



# 2023 Principles for Sustainable Insurance

A close-up photograph of a person's hand reaching out to touch a stalk of wheat in a field. The scene is bathed in the warm, golden light of a sunset or sunrise, with the sun low on the horizon, creating a soft, hazy glow. The wheat stalks are in sharp focus, showing their fine texture and golden color. The background is a blurred field of similar wheat, extending to the horizon.

# Sustainability at Desjardins Insurance<sup>1</sup>

At Desjardins Insurance, we believe it's our duty as a property and casualty insurer, a life and health insurer and a wealth manager to place sustainability and social responsibility at the heart of what we do. As part of Desjardins Group, we share the organization's cooperative values and vision. Our products and services cover the full range of our members' and clients' financial needs and are designed with a special focus on environmental, social and governance (ESG) criteria.

In 2019, we signed on to the Principles for Sustainable Insurance of the United Nations Environment Programme Finance Initiative (UNEP FI) as a way to confirm our commitment to incorporating sustainable and responsible practices into our business operations.

<sup>1</sup> Desjardins Insurance is composed of 2 Desjardins subsidiaries: Desjardins Financial Security for life and health insurance and Desjardins General Insurance Group for P&C insurance.



# PRINCIPLE 1

**N NEW IN 2023**

We will embed in our decision-making ESG issues relevant to our insurance business.

## **Integrating ESG factors into our corporate strategy**

- Desjardins Group uses a sustainable development policy to incorporate ESG factors into all its operations. At Desjardins Insurance, we've also adopted this policy.<sup>2</sup>
- The ESG Steering Committee, composed of vice-presidents from each of our business segments, makes recommendations on ESG issues directly to decision-making bodies and ensures consistency in our actions.<sup>3</sup>
- We implement the positions approved by the ESG Steering Committee, particularly for investment decisions regarding our own investments and the underwriting processes for businesses.<sup>4</sup>
- We've incorporated the Principles for Sustainable Insurance into our strategic planning initiatives and monitor our progress through the governance process.

We launched a series of sustainable development and responsible finance training programs for the whole organization and for our business segments:

- We rolled out mandatory training on the principles of sustainable development, with a goal of training at least 85% of all our employees by the end of 2023. By year-end, 95% of employees had taken this training.
- To complement the mandatory training, we also offer Climate School, a fun module-based learning path to help employees better understand the climate system, how it affects biodiversity, society and the economy, and what we can do now to fight climate change.

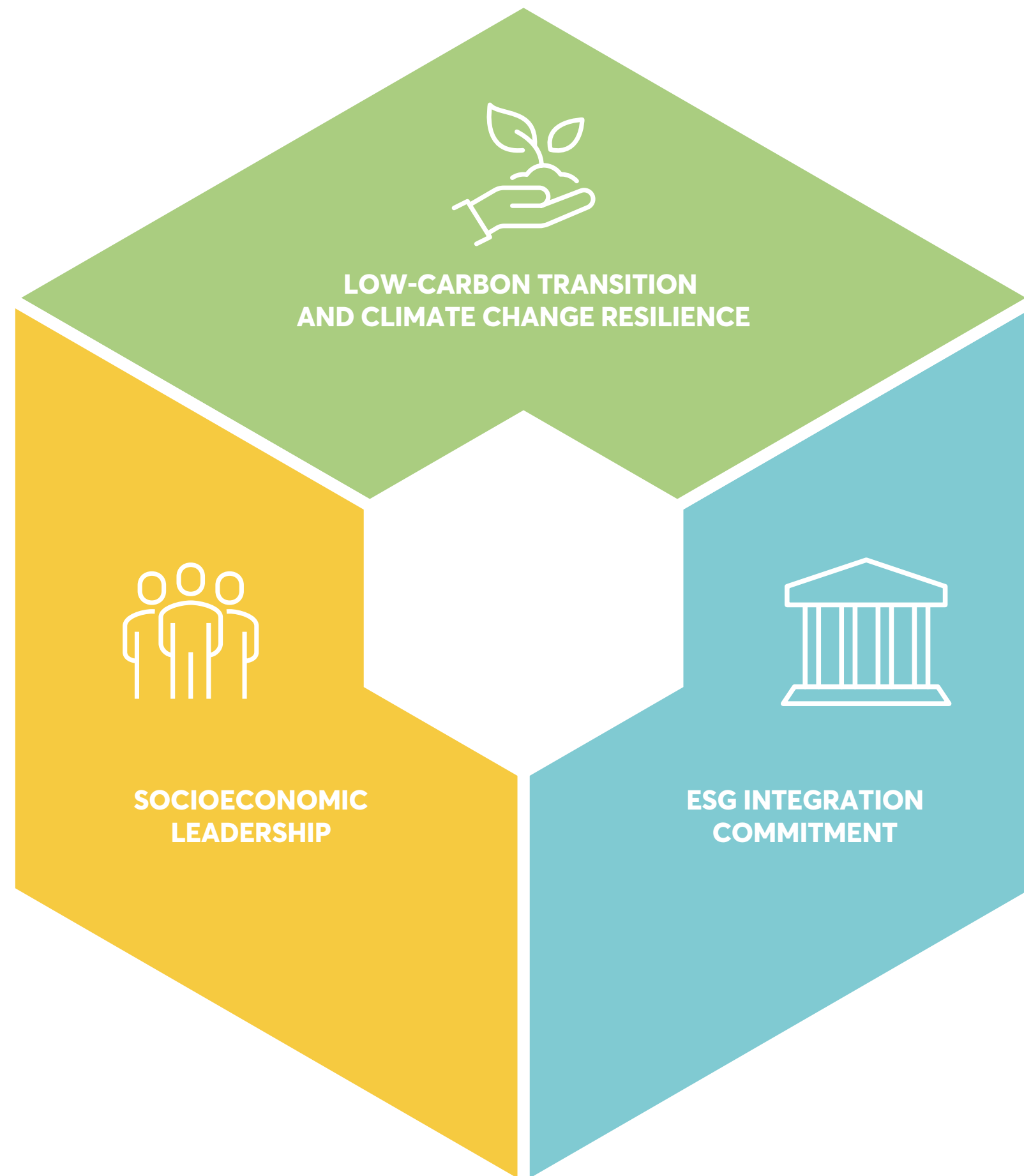
- We created a responsible investment learning path, based on employees' roles and responsibilities (introduction to the Principles of Responsible Investment, specific training for employees providing investment advice or overseeing asset management). Some of the training was developed in-house and the rest comes from well-known organizations (CSI Global Education Inc., Responsible Investment Association, Sustainability Accounting Standards Board, CFA Institute, etc.).
- We developed training on the Principles for Sustainable Insurance and how to incorporate them into our operating and decision-making procedures. The training includes a module on climate change issues and how they affect the health of Canadians to help us anticipate the changing needs of our members, clients and partners.
- While the responsible investment and sustainable insurance training courses are only mandatory for certain roles within the organization, they're open to any employee who's interested in taking them. At the end of 2023, completion rates for employees required to take the training were 85% for responsible investment and 92% for sustainable insurance (target: 85% by the end of 2023).

<sup>2</sup> See the [Sustainable development policy section in the Social and Cooperative Responsibility Report \(page 58\)](#).

<sup>3</sup> See the [Message from the chair of the ESG Steering Committee in the Social and Cooperative Responsibility Report \(page 9\)](#).

<sup>4</sup> See the [ESG positions section in the Social and Cooperative Responsibility Report \(page 58\)](#).

We've developed a strategic positioning for our sustainable insurance offer. This positioning helps us incorporate ESG factors faster and meet the growing expectations of members and clients, who are looking for seeking concrete, win-win solutions to environmental and social issues.



## Help members and clients deal with the impacts of climate change and find ways to reduce their carbon footprints

### Examples:

- Radar<sup>5</sup> – Weather alerts to help prevent damage
- Alert<sup>6</sup> – A solution to help prevent damage caused by water, fire, freezing and break-ins
- Ajusto<sup>7</sup> – A telematics program for auto insurance
- Employee Assistance Program (group insurance) to help employees cope with difficult situations



## Financially empower members and clients and implement practices that promote equity, diversity and inclusion

### Examples:

- Articles with tips on financial empowerment, health and wellness, and home and auto loss prevention
- Free assistance services (travel, roadside, legal, psychological) based on offers
- Accessible insurance, including affordable life insurance, critical illness insurance, competitive rates for young drivers and visitor's insurance for newcomers to Canada
- Group retirement savings support tools and training
- Group insurance solutions promoting wellness, including health and disability insurance, gender affirmation coverage, telemedicine, cognitive therapy and a sleep health program



## Integrate ESG factors into products, services and investments, and communicate the benefits transparently

### Examples:

- ESG factors taken into account when managing our investment assets (premiums)
- Responsible annuities
- ESG guaranteed investment fund portfolios
- ESG market-linked term investment
- Group retirement savings ESG funds and portfolios

<sup>5</sup> Radar™ is a trademark of Desjardins General Insurance Group Inc., used under licence.

<sup>6</sup> Alert™ is a trademark of Desjardins General Insurance Group Inc., used under licence.

<sup>7</sup> Ajusto® is a registered trademark of Desjardins General Insurance Inc.

Desjardins or Desjardins components made some new climate action commitments in 2023, including Nature Action 100.<sup>8</sup>

## Our climate and responsible finance commitments and initiatives

See section [5.2 Governance and ESG frameworks in the 2023 Social and Cooperative Responsibility Report \(page 58\)](#).




## Climate change risk management

Desjardins published its sixth report on climate-related risks and opportunities<sup>9</sup> in 4 thematic areas: governance, strategy, risk management, and metrics and targets (see the [Climate Action at Desjardins report](#)).

An ESG policy and a directive on climate risk management were put in place in 2023.

We rolled out a specific training program on climate change.

We conducted studies to inform our understanding and assessment of the physical and transition risks we face, including:

-  Evaluating the physical risks associated with the increase in vector-borne diseases, which allowed for a better appropriation of the data to draw up a profile of populations at risk
-  Improving how we measure the impact of transition risk on an insurer's investment portfolio in different scenarios using an external supplier model
-  Developing a crisis scenario related to the risk of greenwashing, which has led to a better understanding of this widespread phenomenon

We defined indicators based on financed emissions to assess and track our vulnerability to climate-related risk in investment portfolios for our own investments. We developed the indicators while defining and monitoring targets according to the approaches of the Science Based Targets initiative and as part of Desjardins Global Asset Management's commitment to the Net Zero Asset Managers initiative.

## Asset management

For the most part, our own investments are managed by Desjardins Global Asset Management (DGAM), a Desjardins subsidiary that signed on to the Principles for Responsible Investment (PRI) in 2017. DGAM bases its decision-making on 4 major sustainable development themes that represent priority issues identified in its ESG analyses, research, ESG strategy design and engagement activities. DGAM relies on the UN's Sustainable Development Goals (SDGs) and Desjardins Group's ESG risk management practices to inform the selection of priority issues. DGAM's 4 priority ESG issues are:

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

To learn more about DGAM's approach to responsible investment and shareholder engagement<sup>10</sup> and how the priorities are being addressed, see the [Responsible Investment Activity Report](#).

In 2021, we were the first Canadian financial institution to commit to the Business Ambition for 1.5°C campaign and our goal is to reduce our greenhouse gas emissions to zero by 2050. In keeping with this commitment, we've had our science-based interim targets for reducing greenhouse gas emissions for our operations, financing and investment activities validated by the Science Based Targets initiative.

DGAM's strategic position on responsible investment is aligned with Desjardins Group's ambitious climate objectives. In October 2021, DGAM signed on to the Net Zero Asset Managers initiative, an international group of asset managers committed to supporting worldwide efforts to keep global warming below 1.5°C above pre-industrial levels.

We've broken down our goal to achieve net zero emissions by 2050 into interim targets for decarbonizing our own investment portfolios:

- By 2025: 30% reduction in absolute financed emissions (compared to 2020)
- By 2030: 50% reduction in absolute financed emissions (compared to 2020)
- By 2040: Net zero emissions in energy, real estate and transportation

To incorporate these ambitious decarbonization targets into its investment portfolios, DGAM has set targets for its asset managers to reduce financed emissions by 30% by 2025 and 50% by 2030 (compared to 2020).

As at December 31, 2023, absolute financed emissions for the listed equity and corporate bond portfolio (insurers' own investments) had decreased by 14.4% compared to our reference year (2020).

In addition to our carbon footprint reduction objectives, we've also committed to achieving the following targets for our own investments by 2025:

- Support the renewable energy sector by building a portfolio of at least \$2 billion in infrastructure assets in that sector. As at September 30, 2023, the portfolio held approximately \$1.89 billion in assets.
- Obtain BOMA BEST or LEED sustainable certification for 100% of our real estate assets. As at December 31, 2023, 96% of the properties in our real estate portfolio had sustainable certification.
- Roll out an engagement strategy to encourage 25 Canadian companies with high CO<sub>2</sub> emissions to align their targets with the Paris Agreement objectives. In 2023, we introduced 24 of these companies to the engagement strategy.

DGAM also offers its clients a full range of exchange-traded funds (ETFs) aimed at reducing their carbon footprint compared to the benchmark index, including an ETF without exposure to fossil fuels as well as several actively managed solutions targeting low carbon intensity using negative ESG filters.

<sup>8</sup> See the [Social and Cooperative Responsibility Report \(page 60\)](#) and the [Climate change commitments and positions section in the Climate Action at Desjardins report \(page 20\)](#).

<sup>9</sup> See the [Climate Action at Desjardins report](#).

<sup>10</sup> See the [Social and Cooperative Responsibility Report \(page 24\)](#).

In 2022, DGAM also developed Desjardins ESG indexes that align with a net zero emissions trajectory, exclude controversial sectors and rigorously assess issuers' ESG practices. These benchmark indexes help align investment portfolios with our goals of managing climate-related risks and taking ESG risks and opportunities into consideration in all investment decisions.

To learn more about DGAM's targets, objectives, ESG integration model and responsible investment strategies and solutions for clients, see the Responsible Investment Activity Report.

Since adopting a position on coal, we've clarified our conditions for supporting members and clients in the energy sector by setting specific goals to accelerate the transition to renewable energy by 2030 as well as intensity and absolute decarbonization targets for our financing and investment portfolios in the oil and gas sector (see the 2023 Climate Action at Desjardins report for more details).

## Responsible management practices

**N** In 2023, Desjardins was once again rated one of the top employers in Canada when it comes to work-life balance, skills development, and diversity and inclusion. Desjardins was also named one of Canada's Greenest Employers.

Desjardins has publicly committed to a process to help ensure equity, diversity and inclusion across the entire organization and be recognized as a caring and inclusive employer.<sup>11</sup> Diversity representation indicators were identified for the following 3 priority groups:

- Women
- People under age 35
- Members of ethnocultural communities (including Indigenous Peoples)

We also adopted a target for reducing our operational emissions by 41% compared to 2019 levels by the end of 2025. We're targeting 5 key areas: paper consumption, business travel, energy consumption in our buildings, employee buy-in and our supply chain.

<sup>11</sup> See the [Social and Cooperative Responsibility Report \(page 48\)](#).

<sup>12</sup> See the [Social and Cooperative Responsibility Report \(page 29\)](#).

<sup>13</sup> See the [Social and Cooperative Responsibility Report \(page 20\)](#).

**N** In 2023, our energy consumption in buildings used by Desjardins (as an owner and as a tenant), business travel and paper consumption stood at 19,394 tCO<sub>2</sub>e, up 2% from 2022. This increase is mainly due to higher emissions associated with business travel.<sup>12</sup>

- Since 2021, all group P&C insurance agreements have been signed paper-free. First introduced during the pandemic, paper-free agreements have become standard practice for The Personal.
- By transferring some of our P&C insurance core business systems to Microsoft's Azure cloud to improve the member/client experience and expand our omnichannel capabilities, we're also aiming to enhance the future energy performance of our technology portfolio. The project was rolled out in 2019 and should cut our annual GHG emissions by 261 tCO<sub>2</sub>e—comparable to the emissions from 110,000 litres of automotive fuel.
- We're gradually electrifying our vehicle fleet. The bulk of this Desjardins-wide initiative will happen here at Desjardins Insurance. As at December 31, 2023, we had 390 vehicles across Canada, including 321 hybrid, plug-in hybrid or electric vehicles (82% of our fleet). In the long term, we're aiming to have a 100% hybrid or electric vehicle fleet.

## Responsible business practices

We reviewed our governance practices and our product design, underwriting and claims processes to ensure our members and clients are treated fairly.

## Accessible digital content

We care about social inclusion and understand that there are barriers preventing people with physical, cognitive and functional limitations from finding the information they need about insurance products. That's why we've made sure all our online platforms comply with local accessibility standards for users all across Canada.

## Transparency at the core of our communications

- We created a series of legal fact sheets and made them available. The fact sheets contain additional information and references adapted to the problems most frequently addressed by our Legal Assistance Service.
- We've implemented a number of initiatives to help members and clients learn more about their insurance. For example, we send emails with important renewal information and regularly update the blogs on our websites.
- We rolled out a number of initiatives to help get the word out about responsible investment. We produced educational videos and held webinars on the benefits of responsible investment and the positive impact it has on the environment and communities.

## Member/client experience<sup>13</sup>

**N** For the second year running, we were named Life & Health Insurer of the Year at the Insurance Business Canada Awards for our commitment to quality products and services, financial literacy and exemplary client service. We were also nominated for Excellence in Diversity, Equity and Inclusion.

Some of our initiatives to increase member and client satisfaction included:

### P&C insurance:

Redesigning our information sites to:

- Bring all our personal lines P&C insurance information sites under Desjardins.com to have all P&C insurance products sold by Desjardins on a single platform and provide a simplified, consistent and personalized experience by province
- Enhance The Personal's group insurance websites to make them easier to navigate, include quick links to our main online solutions and add a more user-friendly group search function

Continuing to move forward with the program to modernize our P&C insurance systems by:

- Delivering omnichannel auto insurance transactions in Quebec, allowing personal and business members and clients to do business with us and to obtain the same quality of service regardless of the channel they use

**N** Proactively communicating with members and clients in a difficult economic environment by:

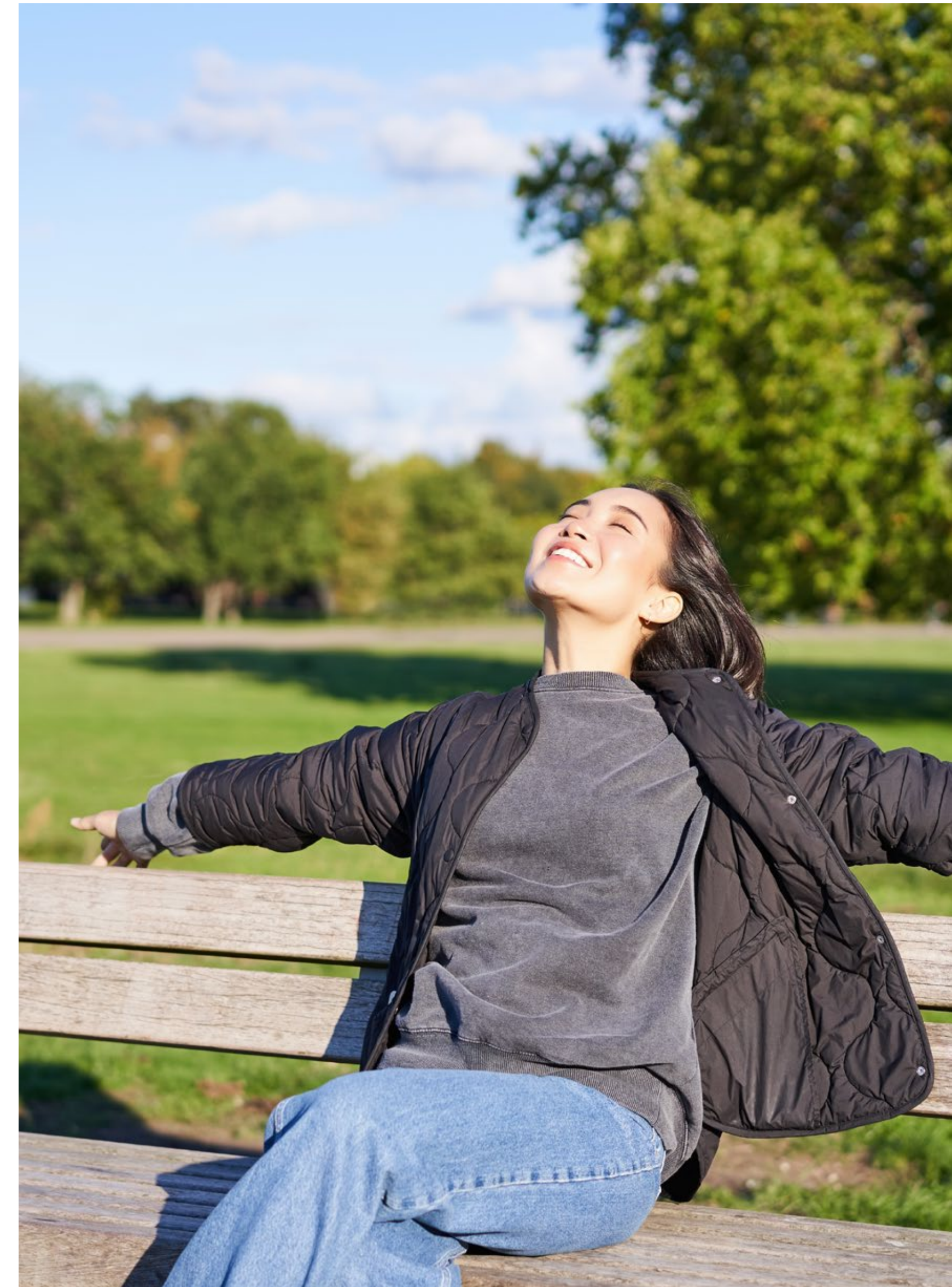
- Creating a new renewal space on our information sites (Desjardins.com and thepersonal.com) so our clients can easily find practical advice and tools, understand their premiums and get the right coverage at the best possible price
- Broadening the scope of communications at renewal to reach more members and clients and direct them to the renewal space
- Creating a support plan for clients facing premium increases: communicating about premium increases to make them more transparent, sharing myths and ways to save, and updating some billing processes to offer flexible payment solutions to members and clients who are more affected by inflation and have trouble paying their insurance premiums
- Developing a new blog that busts common myths about insurance premiums and provides new information on ways to save

**N** Combatting the increase in vehicle theft by educating clients and offering a free tracking system:

- Offering the Tag tracking system to insureds with higher-risk vehicles
- Creating a blog to share tips and tricks about the best way to protect clients against vehicle theft

### Life and health insurance:

- Putting in place mechanisms to provide real-time responses to members and clients applying for individual insurance and continuing to enhance our credit insurance offer and support to meet the needs of members and clients
- Rolling out new digital features for members and clients in group insurance, such as a drug cost simulator, a pharmacy price finder and information on limits and use of dental care and supplementary healthcare
- Expanding eligible expenses for wellness accounts, including for eco-friendly solutions to reduce environmental footprints and Indigenous health services
- Launching Family Focus, an initiative that provides comprehensive group insurance coverage designed to address the diverse needs of insureds having difficulty starting or expanding their family
- Collaborating on the publication of a UN reference framework to raise awareness in the Canadian insurance industry about the link between social equity and climate change adaptation measures



## Responsible products and services

### P&C insurance products

We've enhanced our commercial water damage insurance to provide more comprehensive and suitable coverage.

- N** Our individual insurance contracts now include 2 resilient reconstruction measures following a loss:
  - \$1,000 for water damage mitigation devices following a sewer backup loss in Canada
  - \$2,500 to replace damaged standard roof shingles with Class IV hail-resistant shingles following a covered loss, for 69 high-risk municipalities in Alberta.

### Group retirement savings and investment solutions

- Since 2022, all new individual annuities purchased at Desjardins automatically go into investments that meet strict ESG criteria.
- N** We enhanced our responsible investment offer by adding new unit classes for individuals. The group retirement savings platform now includes 10 responsible investment funds.
- N** Desjardins Investments Inc. signed on to the Net Zero Asset Managers initiative, a UN-backed alliance of investors committed to achieving net zero emissions in their portfolios by 2050.
- In 2023, we updated the ESG assessments for the funds available on the group retirement savings platform. We set up our own evaluation table covering multiple factors just for responsible investment. The resulting ESG assessment, based on qualitative information, was then converted to one of 3 possible levels.

## Improving access to insurance and closing the insurance gap

- We're making basic insurance coverage more accessible with affordable prices and no medical exam for products like Select Accirance accident insurance and 50+ Life Insurance.
- We offer a life annuity designed for people with a critical illness and a reduced life expectancy. Payments are higher than conventional life annuities to help them face their illness with dignity and preserve their quality of life.
- We offer affordable auto insurance for young drivers and [tips to help them save money](#).
- Our members and clients have access to free assistance services, including medical assistance while travelling, psychological support services, clear legal information and in some cases, roadside assistance.
- Newcomers face all kinds of challenges when they get to Canada. That's why Desjardins has developed [online content and videos](#) that make it easier to understand the Canadian financial system and offers [products and services adapted](#) to the needs of newcomers, including Visitors to Canada Insurance (healthcare and emergency services).

## A fast, streamlined and user-oriented claims process

We aim to offer a claims process that is simple, quick, and people-focused to help members and clients when they need it most.

- N** We have a fully automated experience for submitting healthcare insurance claims from 26 types of healthcare professionals so that claims can be processed and reimbursed within 48 hours.
- N** We removed the time limit for submitting critical illness insurance claims so that our clients can focus on their recovery rather than on the financial side and urgency of their claim.

- N** We reviewed the eligibility criteria for the express processing of savings and credit insurance claims without documents. This 48-hour process saves our members and clients time and energy gathering information.
- N** We reviewed the home care insurance claims process so that clients can submit claims without receipts for Vision products associated with a critical illness to receive a monthly payment.
- N** We launched My Secure Space to upload communications to group insurance clients, plan sponsors and claimants that may contain confidential information.
- We've simplified and digitalized our processes so members and clients can stay home and get answers quickly:
  - In 2023, we completed 48,202 vehicle damage appraisals using our photo-based estimate feature, saving our members and clients a trip to the auto body shop.
  - Omnichannel features mean clients can submit auto and home insurance claims online. Clients can use our mobile app to view the latest information on their home insurance claim and track its progress.
  - We revamped some processes for urgent situations, such as natural disasters.
  - During extreme weather events, we make proactive calls to clients who may be affected by the situation. We initiate accelerated claims processes to help people get back to normal more quickly.
  - In 2023, we sent employees to the places where several extreme weather events occurred to act as resource people, answer clients' questions and help them with their claims, and be there for the community. For example, our employees were on the ground during the forest fires in Nova Scotia, Quebec and British Columbia, the floods in Baie-Saint-Paul and the Morier dike evacuation order in the Upper Laurentians.





# PRINCIPLE 2

We will work together with our clients and business partners to raise awareness of ESG issues, manage risk and develop solutions.

## Initiatives for members and clients

We put members and clients first by developing and using different tools and channels to educate them about risk prevention, help them better protect themselves and encourage them to adopt healthy lifestyles. By raising their awareness and providing information, we support their financial empowerment.

## Ongoing dialogue for prevention and education

- We've developed a range of communication initiatives, including sharing [tips](#) and newsletters about preventing home and auto claims, with a focus on weather events and natural disasters.
- We use our various platforms to publish [advice](#) on health management, financial empowerment and stress reduction, with articles targeted to our group insurance plan members, other Desjardins members and clients, and the general public. We provide reliable information on financial well-being, interactive tools to help people empower themselves, and one-on-one phone support to help them lead healthier lives.

## Solutions with real results

As part of a cooperative financial group, we make a point of developing innovative tools and practices to help members and clients manage risk and find concrete solutions.

## Taking steps to prevent loss and injury risks

We offer the Desjardins Insurance Home-Auto app for our members and clients with features like Radar, Alert and Ajusto.

- With Radar, policyholders get a notification when severe weather is in the area so they can prevent damage to their home and property.
- We continued with our prevention efforts for home insurance with Alert, a program that helps prevent damage caused by water, fire, freezing and break-ins.
  - Members and clients who enroll in the program also have the option to sign up for a professional monitoring service—with no long-term obligation.
- With our telematics offer, Ajusto, drivers get feedback sent right to their smartphone, which helps them improve their driving and make the roads safer.
  - Our teams worked on improving the Ajusto feature in our app and increasing its use so that more drivers in Canada can benefit from advice and reminders on safe driving. We introduced the Ajusto program in Alberta.

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

- N** • The Family Focus offer is for everyone who wants to have children. Our commitment to equity and diversity inspired this initiative that improves access to fertility services and helps organizations support their employees. Concretely, it means increased ceilings for fertility treatments and medications, as well as coverage for new expenses and services, to include the latest medical advances. We're working with Prenato to offer exclusive support services to insureds who would like genetic screening tests and perinatal support in private clinics.
- The Healthy Weight program goes straight to the source, tackling several factors at once to help plan members manage their weight in a realistic and sustainable way. We cover prescription drugs for the treatment of obesity under our standard service offer, as well as access to many types of healthcare professionals, to optimize the health of the people we insure.

- We offer a program to promote better sleep quality. It includes educational resources and therapy sessions for better sleep, potentially helping with any associated health problems.
- Plan members have access to an employee assistance program and manager support services. The program offers plan members and their families confidential assistance services, including counselling in person, by phone or online for personal, relationship or family problems, or problems at work.
- We also provide a telemedicine service to plan members and their families, giving them anytime access to online healthcare.
- We made mental healthcare more accessible by adding internet-delivered cognitive behavioural therapy to several types of insurance. This psychotherapy treatment is the most studied and clinically proven treatment for mental health disorders like depression, anxiety and insomnia.

### Taking steps toward financial empowerment

- The group retirement savings online Education Centre offers a variety of interactive webinars and self-service courses on topics such as budgeting, debt management, responsible investing and retirement planning to boost financial literacy.
- Group retirement savings plan members have access to educational and personalized videos, a retirement income simulator, a virtual guide and an investment instruction recommendation module to help them set retirement goals at every stage of their life, stay on track and make informed decisions.
- We make tools and materials available to employers so they can track employee enrollment in their pension plans and encourage people to develop retirement plans.

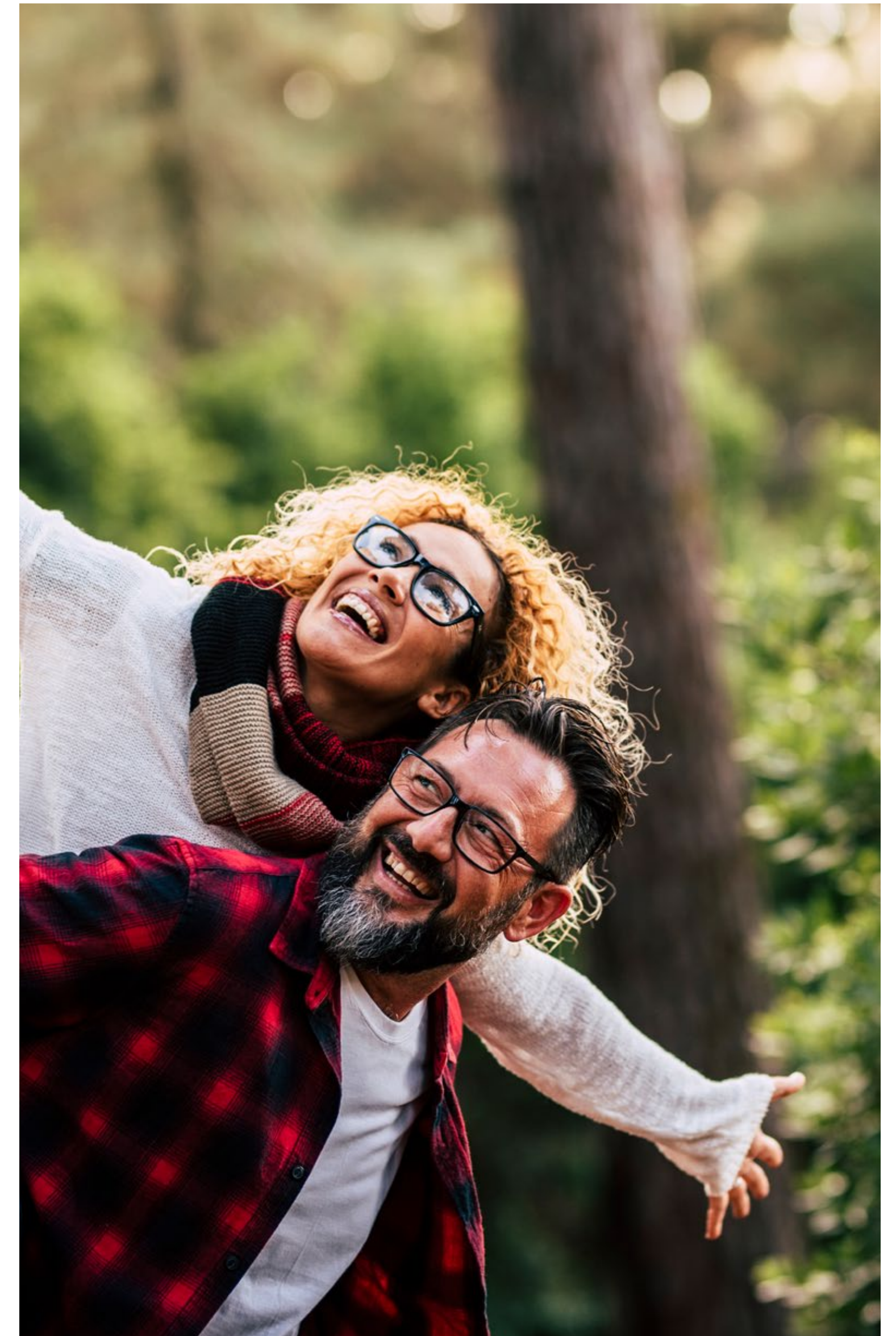
### Partner initiatives

- We were one of the first in the industry to incorporate ESG factors into fund selection on our group retirement savings platform. Employers and intermediaries can use the fund valuation and rating framework.
- The Desjardins Responsible Investment Certification Program teaches Desjardins and non-Desjardins advisors how RI can help members and clients reach their financial objectives and have a positive impact on the environment and communities. To date, 4,563 advisors have completed the certification program.

### Supplier initiatives

We value responsible business relationships.

- We incorporate ESG clauses into contracts with P&C insurance claims suppliers.
- We follow established responsible procurement practices, including:
  - Using resources responsibly
  - Incorporating ESG factors into all procurement processes
  - Adopting the 5Rs (refuse, reduce, reuse, recycle and repurpose).
- We include ESG criteria in the reinsurer selection process.





# PRINCIPLE 3

We will work together with governments, regulators and other key stakeholders to promote widespread action across society on ESG issues.

## Collaborating and dialoguing with governments and industry stakeholders

- N** • In late 2022, DGAM signed the Finance for Biodiversity Pledge. In 2023, they also committed to the Nature Action 100 initiative. The goal is to better understand the exposure of our investment solutions to the risks and opportunities of biodiversity and natural capital.
- N** • At COP28 in early December 2023, we joined several other stakeholders from Quebec's financial sector to support Finance Montréal's open letter to promote the adoption of the International Sustainability Standards Board's new ESG disclosure standards as a robust starting point for reporting relevant information on sustainability risks and opportunities.
- N** • We were a partner of the 2023 Sustainable Finance Summit in Montreal. President Guy Cormier took part in a discussion with Mark Carney, former Governor of the Bank of Canada and the Bank of England, and UN Special Envoy on Climate Action and Finance.
- N** • In early October 2023, Desjardins was one of the main partners of the international Adaptation Futures conference, which brought together companies, policymakers, scientists and representatives of populations affected by climate change to propose concrete and concerted adaptation solutions.
- N** • In April 2023, rating agencies Moody's ESG Solutions and Sustainalytics awarded us top scores in the diversified banks in North America category for our ESG performance and ESG risk management.
- We have an ongoing dialogue with different levels of government to increase awareness and understanding of climate change, its connection to natural disasters, and its impact on financial services and P&C insurance.
- N** • In 2023, DGIG participated in National Climate Adaptation Summit Day, organized in Ottawa by Climate Proof Canada, bringing together senior ministers and members of Parliament from all parties. The summit provided a unique platform for engaging in meaningful discussions on strategies to build a more resilient Canada.
- We're an active member of the Institute for Catastrophic Loss Reduction.
- We're part of climate change working groups with the Canadian Life and Health Insurance Association and the Insurance Bureau of Canada.
- DGAM is a member of the IFRS Sustainability Alliance, a global membership program for sustainability standards, and of GRESB, a private for-profit organization that assesses the ESG performance of real estate assets.
- DGAM sits on the Canadian Coalition for Good Governance's (CCGG) Environmental and Social Committee. The committee's mandate is to assist CCGG in providing best practice guidance on environmental and social risk matters, through a governance lens.
- Our employees have participated in a number of events as panellists and speakers, and have written articles to inform and raise awareness in the financial community. The events and articles were about:
  - Prescription drugs, disability management, obesity, mental health and technological innovations in healthcare
  - Responsible investment, shareholder engagement, diversity and inclusion, and compensation in the investment world
  - Biodiversity and natural capital challenges and how they affect portfolio managers

## Involvement and partnerships with community associations and organizations, universities and research institutes

### Helping people in need

- By the end of 2024, we'll have invested over \$3 million in 3 years to support organizations that promote road safety in Canada, including Parachute, the Traffic Injury Research Foundation, arrive alive DRIVE SOBER® and Operation Red Nose.
- We run the Desjardins Cares and Shares campaign to help United Way, the Desjardins Foundation and the Canadian Red Cross build inclusive communities and make a real difference in the lives of those in need. In 2023, 35,074 donors—made up of Desjardins employees, directors and retirees—contributed to a campaign that raised a record \$9.5 million.
- We created the Desjardins Disaster Relief Fund to support our members and clients who are affected by disasters not covered by their P&C insurance. In 2023, we paid over \$94,000 to 30 claimants.
- We also run the P&C Insurance Outreach program, which values, encourages and promotes volunteer and charitable work by our employees.

### Joining forces to help enrich the lives of people and communities

- We partner with organizations, like the [Heart and Stroke Foundation of Canada](#) and the [Canadian Cancer Society](#), to support research and promote wellness.
- Desjardins Insurance is the [first group insurance provider](#) to join Obesity Canada's FOCUS partnership program. The program leverages resources from Canadian research, business and public sector leaders to fund obesity research, education and outreach initiatives.
- We've also partnered with the [Healthy Enterprises Group](#), (in French only), whose mission is to create a movement to provide workplaces that promote employee health and safety.



### Supporting research and innovation to address ESG issues

- In 2023, we invested over \$5.2 million in 7 universities (4 in Quebec and 3 in Ontario). These partnerships are ways for us to support research in fields that are relevant to us (Alphonse and Dorimène Desjardins International Institute for Cooperatives at HEC Montréal), support entrepreneurship (startGBC at George Brown College), and expand access to higher education by offering scholarships (Desjardins Award in Artificial Intelligence and Systems Engineering at Western University).
- We helped the Center for Intersectoral Studies and Research on the Circular Economy at the École de technologie supérieure launch an ecosystem of circular economy acceleration labs to promote research and development for innovative practices and technologies. With a contribution of \$2.1 million over 5 years, we're a major partner of this initiative.
- We continue to work with the Institute for Catastrophic Loss Reduction, a world-class centre for multidisciplinary disaster prevention research and communication. Through this partnership, we contribute to the Institute's mission to identify and support sustained actions that improve society's capacity to adapt to, anticipate, mitigate, withstand and recover from natural hazards.
- We teamed up with The Conference Board of Canada to fund nationwide studies and help create the Workplace Mental Health Research Centre. Through this partnership, we're helping develop workplace health and wellness expertise and best practices, and acting as an agent of change in the area of mental health.
- We have a partnership with HEC Montréal's Retirement and Savings Institute, whose mission is to better understand what Canadians need in terms of financial education and to develop solutions that work for them.
- In 2023, we renewed our partnership with the Chaire Desjardins en finance responsable (Université de Sherbrooke). Thanks to a \$1 million contribution, the student community will be able to adopt new climate action management practices. Specifically, this donation will allow us to expand and develop research collaborations with industry specialists in responsible finance and other university fields.

A man with glasses and a plaid shirt is crouching in a lush green field, holding a tablet. The background is a vast, flat green landscape under a clear sky.

## PRINCIPLE 4

We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

We're aware of the importance of transparency in disclosure reporting. This report summarizes the measures we're taking to gradually integrate ESG criteria into our business operations. The report is available on the [UNEP FI](#) website and on [Desjardins.com](#).

DGAM and Desjardins Investments Inc. are partners of Desjardins Insurance and signatories to the Principles for Responsible Investment (PRI). Every year, they disclose their investment practices according to the PRI framework.

Each year, Desjardins Group publishes a Social and Cooperative Responsibility Report and Climate Action at Desjardins report. They reflect Desjardins's commitment to environmental, social and governance factors and to integrating them into everything the organization does.