At your side. On your side.

2023 Social and Cooperative Responsibility Report

Desjardins

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1.1 Message from the president and CEO

As a cooperative financial group contributing to the development of communities, we give our members and clients the support they need to be financially empowered. This new Desjardins Group mission statement is an unequivocal reflection of our agility and especially the power of our democratic governance.

It's a mission we embody every day through our leadership—in Quebec, across Canada and around the world—in being a positive agent of change. We strive to build a fairer, more sustainable economy. One that's centred on people and communities.

We understand on a fundamental level that it's our responsibility to help create a future we can be proud to pass on to future generations. It's a natural extension of our cooperative values.

This social and cooperative responsibility report illustrates the progress we've made toward our responsible finance goals—and the challenges we want to tackle with our stakeholders. It also highlights what we've done with and for our members, clients, employees and even our society at large.

We're proud, for example, of the solutions we set up to deal with the inflationary environment and the housing crisis. Solutions with direct, tangible results.

We continued our caring approach with our members and clients by proactively addressing their needs.

In terms of housing, we want to show strong leadership by helping to make over 1,750 affordable housing units available across Quebec by 2025.

We're firmly focused on the future, and it showed through our advances on our responsible finance commitments, as we continued to integrate environmental, social and governance (ESG) factors into our business model and operations.

It will also manifest in March 2024 with changes in the governance model at the top of Desjardins Group, as we separate the duties of the chair of the board and the role of president and CEO. This new model was adopted at the 2023 annual general meeting. It will, among other things, help us implement best practices for good governance to support our cooperative financial group's financial health, stability and sustainability.

When it comes to social factors, financial education is one of our priorities. It continues to be a major challenge for our society, as we can see in the high personal debt rate. In this context, it's imperative that we help people develop their financial empowerment. It's core to our mission and it's a goal we've been embodying for over 123 years.

Also related to social factors, we've launched an immersive learning path on equity, diversity and inclusion. One thing I'm especially proud of is the Platinum Parity Certification we received from Women in Governance this past September. It attests that our practices are aligned to ensure increasingly equitable representation of women within our organization.

As for environmental factors, we've continued to take concrete action. For example:

- We kept moving on our 2040 climate action plan, including hitting several of our 2025 targets.
- We validated our carbon reduction targets with the Science Based Targets initiative, an organization that supports businesses and financial institutions that want to reduce their greenhouse gas emissions.
- We increased support for the renewable energy sector.

While we've made great strides, we still have plenty of work ahead of us in terms of responsible finance reporting. That's why we continued to support standardization efforts by the International Sustainability Standards Board (ISSB). This included joining other stakeholders from Quebec's financial sector in supporting Finance Montréal's open letter in the context of COP28, promoting adoption of the ISSB's ESG reporting standards.

I truly believe that we can reach our goals if we all work together, individuals, governments and organizations alike. And we at Desjardins Group are determined to be a rallying leader.

Happy reading,

Guy Cormier
President and CEO
Desjardins Group

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Reporting under the highest international standards

Our Social and Cooperative Responsibility Report reflects our organization's commitments and describes our progress in integrating environmental, social and governance (ESG) factors into all our activities and into our cooperative business model.

Prepared with reference to the Global Reporting Initiative (GRI) Standards, this report emphasizes the importance we place on the ever-changing needs and expectations of our members and clients and on our cooperative nature. By striving to improve the well-being of people and communities, we're helping to develop a sustainable, responsible economy.

Because climate change is our environmental priority, we follow the reporting recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This information is presented in a separate report. This report also looks to IFRS S2 from the International Sustainability Standards Board as we prepare to align with future regulations. We also comply with CDP[1] reporting requirements.

Our greenhouse gas (GHG) emissions have been independently reviewed by PricewaterhouseCoopers LLP as part of a limited assurance engagement for Scope 1, 2 and 3 emissions. To learn more, read PwC's report.

This year, we're once again publishing reports under the Principles for Responsible Banking and the Principles for Sustainable Insurance, which we signed in 2019. We have also signed the Principles for Responsible Investment (PRI) through several of our subsidiaries (see below). In doing so, we committed to holding our operations and our reporting to the most widely recognized international standards for our core business areas and services. It's part of our efforts to always do what's best for our members, clients and communities.

Main publications

- 2023 Climate Action at Desjardins, a separate report on climate risk aligned with the recommendations of the Task Force on Climate-related Financial Disclosures
- 2023 Highlights
- 2023 annual report

Principles for Responsible Banking	Principles for Sustainable Insurance	Principles for Responsible Investment			
Desjardins Group's PRB disclosure	Desjardins Group's PSI disclosure	Desjardins Investments Inc.	Desjardins Global Asset Management	Desjardins International Development	Desjardins Group Pension Plan

[1] CDP is a non-profit organization that studies the climate change impact of the world's largest publicly traded companies.

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Listening to our stakeholders

We engage regularly and frequently with our members, clients and other stakeholders to make sure we're meeting their needs and staying connected with the goals and expectations that they and their communities express.

We use a variety of resources to identify the ESG topics that matter most to the organization and our stakeholders, including the Sustainability Accounting Standards Board (SASB) materiality matrix for the financial sector and a survey we conduct every 2 years with members, clients and the general public. The most recent survey took place in the fall of 2023 and reached over 3,000 people in Canada, many of whom were members and clients. It gave us a better understanding of what our members and clients and the general public expect in terms of sustainable development, and what they expect from Desjardins.

When presented with a list of 13 issues, respondents identified human rights, environmental protection, biodiversity and climate action as priorities for most Canadians. When asked to rank issues in order of importance, 4 out of 10 Canadians rated financial literacy in their top 5.

In 2023, we also started an important conversation with hundreds of young people from across Canada. We met in person in Montreal and online at an event called Dream the Impossible. Attendees shared their views on the environment, education and employment, and the economy and finance. To learn more, read the event summary.

In addition to these initiatives, here are some of the ways we regularly engage with our stakeholders and stay attuned to their concerns.

Our key stakeholders	Examples of how we keep an open dialogue	Examples of topics discussed
Members and clients	• Net Promoter Score surveys • Emails • Social media • Desjardins.com and other websites and apps • Online events • Phone, online and in-caisse services • Meetings with consumer associations	• Member/client experience • Cybersecurity • Financial empowerment • Involvement in the community • Economic forecasts • Responsible finance
Employees and managers	• Regular surveys (Officevibe every 2 weeks, culture survey 2 times per year, etc.) • Conversations with managers (career, performance management, ongoing projects, team meetings, etc.) • Employee and manager meetings with the president and senior management • Internal social platforms • Internal portal • Calls to recognize successes	• Physical and mental health • Office safety • Employee experience • Working conditions • Risk management and operational control • Digital transformation • Climate change • Equity, diversity and inclusion • Climate change and biodiversity • Cultural shift (behaviours, accountability, etc.) • Strategic directions (alignment with priorities and expectations) • Desjardins Group news
Caisse and subsidiary board members	• Collaboration Forum • Congress • Webinars with directors • Director portal	• Roles of Desjardins stakeholders • Legislative and regulatory ecosystem in Quebec and the rest of Canada and its impact • Financial literacy and financial empowerment for our members and clients • Desjardins's mission • Our cooperative's governance • Sustainable development
Suppliers	• Selection process • ESG assessment • Ad hoc discussions	• Respect for human rights • Carbon footprint and climate risk management • Equity, diversity and inclusion policies

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Our key stakeholders	Examples of how we keep an open dialogue	Examples of topics discussed
Investors and rating agencies	• Responses to online surveys • Ad hoc discussions • Series of online or in-person meetings	• Financial performance • Financial stability and other risks • Integration of ESG factors into our business activities • ESG risks and opportunities, including climate-related risks and opportunities
Communities, associations, and non-governmental organizations	• Network of caisses that give back to the community • Partnerships • Community Development Funds • GoodSpark Fund • Direct conversations	• Environment and climate change • Fight against poverty • Socioeconomic development • Gender equality • Indigenous Peoples • Supporting youth and their success • Cooperation
Economic players and industry associations	• Roadshow for chambers of commerce on the circular economy • Support for industry clusters and participation in boards of directors	• Socioeconomic development • Circular economy • Corporate social responsibility • Cleantech
Schools and universities	• Partnerships • Ad hoc discussions • Career events • Research chairs • Desjardins employee participation in instruction • President's tour of universities	• Education • Corporate social responsibility • Jobs and careers • Entrepreneurship • Housing and housing access
Governments and regulatory authorities	• Participation in public consultations • Presentations and lobbying activities with governments and regulators • Participation in regulator forums, panels and round tables • Dialogue with our chief economist	• Responsible finance • Climate-related risks and opportunities • Mitigation and adaptation measures in support of public policies • Extra-financial reporting

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7.7 million members and **clients**

2,379 democratically elected **caisse directors**

56,165 employees

$423 billion in assets, making us **the largest cooperative financial group** in North America

661 points of service, 8 Desjardins 360^{d} spaces and **71 Desjardins Business centre locations**

DID in **33** countries to support the **development of financial cooperatives**

818 projects supported by the **GoodSpark Fund** since its launch in 2016, giving **1.7 million** people access to **new** and **improved services**

$126 million in **contributions to the community**

A goal of **1,750 affordable housing units** available in **14** regions of Quebec by the end of 2025

381 electric charging stations available to the public

$1.89 billion* in investments in **renewable energy infrastructure**

170,891 young people supported through our **financial literacy** initiatives

471,688 young people supported through the **Desjardins Foundation**

65,000 members proactively contacted to offer **advice following interest rate hikes**

100% of our members covered by **Desjardins Identity Protection**

1,564 entrepreneurs supported through our **solidarity-based finance** programs

10,390 members received **free budget counselling** from our partners

Data as at December 31, 2023 except for investments in renewable energy.
* As at September 30, 2023. Includes the Desjardins Group Pension Plan

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1.4 Message from the chair of the ESG Steering Committee

In 2023, we at Desjardins continued integrating ESG factors into our business model and operations with support from the ESG Steering Committee. This committee is made up of vice-presidents from all across Desjardins, representing each of our business segments. It's responsible for making sure we're being consistent and tracking ESG performance at the organization level.

In 2023, we were able to:

- Review the ESG Steering Committee's mandate to ensure synergy with the ESG Risk Factor Committee.
- Continue implementing the climate ambition we announced in 2021 with a target of net zero emissions by 2040 for our operations and supply chain, our lending activities and our own investments in 3 key carbon-intensive sectors: energy, transportation and real estate.
- Define how we will support members and clients in the energy sector by setting specific goals to accelerate the transition to renewable energy by 2030 as well as intensity and absolute targets for decarbonization in the oil and gas industry in our financing and investment portfolios in this sector.
- Set emissions reduction targets for several of our sectors, including a renewed target of cutting our operational emissions in half by 2030 compared to 2020 levels, and have these targets verified by a third party, the Science Based Targets initiative.
- Issue $500 million in sustainable bonds, the net proceeds of which will be used to fund loans for social (40%) and environmental (60%) projects. This was the second issue of sustainable bonds since the program launched in September 2021, for a total of $1 billion.
- Clarify our position on countries that pose a higher risk of tax evasion and avoidance.
- Continue the deployment of our management committee's awareness plan about climate change with a Climate Fresk-inspired quiz workshop. In total, 634 employees completed a 3-hour Climate Fresk workshop on the causes and impacts of climate change, and 44 employees were trained on how to conduct the workshop for others at the organization.
- Roll out a plan for in-depth ESG training for various roles in certain business sectors to grow employee knowledge and better support our members and clients in their own transition to a low-carbon economy. We also launched training on responsible investing and insurance.
- Launch an ESG program in coordination with the risk management and finance teams to improve the organization's understanding of ESG data.

This regular, coordinated work is producing real results: in 2023, our ESG scores from the main extra-financial rating agencies that provide independent analysis of our ESG practices were once again among the best in the industry (see page 58).

We're a leader on the Canadian responsible finance scene as well.

- We were a partner of the 2023 Sustainable Finance Summit in Montreal. President Guy Cormier took part in a discussion with Mark Carney, former Governor of the Bank of Canada and the Bank of England, and UN Special Envoy on Climate Action and Finance.
- In the context of COP28 in early December 2023, we joined several other stakeholders from Quebec's financial sector to support Finance Montréal's open letter to promote the adoption of the International Sustainability Standards Board's new ESG reporting standards as a robust starting point for reporting relevant information on sustainability risks and opportunities.
- Desjardins Global Asset Management continued its commitment to better account for the impact of finance on biodiversity by becoming a signatory of Nature Action 100.

In closing, I'd like to thank my predecessor, Pauline D'Amboise, and congratulate her for her work and career at Desjardins. Pauline has left her mark on Desjardins and laid the foundations for our responsible finance and sustainable development ambitions. Her strong sense of ethics, dedication and respect for different perspectives have led us to develop ambitious, concerted solutions that benefit our members, clients and communities.

We're committed to being a leader in responsible finance and we know we can count on the unflagging support of our employees, responsible finance professionals, management team and governance bodies. Together, we can achieve more responsible finance with a clear understanding of its impact, whether positive or negative—a kind of finance that puts members and clients first and that strives to build a more just and prosperous world for everyone.

Enjoy the report!

Gildas Poissonnier
Chief Sustainability Officer
Desjardins Group

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1.5 Key indicators of our ESG performance

The table below lists our key sustainable development indicators based on the priorities identified by stakeholders. It provides an overview of our performance in each area.

Area of interest	Indicator	2023	2022	2021
Members and clients				
Cooperative and financial education of members and clients	Investments in cooperation and financial education ($ millions)	12	11	9
Socially and environmentally responsible products and services	Number of people who received assistance through the Desjardins Mutual Assistance Fund	25,795	22,974	17,432
	Percentage of members who know about our responsible products	33	34	32
Responsible investment products and services	Volume of responsible investment products and solutions ($ billions)	13.8	12.4	12.3
A distinctive member/client experience	Number of members and clients surveyed to measure the Net Promoter Score	628,729	626,119	717,537
Privacy protection	Percentage of employees trained on data protection[2]	99	98	98
Support for business members' sustainability initiatives	Total sustainable bonds issued ($ millions)	1,000	500	500
Top employer				
Investment in employee training and skills development	Percentage of payroll invested in training and skills development	4.1	2.4	2.8
Equality and diversity in the workplace	Representation of women in management roles (%)	59.7	59.1	59.1
An inspiring, motivating and secure work environment	Permanent employee retention rate (%)	93.3	91.3	92.3
	Employee engagement rate (%)	83	84	84
Sustainable mobility	Number of employees in the sustainable mobility program	9,790	3,207	2,410
Community involvement				
Climate action and adaptation	Total GHG emissions of our operations (tonnes of CO_2 equivalent)[3]	19,394	19,012	16,701
	Emissions intensity of our operations (Scopes 1 and 2, $kgCO_2e/m^2$)	4.3	4.2	4.8
	Evolution in terms of absolute financed emissions of listed equity and corporate bonds in insurers' investments compared to our reference year 2020 (%)[4]	-14.40	-15.10	2.00
Individual and collective entrepreneurship	Investments to support entrepreneurship ($ millions)[5]	18.9	19.4	12.6
A more sustainable and more unified economy	Investments in renewable energy infrastructure ($ billions)[6]	1.89	1.69	1.50
	Number of non-profit organizations that are Desjardins members[7]	34,752	34,051	33,299
Economic value for communities	Redistributions to members and communities ($ millions)[8]	538	518	497
Community commitment and investment	Ratio of member and community redistributions to surplus earnings before member dividends (%)[9]	23.8	41.7	16.9
Effective ESG management and integration				
Recognition for our ESG leadership	Percentage of extra-financial rankings by external rating agencies placing us in the top 25% of our industry	75	50	ND
Responsible supply chain	Value of purchases from suppliers that have been evaluated based on ESG criteria ($ billions)	1.75	1.72	1.50
Integration of ESG factors into our operations, products and services	Volume of assets subject to positive or negative ESG screening ($ billions)[10]	122.5	109.5	121.1
Effective governance	Director representation index in terms of the gender and age of members (%)	93.3	93.7	93.2

[2] The completion rate is calculated by comparing the number of employees who have completed the training to the total number of employees registered for the training.
[3] The corrections we made in 2021 and 2022 only involved recalculating the energy consumption of office space rented by Desjardins. More accurate data was obtained to estimate the total energy consumption and the breakdown of energy sources consumed for this category of buildings (from 17,035 to 16,701 tCO_2e for 2021 and from 19,438 to 19,012 tCO_2e for 2022). These adjustments were not part of the PwC limited assurance engagement.
[4] The carbon footprint calculation tracked decarbonization targets in absolute terms in order to pursue a net zero trajectory. Both the decarbonization targets and the financed emissions calculation are aligned with PCAF and SBTi methodologies.
[5] This amount includes donations, sponsorships and partnerships, as well as commitments through our Créavenir, Desjardins Microcredit to Businesses and Desjardins GoodSpark Grants for small businesses programs.
[6] As at September 30, 2023. Includes the Desjardins Group Pension Plan.
[7] Non-profit organizations are counted based on their legal status and include all sectors..
[8] For more information on non-GAAP financial measures, see the **Non-GAAP and other financial measures** section of Desjardins Group's 2023 **Management's Discussion and Analysi**s that's available on the SEDAR+ website (under the Fédération des caisses Desjardins du Québec profile).
[9] Corresponds to member and community redistributions as a percentage of surplus earnings before member dividends.
[10] Desjardins assets and assets administered by Desjardins for third parties.

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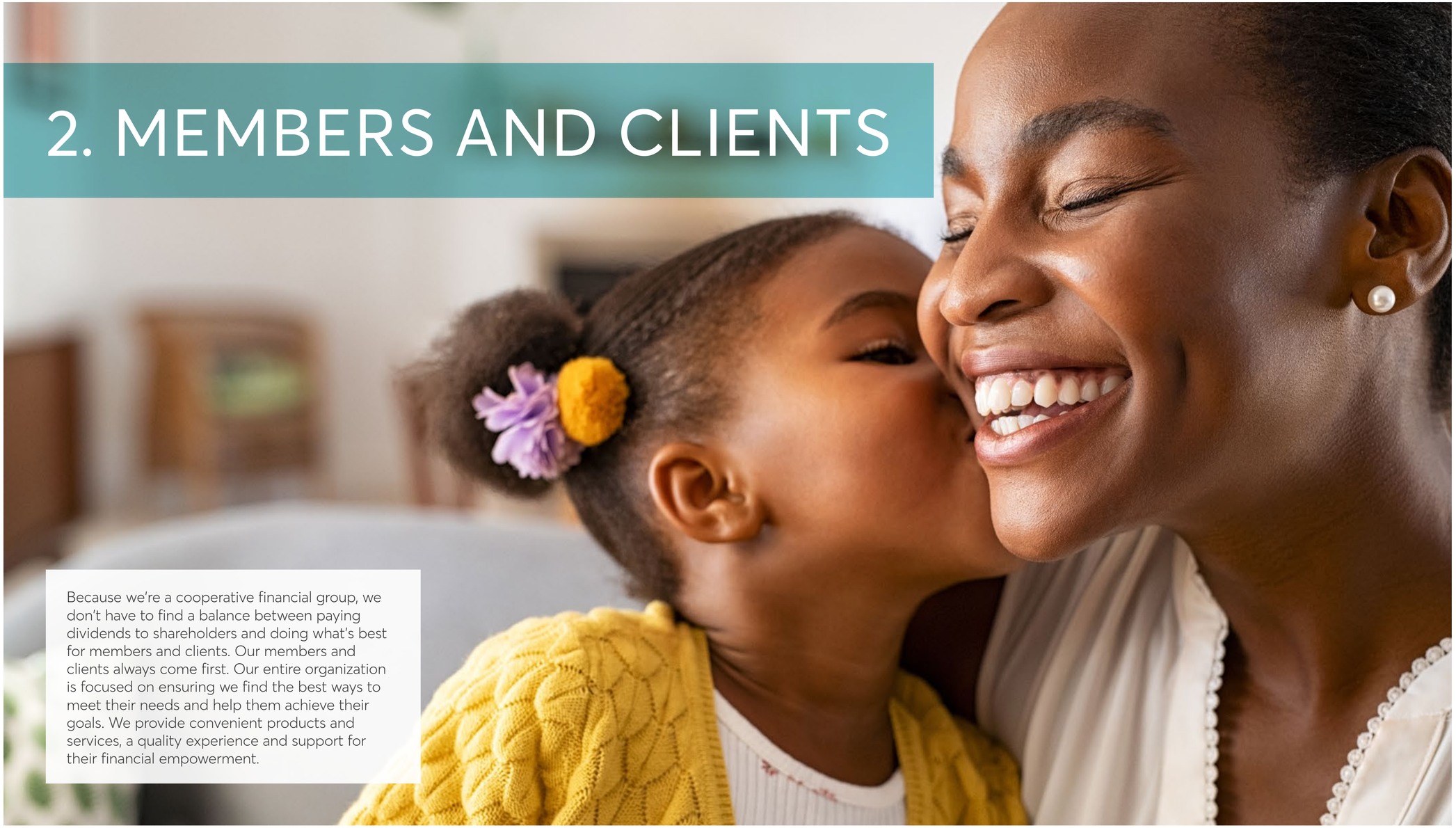
2. MEMBERS AND CLIENTS



Because we're a cooperative financial group, we don't have to find a balance between paying dividends to shareholders and doing what's best for members and clients. Our members and clients always come first. Our entire organization is focused on ensuring we find the best ways to meet their needs and help them achieve their goals. We provide convenient products and services, a quality experience and support for their financial empowerment.

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2.1 Financial inclusion and accessibility

At Desjardins, we understand how important it is for current and future prosperity to build an inclusive society. Financial inclusion and accessibility are musts for all members of society. As a sign of our support for financial well-being and inclusion, we signed the United Nations Environment Programme Principles for Responsible Banking in 2019.

Convenient services and expertise

An extended network in Quebec and Ontario

In Quebec and Ontario, members have access[11] to:

209 caisses that serve personal members at 661 points of service	1,559 ATMs	24 Desjardins Business centres, serving business owners at 71 locations	17 Signature Service offices at 60 locations	8 Desjardins 360[d] spaces at universities to meet student needs

Serving sparsely populated regions

As at year-end 2023, we operated a total of 661 points of service, including caisse head offices, service centres (in Quebec), branches (in Ontario) and complementary network centres. In Quebec, 97 of these points of service—16% of the total—were located in low-density areas (with fewer than 2,000 residents).

Other services in Quebec and Ontario

Quebec and Ontario members and clients have access to thousands of employees and advisors through our life and health insurance, property and casualty insurance, securities and wealth management subsidiaries.

Even more members went digital in 2023, with adoption rates of 73.7% for individuals and 66.3% for businesses. There was a drop in ATM transactions (down 2%) and teller transactions (down 6%).

In Quebec, Desjardins is still the financial institution with the most ATMs available for members and clients.

As at December 31, 2023, our 209 caisses offered telephone service, 7 days a week. Our members can call for information and advice about banking and investing and make an appointment with a caisse advisor.

Other ways we're making it easier to access our products and services

- Our ATMs are designed to be accessible to people with visual impairments, people with reduced mobility and little people. Our ATM screens can be switched from a white background to a black one to offer greater visual contrast. Voice assistance is also available at our ATMs. And finally, ATM users can now print a receipt with 10 transactions at a time. This free option replaces passbooks, which are no longer available.
- Our goal is for all Desjardins websites, mobile apps and public content to continually meet W3C's Level 2.0 AA Web Content Accessibility Guidelines.
- We do user experience testing with people with limitations and disabilities to better understand and meet their needs.
- We use solidarity-based finance products and related budget counselling and education services to meet the needs of those who are experiencing financial vulnerability.

Meeting all kinds of needs

Desjardins 360[d]

We've developed a one-of-a-kind concept in North America for young people: 360[d]. These hip, friendly financial service centres work with caisses to serve students on 8 major university campuses in Quebec.

[11] As at December 31, 2023

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Multi-caisse retail spaces

Desjardins Studios and multi-caisse retail spaces are 8 spaces where our members can get expert advice on how to bring their financial plans to life. These spaces cater to young people, cultural communities and newcomers to Canada. No matter which caisse our members do business with, these centres offer personal support in many different languages.

Mobile branches

We have 2 eco-friendly buses that criss-cross Quebec and Ontario to meet with members and non-members. Our mobile branches are powered by built-in solar panels and run on biodiesel.

Specialized wealth management networks

Our specialized wealth management networks include Signature Service, Desjardins Private Wealth Management, Desjardins Securities and Desjardins Online Brokerage. Each network has its own distinctive approach and range of products. They all have access to a multidisciplinary team of specialists (tax experts, notaries, lawyers, accountants, etc.) to cover all aspects of wealth management.

This way, members and clients can get the type of support that's best suited to their personal and financial goals and their preferred wealth management approach.

Online Business Centre

The Online Business Centre supports the caisse network, Desjardins Business centres and complementary networks by providing convenient services adapted to the needs of our business members. It also assists very small businesses with their growth, business development and banking (day-to-day transactions, financing, savings and insurance products). The Online Business Centre offers services online or by phone to make life easier for our business members.

Desjardins at the Montréal-Trudeau International Airport

We're available at the airport for our members and clients. Our personal finance advisors provide financial advice in several languages, with or without an appointment.

Each year, lots of seasonal workers come to Canada to help support our agri-food industry and local vegetable growers. Desjardins squads greet them at the airport in Spanish, helping them open accounts to deposit their Canadian pay and activate their debit cards. By doing so, our squads help them prepare to start work at local agricultural businesses while contributing to their financial empowerment from their first day on Canadian soil.

Services available outside Quebec and Ontario

ATMs

Desjardins members can make withdrawals at any ATM belonging to a Canadian financial institution. We have an agreement with ACCULINK so that our members can use their 2,000 ATMs surcharge-free. When travelling outside the country, members can take advantage of similar services with Desjardins Bank in Florida and Crédit Mutuel in France.

In the rest of Canada

Outside Quebec and Ontario, we rely on our life and health insurance and property and casualty insurance subsidiaries as well as the cooperative community.

We offer our members and clients financial products and services tailored to their needs through advisors and representatives from our partner networks and Desjardins Agents.

In the United States

Our members and clients can use Desjardins Bank whether they're permanent residents, snow birds or just visitors. Desjardins Bank's head office and service centres are in areas of Florida popular with Canadians: Hallandale Beach, Pompano Beach and Boynton Beach.

In Europe

Our Desjardins Representative Office (Europe) supports our growth in both the personal and business markets. Beyond referring people to the right institutions and experts, the representatives in this office provide support with:

- Understanding the Canadian and European banking systems
- Planning a budget for successfully moving across the Atlantic
- Getting personalized advice to target or establish a presence in another market
- Securing financing for a project
- Joining a local business network

While travelling abroad

Our wide range of digital solutions means that members and clients can use our services from anywhere. They can manage their banking, savings, loans and insurance all online.

Maintaining an open dialogue on the internet

Number of followers on social media:

- X (formerly Twitter): 30,836
- Facebook: 368,638
- LinkedIn: 275,467
- Instagram: 37,963
- TikTok: 7,790

All caisses use Facebook to communicate with their members and get their input. Each week, close to 2.1 million people view Desjardins's Facebook posts.

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Financial inclusion to support our members and clients

In the current economic situation, we know how important it is to provide proactive support for our members.

Our approach

We've taken a number of actions to better support members experiencing financial difficulties:

- Proactive measures to support members affected by interest rate hikes
- Solidarity-based finance programs and compassionate support at our caisses
- Initiatives to raise employee awareness and understanding of the kind of support needed by members experiencing financial difficulties

Through strategic partnerships with community organizations, we offer our members local support through solidarity-based finance activities in Quebec and Ontario. In 2023, we invested $19.1 million in these programs.

Our caring and compassionate approach is echoed in all our programs for members and clients in vulnerable situations.

Members experiencing financial difficulties

Desjardins Mutual Assistance Fund

The Desjardins Mutual Assistance Fund provides individuals experiencing financial difficulties with budget counselling and emergency loans. It also helps them make lasting changes to how they manage their money. This successful program is a partnership between Desjardins and 40 community organizations in Quebec and Ontario specializing in financial literacy and budget counselling.

In 2023, a total of 25,795 people participated in financial literacy activities (such as group workshops) held by partner organizations. Out of these participants, 10,390 people received one-on-one budget counselling.

Desjardins Mutual Assistance Fund	2023	2022	2021
Caisse participation rate	83%	81%	80%
Number of people supported	10,390	12,122	10,055
Number of loans	442	499	432
Total loan amount	$335,405	$391,669	$312,660

Entrepreneurs and self-employed workers

Desjardins Microcredit to Businesses

The Desjardins Microcredit to Businesses program provides affordable financing and business advice from partners that specialize in supporting entrepreneurs.

The program is run in partnership with 19 organizations from the Réseau MicroEntreprendre. It's designed to help entrepreneurs and self-employed workers who don't have access to traditional credit. For example, immigrant entrepreneurs who are permanent residents could qualify for the program, despite not having a long credit history in Canada.

2023 snapshot:

- 1,294 business members supported
- $11,129 in average financing
- 442 jobs created or maintained
- 85% repayment rate
- $2.1 million in financing provided under the program, generating investments of $9 million in local communities

Desjardins Microcredit to Businesses	2023	2022	2021
Caisse participation rate	90%	83%	77%
Total financing	$2,081,149	$1,213,382	$1,226,205

Supporting women-owned businesses

We're a major partner of Réseau des Femmes d'affaires du Québec, where we support programs like Accélérer la relance des entrepreneurEs (in French only). The program helps businesswomen strengthen their skills and provides them with access to a list of calls for proposals for contracts from businesses of all sizes. Together, these 2 factors improve their chances of winning contracts and growing their business.

Supporting the next generation of farmers

We understand the importance of lending a helping hand to a new generation of local farmers. That's why we're active in the Fonds coopératif d'aide à la relève agricole. This fund helps young cooperative farmers get financial and professional support and improve their skills.

Young entrepreneurs

More accessible financing with Créavenir

The Créavenir program helps entrepreneurs ages 18–39 who have trouble securing conventional financing. It gives young people who don't have the necessary collateral or down payments the opportunity to start their own business. The program also offers support to help these entrepreneurs boost their business.

It's now available in all 17 administrative regions of Quebec. And 174 partners across the province support entrepreneurs' goals and help them grow their skill sets.

Highlight: A new format for Créavenir in Montreal

Thanks to a new partnership with École des entrepreneurs du Québec, young Montrealers will have access to personalized support and additional funding for their businesses. The new version of Créavenir was rolled out on the island of Montreal in November 2023. Our goal for 2026 is to help 300 young entrepreneurs with their startups.

This change will enable us to step up our commitment and expand the support we offer to young entrepreneurs with startups.

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Key indicators for Créavenir

2023 snapshot:

- 270 projects supported
- 565 jobs created or maintained
- $5.1 million in financing and grants provided under the program, generating investments of $35.3 million in local communities

Créavenir	2023	2022	2021
Caisse participation rate (%)	92%	91%	90%
Total financing	$4,099,625	$4,268,500	$2,440,250
Total grants	$982,075	$926,650	$533,034

Introducing entrepreneurship at an early age

OSEntreprendre helps connect young people from elementary school through to university with entrepreneurs in their communities across Quebec. The organization helps spark an interest in entrepreneurship among youth.

Startup Montréal supports the city's most promising startups by providing grants, access to a network of high-level business people and expert advice from experienced members of the business community.

Launchpad for Entrepreneurs is a free online program, available in English and French. The program is designed to help aspiring and early-stage entrepreneurs develop the skills they need to build their business through training modules, self-paced learning opportunities and meetings with experts on key topics for starting a business.

Older people

In Charge of Your Life and Your Property

In Charge of Your Life and Your Property is a program designed to help prevent the financial abuse of people in vulnerable situations. Caisse employees receive training and work with support organizations to prevent, identify and stop the financial abuse of older members.

Support and advice at Le Groupe Maurice residences

In 2023, we established a partnership with Le Groupe Maurice to provide weekly support for older people living at Le Groupe Maurice residences. Each week, an advisor visits the residence to offer personalized service, provide training and host talks to help residents improve their financial well-being and empowerment.

AVAILABLE in French only

A successful move to Canada... **(1 min 02 s)**

Immigrants

The Newcomers section of Desjardins.com makes it easy for immigrants to find the information they need. It has information to help them understand the Canadian financial system and get settled. The content is geared to both permanent residents and temporary residents, like international students.

In addition, we've developed online training to help newcomers learn how Quebec's financial system works. It includes a range of webinars and training opportunities on the topic.

Teams and services to help immigrants get settled

Newcomers face all kinds of challenges when they get to Canada. That's where our newcomer support team comes in. They can help newcomers with all their financial needs. We also have several caisses that cater to certain cultural communities, like the Italian, Portuguese and Ukrainian communities.

Offers for newcomers

- Many perks, including a free transaction plan (unlimited transactions) on an everyday account for the first 2 years for eligible newcomers
- Access to an unsecured credit card including some cards with no annual fees, even with no credit history in Canada
- The ability to open an account while in their home country
- The option to transfer funds to their account before they get here
- Access to Visitors to Canada Insurance for newcomers awaiting provincial health insurance and visa holders with no insurance
- Access to free legal assistance for the first 2 years the account is open
- Auto insurance quotes that recognize years of driving experience in the home country
- Online international money transfers of up to $5,000 per day

People experiencing homelessness

Since 2019, we've worked on a project with the Division de la prévention et de la sécurité urbaine du Service de police de la Ville de Montréal to help people experiencing homelessness open an account and set up direct deposit for their monthly social assistance payments. Having an account makes things safer for people experiencing homelessness, because it means they can withdraw money as they need it, instead of having to carry large amounts of cash at the start of each month. Through this initiative, many different players have come together to create a "one-stop shop" of services to help bring people experiencing homelessness closer to sustainable social reintegration.

Highlight

Supporting members with variable rate mortgages

We identified roughly 70,000 members with variable rate mortgages and asked their advisors to work with them to find solutions for their situation. As at December 31, 2023, over 65,000 of these members were personally contacted so we could help them cope with interest rate hikes.

At the same time, we sent personalized messages to our members to raise their awareness of the impact of rate hikes on their personal finances. We encouraged them to go make changes to their payment terms on AccèsD or contact their advisor.

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2.2 Financial empowerment

One of the founding principles of Desjardins was to empower people financially, and that principle is now officially a part of our mission statement.

Financial empowerment means being able to stay on top of your day-to-day finances in the long term and achieve your goals. We help all our members and clients take charge of their finances with sustainable financial habits that fit their lifestyle. Supporting our members and clients and making sure they have the tools they need is part of our cooperative nature.

Our approach

We have an internal financial education policy that serves as a basis for our education initiatives and that guides our financial education efforts. This policy also fosters the integration of financial education into our business practices.

We help our members become financially empowered in many ways:

- The team at our Financial Empowerment Centre of Expertise supports various sectors of our organization and gives them the tools they need to have real impacts on our members and clients, helping them form financially empowering habits.
- We help design and deliver financial and cooperative education programs for members, clients, communities and the general public.

In 2023, we invested $12.2 million in programs to foster healthy financial habits, financial wellness and financial empowerment.

Performance indicators

In 2023, we carried out our first large-scale study to measure our members' perception of how we're doing in terms of supporting their financial empowerment. The study looked at 27 financial behaviours. It enabled us to track changes in their perceptions of the support we provide.

We identified 3 priority areas based on the 2022 and 2023 results:

1. Focus on the expanded habit related to managing income and expenses overall
2. Strengthen the perception of support among members in their working years
3. Improve the perception of support for the habit related to making informed choices

Multiple financial literacy platforms

We strive to make a meaningful difference in the financial lives of our members and clients because we care. We produce informative, educational content to help them make informed decisions.

Wealth management support

A number of platforms are available for members and clients:

- The Advice section on Desjardins.com includes articles on healthy financial practices and spending habits.
- The Financial Wellness Centre helps group retirement savings plan members save for their goals at every stage of their lives.
- Whether they're beginners or seasoned investors, our online brokerage clients have access to a learning centre and over 250 educational events a year to help them make informed investment decisions.
- We also offer webinars for members and employees in their working years to help them learn more about financial matters.

Financial Literacy Month

Our 2023 program for Financial Literacy Month included 4 webinars to help the general public learn more about money:

- The 3 keys to financial empowerment
- Family, retirement, life plans—where do I even start?
- Estate planning: Keeping the peace
- Buying your first home

We also offered 3 webinars for employees and dedicated an episode of the Listen in with President Guy Cormier podcast to financial literacy.

Web conferences with our chief economist

Faced with recession risk and higher interest rates, inflation, gas and home prices, our members and clients want advice that addresses their concerns now more than ever. We take a proactive and caring approach by enhancing our financial literacy initiatives through public web conferences hosted by our Chief Economist Jimmy Jean.

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School Caisse

Promoting financial literacy and steering young people toward financial empowerment are fundamental values for our organization. The School Caisse, founded in 1907, is one of our flagship programs.

- The School Caisse program is available to all elementary school students in Quebec and Ontario, regardless of whether or not their school participates.
- Schoolcaisse.com offers all sorts of fun activities, videos and resources to help kids learn about saving money.
- The School Caisse newsletter gives parents financial literacy resources so they can support their children's financial learning.

Highlights

We revamped our School Caisse online accounts. The new design offers young members:

- A simple, fun and age-appropriate layout that's better suited to their needs
- Text and voice assistance to help them find their way around and read the available content
- Access to the tools available on the School Caisse website (Calculo, Tax Calculator)
- New monthly educational quizzes to learn their way around their online account, support financial empowerment and reinforce what they're learning

The new look for online accounts is a big step forward in our efforts to overhaul the digital experience for our young members. We're working to update our educational content for youth.

We want to provide a seamless experience that focuses on saving and on learning good financial habits, and that changes along with their needs. The improvements we're making will enable:

- Youth to acquire and apply financial knowledge, no matter how they choose to bank
- Parents and schools to have access to essential resources that help kids learn and adopt sustainable financial habits

In 2023, a total of 84,558 elementary school students in Quebec and Ontario took part in the School Caisse program.

Youth dividends

Youth dividends are available to all Desjardins members in Quebec and Ontario ages 5–17.

The purpose of the $10 dividend is to reward young members for good savings habits. To receive the dividend, kids have to make at least 7 deposits in the calendar year. Teens ages 12–17 can get an additional $15 if they make the required deposits and have an eligible savings account or product.

Key indicators

In 2023, we distributed almost $2.5 million in youth dividends to 163,901 young members (dividend payment for 2022).

Helping young adults manage their finances with Personal Finance: I'm in Charge

Personal Finance: I'm in Charge®[12] is a free program that helps young adults and newcomers to Canada learn how to manage their finances with confidence. It covers practical topics like high debt levels, social pressure to spend and financial literacy.

Personal Finance: I'm in Charge addresses topics relevant to young people's lives, like budgeting, paying for school, staying safe online and investing responsibly. Workshops can be offered in-person or online to best serve the participants, who could be students, members of a community group or workers, among others. The program is put on by our partners and their Desjardins-accredited trainers through a partnership with their local caisse.

Highlights

- Launched in 2013, Personal Finance: I'm in Charge turned 10 this year.
- YMCA of Greater Toronto is now bringing the Personal Finance: I'm in Charge program to local youth. Young adults will get the knowledge and tools they need to plan their future with confidence.

2023 snapshot:

Over $3.9 million invested by the Fédération des caisses Desjardins du Québec and caisses	82,862 registrations, for a total of 568,242 since 2013
Partnerships with 116 community organizations, unions and schools, including 5 CEGEPs	416 accredited trainers

Introducing Unforeseen

Our new educational decision-making game is a one-of-a-kind experience where life simulation meets financial management. The free app was launched on October 12, 2023. It's available in English and French and targets young people ages 16–25. Through a series of fun scenarios, players learn about saving money, managing their credit, buying a home and avoiding scams. Every decision matters in this fun adventure that promotes financial literacy. Unforeseen has been a resounding success: it was downloaded 39,716 times in 2023.

[12] ® Registered trademark of the Fédération des caisses Desjardins du Québec.

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Awards and recognition

- We took home 5 trophies at Fundata's annual FundGrade A+® Awards ceremony. 1 mutual fund, 2 guaranteed investment funds (GIFs) and 2 exchange-traded funds (ETFs) won awards for excellent performance and a high level of stability in 2023.
- We took home 5 awards, the most awards of any Canadian financial institution, at the 2023 SRP Americas Awards for our structured product line. And we were honoured with the prestigious award for Best House, Canada for the fourth year in a row. We also won the award for Canada's Best Guaranteed Investment Certificate Issuer at the SPi Awards for Excellence, now in its second year.
- In 2023, for the third consecutive year, the Desjardins SocieTerra Cleantech Fund was recognized by the LSEG Lipper Fund Awards Canada as the best mutual fund in the Global Small/Mid Cap Equity category. And the Desjardins RI Emerging Markets Multifactor - Net-Zero Emissions Pathway ETF won a second time in the Emerging Markets Equity ETFs category.
- Desjardins Online Brokerage earned the prestigious honour of ranking highest in investor satisfaction among self-directed brokerage firms according to J.D. Power.
- For the second year running, we were named Life & Health Insurer of the Year at the Insurance Business Canada Awards for our commitment to quality products and services, financial literacy and exemplary client service.

Improving the member/client experience

As part of a cooperative financial group, our employees strive to always do what's best for members and clients. As part of their day-to-day responsibilities, they empower members and clients financially by making sure each member or client gets the advice, products and services they need.

Our approach

We're always working to give our members and clients an experience that goes beyond their expectations. How do we do it? By starting with products designed to meet their needs, by applying best practices for user experience on our platforms, and by setting high standards for the service we provide.

Highlights

Empowering members and clients with a streamlined online experience

Become a member and make appointments online

New members can now open Everyday Transaction Accounts on their own using a customer journey that's 100% online. Personalized assistance is available as needed. As soon as the journey is complete, the account is up and running.

With just a few clicks, Desjardins members can book an appointment with their advisor or the first available person with the necessary expertise.

These initiatives are part of a personal services transformation that aims to provide a better, simpler experience for members and clients.

Digital proof of insurance

The Desjardins Insurance Home-Auto and The Personal apps[13] now include digital proof of auto insurance.

It can be used for lots of things, like registering a vehicle, renewing registration, renting a car, filling out a Joint Report or dealing with police.

Digital proof of auto insurance is one of the latest features to be added to the wide range of solutions already available on our apps.

Products and services geared towards our members and clients

EspaceProprio: A new one-stop shop for all things real estate in Quebec

EspaceProprio is an easy way for current and prospective homeowners in Quebec to get valuable help with everything from home renovations and maintenance to buying and selling property. It centralizes services from DuProprio, RenoAssistance and Confia, a new agency that connects people with real estate brokers they can trust all across Quebec. EspaceProprio provides unbiased and trustworthy information, with advice and recommendations for tools and qualified professionals to help current and prospective homeowners.

A new tool to better protect vehicles

Vehicle thefts have been on the rise in Canada over the past decade, so we got in touch with 34,000 insureds in Quebec and Ontario who own a vehicle that's more likely to be targeted by thieves and who live in higher-risk areas, to offer them a free Tag tracking system, including installation.

[13] Digital proof of auto insurance is available for people in Quebec, Ontario, Alberta, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, New Brunswick, Yukon and the Northwest Territories.

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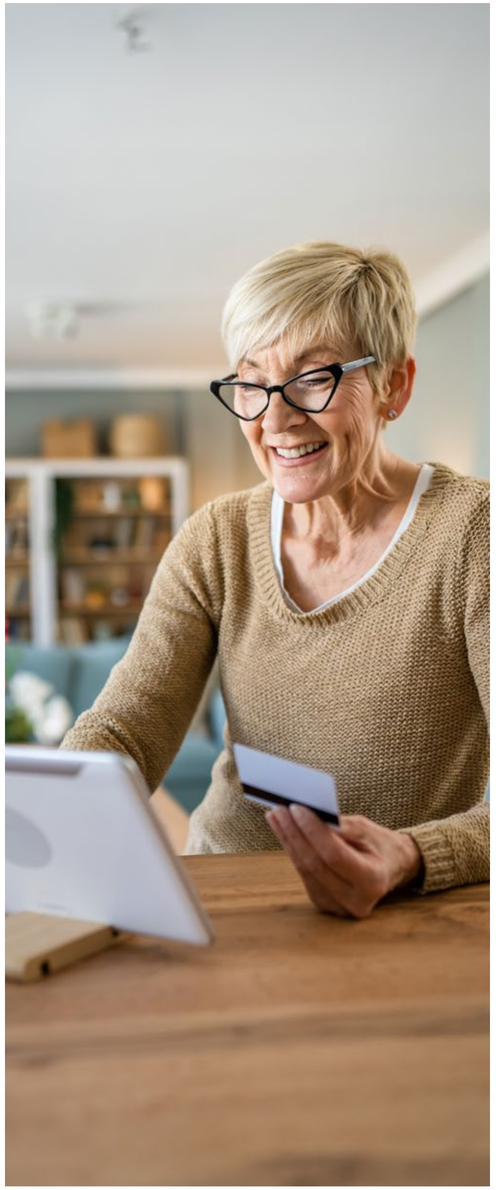

The system deters theft, plus insureds with a Tag system don't have to pay an additional premium of $400 when they renew their policy, which is especially appealing in the current inflationary environment.

Promoting digital security

Helping members and clients adopt strong cybersecurity habits is important to us at Desjardins.

Our approach

There are several ways we encourage our members and clients to protect themselves, including education on cybersecurity and fraud prevention.

2-step verification

We've rolled out optional 2-step verification—via password then single-use security code—to all users of our AccèsD and AccèsD Affaires transactional sites. Over time, it will become mandatory as a way to make AccèsD even more secure.

Voice authentication

This service allows us to confirm members' and clients' identities quickly and efficiently and gives them secure access to their accounts and our services when they phone us.

Voice authentication uses a biometric voice verification technology that prevents identity theft over calls.

Signing up for voice authentication is voluntary, and users can revoke their consent at any time.

Security section on AccèsD

In this section of AccèsD, users can manage all of their security settings and make their account more secure by following personalized recommendations.

Digital security tips page

We created a page with advice that covers everything from recognizing phishing emails to sending *Interac* e-Transfers securely and protecting personal information. Members and clients can check it out for tips and tools to help them stay safe online.

Desjardins Identity Protection

All our members and clients are covered by Desjardins Identity Protection, one of the best programs of its kind in Canada.

Highlights

Training and awareness-raising for security and fraud prevention

We ran a public campaign during Fraud Prevention Month. Our **Sharpen your cyber reflexes** campaign covered phishing, get-rich-quick scams, mailbox scams, fake advisor (business) scams, romance scams, and fraud attempts during tax season.

We also added several platforms to talk about issues that specifically affect businesses, like phishing, ransomware and impersonation fraud.

A cybersecurity offer made just for businesses

We've made a number of changes in recent months to diversify our AccèsD Affaires authentication methods so that we can empower business members and stop fraud. Physical security keys emerged as a simple solution for their needs. And by offering business members the option of using a physical security key for 2-step verification, we stand out as a leader among Canadian financial institutions.

We're a founding partner of Cybereco, an organization created in 2018 to democratize cybersecurity by making it accessible to all businesses. This non-profit organization provides all the relevant information that businesses need to navigate the cybersecurity space through 2 free tools, a Cyberkit and a CyberDiagnostic.

These initiatives complement the financing solutions we offer for businesses looking to invest in cybersecurity. We also help businesses reduce the impact of potential cyberattacks through our cyber risk insurance.

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Assessing the member/client experience

We're keenly focused on the member/client experience. We're working to improve this experience on all channels that members and clients use to do business with us, whether online or in person, in Quebec, Ontario or anywhere else.

Our approach

We're always encouraging colleagues to share best practices to improve the experience of members and clients across our organization. We also require all our employees to take training on sound commercial practices.

And we keep tabs on several different metrics to improve the member/client experience.

Net Promoter System

We use the Net Promoter System to continuously assess and improve the member/client experience. This system is a recognized management framework used in many different industries around the world. It serves as a benchmark across our organization. The feedback it provides helps us understand fluctuations in members' and clients' loyalty and enables us to put our energy toward the most effective improvements.

The cycle starts with listening to our members and clients and continues through to implementing helpful solutions. With this system, members and clients can give us their feedback about interactions with our organization. We use this feedback to continually improve.

Member, client and consumer surveys

To learn more about people's needs, expectations, preferences and perceptions, we turn to Canadian consumer panels and the Desjardins Web Panel, and we speak directly with our members and clients.

Satisfaction surveys

In 2023, we assessed 131 types of interactions across all our channels and business segments through satisfaction surveys. A total of 628,729 members and clients shared their feedback with us by answering our 5 standard questions. Managers then contacted 67,471 members and clients to hear more about their recent interactions with us.

Desjardins Web Panel

The Desjardins Web Panel is made up of 10,000 members. It's a quick way for us to get members' thoughts about specific topics so we can better understand their needs. We reach out to them several times a year. By combining satisfaction surveys and the Web Panel, we're staying connected to members and clients and what they have to say.

Focus groups and individual interviews

We conduct focus groups and individual interviews (online or by phone) to get qualitative data from our members and clients. Topics include needs and expectations regarding products and services and changes to be made in response to member/client feedback. Participants are also asked for their opinions about advertising campaigns and concepts.

Board members who listen to member and client needs

Our collaboration mechanisms (community collaboration groups, Desjardins Collaboration Forums) and democratic bodies (general meeting, Congress) target all board members and not just the representatives who participate in them. Each board is responsible for using these mechanisms to influence the Federation through the people who go to these meetings, especially when it comes to planning for how best to meet member and client needs. The 2,379 board members—enthusiastic people who understand the situation of their caisse and its members and clients—are a powerful force that sets our cooperative movement apart.

Online communities

We use online communities to get qualitative data on member/client needs, expectations and behaviours. We work with our permanent community made up of over 150 members and clients and set up temporary online communities. We ask participants to fill out a workbook to encourage personal reflection and group discussion.

Internet and social media

We have a dedicated social media team. Their priority is to handle complaints and negative feedback posted on social media sites like Facebook, X (formerly Twitter), LinkedIn and Instagram. We also analyze comments posted on our pages to improve the overall experience of our members and clients and to make sure our offers keep pace with their changing needs. Our AccèsD and mobile services teams handle all other complaints, negative feedback and suggestions we receive online.

User experience research

User experience (UX) research helps us find out ahead of time from users what it's like to use our online platforms—our goal is to make the experience as simple, efficient and user-friendly as possible. We use a variety of approaches and a wide range of tools, including a state-of-the-art lab, to develop cutting-edge online experiences tailored to the needs of members and clients.

Cybermetrics

How members and clients use our online platforms tells us a lot about their intentions, habits and how they want to use our products and services. We use cybermetrics to collect this data and make it available securely. We take what we learn from our analyses and reports to improve our online platforms and make them easier for our members and clients to use.

Managing dissatisfactions

In 2018, we launched a new dissatisfaction management approach for personal services. When a member is dissatisfied, frontline employees can now do what it takes to resolve the issue.

Complaint processing

Here's the complaint process available to members and clients:

Step 1: Tell an employee or a manager. If the complaint concerns a caisse, Signature Service office or Desjardins Business centre, they can also tell the chair of the board of the caisse.

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Step 2: File an official complaint with our complaints handling team (for details, see our website). Official complaints are kept confidential, and the member or client will receive a response in a timely manner.

Step 3: File a complaint with the appropriate regulator. If they're still dissatisfied with the way their complaint was handled, the member or client can turn to the appropriate regulator for their province or territory.

Most complaints follow this process, though the steps may vary by entity.

In addition to this process, we regularly review and improve our frontline sales processes and practices to make sure they're in line with member/client expectations. We also work to ensure that our members and clients are always treated fairly, and we give our employees the tools they need to follow sound commercial practices.

Key indicators

Our 2023 results show that we're listening to our members and clients and taking action. The 2023 Net Promoter Score (NPS) for interactions went up 1.5 points from the year before. And we hit our target for 5 of the 6 NPS categories that compare us with others in the industry. For the first time, we were among the top ranking for business banking in Quebec.

Highlight

Net Promoter System workshop

We know that the more people understand and use the Net Promoter System, the more we can benefit from it. That's why in 2023 we set up a workshop to help Desjardins staff learn about and adopt the system.

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2.4 Responsible products and services

We're active in the field of responsible finance and want to accelerate the transition to a more sustainable economy. We do this by providing products and services that meet our members' and clients' needs and by thoroughly considering ESG factors when making business decisions.

In accordance with our mission and cooperative values, we encourage people to adopt sound financial habits. We also help build sustainable communities by providing socially responsible products. We offer responsible investment products that are both Canadian and international in scope.

Our approach

Our sustainable development policy and the recommendations of our ESG Steering Committee provide a framework for promoting sustainability and implementing the necessary commercial and management practices. We create and distribute exclusive environmentally and socially responsible products, including our Green Homes Program, responsible investment solutions, and a Green Option for Desjardins auto loans. Our teams in the Business Services sector play a key role in educating and finding ways for business owners to be a part of the transition to a sustainable economy.

We also contribute to research on responsible finance through the Chaire Desjardins en finance responsable at the Université de Sherbrooke. Teams from Desjardins have contributed to student projects in areas such as the decarbonization of investment portfolios and ESG risk factors.

Solidarity-based finance is also a source of sustainable prosperity. We've built strategic partnerships with numerous community organizations to offer solidarity-based finance programs. These programs provide guidance, financial education and personalized support adapted to the needs of the financially vulnerable. They also offer loans to entrepreneurs who don't qualify for traditional financing (see sections 2.1 Financial inclusion and accessibility (page 12) and 2.2 Financial empowerment) (page 16).

Financing

To learn more about how we're integrating ESG initiatives into our financing operations, see the Principles for Responsible Banking report.

Training Desjardins Business advisors on sustainable finance

We became the first financial institution in Quebec to adopt the Introduction to Sustainable Finance program offered by Finance Montréal in collaboration with ED4S. It's a 3-part program that covers sustainable finance, sustainable investing and sustainable loans. This training is intended to give Desjardins Business employees the fundamentals of sustainable finance so that they can better guide business members and clients across Canada and help them apply ESG criteria in their business models and operations.

The first 2 modules rolled out for employees in the Business Services Executive Division in the fall of 2023. The final module came out in January 2024. This training is mandatory for all employees who serve members and clients.

Cash back to encourage companies to invest according to ESG criteria

We introduced a new ESG swap financial product designed to cover a debt's interest rate risk and reward the company for achieving key ESG performance indicators. The cash back amount is based on the ESG impact of the commitments and the efforts required by the business to achieve them. We participated in one of the first projects with this financial product in Canada as part of an onshore wind farm project in Alberta.

Renewable energy project financing to support transitioning communities

See section 4.6 Relationships with Indigenous Peoples and communities (page 45).

Insurance

To learn more about how we're integrating ESG initiatives into our insurance operations, see the Principles for Sustainable Insurance report.

Incentives for more resilient construction

Our insurance contracts now include 2 resilient reconstruction measures following a loss:

- Sewer backup: $1,000 for devices to mitigate damage following a loss caused by sewer backup
- Roofing in Alberta: $2,500 for replacing damaged standard shingles with Class 4 impact resistant shingles following an insured hail-related loss, for 69 high-risk municipalities in Alberta

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Investments

We're committed to maintaining exemplary practices. That's why 4 of our components have signed the Principles for Responsible Investment (PRI). You can see their report on our website.

Responsible investment (RI) means integrating ESG factors into investment selection and management. We take a long-term view, targeting attractive return potential while contributing to sustainable development.

Our goal is for Desjardins Group to be an RI leader in Canada. As at December 31, 2023, we had nearly $122.5 billion in assets subject to ESG filters and one of the most well-rounded product lines on the market. We're a leading proponent of the approach across the country.

With 74 responsible investment product options in total for our clients, including group retirement savings and institutional clients, we're one of Canada's leaders in the field. As at December 31, 2023, we had almost $13.8 billion in RI assets under management.

Responsible investment products for individuals

With nearly 60 responsible investment solutions, we have one of the largest ranges of products in Canada for individuals.

We've been a leader in responsible investment for some time. In fact, we first launched our SocieTerra lineup of responsible investment mutual funds in 1990.

Desjardins SocieTerra Funds: A one-of-a-kind approach to responsible investment

Desjardins SocieTerra Funds and Portfolios aim to offer attractive return potential and make a difference for communities and the planet. To do so, they go beyond traditional financial analysis, incorporating ESG criteria into their selection and management of securities. SocieTerra products target issuers that:

- Use sound ESG practices across all of their operations
- Offer solutions to social and environmental challenges
- Are improving their ESG practices, following a shareholder engagement process

To learn more about our approach, see our Responsible Investment Policy and the Desjardins Funds Stewardship Policy.

Our approach is built on an open architecture that provides access to portfolio managers with a track record of generating RI-focused returns. Our managers are chosen based on a rigorous selection process that includes an ESG analysis.

Find out more:

- Choosing responsible investment
- Our responsible investment offer

2023 snapshot:

- 44% of Desjardins Funds unitholders held a SocieTerra Fund or Portfolio at the end of the year, up from 42% in 2022. The total number of SocieTerra Fund holders stayed stable compared to 2022.
- Assets under management in SocieTerra Funds and Portfolios went up by 8% ($0.6 billion), bringing total assets under management to over $8.3 billion at the end of 2023.

New classes in the SocieTerra lineup

We wanted even more investors to enjoy diversified portfolio solutions, so we added income-focused responsible investment products to our lineup with new share classes for individuals for SocieTerra Funds. Learn more about our SocieTerra lineup.

A range of responsible annuities

All new annuities purchased at Desjardins automatically go into investments that meet several ESG criteria as described in our Responsible Investment Policy: Responsible Annuities. This decision from 2022 makes us the first financial institution in Canada to turn its entire range of individual savings annuities into responsible annuities. Whether it's a life annuity, a term certain annuity, an adapted life annuity or an annuity for artists, the securities we select include or exclude issuers based on specific criteria, and investments are monitored and managed to encourage issuers to improve their ESG practices.

Committed to spreading the word about responsible investment

We rolled out a number of initiatives to help get the word out about responsible investment. We produced educational videos and held webinars on the benefits of responsible investment and the positive impact it has on the environment and communities. And we help explain the concepts and issues related to responsible investment through a partnership with ÉducÉpargne, of which we're a founding member. That included creating content such as the article "Le pouvoir de votre épargne" (in French only). Our experts also make media appearances to support financial education.

We offer responsible investment training to better equip our advisors on how RI can help members and clients reach their financial goals while generating positive impacts for the environment and communities. At the end of 2023, a total of 4,563 advisors had completed the certification program.

Transparency is one of our RI pillars; it's key for demonstrating the authenticity and sincerity of our approach. Each year we collect, analyze and publish data on responsible investment in Desjardins Funds. The data is published in our annual report on RI and on DesjardinsFunds.com. The disclosures include examples that show how the companies in SocieTerra Portfolios contribute to ESG issues, as well as impact indicators for certain SocieTerra Funds. There's a chapter that details all of our training and support activities. To learn more, read the most recent Annual Report on Responsible Investment.

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Responsible investment products for institutions

Carefully selected companies

Desjardins Global Asset Management (DGAM) uses a rigorous approach to integrate ESG criteria into its investment process. DGAM's portfolio managers assess the financial health and ESG practices of companies when selecting and monitoring investments. They also exclude controversial industries. DGAM believes that a company that cares as much about its ESG policies as it does about its financial performance is better equipped to meet the challenges of the global economy (see our responsible investment process).

Shareholder engagement

DGAM believes that dialogue and shareholder voting to engage with companies in which it has assets are essential. Our components publish detailed reports about this each year.

To learn more, see the DGAM Policy on the Exercise of Proxy Voting Rights.

ESG assessments for group retirement savings

In 2023, we updated the ESG assessments for the funds available on the group retirement savings platform. We also set up our own evaluation table covering multiple factors just for responsible investment. The resulting ESG assessment, based on qualitative information, was then converted to one of 3 possible levels.

Our Green Program

To support our members, clients and communities in a just energy transition, we offer a number of environmentally responsible products for consumers and businesses.

In 2023, after several member and client surveys, we laid the groundwork for a refreshed line of responsible products that will roll out in 2024 to meet our individual members' needs and goals.

Green homes

We encourage our members and clients to invest in environmentally friendly homes. With our Green Homes Program, anyone who purchases a green new build or makes green renovations is eligible for a wide range of advantages, including:

- Cash back on their mortgage
- Discounts, some free services, competitive rates and much more

Electric and hybrid vehicles

With a Desjardins Auto Loan with the Green Option, members and clients can buy a new hybrid or electric vehicle at a competitive fixed interest rate.

Advantages for alternative transportation

As of 2022, cardholders can earn more BONUSDOLLARS and cash back on alternative transportation purchases made with certain Desjardins credit cards (buses, commuter trains, taxis, metro or subway, public charging stations for electric vehicles).

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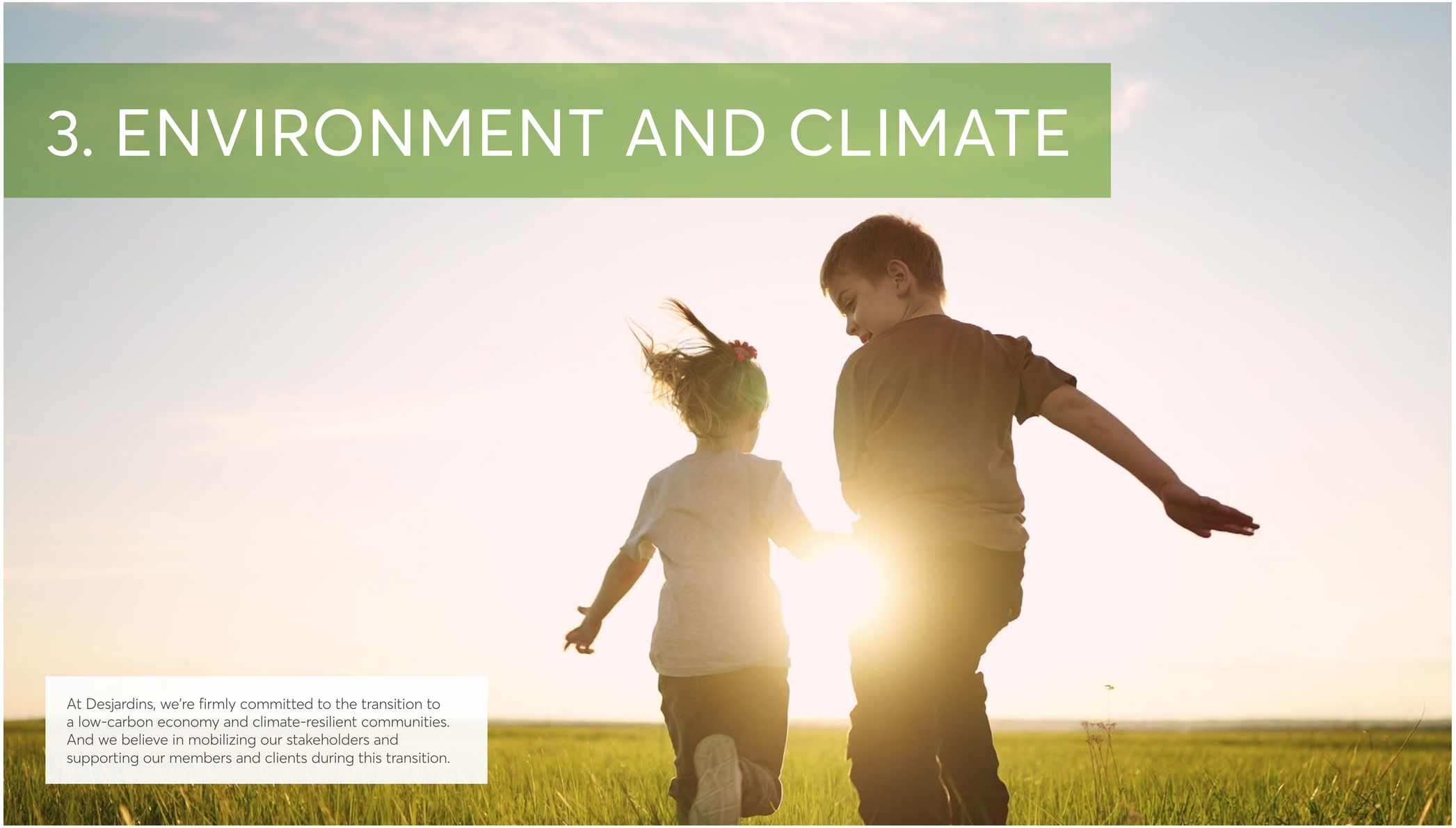

At Desjardins, we're firmly committed to the transition to a low-carbon economy and climate-resilient communities. And we believe in mobilizing our stakeholders and supporting our members and clients during this transition.

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3.1 Our climate ambition

Climate change is a threat not only to our environment, society and economy, but also to individuals' physical, mental and financial well-being. Since 1990, we've been taking action to protect the environment. We recognize the urgent need to act—and act fast—to fight and adapt to climate change and prevent biodiversity loss.

Awards and recognition

- 2 Desjardins buildings were recognized by BOMA Quebec in 2023 for significantly reducing their energy consumption over the previous 12 months.
- Mediacorp Canada Inc. has recognized us as one of Canada's Greenest Employers every year since 2015.
- For the 16th year in a row, we're on *Corporate Knights* magazine's list of the Best 50 Corporate Citizens in Canada.

Our science-based commitment to climate

In 2023, we continued to work toward the climate ambition for 2040 that we unveiled in April 2021. Our goal is to achieve net zero emissions by 2040 in our base operations and supply chain, and in our lending activities and own investments in 3 carbon-intensive sectors: energy, transportation and real estate.

Since adopting a position on coal, we've continued to support members and clients in the energy sector by setting specific goals to accelerate the transition to renewable energy by 2030 (see the Climate Action at Desjardins report for more details).

By joining the Partnership for Carbon Accounting Financials, we're aiming to adopt and promote internationally standardized methodologies for measuring financed greenhouse gas emissions. To pursue this goal and our renewed climate ambition, we joined the Business Ambition for 1.5°C campaign in September 2021. Part of this commitment means we have our science-based emissions reduction targets verified by a third party, the Science Based Targets initiative.

Scope of our goal to achieve net zero emissions by 2040

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Roadmap | Our commitments for 2025

We've set some medium-term targets that we'll renew every 5 years to help us track our progress toward our ambitious goals. Here's an overview of our targets for the first 5 years of the plan. Details about our progress are in the next section.

	Our commitments for 2025	Our actions and progress
Operational scope		
Creating mandatory sustainable development training for employees	Train at least 85% of our employees on the principles of sustainable development	At the end of 2023, over 95% of our employees had completed the **Striving for sustainability** training.
	Roll out specialized responsible investment training for all employees who have advisory roles with members and clients as well as employees who design products	As of September 30, 2023, a total of 87% of Wealth Management and Life and Health Insurance employees had taken training on responsible investment.
Reducing emissions from our base operations	Achieve our target of -41% compared to 2019 levels, as announced in October 2021 (2023 updated target: -50% by 2030 compared to 2020 levels)	We reduced emissions by 49% by the end of 2023 compared to 2019 levels.
Reducing carbon intensity in our supply chain	Work with our 100 largest suppliers to reduce the carbon footprint of our supply chain	In 2023, we worked on: • Calculating GHG emissions in our supply chain, drawing on external databases like that of CDP • Identifying our suppliers with the biggest carbon footprints and launching an engagement campaign to share our climate ambition and their role as partners
Lending and investments		
Increasing support for the renewable energy sector	Boost the share allocated to renewables in our energy sector lending to 35%	Our share was 59% at the end of 2023 (vs. 40% in 2022).
	Invest $2 billion directly in renewable energy infrastructure (+66% compared to 2020)	We had invested nearly $1.89 billion as at September 30, 2023 (+12% vs. September 30, 2022). This includes the Desjardins Group Pension Plan.
	Support 6 biomethanization projects	We had supported 2 projects by the end of 2023.
Speeding up the transition away from carbon-intensive sectors	Follow guiding principles to promote and support businesses in these sectors that: • Demonstrate solid ESG performance • Factor in climate risk • Set credible targets for reducing greenhouse gas (GHG) emissions	We adopted a position on the energy sector. Our teams are developing tools to put these guiding principles to work in managing their relationships with the large businesses in our portfolio.
	Set science-based emissions reduction targets for our own investments and lending activities based on the Science Based Targets initiative's internationally recognized methodology	In January 2024, we validated our GHG emissions reduction targets with the Science Based Targets initiative.
Supporting business members	Build partnerships to help business members incorporate sustainable development practices into their operations and reduce their greenhouse gas emissions	We've established or renewed several partnerships since 2021 (see the next page for some of our main partnerships to speed up the transition).
Providing effective, responsible products and solutions for our members and clients	Refresh our sustainable finance product and service lineup for individuals and businesses	We established a new marketing position on the personal services side in 2023, supported by 2 surveys. In 2024, we'll be launching an enhanced responsible finance lineup to meet the high expectations of our members and clients. In addition, all new annuities purchased at Desjardins automatically go into investments that meet ESG criteria. This decision from 2022 makes Desjardins the first financial institution in Canada to turn its entire range of individual savings annuities into responsible annuities. We launched 2 new products for businesses: •A financing product for export companies in collaboration with Export Development Canada •An ESG swap designed to cover interest rate risk and reward companies for achieving ESG key performance indicators

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Partnerships committed to climate action

Through our many partnerships, we're committed to helping communities make the energy transition, take climate action and adapt to the effects of climate change. Our partnerships support university research and training, foster the development of real solutions for economic players, and promote climate action and engagement.

Support for businesses
- SME training
- Transportation cluster
- Energy sector

Responsible finance
- Training
- Teaching/research
- Raising awareness and sharing knowledge

Solution integration
- Business owners
- Investors
- Groups
- Government

WE WANT TO HELP **BUILD** AND **POOL** EXPERTISE TO **FAST-TRACK THE TRANSITION** TO A **LOW-CARBON** ECONOMY AND A **MORE INCLUSIVE** SOCIETY.

Education and engagement
- Youth
- General public
- Citizen groups

Climate change adaptation
- Research
- International cooperation

Circular economy innovation and research
- Innovation labs
- Communities of practice
- Business incubators

propulsion Québec
Groupe des transports électriques et intelligents

Promoter and supporter of Quebec's electric and smart transportation ecosystem

BIOGAS WORLD

Company bringing together local and international players committed to developing renewable natural gas

QUÉBEC NET POSITIF

Think tank that helps raise awareness, equip and mobilize businesses, including SMEs, and creates an environment conducive to the transition to a low-carbon economy

SWITCH
L'Alliance pour une économie verte au Québec

Alliance advocating for Quebec's transition to a green economy

écotech Québec

Promoter for the development, marketing and use of cleantech

Institute for Catastrophic Loss Reduction
Building resilient communities

Centre that conducts multidisciplinary research on the prevention of catastrophic losses

Ouranos

Organizer of the international Adaptation Futures 2023 conference, which we sponsored, to seek out concerted, concrete, science-based solutions for climate change adaptation

Finance Montréal

Organization offering responsible finance training for our frontline employees to improve their awareness so they can better guide and support our business members and clients

UdS Université de Sherbrooke

Postsecondary institution advancing education and research on responsible finance

carbone SCOLERE Québec

Educational program promoting environmental responsibility among youth ages 9–12 and their families

Lab 22 Laboratoire d'innovations sociales et environnementales

Innovation lab that challenges the population, and especially youth, to find innovative solutions to environmental and social issues

Futur Simple

Provider and distributor of climate action videos made by youth for youth

Fondation Monique-Fitz-Back

Foundation promoting environmental and social consciousness among youth in Quebec

2degrés

Quebec-based cleantech incubator promoting innovation and entrepreneurship

Cité de l'innovation circulaire durable

Hub that pools the strengths of Victoriaville and surrounding areas to be a leader in sustainable development and circular economy innovation

ÉTS

Postsecondary institution advancing research and innovation on the circular economy

Circular Economy Leadership Canada

Network that connects Canada's circular economy community and serves as a bridge to similar networks around the world

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3.2 Reducing our operational emissions

Reducing emissions from our base operations

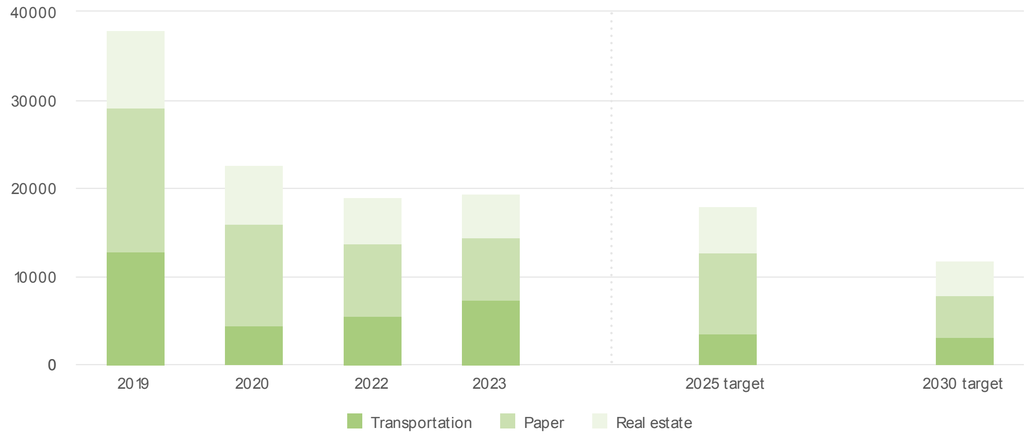
Building on our net zero by 2040 climate ambition and our membership in the Business Ambition for 1.5°C coalition, in 2023 we unveiled a revised target to reduce our operational GHG emissions by 50% compared to 2020 levels by 2030.

This target includes emissions from energy consumption in buildings used by Desjardins (as an owner or as a tenant), business travel (not counting daily commutes) and paper consumption.

In 2023, our emissions stood at 19,394 tCO_2e, up 2% from 2022. This increase is mainly due to higher emissions associated with business travel. PwC Canada verifies this information each year.

We're continuing to work towards our 2025 target and our new 2030 target. To learn more, see the Climate Action at Desjardins report (page 25).

Change in our operational GHG emissions and targets for 2025 and 2030



Engagement and education

Cooperating for the Climate Challenge

To reach our target, we created the Cooperating for the Climate Challenge, an internal initiative focused on paper consumption, business travel, energy use in our buildings, employee buy-in and our supply chain. We've already identified several initiatives for the challenge and started working on them.

To achieve the Cooperating for the Climate Challenge, we need to make sure all our employees are on board. To help foster buy-in, we've built a community of some 2,600 employees (at the end of 2023) who use a sustainable development platform to share tools, information and best practices in line with our targets. In 2023, we rolled out several awareness and education initiatives.

L'Académie du climat

A fun module-based learning path was rolled out in the fall of 2022 to teach employees about the climate system, how it affects biodiversity, society and the economy, and what we can do now to fight climate change.

Climate Fresk

We also held in-person Climate Fresk workshops. These collaborative workshops lasted 3 hours each. By the end of 2023, a total of 634 employees from different sectors of the organization had learned the fundamental science behind climate change. In 2023, we also trained 44 employees on how to lead these workshops. With their help, we'll continue to roll out this initiative across the organization in 2024.

Business travel

Vehicle fleet

All new vehicles added to the Desjardins General Insurance fleet are now low-emission vehicles. However, the replacement process is taking longer than planned because of worldwide shortages, which are creating supply delays for these vehicles. At the end of 2023, Desjardins General Insurance had 390 vehicles in its fleet across Canada. This number includes 321 hybrid, plug-in hybrid or electric vehicles, representing 82% of the fleet (vs. 62% at the end of 2022).

More responsible business travel

Since 2022, we've offered a higher per-kilometre rate for employees who use a personal hybrid or electric vehicle or who carpool for essential business travel.

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New sustainable commuting allowance

Our sustainable mobility program encourages employees to use other means of transportation than travelling alone by car. In May 2023, we began offering a new $100 allowance to reimburse public transit fares and carsharing expenses. This program is now available to employees across Canada. As at December 31, 2023, a total of 9,790 employees were taking advantage of one or more program benefits, including the sustainable commuting allowance, onsite showers and lockers, reserved carpool parking spaces and subscriptions to carsharing services. We're also looking into a new carpooling platform open to all employees in 2024.

Electric charging station network

In partnership with FLO (formerly AddÉnergie) and Hydro-Québec, we continued to install electric charging stations at caisse and credit union locations across Quebec and eastern Ontario. By December 31, 2023, 413 charging stations were installed, including 381 that are available to the general public. Our goal is to build a network of 500 electric charging stations by the end of 2025 for members, clients and communities in Quebec and eastern Ontario.

Real estate

Certified Desjardins buildings

We're proud to have 22 certified buildings in our real estate holdings, including 11 LEED certifications, 13 BOMA BEST certifications and 1 BOMA 360 designation.

The Desjardins Energy Transition plan, launched in 2018, is an internal program to optimize and monitor the energy consumption of buildings. The goal is to reduce our GHG emissions, improve our energy performance and manage our assets efficiently and sustainably.

Paper consumption

We've put in place a number of initiatives to reduce paper use and rolled them into our broader efforts to reduce operational emissions. In 2023, GHG emissions from our paper consumption decreased by more than 15% compared to 2022.

E-signature use increasing

In 2023, members and clients used our electronic signature tool over 1.2 million times. That means we saved over 8.7 million sheets of paper and avoided 151 tonnes of GHG emissions (estimate based on 100% recycled paper).

Supply chain

We committed to working with our 100 biggest suppliers to gradually reduce the carbon footprint of our supply chain. In 2023, we worked on:

- Calculating GHG emissions in our supply chain, drawing on external databases like that of CDP
- Identifying our suppliers with the biggest carbon footprints and launching an engagement campaign to share our climate ambition and their role as Desjardins partners

Providing effective, responsible products and solutions for our members and clients

See section 2.4 Responsible products and services (page 22).

Carbon neutral since 2017

Despite all our efforts to reduce GHG emissions, some residual emissions remain. We offset the remaining GHG emissions by purchasing certified carbon offsets. We use the Greenhouse Gas Protocol Standards and ISO 14064 to calculate the reduction in our GHG emissions. Our calculation is reviewed by a credible, independent third party.

Biodiversity

The increasing impact of climate change and the loss of biodiversity endanger our quality of life and the economic development of our societies.

As part of the United Nations' 15th Conference of the Parties (COP15) held in Montreal in December 2022, we committed to protecting and restoring biodiversity and ecosystems through our lending and investment activities by signing the COP15 Statement from the Private Financial Sector.

In late 2022, Desjardins Global Asset Management Inc. and Desjardins Investments Inc. signed the Finance for Biodiversity Pledge. In 2023, they also committed to the Nature Action 100 initiative. The goal is to better understand the exposure of our investment solutions to the risks and opportunities of biodiversity and natural capital.

To learn more about initiatives we're involved in to help preserve biodiversity and reduce the impact of our operations, see the Climate Action at Desjardins report (page 20).

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3.3 Waste management

Every year, approximately 13 million tonnes of residual waste is produced in Quebec. At Desjardins, we're working with our suppliers and employees to reduce our environmental footprint. Our waste management policy is part of our commitment to fostering an economy that produces less waste and complying with Quebec's *Environment Quality Act*. The policy applies in business sector and support function buildings that Desjardins owns or leases, but not in the caisse network.

Our approach

Integrated residual waste management

We've rolled out the Programme Récüp within the organization to harmonize our approach to residual waste management and the circular economy. For some of our buildings, our standardized data collection system provides annual data to help us better manage the following materials: paper and cardboard, office supplies, glass, metal, plastic, organic material, computer equipment (desktop and laptop computers, printers, servers, monitors, peripherals and cartridges), telecommunications equipment (headsets, cellphones, landline phones, videoconferencing systems and peripherals) and office furniture.

Concrete measures are in place to reduce how much residual waste we generate and to promote reuse and recycling based on the 5Rs (refuse, reduce, reuse, recycle and repurpose). A dedicated team coordinates our residual waste management efforts.

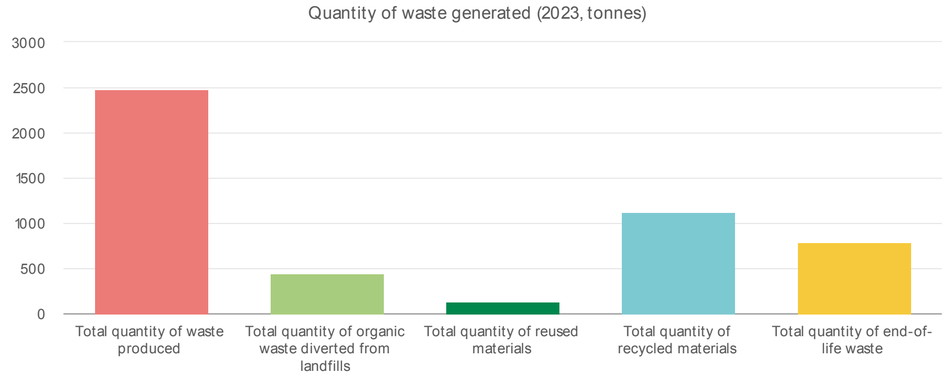
More than $9.4 million for curbside recycling

Since 2006, we've contributed more than $9.4 million in funding for municipal curbside recycling. Each year, we give hundreds of thousands of dollars to Éco Entreprises Québec and and other extended producer responsibility organizations in Canada to help fund these important services and protect the environment.

Key indicators

Our residual waste management program and objectives are reviewed annually. In addition to environmental management and traceability, we're upgrading the Programme Récüp with financial and carbon accounting to reflect the new trade perspectives for upgraded raw materials, particularly as part of an integrated approach to the circular economy.

To determine the impact of our initiatives and take concrete action, we measure our performance based on several key indicators (see 2023 data below[14]):



Highlights

- We set up a battery recycling collection system. Desjardins locations can volunteer to become drop-off points for the general public.
- We developed a standard for layout and furnishings to expand our container deposit collection system and start collecting compostable waste in our Quebec locations.
- We reused office supplies within the organization and donated nearly 7.7 tonnes to 10 organizations, including Opération Sac à Dos.
- We implemented a circular process to reuse old furniture in new Desjardins offices or to donate it (more than 2,000 items) to 19 different recipients, including the Centre Agricole.

[14] Covers Complexe Desjardins in Montreal, Cité Desjardins de la coopération in Lévis, computer hardware, office equipment and confidential documents.

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4. SOCIAL

As a cooperative financial group contributing to the development of communities, we support shared initiatives that help meet our members' and clients' needs and that help build prosperous, sustainable and vibrant communities.

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4.1 Generating direct and indirect economic value

Economic performance is central to our operations. We measure economic performance in terms of our returns, financial strength and contributions to building a sustainable, responsible economy for current and future generations.

The AMF has designated Desjardins as a domestic systemically important financial institution. Domestic systemic importance is measured in terms of the impact that distress or insolvency of a financial institution would have on the domestic economy.

Our approach

We help build sustainable and responsible national and regional economies. We've developed tools and programs to help us fulfill our mission nationwide, which our caisses then tailor to their local communities. All of these elements, which directly or indirectly support our cooperative financial group's long-term viability, help meet our members' and clients' needs.

Our cooperative business model: A powerful force for community development

We're firmly rooted in Quebec and growing our presence in Ontario. We help build vibrant communities in many ways, including:

- Offering products and services tailored to individual and community needs
- Launching sustainable development initiatives in areas including diversity, climate action and the circular economy
- Promoting financial literacy and inclusion in Canada and abroad (see section 2.1 Financial inclusion and accessibility, page 12)
- Contributing to long-term community development projects through the GoodSpark Fund and caisses' Community Development Funds
- Financing individual and group entrepreneurship projects through initiatives like the Momentum Fund
- Making crowdfunding available to individual and group project promoters through La Ruche supported by Desjardins

Direct economic impacts

Economic value generated and distributed

By choosing to do business with us, our 7.7 million members and clients enable our cooperative to have a direct impact on the places they live and their communities.

Desjardins ($ millions)	2023	2022[15]
Total net income	12,577	10,340
Net non-interest expense	9,232	8,502
Salaries	4,363	3,939
Employee benefits	1,065	1,181
Member dividends	412	403
Income taxes on surplus earnings	557	319
Indirect taxes	2,057	1,954
Sponsorships, donations and scholarships	126	115
Reserves and undistributed surplus earnings	29,452	28,784

Giving back through member dividends

In recent years, we've made our member dividends even simpler. They now recognize our members' entire business relationship with Desjardins. In 2023, $403 million was redistributed to members as individual member dividends for 2022, and 97% of members received a dividend.

A cornerstone of economic activity

GoodSpark Fund

The GoodSpark Fund is a flagship initiative to jump-start regional development and the socioeconomic recovery. Through this fund, we've committed to invest $250 million from 2016 to 2024 in community projects that have the potential to shape our society. Our goal is to support initiatives in Quebec and Ontario that address key community priorities.

In 2023, we committed $21 million to support 92 initiatives benefiting members, communities and regions. With strong roots in the community, projects that receive funding are supported by an entire ecosystem. These projects will:

- Help create, revitalize or grow nearly 26,000 businesses
- Improve the services available to more than 1.7 million people

[15] Data has been reclassified to conform to the current year's presentation, notwithstanding IFRS 17, adopted January 1, 2023.

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Key indicators

Projects approved by sector (%)	2023	2022	2021
Employment and workforce	3	9	11
Entrepreneurship and business succession	5	11	4
Economic excellence and innovation	4	21	19
Local services and housing	16	6	4
Education and training	5	6	9
Sports, recreation, arts, culture and tourism	28	20	28
Humanitarian work and civic engagement	24	16	11
Environment	4	7	5
Health and healthy lifestyles	11	4	9
Total	**100**	**100**	**100**

Highlights

One of our key initiatives of 2023 was a contribution of $1.2 million to end homelessness in Montreal (article in French only).

The GoodSpark Fund pledged support to 5 organizations that help people experiencing homelessness in Montreal. The projects being funded promote long-term solutions and make a difference in the lives of people experiencing homelessness and the broader community:

- La rue des Femmes
- Chez Doris Women's Shelter Foundation
- The new Centre de jour du Sac à dos
- Projets Autochtones du Québec
- Native Women's Shelter of Montreal

Supporting businesses and creating jobs

We help grow businesses and keep jobs in both rural and urban communities through our wide range of products and services.

We also do this through:

- Our caisses, business centres and complementary networks like Desjardins 360[d]
- Desjardins Capital Management Inc., a fund manager specializing in development and venture capital
- Our solidarity-based finance programs Créavenir and Desjardins Microcredit to Businesses
- The Momentum Fund, which grants non-repayable funding to small and medium businesses
- Desjardins GoodSpark Grants, a program that offers grants of $20,000 each
- La Ruche supported by Desjardins, which offers additional funding for businesses and community organizations
- Buy local campaigns to support local retailers
- Our partnerships with Place aux jeunes en région, the Réseau des carrefours jeunesse-emploi du Québec, OSEentreprendre and the Regroupement des jeunes chambres de commerce du Québec

In 2023, we invested

18.9 million

to support entrepreneurs.

This amount includes donations, sponsorships and partnerships, as well as commitments through our Créavenir and Desjardins Microcredit to Businesses programs.

Momentum Fund: $19 million since 2020 to support the growth of small and medium businesses

In 2023, the Momentum Fund provided $5 million to Quebec and Ontario businesses. Up to $20,000 in non-repayable funding was granted to nearly 620 businesses to support their growth and create quality jobs, 2 key drivers of regional economic development. Since 2020, we've committed a total of $19 million through this program.

Desjardins GoodSpark Grants – Supporting small businesses in Ontario and Atlantic and Western Canada

The Desjardins GoodSpark Grants program supports small businesses' commitment to innovation, investing in their employees and sustainable development. We launched the program to stimulate economic growth in Ontario and Atlantic and Western Canada. In 2023, the program had a budget of $3 million, awarded as $20,000 grants to 150 small businesses. During the summer, our partnership with *The Amazing Race Canada* gave many of our grant recipients the chance to get the word out about their business on TV.

Support for local economies

Desjardins 100% Members Platform

This online tool helps our business sectors and employees find and support our business members. The platform is good for our members' sales and it helps create and maintain jobs outside urban centres. In 2023, nearly 6,400 business owners were registered on the platform, a clear sign that our members see the value of this initiative.

Buy local campaigns to support local retailers

These one-of-a-kind crowdfunding campaigns, run through La Ruche, give users the chance to buy gift cards redeemable at participating retailers, with a 20% to 50% bonus. In 2023, 4,203 users participated in 13 buy local campaigns on La Ruche, purchasing $1.1 million in bonus gift cards redeemable at local businesses in 6 regions of Quebec. Five Desjardins caisses provided funding for 8 of these campaigns, representing a total investment of $65,429.

Committed to increasing access to affordable housing

1,750 housing units available in 14 regions across Quebec by the end of 2025

We're helping community and private developers make more than 1,750 social and affordable housing units available by the end of 2025 in conjunction with the government of Quebec and other partners. The aim is to promote the development and implementation of innovative financing tools for the construction, acquisition and renovation of affordable housing units across Quebec.

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Highlights

In 2023, concrete plans were announced for a number of projects:

- 93 affordable housing units at Manoir Lafontaine, in the heart of Plateau-Mont-Royal (in French only)
- 56 affordable housing units in Sherbrooke (in French only)
- 720 affordable housing units at Domaine La Rousselière in Pointe-aux-Trembles, in Montreal's east end (in French only)

Indirect economic impacts

At Desjardins, we help build sustainable communities across Canada and around the world. We do this by growing local economies, supporting businesses, creating good jobs outside urban areas, training directors and working towards the United Nations Sustainable Development Goals.

Helping regions and cooperatives grow through development and venture capital investments and value creation expertise

AVAILABLE in French only

Invest with purpose **(1 min 02 s)**

Desjardins Capital Management Inc.'s mission

For over 50 years, Desjardins Capital Management Inc. has been:

- Enabling Quebec SMEs and cooperatives to grow and develop
- Helping keep Quebec businesses in Quebec and in business
- Encouraging entrepreneurship in younger generations and supporting business transfers
- Providing investment opportunities through funds under management to support the Quebec economy

Supporting regional and cooperative development across Quebec

Desjardins Capital Management Inc.'s development and venture capital investments and value creation expertise are available Quebec-wide through various funds under management and fund ecosystems. These funds include:

- Capital régional et coopératif Desjardins, a tax-advantaged fund with over 111,400 shareholders and $2.6 billion in assets under management
- Desjardins Capital PME, a fund that supports business growth, expansion and acquisitions
- The Transatlantic Fund, in partnership with Siparex, which uses co-investment to help SMEs grow and develop their markets in Europe and Quebec

As at December 31, 2023, Desjardins Capital Management Inc. had committed $2.3 billion to 771 businesses, cooperatives and funds. 566 of these businesses are located outside the Quebec City and Montreal areas. We've also provided $171 million in support to 31 cooperatives.

Transformative initiatives

Cooperathon – A platform for creating impact entrepreneurship

Powered by Desjardins and Montreal New Tech, the Cooperathon is a platform for the creation of impact entrepreneurship and the largest open innovation challenge in Canada. The mission of the Cooperathon is to bring citizens, communities, entrepreneurs, researchers, academics and large institutions together to develop a socially responsible future.[16] This marathon of cooperation aims to find innovative solutions to real social issues.

Supporting the recruitment and integration of newcomers to Canada

Given the current labour shortage, we've strengthened our partnership with Québec International to support newcomers to Canada and help them get settled. Our $1.35 million agreement will support entrepreneurs in their recruitment efforts abroad, as well as improve financial services for newcomers to Canada to help them get settled and encourage them to stay. Because many businesses are facing hiring challenges, we want to support them and promote regional immigration.

Partnering with different programs that support entrepreneurship

Startup in Residence

Desjardins's Startup in Residence accelerator program supports and invests in startups that have a positive socioeconomic impact on Canadian communities.[17] On top of receiving a non-dilutive grant of $15,000 and support from highly qualified experts, the participating startups are eligible for a potential investment of up to $250,000.

Highlights

In 2023, Startup in Residence launched 3 calls for applications on the themes of cybersecurity, real estate technology and sustainable technology.

LE CAMP

LE CAMP, an incubator/accelerator dedicated to growth and support for tech companies, offers a range of services suited to their business maturity, from pre-startup to international expansion.[18] As LE CAMP's main partner, we give startups access to Desjardins Group's expertise, experience and full network. This agreement will help energize the tech ecosystem in the Quebec City area and accelerate the development of participating startups.

[16] https://cooperathon.ca/?lang=en
[17] https://www.startup-residence.ca/en/
[18] https://lecampquebec.com/en/about-us/

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École d'Entrepreneurship de Beauce

The École d'Entrepreneurship de Beauce helps entrepreneurs in all fields grow through continuous education, bootcamps and a range of training courses offered onsite at businesses and online. We've been a leading supporter of the school since its foundation. Our president and CEO, Guy Cormier, has been personally involved with the school since 2016 to help uplift and support business owners.

Highlights

In 2023, Guy Cormier led two 1-day seminars where he shared his experiences, helped participants develop their leadership and guided them toward helpful decision-making skills.

Founding partner of 2 Degrés

2 Degrés is an environmental and cleantech incubator based in Quebec City. The organization guides and supports dozens of companies across Quebec that are developing innovative solutions to reduce our society's carbon footprint.

We've committed to supporting 2 Degrés by providing $400,000 in funding over 4 years. In addition to this financial support, companies working with 2 Degrés will also be able to tap into our expertise and networks to fast-track their growth. Our involvement will encourage innovation by the social impact startups participating in the incubation program.

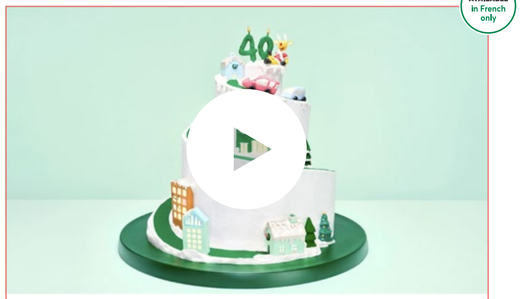
Supporting entrepreneurship at the Université de Sherbrooke

We've been the main sponsor of Accompagnateur entrepreneurial Desjardins (AED), an initiative supporting entrepreneurship at the Université de Sherbrooke, since its creation in 2016. In May 2023, we renewed our support with a $1.5 million donation to the university. AED fosters entrepreneurship at the university by offering innovative training and learning opportunities inspired by the latest approaches to entrepreneurship. AED teaches students practical entrepreneurial skills that they can use for actual projects that open the door to multidisciplinary collaborations.

Disaster relief fund

We created the Desjardins Disaster Relief Fund to support our members and clients who are affected by disasters not covered by their property and casualty insurance.. In 2023, we provided over $94,000 in aid to 30 claimants.

AVAILABLE In French only



Desjardins and Operation Red Nose are keeping you safe! **(0 min 15 s)**

Preventing injury, illness and death

Our investment in road safety

We invest in road safety to help reduce collisions and prevent injuries and fatalities on our roads.

Partnerships

Through long-standing partnerships with organizations like Parachute, the Traffic Injury Research Foundation (TIRF), Operation Red Nose and arrive alive DRIVE SOBER®, we promote education and awareness of road safety issues (dangers of distracted and impaired driving) and new vehicle safety technologies.

- By the end of 2024, Desjardins Insurance will have invested more than $3 million over 3 years in road safety education and related initiatives across Canada. We work closely with Parachute, TIRF, arrive alive DRIVE SOBER and Operation Red Nose to educate Canadians and develop solutions to save lives and prevent injuries.
- This year we celebrated 40 years of being part of Operation Red Nose's success. Isabelle Garon, Executive Vice-President, Marketing, Communications, Cooperation and President's Office served as honorary chair of the safe ride campaign for 2023.
- Since 2022, we've been the exclusive sponsor of the road safety programs run by Parachute and TIRF.
- Because motor vehicle collisions are the leading cause of death in young people ages 16 to 19, we support Parachute's National Teen Driver Safety Week.

Ajusto

Desjardins Insurance's Ajusto[19] program has been encouraging and rewarding good drivers since 2013 to help make our roads safer. With the latest version of Ajusto, we've built on our experiences from recent years to take safe driving a step further.

In 2023, our teams worked on improving the Ajusto feature in our app and increasing its use. We also began preparing for a gradual rollout across Canada, including Alberta, so that more drivers in Canada can benefit from advice and reminders on safe driving.

Taking steps to encourage health and wellness among group insurance plan members and clients

Desjardins Insurance takes a global wellness approach in its group plans. This includes 5 dimensions: mental, physical, financial, social and environmental. We look at each dimension and how it intersects with the others to offer tools and resources for insureds to maintain a balance and choose healthy lifestyle habits that work for them. We encourage people to use resources that include prevention, intervention and recovery—such as the Employee Assistance Program—to help reduce the costs of presenteeism and absenteeism. We also help Canadian organizations cultivate workplaces that value everyone's well-being.

[19] Ajusto® is a registered trademark of Desjardins General Insurance Inc.

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Sleep health program

We offer a sleep health program that provides tips, support and screening.

Employee Assistance Program and manager support services

Employees who are group insurance plan members and their families can get support during difficult times, whether they need psychological help, referrals for legal or financial problems, or support for a child or older relative. These confidential services are available in person, by phone or online, according to the individual's needs.

Internet-delivered cognitive behavioural therapy

We made mental healthcare more accessible by adding internet-delivered cognitive behavioural therapy to several types of insurance. This psychotherapy treatment is the most studied and clinically proven treatment for mental health disorders like depression, anxiety and insomnia.

Telemedicine

We also provide a telemedicine service to plan members and their families, giving them anytime access to online healthcare.

Healthy Weight program

The program's unique approach goes straight to the source, tackling several factors at once to help plan members manage their weight in a realistic and sustainable way. We cover prescription drugs for the treatment of obesity under our standard service offer, as well as access to many types of healthcare professionals, to optimize the health of the people we insure.

Family Focus offer

Our commitment to equity and diversity inspired this initiative that improves access to fertility services and helps organizations support their employees. The Family Focus offer is for everyone who wants to have children. Concretely, it means increased ceilings for fertility treatments and medications, as well as coverage for new services, to include the latest medical advances. Desjardins Insurance is working with Prenato to offer exclusive support services to plan members who would like screening tests and perinatal support in private clinics.

Our health and wellness commitments and partnerships

- We joined the Obesity Canada partnership program, which leverages resources from Canadian research, business and public sector leaders to fund obesity research, education and outreach initiatives.
- We have a partnership with the Healthy Enterprises Group, whose mission is to create a movement to provide workplaces that promote employee health and safety.
- We're a founding member of The Conference Board of Canada's Workplace Mental Health Research Centre. This partnership supports research devoted to making discoveries in mental health and exploring current and future initiatives that could be used to support wellness in the workplace.
- We have a partnership with Relief, a non-profit organization whose mission is to help people with anxiety, depression and bipolarity and their loved ones, with an emphasis on self-management and support groups. This partnership supports the Canada-wide rollout of the organization's anxiety self-management workshop.
- We have a partnership with HEC Montréal's Retirement and Savings Institute, whose mission is to better understand what Canadians need in terms of financial education and to develop solutions that work for them.

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4.2 Support for local communities

As a cooperative financial group, we contribute to the development of communities. Our business model is a powerful force for community development. Its values of solidarity, self-help and support for entrepreneurship make it an ideal fit for local communities.

We're firmly rooted in Quebec and growing our presence in Ontario. We're pleased to partner with local, regional, national and international organizations. Our network of partners and socioeconomic and environmental leaders puts us at the forefront of the community development and shared prosperity movement.

Donations and sponsorships

In 2023, we pledged almost $126 million to support sustainable community development through donations, sponsorships, philanthropic partnerships and scholarships. Beyond the amount from the Federation, that figure includes $57.5 million from caisses' Community Development Funds.

Financial contributions: Federation, caisse, component and CDF donations and sponsorships ($ millions)	2023	2022	2021
Culture	16.2	13.4	10.8
Economic development	19.1	16.3	14.8
Education	31.6	28.4	35.8
Humanitarian work and community involvement	22.0	19.7	19.4
Business development	14.5	13.0	10.8
Health and healthy lifestyles	22.4	23.8	18.3
Total	**125.8**	**114.6**	**109.9**
Community Development Fund contributions	57.5	45.7	40.8

Some initiatives we supported through donations and sponsorships in 2023

Major support for healthcare in Quebec City

We showed our support for one of the largest university hospital centres in the province, CHU de Québec-Université Laval, with a $3.1 million donation to its foundation. The money will go toward:

- Research and innovation scholarships
- An edible garden in the heart of the new hospital complex
- Supporting the foundation's many activities, including fundraising for projects by the centre's research and healthcare teams

Helping sick kids

This year, we donated $425,000 to Opération Enfant Soleil. This major donation will go toward providing high-quality pediatric care to children across Quebec. Our members, clients and employees also donated generously through AccèsD.

Supporting shaken Canadian and international communities

We continue to support the Canadian Red Cross's efforts to help communities when events threaten their health and well-being:

- $60,000 donation for urgent aid for survivors of the earthquakes in Turkey and Syria and a $50,000 donation following the earthquake in Morocco
- $50,000 donation to the Canadian Red Cross's Middle East Humanitarian Crisis Appeal

Philanthropic partnerships with universities

In 2023, we invested over $5.2 million in 7 universities (4 in Quebec and 3 in Ontario). These partnerships are ways for us to support research in fields that are relevant to us, including through the Alphonse and Dorimène Desjardins International Institute for Cooperatives at HEC Montréal, to support entrepreneurship such as through startGBC at George Brown College, and to expand access to higher education by offering scholarships like the ones in artificial intelligence and software engineering at Western University.

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Community Development Funds

Community Development Funds (CDFs) are powerful drivers that are unique to Desjardins, as they're fundamentally linked to our cooperative nature. Caisses use their CDFs to support many organizations and institutions that play an important role in fostering local community development. These funds support meaningful projects that meet needs shared by many members and clients.

CDFs are funded by each caisse's annual surplus earnings. During each annual general meeting, caisse members vote on how much to put into the CDF. This act of solidarity contributes to community development. In addition, to ensure that the caisse's engagement translates into actions that truly meet the needs of members and community partners, the use of CDF money is guided by investment priorities determined through mandatory consultation with members and/or partners.

Volunteering and fundraising

We're here for communities through financial commitments and thousands of employee and director volunteers.

Making a difference with Cares and Shares

In 2023, a total of 35,074 donors—which is 62.3% of all Desjardins employees, directors and retirees—contributed to our Cares and Shares campaign. Between everyone's individual donations and the organization's contributions, a record $9.5 million was raised. The sense of personal commitment we share is helping to build inclusive communities for marginalized people and open up a world of possibility for youth.

Taking action during Co-op Week

Co-op Week is an opportunity for everyone at Desjardins to celebrate the cooperative nature that drives us and the positive impact it has on people and communities. Our theme for 2023 was "All for one." It encapsulates the way our cooperative model relies on us all participating as a collective to support the benefits that our members and clients enjoy as individuals.

Desjardins Philanthropic Funds

Desjardins Philanthropic Funds are turnkey solutions for those who want to provide long-term support for causes that are important to them, even after their death. This offer, developed with our wealth management teams, encourages members and clients to make a difference in their communities in a way that's meaningful to them.

The coordinated efforts of fund creators are crucial to the beneficiary organizations. When these organizations have reliable, recurring donations, they can do more to improve their services, change lives and offer hope.

To date,
donor members and clients have created

258
Desjardins Philanthropic Funds:

$37 million
under management

246
beneficiary organizations

$2 million
given back to the community in 2023

Support for non-profits

A total of 34,752 non-profit organizations[20] are members of Desjardins. We support social economy cooperatives, mutuals and organizations whose mission is to meet the needs of their members or the community. We've adapted our procurement policy to factor this into our calls for tenders.

Consultations with local communities and involvement in their development

We meet with local communities and partners to get their buy-in on potential changes in our distribution network. When it comes to the members most affected by potential changes, we take a personalized approach to make sure they're still able to use their caisse's services as easily as possible.

We're committed to remaining the most accessible financial institution. We make sure our service offer keeps pace with expectations and commercial realities by monitoring market trends and member behaviour. We make our services accessible to all members by working with communities to implement solutions that address local and regional needs (see section 2.1 Financial inclusion and accessibility, page 12).

[20] Non-profit organizations are counted based on their legal status and include all sectors.

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Awards and recognition

The Project Factory won the Palmarès award at PMI-Montréal's Gala Élixir for its quality execution, innovative nature and contribution to society.

$85 million[21]

to support youth in 2023

Encouraging young people, improving their well-being, and helping them bring their dreams to life have always been priorities for us. That's why we work together with our partners to offer young people resources and tools.

Letting youth speak for themselves | Together for Our Youth program **(1 min 16 s)**

Our approach

Along with our members, we're pleased to support young people through programs, donations and sponsorships that help them take the next step, achieve their dreams and reach their full potential. We help young people ages 6 to 30 and entrepreneurs up to age 35 be successful in all aspects of their lives: education, work, entrepreneurship, health, wellness and community involvement.

Here are some of the many ways we take action for youth.

The Project Factory: A free fundraising platform for schools

The Project Factory is a crowdfunding platform for elementary and high schools. It's a Canada-wide Desjardins initiative that helps students bring their school projects or extracurriculars to life. The Project Factory also offers an option that introduces kids to entrepreneurship.

In 2023, fundraisers were held to support 242 projects, raising a total of $2.2 million.

Simple to Double Fund

As part of the Together For Our Youth program, the Simple to Double Fund combines crowdfunding and Desjardins's support to give a boost to initiatives for young Quebecers ages 5 to 29. To qualify for the double up, the fundraising must be done on La Ruche or, if it's a school project, on The Project Factory. The Simple to Double Fund launched in March 2022 with a budget of $1 million over 2 years. That sum was used in just over a year and supported 180 projects that benefited 89,969 young people across Quebec.

[21] Includes the amounts committed to youth (ages 30 and under, and ages 35 and under for entrepreneurship) for all our initiatives: donations, sponsorships, scholarships, financial education initiatives, solidarity-based finance programs, support for school projects and extracurricular activities, etc.

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Highlights

Dream the Impossible: Hundreds of young adults propose concrete solutions

For 2 days in June 2023, more than 400 young people from across Canada met in Montreal to discuss, create and develop concrete solutions to some of the issues that matter the most to them.

Hundreds more had a similar experience remotely thanks to an action-packed online program.

To learn more, see the event recap or go even deeper with this detailed summary of the event.

University visits

On February 2, 2023, our president and CEO, Guy Cormier, began a tour of universities to meet with students. During his 9-stop tour, he visited 8 university campuses in Quebec and 1 in Ontario.

The tour gave him the opportunity to share his personal and professional journey, to continue listening to young people and to help amplify their voices so they can fully take their place in public life.

Three economic studies focused on Canadian youth

Desjardins Economic Studies published a series of analyses on the economic challenges and opportunities facing youth in Canada. The first covered how youth are doing as they leave home to pursue an education and embark on their careers. The second report explored how affordability affects young people's life decisions. And the third and final analysis examined the circumstances that will come to define this generation over the coming decades.

Donations, sponsorships and youth partnerships

We supported numerous youth initiatives all across Canada. Here are 2:

- We partnered with the Douglas Mental Health University Institute Foundation to create a series of videos for youth that debunk myths about mental health.
- To help young people enrich their music knowledge and appreciation, we partnered with Massey Hall to support interactive musical experiences and workshops showcasing local artists.

The Desjardins Foundation: Supporting academic success

The Desjardins Foundation has been our philanthropic wing since 1970. Its mission is to help young people succeed at school by giving them the tools and support they need, from preschool until graduation. The Foundation takes its cues from real community needs. It works to help more young people find motivation for their studies and take their place in society to, ultimately, build stronger and more inclusive communities.

Through its programs and partnerships, the Desjardins Foundation gave $6.2 million in 2023 to help 471,688 young people across Canada, primarily in Quebec and Ontario.

Keeping motivation strong with the Desjardins Foundation Prizes

The Desjardins Foundation Prizes are grants of up to $3,000 awarded to special projects headed up by school and community workers to benefit kindergarten, elementary and high school students. This program is a way for the Foundation to support ideas that can significantly increase motivation for students, particularly the students who need it the most. In 2023, a total of 115,530 students participated in 626 exciting initiatives.

AVAILABLE in French only

Desjardins Foundation Prizes: Odyssée culinaire (2 min 37 s)

Scholarships to relieve some financial stress

Desjardins Foundation scholarships are awarded to post-secondary students who have financial need but also are actively involved in their communities or who've shown perseverance along their academic path. With the cost of living going up—and 49% of scholarship applicants stating that they sometimes have trouble making ends meet—this financial aid takes some pressure off students so they can concentrate on learning.

Many different Desjardins scholarships

The Desjardins Foundation, the caisse network and some of our business partners team up every year to offer scholarships to as many young people as possible. In 2023, 4,402 students got financial aid. For 1,467 people it was through the Foundation, for 2,823 it was through a caisse, and for 112 it was thanks to a partnership.

Desjardins Foundation partners helping the cause

Many organizations offer services and activities that equip students with the tools and help they need to get through the obstacles they encounter on their academic journey. The Foundation supports 20 organizations working in Quebec and across Canada to provide concrete support that helps young people stay in school.

Well-being at the core of academic success

One in two young people experiences symptoms of anxiety or other mental health issues. The Desjardins Foundation is proud to help organizations like Kids Help Phone and the Fondation Jeunes en Tête continue their vital work both preventing psychological distress and helping young people who experience it.

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4.4 Responsible and inclusive procurement

The vast majority of the products and services we purchase are from suppliers based in Canada or operating in Canada. The effects of our purchases and procurement requirements are felt throughout our supply chain, from suppliers to their subcontractors and partners. Given our purchasing volume and the number of partners we do business with, we're in a position to influence our suppliers and encourage them to adopt sustainable practices.

Our approach

We factor responsible procurement principles into our organization's policies and practices. These principles include using resources responsibly and incorporating environmental, social and governance (ESG) factors into all procurement processes. In 2023, to ensure uniform procurement processes in the caisse network, the caisse network procurement policy became a standard. That means it automatically applies to all caisse activities.

We use the BNQ 21000 self-evaluation checklist to continually improve our approach to responsible procurement. We've adopted a responsible procurement rule based on our procurement policy. Regardless of the nature or value of the goods or services being purchased, our goal is to ensure that procurement decisions follow sound financial management principles and incorporate sustainability considerations. Our sustainable procurement guide, which is based on the rule, also promotes sound purchasing behaviours across Desjardins.

At Desjardins, we see diversity and equity as fundamental elements for our future. Diversity is an asset and a strength for our employees, members, clients and suppliers. We've developed a supplier diversity program that values companies owned and operated by people from diverse backgrounds. One of the program's goals is to encourage equitable procurement of goods and services from suppliers from historically under-represented groups.

Supplier relationships

We strive to build respectful and collaborative business relationships with our suppliers based on industry best practices. During the acquisition process and throughout our business relationship with suppliers, we ensure that they understand and share our sustainability efforts and approach.

A leader in responsible procurement

As a seasoned responsible procurer, we have a standardized system to assess our suppliers against ESG factors.

This is part of our overall assessment of suppliers and their offers and—for some of our more strategic purchases—the contract management process. We encourage our business partners to follow best practices.

To better communicate our sustainability expectations to suppliers, we have a **Supplier centre** on our website with a section on responsible procurement. We also have a code of conduct for suppliers that clearly sets out our expectations. These expectations relate to ethics, governance, human rights, workplace health and safety, the environment, overall performance and continuous improvement.

Standardizing sustainable procurement practices

In line with the caisse network's procurement standard, we adapted our sustainable development questionnaire for small and medium-sized enterprises to cover purchases by the caisse network. When making their final decision about suppliers, caisses can now better assess each supplier's commitment to upholding sustainable procurement principles.

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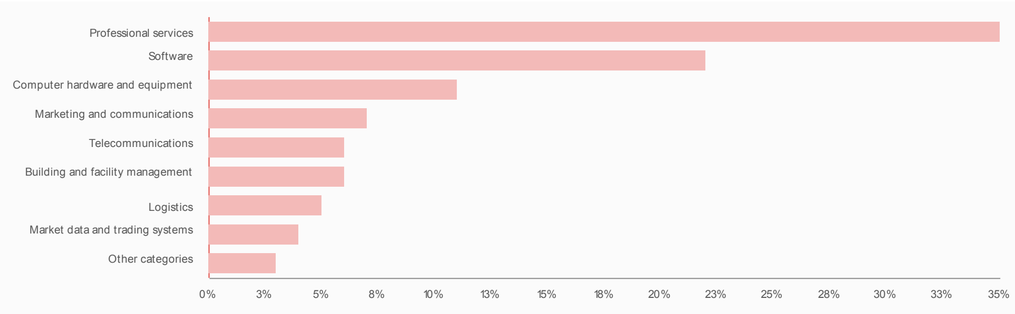
Local purchasing

As a socioeconomic leader, we give priority to goods and services that are located as close as possible to our physical locations, provided that all other competitive bidding conditions have been met. In 2023, we purchased $2.81 billion in products and services from 2,516 suppliers, the vast majority of which are based in Canada or operate in Canada.

Breakdown of purchases made by Desjardins in 2023
(excluding claims, purchases made with Visa cards and purchases by the caisse network)



Key indicators

In 2023, we continued to work on reducing our supply chain's carbon footprint to move us closer to our climate goals and net zero target for our extended operations by 2040.

As part of our strategic procurement process, we assess the overall performance of our suppliers using 4 main criteria: cost, service, agility and Desjardins values.

We've standardized our supplier sustainability and social responsibility assessments. All our suppliers now have to answer a single questionnaire that covers ESG factors. Based on the answers, we assign each supplier an ESG score. We consider this score, along with factors based on our cooperative and sustainability values, in their overall assessment.

Supplier ESG evaluations	2023	2022	2021
Number of suppliers	2,516	2,359	1,991
Number of suppliers assessed during the year (through calls for tenders)	400	329	247
Products and services purchased ($ billions)	2.81	3.14	2.50
Products and services purchased from assessed suppliers ($ billions)	1.75	1.72	1.50
Percentage of products and services purchased from assessed suppliers	62%	55%	60%

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4.5 Solidarity-based finance around the globe

Promoting economic empowerment worldwide

Across the globe, much remains to be done to end hunger, take action to combat climate change and its impacts, ensure that all people can lead healthy lives, help women and young people take their rightful place and eliminate insecurity in all its forms.

Economic empowerment is an essential condition to achieving this. Because when people are economically empowered, they can farm sustainably, start businesses and create jobs, take care of their families and cope with unexpected events. Economic empowerment happens when people have long-term access to financial services tailored to their needs, the ability to adopt secure financial practices and the opportunity to control their own finances.

Through technical assistance projects and impact investing, Desjardins International Development (DID) promotes the economic empowerment of people and communities in roughly 30 countries around the world. It's our way of contributing to global inclusive, sustainable development.

Contribution to the development of inclusive finance institutions in countries with developing and emerging economies[22]	2023	2022	2021
Number of members and clients at partner institutions	—[23]	26,979,844	20,495,071

Highlights

Investments that foster financial inclusion and support the UN's Sustainable Development Goals

DID uses impact investing to support the development of 14 inclusive finance institutions. Through impact investing, DID has helped create or maintain 4,244 direct jobs, support 59,523 farmers, serve 183,132 clients in rural areas and finance 73,192 businesses. In addition, 55% of the institutions DID supports offer financial products that help protect the environment.

Support for ACCOSCA's climate action plan

In 2023, DID helped the African Confederation of Co-operative Savings and Credit Association (ACCOSCA) draft a climate action plan. The plan will help the association incorporate climate action into its policies, business practices and training programs in a practical and efficient way. It's based on a complete assessment of ACCOSCA's activities and operations and has 2 main pillars: first, awareness and education, and second, the development of environmentally friendly financial products (responsible finance). The plan will help ACCOSCA and its many national member co-ops better promote environmental protection and greenhouse gas reduction, make members more resilient to climate shocks, implement climate change adaptation measures, as well as promote the transition to a green and circular economy.

A better future for people in Benin

In 2023, DID completed a project in Benin that resulted in 744,649 new banking accounts being opened. Of these accounts, 64% belong to women. In a country of 12 million people, this is significant step toward financial inclusion. The project also introduced 426,942 people (72% women) to digital finance. A major financial literacy program increased knowledge of basic financial concepts among target populations from 7.5% to 76%.

[22] Data includes institutions that received technical support from DID. Data also includes institutions that received a loan or investment through DID's investment subsidiary.
[23] Data for 2023 will not be collected and compiled until June 30, 2024, which, for many of the financial institutions involved, is the regulatory deadline to file their audited results.

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Awards and recognition

- The First Nations Home Ownership Program won the jury's choice award at PMI-Montréal's Gala Élixir. The gala celebrates the best in project management in Quebec.

Our approach

We work to support social and economic development for our Indigenous members and clients and their communities. Because creating an inclusive environment for these communities is important to us, we put together several initiatives in 2023 to raise awareness among our employees and stakeholders of the realities and issues facing Indigenous Peoples.

Our caisse network at the service of Indigenous communities

Through 25 caisses, we serve about a dozen Indigenous nations and their communities in Quebec (see our list of caisses serving Indigenous communities).

Products and services

Financing

Individuals

First Nations people face significant challenges with respect to home ownership. Outdated government programs and federal legislation, which prohibits security from being taken over property on First Nations territories, make it difficult for them to purchase property. Aware of the long turnaround times and cost inequity of the current process, we developed the First Nations Home Ownership Program. Designed with help from a law firm specializing in Indigenous rights, this program streamlines the mortgage approval process for First Nations communities by not systematically relying on government loan guarantees.

After a successful pilot project, the Mashteuiatsh community and Caisse Desjardins du Pekuakami signed a partnership agreement in early November 2022 to roll out the solution to this Ilnu community.

The advantages of the program include turnaround times and borrowing costs that are similar to those available to other communities we serve. The program will also provide these communities with access to a broader range of mortgages and personal insurance products.

Business services

In Quebec, the majority of our commitments with Indigenous governments are in the real estate and public infrastructure sectors.

Financing for business projects

We want to make our services more inclusive for Indigenous business owners, so in the fall of 2023, we introduced new loan approval conditions adapted to their business reality.

We're also involved in several renewable energy projects owned in part by Indigenous communities.

Here are a few examples of transactions we've completed:

Alliance de l'énergie de l'Est

- We've provided funding of up to $350 million for Alliance de l'énergie de l'Est to build and operate local wind farms. The alliance is a coalition of 209 municipal and Indigenous governments representing 16 regional county municipalities in eastern Quebec, the Magdalen Islands and Wolastoqiyik Wahsipekuk First Nation.

- Four wind farms, with a combined output of 922 MW, that were submitted to Hydro-Québec's request for proposals by the alliance, along with partners EDF Renewables, Invenergy, Algonquin Power & Utilities Corp. and Hydro-Québec, were accepted in March.

Apuiat project with Boralex

- We're acting as the coordinating lead arranger for the banking syndicate financing the Apuiat project, which is owned in equal parts by Boralex and Innu communities. Apuiat will be the first wind farm on Quebec's North Shore and will provide the region with a long-term source of clean energy. The project is also expected to have a significant economic impact on Indigenous and non-Indigenous communities in the region.

Insurance

Property and casualty insurance

Insurance held by members and clients from Indigenous communities

As of the end of December 2023, a total of 6,431 insurance policies (home or auto) were held by members and clients living in 50 Indigenous communities in Quebec, including many in remote regions such as Waskaganish, Chisasibi and Kuujjuaq.

Group insurance

At the end of 2023, 6 businesses and band councils from Indigenous communities across Canada had group insurance with us, for a total of more than 9,725 plan members and beneficiaries.

Investment

Shareholder engagement

To learn more about our shareholder engagement practices with respect to consultations with Indigenous Peoples and human rights, see the 5.3 Human rights section, page 61.

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Partnerships with Indigenous communities for infrastructure investments

We're financially involved in the following projects:

White River Hydro Project (19 MW, northern Ontario)

The White River Hydro Project is owned in equal parts by Regional Power and Pic Mobert First Nation.

Rivière-du-Moulin Wind Farm (350 MW, Quebec)

The Innu and Huron-Wendat Nations are partners in this 350 MW wind farm near Saguenay, Quebec.

Grand Renewable Solar, Haldimand County (100 MW, Ontario)

Six Nations of the Grand River is a partner in this 100 MW solar farm near St. Catharines, Ontario.

Cypress Wind Farm in Medicine Hat (201 MW, Alberta)

This wind farm will be built and managed by EDF Renewables. Along with the Kainaiwa / Blood Tribe, we will become shareholders when the wind farm begins operating.

Power Sustainable Energy Infrastructure Partnership

This investment platform has earmarked an initial $1.6 billion for the North American renewable energy sector. It has multiple assets and asset portfolios in which Indigenous communities are shareholders. The partnership includes solar farms in Ontario and wind farms in Nova Scotia and Alberta.

Socioeconomic leadership

Promoting inclusive procurement

In line with our values and our goal of being a strong socioeconomic leader, we promote the inclusion of suppliers from many different backgrounds, including Indigenous communities.

Great Bear Forest Carbon Project in British Columbia

By purchasing certified carbon credits from this project, we support the collaborative ecosystem-based management approach involving the government, environmental groups, local forest companies and First Nations. The project promotes the conservation and biodiversity of the largest temperate rainforest in North America while contributing to the well-being of Indigenous communities.

Youth and financial literacy programs

Desjardins scholarships

In 2023, we awarded 59 Desjardins Foundation and caisse scholarships to students who self-identify as Indigenous.

Desjardins Foundation Prizes

In 2023, 12 inspiring Indigenous initiatives for kindergarteners through high school students got off the ground thanks to the Desjardins Foundation Prizes. For example, a group of students from Polyvalente La Samare in Plessisville went on a trip to the Ilnu community of Mashteuiatsh. During the trip, they had the opportunity to eat traditional foods, learn about medicinal plants and traditional celebrations, and most importantly, engage in meaningful conversation and sharing with the community.

Personal Finance: I'm in Charge

Personal Finance: I'm in Charge® is a free program that helps young adults and newcomers to Canada learn how to manage their finances with confidence. To learn more, see the Multiple financial literacy platforms section, page 16.

Caisse Desjardins de Wendake, Caisse Desjardins du Pekuakami, Caisse populaire Kahnawake and Caisse Desjardins Eenou Eeyou all participate in this program. With the help of stakeholders in the North Shore region, a promotional pamphlet about the program is now available in Innu.

KWE! festival in Quebec City

Through our sponsorship and donation program, we help promote First Nations and Inuit culture in Quebec through activities specifically intended for youth during the festival.

Raising awareness about Indigenous issues and realities

The National Day for Truth and Reconciliation, created in 2021 to honour the victims and survivors of residential schools, reminds us of the importance of reflecting on and raising awareness of the history and experiences of Indigenous Peoples.

This important day is a holiday for all Desjardins employees to give everyone time to pause and remember the harm done to Indigenous Peoples.

Internal initiatives to support reconciliation

In 2023, we encouraged our staff to learn more about the realities facing Indigenous Peoples and communities and their contributions to society:

- By watching a webinar on the Two-Spirit identity in Indigenous nations.
- By attending a talk on September 28 by Mélanie Paul, an Ilnu businesswoman and wellness coach from Mashteuiatsh in Lac-Saint-Jean. The talk encouraged participants to reflect on how we can each contribute to the truth and reconciliation process and recognize the work that still needs to be done for true reconciliation.
- By participating in discussions in an online equity, diversity and inclusion community, which include many suggestions for learning more about Indigenous Peoples, their histories and cultures.

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4.7 Equity, diversity and inclusion

Awards and recognition

- We earned Platinum Parity Certification from Women in Governance, the highest honour awarded by the organization. This certification recognizes the exemplary steps we're taking toward achieving equal representation of women at every level of the organization.
- We won the Maurice Pollack Award for corporations. This award recognizes the exceptional actions taken by an organization to foster ethnocultural diversity.

As a cooperative and a socioeconomic leader, we believe in the value created by diversity of all kinds—including gender, background, culture, religion, age, experience, sexual orientation and ability.

One of our guiding cooperative principles is open and voluntary membership. That means we're committed to welcoming and serving people from all communities.

Our approach

An equitable, diversified and inclusive workplace allows us to better meet the needs of our members, our clients, our employees and the communities we serve. We reaffirm our commitment to welcoming each person, accepting them for who they are, learning from our differences, celebrating those differences and guaranteeing everyone the same treatment.

The guiding principles of this commitment are:

1. Promote inclusive leadership
2. Always fight against discrimination
3. Ensure equal opportunity
4. Share our commitment and requirements with our members, clients and suppliers

A strategic plan to help us achieve our equity, diversity and inclusion goals

In 2021, we engaged in a strategic reflection on diversity and inclusion to guide us on the path we've chosen to take through 2024.

More specifically:

1. We've publicly committed to a rigorous process to help us ensure equity, diversity and inclusion (EDI) across our entire organization and be recognized as a caring and inclusive employer.
2. We created an EDI office tasked with building an equitable, diversified and inclusive organization that will benefit society as a whole.
3. We've added equity to our diversity and inclusion program. Equity guarantees fair treatment and equal access to job or advancement opportunities. It also refers to the actions we take to identify and eliminate potential obstacles that prevent certain groups from fully participating in all aspects of life at Desjardins.
4. We created a governance structure consisting of an executive committee with 8 members of senior management to align our efforts across the organization (member/client experience, supplier program, governance, etc.).

Spurred by everything we've done in recent years to become an even more inclusive organization, we renewed our commitment to go even further. Our EDI plan takes a comprehensive approach, covering our people management practices, our business practices and our social responsibility practices. The 3 parts of the plan target employees, members and clients, and socioeconomic leaders.

In 2023, we worked with all our business sectors on an action plan to ensure that our commitment to EDI would be reflected in our business practices and our actions as a socioeconomic leader. The plan enables us to better account for the specific needs of under-represented groups and people in vulnerable positions so we can give our members and clients the support they need to be financially empowered, as set out in our mission. The plan also helps us, as a socioeconomic leader, to make a positive difference for these communities through our activities. We've begun putting the plan into action and we'll continue the rollout through 2024.

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This past year, we also introduced some initiatives to improve our inclusiveness for our members and clients:

Indigenous communities

- We spread the word about the First Nations Home Ownership Program to meet homebuyers' needs (see page 46).
- We raised employee awareness of certain customs so that they can be recognized and respected (see page 47).

LGBTQ+

- We reviewed eligibility criteria for gender affirmation coverage in our insurance offer so that more members and clients can take advantage of the coverage that reimburses the cost of certain services.

Here are a few more examples of initiatives undertaken in 2023 to help us better support under-represented groups and people in vulnerable positions:

- A workshop on unconscious bias with members of the Nomination and Election Committee
- A study of innovative approaches to connecting with youth in vulnerable situations, especially those at risk of dropping out of school
- Participation of businesswomen and leaders from countries where DID operates in Empowering Women programs

Setting and tracking targets

Our approach as a caring employer focuses mainly on ensuring representation of the diverse groups that make up communities.

As part of our strategic plan, we have identified representation indicators for the following 3 priority groups:

- Women, with a goal of reaching gender parity for senior management positions and across our workforce as well as positions on the Federation and caisse boards of directors
- Youth
- Members of ethnocultural communities (including Indigenous Peoples), with representation indicators for staff and senior management positions

Managers in our main business sectors can track the indicators using a dashboard and tailor their action plans to specific challenges. Our management committee and the board of directors also discuss the indicators. This helps us stay focused on our goals and ensure that everything we're doing will help us achieve them.

Our voluntary diversity survey can be completed at any time. That means employees can update the survey whenever they want, providing us with an accurate picture of diversity within our organization. We use this information to adjust our people management practices.

For figures on equity, diversity and inclusion, see the appendix (page 72).

Breakdown of caisse directors and employees

Caisse director representation (%)		2023	2022	2021
By gender	Women	49.2	48.4	47.0
	Men	50.8	51.6	53.0
By age group	Under 35	19.5	17.9	17.9
	35–49	29.6	28.3	26.9
	50–64	29.1	31.5	33.2
	65+	21.8	22.3	22.0

In 2023, the director representation index in terms of the gender and age of members was 93.3%. This index weights gender and age equally.

Representation of cultural communities (%)[24]	2023	2022	2021
All of Desjardins Group	17.7	16.7	16.4
Senior managers	7.3	6.8	7.0
Managers	11.0	10.3	9.7
Employees	18.4	17.3	17.1

Creating a culture of equity, diversity and inclusion

Enhanced group profiles for boards of directors

Annual updates to the enhanced group profiles for our boards of directors (Federation, subsidiaries and caisses) enable boards to take into account representation and diversity targets for age, gender and background.

Raising awareness about diversity and inclusion

We run activities and events to help employees and board members become more aware of the issues and challenges faced by people belonging to under-represented groups. The activities also aim to help them realize how we can all help each other discover and fully experience the wealth of diversity.

Here are some of the events we focused on in 2023:

- Black History Month
- International Women's Day
- World Autism Month
- Pride Season
- National Day for Truth and Reconciliation

Combatting racism and discrimination

At Desjardins, we have zero tolerance for any form of discrimination. Our inclusive talent management helps all our employees stay engaged and grow as professionals so they can do what's best for our members and clients. This intention goes hand in hand with our commitment to welcoming each person, accepting them for who they are, learning from our differences, celebrating those differences and guaranteeing everyone the same treatment.

[24] Senior managers, managers and employees who voluntarily self-identified as a visible minority, as an ethnic minority or as Indigenous.

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Recruitment is an important step in creating an inclusive and equitable workplace. As an employer, we pay close attention to potential bias and continuously work to improve our talent acquisition and management processes. Our goal is to provide discrimination-free access to employment, promotions and transfers.

We also encourage the creation of discussion groups on racism, discrimination and neurodiversity in the workplace. One of the discussion groups is Courageous Conversations About Racism. This initiative gives hundreds of employees, often from under-represented groups, the chance to share their experiences. It's also an opportunity for us to demonstrate our commitment to EDI and raise awareness among allies about how they can be inclusive leaders in their day-to-day. These conversations have been a great success and are highly popular among employees.

Inclusive Circles EDI training path for everyone at Desjardins

We created an EDI training path for all our employees and managers to help transform people's mindsets so we can build a more equitable, diverse and inclusive organization that makes a positive difference in society. Workshops for managers focus on helping them become inclusive leaders. Key concepts from this training are also presented to our various governing bodies to ensure everyone across Desjardins shares the same vision of EDI.

Gender affirmation coverage for employees

Gender affirmation coverage has been included in Desjardins employee group insurance plans since January 1, 2023. This coverage for employees and their dependants is fully paid for by us. We've also created a guide outlining an approach, tools and resources that managers can refer to as they support an employee through each step of the gender transition process.

Concrete efforts to promote parity and EDI

Awareness-raising and support

Our 2022–2024 EDI plan is run by EDI partners across the organization. EDI partners are senior managers chosen by each executive division to support and promote EDI initiatives by adapting them to fit the reality of their business sector.

We provide them with resources to support them in their role and foster employee engagement in their sector.

Parity

Empowering Women

In February 2021, we introduced Empowering Women, a Canada-wide network of all women and their allies at Desjardins. This network gives all our female employees and directors and their allies an opportunity to grow, connect, stay informed and share their stories. Discussions are hosted on a web and mobile platform, which had more than 14,000 users at the end of 2023.

Female Empowerment Program

Developed in partnership with The A Effect, this program is open to all women working at Desjardins, so they can tap into their full potential. Approximately 95% of the 6,133 women who have now completed the program would recommend it to others.

A learning path for businesswomen

In 2022, Empowering Women launched the Entrepreneur's learning path for women who are Desjardins members and clients. It's offered free of charge. Since the learning path was rolled out, over 5,000 women have participated.

Female leadership development programs

In 2023, we continued to offer leadership development programs for women at various management levels.

- Desjardins Ambition Challenge (joint program with The A Effect): 97 professionals and young managers took part in this 8-month invitation-only program. The program uses an innovative approach to help women develop their full potential and boost their careers, drawing inspiration from other women leaders.
- The Women in Leadership Excellence program, which helps senior managers with great potential become confident leaders.
- A mentorship platform that offers a dynamic and personalized way to grow professionally with the help of a Desjardins mentor.

Newcomers to Canada

In addition to financial inclusion initiatives for immigrants (page 15), a personalized product and service lineup and specialized services for this client segment (page 15), we also have a cultural community development team. This team is present for immigrant communities through strategic local and national partnerships.

Improving accessibility

The Desjardins Group Management Committee adopted an accessibility strategy to take action to better support members, clients and employees with physical, cognitive and intellectual disabilities.

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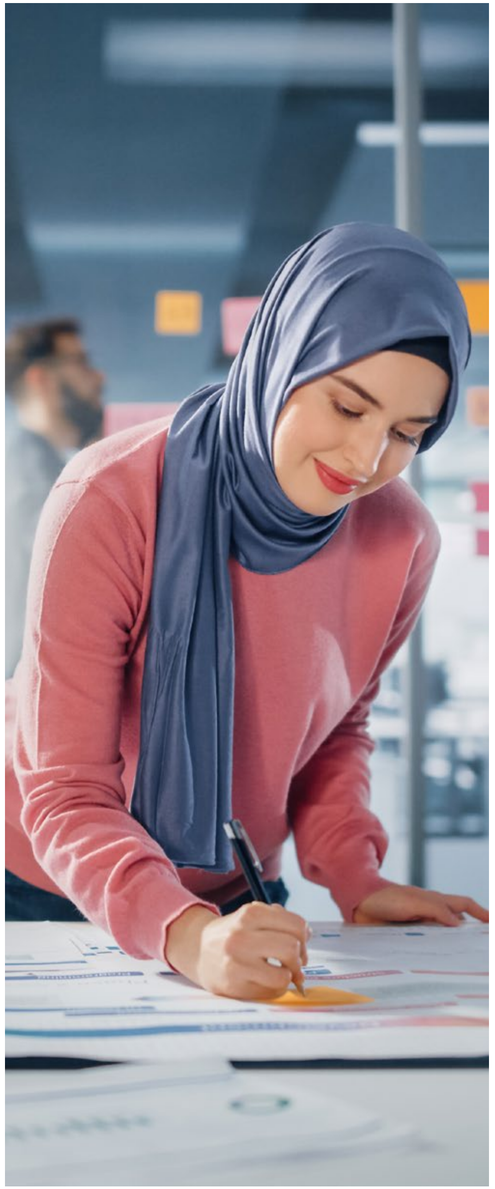

Donations, sponsorships and partnerships

We've partnered with the Entrepreneurial Leadership and Learning Alliance (ELLA) at York University. It's an accelerator for women entrepreneurs and it's mission is to reduce the gap of gender inequality in entrepreneurship. ELLA offers 3 programs and a supportive community for women of all backgrounds, identities and abilities.

At the University of Ottawa, we fund scholarships for women and students from racialized communities in the capital markets program.

We also provide support through scholarships at McGill University for women in science, technology, engineering and mathematics—fields that have been historically dominated by men.

EDI targets for Desjardins Foundation scholarships

The Desjardins Foundation has set a specific target under its scholarship program to support students from different backgrounds. The Foundation makes sure at least 15% of its scholarships are awarded to recipients in the following groups: visible minorities, cultural minorities, Indigenous Peoples or persons with disabilities.

Talent acquisition

Our talent acquisition team works hard to eliminate bias in candidate screening.

In 2023, we rolled out an ambitious talent acquisition action plan to support our commitment to EDI:

- Measuring representation in the talent we attract and recruit
- Ensuring accessibility through accommodations for people with disabilities
- Rolling out an artificial intelligence tool to limit bias
- Developing initiatives to integrate and include temporary foreign workers

Immigration Support Centre

The team of experts working in our Immigration Support Centre helps temporary foreign workers and Desjardins managers with the immigration process.

As at December 31, 2023, the Immigration Support Centre managed 1,670 foreign workers.

We use the Montréal International platform to increase visibility for jobs that are open to foreign workers and expand our talent pool. Montréal International's I choose Montréal initiative helps us promote job postings to international students.

Supplier diversity

Our supplier diversity program is designed to make good on our commitment to broaden access for under-represented groups in Canada. In addition to introducing new inclusion processes, we continued to collect data from our suppliers to determine and categorize their diversity profile.

In 2023, we spent a total of $38 million on products and services from women-owned businesses. This is a strong commitment to help women entrepreneurs increase their market share of Quebec's entrepreneurial ecosystem.

To ensure we have best practices in place for diversifying our supply chain, we renewed our Canadian Gay & Lesbian Chamber of Commerce and Women Business Enterprises Canada Council memberships in 2023.

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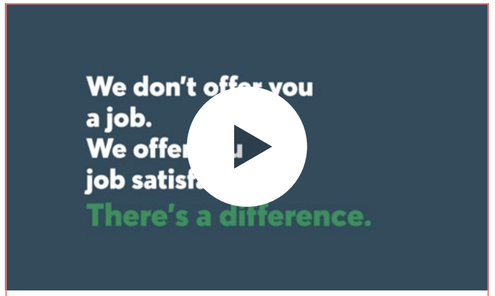

Why work at Desjardins?
Explore what sets us apart! **(2 min 39 s)**

Awards and recognition

- We were once again named one of Canada's Top 100 Employers by Mediacorp Canada Inc. We've made the list every year since 2011.
- Mediacorp Canada Inc. also rated us one of Canada's Top Employers for Young People.
- We're the first private company in Quebec to receive the Prix d'excellence – Milieux de travail alliés contre la violence conjugale, a prize awarded by the Regroupement des maisons pour femmes victimes de violence conjugale for work done to support survivors of intimate partner violence.

At Desjardins, people come first. Our employees enjoy great working conditions, training opportunities and benefits. We're committed to helping our employees make a real difference in the lives of people and communities.

We believe that talent development is based on building a strong manager-employee relationship and maintaining an authentic dialogue throughout the year. By managing talent inclusively, we're able to help all our employees reach their full potential. Everyone is invited to contribute so that we can meet our business challenges, together. This vision plays a key role in how we expect our managers to act.

Our approach

Our employees aren't just professionals: they're also parents, spouses, friends and much more. With that in mind, we want to offer them a workplace where all facets of their lives can exist in harmony. We do everything we can to create an enjoyable workplace where everyone feels motivated and fulfilled.

Our employees can count on:

- The flexibility they need to find balance and support their well-being (telework, flexible work schedules, vacation, statutory holidays, parental leave, etc.)
- A wide range of wellness programs (reimbursement program for health and wellness expenses, Sleep Health Program, reimbursement of ergonomic and IT equipment and accessories, telemedicine, Employee Assistance Program, etc.)
- A base salary that's in line with the market, and a yearly bonus that's in line with the market and that incorporates an ESG metric for all employees
- A defined benefit pension plan, a rarity in the market (particularly valuable at retirement, given its contribution to retirees' financial well-being)
- A flexible group insurance plan that focuses on preventing health problems, fostering financial security, and promoting diversity and inclusion:
    - 3 coverage options for healthcare and 3 for dental care
    - A generous health spending account ($800 per couple and $1,100 per family)
    - Life, disability and critical illness insurance
    - Reimbursement of gender affirmation services and prescription drugs for obesity
- Opportunities to join us in giving back to the community (Desjardins Cares and Shares campaign, volunteering, Le Grand défi Pierre Lavoie, etc.)
- A policy that allows employees to work from abroad or elsewhere in Canada to extend their vacation or take care of a loved one during difficult times

To learn more, visit the Careers section of our website.

Freedom of association

In terms of the right of association, we respect the values of the *Canadian Charter of Rights and Freedoms* and related provincial and territorial laws and labour codes (see Freedom of association at Desjardins).

Pay equity

Equity plays a central role in our total compensation. Under Quebec and Ontario laws, we're required to ensure pay equity. In Quebec, we're required to correct any differences in pay caused by systemic gender discrimination experienced by people in jobs mostly held by women. We re-evaluate pay equity every 5 years. Our December 31, 2020 pay equity audit didn't show any differences in pay due to systemic gender discrimination.

In addition to these legally required audits, we've based our total compensation framework on the principles of internal, external and individual equity.

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Internal equity

We have an ongoing job evaluation process in place that ensures equal pay for equal jobs. This process looks at responsibilities and establishes the relative value of jobs regardless of the employee's gender, performance or experience. An expert committee does interviews to properly position each job using an evaluation plan. This helps ensure consistency across the organization.

External equity

Every year, we participate in salary surveys to verify the value of jobs in relation to the market and to maintain a competitive position.

Individual equity

Individual equity involves appropriately positioning employees within our salary ranges so that everyone with the same job receives compensation that reflects their contribution, experience and individual performance.

In 2023, we made changes to our salary structure to make it more flexible, stay competitive on the market and better reflect the reality of the various jobs throughout our organization. Salaries offer a tangible strategy for addressing the challenges of attracting and retaining talent.

Work-life balance

Various options are available to help our employees achieve work-life balance, including:

- Flexible work schedules (compressed work week, flexible hours, etc.).
- Telework (hybrid or full time) as a separate work arrangement.
- Time off (4 weeks of vacation as of the first year of employment, including 5 days when employees are hired, 12 statutory holidays, 2 paid days for family obligations, sick leave, etc.). Options may vary by individual needs, job requirements and working conditions.

Updated work arrangements

In 2022, we introduced new work arrangements. Our employees continue to benefit from these arrangements based on their tasks and the needs of our members and clients. Some employees work 100% in the office, others work 100% at home, and the majority combine both, with at least 2 days a week in the office.

We collect feedback on the employee experience using engagement surveys.

Employee health and wellness

We offer our employees and managers a wide range of health and wellness services and initiatives, including:

- A reimbursement program for health and wellness expenses that advocates for prevention by encouraging healthy habits and work-life balance, with an annual allowance of $600 to cover activities that support physical and mental health and services that help balance personal and professional life
- A $1,000 allowance for the reimbursement of ergonomic and IT equipment and accessories
- An employee assistance program that offers a number of services to help employees through difficult times
- A platform called Health is Cool 360° that includes a wealth of healthcare information and useful resources
- A telemedicine service that provides online access to healthcare professionals for greater flexibility and a better work-life balance
- A sleep health program that offers tips, support and screening
- A number of tools, videos and talks to help employees and managers take care of their physical health and achieve balance through the new hybrid work arrangements

Talent acquisition and management and employee experience

Revising our talent acquisition practices

We launched our internal job market and put in place a variety of tools to facilitate internal mobility. Employees can now fill out a career profile in Workday to find job opportunities and share their career goals.

Welcome Camp

We offer an online Welcome Camp for all new employees. At the camp, they learn about the Desjardins Fundamentals and how to always do what's best for members and clients.

Engagement rate

Our engagement rate for 2023 was 83%. This result is well above the 78% average achieved the same year by businesses using the same engagement measurement platform.

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Passionate Professionals Network

The Passionate Professionals Network is a group of 215 employees from across Desjardins. They share their passion for their jobs with peers and are available to answer questions. The Passionate Professionals Network website includes:

- Video clips where employees share what they love about their jobs and what skills you need for their position
- Time slots where passionate professionals answer questions from peers who want to learn more
- Job files, with plain-language descriptions provided by managers

Recognition

In 2023, we modernized our approach to recognition with a new framework focused on our commitment to always doing what's best for members and clients. The framework standardizes and promotes recognition practices throughout the organization. It clarifies what we value (the person themselves, their work and the results they obtained) and how we recognize people (expressing appreciation, offering an experience, offering a monetary reward). Lastly, it ensures consistency in how we show recognition across the organization on a daily basis.

Desjardins behaviours

We've adopted a set of behaviours to help us uphold our commitment to always doing what's best for members and clients. Covering aspects like writing in plain language, making things easier, sharing information and focusing on being relevant instead of striving for perfection, these 8 employee and 8 manager behaviours motivate everyone in our organization to act as one big team and always do what's best for members and clients. These behaviours count for 50% of employees' annual performance reviews.

A multi-source feedback process

In 2022, we rolled out a multi-source feedback practice focused on strengths to the entire organization. This practice helps employees improve their performance and grow. By asking for feedback from colleagues, they can get to know their strengths and better leverage them in their role. Employees can also request feedback on their challenges if they feel ready.

New employee hires and employee turnover

The retention rate for permanent employees is 93.3%, which is a testament to our engaging and dynamic work environment.

For figures on recruitment, turnover and workforce distribution, see the appendix (page 73).

Professional development and training

Professional development not only ensures we're always doing what's best for members and clients, but it also enables our employees to expand their skills.

Learning and development are part of our daily work routine. With the support of their managers, employees drive their own development and can influence their colleagues' development, too.

At Desjardins, professional development comes in all shapes and sizes to meet the needs of our employees. It includes things like mentoring, classroom training, special assignments and conferences.

Training

We have more than 100 training programs on offer for employees and managers to help them keep their knowledge and skills sharp. They're available on demand from anywhere so employees can learn at their own pace.

Our professional development solutions are updated regularly so our employees always have access to the most relevant information for their needs.

Hours of training

In 2023, we invested $208.2 million in staff training and development activities, in large part through the Desjardins Cooperative Institute. This represents 4% of our total payroll and 2.2 million hours of training.

Mentorship

Our mentorship program connects professionals or managers and creates opportunities for them to talk, collaborate and learn. Mentorship gives mentees access to mentors' knowledge and experience, and also helps them expand their network and build key skills for the future.

Continuing education

We offer support in many forms to employees who wish to further their education at recognized educational institutions:

- Flexible work schedules
- 100% paid training time when training is a job requirement and 50% paid training time for field-specific academic training outside work hours
- Reimbursement of tuition fees and the cost of required textbooks and material upon successful completion of a course

LinkedIn Learning offer

The LinkedIn Learning content library was made available to all our employees and managers in June 2023. They have access to the library through Workday Learning, with more than 10,000 online courses available on a variety of topics in English and French.

Programs for upgrading employee skills

At Desjardins, we encourage our people to develop skills that align with our strategic priorities and cooperative values. Our skills development program has 3 components: leadership development and cross-sector training (both provided by the Desjardins Cooperative Institute) and job-specific training (provided by the business sectors).

In 2023, in addition to job-specific training, we helped our people grow by focusing on 2 themes: the skills needed in the digital era and mental health. We also rolled out required training on 2 topics: the behaviours needed for our cultural shift, with an emphasis on accountability, and the prevention aspect of information technology security and physical security.

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Performance management

At Desjardins, it's people who drive business performance. Performance management is one of the ways we ensure people work toward our business goals while always doing what's best for our members and clients.

Without the support of every employee, we wouldn't be able to achieve our goal of becoming everyone's #1 choice. Performance is linked to both results-based objectives and the Desjardins behaviours.

The performance management cycle is a continuous process made up of 3 formal meetings (start-of-year, mid-year and year-end) between managers and employees. Throughout the year, managers and employees also meet and keep in touch regularly to support the employee's:

- Progress toward the goals set at the beginning of the year (for both results-based objectives and the Desjardins behaviours)
- Accomplishments, learning and responses to the challenges they've faced during the year
- Professional development and career interests

Our performance management practices are based on our observations of major market trends and effective practices.

In 2023, we added a mandatory risk management objective for all our employees to reinforce the importance of accountability in managing risk to always do what's best for our members and clients. We provided managers with a range of resources to help their teams understand and embrace this new objective.

Managing workforce risk

We work to build and maintain a resilient organization with future-ready talent to mitigate workforce risks related to carrying out our strategic plan. We strive to maintain a sufficient number of quality employees with the right skills in the right roles at the right time to meet the changing needs of our members and clients.

We also have succession plans for certain key positions to counter workforce risk. Our managers are asked to identify the best succession strategies. As needed, internal successors are trained to take over these key positions when the time is right.

Lastly, we closely monitor the status of certain critical professions for our organization and focus talent management efforts and investments on these jobs.

Respect in the Workplace Office

At Desjardins, the Respect in the Workplace Office (RWO) helps provide a healthy, welcoming and respectful workplace free of discrimination, harassment and violence.

The RWO ensures that reported incidents are handled in a rigorous, objective and impartial manner. It promotes the use of collaborative approaches to resolve situations. The people involved are encouraged to actively participate in finding solutions.

The role of the RWO is to:

- Prevent by informing, raising awareness, training and promoting accountability regarding respect in the workplace, managerial prerogative, conflict management and harassment
- Intervene whenever someone reports that they experienced a lack of respect (disrespect, conflict, psychological harassment, discrimination, psychological or physical abuse)
- Support the organization's compliance with applicable rules and laws

Our current measures to counter harassment and disrespect in the workplace, as well as parties' responsibilities, are covered in our policy on respect in the workplace (see our internal human resources policy).

Highlights

Our initiatives in 2023 included:

1. Expanding our awareness campaigns to include the topic of addiction, with short videos and resources available on the RWO SharePoint site
2. Holding intimate partner violence awareness workshops presented by the Regroupement des maisons pour femmes victimes de violence conjugale, as well as sharing a testimonial by a survivor of intimate partner violence during the 12 Days of Action to End Violence against Women
3. Creating a quick reference on managers' and employees' responsibilities for creating a safe and respectful environment for year-end celebrations
4. New training to give frontline employees the tools to handle difficult interactions with members and clients

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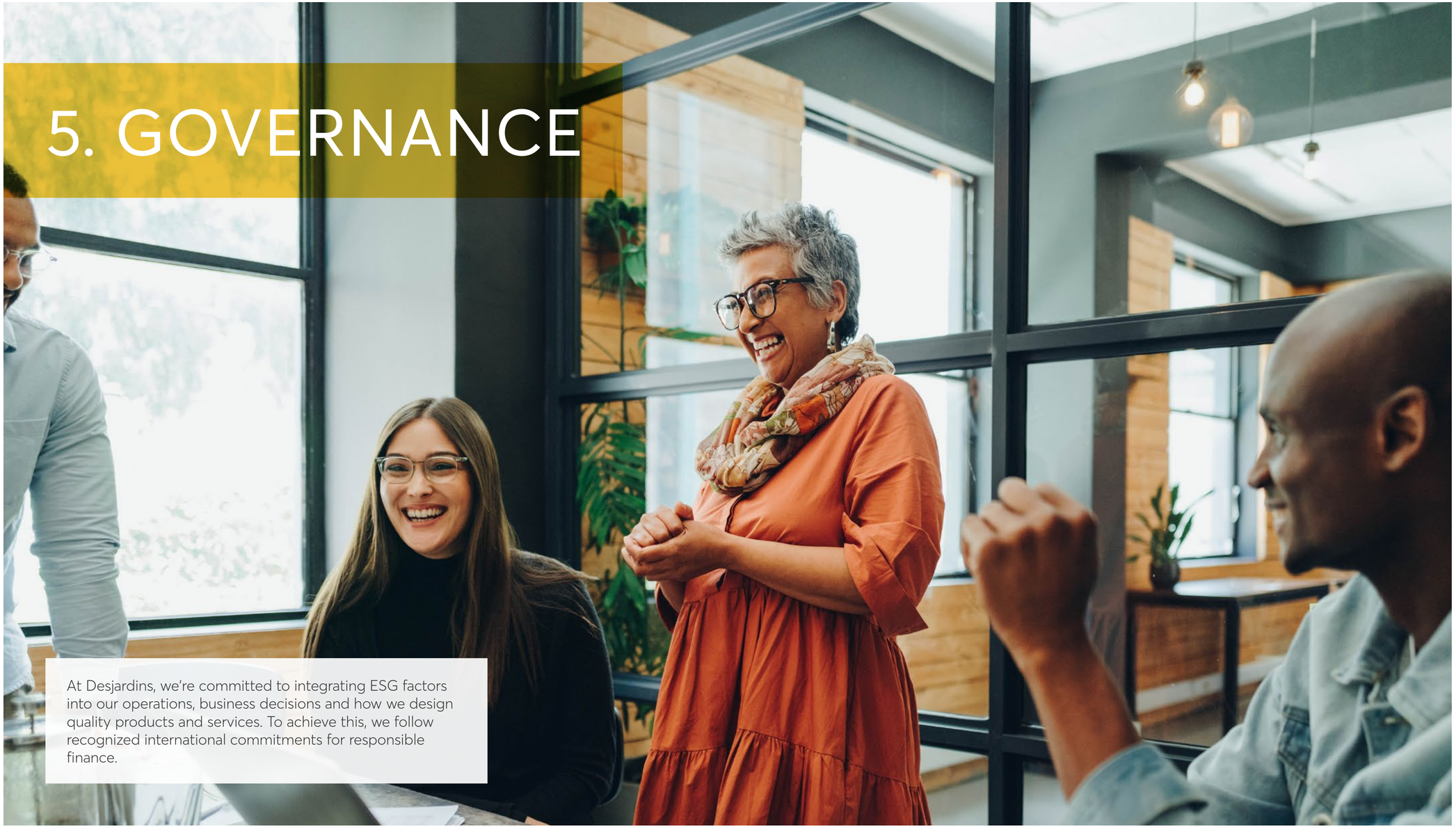

At Desjardins, we're committed to integrating ESG factors into our operations, business decisions and how we design quality products and services. To achieve this, we follow recognized international commitments for responsible finance.

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5.1 Governance and cooperative structures

Our organization's governance model reflects our cooperative nature and is designed to help us achieve our mission: As a cooperative financial group contributing to the development of communities, we give our members and clients the support they need to be financially empowered. Based on strong cooperative values like democratic action and intercooperation, our approach to governance takes into account legal and regulatory requirements and the long-term interests of our organization and our members and clients.

To learn more and read the governance highlights for the year, see the **Corporate governance** section of Desjardins Group's 2023 Annual Report.

Highlights

Changes to the governance model for Desjardins leadership

At the annual general meeting (AGM) in March 2023, some 1,100 caisse delegates voted in favour of changes to the governance model for Desjardins Group's leadership roles. After the AGM in March 2024, the role of chair of the board will be separated from the role of president and chief executive officer, a split that reflects best practices for sound governance.

Changes to Desjardins's mission

At the same AGM in 2023, delegates also voted to update Desjardins Group's mission, which now reads as follows: "As a cooperative financial group contributing to the development of communities, we give our members and clients the support they need to be financially empowered."

This statement is a simple and concise expression of Desjardins Group's purpose.

Community representation and diversity on Desjardins's board of directors

In addition to the chair, the board of directors can count on the contribution of 12 elected members from the caisse network, representing our cooperative roots, and 6 co-opted members with complementary skills and backgrounds. Other than the chair, the directors are all independent from Federation management. The percentage of women on the board is 47%: 9 of the 19 members are women. There are also 2 caisse general managers who have observer status and the right to speak, but not the right to vote, in order to encourage the implementation of directions that address member and client needs.

Overview of caisse and Federation democratic structures

Community collaboration groups

The community collaboration groups are made up of directors and general managers of caisses. These caisses share an economic or social connection such as adjacent territory or membership in a group.

These groups ensure collaboration between caisses in a community and intercooperation for the benefit of members. Their activities include implementing and promoting financial literacy and solidarity-based finance initiatives. The groups meet 4 to 6 times per year, in person or online.

Each caisse is represented by either the chair of its board or another director appointed each year by the caisse and one or more general managers, depending on the caisse's situation. The group must also have at least one director under the age of 35 or an intern director.

Desjardins Collaboration Forum

The Desjardins Collaboration Forum is responsible for discussing strategic issues and influencing strategic planning. It's also used to consult caisses about a variety of topics, including changes to the democratic and governance structure of the Federation.

The Collaboration Forum is made up of the chair of the board of each caisse (or a director appointed to replace them) and the general manager of each caisse, as well as a director under the age of 35 or an intern director appointed by each of the community collaboration groups. The members of the Federation's board of directors and Board of Ethics and Professional Conduct are also part of the Collaboration Forum.

In 2023, the Collaboration Forum met 4 times to discuss topics such as directions for the 2024–2027 strategic plan, the review of caisse governance documents, the general management of caisses and centres, corporate history and changes in the representation of delegates.

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Nomination and Election Committee

This committee oversees the proper conduct of the election process for positions on the Federation's board of directors and Board of Ethics and Professional Conduct (BEPC). It also recommends candidates for director positions for some of Desjardins Group's subsidiaries. The committee consists of at least 5 members appointed by the Federation's board of directors. With the exception of one position reserved for an independent director from the Federation's board, committee members are not members of the Federation's board or the BEPC.

Including youth in our cooperative financial group's decisions

A new board succession program

The Board Succession program provides caisse members with an opportunity to learn more about how the board of directors works and bolster their caisse's performance. Intern directors are nominated by the board and participate actively as observers in board meetings and discussions. Candidates may use the experience they gain to apply for a full seat on the board of directors.

The program is intended for members whose profiles match the current and future needs for strengthening the board's enhanced group profile, help it meet diversity targets or add to its shared skill set. A maximum of 2 intern directors may sit on a caisse board at the same time. The first seat is reserved for members ages 18 to 34, while the second seat may be held by members in any age category.

The Board Succession program had 83 participants as at December 31, 2023.

Our commitment to history and the arts

Alphonse Desjardins Historical Society

For nearly 45 years, the Alphonse Desjardins Historical Society has been sharing the origins of Desjardins Group and the inspiring stories of its founders with the public. It's in charge of preserving Desjardins Group's historical legacy and passing on knowledge through publications, lectures, interviews, exhibits, and educational and thematic activities. The Society manages 2 historic sites in Old Lévis: the Maison Alphonse-Desjardins and the Desjardins Building. Admission to the exhibits and activities is free.

Highlights

In 2023, the Alphonse Desjardins Historical Society organized a video mapping light show to highlight the Maison Alphonse-Desjardins historic site. The video mapping showcased the architecture of the house, told the story that unfolded within its walls and enriched the neighbourhood's cultural profile.

The Society also launched a new exhibit at the Desjardins Building to showcase Desjardins's participation at Expo 67. The exhibit shines a light on the little-known role played by Desjardins in this major event in Quebec.

Over the past year, the Alphonse Desjardins Historical Society's free events and exhibits have attracted more than 10,000 visitors.

The Desjardins Collection: 45 years of supporting the arts

We're committed to supporting the arts and artists and we've amassed a sizable art collection. It started in 1978 and has since grown to include over 2,700 works. They're on display in our offices, beautifying the workspace and giving employees opportunities to appreciate the visual arts. In 2023, we launched an intranet site so employees can explore the collection and learn more about the artworks and artists. Through our annual acquisition program, we foster artistic creation by purchasing works from artists from Quebec and across Canada, particularly young up-and-comers. We grow our collection with diversity and inclusion in mind and endeavour to include an equal mix of works by women and men.

Highlights

In 2023, we loaned a collage by Jean-Paul Riopelle to the Musée d'art de Joliette and the Musée d'art contemporain de Baie-Saint-Paul for an exhibit entitled *A Place of Memory: Contexts of Existence*, highlighting Riopelle's centennial celebrations. And we lent a sculpture by Paryse Martin to the Musée d'art contemporain de Baie-Saint-Paul for a retrospective exhibit of the artist's work entitled *Paryse Martin – Regards obliques*. The exhibit runs from November 25, 2023 to June 2, 2024.

Jean Paul Riopelle
Entre la rivière, 1967
Litho collage mounted on canvas
195.6 x 129.6 cm
Desjardins Collection

© Estate of Jean Paul Riopelle / CARCC Ottawa 2024

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5.2 Governance and ESG frameworks

We've signed internationally recognized responsible finance commitments. We're dedicated to accelerating the integration of environmental, social and governance (ESG) criteria into our business decisions and activities. We follow our sustainable development policy and the recommendations of our ESG Steering Committee to incorporate ESG factors into our operations (see the ESG governance chart in the Climate Action at Desjardins report.

Our goal is to be a socioeconomic leader in Canada when it comes to social and environmental responsibility. We've also integrated sustainable development and climate change directions into our risk appetite framework. We're developing tools and reference documents to help the business sectors assess and account for these risks.

Highlights

- In April 2023, rating agencies Moody's ESG Solutions and Sustainalytics awarded us top scores in the diversified banks in North America category for our ESG performance and ESG risk management.
- In 2022, we added an indicator based on our ESG performance, evaluated by major extra-financial rating agencies, to the general incentive plan of all Desjardins employees.
- We also launched sustainable development and responsible finance training for all employees. By the end of 2023, a total of 95% of our employees had completed it.

Our ESG performance according to external rating agencies or organizations

Rating organization	Rating (end of January 2024)	Position among diversified banks in North America
MSCI	AA	#3 out of 13
Moody's ESG Solutions	56/100	#1 out of 13
S&P	55/100	#6 out of 11
Sustainalytics	12.5 (Low risk)	#1 out of 21
CDP (formerly the Carbon Disclosure Project)	B	N/A

Sustainable development policy

As we do every 5 years, we updated our sustainable development policy in 2020, making ESG criteria even more central to our practices. For the first time, we adapted the policy to include our caisses. This move will help us take a more unified approach to sustainable development at the local level, in keeping with our goals.

As at December 31, 2022, the policy had been adopted by 187 caisses out of 213, which is almost 88%. In 2023, the policy became a standard. This means it now automatically applies to all caisses.

To learn more, read our sustainable development policies for all Desjardins Group subsidiaries and the caisses (caisse policy in French only).

ESG positions

We've adopted several strong positions for industries that pose higher ESG risks. The ESG Steering Committee, a subcommittee of the Desjardins Group Management Committee, adopted the rules for applying these positions to give our business sectors clear guidelines for implementing them.

Tobacco

Tobacco and vaping products are harmful to both consumer health and the environment. We decided to stop investing in these industries and became one of the first organizations in North America to sign the Tobacco-Free Finance Pledge. The pledge was developed in collaboration with the United Nations Environment Programme Finance Initiative to support global anti-tobacco efforts.

Energy

In 2020, we upheld our commitment to divest from the coal sector and became the first financial institution in North America to join the Powering Past Coal Alliance. We committed to divesting from coal, while providing support on an exceptional basis to companies in the industry with a clear and firm plan to transition from coal to renewable energy in line with the Intergovernmental Panel on Climate Change Guidelines (by 2030 for Organisation for Economic Co-operation and Development member countries) and our own position on coal.

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Reclaim Finance reported that we'd adopted one of the world's most robust coal exit policies—and the most robust in North America. Read Reclaim Finance's full analysis of our position on coal.

Since adopting our position on coal, we've been supporting members and clients in the energy sector by setting specific goals to accelerate the transition to renewable energy by 2030. We continued these efforts in 2023. To learn more, see the 2023 Climate Action at Desjardins report (page 17).

Non-conventional weapons

We exclude certain weapons subject to international treaties, such as antipersonnel mines; cluster munitions; nuclear, biological and chemical weapons; and weapons of mass destruction. For other defence and security products, services and players, we conduct a case-by-case analysis mindful of the potential for military, security or police equipment to be misused, as well as the risk of corruption and diversion.

Our position on countries that pose a higher risk of tax evasion and avoidance

We adopt the principle of "paying the right amount of tax, in the right place and at the right time," while respecting the spirit and not just the letter of the law by using legitimate reductions only and by not resorting to tax havens or tax avoidance schemes. In keeping with our cooperative nature and values, we will not undertake aggressive tax optimization techniques or tax avoidance mechanisms as an organization and will continue to be a responsible taxpayer.

Exposure to sectors[25] on which we have a stated position (as at December 31, 2023)

We monitor the application of our positions through quarterly reporting on our exposure, as shown in the table below.

Exposure to the sectors targeted by our ESG positions

	COAL	TOBACCO	NON-CONVENTIONAL WEAPONS
Share of our own investments[26]	<0.01%	0.00%	0.00%
Share of our financing[27]	<0.01%	<0.01%	0.00%

[25] Criteria: See our 2020 Social and Cooperative Responsibility Report (page 84
[26] The residual exposure in our own investments is chiefly due to indexes, which make it difficult to exclude certain securities (regulatory and cost issues). Our teams are looking at ways to reduce our exposure to these sectors through passive management.
[27] The share of our financing is calculated by dividing loan commitments to companies in excluded sectors by our total financing.

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Our climate and responsible finance commitments and initiatives

We continued to take strides to advance responsible finance regulations and frameworks in 2023.

For example, we regularly contribute to the Sustainable Finance Action Council, which consists of public- and private-sector financial experts.

We also support several events promoting sustainable finance, including the Sustainable Finance Summit, organized in May 2023 by Finance Montréal, and the Sustainable Finance Forum, held in early November in Ottawa, which brought together approximately 600 finance sector and community leaders, elected officials and political decision-makers to highlight the vital and powerful role that finance can play in a sustainable and inclusive economy.

We comply with internationally recognized principles and frameworks. The following table provides an overview of our commitments.

Banking	Investment	Insurance
Climate ambition: Net zero emissions (3 key sectors)		
Powering Past Coal Alliance (coal phase-out)		
Tobacco-Free Finance Pledge		
Principles for Responsible Banking	Principles for Responsible Investment	Principles for Sustainable Insurance
Commitment to Financial Health and Inclusion	Climate Action 100+	Climate Proof Canada (Insurance Bureau of Canada)
	Climate Engagement Canada	
Business Ambition for 1.5°C (Science Based Targets initiative)		
Partnership for Carbon Accounting Financials		
Task Force on Climate-related Financial Disclosure and CDP (previously the Carbon Disclosure Project)		
	Net Zero Asset Managers initiative	
	Global Investor Statement to Governments on the Climate Crisis	
	Canadian Investor Statement on Climate Change (Responsible Investment Association)	
	PRI-led Advance initiative	
	Finance for Biodiversity Pledge	
	N Nature Action 100	

Environmental
Social
Governance
N New in 2023

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Internal governance documents

- Desjardins Group Supplier Code of Conduct
- Freedom of association at Desjardins
- See section 4.4 Responsible and inclusive procurement, page 42
- See section 4.7 Equity, diversity and inclusion, page 47
- See section 4.8 Engaged employer, page 51

International activities with Desjardins International Development

Promoting human rights is a priority for Desjardins International Development (DID). That's why DID is committed to ensuring that all stages of its international development projects are carried out in accordance with our values of equity, equality and non-discrimination; participation and inclusion; and accountability and transparency.

To learn more, see Desjardins International Development's policy on human rights (in French only).

Project financing activities

Desjardins requires its borrowers to comply with applicable human rights legislation. Our ESG process considers a number of factors, including stakeholder consultations on a project's social acceptability, the principle of free, prior and informed consent when the project is on Indigenous territory, and the presence of disputes over working conditions.

Investment activities with Desjardins Global Asset Management

Desjardins Global Asset Management (DGAM) focuses on 4 priority issues for its ESG analyses. These priority issues influence investment decisions and shape shareholder engagement practices. They are:

- Ensuring governance with strength, integrity and resilience
- Transitioning to a low-carbon economy
- Developing a fair, equitable and inclusive economy
- Protecting biodiversity and natural capital

DGAM incorporates respect for human rights and stakeholder engagement into its ESG analysis practices. To do so, DGAM verifies that companies have implemented:

- A governance structure that guarantees respect for human rights
- Policies, guidelines and due diligence procedures to protect the rights of employees working for the company and its suppliers
- A framework for consulting with stakeholders to ensure social acceptability for projects

In addition to evaluating companies, DGAM engages in a dialogue with them on the issue of human rights and relations with stakeholders and Indigenous communities. These discussions are primarily with companies in the materials and energy sectors.

To learn more, see the section on shareholder engagement in DGAM's Report on Responsible Investment Activity.

Supply chain

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Bill S-211) came into force on January 1, 2024. The new legislation requires businesses to file a public report on or before May 31, 2024. The detailed report must outline the measures they've taken in the previous fiscal year to prevent and reduce the risk of forced or child labour used by their company or within their supply chains. In 2023, we called on legal, compliance and procurement experts to get efforts underway to ensure we meet the requirements of the Act and remain a leader in responsible procurement.

To learn more about our responsible procurement practices, see section 4.4 Responsible and inclusive procurement.

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5.4 Personal information protection and cybersecurity

At Desjardins, security is everyone's business!

The security of our members and clients is a priority for Desjardins Group. The Desjardins Group Security Office, which is staffed by 1,600 professionals and experts, continues to implement best practices in security and help protect members and clients, their assets and their personal information. It's responsible for identifying and responding to all types of security threats. In addition, it ensures consistency across security practices, including practices related to information security, financial crime and fraud prevention, data governance, physical security and personal information protection.

To learn more about our security, see the La sécurité, c'est notre affaire à tous! report (in French only).

Learn more about Desjardins Identity Protection, available to all our members and clients.

Personal information protection

The financial services industry is one of the most strictly regulated and monitored sectors. In recent years, the regulations governing the industry have expanded significantly. This is in response to numerous socioeconomic phenomena and growing concerns about the protection of personal information. In today's digital age, personal information protection is a key concern for organizations. An integrated approach to personal information protection improves security practices and measures and ensures sound risk management for members, clients and the organization. At Desjardins, we take data very seriously. Our strategy to always do what's best for members and clients is contingent on our ability to control and protect data.

Our approach

Our chief privacy officer is responsible for implementing and overseeing our personal information protection program, inspired by industry best practices. The program helps ensure that personal information is processed in compliance with applicable legislation. The personal information protection team hires and trains experts to continue to develop our protection methods.

Main governance documents

We have governance documents on:

1. Privacy
2. Personal information protection
3. Ethical use of data

Highlights

In 2023, several new requirements came into effect under *An Act to modernize legislative provisions as regards the protection of personal information* (Law 25), making it a pivotal year for personal information protection. The law reforms the legal framework for personal information protection in Quebec. It gives citizens better control over their personal information by requiring companies to be more transparent about their practices. We took steps to ensure compliance with the new requirements.

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Information security

With the inherent risk of cyber threats on the rise in recent years, cybersecurity has become a major global challenge. Like all financial institutions, we're committed to always following market best practices, and we continually compare ourselves to the industry by assessing the maturity of our cybersecurity capabilities.

Our approach

Our chief information security officer oversees the organization's cybersecurity strategy. Supported by their teams, this person is responsible for defining and updating the cybersecurity governance framework and assessing how effectively it addresses information security risks. We started upgrading our cybersecurity several years ago to prevent cyberattacks and improve our cybersecurity response and recovery processes.

Highlights

Participating in a digital identity white paper

We worked alongside other important players in the Quebec industry to help draft a white paper. The document calls for the development of an official digital identity to better protect people and organizations from the risk of fraud.

Raising awareness with employees, members and clients

We held several cybersecurity awareness activities for employees, including a week dedicated to data protection and a security forum with seminars on current security topics such as artificial intelligence, fraud and personal information protection.

To learn about our cybersecurity awareness activities for members and clients, see the Promoting digital security section, page 19.

Main governance documents

We have governance documents on:

1. Management of information security and technology risks
2. Information security
3. Acceptable use of technology

Key indicators

See the Data protection and information security table, page 74.

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Fraud and financial crime prevention

Financial crime hampers a country's progress and is a threat to economic and social stability. Failing to comply with regulations can lead to significant administrative penalties, reputational damage and damage to our ties with Canadian and foreign financial institutions.

Whether it's fraud, corruption, money laundering, terrorist financing or tax evasion, stakeholders across society must work together to combat financial crime.

Our approach

We aim to be a Canadian leader in fraud management and financial crime prevention. We proactively and transparently help members and clients who are or may be victims of fraud, or those with concerns about fraud.

Our chief fraud prevention and anti-money laundering officer is responsible for developing and implementing fraud management and financial crime prevention programs. These programs help ensure compliance with regulatory requirements and effective management of fraud and financial crime risks facing our organization or our members and clients. They help us gain the trust of our members, our clients and all stakeholders who may be the target of a financial or other type of threat.

The fraud management and anti-financial crime programs are based on industry best practices and regulatory requirements such as those issued by the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and those set out in the AMF's *Financial Crime Risk Management Guideline*. These documents include a process for preventing, detecting and responding to fraud and financial crime, as well as mechanisms for examining any situations or activities potentially linked to fraud or financial crime.

We have a number of tools to help us identify, assess and mitigate the material risks related to these programs. We hire and train experts to continue to develop our defence methods.

Our *Desjardins Code of Professional Conduct* and anti-corruption program apply to all our employees, managers and directors. As part of training on the code, employees, managers and directors are reminded of their responsibilities. This includes the requirement to act with prudence, diligence, honesty and loyalty at all times.

Fraud prevention

Our chief fraud prevention officer is responsible for a combined protection, detection and response framework that reflects member/client, employee, manager, director, supplier and product life cycles. This 360° view of activities helps us protect stakeholders and organizational assets. We regularly update our approach to fraud prevention in response to new fraud schemes.

Main governance documents

We have governance documents on:

- Fraud prevention
- Security and credit checks for employment
- Ethical use of Data
- Ethics and professional conduct

In addition to the above documents, we have a number of tactical and operational governance documents to ensure our operations run smoothly and our fraud prevention strategies are applied effectively.

Key indicators

See the Business ethics table, in the appendix (page 75).

Financial crime prevention

Our chief anti-money laundering officer and head of economic sanctions is responsible for ensuring sound management of risks associated with money laundering, terrorist financing and international economic sanctions. We regularly adjust our program, policies, procedures and training to reflect regulatory changes and industry best practices. These measures help us detect transactions associated with money laundering and terrorist financing and report them to FINTRAC.

Our anti-tax evasion officer is responsible for implementing our program to ensure compliance with applicable regulatory requirements, including the intergovernmental agreement between Canada and the United States, the *Foreign Account Tax Compliance Act*, and the *Common Reporting Standard* developed by the Organisation for Economic Co-operation and Development.

To comply with these regulations, we're required to obtain tax residence and US citizenship information, if applicable, from our members and clients and report it to the Canada Revenue Agency every year.

Desjardins prohibits all forms of corruption. To meet legal requirements and maintain the public's trust, we have appointed a chief anti-corruption officer. This person oversees the implementation of control measures to mitigate corruption risks. The chief anti-corruption officer is supported by an anti-corruption team. Our anti-corruption framework is designed to prevent, identify, assess, handle, report and impose penalties for cases of corruption, in compliance with best practices and applicable legislation.

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Main governance documents

We have governance documents on:

1. Compliance with anti-money laundering and anti-terrorist financing regulations
2. Compliance with international anti-tax evasion regulations
3. Anti-corruption
4. Conflict of interest management
5. Ethics and professional conduct

To learn more about our security, see the La sécurité, c'est notre affaire à tous! report (in French only).

Key indicators

See the Business ethics table in the appendix (page 75).

Relations with government and regulatory authorities

Desjardins Group is a key player in the Canadian financial sector and economy. As such, it maintains close relations with the political, administrative and regulatory bodies of the provincial and federal governments, as well as with municipalities. These relationships are rigorously governed by lobbying laws to ensure greater transparency in organizations' dealings with public authorities and maintain the public's trust.

Our approach

The Desjardins Group Management Committee entrusts the management of government and regulatory relations to the Institutional and Government Relations Division. This involves coordinating communications with these bodies and participating in their consultations on financial sector regulation and public policies affecting our members and clients, as well as supporting our teams and bodies in their governmental and regulatory activities.

Our Institutional and Government Relations team ensures that Desjardins Group complies with lobbying laws and regulations in the jurisdictions where it operates and communicates with public decision-makers. Desjardins Group is currently registered as a lobbyist in Quebec, Ontario and Alberta, and with the Government of Canada and the City of Toronto. It's governed by the applicable laws and lobbying codes of conduct of these authorities. In addition, all Desjardins employees and directors must file an annual declaration of compliance with the *Desjardins Code of Professional Conduct* and with the standard, policy or directive on conflict of interest management. They must also take training on ethics and professional conduct to maintain the public's trust in Desjardins.

In addition to our president and CEO, employees in the Institutional and Government Relations team are registered as lobbyists and are responsible for filing declarations in public registries on behalf of Desjardins. We've also created an internal process to make sure employees and directors are up to date on all influential interactions with public authorities and can take part in them.

Lobbying for the climate and responsible finance

See our Statement on lobbying

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United Nations Sustainable Development Goals

Sustainable Development Goal	Section of the report
1. No poverty	4.1 Generating direct and indirect economic value 4.5 Solidarity-based finance around the globe
2. Zero hunger	4.5 Solidarity-based finance around the globe
3. Good health and well-being	2.3 Member/client experience 2.4 Responsible products and services 4.2 Support for local communities 4.8 Engaged employer
4. Quality education	2.2 Financial empowerment 4.2 Support for local communities 4.3 Supporting youth
5. Gender equality	4.7 Equity, diversity and inclusion 5.3 Human rights
7. Affordable and clean energy	3.1 Our climate ambition 3.2 Reducing our operational emissions See the Climate Action at Desjardins report
8. Decent work and economic growth	2.2 Financial empowerment 4.1 Generating direct and indirect economic value 4.3 Supporting youth 4.4 Responsible and inclusive procurement 4.8 Engaged employer 5.3 Human rights
9. Industry, innovation and infrastructure	2.4 Responsible products and services 3.1 Our climate ambition 3.2 Reducing our operational emissions 4.1 Generating direct and indirect economic value 4.6 Relationships with Indigenous Peoples and communities See the Climate Action at Desjardins report
10. Reduced inequalities	2.1 Financial inclusion and accessibility 4.7 Equity, diversity and inclusion 5.3 Human rights
11. Sustainable cities and communities	3.3 Waste management 4.2 Support for local communities 4.6 Relationships with Indigenous Peoples and communities
12. Responsible consumption and production	2.3 Member/client experience 2.4 Responsible products and services 3.3 Waste management 4.4 Responsible and inclusive procurement
13. Climate action	3.1 Our climate ambition 3.2 Reducing our operational emissions See the Climate Action at Desjardins report
16. Peace, justice and strong institutions	5.1 Governance and cooperative structures 5.3 Human rights 5.5 Business ethics
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Members and clients

Responsible products and services

Assets under management as at December 31 ($ billions)	2023	2022	2021
SocieTerra Funds and Portfolios	8.30	7.70[28]	8.10
Market-linked guaranteed investments – Responsible options	4.08	3.73	2.89
Desjardins ESG principal protected notes	0.12	0.06	0.02
Responsible investment portfolios – SocieTerra guaranteed investment funds	0.18	0.18	0.20
Guarantee Advantage – ESG Global Diversified market-linked term investment	0.03	0.03	0.02
Desjardins Securities discretionary management	0.30	0.10	0.02
Responsible investment solutions – Group retirement savings	0.08	0.06	0.04
Responsible investment solutions – Private wealth management	0.28	0.12	0.15
Responsible investment strategies – Desjardins Global Asset Management	5.26	5.18	6.58
Strategies to reduce the carbon footprint of our investments	15.05	11.88	10.04

[28] Change in methodology. Added cash and equivalents for SocieTerra Funds and Portfolios, as well as the market value of the Desjardins Global Government Bond Index Fund assets in SocieTerra Funds and Portfolios.

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Environment and climate

Our buildings with LEED certification

Building	City	Certification date	Level
150 Rue des Commandeurs	Lévis	2016-02-19	Gold
Desjardins Securities, Le Windsor	Montreal	2009-11-30	Gold
Desjardins Securities	Toronto	2013-01-30	Gold
Caisse Desjardins de Lévis (head office)	Lévis	2017-04-10	Silver
Caisse Desjardins de Terrebonne (head office)	Terrebonne	2015-10-01	Gold
Caisse Desjardins de l'Ouest de la Mauricie (head office)	Saint-Étienne-des-Grès	2015-05-20	Gold
Caisse Desjardins de l'Ouest de la Mauricie (Saint-Étienne-des-Grès Service Centre)	Louiseville	2015-04-24	Silver
Caisse Desjardins Thérèse-De Blainville (head office)	Sainte-Thérèse	2014-04-30	Gold
Caisse Desjardins Le Manoir (La Plaine Service Centre)	Terrebonne (La Plaine)	2013-06-27	Certified
Caisse Desjardins des Chutes Montmorency (head office)	Boischatel	2012-08-15	Silver
Caisse Desjardins de Granby – Haute-Yamaska (head office)	Granby	2011-02-23	Gold

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BOMA BEST certification

Building	City	Certification date	Level	BOMA recognition
150 Rue Des Commandeurs	Lévis	2017–2020	Platinum	• BOMA Canada TOBY Award: 2019 winner, commercial property category • BOMA Quebec BOMA Award: 2017 winner, Building of the Year, 250,000 to 499,000 sq. ft. category • BOMA Quebec Building Energy Challenge: 2020 and 2021 winner • BOMA Quebec GHG Target Achievement Award: 2022 winner
Complexe Desjardins	Montreal	2019	Gold	• BOMA Quebec Building Energy Challenge: 2020 and 2021 winner • BOMA Quebec GHG Target Achievement Award: 2022 winner
6300 Boulevard Guillaume-Couture	Lévis	2018	Silver	• BOMA Quebec Building Energy Challenge: 2019 finalist, and 2020 and 2021 winner
6500 Boulevard Guillaume-Couture	Lévis	2018	Silver	• BOMA Quebec Building Energy Challenge: 2019 finalist
95 Rue Des Commandeurs	Lévis	2020	Gold	
59 Rue Bégin	Lévis	2018	Silver	• BOMA Quebec Building Energy Challenge: 2019, 2020 and 2021 winner • BOMA Quebec GHG Target Achievement Award: 2022 winner
100 Rue Des Commandeurs	Lévis	2020	Gold	• BOMA Quebec Building Energy Challenge: 2020 and 2021 winner • BOMA Quebec GHG Target Achievement Award: 2022 winner
200 Rue Des Commandeurs	Lévis	2021	Gold	• BOMA Quebec Building Energy Challenge: 2019 winner • BOMA Quebec GHG Target Achievement Award: 2022 winner
6125 Boulevard Wilfred-Carrier	Lévis	2018	Certified	
450 Boulevard De Maisonneuve	Montreal	2021	Platinum	• BOMA Quebec Building Energy Challenge: 2019 winner • BOMA Quebec Improved Energy Performance Award: 2022 winner
995 Boulevard Alphonse-Desjardins	Lévis	2022	Platinum	• BOMA Quebec Building Energy Challenge: 2019 and 2020 winner • BOMA Quebec GHG Target Achievement Award: 2022 winner
6075 Boulevard Wilfrid-Carrier	Lévis	2021	Gold	• BOMA Quebec Building Energy Challenge: 2019 winner

BOMA 360 designation

Building	City	Certification date
150 Rue Des Commandeurs	Lévis	2020

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Social

Equity, diversity and inclusion

Caisse director representation (%)		2023	2022	2021
By gender	Women	49.2	48.4	47.0
	Men	50.8	51.6	53.0
By age group	Under 35	19.5	17.9	17.9
	35–49	29.6	28.3	26.9
	50–64	29.1	31.5	33.2
	65+	21.8	22.3	22.0

Representation of cultural communities (%)[29]	2023	2022	2021
All of Desjardins Group	17.7	16.7	16.4
Senior managers[30]	7.3	6.8	7.0
Managers	11.0	10.3	9.7
Employees	18.4	17.3	17.1

Employee representation by gender (%)		2023	2022	2021
Senior managers	Women	38.8	38.4	36.4
	Men	61.2	61.6	63.6
Managers	Women	59.7	59.1	59.1
	Men	40.3	40.9	40.9
Employees	Women	63.4	63.9	64.5
	Men	36.6	36.1	35.5
Employee representation by age group (%)		**2023**	**2022**	**2021**
Senior managers	Under 30	0.0	0.0	0.0
	30–44	24.1	23.5	23.0
	45–54	49.2	49.3	48.7
	55+	26.6	27.2	28.3
Managers	Under 30	3.0	3.4	3.3
	30–44	48.1	48.7	47.7
	45–54	35.3	34.0	34.4
	55+	13.5	13.9	14.6
Employees	Under 30	18.4	21.3	20.7
	30–44	44.0	42.6	41.7
	45–54	21.7	20.6	21.4
	55+	15.9	15.5	16.1

[29] Senior managers, managers and employees who voluntarily self-identified as a visible minority, as an ethnic minority or as Indigenous.
[30] In 2018, the definition of senior manager was expanded to include the management level of director (class 7 or higher).

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Engaged employer

New employee hires and employee turnover

The retention rate for permanent employees is 93.3%, which is a testament to our engaging and dynamic work environment.

Permanent employee departures (%)	2023	2022	2021
Resignation rate	6.7	8.7	7.7
Retirement rate	1.8	2.1	2.3
Involuntary departure rate	3.4	2.2	1.7
Turnover rate	11.8	12.9	11.7

Permanent employees – External hires	2023 (#)	2023 (%)	2022 (#)	2022 (%)	2021 (#)	2021 (%)
By age group						
Under 30	1,488	37.7	4,396	41.8	3,436	39.4
30–44	1,735	44.0	4,504	42.9	3,877	44.5
45–54	498	12.6	1,131	10.8	1,039	11.9
55+	223	5.7	477	4.5	361	4.1
By gender						
Women	2,265	57.4	6,123	58.3	4,790	55.0
Men	1,679	42.6	4,385	41.7	3,923	45.0
By location						
Quebec	3,406	86.3	9,722	92.5	8,144	93.5
Ontario	465	11.8	719	6.8	496	5.7
Rest of Canada	73	1.9	67	0.6	73	0.8

Breakdown of permanent employee departures (turnover)	2023 (#)	2023 (%)	2022 (#)	2022 (%)	2021 (#)	2021 (%)
By age group						
Under 30	1,931	29.6	2,411	35.1	1,760	31.2
30–44	2,428	37.2	2,410	35.1	1,990	35.3
45–54	744	11.4	677	9.9	554	9.8
55+	1,427	21.8	1,372	19.9	1,334	23.7
By gender						
Women	4,032	62	4,058	59.1	3,447	61.1
Men	2,498	38	2,812	40.9	2,191	38.9
By location						
Quebec	5,931	91	6,206	90.3	5,009	88.8
Ontario	541	8	599	8.7	555	9.8
Rest of Canada	58	1	65	1.0	74	1.4

Workforce distribution	2023	2022	2021
By sector			
Business sectors and support functions	39,746	40,968	36,958
Caisse network	16,419	17,806	16,825
By location			
Quebec	50,545	53,091	48,326
Ontario	5,062	5,143	4,928
Other provinces and territories	497	471	463
Outside Canada	61	69	66
By job status			
Permanent	96.6%	95.0%	94.2%
Contract	3.4%	5.0%	5.8%
By role			
Senior managers	1.3%	1.3%	1.2%
Managers	7.3%	7.2%	7.1%
Employees	91.4%	91.5%	91.7%
Total workforce	**56,165**	**58,774**	**53,783**

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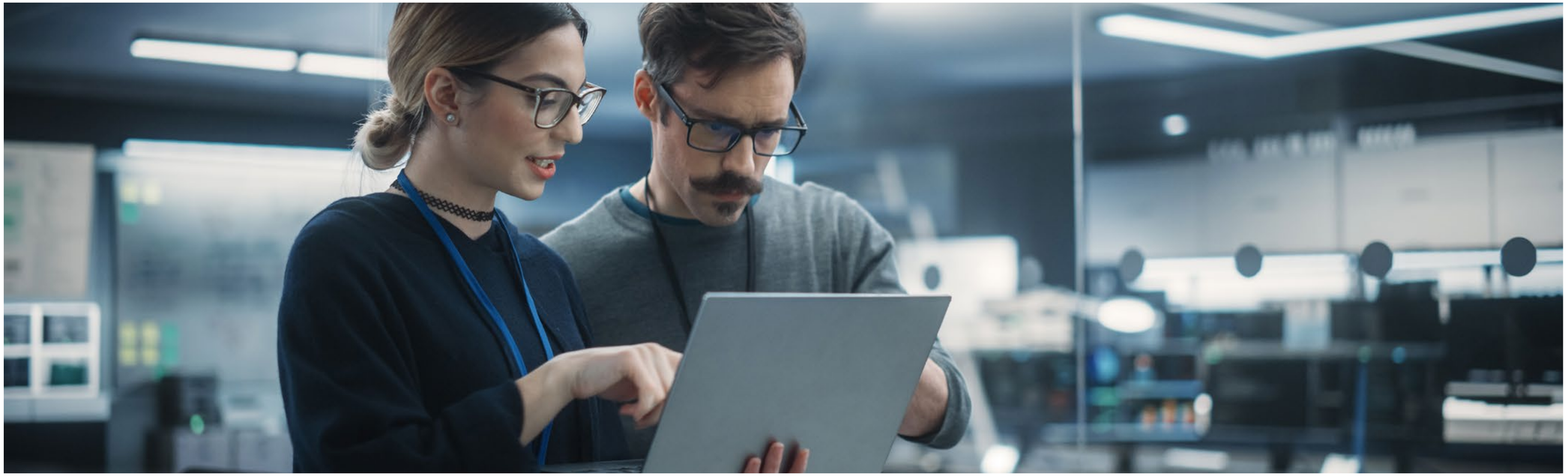
Personal information protection and information security

Training[31]	Objective	Employees	Managers	Completion rate[32]	
				2023	2022
Introduction to Security	Explore the different security practices covered by the Desjardins Group Security Office, including information security, fraud, financial crime, data governance, physical security and personal information protection	•	•	99%	96%
Protecting Personal and Confidential Information Is Everyone's Business!	Identify personal and confidential information, understand the roles and responsibilities of the organization and its employees, and protect information by applying the need-to-know principle	•	•	99%	98%
Identifying Phishing Emails	Recognize the red flags of fraudulent emails so employees don't fall for phishing attempts	•	•	99%	97%
Desjardins Identity and Access Management: A Specific Training Program Designed for Managers!	Determine best practices for identity and access management and recognize manager responsibilities		•	83%	82%

[31] All training must be completed within 3 months of hiring.
[32] The completion rate is calculated by comparing the number of active employees who have completed the training to the total number of employees, including managers and consultants.



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Business ethics

Training	Objective	Employees	Managers	Completion rate	
				2023	2022
Preventing Fraud	Recognize situations of external and internal fraud	•	•	98%	96%
Committing to the Fight Against Tax Evasion	Understand Desjardins's role in the fight against tax evasion	•	•	90%	
Committing to the Fight Against Money Laundering and Terrorism Financing	Understand Desjardins's role in the fight against money laundering and terrorist financing	•	•	62%	
Complying with International Economic Sanctions Obligations	Understand Desjardins's role in international economic measures and sanctions	•	•	63%	
Privacy Policy and Consents	Learn what's new in Desjardins's privacy policy and the types of consents	•	•	99%	97%

From 2022 on, all our Security Office employees must take the training listed below. While it isn't mandatory for all our employees, they must take any training that's specific to their job.

Training	Objective	Employees	Managers	Completion rate	
				2023	2022
MISSION POSSIBLE: Fighting Money Laundering and Terrorist Financing	Understand how and when people get involved in illegal activities related to money laundering and terrorist financing	•	•	92%	94%
BEHIND THE SCENE: Fighting Money Laundering and Terrorist Financing	Understand how and when people get involved in illegal activities related to money laundering and terrorist financing	•	•	85%	86%
Anti-Corruption	Understand what corruption is, recognize at-risk situations and respond appropriately to protect the organization and do what's best for members, clients and communities		•	90%	86%
Unusual Operation Notification	Be more vigilant in reporting unusual transactions or events to better protect the organization's reputation by complying with the regulatory requirements that apply to Desjardins Group	•	•	87%	92%