

Investing

in all of our futures

2019 OPERATIONS
AND SUSTAINABILITY
REPORT

 **FONDS**
de solidarité FTQ

MARC-ANDRÉ LEBEAU HEADS
BICYCLES QUILICOT, A FONDS
PARTNER COMPANY CLEARLY
FOCUSED ON INNOVATION

LES ENTREPRISES DE
PÊCHE ÉRIC GALLANT P. 27

OCEAN GROUP P. 39

BICYCLES QUILICOT P. 48

BFLY P. 59

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Québec's largest development capital investment network, the Fonds de solidarité FTQ channels the savings of workers to support businesses in all economic sectors.

A true crossroads of knowledge and resources for savers and businesses, over the years the Fonds has become a vital player in the Québec economy.

A four-part mission

- ▶ Create, maintain or protect jobs
- ▶ Provide financial and economic training to workers
- ▶ Contribute to developing the Québec economy
- ▶ Help Québécois prepare for retirement



Investing in all of our futures

The Fonds de solidarité FTQ was born out of the determination to involve Québec workers in creating a real economic force for local businesses to be able to access the resources they need to succeed. By investing their savings with the Fonds, workers benefit from a tool to prepare for retirement. What emerges from this collective impetus is an outlook of a better society in a world in transition: all of our futures driven by sustainable, responsible and inclusive prosperity.

Our results at a glance

As at May 31, 2019, the Fonds' net assets amounted to **\$15.6 billion**, up \$1.3 billion compared to the same date a year ago.

Net assets per share stood at \$43.90, which resulted in a return to the shareholder of 7.8% for the financial year.

Through its investments in Québec businesses, the Fonds contributes to supporting over **215,000 jobs**.

During the year, the Fonds invested approximately **\$1.2 billion in development capital**, bringing the number of partner companies to 3,126.

RETURN TO THE SHAREHOLDER

Years ended May 31 (in %)

2019	7.8
2018	7.5
2017	9.1
2016	4.4
2015	9.8

ANNUAL COMPOUND RETURNS TO THE SHAREHOLDER¹

(in %)

1 year	7.8
3 years	8.1
5 years	7.7
10 years	7.3

TOTAL OPERATING EXPENSE RATIO

Years ended May 31 (as a %)

2019	1.3
2018	1.4
2017	1.4
2016	1.4
2015	1.4

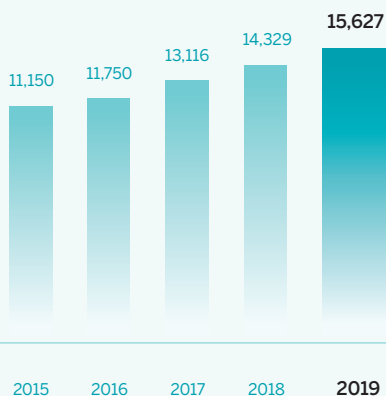
COMPREHENSIVE INCOME

Year ended May 31 (in millions of \$)

2019	1,134
2018	1,006
2017	1,085
2016	498
2015	992

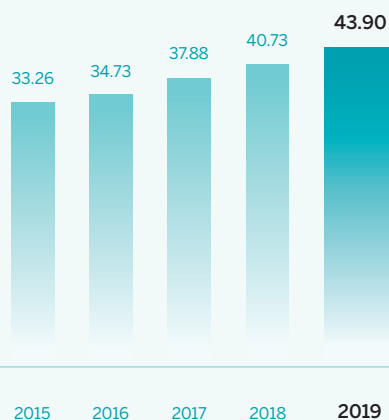
NET ASSETS

As at May 31 (in millions of \$)



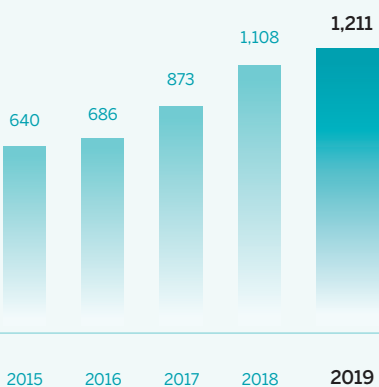
NET ASSETS PER SHARE

As at May 31 (in dollars)



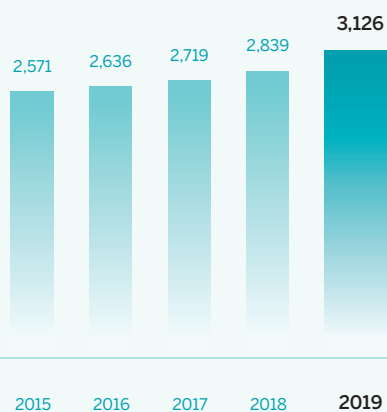
DEVELOPMENT CAPITAL INVESTMENTS²

Years ended May 31 (in millions of \$)



NUMBER OF PARTNER COMPANIES

As at May 31 (Fonds and network)



¹ Please read the prospectus before buying shares of the Fonds de solidarité FTQ. Copies of the prospectus may be obtained on the Website fondsftq.com, from a local representative or at the offices of the Fonds de solidarité FTQ. The indicated rates of return are the historical annual compounded total returns including changes in share value and reinvestment of all dividends and do not take into account income taxes payable by any security holder that would have reduced returns. The shares of the Fonds de solidarité FTQ are not guaranteed, their value changes and past performance may not be repeated.

² These investments include funds committed but not disbursed as well as guarantees and suretyships.



Together, meeting the challenges of a world in transition

The last financial year saw a great number of accomplishments in several areas. Not only were our actions successful on the financial front, we also built new foundations to remain a distinctive force for Québec as we are about to enter a new decade that will be characterized by a deep transformation of the economic space.

During the last financial year, our investment teams were very active across Québec. As a result, we reached a new high in terms of development capital investments, with \$1.2 billion to support businesses impacting the Québec economy. In addition, all our network components posted outstanding results: the Fonds régionaux, the Fonds locaux and the Fonds immobilier de solidarité FTQ invested greater amounts than in the prior year, which were already record amounts.

We have recorded an annual profit of over \$1.1 billion. This is also a record, which brought the share value to \$43.90 and resulted in an annual return to the shareholder of 7.8%. All asset classes in our portfolio contributed positively to this result. More specifically, our investments in Québec-based businesses, which now total \$10 billion, generated a return of 12.4%. Such results show that Québec can count on solid entrepreneurs and businesses. They also attest to the excellent work performed by our investment teams, which have mastered the art of identifying high-potential businesses and supporting them in their development.

Thanks to the savings invested with us by Québécois, we achieve this part of our mission with ever greater success. For the year, we raised \$897 million from them. In fact, our number of shareholders keeps growing. During the financial year, more than 47,000 new savers joined us, bringing the total number of shareholders to over 694,000.

During the last year, we embarked on the development of solutions to better support our shareholders at all stages of life and expand our product offering. More specifically, we wanted to offer products that are tailored to our savers who are about to retire and must transfer their Fonds shares to savings products that better suit their circumstances. We therefore created, subsequent to the Special Meeting of Shareholders held in May 2019, three mutual funds that complement the savings product we already offer. Grouped under the FlexiFonds banner, each fund (Conservative, Balanced and Growth) comprises 70% of assets related to the Québec economy, of which 30% are Class C shares of the Fonds de solidarité FTQ. With FlexiFonds, our shareholders who are retiring may continue to support our mission and our economy, while maintaining risk at the level that suits them best.

While ensuring to provide our savers with good service, we recognize that we must continuously review how we can support our partner companies in their development, especially with the technological, energy and human transitions that will characterize the upcoming decade. To contribute to successful transitions, both on the economic and human fronts, we intend to leverage the lessons we learned in the last few years in the area of innovation support, our know-how in employee training and our network of innovative partner companies.

Lastly, as a responsible investor, we cannot ignore the urgency of climate change, which is a massive issue. Collectively, we have no other option: we must reduce our greenhouse gas emissions and turn to low-carbon energy sources. With this in mind, the Fonds revealed in September 2018 its action plan to reduce the carbon footprint of its operations and assume a leadership role in a just energy transition for communities and workers. We are proud to present our progress for each part of this plan in this report (see pages 63-68).

All these actions contribute to making the Fonds a distinctive force in the Québec economic space. I wish to thank everyone who helps us achieve our mission, whether they are Fonds employees, local representatives or our partners from the economic and social environments. Together, we are proving that, by pooling our strengths, we can do great things. And because of that, all of our futures can only be better.

— GAÉTAN MORIN

To remain an organization firmly focused on the future

It is with honour that I agreed, in September 2018, to become the Chairman of the Board of Directors of the Fonds de solidarité FTQ. I assumed this position at a time when the organization is strongly positioned in the Québec economic space. From the outset, I want to highlight the outstanding work of my predecessor, Mr. Robert Parizeau, who provided his leadership and his vast experience to, among other things, implement modern and exemplary governance. He certainly contributed in strengthening Québecers' pride in the Fonds, a vital institution for the growth of our society.



Since I became a member of the Board of Directors of the Fonds, I have had the opportunity to better understand the DNA of this organization, which makes it a powerful instrument for both economic and social development. The combination of many elements gives the Fonds its unique, and yet unmatched, character: the mobilizing role of the FTQ and its representatives, local representatives across Québec, investment professionals recognized for their ongoing commitment to the development of local businesses, an economic training centre focused on knowledge acquisition by workers, and staff seasoned in making Québécois aware of the importance of saving for retirement.

Furthermore, the excellent financial results, the growing number of partner companies and jobs supported, and the loyalty of savers certainly confirm that the Fonds is indispensable in Québec today. Our society is going through a technological, environmental and demographic transformation. There are many challenges, and it is essential to face the future with openness, adaptability and humanism.

One of the Fonds' most important assets is its capacity to innovate and continuously reinvent itself to remain a relevant organization that is firmly focused on the future, while staying true to its original mission and values of placing people at the forefront of its actions. In fact, the Fonds was one of the first institutions to pave the way by incorporating the responsible investment concept into its decision-making process. Today, the use of this concept is becoming widespread around the world among institutional investors.

Over the last year, my colleagues on the Board and I supported the Fonds' management in deploying initiatives to better serve and support our savers and partner companies. I congratulate the President, Gaétan Morin, and all the teams at the Fonds for their accomplishments, especially the creation of the new FlexiFonds savings products, the strategy to support our businesses in the technological, energy and human transitions that are beginning and the Fonds' action plan to reduce the carbon footprint of its operations, not to mention the excellent financial results.

I would like to conclude by thanking my colleagues on the Board and everyone who participates in the work of our governing bodies for the warm welcome and their collaborative spirit. I would like to especially thank Daniel Boyer and Serge Cadieux for their outstanding help in familiarizing me with the Fonds' affairs. With our impressively complementary knowledge and skills, I firmly believe that together we will successfully continue on the course set by all the people who have made the Fonds a true catalyst for social and economic progress in Québec.

— CLAUDE SÉGUIN



To evolve while staying true to our original values

I always feel immense pride when I see how much the Fonds de solidarité FTQ keeps establishing itself, year after year, as a vital player in the Québec socioeconomic space. The last financial year is no exception. Looking at the list of all that was accomplished in only twelve months makes you quickly realize that the Fonds continues to play a key role in advancing Québec society.

The Fonds is first and foremost the story of thousands of workers who take ownership of their future by doing what is necessary to accumulate their retirement savings and by joining a group that has a real interest in developing our local businesses. As at May 31, 2019, more than 694,000 people had chosen to become shareholders of the Fonds, and this number keeps on growing. Local representatives (LRs) are no stranger to this situation. The Fonds' strong recognition among workers is largely due to the close relationships established by the LRs and the sustained efforts to promote the benefits of being a Fonds shareholder.

We are particularly proud that the Fonds has a plan to address the urgency of climate change and that it chose to put forward with the FTQ the idea of a just energy transition for workers.

As President of the FTQ, I am especially concerned with the advent of new technologies and the energy transition. The Fonds will deploy many efforts to provide businesses and workers with the means to meet the challenges that they represent. This choice seems to me extremely wise, and a way to increase the uniqueness of the Fonds. An excellent initiative from the Fonds' management, which is fully supported by my colleagues on the Board of Directors.

I take this opportunity to welcome Mr. Claude Séguin as Chairman of the Board of Directors. Given his solid track record, we are not surprised to see him leading the work of the Board with discipline and effectiveness, in continuity with the colossal work accomplished by his predecessor, Mr. Robert Parizeau.

The Fonds will have a lot to do in the next decade. Québec will not be able to escape the transitions caused by technological, demographic and climate changes. The repercussions on businesses and labour will be numerous. Yet, it is reassuring to see that the Fonds is proactive in reinventing itself and putting in place the conditions that will enable it to continue to build on the successes it has achieved since its foundation. We are particularly proud that the Fonds has a plan to address the urgency of climate change and that it chose to put forward with the FTQ the idea of a just energy transition for workers. Once again, the Fonds shows that it is evolving with Québec and the rest of the world, mindful of its mission and its origins.

— DANIEL BOYER



A happy retirement takes planning

It is never too early to start preparing for retirement and acquire the means to continue to fully enjoy life.

The earlier you start, the more retirement is a continuation of active life. Relying on this principle, the Fonds deploys maximum efforts to raise worker awareness on the importance of taking the actions required to have the retirement of their dreams. While saving is a key component, good retirement planning is just as important.



BUILDING RETIREMENT

The Fonds uses various means and channels to share useful retirement planning information. This year during the RRSP season, the “Bâtisseurs de retraites” campaign featured retirees sharing their experience and giving younger men and women an inspiring preview of what life after a successful career can be. This four-episode web series is accompanied by online guides and tools aimed at encouraging people to build their retirement. Finding a retirement project and planning for it, how much to save, mistakes to avoid and retirement savings for self-employed individuals are among the topics covered in the series.

The campaign paid off: the four episodes of the web series yielded over two million views plus thousands of visits to pages on our website.

LOCAL REPRESENTATIVES: ACTIVE PEOPLE IN THE WORKPLACE

This campaign complements the work of the 1,734 local representatives (LRs) who for many workers, remain an active force in the workplace encouraging saving and their preferred point of contact with the Fonds. Local representatives are present across Québec to promote the Fonds' retirement savings product, answer questions about this product and explain how to enroll and invest in it.

During the last financial year, LRs held altogether about 3,200 activities over more than 10,500 days to promote the Fonds in the workplace.

LOCAL REPRESENTATIVES (LRs) BY REGION

As at May 31, 2019

Abitibi-Témiscamingue	64
Bas-Saint-Laurent	57
Capitale-Nationale	134
Centre-du-Québec	46
Chaudière-Appalaches	119
Côte-Nord	57
Estrie	63
Gaspésie-Îles-de-la-Madeleine	19
Lanaudière	40
Laurentides	73
Laval	37
Mauricie	48
Montérégie	265
Montréal	533
Nord-du-Québec	16
Outaouais	58
Saguenay-Lac-Saint-Jean	105
Total	1,734

Automatic savings, gaining in popularity

There are several ways to contribute to an RRSP with the Fonds. Two of them, payroll deduction and automatic bank withdrawals, are becoming increasingly popular.

At the Fonds, we present automatic savings as a good habit to develop and encourage workers to adopt either of these subscription methods.

Payroll deduction, in particular, enables workers to save according to their financial capacity and recover on each pay the tax deductions for an RRSP contribution and additional tax credits. This is why we continue, year after year, to encourage businesses to offer their employees the Fonds' savings product through payroll deduction. **Approximately 465 new employers** enrolled in this program during the most recent financial year.

We also see consistent growth in amounts subscribed through automatic savings. **For the 2018-2019 financial year, it accounted for 67% of the value of shares issued, compared to 62% a year earlier.**

MORE POWERFUL TOOLS

In addition to the efforts to make a greater number of workers aware of the importance of saving for retirement, we look to continuously improve our tools to optimize the saver experience. During the last financial year, we launched a new digital platform and overhauled the Personal section of our website while focusing on content and compatibility with mobile devices. Results prove that the actions implemented were necessary: the proportion of users visiting our website via mobile devices has increased from 32% to 41% since the launch.





FlexiFonds: to offer support at all stages of life

During the last year, we embarked on the development of solutions to better support our shareholders at all stages of life. More specifically, we wanted to offer products to our savers who are about to retire and must transfer their Fonds shares to savings products that better suit their financial circumstances.

Subsequent to the Special Meeting of Shareholders held on May 27, 2019 and approval by our shareholders, we created three mutual funds that complement the savings product we already offer. Grouped under the FlexiFonds banner, each fund (Conservative, Balanced and Growth) comprises 70% of assets related to the Québec economy, of which 30% are Class C shares of the Fonds de solidarité FTQ. With FlexiFonds, our shareholders who are retiring will be able to continue to support our mission and our economy, while maintaining risk at the level that suits them best.

SHAREHOLDER PROFILE

As at May 31, 2019

Unionized workers	53%
Non-unionized	47%

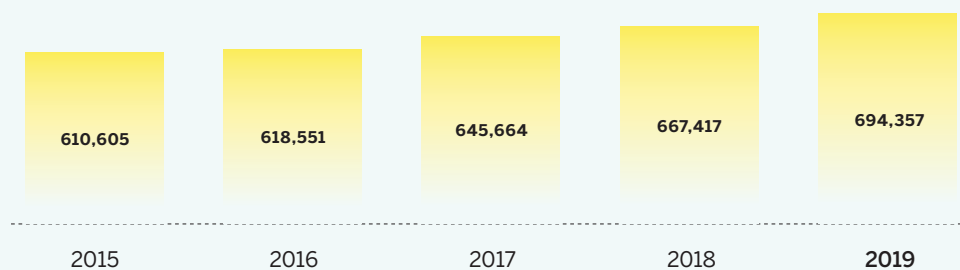
Steady increase in the number of shareholders

The sustained growth in our number of shareholders confirms that the Fonds remains an attractive savings vehicle for workers who wish to plan for their retirement. As at May 31, 2019, 694,357 savers were shareholders of the Fonds, a new record.

During the financial year ended May 31, 2019, over 47,000 people became shareholders for the first time. Of that number, more than half were under age 40, which reflects our efforts to convince a new generation to save for retirement. As a growing number of baby boomers are reaching retirement age and are about to redeem their shares, the arrival of these new shareholders gives the Fonds the capital it needs to pursue its mission.

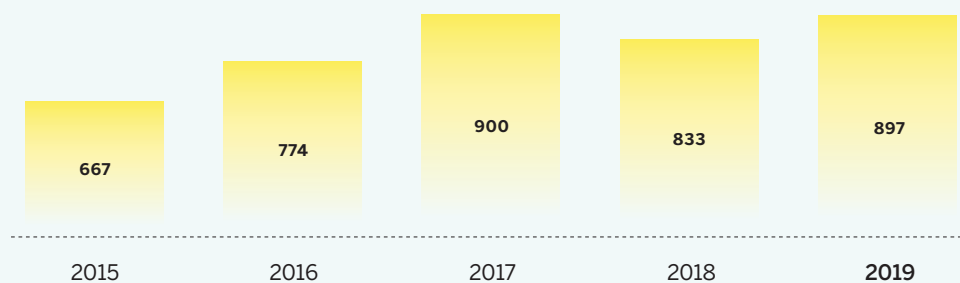
NUMBER OF SHAREHOLDERS

As at May 31



SHARE ISSUES

Years ended May 31 (in millions of \$)



SHAREHOLDERS BY AGE GROUP

As at May 31, 2019 (in %)

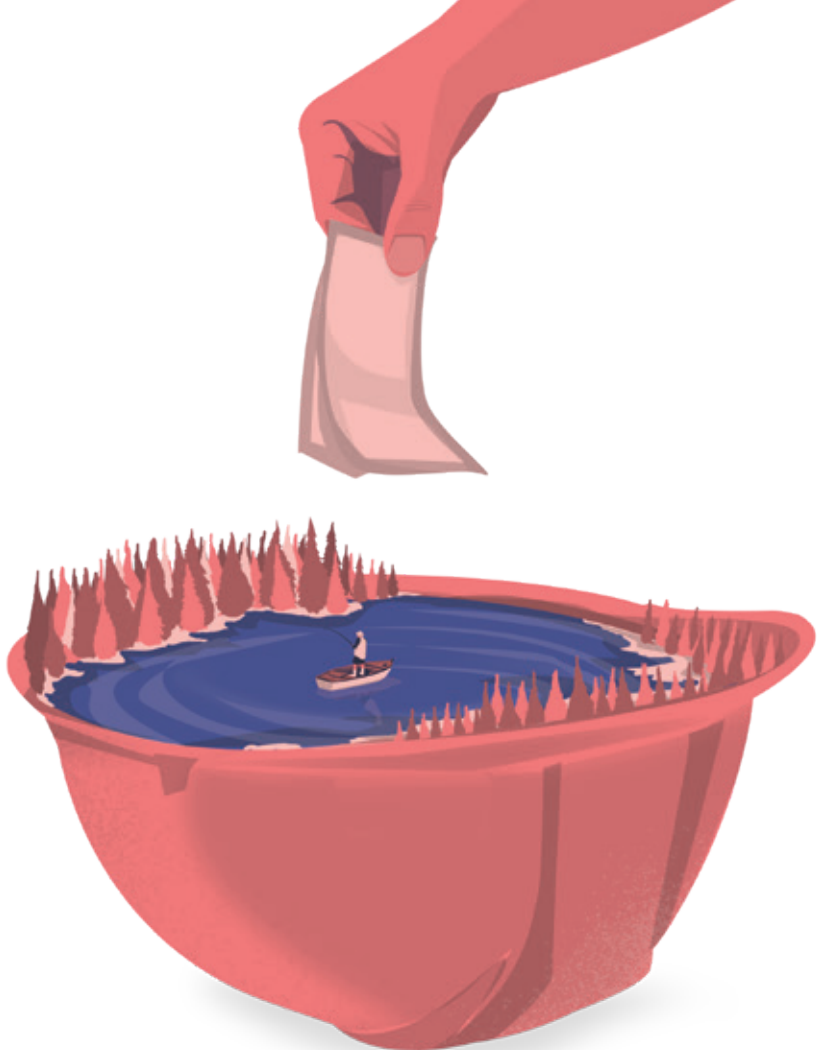
18-29	5.0
30-39	14.8
40-49	23.3
50-59	34.3
60 and over	22.6

Reaching retirement age remains the main reason for requesting a share redemption. However, other life circumstances may lead savers to recover the amounts they accumulated with the Fonds. The purchase of a first home, job loss and return to studies are among the eligibility criteria for share redemptions.

REDEMPTION BY CRITERION

Year ended May 31, 2019

Redemptions provided for in the Fonds' incorporation act and in the purchase-by-agreement policy	Number of requests	Value (\$M)	%
Age 65, retirement and early retirement	38,138	625	85
Death, disability, redemption within 60 days	2,035	37	5
Access to home ownership	4,359	44	6
Unforeseen events	3,508	19	3
<i>Job loss and other</i>			
Return to studies	380	3	-
Other criteria	253	5	1
<i>Capital injection into a business, emigration, redemption of pension credits and ineligibility for tax credits</i>			
Total	48,673	733	100



Whether to retire, carry out a project or face a specific situation, at some point in time, our savers redeem their Fonds shares. During the last financial year, the Fonds processed 48,673 redemption requests representing payments totalling \$733 million.

SHARE REDEMPTIONS

Years ended May 31 (in millions of \$)

2019	733
2018	626
2017	614
2016	678
2015	643

Since its creation in 1983, the Fonds has remitted over \$9.5 billion to shareholders who were eligible for share redemptions.



Helping the next generation and the Québec fishing industry

Les Entreprises de pêche Éric Gallant, a pioneer in the crab fishing sector, is located in the village of Aguanish, in the Minganie Regional County Municipality. This year, it received financial support from the Fonds régionaux de solidarité FTQ Côte-Nord to ensure the succession of the family business. Thanks to a new financing product designed specifically for the fishing industry by the Fonds régionaux, Éric Gallant is taking over the helm of the business founded in 1982 by his father, Julien-Marie.





Company
Les Entreprises de
pêche Éric Gallant

Sector
Agri-food

Region
Côte-Nord (head office)

Number of employees
5





Ideas to move us forward

Opening new horizons, being daring, adapting to a world in transition – this is how a company embarks on the path to sustainable prosperity.

A key partner in the development of businesses across Québec

Developing new markets, acquiring and transferring properties, expanding facilities and transforming organizations are all initiatives that the Fonds and its network can help businesses with to drive them forward and contribute to Québec's economic vitality.

Across Québec, our teams put their expertise to work to support businesses that are ready to go to the next level and help them execute their growth strategy. Regardless of their region, industry or size, these businesses can count on tailored financing that is flexible and complementary to that offered by traditional financial institutions and fits their needs and specific business environment.

The Fonds' experts are also responsive to businesses that could benefit from our support as strategic financial partner in a long-term growth perspective.

THE STRENGTH OF A NETWORK

The success of the Fonds as Québec's largest development capital investment network relies on its ability to develop close relationships with entrepreneurs in all regions. The network includes four entities that complement one another and pursue their activities based on their own action plan and objectives.

1. Fonds de solidarité FTQ
2. Fonds régionaux de solidarité FTQ (FRS)
3. Fonds locaux de solidarité FTQ (FLS)
4. Fonds immobilier de solidarité FTQ

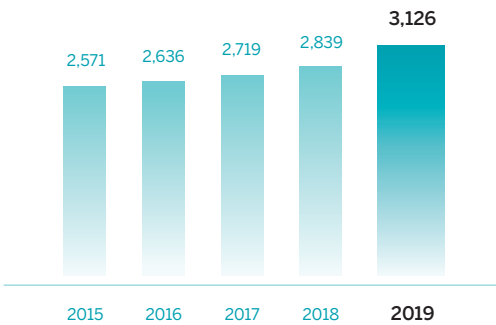


As at May 31, 2019, the Fonds and its network had 3,126 partner companies, or 287 more than last year, bringing the fair value of the Fonds' development capital investments to nearly \$10 billion.



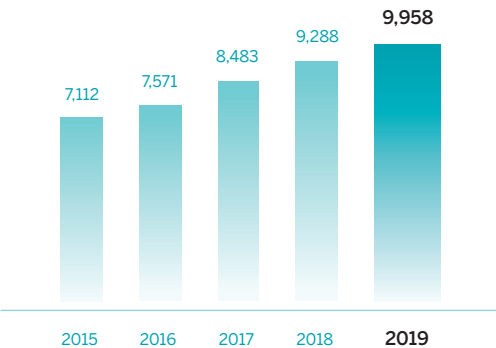
NUMBER OF PARTNER COMPANIES

As at May 31 (Fonds and network)



FAIR VALUE OF DEVELOPMENT CAPITAL INVESTMENTS*

As at May 31 (in millions of \$)



* These investments include funds committed but not disbursed as well as guarantees and suretyships.

1. FONDS DE SOLIDARITÉ FTQ

- ▶ A professional investment team with extensive knowledge of some 25 areas of economic activity
- ▶ Assistance and financing for growth and innovation
- ▶ Assistance for worker training
- ▶ Financing of \$3 million and up

Year ended May 31, 2019

Investments of \$1.2 billion
Up 9%

2. FONDS RÉGIONAUX DE SOLIDARITÉ FTQ (FRS)

- ▶ Present in each of Québec's administrative regions
- ▶ Supporting SMEs' development
- ▶ Supporting business transfers
- ▶ Financing up to \$3 million

At the end of their March 31, 2019 financial year, the FRS had a total of 466 partner companies, in which the investments had a fair value of \$312.5 million. During the last financial year, the FRS invested \$22.7 million in 27 projects involving selling businesses to new owners.

Year ended March 31, 2019

**Investments of
\$120.7 million
Up 47%**

FRS RESULTS FOR THE YEARS ENDED MARCH 31

NUMBER OF INVESTMENTS

2019	116
2018	100
2017	93

AMOUNTS INVESTED

(in millions of \$)

2019	120.7
2018	82.2
2017	62.2

NUMBER OF NEW PARTNER COMPANIES

2019	76
2018	71
2017	55

NUMBER OF PARTNER COMPANIES

2019	466
2018	427
2017	404

3. FONDS LOCAUX DE SOLIDARITÉ FTQ (FLS)

- ▶ Financing offered through local development centres (CLDs) and regional municipal counties (MRCs)
- ▶ Growth lever for local economies
- ▶ Supporting SMEs' start-up, expansion and succession
- ▶ Financing up to \$100,000

At the end of their December 31, 2018 financial year, the FLS had 80 local funds across Québec – seven more than last year. Efforts continue to extend the network's reach into territories that are not yet covered, resulting in the creation of four local funds in the first five months of 2019: MRC de L'Islet, MRC de Montcalm, Ville de Mirabel and MRC de l'Assomption, which brought the total number of local funds to 84 as at May 31, 2019.

Year ended December 31, 2018

**Investments of
\$16.5 million
Up 62%**

FLS RESULTS FOR THE YEARS ENDED DECEMBER 31

NUMBER OF INVESTMENTS

2018	506
2017	370
2016	294

AMOUNTS INVESTED

(in millions of \$)

2018	16.5
2017	10.2
2016	8.0

NUMBER OF NEW PARTNER COMPANIES

2018	452
2017	313
2016	240

NUMBER OF PARTNER COMPANIES

2018	1,448
2017	1,193
2016	1,056



Construction of **Espace Montmorency** began in June 2019. This project, carried out in partnership by the Fonds immobilier FTQ, Montoni and Groupe Sélection and valued at over \$450 million, is the largest mixed-used real estate project in Laval. Directly linked to Montréal's underground network through the Montmorency metro station, it will incorporate office space, residential units, cafés, restaurants and green spaces.

4. FONDS IMMOBILIER DE SOLIDARITÉ FTQ

- ▶ Financing and developing real estate projects that are profitable, create jobs and are socially responsible
- ▶ In partnership with leaders in real estate development
- ▶ Investing in diversified assets: mixed-use projects, residential, commercial, office and industrial real estate, social or community-use projects and socioeconomic infrastructure

During its financial year ended December 31, 2018, the Fonds immobilier authorized record investments of \$203.0 million, compared to \$180.3 million in 2017. Most of this amount will be used to develop and build 34 new projects at a total cost of \$1.6 billion.

Year ended December 31, 2018

**Authorized
investments of
\$203.0 million
Up 13%**

THE FONDS IMMOBILIER DE SOLIDARITÉ FTQ IN A FEW FIGURES

As at December 31, 2018

**69 buildings
under management**

**1.5 million square feet
of land to be developed**

**52 ongoing development
or construction projects
Valued at \$3.4 billion
Creating 27,000 jobs**



Leveraging for growth

Ocean Group, a Québec leader in ship building and repairs, dredging and marine towing and transportation, is accelerating its growth plan in 2019 thanks to a close to \$60 million investment by the Fonds. With operations in Québec, Ontario, New Brunswick, Alberta and the Caribbean, the company intends to expand its presence in Canada and deploy its service offering internationally.





Company
Ocean Group

Sectors
Transportation and storage

Region
Québec City (head office)

Number of employees
More than 900



Succeeding in a world in transition

To succeed and remain strongly positioned for the future, businesses need more than capital.

The technological revolution, the energy transition and labour challenges are disrupting the business world.

As an investor and stakeholder in socioeconomic development, the Fonds intends to play an increasingly active role in supporting Québec businesses as they face a whirlwind of changes likely to disrupt them. During its most recent strategic planning exercise, the Fonds chose to take the necessary means to help companies implement transformations that pave not only the way to improved productivity, but also to inclusive and sustainable prosperity and a healthier planet.

This approach aligns with the efforts we have made over the years to optimize the economic and social impact of our development capital investments, whether through support for innovation or the activities of the Economic Training Centre.



SUPPORT FOR INNOVATION: ACTIONS THAT WORK

Thanks to its Innovation team created in 2016, the Fonds already has several achievements to its credit for helping SMEs boost their productivity and become more competitive.

Over the last three years, we made the most of several forums to promote the importance of innovating and present the financing sources and assistance available to companies. In particular, we participated in conferences that were part of the Québec government's *Tournée des manufacturiers innovants*. Other longer-term initiatives also help foster innovation.

This is the case with our partnership with Inno-Centre, an organization that specializes in providing advisory services to innovating SMEs. During the last financial year, 30 new Fonds partner companies benefited from the expertise of Inno-Centre's consultants. In total, since the agreement with this organization began, over 210 support initiatives have been carried out, representing over 40,000 hours spent with 160 businesses. The businesses unanimously hail the quality of the services provided by Inno-Centre, with 94% going so far as to rate the services as very good or excellent.

The Fonds' Innovation team is also continuing to work with the Fonds' various investment teams, including those of our regional funds. A budget for co-investments dedicated to innovation projects was set up

last year, and the first investment was made in June 2018 in Inno-3B, in Saint-Pacôme, in the regional municipal county (MRC) of Kamouraska. This company designs and markets turnkey vertical agriculture solutions for ecologically and profitably growing organic products, berries and herbs locally. This financing, in partnership with the Fonds régional de solidarité Bas-Saint-Laurent, will be used by Inno-3B to finalize the development of its solution and move to the commercialization phase.

solunov

At the same time, the Fonds continues to encourage companies to take the innovation leap through Solunov, a three-step solution.

1. **Conduct a diagnosis** by specialists to identify the most promising innovation possibilities
2. **Validate the effectiveness of the innovations considered** (the Fonds can finance 75% of the feasibility study costs up to \$250,000)
3. **Implement the innovation project** (the Fonds offers financing of \$1 million or more)



THE ECONOMIC TRAINING CENTRE: A HUB OF KNOWLEDGE

Economic training for workers has been an integral part of the Fonds' mission since its creation. Over time, the programs offered have diversified. In fact, the Economic Training Centre (ETC) team designs and rolls out a range of programs that enable workers to better understand the business context and vision of their employers and enhance their understanding of the various aspects of retirement savings.

TRAINING IN THE WORKPLACE: SOLUTIONS TO MAKE PROGRESS

Each time it prepares its involvement with a business, the ETC recognizes that the business operates in its own specific environment, and that it faces issues that are likely to have an impact on its activities. Accordingly, the ETC proposes adapted solutions based on priority actions to obtain lasting results in the short term.

Solutions range from coaching to establish training needs to holding collaborative workshops to determine approaches for improvement as well as facilitating meetings to foster a vision that is shared by employees and management, through to training employees on the economic aspects of the business's development.

CANAM: STIMULATING MOBILIZATION

The ETC's work at Canam, a company that designs and manufactures steel structures, is a good example of the Fonds' approach to mentoring and training as well as its positive impact on companies.

After the company was privatized in 2017 by a group of investors that includes the Fonds, Canam's management decided that it would be beneficial to mobilize its employees around its business vision. With a Fonds representative on the Board of Directors and proximity to the management team, the ETC worked with Canam's human resources team to propose tailored training for employees to better understand the company's economic reality and how they contribute to creating value. This training covered the reasoning behind certain changes, such as more ambitious operational targets and the compensation program. In the end, some 750 employees and managers attended the training.

Our involvement resulted in many benefits, including employee buy-in and participation in changes, a better understanding of the business's development issues and enhanced engagement to achieve objectives.

TRAINING IN FIGURES

Financial year ended May 31, 2019

IN PARTNER COMPANIES

72 activities – 1,263 participants
2,312 hours of support

Working with employees using a tailored support approach comprising up to 150 hours of consulting which may lead to various activities, including training.

SAVINGS AND RETIREMENT

42 activities – 1,296 participants

Transferring knowledge about savings and retirement as well as supporting workers in their roles as trustees on pension committees and union representatives responsible for promoting and administering supplemental plans.

FOR LOCAL REPRESENTATIVES

114 activities – 3,449 participants

Training on the knowledge and skills needed to fulfill their role with savers, particularly in light of regulatory compliance requirements.

FOR FLS ADMINISTRATORS

20 activities – 239 participants

Program for Fonds locaux de solidarité (FLS) representatives on regional municipal county (MRCs) investment committees.

Moving forward on the path to innovation

Bicycles Quilicot has set its course for innovation. With financial support and guidance from the Fonds, the company made the digital shift with the launch of an online store. In parallel, it offers mobile workshops to make it simpler for its customers who want to have their new bikes assembled or their bikes maintained. To further improve the customer experience, Bicycles Quilicot plans to develop a mobile application to schedule appointments.









Company
Bicycles Quilicot

Sector
Retail

Region
Montréal (head office)

Number of employees
100



For a better future

Always promoting actions that contribute to society's well-being in the long term.

Taking actions that create value for future generations is how the Fonds pursues its mission to achieve sustainable, responsible and inclusive development.

Sustainable development and responsible investment principles and values have been an integral part of the Fonds' decision-making process since its creation. The economic, social and environmental aspects of any project are thoroughly analyzed so that we can make a responsible choice. Each time, we look for the element that will make a difference in our contribution to the well-being of society, using a unique approach that considers criteria other than the return, such as quality job creation and protection and support of local and regional economies.

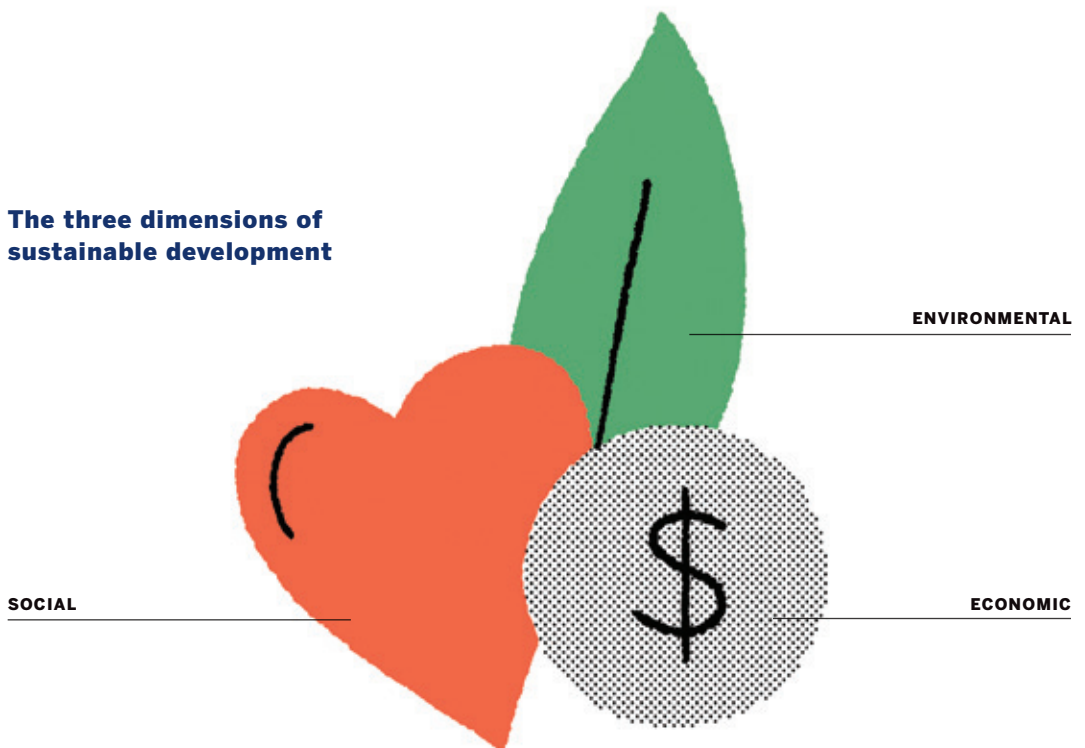
Again this year, we took another step toward a better society by joining the **Collectif pour une forêt durable**, which brings together some sixty partners from all walks of life, who take to heart the sustainable development of Québec's forests. They all share a vision of increasing the value of forests, a priceless and renewable resource. Ensuring the sustainability of forests ultimately means protecting a significant source of jobs and economic development.

With investments totalling over \$1 billion in the forest products sector since its creation, the Fonds has shown that it is possible to take action to support economic development while respecting the environment. Note that the Fonds is the largest private forest owner through Société de gestion d'actifs forestiers Solifor, a limited partnership. These forests are an important source of carbon capture

that enables us to offer a carbon credit program to businesses wishing to offset the environmental impact of their operations.

In addition, during the last financial year, the Fonds became a partner of **Propulsion Québec**, the cluster for electric and smart transportation. Through this partnership and our seat on the Board of Directors of the organization, we intend to support the efforts to position Québec as a global leader in developing and implementing smart and electric modes of ground transportation.

The three dimensions of sustainable development





FOR MODERN AND INCLUSIVE LIVING ENVIRONMENTS

The commitment of the Fonds towards a better future is also part of the approach adopted by the Fonds immobilier de solidarité FTQ, whose mission also includes implementing social, community or socioeconomic projects.

Over the years, the Fonds immobilier has spent some \$82 million to build or renovate buildings so that low- or modest-income households may access quality and affordable housing. In all, close to 4,400 housing units had work done to them before new tenants could move in. In 2018, the Fonds immobilier and the City of Montréal, in conjunction with social economy partners, acquired three buildings totalling 156 housing units in the Pointe-Saint-Charles sector. Once the upgrade work is completed, families will be able to live in better quality housing with an affordable rent. In addition, they will be able to benefit from services offered by community organizations that are active in the area.

In April 2019, ground was broken on the construction of the **Note des bois** project, the first ever affordable student housing building. This 90-unit building is being constructed through the collaboration of several social finance players, including the Fonds immobilier, under the direction of the Unité de travail pour l'implantation de logement étudiant (UTILE), a social economy enterprise whose mission is to develop and promote affordable student housing in Québec.

Beyond financial return, we strive through our investments to contribute to society's well-being by including objectives such as the creation and retention of high quality jobs and support to local and regional economies.



Resources to spread your wings!

Bfly offers products that promote child development in an entertaining environment. With an investment from the Fonds, the company opened its own store to not only offer its products, but also an immersive experience in the world of butterflies. Located in Quartier Dix-30, in Brossard, the store includes an amusement centre for children and a unique butterfly aviary. A delight for customers of all ages!







Company
Bfly

Sectors
Retail
Arts, entertainment and recreation

Region
Québec City (head office)

Number of employees
40



Engaging in a just energy transition

Considering the human, social and environmental aspects of the transition toward a low-carbon economy.

For a coherent and fair energy transition

In September 2018, the Fonds introduced its action plan for a just energy transition, which will enable workers, communities and businesses to capitalize on the new realities resulting from the transition to a low-carbon economy.

This section presents the initiatives implemented and the progress made for each part of the plan during the financial year.

THE FOUR-PARTS OF THE ACTION PLAN

1. Reducing the carbon intensity of our portfolio
2. Supporting Québec companies for the transition
3. Investing in a low-carbon economy
4. Assuming a leadership role in the just energy transition

PART 1 – REDUCING THE CARBON INTENSITY OF OUR PORTFOLIO

CARBON INTENSITY OF INVESTMENTS IN PUBLICLY TRADED COMPANIES

In September 2018, the Fonds announced its commitment to reduce the carbon intensity of its investments in publicly traded companies by 25% by the year 2025. After one year, the Fonds has made substantial progress towards achieving this objective: the carbon intensity fell from 71 to 61 tonnes of CO₂ equivalent for each \$1 million invested. This 14% decrease is mainly attributable to its decision to integrate \$1.4 billion of its assets into the MSCI World Low Carbon ESG Target Screened Index. This integration led to the sale of securities of several companies with high carbon emissions while promoting the purchase of securities of companies with superior environmental, social and governance (ESG) practices.

In addition to collaborating on the development of this new index, which takes into account both the carbon intensity of the companies it includes and ESG considerations, the Fonds was the first investor in the world to adopt it. The combination of these two dimensions (carbon intensity and ESG considerations) attests to the Fonds' ambition to act from an overall sustainable development perspective.

The Fonds intends to continue its efforts to reduce the carbon intensity of its investments in publicly traded companies in the coming years.

CARBON INTENSITY OF INVESTMENTS IN PRIVATE COMPANIES

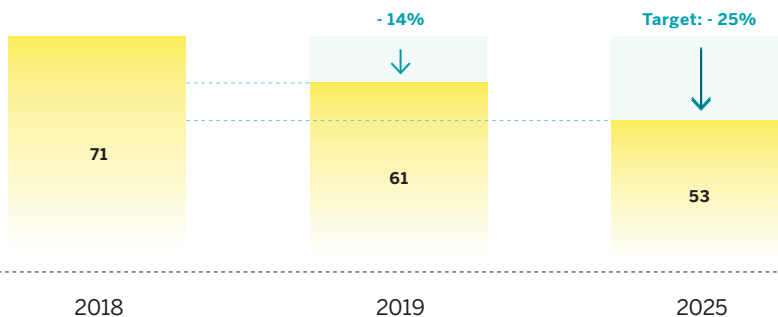
As a complement to its efforts to reduce the carbon intensity of its investments in publicly traded companies, the Fonds is also committed to measuring the carbon intensity of its investments in private companies. With an enviable initial measurement of 45 tonnes of CO₂ equivalent for each \$1 million invested¹, the Fonds partner companies fared well. This initial calculation shows that it is more relevant for the Fonds to focus on supporting partner companies (Part 2) and making investments that promote the energy transition (Part 3) than on quantitatively reducing the carbon intensity of private securities. The reasons behind this choice? To improve by capitalizing on the advantage that our partner companies already have with their access to clean and renewable energy in Québec, as well as maximize the impact of the Fonds across Québec.

In this regard, the Fonds will gradually integrate the energy transition theme into its impact investing strategies in the coming years. This will support its determination to allocate a portion of its capital to projects or businesses specializing in energy efficiency, the development of new technologies or industrial processes, the manufacturing of more energy-efficient materials and equipment or the sustainable transportation of goods and people.

¹ The calculation of the carbon intensity of investments in private companies excludes the Fonds immobilier's investments. A calculation methodology is being developed to encompass these investments, which will be included in next year's calculations.

CARBON INTENSITY OF OUR INVESTMENTS IN PUBLICLY TRADED COMPANIES

As at May 31 (in tCO₂e/\$M)





PART 2 – SUPPORTING QUÉBEC COMPANIES FOR THE TRANSITION

ENCOURAGING ENERGY EFFICIENCY

During the year, with the ever-present view to create value for our partner companies, we developed a process to support their energy efficiency improvement efforts. Designed in cooperation with experts in the field, the process includes performing an audit of the business's operations and processes to identify energy efficiency improvement opportunities. Starting in fall 2019, the Fonds' investment teams will be able to offer partner companies this audit at no cost. The partner companies will decide whether to implement any of the recommendations resulting from this audit. If they choose to proceed with the recommendations, the Fonds will be able to support them in two ways: by informing them about the grant programs available and by offering them the financial support needed to implement the projects they selected.

MEETINGS ACROSS QUÉBEC ON A JUST ENERGY TRANSITION

In addition to the initiatives included in its action plan, over the year the Fonds partnered with the FTQ and the Institut de recherche en économie contemporaine (IRÉC) to conduct a series of meetings on just energy transition across Québec. The meetings, which consisted of training and reflection days open to anyone interested in the economic development of their region, provided a forum for depicting the impact and opportunities of a transition to a lower-carbon economy.

PART 3 – INVESTING IN A LOW-CARBON ECONOMY

INCREASING OUR IMPACT THROUGH INVESTMENTS IN CLEAN TECHNOLOGY FUNDS

The Fonds intends to seize the investment opportunities that will emerge from the transition to a low-carbon economy that is already under way and that will accelerate in the years to come. Over the last year, the Fonds committed close to \$20 million to two funds, Cycle Capital IV, s.e.c. and Spring Lane Capital Canada Fund I, L.P., whose primary objective is to target innovative clean technology businesses and support them in developing and marketing their technologies. These funds more specifically support Canadian companies with products or services that are consistent with a low-carbon economy.



PART 4 – ASSUMING A LEADERSHIP ROLE IN THE JUST ENERGY TRANSITION

As part of its action plan, the Fonds has undertaken to stop financing hydrocarbon exploration and extraction projects in Québec and to assume a leadership role in the just energy transition.

INTERNATIONAL INVESTOR STATEMENT ON A JUST ENERGY TRANSITION

To assume a leadership role, the Fonds also joined the first group of investors to sign the international Statement of Investor Commitment to Support a Just Transition on Climate Change. This initiative from the London School of Economics and the Harvard Kennedy School involves over 100 investors with approximately US\$5,000 billion in assets under management. The Fonds was the only Canadian organization to serve on the advisory committee whose work led to the preparation of a guide for investor action and the drafting of the statement itself. The guide was also produced in partnership with Principles for Responsible Investment (PRI), of which the Fonds has been a member since 2011, as well as the International Trade Union Confederation (ITUC).

GROWING OUR GREEN BOND INVESTMENTS

In keeping with its commitment to grow the proportion of green bonds in its bond portfolio, the Fonds has increased its investments in government, institutional and corporate green bonds. During the last year, the green bond proportion doubled from 5.0% to 9.9% of the Fonds' bond portfolio to stand at approximately \$342 million as at May 31, 2019.

CONTINUATION OF SHAREHOLDER ENGAGEMENT WITH PORTFOLIO COMPANIES

For the first time in its history, the Fonds submitted a shareholder proposal at the 2019 annual general meeting of a Canadian oil and gas company, requesting that it set targets to reduce its GHG emissions in line with the Paris Agreement objective of limiting global warming to 2°C above pre-industrial levels. The proposal was strongly supported by shareholders, with 10.6% of voting rights exercised in its favour, which is an encouraging level of support for a first-time proposal.



The leaflet *Engaging in a Just Energy Transition* can be found at fondsftq.com/energy-transition.

Parameters of the Operations and Sustainability Report

This Operations and Sustainability Report is for the 2018-2019 financial year, which is the period from June 1, 2018 to May 31, 2019. It mainly covers the activities that are under the direct control of the Fonds de solidarité FTQ. It also includes data and information related to the components of its network, namely the Fonds régionaux de solidarité FTQ, the Fonds locaux de solidarité and the Fonds immobilier de solidarité FTQ. Specialists at the Fonds validated the contents of this report, which was read by our independent auditors. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. The GRI Indicators Index, which includes all information required to meet these requirements, is available in the Sustainable Development section of the Fonds' website (fondsftq.com).

The Management Committee



CHANTAL DORÉ

Senior Vice-President, Information Technology,
Project Management and Administration



GAÉTAN MORIN *A., C., J., O.*

President and Chief Executive Officer



DENIS LECLERC

Executive Vice-President, Savings Market Development

A Member of the Executive Committee

C Member of the Financial Assets Management Committee

J Member of the Fonds immobilier de solidarité FTQ II, s.e.c. Advisory Committee and of the Fonds immobilier de solidarité FTQ inc. Board of Directors

L Member of the Fonds régionaux de solidarité FTQ s.e.c. Advisory Committee

M Member of the Fonds locaux de solidarité FTQ s.e.c. Advisory Committee (only members appointed by the Fonds de solidarité FTQ, on its own or jointly, are indicated in this list)

N Member of the Fonds immobilier de solidarité FTQ Audit Committee

O Member of the FlexiFonds de solidarité FTQ inc. Board of Directors



GEOFFREY BAINBRIDGE
Vice-President, Human Resources



JANIE C. BÉIQUE ^{L.M.}
Executive Vice-President, Investments



MARIO TREMBLAY
Vice-President, Public and Corporate Affairs,
Corporate Secretary, and Chief Compliance Officer



SYLVAIN PARÉ ^{J.N.}
Executive Vice-President, Finance

The Board of Directors

As at July 2, 2019



- 1 YVON BARRIÈRE**
Regional Executive Vice-President of the Public Service Alliance of Canada (PSAC), and Vice-President, FTQ
- 2 CHRISTINE BEAUBIEN** ^{A, B, F, G, I}
President of Groupe BSC and Corporate Director
- 3 DENIS BOLDUC**
President, Canadian Union of Public Employees (CUPE), Québec, and Vice-President, FTQ
- 4 DANIEL BOYER** ^{A, E, F, G, K, O}
President, Fédération des travailleurs et travailleuses du Québec (FTQ), and First Vice-President of the Board of Directors, Fonds de solidarité FTQ
- 5 SERGE CADIEUX** ^{A, E, F, G, J, K, L, M, P}
General Secretary, Fédération des travailleurs et travailleuses du Québec (FTQ), and Third Vice-President of the Board of Directors, Fonds de solidarité FTQ
- 6 LOUISE CHABOT**
Director
- 7 ANOUK COLLET** ^I
Executive Assistant to the National President of the United Food and Commercial Workers International Union (UFCW), and Vice-President, FTQ
- 8 MICHÈLE COLPRON** ^{B, C, E, G, K}
Corporate Director
- 9 ALAIN CROTEAU** ^H
Québec Director, United Steelworkers, and Vice-President, FTQ
- 10 PIERRE FORTIN**
Agricultural and industrial import/export Consultant
- 11 RENAUD GAGNÉ** ^J
Québec Director, Unifor, and Vice-President, FTQ
- 12 DENIS LABRÈCHE** ^{B, D, G, J, K, N}
Corporate Director
- 13 KATERI LEFEBVRE** ^I
Executive Director of the Syndicat des employées et employés professionnels-les et de bureau (SEPB-Québec), and Vice-President, FTQ
- 14 GAÉTAN MORIN** ^{A, C, J, O}
President and Chief Executive Officer, Fonds de solidarité FTQ
- 15 SYLVIE NELSON**
President, Québec Service Employees Union (QSEU), Local 298, and Vice-President, FTQ
- 16 ROGER A. RENAUD** ^{B, C, G, I, K, O}
Corporate Director
- 17 JEAN-CLAUDE SCRAIRE** ^{A, E, F, H, J, K, P}
Corporate Director
- 18 CLAUDE SÉGUIN** ^{A, E, F, O}
Corporate Director and Chairman of the Board of Directors, Fonds de solidarité FTQ
- 19 PIERRE-MAURICE VACHON** ^{A, F, G, H, L, M}
Corporate Director and Second Vice-President of the Board of Directors, Fonds de solidarité FTQ

A Member of the Executive Committee

B Member of the Audit Committee

C Member of the Financial Assets Management Committee

D Member of the Valuation Committee

E Member of the Governance and Ethics Committee

F Member of the Human Resources Committee

G Member of the Investment Committee – Development Capital

H Member of the Investment Committee – Mining Sector

I Member of the Investment Committee – Innovation and Venture Capital

J Member of the Fonds immobilier de solidarité FTQ II, s.e.c.

Advisory Committee and of the Fonds immobilier de solidarité FTQ inc. Board of Directors

K Member of the Integrated Risk Management Committee

L Member of the Fonds régionaux de solidarité FTQ s.e.c. Advisory Committee

M Member of the Fonds locaux de solidarité FTQ s.e.c. Advisory Committee (only members appointed by the Fonds de solidarité FTQ, on its own or jointly, are indicated in this list)

N Member of the Fonds immobilier de solidarité FTQ Audit Committee

O Member of the FlexiFonds de solidarité FTQ inc. Board of Directors

P Member of the Fonds immobilier de solidarité FTQ Governance and Ethics Committee

Members of our Boards and Committees who are independent from the Fonds and the FTQ

As at July 2, 2019

1 CHRISTINE BEAUBIEN ^{A, B, F, G, I}
President of Groupe BSC
and Corporate Director

2 LYNE BOUCHARD ^K
Associate Professor,
Faculty of Business Administration,
Université Laval

3 MICHÈLE COLPRON ^{B, C, E, G, K}
Corporate Director

4 RENÉ DELSANNE ^Q
President, Delsanne Conseil inc.

5 PIERRE FORTIN
Agricultural and industrial
import/export Consultant

6 MARCEL GAGNON ^O
Corporate Director

7 MARC-ANDRÉ GIRARD ^D
Vice-President, Finance, and
General Manager, Pro Kontrol

8 CHANTAL LABERGE ^I
Corporate Director and
Management Consultant

9 DENIS LABRÈCHE ^{B, D, G, J, K, N}
Corporate Director

10 DENIS LANDRY ^H
Financing Advisor
to mining companies

11 LUCIE LEBEUF ^Q
Corporate Director

12 DENIS LESSARD ^L
President and Chief Executive Officer,
A & R Belley Inc.

13 RENALD LETARTE ^Q
Director

14 GERVAIS LEVASSEUR ^{J, N}
Investment Management Consultant

15 CLAUDE LÉVESQUE ^L
President, Armstrong-Hunt Inc.

16 PIERRE MAILLÉ ^D
Consultant, PwC Canada

17 HUBERT MANSEAU ^I
Corporate Director

18 JOSÉE MORIN ^I
Corporate Director and Consultant

19 MICHEL NADEAU ^D
Executive Director, Institute for
Governance of Private and Public
Organizations (IGPPO)

20 MARIE HÉLÈNE NOISEUX ^C
Full Professor, School of Management,
Université du Québec à Montréal

21 LOUISE PELLERIN-LACASSE ^K
Risk Management Specialist

22 JEAN-CLAUDE PÉRIGNY ^L
Territory Director, CIA Informatique,
a division of Informatique Côté,
Coulombe inc.

23 CHRISTIAN PICHETTE ^H
Corporate Director

24 MARTIN RIVARD ^H
Corporate Director

25 ROGER A. RENAUD ^{B, C, G, I, K, O}
Corporate Director

26 LOUISE ROCHETTE ^{J, N}
Compliance Officer, Corporate Affairs,
Universitas Management Inc.

27 JULIE SALVAIL ^{J, P}
Senior Director, Legal Affairs Department,
and Assistant Corporate Secretary,
Jean Coutu Group

28 MICHELLE SAVOIE ^I
Certified Corporate Director

29 JEAN-CLAUDE SCRAIRE ^{A, E, F, H, J, K, P}
Corporate Director

30 CLAUDE SÉGUIN ^{A, E, F, O}
Corporate Director and Chairman of the
Board of Directors, Fonds de solidarité FTQ

31 JACQUES SIMARD ^I
Full Professor, Université Laval, and
Director, Cancer Genomics Laboratory
at the CHUQ/CHUL Research Centre

32 BERNARD TANGUAY ^O
Corporate Director

33 MICHEL THÉRIEN ^C
Corporate Director

34 PIERRE-MAURICE VACHON ^{A, F, G, H, L, M}
Corporate Director and Second
Vice-President of the Board of Directors,
Fonds de solidarité FTQ

A Member of the Executive Committee

B Member of the Audit Committee

C Member of the Financial Assets Management Committee

D Member of the Valuation Committee

E Member of the Governance and Ethics Committee

F Member of the Human Resources Committee

G Member of the Investment Committee – Development Capital

H Member of the Investment Committee – Mining Sector

I Member of the Investment Committee – Innovation and Venture Capital

J Member of the Fonds immobilier de solidarité FTQ II, s.e.c.
Advisory Committee and of the Fonds immobilier de solidarité FTQ inc.
Board of Directors

K Member of the Integrated Risk Management Committee

L Member of the Fonds régionaux de solidarité FTQ s.e.c.
Advisory Committee

M Member of the Fonds locaux de solidarité FTQ s.e.c. Advisory Committee
(only members appointed by the Fonds de solidarité FTQ, on its own or
jointly, are indicated in this list)

N Member of the Fonds immobilier de solidarité FTQ Audit Committee

O Member of the FlexiFonds de solidarité FTQ inc. Board of Directors

P Member of the Fonds immobilier de solidarité FTQ Governance
and Ethics Committee

Q Member of the FlexiFonds funds Independent Review Committee



The governing bodies of the Fonds de solidarité FTQ and its network

As at July 2, 2019

In addition to the Fonds' Board of Directors and Executive Committee, the Fonds and its subsidiaries have the following governing bodies:

GOVERNANCE AND ETHICS COMMITTEE

Claude Séguin, *Chair*²
Daniel Boyer
Serge Cadieux
Michèle Colpron²
Jean-Claude Scraire²

HUMAN RESOURCES COMMITTEE

Claude Séguin, *Chair*²
Christine Beaubien²
Daniel Boyer
Serge Cadieux
Jean-Claude Scraire²
Pierre-Maurice Vachon²

AUDIT COMMITTEE

Denis Labrèche, *Chair*²
Christine Beaubien²
Michèle Colpron²
Roger A. Renaud²

VALUATION COMMITTEE

Denis Labrèche, *Chair*²
Marc-André Girard²
Pierre Maillé²
Michel Nadeau²

INVESTMENT COMMITTEE – DEVELOPMENT CAPITAL¹

Pierre-Maurice Vachon, *Chair*²
Daniel Boyer
Christine Beaubien²
Serge Cadieux
Michèle Colpron²
Marcel Gagnon²
Denis Labrèche²
Roger A. Renaud²

INVESTMENT COMMITTEE – INNOVATION AND VENTURE CAPITAL¹

Christine Beaubien, *Chair*²
Anouk Collet
Chantal Laberge²
Kateri Lefebvre
Hubert Manseau²
Josée Morin²
Roger A. Renaud²
Michelle Savoie²
Jacques Simard²

INVESTMENT COMMITTEE – MINING SECTOR¹

Pierre-Maurice Vachon, *Chair*²
Alain Croteau
Denis Landry²
Christian Pichette²
Martin Rivard²
Jean-Claude Scraire²

INTEGRATED RISK MANAGEMENT COMMITTEE

Jean-Claude Scraire, *Chair*²
Lyne Bouchard²
Daniel Boyer
Serge Cadieux
Michèle Colpron²
Denis Labrèche²
Louise Pellerin-Lacasse²
Roger A. Renaud²

FINANCIAL ASSETS MANAGEMENT COMMITTEE

Michèle Colpron, *Chair*²
Gaétan Morin
Marie-Hélène Noiseux²
Michel Parenteau
Roger A. Renaud²
Michel Thérien²

FONDS IMMOBILIER DE SOLIDARITÉ FTQ GOVERNING BODIES¹

Jean-Claude Scraire, *Chair*²
Serge Cadieux
Renaud Gagné
Denis Labrèche²
Gervais Levasseur²
Gaétan Morin
Sylvain Paré
Louise Rochette²
René Roy
Julie Salvail²

FONDS RÉGIONAUX DE SOLIDARITÉ FTQ S.E.C. ADVISORY COMMITTEE

Luc Pinard, *Chair*
Janie C. Bélique
Serge Cadieux
Denis Lessard²
Claude Lévesque²
Jean-Claude Périgny²
Pierre-Maurice Vachon²

FONDS LOCAUX DE SOLIDARITÉ FTQ S.E.C. ADVISORY COMMITTEE³

Luc Pinard, *Chair*
Janie C. Bélique
Serge Cadieux
Pierre-Maurice Vachon²

FLEXIFONDS DE SOLIDARITÉ FTQ INC. BOARD OF DIRECTORS

Claude Séguin, *Chair*²
Daniel Boyer
Gaétan Morin
Roger A. Renaud²
Bernard Tanguay²

FLEXIFONDS FUNDS INDEPENDENT REVIEW COMMITTEE

René Delsanne, *Chair*²
Lucie Lebeuf²
Renald Letarte²

1. All investments must be authorized by a governing body, depending on the appropriate economic sector. When an investment reaches a minimum amount of \$15 million for the Mining and Innovation and Venture Capital sectors and \$20 million for the Development Capital and Real Estate sectors, it must also be submitted to the Fonds' Board of Directors.
2. Indicates directors who are independent from the Fonds and the FTQ.
3. Only members appointed by the Fonds de solidarité FTQ, on its own or jointly, are indicated in this list.

Union Executive Committee

As at May 31, 2019

1 MARIE-CLAUDE ROULEAU
Chair



2 SAMIA AKLIL
Vice-Chair



3 GUILLAUME LEMIRE
Second Vice-Chair



4 NATHALIE GARCIA
Treasurer



5 GUILLAUME BENOIT
Secretary



6 YOUSSEF LEMGENDEZ
Advisor



Labour and social delegates, workplace
health and security officials, francization
representatives and local representatives

Johanne Bissonnette
Cédric Brabant
Tania D'Anjou
Nathalie Gallant
Martine Gaudette
Mélanie Gauthier
Jacques Grégoire
Lucie Hamiaux

Gaétan Hudon
Sandra Kulenovic
Dominic Lainesse
Mathieu Larocque
Patricia Larocque
Alexandre Lemieux
Nawfel Maaroufi
Louis Neamtam-Lapalme

Lyne Paquin
Robert Paradis
Marie-Noëlle Perrier
Johanne Perron
Sylvain Tellier
Jennifer Tremblay
Jean-François Truffert

To learn more

This report was produced by the Public and Corporate Affairs Department. It complements the following documents issued by the Finance Department. These documents are all available on the Fonds' website (fondsftq.com) under *About us/Financial information*.



Financial statements



Management discussion and analysis



Statement of development capital investments, at cost



Relevé des autres investissements (in French only)



Index of the share of the Fonds in investments made by the specialized funds, at cost

If you have comments or questions, please contact us by mail or phone, or by email at vpaffairespubliques@fondsftq.com

We would like to thank everyone who contributed to creating this document.

BASED ON THE ROLLAND PRODUCTS SELECTED COMPARED TO PRODUCTS IN THE INDUSTRY MADE WITH 100% VIRGIN FIBER, OUR SAVINGS ARE*:

7 tons of wood

47 trees

82 GJ

381,161 60-W light bulbs for one hour

13 m³ of water

141 10-minute showers in North America

15 kg NMVOC

15,006 km driven by car

3,102 kg CO₂

12,361 km driven by car

*Calculated with the Rolland Eco-calculator (www.rollandinc.com)

Printed by the unionized workers of Imprimeries Transcontinental on Rolland Enviro Cover, 80 lb, and Rolland Enviro Print, 60 lb Text. These papers contain 100% post-consumer fiber, are manufactured using renewable energy – Biogas and processed chlorine free. They are FSC® certified.



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