



GRI Index

2022 Social and Cooperative Responsibility Report

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GRI 101: FOUNDATION 2016

No specific disclosures are required for GRI 101.

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GRI METHODOLOGY

GRI 102: GENERAL DISCLOSURES

GRI 102-1 TO 102-13: ORGANIZATIONAL PROFILE

GRI 102-1 NAME OF THE ORGANIZATION

Desjardins Group (Desjardins)

GRI 102-2 MAIN BRANDS AND SERVICES

We offer our members and clients a full range of financial services designed to meet their needs:

- Savings and investment solutions
- Securities brokerage services
- Debit and credit cards
- Payment services
- Personal and commercial loans
- Property and casualty insurance
- Life and health insurance
- Group insurance and group retirement savings
- Wealth management
- Investment services (securities, mutual funds and venture capital)
- Trust services
- Global trade and finance

Our brand architecture looks like this:

- Master brand (Desjardins)
- Commercial brands, which include:
 - Pillar brands
 - Identity brands
- Institutional brands
- Endorsed brands
- Stand-alone brands

OUR BRANDS

DESJARDINS BRAND

Master brand



COMMERCIAL BRANDS

Pillar brands



Identity brands



INSTITUTIONAL BRANDS



ENDORSED BRANDS



Brands for DFS independent brokers



STAND-ALONE BRANDS



GRI 102-3 LOCATION OF HEADQUARTERS

100 Rue Des Commandeurs
Lévis QC G6V 7N5

GRI 102-4 LOCATION OF OPERATIONS

Desjardins is the largest cooperative financial group in North America. We conduct most of our business in Canada. Our banking operations are heavily concentrated in Quebec, but our insurance operations in Ontario and Quebec provide diversification.

See the **Convenient services and expertise** section of our Social and Cooperative Responsibility Report to learn more (page 35).

We have a presence in the United States, doing business as Desjardins Bank, National Association (a retail banking provider) and Desjardins Florida Branch (which supports our business members and clients in Florida). We also have a representative office in Europe.

Desjardins International Development (our non-profit organization) operates in 30 or so countries around the world. It is active in the following 2 areas:

- Expert advice
- Investments

GRI 102-5 LEGAL FORM

Desjardins comprises the Desjardins caisse network in Quebec, Caisse Desjardins Ontario Credit Union Inc., the Fédération des caisses Desjardins du Québec and its subsidiaries, and the Desjardins Security Fund. A number of our subsidiaries and components are active across Canada, and we maintain a presence in the US through Desjardins Bank, National Association and Desjardins Florida Branch.

Caisse Desjardins Ontario Credit Union Inc. is the product of a merger between the Fédération des caisses populaires de l'Ontario Inc. and its 11 member caisses populaires. The merger took effect on January 1, 2020.

GRI 102-6 MARKETS SERVED

Through our Personal and Business Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance segments, we offer a comprehensive, integrated range of financial services for individuals, businesses, institutions, non-profit organizations and cooperatives.

The financial services we offer include day-to-day banking, savings and payment transactions, investment management, financing, specialized services, access to capital markets, development capital, business ownership transfers and advisory services. Through our Canada-wide distribution network, we also offer individual and group life and health insurance products and property and casualty insurance products. We help clients who do business abroad, and we provide banking services in Florida through Desjardins Bank, National Association and Desjardins Florida Branch.

GRI 102-7 SCALE OF THE ORGANIZATION (AS AT DECEMBER 31, 2022)

Total number of employees	58,774
Total income	\$18,040M
Total assets	\$407,109M
Number of caisses and caisse points of service in Quebec and Ontario (including caisse head offices, service centres and branches)	724
Product portfolio	GRI FS7 FS8

GRI 102-8 WORKFORCE DISTRIBUTION

	2022	2021	2020
Business sectors and support functions	40,968	36,958	32,512
Caisse network	17,806	16,825	16,418
Quebec	53,091	48,326	43,504
Ontario	5,143	4,928	4,904
Other provinces and territories	471	463	455
Outside Canada	69	66	67
Permanent	95%	94.2%	93.3%
Contract	5%	5.8%	6.7%
Senior managers	1.3%	1.2%	1.3%
Managers	7.2%	7.1%	6.8%
Employees	91.5%	91.7%	91.9%
Total workforce	58,774	53,783	48,930

GRI 102-9 SUPPLY CHAIN

See the Responsible and inclusive procurement section of our **Social and Cooperative Responsibility Report** to learn more about our procurement practices (page 45).

GRI 102-10 SIGNIFICANT CHANGES TO THE ORGANIZATION

On November 30, 2022, we committed to acquiring Guardian Capital Group Limited's independent distribution activities in insurance and personal savings through 9479-5176 Québec inc., an indirect wholly owned subsidiary of the Federation. This includes acquiring all shares of IDC Worldsource Insurance Network Inc., Worldsource Financial Management Inc. and Worldsource Securities Inc. for a total of \$750 million, subject to the usual purchase price adjustments.

The transaction is expected to close in the first quarter of 2023, subject to obtaining the required regulatory approvals and satisfying the usual closing conditions. Results for these operations will be reported under the Wealth Management and Life and Health Insurance business segment.

GRI 102-11 PRECAUTIONARY PRINCIPLE

At Desjardins, we take the direct impact of our operations on the environment seriously and have integrated environmental and social risks into our risk management framework. In reviewing credit applications from commercial, industrial, real estate or agricultural borrowers, we examine potential environmental risks against current regulations. In addition, we analyze environmental, social and governance criteria for capital market borrowers. These criteria are also integral to the risk analyses we conduct for our large-scale initiatives.

GRI 102-12 CHARTERS AND PRINCIPLES (EXTERNAL INITIATIVES)

As a corporate citizen committed to sustainable community development, we support many initiatives:

- Statement on the Cooperative Identity (International Cooperative Alliance) – Signatory
- United Nations Environment Programme – Finance Initiative – Member (2003)
- Principles for Responsible Investment – Signatory (Desjardins Investments in 2010)
- Declarations of the International Summit of Cooperatives – Signatory (2012, 2014 and 2016)
- CDP (formerly the Carbon Disclosure Project) – Signatory (2013)
- Statement by Financial Institutions on Energy Efficiency – Signatory (2015)
- European Association of Co-operative Banks COP21 statement – Signatory (2015)
- Principles for Responsible Investment – Signatory (Desjardins Global Asset Management in 2017)
- Principles for Positive Impact Finance – Signatory (Desjardins in 2017)
- Principles for Responsible Investment – Signatory (Desjardins Group Pension Plan in 2018)
- Principles for Sustainable Insurance – Signatory (Desjardins Insurance in 2019)

- Women's Empowerment Principles – Signatory (2020)
- Tobacco-Free Finance Pledge – Signatory (2020)
- Powering Past Coal Alliance – Member (2020)
- Partnership for Carbon Accounting Financials – Signatory (2020)
- Business Ambition for 1.5°C coalition – Member (2021)
- Statement by the Quebec Financial Centre for a Sustainable Finance – Signatory (2021)
- Canadian Investor Statement on Climate Change – Signatory (2021)
- Net Zero Asset Managers initiative – Signatory (2021)
- Climate Engagement Canada – Participant (2021)
- Global Investor Statement to Governments on the Climate Crisis – Signatory (2021)
- FAIRR – Where's the beef? initiative to reduce greenhouse gas emissions from animal protein production in the agricultural sector – Signatory (2021)
- PRI-led Advance shareholder engagement initiative to take action on human rights and social issues – Member (2022)
- Call for Stronger Alignment of Regulatory & Standard Setting Efforts around Sustainability Disclosure – Signatory (2022)
- Finance for Biodiversity Pledge – Signatory (2022)

Desjardins International Development supports the following initiatives:

- Principles for Responsible Investment – Signatory (2014)
- Global Impact Investing Network – Member (2014)
- Canada Forum for Impact Investment and Development – Member (2017)
 - Global Convergence Network – Member (2021)

GRI 102-13 AFFILIATIONS

We maintain close relationships with many associations, institutions and public agencies. This may involve a member of our senior management or board of directors sitting on one of our partners' boards or participating in an advisory board or working group, or it may take the form of financial support.

Cooperatives and mutuals

- | | |
|---|--|
| <ul style="list-style-type: none"> • International Cooperative Alliance (and its members) • Canadian Association of Mutual Insurance Companies • Canadian Credit Union Association • International Confederation of Popular Banks • Cooperation Council of Ontario • Conseil québécois de la coopération et de la mutualité • Co-operatives and Mutuals Canada | <ul style="list-style-type: none"> • International Cooperative and Mutual Insurance Federation • Fondation pour l'éducation à la coopération et à la mutualité • Forum of Canadian Ombudsman • European Association of Co-operative Banks • International Raiffeisen Union • Réseau COOP |
|---|--|

Finance and insurance

- Advocis, The Financial Advisors Association of Canada
- Aequo
- Financial Consumer Agency of Canada
- General Insurance Statistical Agency
- Aon Risk Solutions
- APEXA
- Association of Canadian Pension Management
- Canadian Association of Independent Life Brokerage Agencies
- Canadian Association of Direct Relationship Insurers
- Canadian Life and Health Insurance Association
- Mutual Fund Dealers Association of Canada
- Canadian Insurance Claims Managers Association
- Canadian Association of Financial Institutions in Insurance
- Investment Industry Association of Canada
- Association de la retraite et des avantages sociaux du Québec
- Canadian Bankers Association
- Association of Quebec Women in Finance
- Association of Home Office Underwriters
- Responsible Investment Association
- Association québécoise des tarificateurs-vie
- Autorité des marchés financiers
- Financial Services Regulatory Authority of Ontario
- Canadian Securities Administrators
- Business Development Bank of Canada
- Canada Infrastructure Bank
- Bank of Canada
- Insurance Bureau of Canada
- Office of the Superintendent of Financial Institutions
- Caisse de dépôt et placement du Québec
- Canada Forum for Impact Investment and Development
- Canadian Coalition for Good Governance
- Canadian Association of Special Investigation Units
- Canadian Data Aggregation Initiative (Financial Data Exchange)
- Canadian National Insurance Claims Crime Services
- Financial Transactions and Reports Analysis Centre of Canada
- Cercle finance du Québec
- Chambre de l'assurance de dommages
- Chambre de la sécurité financière
- Club des Actuaires de Québec
- Canadian Market Infrastructure Committee
- Ontario Securities Commission
- The Conference Board of Canada
- Conference for Advanced Life Underwriting
- Canadian Council of Insurance Regulators
- Digital Identification and Authentication Council of Canada
- Conseil des fonds d'investissement du Québec
- Quebec Retail Council
- Corporation des assureurs directs de dommages du Québec
- Discover
- Climate Engagement Canada
- Équité Association
- Euro-Information
- Export Development Canada
- Facility Association
- Federation of Mutual Fund Dealers
- Finance Montréal
- FinDev Canada
- Fondation
- Institutional Shareholder Services
- Interac
- Investissement Québec
- Journal de l'assurance
- Life Insurance Marketing and Research Association
- Mastercard
- Million Dollar Round Table
- Montréal International
- Montreal Propel Impact Fund
- Mouvement d'éducation et de défense des actionnaires
- National Association of Mutual Insurance Companies
- Nexo
- Office de la protection du consommateur
- Ombudsman for Banking Services and Investments
- Ontario Chamber of Commerce
- WICC Québec Organization

Finance and insurance (continued)

- Investment Industry Regulatory Organization of Canada
- Payments Canada
- Proparco
- Proxfin
- Puissance Onze
- Québec International
- Regroupement des cabinets de courtage d'assurance du Québec
- Réseau PRI Québec
- Réunion des organismes d'assurance mutuelle
- Sanofi
- Canada Mortgage and Housing Corporation
- Canada Deposit Insurance Corporation

Sustainable community development

- Academos
- Teens Against Drinking and Driving New Brunswick
- Agence Universitaire de la Francophonie
- Alberta Severe Weather Management Society
- Alloprof
- Apprends & Entreprennds
- arrive alive DRIVE SOBER
- Canadian Education Association
- Canadian Political Science Association
- Canadian Mental Health Association
- Association des directeurs généraux des municipalités du Québec
- Association des directions générales scolaires du Québec
- Association québécoise d'information scolaire et professionnelle
- Quebec Association for the Production of Renewable Energy
- Association québécoise des enseignantes et des enseignants du primaire
- Association québécoise pour la maîtrise de l'énergie
- Consumer associations, such as family finance cooperative associations
- Bourse du carbone Scol'ERE
- CEFRIO
- United Way Centraide
- Centre for Addiction and Mental Health
- Centre interdisciplinaire de recherche et d'information sur les entreprises collectives
- International Reference Centre for the Life Cycle of Products, Processes and Services

- Property and Casualty Insurance Compensation Corporation
- Société LOMA de Québec
- Society of Actuaries
- State Farm (US operations)
- Statistics Canada
- Sustainability Accounting Standards Board
- Health Claims for Auto Insurance
- Travel Health Insurance Association of Canada
- UNI Financial Cooperation
- Visa

- Chaire d'actuariat (Université Laval)
- Chaire de coopération Guy-Bernier (Université du Québec à Montréal)
- Chaire de leadership en enseignement et en développement régional et économique (Université Laval)
- Workplace Mental Health Research Centre (The Conference Board of Canada)
- Chaire Desjardins en développement des petites collectivités (Université du Québec en Abitibi-Témiscamingue)
- Chaire Desjardins en finance responsable (Université de Sherbrooke)
- Chaire en éco-conseil (Université du Québec à Chicoutimi)
- Canadian Chamber of Commerce
- Chamber of Commerce of Metropolitan Montreal
- Chambre de commerce et d'industrie de Québec
- Chantier de l'économie sociale
- CHU de Québec-Université Laval
- Centre hospitalier de l'Université de Montréal
- CIRIEC-Canada
- Mobili-T
- CIUSSS de l'Estrie - CHUS
- Club canadien de Toronto
- Coalition des associations de consommateurs du Québec
- Food Sovereignty Coalition
- Carbon Pricing Leadership Coalition
- Climate Proof Canada Coalition
- Collectif des femmes immigrantes du Québec
- Communauto

Sustainable community development (continued)

- Canada Safety Council
- Sustainable Finance Action Council
- Montreal Council on Foreign Relations
- Canada Green Building Council
- Conseil du patronat du Québec
- Quebec Business Council on the Environment
- Boreal Leadership Council
- Conseil québécois des entreprises adaptées
- Conseil régional de l'environnement de Montréal
- Coop Carbone
- Coopérative de développement régional du Québec
- Canadian Red Cross
- McGill University Health Centre
- Desjardins Sports Celebrity Dinner
- Down Syndrome Resource Foundation
- Ecohome
- École d'Entrepreneurship de Beauce
- École de technologie supérieure
- École supérieure d'études internationales
- Écotech Québec
- Educaid
- Éducaloi
- Empty Stocking Fund
- Équiterre
- Espace québécois de concertation sur les pratiques d'approvisionnement responsable
- exo
- Fédération des centres de services scolaires du Québec
- Fédération des chambres de commerce du Québec
- Quebec Federation of Villages-relais
- Fédération québécoise des municipalités
- Armand-Frappier Foundation
- David Suzuki Foundation
- Fondation de l'entrepreneurship
- Psychology Foundation of Canada
- Jewish General Hospital Foundation
- Juvenile Diabetes Research Foundation
- Fondation des Auberges du cœur
- Montreal Canadiens Children's Foundation
- Heart and Stroke Foundation of Canada
- Mental Illness Foundation
- Douglas Foundation
- Fondation du Cégep de Lévis
- Fondation du Cégep de Sainte-Foy
- Fondation du cégep du Vieux Montréal
- Fondation du Conservatoire de musique et d'art dramatique du Québec
- Fondation Émergence
- Jasmin Roy Sophie Desmarais Foundation
- Fondation Jeunes en Tête
- Fondation Les Voltigeurs
- Fondation Madeli-Aide pour l'éducation
- Fondation Maison Dauphine
- New Pathways Foundation
- Children's Aid Foundation of Canada
- Literacy Foundation
- Quebec Cancer Foundation
- Fondation québécoise en environnement
- Fondation Sport-Études
- Fonds d'action québécois pour le développement durable
- Forces AVENIR
- Youth Fusion
- Healthy Enterprises Group
- Groupe Investissement Responsable
- Groupe persévérance scolaire
- Habitat for Humanity Canada
- HEC Montréal
- Moncton Hospital
- Hôpital Maisonneuve-Rosemont
- United Nations Environment Programme Finance Initiative
- InnoCité MTL
- Insertech Angus
- Montreal Heart Institute
- Institut de coopération pour l'éducation des adultes
- Institut de recherche et d'éducation pour les coopératives et les mutuelles de l'Université de Sherbrooke
- Institut du Québec

Sustainable community development (continued)

- Alphonse and Dorimène Desjardins International Institute for Cooperatives (HEC Montreal)
- Smart Prosperity Institute
- Institute for governance of private and public organizations
- Institut universitaire de cardiologie et de pneumologie de Québec
- International Women's Forum
- Kids Help Phone
- Kids Now
- La Ruche
- Le Grand défi Pierre Lavoie
- Les Impatients
- Little Brothers
- Lire et faire lire
- The YMCAs of Québec
- MicroEntreprendre
- MOBA
- Moisson Montréal
- Mouvement québécois de la qualité
- Obesity Canada
- Opération Enfant Soleil
- Operation Red Nose
- OSEntreprendre
- Parachute
- Pathways to Education
- Place aux jeunes en région
- PolyFinances
- Parliamentary Internship Programme
- Quartier de l'innovation
- Climate Reality Canada
- RECYC-QUÉBEC
- Regroupement national des conseils régionaux de l'environnement du Québec
- Community Futures Network of Canada
- Réseau de transport de la Capitale
- Réseau des carrefours jeunesse-emploi du Québec
- EdCan Network
- Réseau FADOQ
- Réseau intercollégial des activités socioculturelles du Québec
- CFER Network
- Montreal Hooked on School
- Canadian Cancer Society
- Société d'habitation du Québec
- Société de gestion pour le soutien aux proches aidants
- Cancer Research Society
- Société de transport de Lévis
- Société de transport de Montréal
- Société des relations internationales de Québec
- Southlake Regional Health Centre Foundation
- Soutien-O-sinistrés
- Students Against Drinking & Driving Association Of Alberta
- SWITCH, the Alliance for a Green Economy
- Toronto International Film Festival
- Toronto Region Board of Trade
- Union des consommateurs
- Union des municipalités du Québec
- Union des producteurs agricoles
- University of Ottawa
- Université de Montréal
- Université de Sherbrooke
- University of Toronto
- Université du Québec à Chicoutimi
- Université du Québec à Rimouski
- Université du Québec à Trois-Rivières
- Université du Québec en Abitibi-Témiscamingue
- Université du Québec en Outaouais
- Laurentian University
- Université Laval
- McGill University
- Queen's University
- York University
- Vélo Québec
- Ville de Lévis
- Ville de Montréal
- Voyagez Futé
- Moncton Wildcats
- YMCA of Greater Toronto

GRI 102-14 AND 102-15: STRATEGY AND ANALYSIS

GRI 102-14 STATEMENT FROM THE PRESIDENT

See our Social and Cooperative Responsibility Report to read the message from the president and CEO (page 3).

GRI 102-15 IMPACTS, RISKS AND OPPORTUNITIES

Identification and management of key risks

At Desjardins, we believe it's important to periodically assess the environment in which we operate. We identify the key risks, risk factors and emerging risks that are likely to affect our results. We maintain a risk register for this purpose. This register is updated at least once a year. We use it to make a quantitative and qualitative assessment of risk materiality, to determine our risk profile and to implement appropriate strategies to mitigate risk.

The risk management function ensures that our risk profile corresponds to our risk appetite. Each quarter, this team ensures that we comply with the statements and indicators set by senior management and the board of directors, and provides them with an update. When the threshold or limit of a risk appetite indicator is exceeded, we look into it immediately. We then inform the appropriate bodies why this occurred and notify them of the action plan, if applicable.

A detailed presentation of the main risks we're exposed to, including environmental and social risk, can be found in our annual report under the **Risk management** section of the **Management's Discussion and Analysis** (www.desjardins.com/annualreport).

The mandates and lists of members of the commissions and committees that support the board are available on our website at www.desjardins.com/ca/about-us/desjardins/governance-democracy/index.jsp. The Risk Management Commission's annual report (available in French only) can also be found there.

GRI 102-16 TO 102-17: ETHICS AND INTEGRITY

GRI 102-16 INTERNAL VALUES, PRINCIPLES AND STANDARDS

Culture of integrity

The board of directors is responsible for promoting the corporate culture based on our values: money serving human development, democratic action, personal commitment, integrity and rigour in the cooperative enterprise, solidarity with the community and intercooperation. The goal is to earn the trust of the public and ensure members and clients have confidence in their financial services cooperative. The board is also responsible for enforcing our rules of professional conduct. The *Desjardins Code of Professional Conduct*, which is available to the public on Desjardins.com, applies to all Desjardins components. It includes a section on ethics and Desjardins's mission and values, and a section that describes all the rules of professional conduct. We provide 2 online training courses on professional conduct and conflicts of interest for all Desjardins employees and directors. Every year, employees and directors are required to acknowledge that they've read and understand the principles and rules set out in the *Desjardins Code of Professional Conduct* and agree to uphold them, and that they understand the scope and provisions of the guidelines (or standard) on managing conflicts of interest.

GRI 102-17 MECHANISMS FOR ADVICE AND CONCERNS ABOUT ETHICS

The Federation's Board of Ethics and Professional Conduct ensures the independence and objectivity of the Desjardins Group Monitoring Office, adopts and enforces the rules of ethics and professional conduct that apply to all Desjardins components based on our values, provides the caisses and the Federation with support in matters of ethics and professional conduct, acts as a liaison between our various governance bodies responsible for ethics and professional conduct and handles complaints made by Federation members.

The Board of Ethics and Professional Conduct has 5 members. They're caisse directors who are all independent from the Federation's management team and board. For Desjardins caisses in Quebec, responsibility for ethics and professional conduct is assumed by the caisse's Audit and Professional Conduct Committee and Governance and Ethics Committee, both made up of board members. For Desjardins Ontario Credit Union, these responsibilities are assumed by the credit union's Audit and Professional Conduct Committee, made up of board members. We also have a policy for reporting violations of regulations and of the *Desjardins Code of Professional Conduct*. This policy is combined with a confidential reporting mechanism that protects the anonymity of those who use it.

We oversee the financial reporting process and the disclosure of any major changes that may affect our financial position. We use various channels to ensure effective communication with our many stakeholders. These channels include our ethics and professional conduct support team and the caisse complaint handling procedure. Other mechanisms include:

- Annual general meetings
- Disclosure of quarterly financial results
- Desjardins publications (including annual reports)
- Toll-free telephone numbers
- Intranet portals and the portal for caisse directors
- Desjardins.com (which includes information on education, cooperation and dialogue with our members and clients)
- Member Services team (Federation)
- Mechanisms for reporting regulatory violations
- Newsletters
- Social media (Facebook, YouTube, LinkedIn, Twitter, Instagram, etc.)

GRI 102-18 TO 102-39: GOVERNANCE

GRI 102-18 GOVERNANCE STRUCTURE

See the **Governance** section of our Social and Cooperative Responsibility Report to learn more about our governance (page 61). The governance structure is disclosed in full in Desjardins Group's Annual Report available on SEDAR.com.

GRI 102-21 CONSULTING STAKEHOLDERS ON TOPICS

See Standards 102-40, 102-42, 102-43 and 102-44. The board is the highest governance body dealing with economic, environmental and social topics.

GRI 102-32 APPROVAL OF THE REPORT

Upon the recommendation of its Cooperation and Culture Commission, the board approves the **Social and cooperative responsibility** section of the annual report.

GRI 102-38 COMPENSATION RATIO

Ratio of the annual total compensation of the president and CEO to the average annual total compensation of permanent full-time Desjardins employees

The compensation ratio is calculated every year by the CEO Total Compensation and Succession Planning Committee. The 2022 ratio is 46 times the average compensation of full-time-equivalent employees.

GRI G4-55 ATTENDANCE FIGURES

In 2022, the attendance rate for meetings of the Federation's board was 96.2%.

GRI 102-40 TO 102-44: STAKEHOLDER ENGAGEMENT

GRI 102-40 LIST OF STAKEHOLDERS

See the **Our approach** section of our Social and Cooperative Responsibility Report.

GRI 102-41 COLLECTIVE AGREEMENTS

In Canada, the right to organize is protected by law. We're fully compliant with applicable labour legislation. In 2022, collective bargaining agreements covered close to 14% of employees across the entire organization and 21% of caisse network employees, including Desjardins Business centre employees. We consider all potential legal implications prior to taking any action. It's our policy to respect the right to organize and negotiated working conditions.

GRI 102-42 SELECTION CRITERIA

GRI 102-43 APPROACH USED

GRI 102-44 KEY TOPICS AND CONCERNS

For GRI 102-42, GRI 102-43 and GRI 102-44, see the **Our approach** section of our Social and Cooperative Responsibility Report.

GRI 102-45 TO 102-56: REPORTING PRACTICE

GRI 102-45 ENTITIES INCLUDED

The main subsidiaries included in the group scope of Desjardins Group were incorporated in Canada. Their principal place of business is also in Canada. The following table presents the nature of the operations of these subsidiaries and our ownership interests in each of them:

Subsidiary	Nature of operations	As at Dec. 31, 2022 ¹	As at Dec. 31, 2021 ¹
Desjardins Financial Holding Inc.	Holding company	100%	100%
Desjardins Financial Corporation Inc.	Holding company	100%	100%
Desjardins Global Asset Management Inc.	Asset management	100%	100%
Desjardins General Insurance Group Inc.	Property and casualty insurance	90%	90%
Property and casualty insurance subsidiaries ²	Property and casualty insurance	100%	100%
Desjardins Financial Security, Life Assurance Company	Life and health insurance and financial services	100%	100%
Desjardins Investments Inc.	Design, administration and distribution of insurance and savings products	100%	100%
Desjardins Trust Inc.	Asset custody and trust services	100%	100%
Desjardins Technology Group Inc.	Development and maintenance of technology	100%	100%
Desjardins Securities Inc.	Securities brokerage	100%	100%
9420-7404 Québec inc.	Real estate services	100%	100%

¹ Represents also the proportion of voting rights we hold in these subsidiaries.

² Represents a group of 6 property and casualty insurance subsidiaries.

GRI 102-46 CONTENT PROCESS

GRI 102-47 MATERIAL TOPICS

For GRI 102-46 and GRI 102-47, see the **Our approach** section of our Social and Cooperative Responsibility Report.

GRI 102-48 RESTATEMENTS OF INFORMATION

For 2022, GHG emissions are calculated for all sources over which we have financial control. Rental spaces we occupy, as well as spaces we own that are occupied by third parties (real estate investments) are therefore included. Estimates were used for these sites when data wasn't available. So we can perform data quality control earlier in the reporting cycle and reduce the risk of incomplete data, the data collection period for energy indicators is from November 1 to October 31. The data collection period for all other indicators is from January 1 to December 31.

Where minor restatements were necessary, it has been indicated in the text.

GRI 102-49 CHANGES IN REPORTING

This report reflects our commitment to complying with the strictest social responsibility reporting standards, namely the Global Reporting Initiative (GRI) methodology and integrated reporting. Changes made in 2022 are compliant with the GRI Standards. Minor changes in scope that have been made to certain elements are specified in the corresponding text.

GRI 102-50 REPORTING PERIOD

The annual report covers the period from January 1 to December 31, 2022.

GRI 102-51 DATE OF PREVIOUS REPORT

The previous report was published in March 2022. It covered operations for the 2021 calendar year.

GRI 102-52 REPORTING CYCLE

Since publishing our first Social and Cooperative Responsibility Report in 2004, we've been disclosing our social and cooperative responsibility performance every year. See the full list of our past reports: www.desjardins.com/ca/about-us/social-responsibility-cooperation/reports/.

GRI 102-53 CONTACT POINTS

For questions about the Social and Cooperative Responsibility Report, email: rse_coop@desjardins.com.

For more information on our social and cooperative responsibility, see the **Social and cooperative responsibility** section of our website at: www.desjardins.com/ca/about-us/social-responsibility-cooperation/index.jsp.

GRI 102-54 CLAIMS OF REPORTING IN ACCORDANCE WITH THE GRI STANDARDS

Our Social and Cooperative Responsibility Report has been prepared in accordance with the GRI Standards: Core option.

GRI 102-55 GRI CONTENT INDEX

The GRI content index is presented in this section.

GRI 102-56 EXTERNAL ASSURANCE

All data disclosed was validated by senior management. Since 2017, Pricewaterhousecoopers LLP (PwC) has independently reviewed our GHG emissions. PwC has provided limited assurance on our Scope 1, 2 and 3 emissions (www.desjardins.com/ressources/pdf/d50-rapport-certification-2022-e.pdf).

ECONOMIC – ENVIRONMENTAL – SOCIAL DISCLOSURE

GOVERNANCE – MANAGEMENT APPROACH | GRI 103-1 | 103-2 | 103-3

103-1 Materiality	<p>At Desjardins, the primary purpose of our governance practices is to support our mission of contributing to improving the economic and social well-being of people and communities. The Fédération des caisses Desjardins du Québec (the Federation) develops and applies a governance framework that takes into account our cooperative nature, our sustainable development objectives, the complexity of our operations, and the guidelines and reports of regulatory authorities. This framework covers the activities of the Federation, the Desjardins Security Fund, our subsidiaries, Quebec caisses and Caisse Desjardins Ontario Credit Union Inc. As certain components are subject to specific regulations, the framework complies with all the applicable regulations, including those of the Canadian Securities Administrators and the Office of the Superintendent of Financial Institutions, as well as industry best practices.</p>
103-2 Management	<p>At Desjardins, we have effective and efficient governance. Our governance is based on strong values and takes into account the long-term interests of our organization and our members and clients.</p> <p>The Federation has a governance policy in place to ensure sound governance. Our governance framework consists of documents, processes, reporting mechanisms and an independent audit. All of these reflect applicable legislative and regulatory requirements, including guidelines issued by the Autorité des marchés financiers (AMF).</p> <p>We strive to continue to integrate environmental, social and governance (ESG) factors into our governance and business practices. This aspect has become essential in the financial sector. We also continue to show our commitment to climate action, climate change adaptation and biodiversity conservation, topics that are increasingly important for our boards.</p> <p>To find out more about our governance, see the Governance section of our annual report and the Governance section of our Social and Cooperative Responsibility Report.</p>
103-3 Evaluation	<p>The Federation's board of directors is responsible for implementing and assessing our governance framework. This framework is consistent with the complexity of our operations and our risk profile. It reflects our ownership and organizational structures, and our available resources. It also outlines the division of responsibilities between the board, its commissions and committees, and senior management.</p>

GRI FS1 / POLICIES WITH SPECIFIC ENVIRONMENTAL AND SOCIAL COMPONENTS

We have internal governance documents on:

- Sustainable development
- Financial education
- Regional decentralization
- Vehicles for the caisse network
- Business travel
- Courtesy vehicles
- Procurement
- Disposition of property
- Proxy voting
- Responsible investment
- Caisse Community Development Funds
- Responsible procurement
- Supplier conduct
- Professional conduct

See the **People-focused governance** section of our Social and Cooperative Responsibility Report for a full description of our governance achievements (pages 61 and 62).

ECONOMIC DISCLOSURE

ECONOMIC PERFORMANCE – MANAGEMENT APPROACH | GRI 201 | 103-1 | 103-2 | 103-3

103-1 Materiality	<p>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.</p> <p>We believe in economic development that respects both people and the environment and that benefits both present and future generations.</p> <p>Our caisses have always been drivers of economic and social development, promoting financial literacy to help individuals and communities take charge of their futures.</p> <p>At Desjardins, our ongoing mission is to enrich the lives of members and communities. We've developed tools and programs to help us fulfill our mission nationwide, and caisses can tailor them to their local communities.</p>
103-2 Management	<p>SUPPORT FOR PARTNER ORGANIZATIONS AND MEANINGFUL PROJECTS</p> <p>Our 213 caisses are firmly rooted in local communities. They maintain partnerships with community development stakeholders, such as municipalities, chambers of commerce and community organizations. These close relationships keep the caisses informed of member and community partner needs and involved in meaningful local projects. To strengthen these ties, we've created community collaboration groups to guide caisses' community involvement.</p> <p>All caisses have a Community Development Fund (CDF). CDFs are funded with surplus earnings by a vote of caisse members at their annual general meetings. We use traditional and social media to spread the word about the projects we support, secure buy-in and get people involved.</p> <p>The GoodSpark Fund is a flagship initiative to jump-start regional development and the socioeconomic recovery. We've committed to invest \$250 million by 2024 in community projects that have the potential to shape our society. We support initiatives that address key community priorities, such as employment, economic vitality, education and the environment. Since 2016, we've awarded grants to more than 726 projects in Quebec and Ontario.</p> <p>Through our close relationships with governments, municipalities and Canadian socioeconomic development organizations, we help identify key issues and shape development initiatives.</p> <p>We contribute directly to economies outside major urban centres through our Shared Services Centre and our decentralized operating model. Community needs drive how and when we get involved.</p> <p>The Desjardins Economic Studies team prepares regional and topical overviews and analyses of the credit and savings markets in Quebec, Ontario and all of Canada. This information is available to caisse directors.</p>
103-3 Evaluation	<p>Our quarterly financial reports review a wide range of indicators across all our business lines. They give our directors, employees, members, clients and investors the information they need to make informed decisions.</p>

INDIRECT ECONOMIC IMPACTS – MANAGEMENT APPROACH | GRI 203 | 103-1 | 103-2 | 103-3

103-1 Materiality	<p>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, training directors and working towards the United Nations Sustainable Development Goals.</p>
103-2 Management	<p>GROWING LOCAL ECONOMIES</p> <p>At Desjardins, we've been making efforts for many years to decentralize our operations outside urban centres.</p> <p>We have a formal decentralization policy in place to help grow and support vibrant communities. Our subsidiaries also provide good jobs in many parts of the country.</p> <p>SUPPORTING BUSINESSES AND CREATING JOBS</p> <p>We help grow businesses and keep jobs in both rural and urban communities through our wide range of products and services.</p> <p>We also do this through:</p> <ul style="list-style-type: none"> • 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 and has been adapted to address pandemic needs • The 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 • Programs like Pay It Forward, to support local businesses and organizations during the pandemic • Our partnerships with Place aux jeunes en région, the Réseau des carrefours jeunesse-emploi du Québec, Adopt Inc., OSEentreprendre and the Regroupement des jeunes chambres de commerce du Québec <p>TRAINING DIRECTORS</p> <p>We train our 2,456 directors to help them develop their skills and do more for their community. The training we provide helps them make the best decisions for their caisse's future. This training strengthens our democratic processes and helps to build stronger communities.</p> <p>DESJARDINS INTERNATIONAL DEVELOPMENT</p> <p>Desjardins International Development (DID) is our main component operating outside North America. DID works on the ground to strengthen local financial institutions and the inclusive finance industry at home and in developing and emerging countries. DID also helps improve financial inclusion and access to financial services for everyone, with a specific focus on women and youth. The principles of sustainable development and climate action are also reflected in DID programs.</p>
103-3 Evaluation	<p>A report on the indirect economic impacts of our operations can be found in our annual report.</p>

See the **Socioeconomic leadership** section of our Social and Cooperative Responsibility Report for a full description of what we do for communities (page 42).

PROCUREMENT PRACTICES AND SUPPLIER ASSESSMENT – MANAGEMENT APPROACHES | GRI 204 | 308 | 414 | 103-1 | 103-2 | 103-3 | 102-9

<p>103-1 Materiality</p>	<p>For us, procurement is more than simply acquiring goods and services. We incorporate our procurement process into the rest of our operations and use it as a way to make a positive contribution to our business strategies.</p> <p>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. Because we're a service business, our supply chain supports operations, and our purchases aren't typically turned into products. Our supply chain is stable, with the exception of suppliers used for one-time initiatives.</p>
<p>103-2 Management</p>	<p>Under our new procurement policy, we factor responsible procurement principles into all our purchases. These principles include using resources responsibly and incorporating ESG factors into all procurement processes. The caisses began applying this policy in 2020, in support of our buy local mindset. In 2023, the caisse network procurement policy will become a standard, meaning it will automatically apply to all caisses.</p> <p>SUPPLIER RELATIONSHIPS</p> <p>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. With our procurement policy (soon to be our procurement standard), we also encourage our suppliers to use a similar approach when dealing with their own suppliers. Our contracts include strict ethical principles.</p> <p>QUEBEC LEADER IN RESPONSIBLE PROCUREMENT</p> <p>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.</p> <p>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.</p> <p>We have an internal committee on responsible procurement. This committee is charged with launching responsible procurement initiatives that make a difference and raising employee awareness. The committee has published a sustainable procurement rule and updated our sustainable procurement guide to promote sound purchasing behaviours across Desjardins. It has also worked to include more companies owned by members of underrepresented groups in our procurement processes and specific sustainability criteria for the procurement of certain key products and services. These measures are part of our annual responsible procurement plan. To make our supply chain more inclusive, we've been gradually rolling out our supplier diversity program.</p> <p>To continuously improve, we're always looking for new, more sustainable ways to do things. We've stopped buying certain single-use plastics and we've signed a statement of commitment to the L'économie sociale: j'achète! initiative to help us track our progress based on our results in the Sustainable Procurement Barometer. Every year, our procurement resources take relevant training to build on our knowledge and best practices.</p>
<p>103-3 Evaluation</p>	<p>We've standardized our approach to responsible procurement, mainly using the BNQ 21000 self-evaluation checklist, as part of our ongoing efforts to incorporate socially responsible practices into our processes. This gives us better control over our social responsibility performance.</p>

See the **Socioeconomic leadership** section of our Social and Cooperative Responsibility Report for a full description of the impacts of our supply chain (page 45).

FRAUD AND FINANCIAL CRIME PREVENTION – MANAGEMENT APPROACH | GRI 205 | 103-1 | 103-2 | 103-3

103-1 Materiality

With more people doing their banking online, payments being processed faster and all the changes in the banking industry, financial institutions must be able to quickly adapt to the creative schemes and resources fraudsters and criminals are using to find and exploit potential cracks in the Canadian and global financial systems. Whether it's fraud, corruption, money laundering, terrorist financing or tax evasion, stakeholders across society must work together to combat financial crime. Financial crime significantly hampers a country's progress and is a threat to economic and social stability. Failing to comply with regulations could lead to significant administrative penalties, damage to Desjardins's reputation and compromised or severed ties with Canadian and foreign financial institutions.

103-2 Management

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 Compliance and Privacy Division and Office of the Chief Compliance and Privacy 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. Everything we do lines up with our framework to ensure sound management of operational risk. The framework is 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*. The framework includes 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 head of fraud prevention 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.

We have internal governance documents on:

- Fraud prevention
- Security and credit checks for employment
- 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.

**103-2 Management
(continued)**

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 overseeing 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. We're therefore 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.

We have internal 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

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

103-3 Evaluation

We make sure our fraud and financial crime prevention programs are being implemented properly and monitor activities in this area. These programs allow us to provide an opinion on the adequacy, application and effectiveness of control mechanisms. The Desjardins Group Monitoring Office provides an independent assessment of the relevance and effectiveness of the management framework. As required by anti-money laundering and anti-terrorist financing regulations, the Monitoring Office conducts an independent assessment every 2 years to make sure all our reporting entities are compliant.

Senior management and decision-making bodies receive quarterly reports with the information they need to assess our organization's risk management position.

GRI 205

In the fall of 2021, we rolled out a mandatory security training program for all our employees. The program includes the following courses:

- Introduction to security (a collection of training videos about different security practices, including information security, fraud, financial crime, data governance, physical security and personal information protection)
- Protecting personal and confidential information
- Identifying phishing emails
- Conflicts of interest: Don't look the other way!
- Sound commercial practices at Desjardins
- Privacy policy and consents

Our managers also need to take the following training:

- Desjardins identity and access management: A specific training program for managers!
- Anti-corruption

The following training is not mandatory Desjardins-wide, but it is mandatory for Security Office staff and employees in specific roles.

1. MISSION POSSIBLE: Fighting money laundering and terrorist financing
2. BEHIND THE SCENE: Fighting money laundering and terrorist financing
3. Anti-tax evasion
4. International economic sanctions
5. Anti-corruption
6. Phone scams

We also improved our phishing training in 2021—we've made the tests more challenging and we're targeting specific groups of employees. The program is designed to make employees more aware of phishing.

The 13th Forum Sécurité took place in October 2022. At the event, our employees were able to get the tools and support they need to make best security practices part of their day to day.

ENVIRONMENTAL DISCLOSURE

MANAGING ENERGY USE AND GHG EMISSIONS – MANAGEMENT APPROACHES | GRI 305 | 302 | 103-1 | 103-2 | 103-3

103-1 Materiality	Climate change is one of the most pressing challenges facing our world. That's why it's the main focus of our environmental efforts. We've taken action on the largest sources of GHG emissions, mainly in Quebec and Ontario, but elsewhere in Canada as well, with a focus on transportation, paper consumption, energy use and our supply chain.
103-2 Management	<p>COOPERATING FOR THE CLIMATE CHALLENGE</p> <p>To reduce our GHG emissions, we've gone into project mode. We've created a governance structure, set a schedule for follow-ups, and identified 4 priority areas: paper consumption, transportation, energy use in our buildings and our supply chain. The project is supported by ambassadors from the business sectors and support functions who are responsible for identifying initiatives that will significantly cut down on emissions as well as engaging employees across the organization and giving them the tools they need to contribute. The Desjardins Group Management Committee receives quarterly reports on our progress.</p> <p>TRANSPORTATION</p> <p>From the start of the pandemic, we prioritized telework for our employees. And in 2021, we launched an official hybrid work program. We provide a shuttle for our employees travelling between the Montreal and Lévis offices. With employees back in the office, the shuttle service is operating again. Employees with a company vehicle now have access to a vehicle selection tool that only offers hybrid or electric models for vehicles that need to be replaced. We're pleased to offer our employees greener transportation options.</p> <p>One key way we encourage our employees to use alternative transportation is through our Alternative Transportation Program. The program is available to employees in our main employment hubs (Lévis, Montreal, Quebec City and Toronto). Each year, we set a target number of employees to participate in the incentive program, with an allocated budget of around \$1 million. We're currently expanding the program to more employees and updating the offer based on our new work arrangements. We've rolled out initiatives like the Défi sans auto solo and the Défi du Mois du vélo to motivate our employees.</p> <p>PAPER CONSUMPTION</p> <p>Each year, we use hundreds of millions of sheets of paper in the course of our operations. We use paper in our offices (mainly in Quebec and Ontario). Paper documents may also be mailed out to members and clients across Canada.</p> <p>Given the environmental impacts, we're aiming to reduce our GHG emissions related to paper consumption by:</p> <ul style="list-style-type: none">• Whenever possible, buying paper made in Quebec from 100% post-consumer waste to minimize the negative impacts of our paper consumption.• Reducing our paper consumption by configuring our printers and multifunction devices for black-and-white double-sided printing. The use of cloud computing and new office layouts that include collaboration zones encourage employee mobility and decrease our reliance on printed documents.• Replacing our printer inventory with machines that allow users to only print what they need.

103-2 Management (continued)

ENERGY CONSUMPTION

Across the country, but mainly in Quebec, we use a lot of energy to heat, cool and light our office space and to power our computer equipment. We have a number of energy efficiency measures in place to reduce our GHG emissions and lower our energy costs. These measures have resulted in LEED® or BOMA BEST® certification for some of our buildings. We take energy efficiency into consideration when building and renovating. We've also signed the Statement by Financial Institutions on Energy Efficiency.

In 2019, we rolled out the Desjardins Energy Transition plan to minimize our real estate portfolio's energy consumption and reduce our GHG emissions. We also started assessing our real estate operations based on ESG criteria using the GRESB tool. We'll be identifying areas for improvement for sites with higher carbon footprints. With the Desjardins Energy Transition plan, we work closely with local energy providers to systematically integrate the concepts of reducing energy consumption, decarbonizing assets and managing the demand for electrical power into our real estate operations and occupancy strategy. The goal for 2040 is to migrate our real estate portfolio to low-carbon buildings that meet the requirements for the best certifications on the market. We've also raised the performance standards for our design criteria (performance specifications) to the highest level.

SUPPLY CHAIN

This is a new addition to our climate ambition. First, we'll measure the carbon footprint of our supply chain and then work with our key suppliers to reduce it.

103-3 Evaluation

Since 2008, we've been producing an annual inventory of our GHG emissions. We publish it through CDP (formerly the Carbon Disclosure Project). CDP's goal is to collect data on how businesses around the world manage their environmental impacts, and share this data with investors.

In 2021, we set a new science-based target for our carbon footprint. The goal is to reduce our GHG emissions to 41% below 2019 levels by December 31, 2025. To reach this reduction target, we'll leverage in-house initiatives that optimize business travel, reduce paper consumption, increase our energy efficiency and reduce our digital carbon footprint. We don't buy renewable energy certificates to reduce the carbon footprint of our electricity consumption. Instead, we offset our GHG emissions by purchasing carbon credits certified under recognized protocols.

Our operations have been carbon-neutral since 2017. We're offsetting our GHG emissions on a voluntary basis, through a rigorous process that takes scientific and industry best practices into account. We use GHG Protocol rules and ISO 14064 to calculate the reduction in our GHG emissions, and our calculation is reviewed by an independent third party. Carbon credits are assigned a unique serial number. We also work closely with the sponsors of projects with a proven, transparent and long-term commitment to reducing GHG emissions. We commissioned a study by the Chaire en éco-conseil at the Université du Québec à Chicoutimi to confirm the scientific rigour of what we're doing to offset our GHG emissions. The results confirmed the validity of our carbon-neutral assertion for 2017 within our inventory boundary. We've been using the same process since 2017. As a national socioeconomic leader, we select projects with positive environmental impacts across Canada. In 2022, we offset 100% of our 2021 GHG emissions by buying carbon credits from these projects:

- Terreau Biogaz inc. (Quebec): This project recovers and processes biogas from landfill sites and feeds it into Hydro-Québec's green energy grid.
- The AIM Environmental Group Inc. (ON) Hamilton Central Composting Facility: This is a waste conversion facility. It reduces GHG emissions by transforming organic household waste into compost. This diverts a large quantity of organic waste from landfills, where it would generate methane through anaerobic decomposition.
- Great Bear Forest Carbon Project (British Columbia): This project is a collaborative ecosystem-based management approach involving the government, environmental groups, local forest companies and First Nations. It promotes the conservation and biodiversity of the largest temperate rainforest and contributes to the well-being of First Nations communities.

We've also made an additional commitment to budget the equivalent of 1% of our carbon footprint to support Coop FA's Bourse du carbone Scol'ERE. This educational program teaches school-aged children and their families about the importance of protecting the environment.

Our real estate sector, which is one of our main sources of GHG emissions, is working on a decarbonization plan (Cap Carbone) to get our real estate holdings and operations on track for carbon neutrality. This ambitious plan will provide comprehensive carbon accounting tools so the real estate sector can quantify all GHG emissions for materials used (intrinsic carbon) and operations (energy, residual waste and procurement). Cap Carbone's methodology, which is in line with the Science Based Targets initiative, is based on the GHG Protocol and ISO standards 14000, 31000 and 55000. It also relies on the Carbon Risk Real Estate Monitor and GRESB, which are market benchmarking tools.

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)	Louiseville	2015-05-20	Gold
Caisse Desjardins de l'Ouest de la Mauricie (Saint-Étienne-des-Grès Service Centre)	Saint Étienne-des-Grès	2015-04-24	Silver
Caisse Desjardins Thérèse-De Blainville (head office)	Ste-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

BOMA BEST® CERTIFICATION

Building	City	Certification date	Level	BOMA recognition
150 Rue Des Commandeurs	Lévis	2017-2020	Platinum	<ul style="list-style-type: none"> • TOBY Award (BOMA Canada): 2019 winner, commercial property category • BOMA Award (BOMA Quebec): 2017 Building of the Year, 250,000 to 499,000 sq. ft. category • BOMA Quebec Building Energy Challenge: 2020 and 2021 winner • BOMA Quebec: 2022 GHG Target Achievement Award
Complexe Desjardins	Montreal	2019	Gold	<ul style="list-style-type: none"> • BOMA Quebec Building Energy Challenge: 2020 and 2021 winner • BOMA Quebec: 2022 GHG Target Achievement Award
6300 Boulevard Guillaume-Couture	Lévis	2018	Silver	<ul style="list-style-type: none"> • BOMA Quebec Building Energy Challenge: 2019 finalist and 2020 and 2021 winner
6500 Boulevard Guillaume-Couture	Lévis	2018	Silver	<ul style="list-style-type: none"> • BOMA Quebec Building Energy Challenge: 2019 finalist
95 Rue Des Commandeurs	Lévis	2020	Gold	
59 Rue Bégin	Lévis	2018	Silver	<ul style="list-style-type: none"> • BOMA Quebec Building Energy Challenge: 2019, 2020 and 2021 winner • BOMA Quebec: 2022 GHG Target Achievement Award
100 Rue Des Commandeurs	Lévis	2020	Gold	<ul style="list-style-type: none"> • BOMA Quebec Building Energy Challenge: 2020 and 2021 winner • BOMA Quebec: 2022 GHG Target Achievement Award

Building	City	Certification date	Level	BOMA recognition
200 Rue Des Commandeurs	Lévis	2021	Gold	<ul style="list-style-type: none"> BOMA Quebec Building Energy Challenge: 2019 winner BOMA Quebec: 2022 GHG Target Achievement Award
6125 Boulevard Wilfrid-Carrier	Lévis	2018	Certified	
450 Boulevard De Maisonneuve	Montreal	2021	Platinum	<ul style="list-style-type: none"> BOMA Quebec Building Energy Challenge: 2019 winner BOMA Quebec Improved Energy Performance Award (2022)
995 Boulevard Alphonse-Desjardins	Lévis	2022	Platinum	<ul style="list-style-type: none"> BOMA Quebec Building Energy Challenge: 2019 and 2020 winner BOMA Quebec: 2022 Improved Energy Performance Award
6075 Boulevard Wilfrid-Carrier	Lévis	2021	Gold	<ul style="list-style-type: none"> BOMA Quebec Building Energy Challenge: 2019 winner BOMA Quebec: 2022 Improved Energy Performance Award

BOMA 360 CERTIFICATION

Building	City	Certification date
150 Rue Des Commandeurs	Lévis	2020

RESIDUAL WASTE – MANAGEMENT APPROACH | GRI 306 | 103-1 | 103-2 | 103-3

103-1 Materiality	<p>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. Waste management is part of our commitment to fostering a green economy and ensuring compliance with Quebec's <i>Environment Quality Act</i>. Waste management systems are in place in business sector and support function buildings that Desjardins owns or leases, but not in the caisse network.</p>
103-2 Management	<p>MORE THAN \$9 MILLION FOR CURBSIDE RECYCLING</p> <p>Since 2006, we've invested more than \$9 million in funding for municipal curbside recycling. Each year, we give hundreds of thousands of dollars to Éco Entreprises Québec and the Canadian Stewardship Services Alliance to help fund these important services and protect the environment.</p> <p>INTEGRATED RESIDUAL WASTE MANAGEMENT</p> <p>We've rolled out the Programme Récüp within the organization to harmonize our approach to residual waste management. 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, cartridges), telecommunications equipment (headsets, cellphones, landline phones, videoconferencing systems, peripherals) and office furniture.</p> <p>Concrete measures are in place to reduce how much residual waste we generate and to promote reuse and recycling based on the 5Rs (rethink, reduce, reuse, recycle and repurpose). A dedicated team coordinates our residual waste management efforts. As of 2022, 16 Desjardins sites have ICI on recycle + certification and 3 others are awaiting certification. We're an official ambassador of RECYC-QUÉBEC.</p>
103-3 Evaluation	<p>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.</p>

SOCIAL DISCLOSURE

LOCAL COMMUNITIES – MANAGEMENT APPROACH | GRI 103-1 | 103-2 | 103-3

103-1 Materiality	<p>At Desjardins, our purpose is to enrich the lives of people and communities.</p> <p>The cooperative 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.</p> <p>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.</p> <p>The AMF has designated Desjardins as a domestic systemically important financial institution in Quebec. Domestic systemic importance is measured in terms of the impact that distress or insolvency of a financial institution would have on the domestic economy.</p>
103-2 Management	<p>At Desjardins, we help build vibrant communities in many ways, including:</p> <ul style="list-style-type: none">• Funding long-term community development projects• Supporting community organizations through director and employee involvement• Financing individual and group entrepreneurship projects• Offering relief measures to support people and communities during the pandemic• Offering products and services tailored to individual and community needs• Promoting financial literacy and inclusion in Canada and abroad• Making crowdfunding available to individual and group project promoters through La Ruche supported by Desjardins• Launching sustainable development initiatives <p>As a socioeconomic leader, we've developed financial support tools that can be customized to suit community needs, like our GoodSpark Fund, a \$250 million fund for the period from 2016 to 2024. With this fund, we support development projects that make a difference for people and communities at the local and national levels.</p> <p>Our insurance subsidiaries also do their part for community development by supporting health and road safety initiatives. In addition, their investment portfolios include investments in infrastructure projects and businesses that meet ESG criteria.</p>
103-3 Evaluation	<p>We evaluate our community engagement strategies every year and adjust them as required. We track the number of entrepreneurs we support, the number of individuals who have completed projects or received training and our investments in cooperative organizations and group projects. For the GoodSpark Fund, we also track and evaluate participation levels and the number of people affected by the projects supported, the number of jobs created or maintained, and the overall positive effect of our contributions.</p> <p>We collect and analyze feedback from our community partners. Finally, we tally contributions made by members to their local caisse's Community Development Fund.</p> <p>To learn more: GRI 413-1 205-2 FS13 FS14 FS16 203-2</p>

See the **Support for local communities** section of our Social and Cooperative Responsibility Report for a full description of how we're helping communities (page 14).

EDUCATION AND COOPERATION – MANAGEMENT APPROACH | GRI 103-1 | 103-2 | 103-3

103-1 Materiality	Financial education has always been central to Desjardins's mission and important for members and clients. We help design and deliver financial and cooperative education programs for members, clients, individuals and communities. Some of these programs are developed and presented in partnership with educators and consumer protection advocates in Quebec and Ontario.
103-2 Management	In 2022, we invested \$11 million in programs to foster healthy financial habits, financial wellness and financial empowerment. 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're continually updating the programs to keep pace with how our members and clients want to learn and be supported.
103-3 Evaluation	We assess participant satisfaction with financial education programs like Personal Finance: I'm in Charge®. However, it's difficult to measure the long-term effects of our programs on the financial empowerment of individuals and businesses.

Support for cooperative organizations in Quebec, across Canada and abroad ^{1,2}	Member	Member of the board (or a committee)	Financial contribution (\$)		
			2022	2021	2020
Conseil québécois de la coopération et de la mutualité	●	●	1,121,057	933,060	921,353
Cooperation Council of Ontario	●	●	48,500	48,500	48,500
Co-operatives and Mutuels Canada	●	●	350,000	350,000	350,000
Fondation pour l'éducation à la coopération et à la mutualité		●	26,596	26,596	80,174
European Association of Co-operative Banks	●	●	62,807	65,033	63,289
International Cooperative and Mutual Insurance Federation	●	●	115,000	115,000	120,000
International Raiffeisen Union	●		9,653	10,249	10,545

¹ Amounts shown don't include financial contributions from caisses to these cooperatives or to other local and regional cooperatives.

² Amounts are converted to Canadian dollars using the exchange rate in effect at the time the payment was made.

See the **Education and support for youth** section of our Social and Cooperative Responsibility Report for a full description of what we're doing to help members and clients learn more about money and finances (pages 18 and 19).

MEMBER/CLIENT EXPERIENCE – MANAGEMENT APPROACH | GRI 103-1 | 103-2 | 103-3

103-1 Materiality	As a cooperative financial group striving to always do what's best for our members and clients, we're keenly focused on the member/client experience. We're working to improve this experience across all channels members and clients use to do business with us, whether online or in person, in Quebec, in Ontario or anywhere else.
103-2 Management	<p>Here are some of the many ways we're improving the member/client experience:</p> <p>NET PROMOTER SYSTEM</p> <p>The Net Promoter System® is a management framework that starts with listening to our members and clients and continues through to the application of measures to better serve them. With this system, members and clients can give us their feedback about interactions with our organization. We use this feedback to continually improve.</p> <p>USER EXPERIENCE RESEARCH</p> <p>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 UX lab, to develop cutting-edge online experiences tailored to the needs of members and clients.</p> <p>MEMBER, CLIENT AND CONSUMER SURVEYS</p> <p>To learn more about people's needs, expectations, preferences and perceptions, we conduct surveys through the Desjardins Web Panel (which has more than 10,000 members) and our Canadian consumer panels. We also use member and client email lists.</p> <p>ONLINE COMMUNITIES</p> <p>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 lasting a few days. We ask participants to fill out a workbook to encourage personal reflection and group discussion.</p> <p>FOCUS GROUPS AND INDIVIDUAL INTERVIEWS</p> <p>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.</p> <p>MANAGING DISSATISFACTIONS</p> <p>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.</p> <p>INTERNET AND SOCIAL MEDIA</p> <p>We have a dedicated social media team. This team handles complaints and negative feedback posted on social media sites like Facebook, 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. The AccèsD team handles all other complaints, negative feedback and suggestions we receive online.</p>

**103-2 Management
(continued)**

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.

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.

Step 2: File an official complaint with our complaints handling teams (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 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.

103-3 Evaluation

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. We use it to identify sources of increasing and decreasing member/client loyalty and to prioritize what we can do to improve the member/client experience.

See the **Member/client experience** section of our Social and Cooperative Responsibility Report for a full description of what we're doing to improve the member/client experience (pages 29 to 38).

PRODUCT RESPONSIBILITY – MANAGEMENT APPROACH | GRI 103-1 | 103-2 | 103-3

<p>103-1 Materiality</p>	<p>As a cooperative financial group, we contribute to the social and economic well-being of people and communities.</p> <p>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. We also support meaningful sustainable development projects through the GoodSpark Fund and the Community Development Funds. 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.</p>
<p>103-2 Management</p>	<p>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, discounts on home and auto insurance, and a Green Option for auto loans. We 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.</p> <p>We've also established a financial education policy to give people the skills, know-how and ability to make responsible financial decisions.</p> <p>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 provide loans to entrepreneurs who don't qualify for traditional financing.</p> <p>ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS</p> <p>We're a pioneer in the responsible investment movement in Canada. The following Desjardins entities have signed the United Nations Environment Programme Finance Initiative's Principles for Responsible Investment: Desjardins Investments, Desjardins Global Asset Management, Desjardins International Development and the Desjardins Group Pension Plan. For more than 30 years, we've been one of the country's leading proponents of this approach. Responsible investment means integrating ESG factors into investment selection and management decisions. We take a long-term view and invest in companies with a focus on sustainable development. Our responsible investment solutions include SocieTerra Portfolios and Funds, the Priority Terra Guaranteed Investment, and our line of responsible investment exchange-traded funds. In accordance with our responsible investment policies, securities are selected and managed in our funds and portfolios using one or more of the following strategies:</p> <ul style="list-style-type: none"> • Screening out investments in companies associated with negative environmental or social impacts • Incorporating extra-financial ESG criteria into our investment decisions • Using shareholder engagement to incite change • Forming coalitions with other institutional investors to lobby for improvements in corporate policy, industry standards, and national and international regulations <p>In 2021, we continued to build on our responsible financing strategy and assess the carbon and ESG risks associated with our business financing.</p> <p>Our disclosures under the Principles for Responsible Banking and the Principles for Sustainable Insurance are appended to our Social and Cooperative Responsibility Report.</p> <p>To learn more about our 2022 responsible finance efforts, see the Responsible finance section of our Social and Cooperative Responsibility Report.</p>
<p>103-3 Evaluation</p>	<p>The Desjardins Group Management Committee tracks sales of our Green Program products on a quarterly basis. The growing popularity of our responsible financial products and services clearly shows that they meet the needs of our members and clients. We continually review and enhance our product lineup to ensure that it remains both relevant and accessible. As part of its annual assessment of responsible investment, the PRI Association gives scores to Desjardins components that have signed the Principles for Responsible Investment.</p>

GRI FS8 / SOCIETERRA FUNDS AND PORTFOLIOS

Assets under management as at December 31 (\$ billions) ¹	2022	2021	2020
SocieTerra Funds and Portfolios	7.4	8.1	4.9

¹ To avoid duplicate entry, the SocieTerra Fund assets above do not include the amounts invested through the 4 SocieTerra Portfolios.

GRI FS8 / MARKET-LINKED GUARANTEED INVESTMENTS – RESPONSIBLE OPTIONS

The responsible options of our market-linked guaranteed investments offer stock market growth potential without risking the investor's capital, which is 100% guaranteed. We carefully select companies for their environmental, social and governance commitments.

Assets under management as at December 31 (\$ billions)	2022	2021	2020
Market-linked guaranteed investments – Responsible options	3.7	2.9	1.4

To learn more: www.desjardins.com/ca/personal/savings-investment/market-linked-guaranteed-investments/

GRI FS8 / DESJARDINS ESG PRINCIPAL PROTECTED NOTES

With Desjardins ESG Global Equity Principal Protected Notes, investors have the opportunity to obtain a first-step return plus an additional return, linked to the performance of a portfolio of 20 equities from sustainability leaders in various sectors from around the world.

Assets under management as at December 31 (\$ millions)	2022	2021	2020 ¹
Desjardins ESG principal protected notes	62.5	17.8	4.6

¹ Notes launched in 2020.

To learn more: www.fondsdesjardins.com/structurednotes/products/index.jsp

GRI FS8 / RESPONSIBLE INVESTMENT PORTFOLIOS – SOCIETERRA GUARANTEED INVESTMENT FUNDS

We offer 6 responsible investment portfolios under the Helios2 Contract. These portfolios give our members and clients access to the full potential of market growth, provide guarantees upon maturity and death, and foster sustainable development.

Assets under management as at December 31 (\$ millions)	2022	2021	2020
Responsible investment portfolios – SocieTerra guaranteed investment funds	182.3	202.1	87.7

To learn more: www.desjardinslifeinsurance.com/en/individual-savings/guaranteed-investment-funds/our-investment-options

GRI FS8 / GUARANTEE ADVANTAGE – ESG GLOBAL DIVERSIFIED MARKET-LINKED TERM INVESTMENT

Guarantee Advantage's ESG Global Diversified basket is composed of securities issued by conscientious companies, some of which are viewed as being proactive in the renewable energy sector.

Assets under management as at December 31 (\$ millions)	2022	2021	2020
Guarantee Advantage – ESG Global Diversified market-linked term investment	25.8	17.9	8.1

GRI FS8 / DESJARDINS SECURITIES DISCRETIONARY MANAGEMENT

Desjardins Securities works with Desjardins Global Asset Management and external investment firms to offer investors an array of responsible choices and access to renowned portfolio managers. Starting with an investor's profile, risk tolerance and ESG factor preferences, the Desjardins Securities advisor draws up an investment strategy that includes management mandates to help yield the desired results.

Assets under management as at December 31 (\$ millions)	2022	2021	2020
Total	98.2	— ¹	— ¹

¹ 2021 and 2020 data not available because the calculation method has changed.

GRI FS8 / GROUP RETIREMENT SAVINGS – RESPONSIBLE INVESTMENT

We were one of the first in the industry to offer funds on our group retirement savings platform that have been selected based on ESG criteria. Employers and consultants can use the fund valuation and rating framework.

In addition, our group retirement savings lineup includes responsible investment options that use ESG criteria for investment selection and management, in some cases with a focus on specific sustainability approaches and objectives.

Assets under management as at December 31 (\$ millions)	2022	2021	2020
Responsible investment solutions – Group retirement savings	64.2	36.7	23.7

To learn more about group retirement savings investment options: www.desjardinslifeinsurance.com/en/businesses/group-retirement-savings/services/investments/investment-options

GRI FS8 / DESJARDINS PRIVATE WEALTH MANAGEMENT

Desjardins Private Wealth Management also offers a number of responsible investment products.

Assets under management as at December 31 (\$ millions)	2022	2021	2020
Responsible investment solutions – Private wealth management	124.9	154.8	98.8

GRI FS8 / INCORPORATING ESG CRITERIA INTO OUR ASSET MANAGEMENT ACTIVITIES (DESJARDINS GLOBAL ASSET MANAGEMENT)

Desjardins Global Asset Management (DGAM) manages assets for institutional clients, including our own investments. It offers responsible investment strategies. As at December 31, 2022, the assets under management for these strategies totalled \$5.2 billion.

Assets under management as at December 31 (\$ billions)	2022	2021	2020
Responsible investment strategies (DGAM)	5.2	6.6	3.3

DGAM also manages strategies to reduce the carbon footprint of our investments. As at December 31, 2022, the assets under management for these strategies totalled \$11.9 billion.

Assets under management as at December 31 (\$ billions)	2022	2021	2020
Strategies to reduce the carbon footprint of our investments	11.9	10.0	9.6

[Learn more about DGAM and responsible investment](#)

INCORPORATING ESG CRITERIA INTO OUR REAL ESTATE PORTFOLIOS

Since 2018 and under the governance of an ESG committee, DGAM has been gradually incorporating ESG criteria into the management of its real estate portfolio, which is valued at nearly \$4 billion. We invest in a broad range of real estate funds and properties.

Breakdown of our real estate portfolio by asset class as at December 31, 2022:

Office buildings	38%
Commercial buildings	18%
Industrial buildings	13%
Residential buildings	26%
Land	6%

In 2019, DGAM set a goal to get BOMA BEST® or LEED® building certifications for all buildings by 2023. To be certified, buildings must meet criteria such as sustainable site development, energy efficiency and effective health and safety management.

DGAM uses Measurabl to measure and track the ESG performance of its buildings according to set targets.

CARBON-NEUTRAL REAL ESTATE PORTFOLIO

96.1%
of properties are LEED® certified*

*Excluding land.
Data as at December 31, 2022.

INCORPORATING ESG CRITERIA INTO OUR INFRASTRUCTURE PORTFOLIOS

DGAM works with external partners to manage high-quality infrastructure investment portfolios for internal and external institutional clients. Together with the Desjardins Group Pension Plan, we have an infrastructure portfolio valued at over \$3.3 billion as at September 30, 2022.¹ Investments in the renewable energy sector total nearly \$1.69 billion, or 42% of the infrastructure portfolio. The portfolio includes 274 assets held jointly with strategic partners.

Renewable energy (% and #)	2022	2021
Wind turbines	54%	52%
Solar	27%	26%
Hydroelectric	19%	22%
Number of countries	17	24
Number of provinces	8	8
% of partners who have signed the PRI	82%	77%

¹ The complete year-end data for private infrastructure investments used in this report isn't available until approximately 90 days after December 31. The most recent complete data available is as at September 30, 2022.

GRI FS8 / INCORPORATING ESG CRITERIA INTO OUR INVESTMENT CAPITAL ACTIVITIES (DESJARDINS CAPITAL MANAGEMENT INC.)

Desjardins Capital Management Inc. continued to set up a gradual, structured approach for incorporating ESG criteria into its investment process. In 2022, Desjardins Capital Management Inc.:

- Applied the conclusions from its ESG strategic assessment to all debt and equity investments of \$5 million or more
- Surveyed partner companies that represent the largest investments in the portfolio to learn about their practices for integrating ESG criteria
- Continued to develop its in-house expertise
- Trained stakeholders and raised their awareness (investment team, board members and business leaders)
- Sought out partners and fine-tuned its strategies for supporting companies

SHAREHOLDER ENGAGEMENT – MANAGEMENT APPROACH | GRI 103-1 | 103-2 | 103-3

<p>103-1 Materiality</p>	<p>We offer distinctive responsible investment solutions. Shareholder engagement is a fundamental part of our responsible investment approach. It allows us to interact directly with the companies selected and to open a dialogue to improve the way they manage ESG issues. This is one way we can encourage businesses to make their operations more sustainable for Canadians and people around the world.</p>
<p>103-2 Management</p>	<p>We use dialogue and shareholder voting to engage with companies in which we have stocks or bonds. Our components publish detailed reports about this each year.</p> <p>ENGAGING IN DIALOGUE</p> <p>Dialogue takes place behind closed doors. It’s a chance for investors to speak directly with company leaders about their concerns and discuss any expectations they have for change. As part of the dialogue, investors may visit facilities to gain a better understanding of the company’s operations.</p> <p>Several Desjardins entities use their position to engage in dialogue. The dialogues touch on a broad range of issues identified in a risk analysis of each company’s corporate governance and environmental and social responsibility practices. These dialogues are all conducted directly by our responsible investment team or by external portfolio managers. Each year, we use this approach with over 100 securities issuers.</p> <p>EXERCISING VOTING RIGHTS</p> <p>By exercising our voting rights, we’re able to address all the topics raised at annual shareholders’ meetings. We emphasize this strategy because we recognize that we have a responsibility to take a firm stand on all proposals submitted to the shareholders of the companies we invest in, in keeping with our values and those of our partners and clients.</p> <p>The following Desjardins entities have signed the United Nations Environment Programme Finance Initiative’s Principles for Responsible Investment: Desjardins Investments, Desjardins Global Asset Management, Desjardins International Development and the Desjardins Group Pension Plan. DID is also a member of the Global Impact Investing Network, a founding member of the Canada Forum for Impact Investment and Development and a member of the Convergence global network. DGAM participates in the Environmental and Social Committee of the Canadian Coalition for Good Governance, the pre-eminent corporate governance organization in Canada.</p> <p>For companies to qualify for our responsible investment solutions, they must undergo 2 types of analysis: one using financial criteria, and another more thorough analysis using ESG criteria.</p> <p>Our responsible investment management approach seeks to influence targeted companies whose securities are held in SocieTerra Funds and Portfolios, responsible investment exchange-traded funds or specific client mandates through a variety of strategies. The strategies we use are initiating dialogue, submitting shareholder proposals and exercising shareholder voting rights at annual general meetings.</p>
<p>103-3 Evaluation</p>	<p>Entities that have signed the Principles for Responsible Investment produce a public report each year.</p>

EQUITY, DIVERSITY AND INCLUSION – MANAGEMENT APPROACH | GRI 405 | 103-1 | 103-2 | 103-3

<p>103-1 Materiality</p>	<p>At Desjardins, we believe that equity, diversity and inclusion are key to building a successful, innovative organization. They also help create safe, healthy and inclusive work environments that embrace diversity, so everyone can achieve their goals and dreams. Diversity includes people of all genders, ages, backgrounds, experiences, abilities and sexual orientations.</p> <p>Our commitment: Welcoming each person, accepting them for who they are, learning from our differences, celebrating those differences and guaranteeing everyone the same treatment.</p> <p>This commitment is based on 4 guiding principles:</p> <ol style="list-style-type: none"> 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
<p>103-2 Management</p>	<p>We've implemented initiatives and practices to create and maintain an equitable, diversified and inclusive work environment.</p> <p>We deliver on this commitment through initiatives for under-represented groups to make members of the majority group more aware of the challenges their colleagues face and to turn them into effective allies.</p> <p>In 2021, the Desjardins Group Management Committee confirmed our organization's intent to become a model employer and socioeconomic leader for equity, diversity and inclusion (EDI). Following a strategic review by the management committee, we created an EDI Office, appointed a chief EDI officer and set up cross-sector governance to ensure initiatives are applied consistently for all stakeholders.</p> <ul style="list-style-type: none"> • In keeping with the principles that will guide us until the end of 2024, we pursued our EDI goals throughout 2021 by: • Updating our diversity survey to get an accurate picture of the representativity of our workforce and board members • Creating a toolbox to help managers and staff address EDI challenges • Setting and monitoring targets for women in senior management positions and on Federation and caisse boards of directors; for young people under 35; and for members of ethnocultural minorities, including Indigenous Peoples, both in staff and senior management positions • Acquiring and managing talent inclusively through practices and initiatives promoting workplace diversity, by hiring foreign workers with various statuses and permits, and through practices to ensure we meet our targets • Updating the enhanced group profiles for caisse boards of directors each year so the boards can set representation and diversity targets for age, gender and background • Promoting diversity through the Young Intern Director Program, which gives members ages 18 to 30 a chance to sit on their caisse's board of directors as non voting observers • Ensuring a diversity inspired employer brand image that puts each person's unique characteristics in the spotlight • Raising awareness among employees and board members of the various facets of diversity and the issues and challenges involved, particularly from an intersectional perspective, and pursuing a program aimed at eliminating unconscious biases • Promoting female leadership through various initiatives, including setting up a Canada-wide group of women and their allies that offers a unique development path for all women at Desjardins and that includes a component for women entrepreneurs • Pursuing multiple partnerships with various organizations to support our commitment to young people, women and ethnocultural minorities • Creating safe, open "Courageous Conversations about Racism and Inclusion" spaces for our employees and upholding our commitment to providing a work environment that's free of discrimination and has zero tolerance for any form of racism or discrimination • Pursuing initiatives with caisse board members to grow and maintain female representation in director and chair roles
<p>103-3 Evaluation</p>	<p>In 2022, we pursued the commitments we made when we submitted our initial plan in 2018. We also reaffirmed our commitment to become even more equitable, diversified and inclusive by setting up a streamlined ecosystem and metrics (see page 54 of the 2022 Social and Cooperative Responsibility Report).</p>

EMPLOYER/EMPLOYEE RELATIONSHIP – MANAGEMENT APPROACH | GRI 401 | GRI 103-1 | 103-2 | 103-3

<p>103-1 Materiality</p>	<p>We use a wide range of strategies to attract and retain top talent. We understand that employee well-being is essential to retention and job satisfaction. We also know that a good employer/employee relationship is key for employee retention. Our management practices focus on ongoing dialogue between managers and employees, and we see this as a shared responsibility.</p>
<p>103-2 Management</p>	<p>This ongoing dialogue is a cornerstone of our approach to performance management. In addition to meetings held at the beginning, middle and end of the year to set goals and review performance, this dialogue allows managers and employees to discuss and address individual and organizational needs. The president and CEO holds regular online meetings to build rapport with our employees and managers. These meetings are an opportunity to share our vision and expectations, discuss challenges and explain how they're being handled. The president and CEO also answers questions from participants. Our relationships with unions are harmonious, which helps to maintain good workplace relations. About 14% of our employees are unionized. The Workplace Relations Administrative Department has processes in place to deal with any grievances or complaints in accordance with labour laws. We also have a process for handling employee complaints in the event of a dispute and an anonymous mechanism that employees can use to report issues, especially regarding human resources.</p> <p>RESPECT IN THE WORKPLACE OFFICE</p> <p>The Respect in the Workplace Office (RWO) ensures a safe, respectful and civil workplace. Using a collaborative approach, the RWO implements suitable resolution measures when harassment, discrimination, violence, incivility or a toxic work environment are reported.</p> <p>As an impartial service, the RWO ensures that the employer fulfills its obligation to prevent and stop harassment in the workplace. In 2021, the RWO reviewed its governance documents on respect in the workplace to harmonize the content for all provinces where we do business, while ensuring that all applicable legal requirements are met. We've been able to improve prevention by developing online training on work environments and raising awareness on current challenges (intimate partner violence, diversity, etc.).</p> <p>In May 2021, we rolled out work environment training for employees. By the end of 2022, 30% of active employees had taken this training at Desjardins.</p> <p>HEALTH AND SAFETY IN THE WORKPLACE</p> <p>At Desjardins, occupational health and safety are fundamental to performance. We're committed to offering a safe and secure work environment. We enforce required safety measures, including those mandated by provincial and federal laws and regulations.</p> <p>The group insurance plan is a key part of our compensation package. We care about our employees' health and financial security, and the plan was designed to provide employees with the peace of mind they need for personal and professional growth.</p> <p>We implemented a process for reporting incidents and emergencies, with specific mechanisms that apply based on the circumstances. This ensures that incidents and emergencies are handled promptly and effectively by the right people.</p> <p>We have teams dedicated to protecting our employees, keeping our workplaces safe and coordinating emergency response operations. Documentation on emergency measures is readily available to employees.</p>
<p>103-3 Evaluation</p>	<p>Since 2018, our approach to employee engagement has been based on ongoing dialogue with all employees. Everyone is encouraged to express their point of view using Officevibe, a confidential, interactive platform that lets employees give feedback on their experience working for Desjardins. Managers can interact with them at any time to gain more insight.</p>

TRAINING AND EDUCATION – MANAGEMENT APPROACH | GRI 404 | 103-1 | 103-2 | 103-3

103-1 Materiality	Desjardins directors, managers and employees improve their skills through ongoing training. This equips them to make the best decisions for members and clients. We fully comply with Quebec’s <i>Act to promote workforce skills development and recognition</i> , which requires large companies to invest at least 1% of their payroll in employee training every year.
103-2 Management	<p>For many years, we’ve invested more than 2% of our payroll in staff training and development. The sustained interest that our employees show is a clear indicator that these measures are worthwhile. These investments are allocated within the organization based on our challenges and priorities.</p> <p>We have a mandatory learning path for caisse directors. As at December 31, 2022, there were 14 required training courses.</p>
103-3 Evaluation	In 2022, all our employees took training courses. Thousands of employees and many directors were able to improve their skills through these courses.

INFORMATION SECURITY AND PHYSICAL SECURITY – MANAGEMENT APPROACH | GRI 103-1 | 103-2 | 103-3

103-1 Materiality	With cyber threats on the rise in recent years, cybersecurity has become a major global challenge. Cybersecurity is a key strategic concern for our organization. This includes data flow control and logical access to information systems, as well as physical security.
103-2 Management	<p>INFORMATION SECURITY</p> <p>Our chief information security officer ensures that our actions are aligned with our IT risk appetite framework. We started upgrading our technology several years ago to prevent cyberattacks and improve our cybersecurity response and recovery processes. We also hire and train experts to help protect us against cyber threats.</p> <p>We have internal governance documents on:</p> <ul style="list-style-type: none"> • Information security and technology risk management • Information security • Acceptable use of technology • Identity and access management • Information security classification • Information security for the acquisition of products and services from suppliers <p>In addition to the above documents, we have a number of tactical and operational governance documents to ensure our operations run smoothly and our information security strategies are applied effectively. As part of our cyber risk transfer strategy, we’ve updated our insurance policies.</p> <p>Key training and awareness-raising initiatives</p> <ul style="list-style-type: none"> • Mandatory information security training for all our employees: See page 68 of our Social and Cooperative Responsibility Report • Dashboard: Launch of the Security for Everyone dashboard to help managers track employee information security training and results. <p>Continuous training on security: In addition to the permanent training courses listed in the tables below, all employees are required to take continuous training on security every year. With up-to-date content, this approach will help employees stay vigilant and knowledgeable about security best practices. In 2022, the continuous training covered the following topics: physical security, confidential data management, identity and access management, protection of personal information, and information security.</p>

103-2 Management (continued)

Security forum: The 12th and 13th editions of the Forum Sécurité took place in May and October 2022. This semi-annual event is open to all employees. It's designed to give them the tools they need and help them adopt secure practices on a daily basis. Internal and external experts give talks on current topics.

PHYSICAL SECURITY

Our Compliance and Privacy Division and Office of the Chief Compliance and Privacy Officer ensures measures are in place to protect individuals and assets and to handle incident management. Regular risk assessments are conducted to:

- Identify threats
- Prioritize actions based on the extent of vulnerabilities
- Implement appropriate mitigation measures and effective controls

We have an internal governance documents on:

- Physical security

In addition to this document, we have a number of tactical and operational governance documents to ensure our operations run smoothly and our physical security strategies are applied effectively.

Key training and awareness-raising initiatives

People Security Program: This program helps employees stay up to date on a variety of topics, including evacuation procedures, visitor management, aggressive individuals, active shooters, bomb threats, suspicious packages, preventive security, hostage taking and armed robbery.

In addition, caisse network employees are trained on how to respond to attacks, assaults, theft and other emergencies. We have teams dedicated to protecting our members, clients, employees and workplaces by coordinating emergency response measures. Documentation on emergency measures is readily available to employees.

103-3 Evaluation

To ensure effective protection mechanisms and security, the Desjardins Group Security Office has set up a forward-looking organizational structure that fosters collaboration, transparency and the sharing of security data.

The risk management function ensures that our risk profile corresponds to our risk appetite. Each quarter, this team oversees compliance with the statements and indicators set by senior management and the board of directors, and provides them with an update. When the threshold or limit of a risk appetite indicator is exceeded, we look into it immediately. We then inform the appropriate bodies why this occurred and notify them of the action plan, if applicable.

The Security Office prepares integrated security reports that are in line with our risk management practices. These reports give our governance bodies and regulators the information they need to assess our security posture.

The Desjardins Group Monitoring Office helps our directors and officers fulfill their governance responsibilities. The Monitoring Office provides assurance to the board of directors and management on the sound and prudent management of our operations. In doing so, the Monitoring Office contributes to our overall performance and to maintaining the trust of our members and clients, the public, rating agencies and regulatory bodies.

Decision-making bodies receive quarterly reports that provide assurance that Desjardins-wide governance and risk management processes and internal controls are effective.

We've enhanced the group profile of our board of directors by adding external directors, 2 of whom have strong backgrounds in information technology and security.

INFORMATION SECURITY

Our Information Security Division's governance framework is based on 2 global information security documents: ISO 27000 and the National Institute of Standards and Technology Cybersecurity Framework.

The Monitoring Office regularly audits the division's work. Audits are prioritized using a risk management approach. The division manages information security risk through vertical accountability to the Security Office and the board of directors and through horizontal accountability to IT and operational risk management teams. It also enhances security through reporting and ongoing communications tailored to the needs of each business sector.

MEMBER/CLIENT PRIVACY AND DATA PROTECTION – MANAGEMENT APPROACH | GRI 418 | 103-1 | 103-2 | 103-3

<p>103-1 Materiality</p>	<p>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, such as the development of new, increasingly complex financial products, the continuing volatility in the securities industry and growing concerns about the protection of personal information.</p> <p>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, thus reducing risks for members, clients and the organization.</p> <p>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. With better analytical capabilities, we're able to leverage data for our members and clients.</p>
<p>103-2 Management</p>	<p>COMPLIANCE</p> <p>Our chief compliance officer fosters a proactive approach to compliance by fully integrating compliance into our current operations. Responsibilities include developing, updating and maintaining the compliance management framework, which is based on the identification and monitoring of regulatory obligations and the functional units subject to them. Regulatory developments and their impact on operations are therefore regularly monitored and evaluated by the compliance team. This team provides support to managers in charge of business sectors and support functions so that they can effectively manage their risks, by developing an appropriate framework and documentation, acting in an advisory capacity, setting up training programs and conducting periodic monitoring of operations.</p> <p>The compliance team hires and trains experts to continue to develop our work methods.</p> <p>We have internal governance documents on:</p> <ul style="list-style-type: none"> • Compliance • Sound commercial practices • Privileged information management • The <i>Bank Holding Company Act</i> • Conflict of interest management • Commercial electronic message use, program installation and telephone solicitation • Accessibility to services for persons with disabilities and other accessibility standards • Unclaimed property <p>In addition to the above documents, we have a number of tactical and operational governance documents to ensure our operations run smoothly and our compliance strategies are applied effectively.</p> <p>Key training and awareness-raising initiatives</p> <ul style="list-style-type: none"> • Sound commercial practices at Desjardins • Conflicts of interest: Don't look the other way! • Are you in possession of privileged information? • Accessibility for people with disabilities <p>Complaint and dissatisfaction management</p> <p>At Desjardins, we've adopted a harmonized complaint handling approach that's overseen by the chief compliance officer. This comprehensive approach covers all topics, including personal information protection.</p>

103-2 Management (continued)

We have an internal governance document on:

- Client complaint processing and dispute resolution

PERSONAL INFORMATION PROTECTION

Our chief privacy officer is responsible for implementing and overseeing our personal information protection program to 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.

We have internal governance documents on:

- Privacy
- Ethical use of data
- Data conservation and destruction

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

Key training and awareness-raising initiatives

Protecting personal and confidential information is everyone's business!

DATA GOVERNANCE

In April 2020, we mandated the chief data officer to provide leadership, structure, expertise and direction to encourage stakeholders across the organization to recognize data as a strategic asset and to manage data in the best interests of our members and clients.

The Data Governance and Data Value Management Administrative Department helps our entities, business sectors and support functions use and leverage data to its full potential, while ensuring optimal compliance with applicable frameworks (regulatory compliance, personal information protection, ethical use of data and data security).

Having a solid and mature data governance function will help us become a personal information protection leader.

Through cross-sector data governance structures, we're able to work with our entities, business sectors and support functions to implement applicable frameworks.

The data governance team introduced a governance document on data quality that provides a clear framework, clear roles and clear parameters to ensure data quality is managed properly. The document, which was adopted by our management committee, stems from our data risk monitoring policy.

The Data Governance and Data Value Management Administrative Department has identified and implemented an operating model. The model sets out the roles, responsibilities and methods of our entities, business sectors and support functions in operational practices for using and leveraging data to ensure data quality and data risk management. We'll be setting up data operational units in our business sectors and support functions. The data governance team oversees their operations and ensures consistent practices across the organization. This structure will help to ensure our compliance with applicable frameworks, align our resources and our collective intelligence based on shared values and improve corporate agility.

Our chief data officer also hires and trains experts to continue to develop our work methods.

We have an internal governance documents on:

- Data quality

In addition to this document, we have a number of tactical and operational governance documents to ensure our operations run smoothly and our data governance strategies are applied effectively.

103-2 Management (continued)	<p>Key training and awareness-raising initiatives</p> <ul style="list-style-type: none"> • Privacy policy and consents: 59,880 employees (including consultants) trained by the end of 2022 • Data governance: 56,740 employees (including consultants) trained by the end of 2022 • Knowing & measuring critical data quality: 748 employees trained in 2021 and 2022 • Data valorization – Main data risks and best practices: 789 employees trained by the end of 2022
103-3 Evaluation	<p>COMPLIANCE AND PERSONAL INFORMATION PROTECTION</p> <p>The compliance programs, including the one on personal information protection, encompass regulatory risk monitoring so that the compliance sector can report on the adequacy, effectiveness and application of the control mechanisms in place.</p> <p>The chief compliance officer of each entity also reviews changes to the programs and compares them against the target to ensure we're making continuous, consistent improvements.</p> <p>The Desjardins Group Monitoring Office provides an independent assessment of the relevance and effectiveness of the compliance management framework, using a risk management approach.</p> <p>We've also set up a formal quarterly reporting process to provide senior management and decision-making bodies with the information they need to assess the organization's risk management.</p> <p>Together, all these elements give the organization reasonable assurance that its activities comply with applicable regulations.</p> <p>DATA GOVERNANCE</p> <p>The Data Governance and Data Value Management Administrative Department is responsible for monitoring the effectiveness of data controls. A first series of tests was carried out in 2022 on processes related to the data decision-making structure and roles. The tests showed that the controls are effective.</p> <p>The Desjardins Group Security Office and second line of defence risk management teams oversee data governance. The Desjardins Group Monitoring Office also provides an independent assessment of the scope and effectiveness of our data governance model, using a risk management approach.</p> <p>To ensure sound, effective data governance, 2 types of accountability are required:</p> <ul style="list-style-type: none"> • Vertical accountability to senior management, to guide and oversee governance performance, monitor risk and align data governance objectives and priorities with our other objectives and priorities • Horizontal accountability for operational needs, to coordinate and carry out the data governance mandate across the organization, to address the needs of each business sector and support function