Desjardins

# Supplemental Financial Information (unaudited)

## For the period ended December 31, 2022

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# NOTES TO THE READER

## USE OF THIS DOCUMENT

The Supplemental Financial Information (this document) is designed to support the transparency and disclosure of financial information and help readers understand Desjardins Group's financial performance. The information disclosed in this document is unaudited. This document should be used as a supplement to Desjardins Group's Interim Financial Reports and Annual Reports. These reports, which include Desjardins Group's Combined Financial Statements as well as its MD&As, are available on its website at www.desjardins.com/ca/about-us/investor-relations and on the SEDAR website at www.sedar.com (under the Desjardins Capital inc. profile for the years ended before December 31, 2021 and, since the first quarter of 2021, under the *Fédération des caisses Desjardins du Québec* profile).

## BASIS OF PRESENTATION OF FINANCIAL INFORMATION

The Annual and Interim Combined Financial Statements have been prepared by Desjardins Group's management in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting requirements of the *Autorité des marchés financiers* (AMF) in Québec, which do not differ from IFRS. IFRS represent Canadian generally accepted accounting principles (GAAP). For further information about the accounting policies applied, see Note 2, “Significant accounting policies” to the Annual and Interim Combined Financial Statements.

Unless indicated otherwise, all amounts are in Canadian dollars.

## SCOPE OF THIS DOCUMENT

The information presented in this document relates to the Desjardins Group entities that are included in its accounting scope. The entities included in Desjardins Group's accounting scope of consolidation are presented in the “Scope of the Group” section of Note 2, “Significant accounting policies”, to its Annual Combined Financial Statements. Data related to risks are presented to meet the disclosure requirements set out in the recommendations of the “Enhancing the Risks Disclosures of Banks” document dated October 29, 2012.

# FINANCIAL INFORMATION

**Table 1 – Combined Balance Sheets**

| (in millions of dollars) | As at December 31, 2022 | As at September 30, 2022 | As at June 30, 2022 | As at March 31, 2022 | As at December 31, 2021 | As at September 30, 2021 | As at June 30, 2021 | As at March 31, 2021 | As at December 31, 2020 |
|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | |
| **Cash and deposits with financial institutions** | **$ 8,913** | $ 9,189 | $ 12,350 | $ 13,728 | $ 16,328 | $ 13,645 | $ 17,731 | $ 19,853 | $ 12,126 |
| **Securities** | | | | | | | | | |
| Securities at fair value through profit or loss | **34,025** | 35,402 | 35,543 | 36,409 | 39,772 | 36,985 | 39,195 | 36,542 | 34,960 |
| Securities at fair value through other comprehensive income | **51,258** | 51,581 | 52,139 | 52,518 | 53,286 | 51,950 | 51,477 | 46,862 | 52,679 |
| Securities at amortized cost | **50** | 52 | 51 | 50 | 41 | 39 | 35 | 25 | 29 |
| | **85,333** | 87,035 | 87,733 | 88,977 | 93,099 | 88,974 | 90,707 | 83,429 | 87,668 |
| **Securities borrowed or purchased under reverse repurchase agreements** | **17,024** | 17,188 | 15,825 | 14,686 | 12,019 | 15,542 | 14,345 | 13,634 | 9,658 |
| **Loans** | | | | | | | | | |
| Residential mortgages | **159,682** | 158,169 | 155,589 | 151,494 | 149,695 | 146,615 | 143,741 | 138,438 | 136,208 |
| Consumer, credit card and other personal loans | **24,381** | 24,647 | 24,780 | 24,096 | 24,386 | 24,743 | 24,859 | 24,789 | 25,310 |
| Business and government loans | **66,812** | 65,482 | 62,568 | 58,883 | 57,400 | 56,466 | 54,335 | 52,688 | 51,015 |
| | **250,875** | 248,298 | 242,937 | 234,473 | 231,481 | 227,824 | 222,935 | 215,915 | 212,533 |
| Allowance for credit losses | **(1,035)** | (1,025) | (959) | (947) | (970) | (1,007) | (1,002) | (1,064) | (1,112) |
| | **249,840** | 247,273 | 241,978 | 233,526 | 230,511 | 226,817 | 221,933 | 214,851 | 211,421 |
| **Segregated fund net assets** | **21,318** | 20,188 | 20,176 | 21,848 | 22,804 | 21,678 | 21,474 | 20,662 | 19,093 |
| **Other assets** | | | | | | | | | |
| Clients' liability under acceptances | **25** | 137 | 135 | 88 | 268 | 210 | 90 | 154 | 328 |
| Premiums receivable | **2,925** | 3,029 | 2,850 | 2,648 | 2,839 | 2,956 | 2,797 | 2,641 | 2,803 |
| Derivative financial instruments | **5,723** | 5,791 | 4,615 | 5,293 | 5,828 | 5,439 | 5,703 | 5,585 | 5,820 |
| Amounts receivable from clients, brokers and financial institutions | **3,486** | 5,490 | 5,915 | 4,834 | 2,557 | 4,248 | 3,902 | 5,389 | 2,499 |
| Reinsurance assets | **1,175** | 1,630 | 1,620 | 1,580 | 1,582 | 1,831 | 1,867 | 1,904 | 1,962 |
| Right-of-use assets | **543** | 549 | 537 | 553 | 530 | 542 | 556 | 563 | 565 |
| Investment property | **929** | 914 | 919 | 929 | 926 | 918 | 922 | 918 | 924 |
| Property, plant and equipment | **1,587** | 1,538 | 1,515 | 1,514 | 1,531 | 1,488 | 1,505 | 1,514 | 1,541 |
| Goodwill | **157** | 158 | 158 | 157 | 157 | 159 | 156 | 156 | 156 |
| Intangible assets | **692** | 536 | 532 | 506 | 497 | 497 | 476 | 455 | 424 |
| Investments in companies accounted for using the equity method | **1,465** | 1,424 | 1,395 | 1,394 | 1,380 | 1,311 | 1,281 | 1,238 | 1,189 |
| Net defined benefits plan assets[1] | **679** | 741 | 1,051 | 673 | 62 | 53 | 44 | 28 | — |
| Deferred tax assets | **1,440** | 1,438 | 1,120 | 851 | 789 | 747 | 797 | 833 | 1,154 |
| Other[1] | **3,855** | 3,823 | 3,646 | 3,351 | 3,378 | 3,586 | 2,992 | 3,174 | 2,704 |
| | **24,681** | 27,198 | 26,008 | 24,371 | 22,324 | 23,985 | 23,088 | 24,552 | 22,069 |
| **TOTAL ASSETS** | **$ 407,109** | $ 408,071 | $ 404,070 | $ 397,136 | $ 397,085 | $ 390,641 | $ 389,278 | $ 376,981 | $ 362,035 |

(1) The information as at December 31, 2021 and prior periods has been reclassified to conform with the presentation for the current period.

**Table 1 – Combined Balance Sheets (continued)**

| (in millions of dollars) | As at December 31, 2022 | As at September 30, 2022 | As at June 30, 2022 | As at March 31, 2022 | As at December 31, 2021 | As at September 30, 2021 | As at June 30, 2021 | As at March 31, 2021 | As at December 31, 2020 |
|---|---|---|---|---|---|---|---|---|---|
| **LIABILITIES AND EQUITY** | | | | | | | | | |
| **LIABILITIES** | | | | | | | | | |
| **Deposit** | | | | | | | | | |
| Individuals | **$ 145,377** | $ 142,429 | $ 142,519 | $ 138,090 | $ 136,332 | $ 134,218 | $ 133,112 | $ 129,676 | $ 127,928 |
| Business and government | **114,172** | 112,180 | 109,711 | 103,586 | 101,644 | 105,082 | 104,706 | 99,638 | 96,853 |
| Deposit-taking institutions | **287** | 843 | 441 | 1,016 | 379 | 377 | 852 | 1,605 | 455 |
| | **259,836** | 255,452 | 252,671 | 242,692 | 238,355 | 239,677 | 238,670 | 230,919 | 225,236 |
| **Other liabilities** | | | | | | | | | |
| Acceptances | **25** | 137 | 135 | 88 | 268 | 210 | 90 | 154 | 328 |
| Commitments related to securities sold short | **9,859** | 13,882 | 13,383 | 10,930 | 11,342 | 9,564 | 10,763 | 11,589 | 9,353 |
| Commitments related to securities lent or sold under repurchase agreements | **24,565** | 25,714 | 27,742 | 29,013 | 31,177 | 25,572 | 25,194 | 21,883 | 19,152 |
| Derivative financial instruments | **6,554** | 6,372 | 5,903 | 6,261 | 5,500 | 4,833 | 5,216 | 5,236 | 4,884 |
| Amounts payable to clients, brokers and financial institutions | **8,978** | 10,466 | 10,158 | 10,133 | 7,938 | 9,736 | 10,002 | 11,047 | 6,810 |
| Lease liabilities | **622** | 632 | 607 | 620 | 596 | 608 | 621 | 631 | 633 |
| Insurance contract liabilities | **31,354** | 31,239 | 30,746 | 32,432 | 34,762 | 33,846 | 33,580 | 32,822 | 34,827 |
| Segregated fund net liabilities | **21,284** | 20,166 | 20,172 | 21,847 | 22,796 | 21,672 | 21,468 | 20,660 | 19,089 |
| Net defined benefit plan net liabilities | **654** | 694 | 673 | 757 | 1,048 | 1,366 | 1,677 | 1,877 | 3,107 |
| Deferred tax liabilities | **433** | 298 | 306 | 226 | 301 | 320 | 326 | 334 | 372 |
| Other | **7,569** | 7,785 | 6,824 | 7,001 | 7,516 | 7,160 | 6,528 | 6,712 | 6,488 |
| | **111,897** | 117,385 | 116,649 | 119,308 | 123,244 | 114,887 | 115,465 | 112,945 | 105,043 |
| **Subordinated notes** | **2,928** | 2,920 | 1,956 | 1,952 | 1,960 | 2,474 | 2,424 | 1,473 | 1,493 |
| **TOTAL LIABILITIES** | **374,661** | 375,757 | 371,276 | 363,952 | 363,559 | 357,038 | 356,559 | 345,337 | 331,772 |
| **EQUITY** | | | | | | | | | |
| Capital stock | **4,786** | 4,844 | 4,944 | 4,964 | 4,982 | 4,999 | 5,007 | 5,016 | 5,021 |
| Undistributed surplus earnings | **8,429** | 8,249 | 8,089 | 9,620 | 1,546 | 2,645 | 1,863 | 2,369 | 1,874 |
| Accumulated other comprehensive income | **(2,166)** | (2,172) | (1,674) | (637) | 765 | 935 | 1,032 | 999 | 1,302 |
| Reserves | **20,552** | 20,545 | 20,568 | 18,334 | 25,321 | 24,150 | 23,978 | 22,470 | 21,316 |
| **Equity – Group's share** | **31,601** | 31,466 | 31,927 | 32,281 | 32,614 | 32,729 | 31,880 | 30,854 | 29,513 |
| **Non-controlling interests** | **847** | 848 | 867 | 903 | 912 | 874 | 839 | 790 | 750 |
| **Total equity** | **32,448** | 32,314 | 32,794 | 33,184 | 33,526 | 33,603 | 32,719 | 31,644 | 30,263 |
| **TOTAL LIABILITIES AND EQUITY** | **$ 407,109** | $ 408,071 | $ 404,070 | $ 397,136 | $ 397,085 | $ 390,641 | $ 389,278 | $ 376,981 | $ 362,035 |

**Table 2 – Combined Statements of Income**

| (in millions of dollars) | For the three-month periods ended | | | | | | | | | For the twelve-month periods ended | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **December 31, 2022** | September 30, 2022 | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 | December 31, 2020[1] | **December 31, 2022** | December 31, 2021 |
| **Interest income** | | | | | | | | | | | |
| Loans | **$ 2,486** | $ 2,184 | $ 1,879 | $ 1,729 | $ 1,723 | $ 1,763 | $ 1,730 | $ 1,712 | $ 1,790 | **$ 8,278** | $ 6,928 |
| Securities | **439** | 320 | 205 | 143 | 124 | 120 | 116 | 113 | 136 | **1,107** | 473 |
| | **2,925** | 2,504 | 2,084 | 1,872 | 1,847 | 1,883 | 1,846 | 1,825 | 1,926 | **9,385** | 7,401 |
| **Interest expense** | | | | | | | | | | | |
| Deposits | **1,244** | 792 | 451 | 342 | 365 | 374 | 364 | 405 | 440 | **2,829** | 1,508 |
| Subordinated notes | **35** | 18 | 13 | 12 | 18 | 18 | 15 | 14 | 13 | **78** | 65 |
| Other | **67** | 45 | 24 | 12 | 9 | 15 | 15 | 3 | 18 | **148** | 42 |
| | **1,346** | 855 | 488 | 366 | 392 | 407 | 394 | 422 | 471 | **3,055** | 1,615 |
| **Net interest income** | **1,579** | 1,649 | 1,596 | 1,506 | 1,455 | 1,476 | 1,452 | 1,403 | 1,455 | **6,330** | 5,786 |
| **Net premiums** | **3,812** | 2,747 | 2,633 | 2,650 | 3,201 | 2,905 | 2,587 | 2,585 | 2,626 | **11,842** | 11,278 |
| **Other income** | | | | | | | | | | | |
| Deposit and payment service charges | **115** | 115 | 114 | 104 | 111 | 109 | 105 | 99 | 104 | **448** | 424 |
| Lending fees and credit card service revenues | **263** | 276 | 225 | 227 | 168 | 198 | 182 | 187 | 165 | **991** | 735 |
| Brokerage and investment fund services | **235** | 235 | 251 | 268 | 267 | 283 | 285 | 273 | 243 | **989** | 1,108 |
| Management and custodial service fees | **211** | 182 | 200 | 193 | 201 | 185 | 177 | 169 | 168 | **786** | 732 |
| Net investment income (loss) | **78** | (38) | (2,209) | (2,336) | 956 | (90) | 1,055 | (1,602) | 646 | **(4,505)** | 319 |
| Overlay approach adjustment for insurance operations financial assets | **(1)** | 224 | 371 | 153 | (88) | (24) | (146) | (146) | (112) | **747** | (404) |
| Foreign exchange income | **42** | 19 | 27 | 31 | 29 | 34 | 28 | 30 | 21 | **119** | 121 |
| Other | **64** | 72 | 86 | 71 | 71 | 60 | 53 | 37 | 48 | **293** | 221 |
| | **1,007** | 1,085 | (935) | (1,289) | 1,715 | 755 | 1,739 | (953) | 1,283 | **(132)** | 3,256 |
| **Total income** | **6,398** | 5,481 | 3,294 | 2,867 | 6,371 | 5,136 | 5,778 | 3,035 | 5,364 | **18,040** | 20,320 |
| **Provision for credit losses (recovery)** | **80** | 125 | 66 | 6 | 16 | 52 | (3) | 4 | 169 | **277** | 69 |
| **Claims, benefits, annuities and changes in insurance contract liabilities** | **2,784** | 2,204 | (133) | (355) | 3,185 | 1,713 | 2,191 | (206) | 1,781 | **4,500** | 6,883 |
| **Non-interest expense[2]** | | | | | | | | | | | |
| Salaries and employee benefits | **1,325** | 1,199 | 1,317 | 1,225 | 1,158 | 1,046 | 1,167 | 1,066 | 1,056 | **5,066** | 4,437 |
| Professional fees | **251** | 290 | 357 | 261 | 346 | 262 | 234 | 171 | 226 | **1,159** | 1,013 |
| Technology | **265** | 248 | 241 | 224 | 263 | 219 | 210 | 201 | 222 | **978** | 893 |
| Commissions | **269** | 225 | 216 | 219 | 238 | 225 | 220 | 198 | 194 | **929** | 881 |
| Occupancy costs | **99** | 100 | 99 | 105 | 106 | 96 | 101 | 103 | 112 | **403** | 406 |
| Communications | **140** | 91 | 99 | 87 | 121 | 76 | 65 | 67 | 85 | **417** | 329 |
| Business and capital taxes | **128** | 111 | 118 | 125 | 112 | 115 | 119 | 113 | 103 | **482** | 459 |
| Other | **356** | 301 | 265 | 282 | 392 | 249 | 261 | 246 | 334 | **1,204** | 1,148 |
| | **2,833** | 2,565 | 2,712 | 2,528 | 2,736 | 2,288 | 2,377 | 2,165 | 2,332 | **10,638** | 9,566 |
| **Operating surplus earnings** | **701** | 587 | 649 | 688 | 434 | 1,083 | 1,213 | 1,072 | 1,082 | **2,625** | 3,802 |
| Income taxes on surplus earnings | **125** | 109 | 172 | 169 | 41 | 267 | 278 | 274 | 206 | **575** | 860 |
| **Surplus earnings before member dividends** | **576** | 478 | 477 | 519 | 393 | 816 | 935 | 798 | 876 | **2,050** | 2,942 |
| Member dividends | **86** | 106 | 109 | 102 | 117 | 90 | 90 | 90 | 93 | **403** | 387 |
| Tax recovery on member dividends | **(22)** | (28) | (29) | (27) | (31) | (24) | (24) | (24) | (23) | **(106)** | (103) |
| **Net surplus earnings for the period after member dividends** | **$ 512** | $ 400 | $ 397 | $ 444 | $ 307 | $ 750 | $ 869 | $ 732 | $ 806 | **$ 1,753** | $ 2,658 |
| of which: | | | | | | | | | | | |
| Group's share | **$ 495** | $ 386 | $ 381 | $ 424 | $ 267 | $ 716 | $ 830 | $ 702 | $ 763 | **$ 1,686** | $ 2,515 |
| Non-controlling interests' share | **17** | 14 | 16 | 20 | 40 | 34 | 39 | 30 | 43 | **67** | 143 |

(1) The information has been reclassified to conform with the presentation for the current period.

(2) The information for the period ended December 31, 2021 and prior periods has been reclassified to conform with the presentation for the current period.

# RISK MANAGEMENT

**Table 3 – Loan portfolio by borrower category and industry**

| (in millions of dollars) | As at December 31, 2022 | | As at September 30, 2022 | | As at June 30, 2022 | | As at March 31, 2022 | | As at December 31, 2021 | | As at September 30, 2021 | | As at June 30, 2021 | | As at March 31, 2021 | | As at December 31, 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Gross loans** | **Gross credit-impaired loans** | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans |
| Residential mortgages | **$ 159,682** | **$ 245** | $ 158,169 | $ 228 | $ 155,589 | $ 179 | $ 151,494 | $ 202 | $ 149,695 | $ 209 | $ 146,615 | $ 226 | $ 143,741 | $ 253 | $ 138,438 | $ 323 | $ 136,208 | $ 374 |
| Consumer, credit card and other personal loans | **24,381** | **170** | 24,647 | 163 | 24,780 | 151 | 24,096 | 162 | 24,386 | 148 | 24,743 | 145 | 24,859 | 156 | 24,789 | 186 | 25,310 | 212 |
| Public agency loans[1] | **3,520** | **—** | 3,133 | — | 3,051 | — | 2,609 | — | 3,246 | — | 2,662 | — | 2,883 | — | 3,119 | — | 3,017 | — |
| Business loans | | | | | | | | | | | | | | | | | | |
| Agriculture | **11,270** | **158** | 11,014 | 137 | 10,864 | 149 | 10,685 | 111 | 10,534 | 108 | 10,332 | 108 | 10,074 | 97 | 9,839 | 111 | 9,738 | 125 |
| Mining, oil and gas | **354** | **1** | 376 | 1 | 337 | 27 | 344 | 34 | 338 | 34 | 380 | 35 | 385 | 38 | 343 | 20 | 389 | 44 |
| Utilities | **1,137** | **—** | 1,019 | — | 957 | — | 927 | — | 905 | — | 866 | — | 820 | — | 816 | — | 720 | — |
| Construction | **6,660** | **116** | 6,308 | 114 | 5,937 | 106 | 5,348 | 95 | 5,017 | 92 | 4,924 | 114 | 4,548 | 110 | 4,124 | 112 | 3,904 | 117 |
| Manufacturing | **5,745** | **160** | 5,788 | 123 | 5,569 | 117 | 5,087 | 97 | 4,686 | 90 | 4,523 | 107 | 4,287 | 105 | 4,292 | 117 | 4,324 | 111 |
| Wholesale trade | **2,623** | **23** | 2,523 | 17 | 2,430 | 16 | 2,326 | 17 | 2,097 | 16 | 1,991 | 22 | 1,926 | 31 | 1,676 | 33 | 1,568 | 35 |
| Retail trade | **4,337** | **27** | 4,167 | 31 | 4,118 | 30 | 4,161 | 42 | 3,744 | 64 | 3,705 | 78 | 3,575 | 77 | 3,646 | 80 | 3,389 | 73 |
| Transportation | **1,420** | **24** | 1,478 | 26 | 1,450 | 28 | 1,383 | 28 | 1,424 | 32 | 1,480 | 34 | 1,441 | 36 | 1,349 | 35 | 1,359 | 34 |
| Information industry | **305** | **2** | 283 | 2 | 287 | 2 | 272 | 2 | 239 | 4 | 268 | 4 | 276 | 13 | 319 | 13 | 312 | 14 |
| Finance and insurance | **1,627** | **—** | 2,089 | — | 1,577 | 1 | 1,190 | 1 | 945 | 1 | 986 | 1 | 884 | 1 | 821 | 5 | 855 | 1 |
| Real estate | **15,569** | **86** | 15,099 | 87 | 14,357 | 50 | 13,258 | 53 | 13,162 | 56 | 13,059 | 44 | 12,067 | 49 | 11,629 | 37 | 10,573 | 43 |
| Professional services | **1,586** | **6** | 1,645 | 4 | 1,511 | 4 | 1,421 | 5 | 1,285 | 4 | 1,212 | 7 | 1,099 | 8 | 942 | 7 | 887 | 8 |
| Management of companies | **1,454** | **3** | 1,510 | 4 | 1,333 | 10 | 1,196 | 10 | 1,148 | 12 | 1,222 | 6 | 1,178 | 6 | 1,071 | 7 | 993 | 9 |
| Administrative services | **393** | **12** | 399 | 13 | 379 | 14 | 394 | 23 | 397 | 24 | 390 | 24 | 380 | 30 | 347 | 17 | 353 | 13 |
| Education | **241** | **4** | 252 | 7 | 253 | 7 | 235 | 7 | 254 | 5 | 272 | 5 | 266 | 5 | 249 | 5 | 255 | 2 |
| Health care | **4,325** | **67** | 4,222 | 27 | 4,112 | 55 | 4,011 | 59 | 4,036 | 66 | 3,980 | 74 | 3,825 | 74 | 3,772 | 33 | 3,666 | 35 |
| Arts and entertainment | **779** | **6** | 788 | 8 | 772 | 9 | 789 | 14 | 808 | 16 | 799 | 39 | 781 | 40 | 779 | 40 | 786 | 19 |
| Accommodation | **2,025** | **71** | 1,966 | 88 | 1,936 | 95 | 1,910 | 102 | 1,902 | 103 | 1,912 | 107 | 1,913 | 90 | 1,886 | 51 | 1,834 | 48 |
| Other services | **1,435** | **10** | 1,397 | 7 | 1,294 | 7 | 1,196 | 7 | 1,195 | 4 | 1,165 | 5 | 1,145 | 8 | 1,078 | 4 | 1,133 | 6 |
| Other businesses | **7** | **—** | 26 | — | 44 | 1 | 141 | 1 | 38 | — | 338 | — | 582 | — | 591 | — | 960 | — |
| **Total business loans** | **$ 63,292** | **$ 776** | $ 62,349 | $ 696 | $ 59,517 | $ 728 | $ 56,274 | $ 708 | $ 54,154 | $ 731 | $ 53,804 | $ 814 | $ 51,452 | $ 818 | $ 49,569 | $ 727 | $ 47,998 | $ 737 |
| **Total loans** | **$ 250,875** | **$ 1,191** | $ 248,298 | $ 1,087 | $ 242,937 | $ 1,058 | $ 234,473 | $ 1,072 | $ 231,481 | $ 1,088 | $ 227,824 | $ 1,185 | $ 222,935 | $ 1,227 | $ 215,915 | $ 1,236 | $ 212,533 | $ 1,323 |

(1) Includes government loans.

**Table 4 – Loan portfolio by geographic area**

| (in millions of dollars) | **As at December 31, 2022** | | As at September 30, 2022 | | As at June 30, 2022 | | As at March 31, 2022 | | As at December 31, 2021 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Gross loans** | **Gross credit-impaired loans** | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans |
| **Canada** | | | | | | | | | | |
| Québec | **$ 226,451** | **$ 1,074** | $ 224,853 | $ 966 | $ 220,745 | $ 914 | $ 213,536 | $ 926 | $ 211,082 | $ 940 |
| Other Canadian provinces | **24,103** | **117** | 23,116 | 121 | 21,892 | 144 | 20,669 | 146 | 20,118 | 148 |
| **Total – Canada** | **$ 250,554** | **$ 1,191** | $ 247,969 | $ 1,087 | $ 242,637 | $ 1,058 | $ 234,205 | $ 1,072 | $ 231,200 | $ 1,088 |
| Other countries | **321** | **—** | 329 | — | 300 | — | 268 | — | 281 | — |
| **Total** | **$ 250,875** | **$ 1,191** | $ 248,298 | $ 1,087 | $ 242,937 | $ 1,058 | $ 234,473 | $ 1,072 | $ 231,481 | $ 1,088 |

| (in millions of dollars) | As at September 30, 2021 | | As at June 30, 2021 | | As at March 31, 2021 | | As at December 31, 2020 | |
|---|---|---|---|---|---|---|---|---|
| | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans | Gross loans | Gross credit-impaired loans |
| **Canada** | | | | | | | | |
| Québec | $ 207,584 | $ 1,023 | $ 203,246 | $ 1,046 | $ 196,772 | $ 1,085 | $ 193,489 | $ 1,133 |
| Other Canadian provinces | 19,875 | 162 | 19,307 | 181 | 18,742 | 151 | 18,639 | 190 |
| **Total – Canada** | $ 227,459 | $ 1,185 | $ 222,553 | $ 1,227 | $ 215,514 | $ 1,236 | $ 212,128 | $ 1,323 |
| Other countries | 365 | — | 382 | — | 401 | — | 405 | — |
| **Total** | $ 227,824 | $ 1,185 | $ 222,935 | $ 1,227 | $ 215,915 | $ 1,236 | $ 212,533 | $ 1,323 |

**Table 5 – Loan and acceptance portfolio by entity**

| (in millions of dollars and as percentage) | As at December 31, 2022 Gross loans and acceptances | | As at September 30, 2022 Gross loans and acceptances | | As at June 30, 2022 Gross loans and acceptances | | As at March 31, 2022 Gross loans and acceptances | | As at December 31, 2021 Gross loans and acceptances | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Desjardins Group** | | | | | | | | | | |
| Caisse network | **$ 208,306** | **83.0 %** | $ 205,948 | 82.9 % | $ 202,286 | 83.2 % | $ 197,111 | 84.0 % | $ 194,372 | 83.9 % |
| Fédération des caisses Desjardins du Québec | **38,779** | **15.5** | 38,592 | 15.5 | 36,867 | 15.2 | 33,608 | 14.3 | 33,662 | 14.5 |
| Desjardins Financial Security Life Assurance Company | **2,657** | **1.0** | 2,676 | 1.1 | 2,688 | 1.1 | 2,723 | 1.2 | 2,722 | 1.2 |
| Other entities | **1,158** | **0.5** | 1,219 | 0.5 | 1,231 | 0.5 | 1,119 | 0.5 | 993 | 0.4 |
| **Total** | **$ 250,900** | **100.0 %** | $ 248,435 | 100.0 % | $ 243,072 | 100.0 % | $ 234,561 | 100.0 % | $ 231,749 | 100.0 % |

| (in millions of dollars and as percentage) | As at September 30, 2021 Gross loans and acceptances | | As at June 30, 2021 Gross loans and acceptances | | As at March 31, 2021 Gross loans and acceptances | | As at December 31, 2020 Gross loans and acceptances | |
|---|---|---|---|---|---|---|---|---|
| **Desjardins Group** | | | | | | | | |
| Caisse network | $ 190,734 | 83.6 % | $ 186,761 | 83.7 % | $ 180,198 | 83.4 % | $ 176,687 | 83.0 % |
| Fédération des caisses Desjardins du Québec | 33,642 | 14.8 | 32,554 | 14.6 | 32,161 | 14.9 | 32,447 | 15.2 |
| Desjardins Financial Security Life Assurance Company | 2,745 | 1.2 | 2,867 | 1.3 | 2,899 | 1.3 | 2,948 | 1.4 |
| Other entities | 913 | 0.4 | 843 | 0.4 | 811 | 0.4 | 779 | 0.4 |
| **Total** | $ 228,034 | 100.0 % | $ 223,025 | 100.0 % | $ 216,069 | 100.0 % | $ 212,861 | 100.0 % |

**Table 6 – Loan and acceptance portfolio by product**

| (in millions of dollars and as a percentage) | As at December 31, 2022 | | | | | | As at September 30, 2022 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Gross loans and acceptances** | | **Guaranteed or insured loans[1]** | | **Gross credit-impaired loans** | | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | |
| **Desjardins Group** | | | | | | | | | | | | |
| Residential mortgages | **$ 159,682** | **63.7 %** | **$ 39,666** | **80.2 %** | **$ 245** | **20.6 %** | $ 158,169 | 63.7 % | $ 39,015 | 80.2 % | $ 228 | 21.0 % |
| Consumer, credit card and other personal loans | **24,381** | **9.7** | **2,776** | **5.6** | **170** | **14.3** | 24,647 | 9.9 | 2,767 | 5.7 | 163 | 15.0 |
| Business and government loans | **66,837** | **26.6** | **7,001** | **14.2** | **776** | **65.1** | 65,619 | 26.4 | 6,878 | 14.1 | 696 | 64.0 |
| **Total** | **$ 250,900** | **100.0 %** | **$ 49,443** | **100.0 %** | **$ 1,191** | **100.0 %** | $ 248,435 | 100.0 % | $ 48,660 | 100.0 % | $ 1,087 | 100.0 % |

| (in millions of dollars and as a percentage) | As at June 30, 2022 | | | | | | As at March 31, 2022 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | |
| **Desjardins Group** | | | | | | | | | | | | |
| Residential mortgages | $ 155,589 | 64.0 % | $ 38,608 | 79.4 % | $ 179 | 16.9 % | $ 151,494 | 64.6 % | $ 37,347 | 79.3 % | $ 202 | 18.9 % |
| Consumer, credit card and other personal loans | 24,780 | 10.2 | 2,952 | 6.1 | 151 | 14.3 | 24,096 | 10.3 | 3,065 | 6.5 | 162 | 15.1 |
| Business and government loans | 62,703 | 25.8 | 7,047 | 14.5 | 728 | 68.8 | 58,971 | 25.1 | 6,694 | 14.2 | 708 | 66.0 |
| **Total** | $ 243,072 | 100.0 % | $ 48,607 | 100.0 % | $ 1,058 | 100.0 % | $ 234,561 | 100.0 % | $ 47,106 | 100.0 % | $ 1,072 | 100.0 % |

| (in millions of dollars and as a percentage) | As at December 31, 2021 | | | | | | As at September 30, 2021 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | |
| **Desjardins Group** | | | | | | | | | | | | |
| Residential mortgages | $ 149,695 | 64.6 % | $ 37,488 | 78.4 % | $ 209 | 19.2 % | $ 146,615 | 64.2 % | $ 37,628 | 78.0 % | $ 226 | 19.1 % |
| Consumer, credit card and other personal loans | 24,386 | 10.5 | 3,071 | 6.4 | 148 | 13.6 | 24,743 | 10.9 | 3,122 | 6.5 | 145 | 12.2 |
| Business and government loans | 57,668 | 24.9 | 7,259 | 15.2 | 731 | 67.2 | 56,676 | 24.9 | 7,447 | 15.5 | 814 | 68.7 |
| **Total** | $ 231,749 | 100.0 % | $ 47,818 | 100.0 % | $ 1,088 | 100.0 % | $ 228,034 | 100.0 % | $ 48,197 | 100.0 % | $ 1,185 | 100.0 % |

| (in millions of dollars and as a percentage) | As at June 30, 2021 | | | | | | As at March 31, 2021 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | |
| **Desjardins Group** | | | | | | | | | | | | |
| Residential mortgages | $ 143,741 | 64.5 % | $ 37,996 | 78.5 % | $ 253 | 20.6 % | $ 138,438 | 64.0 % | $ 37,529 | 78.1 % | $ 323 | 26.2 % |
| Consumer, credit card and other personal loans | 24,859 | 11.1 | 3,274 | 6.8 | 156 | 12.7 | 24,789 | 11.5 | 3,351 | 7.0 | 186 | 15.0 |
| Business and government loans | 54,425 | 24.4 | 7,140 | 14.7 | 818 | 66.7 | 52,842 | 24.5 | 7,141 | 14.9 | 727 | 58.8 |
| **Total** | $ 223,025 | 100.0 % | $ 48,410 | 100.0 % | $ 1,227 | 100.0 % | $ 216,069 | 100.0 % | $ 48,021 | 100.0 % | $ 1,236 | 100.0 % |

| (in millions of dollars and as a percentage) | As at December 31, 2020 | | | | | |
|---|---|---|---|---|---|---|
| | Gross loans and acceptances | | Guaranteed or insured loans[1] | | Gross credit-impaired loans | |
| **Desjardins Group** | | | | | | |
| Residential mortgages | $ 136,208 | 64.0 % | $ 37,823 | 78.6 % | $ 374 | 28.3 % |
| Consumer, credit card and other personal loans | 25,310 | 11.9 | 3,319 | 6.9 | 212 | 16.0 |
| Business and government loans | 51,343 | 24.1 | 6,962 | 14.5 | 737 | 55.7 |
| **Total** | $ 212,861 | 100.0 % | $ 48,104 | 100.0 % | $ 1,323 | 100.0 % |

[1] Loans fully or partially guaranteed or insured by a public insurer or a government (excluding private insurers).

**Table 7 – Change in gross credit-impaired loans**

| (in millions of dollars) | For the three-month periods ended | | | | |
|---|---|---|---|---|---|
| | **December 31, 2022** | September 30, 2022 | June 30, 2022 | March 31, 2022 | December 31, 2021 |
| **Gross credit-impaired loans at the beginning of the period** | **$ 1,087** | $ 1,058 | $ 1,072 | $ 1,088 | $ 1,185 |
| Gross loans that became credit-impaired since the last period | **675** | 545 | 566 | 625 | 579 |
| Loans returned to unimpaired status | **(500)** | (463) | (528) | (592) | (618) |
| Write-offs and recoveries | **(71)** | (54) | (52) | (49) | (55) |
| Other changes | **—** | 1 | — | — | (3) |
| **Gross credit-impaired loans at the end of the period** | **$ 1,191** | $ 1,087 | $ 1,058 | $ 1,072 | $ 1,088 |

| (in millions of dollars) | For the three-month periods ended | | | |
|---|---|---|---|---|
| | September 30, 2021 | June 30, 2021 | March 31, 2021 | December 31, 2020 |
| **Gross credit-impaired loans at the beginning of the period** | $ 1,227 | $ 1,236 | $ 1,323 | $ 1,340 |
| Gross loans that became credit-impaired since the last period | 546 | 679 | 608 | 851 |
| Loans returned to unimpaired status | (534) | (616) | (699) | (772) |
| Write-offs and recoveries | (47) | (58) | (56) | (114) |
| Other changes | (7) | (14) | 60 | 18 |
| **Gross credit-impaired loans at the end of the period** | $ 1,185 | $ 1,227 | $ 1,236 | $ 1,323 |

# GLOSSARY

**Acceptance**
Short-term debt security traded on the money market, guaranteed by a financial institution for a borrower in exchange for a stamping fee.

**Allowance for credit losses**
The loss allowance for expected credit losses reflects an unbiased amount, based on a probability-weighted present value of cash flow shortfalls, and takes into account reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

***Autorité des marchés financiers* (AMF)**
Organization whose mission is to enforce the laws governing the financial industry in Québec, particularly in the areas of insurance, securities, deposit-taking institutions and financial product and service distribution.

**Commitment**
– Direct commitment
Any agreement entered into by a Desjardins Group component with a natural or legal person creating an on- or off-balance sheet exposure, either disbursed or non-disbursed, revocable or irrevocable, with or without condition, that may lead to losses for the component if the debtor is unable to meet its obligations.
– Indirect commitment
Any financial receivable creating a credit exposure that is acquired by a Desjardins Group component in connection with a purchase on the market or the delivery of a financial asset pledged as collateral by a client or a counterparty, whose value may change in particular as a result of the deterioration of the creditworthiness of the counterparty associated to this receivable or changes in market prices.

**Fair value**
Price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date.

**Gross credit-impaired loan**
A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated cash flows of that financial asset have occurred. A financial asset is therefore considered credit-impaired when it is in default, unless the detrimental impact on the estimated future cash flows is considered insignificant. The definition of default is associated with an instrument for which contractual payments are 90 days past due, or certain other criteria.

**Provision for credit losses**
Amount recognized in profit or loss to bring the allowance for credit losses to a level determined appropriate by management. It includes provisions for credit losses on unimpaired and impaired financial assets.

**Repurchase agreement**
Agreement involving both the sale of securities for cash and the repurchase of these securities for value at a later date. This type of agreement represents a form of short-term financing.

**Reverse repurchase agreement**
Agreement involving both the purchase of securities for cash and the sale of these securities for value at a later date. This type of agreement represents a form of short-term financing.