Ouellet	Member of the Board
Michel Ouimet	Member of the Board
Magali Picard	Member of the Board
Daniel Roy	Member of the Board