



Green Financing Framework

June 2026

Réseau
express
métropolitain



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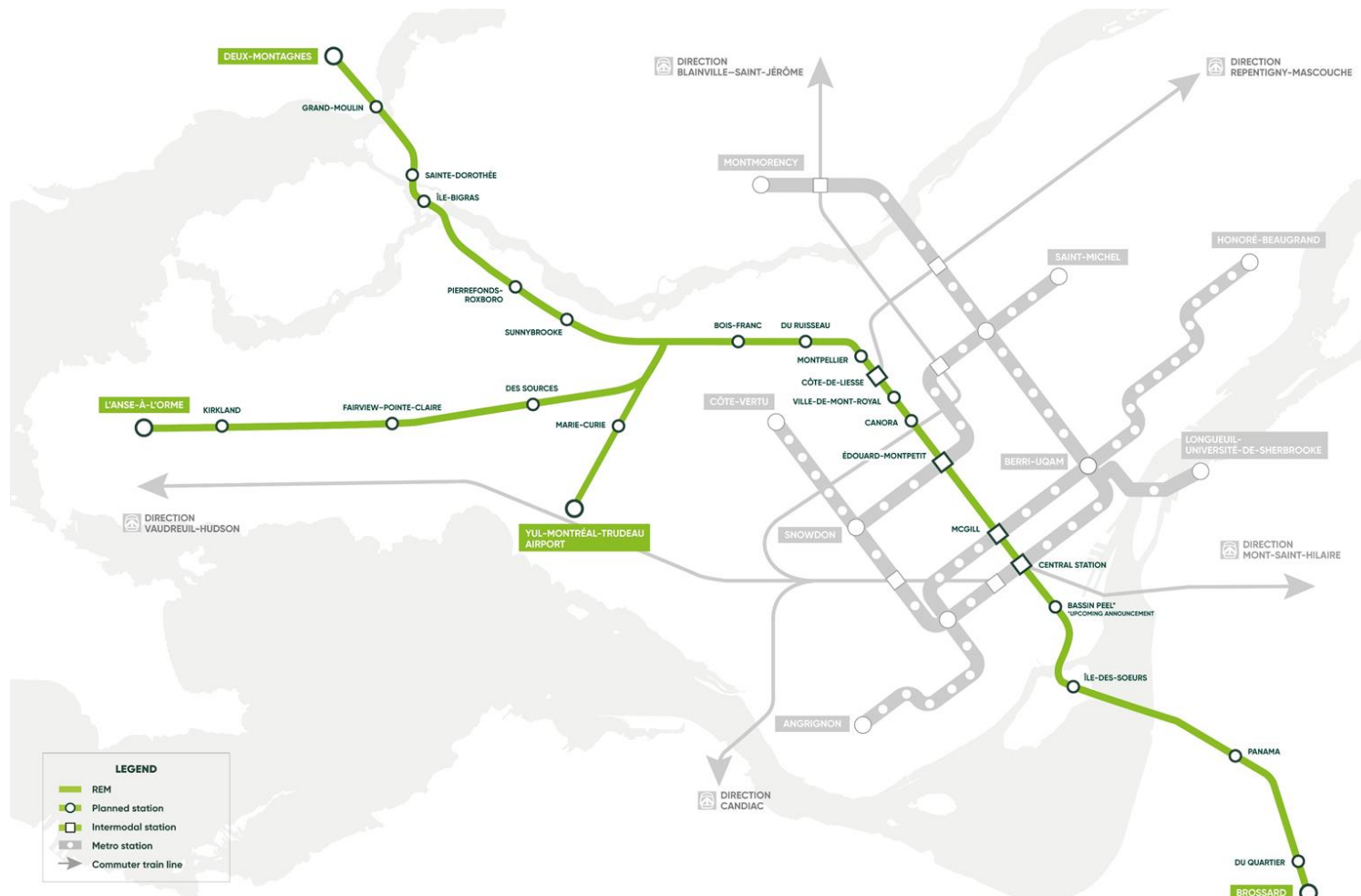


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About the REM

1. About the REM



The Réseau Express Métropolitain (“REM” or the “Project”) is an automated, fully electric, light-rail metro system across Greater Montréal. The REM will be a 67 km network of 26 accessible stations, with three connections to the Montréal metro and one to the YUL-Montréal-Trudeau Airport. The REM enhances mobility by integrating with existing transit systems, including metros, commuter trains and buses while supporting decarbonization of transportation in Montréal.

As of May 2026, the network is currently operational, with the exception of the Airport Branch which is expected to come online in 2027.

1. About the REM

CDPQ Infra Inc. (“CDPQ Infra”) is REM’s developer, responsible for planning, financing, completion and operation. CDPQ Infra is a fully owned subsidiary of La Caisse dedicated to developing greenfield projects. CDPQ Infra aims to develop sustainable infrastructure projects.

The REM supports the decarbonization objectives of the Government of Québec. In Québec, nearly 43% of greenhouse gas (“GHG”) emissions stem from transportation, and 31% from road transportation alone¹. Electrifying public transit is included as part of Québec’s 2030 Plan for a Green Economy, an objective to which the REM contributes².

CDPQ Infra carried out a study in 2022 to estimate the GHG emissions avoided by the commissioning of the REM. It is estimated that during the first 25 years of operation of the complete network, the REM will avoid nearly 100,000 tonnes of CO₂ equivalent per year. This reduction can be attributed to modal shifts with people switching from cars to the REM and reducing road congestion as lower traffic volumes improve traffic flow, reducing emissions from idling vehicles. Importantly, the REM’s rolling stock is electric and automated.

¹<https://www.quebec.ca/en/government/policies-orientations/plan-green-economy/implementation>

²<https://cdn-contenu.quebec.ca/cdn-contenu/adm/min/environnement/publications-adm/plan-economie-verte/plan-economie-verte-2030-en.pdf>





The construction of the REM has been guided by the following principles:

Decarbonizing transportation

It is estimated that over the first 25 years of full network operations, the REM will avoid close to

100,000 tones
of CO₂ equivalent per year³.

The REM is an integrated network,

designed to mesh with existing transportation services (metro, bus, active networks), thereby maximizing the use of public transit.

Leveraging eco-design practices

REM stations are designed using **renewable materials** such as cross-laminated timber from Chibougamau, Québec.

In-station temperature control is based on strategies that

minimize energy demands

such as heating and air conditioning. Fritted-glass windows, for example, filter sunlight and minimize bird collisions.

Areas near the REM stations are planted with

low-maintenance native species

to help manage runoff water.

Taking concrete measures to protect biodiversity and natural environments

Wildlife crossings

are installed to allow animals to move about safely around the network, thereby supporting ecological connectivity.

A REM

agricultural land trust

was created in partnership with the Union des producteurs agricoles, which to date has enabled the acquisition of 45 hectares of farmland (\$2.9 million contribution by CDPQ Infra).

The development of

2.8 hectares

in collaboration with the Mohawk community of Kahnawà:ke to create new wetlands and habitats for at-risk animal species such as brown snakes and turtles.

Managing residual materials responsibly

100,000 tonnes

of excavated rock was recovered to reduce new aggregate, part of which was used in building the REM. The remainder was sent to a supplier to be crushed and reused to manufacture concrete.

Material recycling targets were exceeded, with a total of

147,000 tonnes

of residual materials processed as of December 2023.

³https://rem.info/sites/default/files/document/Environnement/Projet%20REM_Rapport%20GES_Exploit_20221216_R03_web.pdf



The REM further supports providing concrete benefits for the community, including:

Decarbonizing transportation

Over 19,500 housing units built or planned near a station since 2018;

89%
of construction expenditures made in Québec.

Leveraging eco-design practices

A 4-prong environmental compensation program

has been implemented across (1) agricultural land (2) wetlands (3) forest plantations and (4) at-risk animal and plant species.

Managing residual materials responsibly

\$7.8mm

dedicated to featuring works of art in the REM as part of the UNIR public art program;

66 archaeological interventions

carried out along the REM route, documenting presence of remains and preserving archaeological heritage.

Further details regarding the REM's sustainability priorities, construction, environmental studies and policies are available on the [REM website](#), the [CDPQ Infra website](#) and [CDPQ Infra Sustainability Report](#).

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Green Financing Framework

2. Green Financing Framework

In support of these practices, the REM created the following Green Financing Framework (“Framework”) in alignment with the following four core components of the Green Bond Principles, 2025, overseen by the International Capital Markets Association (ICMA), as well as the Green Loan Principles, 2025, overseen by the Loan Market Association (LMA), Loan Syndication and Trading Association (LSTA) and the Asia Pacific Loan Market Association (APLMA):



This Framework serves as the reference document under which Projet REM s.e.c. and any subsidiaries, affiliates or holding companies (including Réseau Express Métropolitain Inc.), may issue green bonds, loans (including term loans, revolving facilities, etc), or related financial instruments (hereinafter referred to as the “Green Financing Instruments”). Green Financing Instruments will follow the principles set out herein and be subject to the terms and conditions set forth in the respective documentation governing such financing instruments.




2.1 Use of Proceeds

An amount equal to the net proceeds of any Green Financing Instrument under this Framework will be allocated to finance or refinance, in whole or in part, expenditures and investments associated with the REM, in line with the Green Eligible Asset Category and Eligibility Criteria (“Eligible Investments”) outlined below.

Eligible Investments include expenditures related to the acquisition, financing, development, construction, upgrade, operation and/or maintenance of assets, facilities, or infrastructure related to the REM, aligned with the activities below.

Where specified, Eligible Investments shall meet thresholds established within the green finance market, namely the associated Climate Bonds Standard Sector Criteria and Climate Bond Taxonomy, as in effect on December 19, 2025⁴, and the EU Taxonomy Delegated Acts.

Green Eligible Asset Category	Eligibility Criteria	EU Taxonomy Economic Activities
 <p data-bbox="137 1058 438 1165">Clean Transportation</p>	<p data-bbox="473 896 665 925">Rail transport:</p> <ul data-bbox="473 953 1031 1296" style="list-style-type: none"> <li data-bbox="473 953 1031 1100">– Zero-emission urban and inter-urban road and rail public transport systems (Light Rail Transit, metro, rail) and rolling-stock <li data-bbox="473 1129 1031 1239">– Infrastructure for zero-emission rail transport (track, stations, catenary, signaling, and associated works). <li data-bbox="473 1268 1031 1296">– Public EV-charging hubs 	<p data-bbox="1065 896 1421 1001">6.3 Urban and suburban transport, road passenger transport</p> <p data-bbox="1065 1029 1421 1100">6.14 Infrastructure for rail transport</p> <p data-bbox="1065 1129 1454 1239">6.15 Infrastructure enabling low-carbon road transport & public transport</p>



⁴Climate Bonds Initiative (CBI), [Climate Bonds | Sector Criteria](#) / [Climate Bonds | Climate Bonds Taxonomy](#)

2.2 Process for Project Selection & Evaluation

Projet REM s.e.c main purpose is to design, build, finance, operate and maintain the REM project which is a zero-emission electric light rail transit system which constitutes a Clean Transportation project under this Framework. All net proceeds raised from Green Financing Instruments will be solely intended for the financing of the Project in alignment with the Clean Transportation category. Should the project no longer meet the eligibility criteria, the instrument will be declassified as green and hence no longer be designated as a Green Financing Instrument.

Net proceeds may be allocated to refinance existing investments to pay expenditures related to Eligible Green Projects. The REM intends to allocate the Green Financing Instrument net proceeds within 24 months of issuance.

Recognizing that equity investments in the REM have been financed through green bond issuances, safeguards are in place to ensure that no double-counting of Eligible Investments occurs between REM's Green Financing Instruments and other outstanding green bonds.

To manage and mitigate environmental risk, an Environmental Impact Assessment has been conducted. REM is also implementing an Environmental Management System, Environmental Quality Plan and Environmental Protection Plan as part of the development process. Details on environmental assessments and plans may be found on [the REM's website](#). The REM project is also managed in accordance with CDPQ Infra's [Sustainability Policy](#).



2.3 Management of Proceeds

An amount equal to the net proceeds will be earmarked towards Eligible Investments which comply with the eligibility criteria as defined by the Framework.

Until full allocation to Eligible Investments, the proceeds will be deposited in REM's dedicated account and tracked internally in REM's systems. As the REM project constitutes a Clean Transportation project, there will be no commingling with financing for non-eligible projects.



2.4 Reporting

REM will publish an annual Green Finance Report until full allocation of the proceeds. In the case of material developments, REM will publish an updated report on a timeline basis. The reporting document will be made available on a secured confidential website. Projet REM s.e.c. may, at its option, publish the reporting document on REM's website.

The Green Finance Report will provide information on the allocation of use of proceeds, share of financing vs refinancing, and amount of unallocated proceeds (if any).

Where feasible, REM will provide relevant qualitative and quantitative impact metrics on a selection of investments, subject to confidentiality considerations, which may include:

- Passengers served by zero-emission modes (p or passenger-km/ yr)
- Annual GHG emissions avoided (t CO₂e/ yr)

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External Review

Second Party Opinion

REM has obtained an independent Second Party Opinion from S&P on this Framework, to confirm its alignment to the ICMA Green Bond Principles and the LMA, LSTA, APLMA Green Loan Principles.

If any material amendments or updates are made to the Framework's core components, REM will secure an updated Second Party Opinion.



Disclaimer

CDPQ Infra recognizes the importance of reporting its sustainable investment commitments and activities, and this Framework has been prepared on that basis. This Framework is part of CDPQ Infra's approach to transparency on various environmental, social and governance issues, including with respect to climate risks and opportunities. This Framework is provided for informational purposes only and is subject to change without notice. Unless otherwise indicated, the information, opinions and perspectives contained in this Framework, or upon which it was prepared, are provided as at the date of this Framework. None of CDPQ Infra or any of its subsidiaries and/or affiliates assume any responsibility or obligation to update or revise this Framework, regardless of whether this Framework is affected by the results of new information, future events or otherwise. No liability whatsoever is or will be accepted by CDPQ Infra or any of its subsidiaries and/or affiliates and their respective directors, officers, employees, partners or agents for any loss or damage howsoever arising out of or in connection with the use of, or reliance upon, the information, opinions and perspectives contained in this Framework. CDPQ Infra has obtained an independent Second Party Opinion from S&P on this Framework, to confirm its alignment with the ICMA's Green Bond Principles. This Framework does not constitute an offer to sell or solicitation of an offer to buy any securities or a recommendation to engage into any investment activity, in any jurisdiction or to any person or entity. No representation or warranty, express or implied, is or will be made in relation to the fairness, accuracy, reliability, reasonableness or completeness of the information contained herein. This Framework should not be relied on in connection with, or act as any inducement in relation to, an investment decision. If any offer or invitation to apply for securities is made, it will be done so only in accordance with all applicable laws and pursuant to separate and distinct documentation in the form of an offering memorandum or other equivalent document and a related pricing term sheet (the "Offering Documents"). Any decision to purchase or subscribe for any such securities pursuant to such offer or invitation should be made independently and solely on the basis of such Offering Documents and not these materials. Professional advice should be sought prior to any decision to invest in securities. This Framework may contain statements about future events, expectations and commitments that are "forward looking statements" within the meaning of applicable securities laws. Forward-looking statements are generally identified through the inclusion of words such as "will," "expect," "may," "intend," "aim," "anticipate," "believe," "drive," "estimate," "commit" or similar statements or variations of such terms and other similar expressions. The forward-looking statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict inherently and that could cause actual results to differ materially from those predicted in such statements due to a number of factors. These factors include, but are not limited to, market, political and economic conditions, legislative and regulatory changes, changes in the recommendations, practices, methodologies, standards, taxonomies or criteria on which this Framework is based, the lack of available Eligible Investments being initiated, failure to complete or implement projects and other challenges, [and those set forth in the "Risk Factors" section of CDPQ Infra's most recent Offering Documents.] No representation is made as to the suitability of any securities, proposed use of proceeds or any other transaction described in these materials to fulfil environmental and sustainability criteria required by prospective investors. Each potential investor should be aware that Eligible Investments may not deliver the environmental or sustainability benefits anticipated and may result in adverse impacts. CDPQ Infra has set out its intended policy and actions in this Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and reporting, in connection with CDPQ Infra's Green Financing Instruments. However, it will not be an event of default or breach of contractual obligations under the terms and conditions of any such securities if CDPQ Infra fails to adhere to this Framework, whether by failing to fund or complete Eligible Investments or by failing to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and environmental impacts as anticipated by this Framework, or otherwise.

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