



TITLE Policy – Fraud and Corruption Prevention and Detection	APPROVED BY: BOARD OF DIRECTORS	DATE OF INITIAL APPROVAL (FRENCH VERSION) OCTOBER 2, 2020
	DATE REVISED	
ISSUING BUSINESS UNIT <ul style="list-style-type: none"> Legal Affairs and Secretariat – Ethics and Compliance Finance and Taxation 	OTHER BUSINESS UNITS INVOLVED All business units	
RELATED ACT(S), POLICY(IES) AND DIRECTIVE(S) <ul style="list-style-type: none"> Code of Ethics and Professional Conduct for Officers and Employees (the “Code”) Code of Ethics and Professional Conduct for Directors; Directive – Fraud and Corruption Prevention and Detection <i>Integrity in Public Contracts Act</i> <i>Corruption of Foreign Public Officials Act; Criminal Code of Canada; Foreign Corrupt Practices Act of 1977; UK Bribery Act 2010</i> 		
OBJECTIVE(S) <ul style="list-style-type: none"> Adopt, state and implement a zero-tolerance approach towards fraud and corruption. Commit to the highest standards of ethics and professional conduct. 		

1. SCOPE AND APPLICATION

This policy (the “**Policy**”) sets out Caisse de dépôt et placement du Québec’s (“**CDPQ**”) commitment to enforcing a zero-tolerance threshold with respect to fraud and corruption. The implementation of the Policy is detailed in the Directive – Fraud and Corruption Prevention and Detection (the “**Directive**”).

The Policy applies to CDPQ’S directors, officers and employees, including its international offices (collectively referred to as “**employees and directors**”). It also applies to all third party agents who act on behalf of CDPQ in the course of its activities (the “**Agents**”).

The real estate subsidiaries and CDPQ Infra have their own policy on fraud and corruption. They must certify annually to CDPQ that its implementation complies with the guiding principles set out in Article 2 of the Policy.

2. GENERAL GUIDELINES

CDPQ is committed to conducting business in compliance with all applicable laws, rules and regulations, with honesty and integrity, and with the highest ethical standards.

CDPQ expects its employees, directors and Agents to conduct themselves properly and lawfully when engaged in commercial dealings. Any type of fraud or corruption (bribes, hidden commissions, facilitation payments, etc.) is prohibited. CDPQ takes appropriate steps to mitigate fraud or corruption risks arising from interactions with third parties.

All transactions must be conducted in a manner that preserves CDPQ’s reputation for integrity and best practices. Even the appearance of impropriety is to be avoided. CDPQ will not authorize, participate in, or tolerate any business practice that does not comply with, or violates, the intent of this Policy.

3. PROHIBITION AGAINST FRAUD AND CORRUPTION

Although fraud and corruption are subject to specific laws in different jurisdictions, CDPQ aims to meet the highest ethics and compliance standards.

Fraud includes any dishonest, illegal or irregular act, any act committed with the objective of improperly concealing facts or information, presenting misleading information or appropriating or misappropriating CDPQ assets, whether or not for current or potential monetary gain, either personal or for a third party.

Corruption refers to the act of offering, giving, promising, receiving, accepting, or soliciting anything of value, either directly or indirectly, to or from any individual in order to improperly obtain an advantage or benefit of any kind. Facilitation payments are payments made to public officials to ensure or accelerate routine acts under the official's authority and that do not require the exercise of discretionary power, are also forms of corruption.

Fraud and corruption are described in more detail in the Directive. Employees and directors with questions on the nature of a particular act or payment that may constitute fraud or corruption must consult the Vice-president and Chief Ethics & Compliance Officer.

4. ANTI FRAUD AND CORRUPTION MEASURES

CDPQ has set up a fraud and corruption detection and prevention program (the “**Program**”) consisting of a governance framework, a risk identification process, prevention and detection activities and investigation mechanisms. The Program is detailed in the Directive.

CDPQ maintains books and records that accurately reflect its operations, the use of its assets and other similar information, as well as an adequate internal control system.

In addition to the guidelines set out in the Code, including those relating to gifts, invitations, hospitality and other benefits, CDPQ has established a mechanism for annual declaration of adherence to the Code and mandatory declaration of interest for each employee. CDPQ conducts ongoing awareness-raising activities on issues related to fraud and corruption, such as mandatory training for employees.

Mechanisms for reporting in a confidential manner any breach of ethics or law, including a telephone line and a website, are accessible at all times. It is the obligation of employees and directors to report any actual or suspected breach. Employees are protected from retaliation for reporting in good faith.

CDPQ has adopted an investigation process to ensure that any whistle-blowing is handled independently and fairly.

5. GOVERNANCE

On recommendation of the Governance and Ethics Committee, the Board of Directors approves the Policy.

The Executive Committee recommends this Policy to the Governance and Ethics Committee.

The Finance and Taxation and the Ethics and Compliance Vice-Presidents establish and maintain the management framework of the Policy and report on its application to the Governance and Ethics Committee.

6. REVIEW

This Policy must be reviewed every three years, unless it is necessary to do so earlier.