



Desjardins Group

Statement on lobbying

December 2023

Introduction

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

Desjardins Group operates in one of the most heavily legislated and regulated business segments, and must therefore be able to rely on a solid and reassuring framework for all parties involved: savers, investors, insureds, industry players, government and regulatory authorities, and so on. To this end, Desjardins Group:

- Monitors and anticipates changes to the legislative and regulatory framework
- Helps develop public regulations and policies adapted to the needs of its members and clients and to its reality as a cooperative financial group in Canada
- Engages in dialogue with public decision-makers about laws, regulations, guidelines, oversight activities or other government or regulator initiatives that could affect its operations, and especially its performance and mission with respect to members, clients and communities

Relations with government and regulatory authorities

The Desjardins Group Management Committee has mandated our Institutional and Government Relations team to manage relations with governments and their agencies at all levels (federal, provincial and municipal) as well as with regulators, the main ones being the Autorité des marchés financiers ([AMF](#)), the Financial Services Regulatory Authority of Ontario ([FSRA](#)), the Office of the Superintendent of Financial Institutions ([OSFI](#)) and the Canadian Investment Regulatory Organization ([CIRO](#)). This involves coordinating communications with these bodies and participating in their consultations on financial sector regulation and public policies affecting our members and clients, as well as supporting our teams and internal bodies in their governmental and regulatory activities. The Institutional and Government Relations team provides activity reports to Desjardins's governing bodies, supporting them in their supervisory role and raising issues when necessary.

Lobbying

Amid growing concerns about ethics and corporate governance, it's essential for Desjardins to comply with lobbying laws. Failure to do so may not only expose the organization to severe sanctions, but it may also damage its reputation. The Institutional and Government Relations team ensures that Desjardins Group complies with lobbying laws and regulations in the jurisdiction where it operates and in communications with public decision-makers. Desjardins Group is currently registered as a lobbyist in Quebec, Ontario, Alberta, and with the Government of Canada and the City of Toronto. As such, it is governed by the [Lobbying Transparency and Ethics Act](#) (Quebec), the [Lobbyists Registration Act, 1998](#) (Ontario), the [Lobbyists Act](#) (Alberta), the [Lobbying Act](#) (Canada), the [City of Toronto's municipal code on lobbying](#), and by the codes of professional conduct for lobbying from various jurisdictions.

In addition, all Desjardins employees and directors must file an annual declaration of compliance with the *Desjardins Code of Professional Conduct*, including sections on gifts and gratuities, preferential treatment and political involvement, as well as with the *Conflict of Interest Management Standard, Policy or Directive*. They're also required to take training on fraud and corruption prevention, conflict of interest, and ethics and professional conduct to maintain the public's trust in Desjardins.

There are also codes governing the conduct of public office holders¹ who interact with the Desjardins Institutional and Government Relations team in the course of their duties, setting limits on outside activities, acceptance of gifts, invitations to special events or hospitality, and post-mandate activities.

In addition to the President and CEO of Desjardins Group, employees in the Institutional and Government Relations team are registered as lobbyists and are responsible for filing declarations in public registries on behalf of Desjardins. A process has also been set up for employees and directors to ensure that they're informed about and involved in all influential interactions with public authorities. These declarations include topics or issues being lobbied, public sector entities targeted and/or public office holders solicited, and individuals registered to lobby on behalf of Desjardins. Desjardins Group's declarations are available in the following public registries:

- Canada: lobbycanada.gc.ca
- Quebec: carrefourlobby.quebec
- Ontario: lobbyist.oico.on.ca
- Alberta: albertalobbyistregistry.ca
- Toronto: toronto.ca/city-government/lobbyist-registrar

Professional associations and other non-profit organizations

With its decentralized governance model and strong presence in Quebec and across Canada, Desjardins is a member of numerous cooperative groups, chambers of commerce, and professional or sector-specific associations in the financial services industry, at the regional or national levels. These organizations may interact with elected representatives and civil servants, and are subject to the same lobbying disclosure obligations as we are. The vast majority have political influence to some degree or another. The Institutional and Government Relations team mainly interacts with the following organizations:

- Conseil québécois de la coopération et de la mutualité ([CQCM](#))
- Fédération des chambres de commerce du Québec ([FCCQ](#))
- Ontario Chamber of Commerce ([OCC](#))
- Canadian Chamber of Commerce ([CCC](#))
- Finance Montréal ([FM](#))
- Canadian Life and Health Insurance Association ([CLHIA](#))
- Insurance Bureau of Canada ([IBC](#))

It's important to note that some organizations also have a self-regulatory objective, such as setting industry guidelines or standardized practices. That's the case with the CLHIA and the IBC.

Membership and/or contribution to these organizations does not mean that Desjardins supports all their positions. We express our concerns and opinions through our representatives in their committees and working groups and make our own representations to public authorities, based on the nature of the issues.

¹ A government or public administration employee or agent (civil servant or elected official), including ministers, MPs, mayors, senators and members of their respective staffs.

Political contributions

The *Canada Elections Act* prohibits donations and contributions from businesses or unions to political campaigns or organizations. Quebec's *Act to govern the financing of political parties* sets the same restrictions. In Ontario, third parties may register for campaign advertising, but contributions to political parties may only be made by individuals residing in Ontario using their own money. As such, all Desjardins Group components—including caisses, credit unions, the Federation and subsidiaries—do not make contributions to political candidates, campaigns or organizations.

In the interest of our members and clients, under the *Desjardins Code of Professional Conduct*, employees who decide to run as candidates in municipal, provincial or federal elections, or to become actively involved in an election campaign or other political event are expected to preserve Desjardins Group's independence from any political party. This means that they cannot use Desjardins's reputation to promote their candidacy or give the impression that Desjardins supports their candidacy. Employees must make a clear distinction between their political involvement and their position or role at Desjardins, and must promptly inform their immediate supervisor or the board of directors of their interest in becoming politically involved to ensure compliance with the rules.

Desjardins activities in 2023 taking ESG factors into consideration²

In addition to our lobbying activities that can be consulted in public registries (see links under **Lobbying** above), below are our main ESG, responsible finance and climate initiatives with public authorities in 2023.

Initiative	Date	Description	Desjardins's position
Government of Canada Business Development Bank of Canada Legislative Review	March 2023	The Business Development Bank of Canada (BDC) is the only Canadian bank dedicated exclusively to supporting SMEs and entrepreneurs. As part of its mandate, BDC acts as a complementary market lender/service provider to the private sector. The legislative review aims to assess the provisions of the <i>BDC Act</i> and how its mandate might continue to evolve over the next decade.	Increase support for SMEs, as a complement to the financial sector, to ease their green transition and support their climate change needs and efforts.
Government of Canada Pre-Budget Comments 2023, Canada's National Adaptation Strategy	March 2023 Strategy unveiled in June 2023	The strategy provides a roadmap for society-wide adaptation measures that will help communities prepare for the impact of climate change.	Ensure resilience to natural disasters and establish a national climate adaptation strategy with clear performance targets. Provide input to IBC 's position on the matter for its observations.

² Environmental, social and governance.

Initiative	Date	Description	Desjardins's position
House of Commons of Canada Current state of play on green finance, green investment, transition finance and transparency, standards and taxonomy	March 2023 (in progress) Submitted May 2023	<p>It was agreed, — That the committee undertake a study on the current state of play on (a) "green finance", (b) "green investment", (c) "transition finance"; and (d) transparency, standards and taxonomy.</p> <p>That the committee present a report on this study with its recommendations to the House. Source >></p>	<p>Argue that the financial sector has a role to play, but that it must be aligned with the public sector. A credible taxonomy, as recommended by the Sustainable Finance Action Council (SFAC), is the cornerstone, and climate disclosures must be aligned with international standards.</p>
Government of Canada Sustainable Agriculture Strategy	March 2023	<p>The strategy will propose an integrated and coordinated approach to addressing agri-environmental issues in the sector. By identifying specific objectives and actions, Canada's agricultural sector will be better equipped to bounce back more quickly from extreme natural disasters, successfully address climate change and secure a steady food supply.</p>	<p>Give our members and clients the support they need to incorporate ESG criteria in their activities. We want to work closely with the various players involved to help our business members and clients make the transition to more sustainable and resilient models.</p>
Government of Canada Meetings with federal elected officials and, civil servants	Throughout 2023	<p>Meetings between Desjardins and federal representatives to discuss climate resilience and sustainable finance.</p>	<p>Ensure resilience to natural disasters and establish a national climate adaptation strategy with clear performance targets.</p> <p>Explain what we're doing to help our business members and clients make the transition to more sustainable and resilient models.</p>
Climate Proof Canada Coalition	June 2021 (in progress)	<p>Broad coalition of insurance representatives, municipalities, Indigenous organizations, environmental non-governmental organizations (NGOs) and think tanks encouraging the federal government to act now to create a culture of readiness and build a more disaster-resilient country.</p>	<p>Attend political events with the coalition.</p>
Canadian Chamber of Commerce Green and Transition Finance Council	March 2023 (in progress)	<p>The Green and Transition Finance Council brings together key players from the private sector, and in particular the Canadian financial sector, to implement SFAC recommendations.</p>	<p>Participate in the Canadian Chamber of Commerce's Green and Transition Finance Council through Desjardins Group's Chief Sustainable Development Officer, who co-chairs the Council.</p>