Desjardins

Financial Report

Third quarter of 2026

Desjardins Group posts surplus earnings before member dividends of $1,117 million for the third quarter of 2026

MESSAGE FROM SENIOR MANAGEMENT

Lévis, November 12, 2026 – In addition to solid financial performance, the results for the third quarter demonstrate Desjardins Group's ability to take action in communities. Sustained by income growth and strong financial ratios, Desjardins has the resources required to give members and clients the support they need to be financially empowered, support communities, and forge ahead with its long-term development. For the third quarter of 2026, the provision for member dividends was increased by $151 million, or 33.6%, compared to $113 million for the corresponding period of 2025. Amounts returned in the form of sponsorships, donations and scholarships totalled $29 million, of which $15 million came from the caisses' Community Development Fund.

Desjardins Group recorded surplus earnings before member dividends of $1,117 million, an amount comparable to the third quarter of 2025. Total net revenue rose by 7.5%, due in particular to higher net interest income in the Personal and Business Services segment. The Wealth Management and Life and Health Insurance segment also recorded higher income, owing to growth in assets under management and under administration, due in particular to the acquisition of Guardian Capital Group Limited (Guardian). As for the Property and Casualty Insurance segment, higher income from automobile and property insurance was offset by an increased cost of claims, attributable to flooding in Ontario, as well as less favourable developments in the markets. In addition, the provision for credit losses was higher than last year, due in particular to the unfavourable effect of the migration in credit quality.

Personal and Business Services: Surplus earnings of $751 million, up $167 million, compared to the same period in 2025. This growth was primarily due to higher net interest income due to the improved net interest margin and growth in average residential mortgages and business loans outstanding. However, the increase was partly offset by a higher provision for credit losses related to credit-impaired loans in the business loan portfolio as well as non-credit impaired loans, due to a deteriorating economic outlook and the unfavourable effect of the migration in credit quality.

Wealth Management and Life and Health Insurance: Surplus earnings of $138 million, down $36 million, compared to the third quarter of 2025, due to less favourable developments in the markets. This decrease was mitigated by higher other income, primarily attributable to the increase in assets under management and under administration, as well as higher insurance service results related to the favourable experience in life insurance.

Property and Casualty Insurance: Surplus earnings of $281 million, down $50 million compared to the third quarter of 2025 due to less favourable developments in the markets. In addition, the increase in revenue from automobile and property insurance was offset by higher claims, attributable to flooding in Ontario.

Desjardins Group maintains strong capitalization levels, in accordance with Basel III requirements. As at September 30, 2026, its Tier 1A and total capital ratios were therefore 24.4% and 26.8%, respectively, compared to 23.7% and 26.1%, respectively, as at December 31, 2025.

"Our third-quarter results remain solid, despite a challenging economy," said Denis Dubois, President and CEO of Desjardins Group. "They enable us to keep growing and help members and clients achieve their goals. In particular, we continued to provide strong support to the nearly 26,000 business members most affected by the latest wave of tariffs and counter-tariffs, helping them address the challenges they face and diversify their markets. We are also making progress on our commitment to help create more than 10,000 affordable and deferred-affordability homes in Quebec by 2028. As at September 30, 7,451 units were already committed, of which 3,052 were occupied. And our performance also enables us to give back more to our members, as evidenced by the higher provision for member dividends. This is the true strength of our cooperative model."

ENHANCED DISCLOSURE TASK FORCE RECOMMENDATIONS INDEX

Disclosures made under the 32 recommendations of the Enhanced Disclosure Task Force (EDTF), established by the Financial Stability Board, are presented in the 2025 Annual Report and the Interim Financial Report for the third quarter of 2026, as well as in Supplemental Financial Information and the Pillar 3 Report, which are available on Desjardins Group's website at www.desjardins.com/ca/about-us/investor-relations. Supplemental Financial Information and the Pillar 3 Report are not incorporated by reference into this Management's Discussion and Analysis (MD&A).

Below is a summary of disclosures under the EDTF recommendations aimed at enhancing risk disclosure and transparency, and the location of the disclosures (page number):

				Third quarter of 2026		
Type of risk	Recom-mendation	Disclosure	2025 Annual Report	Interim Financial Report	Supplemental Financial Information	Pillar 3 Report
General	1	Summary of risk information	XXXIV	Current page		
	2	Risk terminology, risk measures and key parameters	53-58, 106-110	49-54	11	101, 102
	3	Top and emerging risks	41, 42, 49-52, 59-85	11, 12, 30, 31		
	4	New regulatory ratios	41, 42, 44, 78, 80-82, 209, 210	26, 28, 38, 41-43		
Risk governance, risk management and business models	5	Organizational risk management structure	53-58			
	6	Risk management culture	54-58			
	7	Risks from business model and risk appetite	11, 24, 28, 32, 35, 40, 41, 45-47, 53-60			
	8	Stress testing	40, 41, 54, 59, 60, 75, 76			
Capital adequacy and risk-weighted assets	9	Minimum regulatory capital requirements	41, 42	26		16-18, 93, 94
	10	Reconciliation of the accounting balance sheet and the regulatory balance sheet	43-45, 209, 210	27		20, 21, 35, 36, 93
	11	Movements in regulatory capital	42, 44, 45	29		
	12	Capital management and planning	40-47	25-29		
	13	Risk-weighted assets by business segment	46, 60			6-9
	14	Breakdown of capital requirements by type of risk and by calculation method	45, 46, 61, 62, 65, 66, 75, 76	27-29		6-8, 10
	15	Credit risk	45-47	27-29		65-68, 71
	16	Movements in risk-weighted assets by type of risk	46, 47	28, 29		6-10, 65
	17	Back testing and validation of credit models	65			71
Liquidity	18	Management of liquidity needs and reserve	78-82	38-43		
Funding	19	Encumbered and unencumbered assets	79-81, 83-85, 213, 214	39-42		
	20	Residual contractual maturities of assets, liabilities and off-balance sheet commitments	81-84, 215-218	42-44		
	21	Funding sources and strategies	40, 78, 83, 84	38, 44, 45		
Market risk	22	Reconciliation of market risk measures to balance sheet	74, 75	35, 36		
	23	Market risk factors	73-77, 194-198	34-38		89
	24	Assumptions, limitations and validation procedures for market risk models	75, 76	36, 37		
	25	Extreme loss measures	40, 41, 54, 75, 76			
Credit risk	26	Credit risk profile	40, 52, 54, 65, 66, 68-73	24, 31-34	6-10	38-71
	27	Policy for identifying gross credit-impaired loans	67, 123-143			
	28	Reconciliation of gross credit-impaired loans and allowance for credit losses	40, 67-72, 123-143, 156-163	24, 31, 32, 71-77		50-64
	29	Counterparty risk related to derivatives	72, 73, 199-208			72-84
	30	Credit risk mitigation techniques	66, 72, 73, 199-208			40-44, 90
Other risks	31	Management of other risks	45-47, 49-52, 56-58, 60, 85-92	29, 30		
	32	Publicly known risk events	85-87, 213, 214			

MANAGEMENT'S DISCUSSION AND ANALYSIS

Desjardins Group (hereinafter also referred to as Desjardins) comprises the Desjardins caisses in Quebec and Caisse Desjardins Ontario Credit Union Inc. (the caisses), the Fédération des caisses Desjardins du Québec (the Federation) and its subsidiaries, and the Fonds de sécurité Desjardins.

The Management's Discussion and Analysis (MD&A) dated November 12, 2026, presents an analysis of the results of and main changes to Desjardins Group's balance sheet for the period ended September 30, 2026, in comparison with prior periods. Desjardins Group reports financial information in compliance with *National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109) prescribed by the Canadian Securities Administrators (CSA). Unlike the Federation, Desjardins Group is not a reporting issuer, on a combined basis, under this or any other applicable securities regulation. Pursuant to Decision No. 2021-FS-0091 of the Autorité des marchés financiers (AMF) dated April 23, 2021, the Combined Financial Statements and MD&As of Desjardins Group are to be filed by the Federation in place of the Consolidated Financial Statements and MD&As of the Federation, in order to meet its financial disclosure obligations as a reporting issuer under *National Instrument 51-102 Continuous Disclosure Obligations* of the CSA, and the Federation will maintain controls and procedures with respect to the Combined Financial Statements and MD&As of Desjardins Group in compliance with NI 52-109. Since April 23, 2021, and pursuant to the AMF and CSA decision, the Federation has used the financial statements and MD&As of Desjardins Group for all relevant purposes under the applicable securities regulations. Information on the controls and procedures with respect to the Combined Financial Statements and MD&As of Desjardins Group may be found in the "Additional information" section of this MD&A.

This MD&A should be read in conjunction with the unaudited Condensed Interim Combined Financial Statements (the Interim Combined Financial Statements), including the notes thereto, as at September 30, 2026, and Desjardins Group's 2025 Annual Report (the 2025 Annual Report), which contains the MD&A and the audited Annual Combined Financial Statements (the Annual Combined Financial Statements).

Additional information about Desjardins Group is available on the SEDAR+ website at www.sedarplus.ca (under the Fédération des caisses Desjardins du Québec profile). The Annual Information Form of the Federation can be found on SEDAR+ as well. Further information is available on the Desjardins website at www.desjardins.com/ca/about-us/investor-relations. None of the information presented on these sites is incorporated by reference into this MD&A.

This MD&A was prepared in accordance with the regulations in force on continuous disclosure obligations issued by the CSA. Unless otherwise indicated, all amounts are presented in Canadian dollars ($) and are primarily from Desjardins Group's Annual and Interim Combined Financial Statements, which have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the accounting requirements of the AMF, which do not differ from IFRS. IFRS represent Canadian generally accepted accounting principles (GAAP). On January 1, 2026, Desjardins Group adopted the amendments to IFRS 7, "*Financial Instruments: Disclosures*," and IFRS 9, "*Financial Instruments*." Comparative data have not been restated. For more information, refer to Note 2, "Accounting policies," to the Interim Combined Financial Statements.

TABLE OF CONTENTS

4 Caution concerning forward-looking statements
5 Non-GAAP and other financial measures
8 Changes in the regulatory environment
9 Desjardins Group profile
10 Financial highlights
11 Significant events
11 Economic environment and outlook
12 Review of financial results
12 Analysis of results
16 Results by business segment
16 Personal and Business Services
17 Wealth Management and Life and Health Insurance
19 Property and Casualty Insurance
22 Other category
23 Summary of interim results
24 Balance sheet review
24 Balance sheet management
25 Capital management
30 Off-balance sheet arrangements
30 Risk management
30 Risk management
30 Risk factors that could impact future results
31 Credit risk
34 Market risk
38 Liquidity risk
46 Additional information
46 Controls and procedures
46 Related party disclosures
47 Critical accounting policies and estimates
47 Future accounting changes
48 Additional information required pursuant to the AMF's decision No. 2021-FS-0091
49 Glossary

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Desjardins Group's public communications from time to time include oral or written forward-looking statements, within the meaning of applicable securities legislation, particularly in Quebec, Canada and the United States. Forward-looking statements are found in this MD&A and may also be incorporated in other filings with Canadian regulators or in any other communications. In addition, Desjardins Group's representatives may make oral forward-looking statements to investors, the media and other parties.

The forward-looking statements include, but are not limited to, comments on Desjardins Group's objectives regarding financial performance, priorities, vision, operations, targets and commitments, its strategies to achieve them, its results and its financial position, economic as well as financial market conditions, the outlook for the Quebec, Canadian, U.S. and global economies, and the regulatory environment in which we operate. Such forward-looking statements are typically identified by words or phrases such as "target," "objective," "timing," "outlook," "believe," "predict," "foresee," "expect," "intend," "have as a goal," "estimate," "plan," "forecast," "anticipate," "aim," "propose," "should" and "may," words and expressions of similar import, and future and conditional verbs, in all their grammatical variants.

By their very nature, such statements require us to make assumptions, and are subject to uncertainties and inherent risks, both general and specific. Desjardins Group cautions readers against placing undue reliance on forward-looking statements when making decisions since a number of factors, many of which are beyond Desjardins Group's control and the effects of which can be difficult to predict, could influence, individually or collectively, the accuracy of the assumptions, predictions, forecasts or other forward-looking statements, including those in this MD&A. Although Desjardins Group believes that the expectations expressed in these forward-looking statements are reasonable and founded on valid bases, it cannot guarantee that these expectations will materialize or prove to be accurate. It is also possible that these assumptions, predictions, forecasts or other forward-looking statements, as well as Desjardins Group's objectives and priorities, may not materialize or may prove to be inaccurate, and that actual future results, conditions, actions or events may differ materially from targets, expectations, estimates or intentions that have been explicitly or implicitly put forward. Readers who rely on these forward-looking statements must carefully consider these risk factors and other uncertainties and potential events, including the uncertainty inherent in forward-looking statements.

The significant risk factors that may affect the accuracy of the forward-looking statements in this MD&A include those discussed in the "Risk management" section of Desjardins Group's 2025 annual MD&A and this MD&A, and include credit, market, liquidity, operational, insurance, strategic and reputation risk, environmental, social and governance risk, and regulatory risk.

Such factors also include those related to security (including cybersecurity) breaches, the uncertainty surrounding evolving cybersecurity threats given rapid developments in technological capabilities, fraud risk, fluctuations in the real estate market and household and corporate indebtedness, regulatory developments, including changes to liquidity and capital adequacy guidelines, and requirements relating to their presentation and interpretation, as well as interest rate and exchange rate fluctuations, inflation, climate change, geopolitical uncertainty, including the conflict in the Middle East and its impacts, in particular, on oil and gas prices, technological innovation, including the use of artificial intelligence, and data risk. Furthermore, there are factors related to the trade tensions with the United States and the impact that tariffs on certain Canadian exports as well as any resulting retaliatory tariffs could notably have on goods and services, businesses in certain industries, and the Canadian economy. Also of note are factors related to general economic and business conditions in regions in which Desjardins Group operates, including the risk of recession; as well as factors related to the critical accounting estimates and accounting standards applied by Desjardins Group; increased competition; geographic concentration; changes in the credit ratings assigned to Desjardins Group; reliance on third parties, including third parties' failure to fulfill their obligations to Desjardins Group; the ability to recruit and retain talent; and tax risk. Other factors include changes in consumer spending and saving habits, the potential impact of international conflicts on operations, public health crises, such as pandemics and epidemics, or any other similar events affecting the local, national or global economy, as well as Desjardins Group's ability to anticipate and properly manage the risks associated with these factors despite a disciplined risk management environment. Additional information about these factors is found in the "Risk management" section of Desjardins Group's 2025 annual MD&A and of this MD&A.

It is important to note that the above list of factors that could influence future results is not exhaustive. Other factors could have an effect on Desjardins Group's results. Additional information about these and other factors is found in the "Risk management" section of Desjardins Group's 2025 annual MD&A and of this MD&A.

The significant economic assumptions underlying the forward-looking statements in this MD&A are described in the "Economic environment and outlook" section of Desjardins Group's 2025 annual MD&A and of this MD&A, and can be updated in quarterly MD&As filed thereafter. To determine economic growth forecasts in general, and for the financial services sector in particular, Desjardins Group mainly uses historical economic data provided by recognized and reliable organizations, empirical and theoretical relationships between economic and financial variables, expert judgments, and observed upside and downside risks for domestic and global economies.

Any forward-looking statements contained in this MD&A represent the views of management only as at the date hereof, and are presented for the purpose of assisting readers in understanding and interpreting Desjardins Group's financial position as at the dates indicated or its results for the periods then ended, as well as its strategic priorities and objectives as considered as at the date hereof. These forward-looking statements may not be appropriate for other purposes. Desjardins Group does not undertake to update any oral or written forward-looking statements that could be made from time to time by or on behalf of Desjardins Group, except as required under applicable securities legislation.

NON-GAAP AND OTHER FINANCIAL MEASURES

To measure its performance, Desjardins Group uses different GAAP (IFRS) financial measures and various other financial measures, some of which are non-GAAP financial measures. *National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure* (NI 52-112) provides guidance to issuers disclosing specified financial measures, including those used by Desjardins Group:

- Non-GAAP financial measures.
- Non-GAAP ratios.
- Supplementary financial measures.

NON-GAAP FINANCIAL MEASURES AND RATIOS

Non-GAAP financial measures and ratios used by Desjardins Group, and which do not have a standardized definition, are not directly comparable to similar measures used by other companies, and may not be directly comparable to any GAAP measures. NI 52-112 states, among other things, that any ratio with at least one non-GAAP financial measure meets the definition of a non-GAAP ratio. These non-GAAP financial measures and ratios may be useful to investors, among others, in analyzing Desjardins Group's overall performance or financial position. They are defined below.

Net interest margin

Net interest margin, which is a non-GAAP ratio, is used to measure the profitability of core interest-bearing assets, net of financing cost. It is equal to net interest income on core assets expressed as a percentage of average core interest-bearing assets.

Average interest-bearing assets is a non-GAAP financial measure that reflects Desjardins Group's financial position and is used to exclude assets not generating net interest income from average assets. Average interest-bearing assets consist of securities, including those borrowed or purchased under reverse repurchase agreements, cash and deposits with financial institutions, as well as loans. Average interest-bearing assets do not include life and health insurance and property and casualty insurance assets as well as all other assets not generating net interest income.

Average core interest-bearing assets is a non-GAAP financial measure that is used to exclude assets related to trading activities from average interest-bearing assets, when calculating net interest margin.

Net interest income on core assets is a non-GAAP financial measure that is used to exclude net interest income generated by non-core assets from net interest income.

The table below presents the reconciliation of non-GAAP financial measures with financial measures presented in accordance with GAAP in the Combined Financial Statements and used to calculate net interest margin.

Net interest margin

	For the three-month periods ended			For the nine-month periods ended	
(in millions of dollars and as a percentage)	**September 30, 2026**	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
Average assets – as presented	**$ 545,366**	$ 533,911	$ 506,555	**$ 531,324**	$ 493,000
Less: Assets not generating net interest income	**112,721**	110,200	98,571	**108,469**	95,506
Average interest-bearing assets	**432,645**	423,711	407,984	**422,855**	397,494
Less: Assets related to trading activities	**47,915**	45,908	41,063	**44,312**	40,314
Average core interest-bearing assets	**$ 384,730**	$ 377,803	$ 366,921	**$ 378,543**	$ 357,180
Net interest income – as presented	**$ 2,345**	$ 2,299	$ 2,137	**$ 6,831**	$ 6,128
Less: Net interest income from non-core assets	**101**	103	13	**242**	2
Net interest income on core assets	**$ 2,244**	$ 2,196	$ 2,124	**$ 6,589**	$ 6,126
Net interest margin[1]	**2.31%**	2.33%	2.30%	**2.33%**	2.29%

(1) Corresponds to an annualized calculation that takes into account the number of days in the period concerned.

Net interest margin – Personal and Business Services

The Personal and Business Services segment's net interest margin, which is a non-GAAP ratio, is used to measure the profitability of core interest-bearing assets, net of financing cost. It is equal to net interest income on core assets expressed as a percentage of average core interest-bearing assets.

Average core interest-bearing assets is a non-GAAP financial measure that reflects the Personal and Business Services segment's financial position and is used to exclude assets not generating net interest income and certain other assets from average assets, when calculating net interest margin. The Personal and Business Services segment's average core interest-bearing assets include securities, cash and deposits with financial institutions, as well as loans, and exclude assets related to trading activities as well as assets related to capital market and liquidity management activities, and all other assets not generating net interest income.

Net interest income on core assets is a non-GAAP financial measure that is used to exclude net interest income generated by non-core assets from net interest income.

The table below presents the reconciliation of non-GAAP financial measures with financial measures presented in accordance with GAAP in the Combined Financial Statements and used to calculate net interest margin for the Personal and Business Services segment.

Net interest margin – Personal and Business Services

	For the three-month periods ended			For the nine-month periods ended	
(in millions of dollars and as a percentage)	**September 30, 2026**	June 30, 2026	September 30, 2025[1]	**September 30, 2026**	September 30, 2025[1]
Average assets – as presented	**$ 404,246**	$ 398,285	$ 391,364	**$ 396,855**	$ 377,912
Less: Assets not generating net interest income	**9,469**	9,515	7,601	**8,363**	7,054
Average interest-bearing assets	**394,777**	388,770	383,763	**388,492**	370,858
Less: Assets related to trading activities	**41,722**	40,367	44,811	**40,549**	41,992
Less: Other deductions[2]	**56,132**	57,853	58,784	**56,390**	55,859
Average core interest-bearing assets	**$ 296,923**	$ 290,550	$ 280,168	**$ 291,553**	$ 273,007
Net interest income – as presented	**$ 2,286**	$ 2,201	$ 2,007	**$ 6,601**	$ 5,745
Less: Net interest income from non-core assets	**151**	143	111	**409**	349
Net interest income on core assets	**$ 2,135**	$ 2,058	$ 1,896	**$ 6,192**	$ 5,396
Net interest margin – Personal and Business Services[3]	**2.85%**	2.84%	2.68%	**2.84%**	2.64%

(1) Changes have been made to the model used to allocate net interest income among segments. For the three- and nine-month periods ended September 30, 2025, these changes would have resulted in increases of $52 million and $212 million, respectively, in "Net interest income" and decreases of $44 million and $97 million, respectively, in "Other income" - Personal and Business Services, as well as a corresponding opposite impact on the same line items of the Other category. No comparative data have been restated.

(2) From assets related to capital market and liquidity management activities.

(3) Corresponds to an annualized calculation that takes into account the number of days in the period concerned.

Loss ratio – Expense ratio – Ratio of losses on onerous contracts – Combined ratios

The following non-GAAP ratios, which are net of reinsurance, are used to analyze the performance of the Property and Casualty Insurance segment and more specifically:

- Loss ratio (undiscounted): Used as a measure of business quality.
- Expense ratio: Used as a measure of the effectiveness of non-interest expense management, excluding certain items such as non-interest expense related to claims.
- Ratio of losses on onerous contracts: Used as a measure of the effect of onerous contracts on profitability.
- Combined ratio (discounted and undiscounted): Used as a measure of business profitability, excluding the effect of the net insurance finance result and certain other income.

The loss ratio is equal to the net claims expenses expressed as a percentage of net insurance revenue. Net claims expenses is a non-GAAP financial measure, which is used to exclude policy costs and acquisition costs, as well as the effect of the loss component on onerous contracts and the effect of discounting net liabilities for incurred claims, and to take into account incurred claims and costs of ceded claims.

Net insurance revenue is a non-GAAP financial measure. It is used to exclude premiums paid related to reinsurance activities and is the denominator in calculating the following ratios: loss ratio, expense ratio and ratio of losses on onerous contracts.

The loss ratio is comprised of the following ratios:

- Current year loss ratio, which is the loss ratio excluding catastrophe and major event claims expenses for the current year as well as claims expenses for changes in prior year claims, net of related reinsurance held.
- Loss ratio related to catastrophes and major events, which is the loss ratio including catastrophe and major event claims expenses for the current year, net of related reinsurance held.
- Ratio of changes in prior year claims, which is the loss ratio including changes in prior year claims, net of related reinsurance held.

The expense ratio is equal to non-interest expense, excluding non-interest expense related to claims and certain items, expressed as a percentage of net insurance revenue. Non-interest expense excluding non-interest expense related to claims and certain items is a non-GAAP financial measure. It is used to consider all expenses excluding investment management fees and some other specific items.

The ratio of losses on onerous contracts is equal to the effect of the loss component on net onerous contracts expressed as a percentage of net insurance revenue. The effect of the loss component on net onerous contracts is a non-GAAP financial measure, which is used to include losses and reversals of losses on net onerous contracts, as well as decreases in the loss component related to past services, net of reinsurance.

The combined ratio is equal to the sum of the loss ratio, the expense ratio and the ratio of losses on onerous contracts.

The discounted combined ratio is equal to the combined ratio, including the effect of discounting net liabilities for incurred claims.

The following table presents the reconciliation between non-GAAP financial measures and the financial measures presented in accordance with GAAP in the Combined Financial Statements and used to calculate the loss ratio, the expense ratio, the ratio of losses on onerous contracts, and the combined ratios for the Property and Casualty Insurance segment.

Loss ratio – Expense ratio – Ratio of losses on onerous contracts – Combined ratios

	For the three-month periods ended			For the nine-month periods ended	
(in millions of dollars and as a percentage)	**September 30, 2026**	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
Insurance revenue – as presented	**$ 2,130**	$ 2,080	$ 2,031	**$ 6,228**	$ 5,947
Less: Premiums paid related to reinsurance activities[1]	**106**	103	100	**309**	298
Net insurance revenue	**$ 2,024**	$ 1,977	$ 1,931	**$ 5,919**	$ 5,649
Insurance service expenses – as presented	**$ 1,631**	$ 1,550	$ 1,580	**$ 4,962**	$ 4,856
Less: Policy costs and acquisition costs	**412**	407	384	**1,221**	1,133
Less: Effect of loss component on onerous contracts	**(152)**	(5)	(55)	**(85)**	156
Less: Effect of discounting net liabilities for incurred claims	**(72)**	(69)	(70)	**(218)**	(214)
Less: Incurred claims and costs of ceded claims[1]	**62**	39	63	**195**	132
Net claims expenses[2]	**$ 1,381**	$ 1,178	$ 1,258	**$ 3,849**	$ 3,649
Gross non-interest expense – as presented	**$ 297**	$ 360	$ 285	**$ 952**	$ 866
Less: Non-interest expense related to claims[3] and certain items[4]	**117**	164	110	**399**	339
Plus: Acquisition costs and certain policy costs included in insurance service expenses	**338**	327	320	**997**	942
Non-interest expense excluding non-interest expense related to claims and certain items	**$ 518**	$ 523	$ 495	**$ 1,550**	$ 1,469
Effect of loss component on onerous contracts	**$ (152)**	$ (5)	$ (55)	**$ (85)**	$ 156
Less: Effect of loss component on ceded onerous contracts[1]	**(17)**	(14)	(1)	**(28)**	7
Effect of loss component on net onerous contracts	**$ (135)**	$ 9	$ (54)	**$ (57)**	$ 149
Loss ratio[2]	**68.2%**	59.6%	65.1%	**65.0%**	64.6%
Expense ratio	**25.6**	26.5	25.6	**26.2**	26.0
Ratio of losses on onerous contracts	**(6.7)**	0.5	(2.8)	**(1.0)**	2.6
Combined ratio[2]	**87.1**	86.6	87.9	**90.2**	93.2
Discounted combined ratio	**83.5**	83.0	84.5	**86.5**	89.4

(1) These items are included under "Net reinsurance service income (expenses)."
(2) Undiscounted ratio or data, therefore excluding the effect of discounting net liabilities for incurred claims.
(3) Represents non-interest expense directly related to claims adjustments, which are presented under "Insurance service expenses."
(4) From investment management fees and certain other specific items.

Return to members and the community

As a cooperative financial group contributing to the development of communities, Desjardins Group gives its members and clients the support they need to be financially empowered. The amount returned to members and the community, a non-GAAP financial measure, is used to present the overall amount returned to the community and is composed of member dividends, as well as sponsorships, donations and scholarships.

More detailed information about the amount returned to members and the community may be found in the "Financial highlights" table on page 10 of this MD&A.

Supplementary financial measures

In accordance with NI 52-112, supplementary financial measures are used to show historical or expected future financial performance, financial position or cash flows. In addition, these measures are not disclosed in the financial statements. Desjardins Group uses certain supplementary financial measures, and their composition is presented in the Glossary on pages 49 to 54.

CHANGES IN THE REGULATORY ENVIRONMENT

Desjardins Group closely monitors regulations for financial products and services, as well as new developments, particularly in fraud, corruption, tax evasion, privacy protection, money laundering, terrorist financing, and domestic and international economic sanctions in order to mitigate any negative impact on its operations and to comply with best practices in this regard. Additional information is presented in the "Regulatory environment" section of Desjardins Group's 2025 annual MD&A. Further information about changes in the regulatory environment is also provided in the "Capital Management" and "Risk Management" sections of this MD&A.

Since the release of Desjardins Group's 2025 annual MD&A, the following changes in the regulatory environment should also be considered:

THE PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCING ACT (PCMLTFA)

Bill C-12 (*Strengthening Canada's Immigration System and Borders Act)*, which includes amendments to the PCMLTFA, received Royal Assent in March 2026. In particular, the Bill contains an increase, already in force, in the current amounts of administrative monetary penalties that may be imposed by the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), as well as an increase in the current amounts of penal offences, and the mandatory enrolment of all reporting entities with FINTRAC, which will subsequently come into force by order in council.

In the spring of 2026, FINTRAC issued new money laundering indicators associated with human trafficking during major international sporting and entertainment events as well as Targeted Indicator Profiles on insider threat and nihilistic violent extremism. When required, these new indicators must be used by Desjardins Group to submit certain regulatory reports.

Lastly, Bill C-29 (*An Act to establish the Financial Crimes Agency and to make consequential amendments to certain Acts and regulations*) was tabled by the Minister of Finance in April 2026. This Agency, whose mission is to be a centralized effort to fight against financial crime and to recover proceeds of crime, is expected to be created at the beginning of 2027.

PROTECTION OF PERSONAL INFORMATION AND INFORMATION SECURITY

In June 2026, the Minister of Artificial Intelligence and Digital Innovation tabled Bill C-36 to replace existing federal legislation on personal information protection (PIPEDA) with the new *Protecting Privacy and Consumer Data Act* and to establish a new federal regulator, the Digital Safety and Data Protection Commission of Canada, with powers to issue orders and impose penalties of up to 3% of company revenue. The requirements of the new Act are similar to those of Quebec's Law 25, *An Act to modernize legislative provisions as regards the protection of personal information,* which will facilitate its implementation for Desjardins Group. Once enacted, this reform will help level the playing field for all players in Canada's financial sector in the area of the protection of personal information.

As for federal Bill C-15 (*An Act to implement certain provisions of the budget tabled in Parliament on November 4, 2025*), which includes, in particular, the new consumer-driven banking legislative framework for open financial services, it received Royal Assent in March 2026. Compliance with this framework will be a major undertaking for Desjardins Group, and it will start with an application for accreditation with the Bank of Canada. Service providers as well as data recipients will also need to be accredited. A proposed regulation was issued by the Department of Finance at the end of June 2026, and Desjardins Group is currently examining its impact.

ARTIFICIAL INTELLIGENCE (AI)

In April 2026, the AMF published the final version of its *Guideline for the Use of Artificial Intelligence*, which will take effect on May 1, 2027. This Guideline requires that reporting entities assign a risk rating to each artificial intelligence system (AIS) and list such ratings in a centralized inventory. In addition, the Guideline stipulates the increased accountability of senior management and the board of directors with regard to the governance and understanding of the use of AI and its associated risks. Desjardins Group has commenced the work required to comply with this Guideline.

THIRD-PARTY RISK MANAGEMENT GUIDELINE

In March 2026, the AMF issued the *Third-Party Risk Management Guideline,* which specifies and formalizes its expectations of financial institutions with regard to management of this risk. The Guideline is intended to promote sound and prudent management of third-party relationships and enhance financial institutions' operational resilience. The stated expectations apply to all third-party arrangements and must be implemented proportionately, taking into account the criticality and risk level specific to each arrangement. Analyses are underway to ensure Desjardins Group's compliance with this Guideline slated to take effect on April 1, 2027.

PILLAR 3 DISCLOSURE REQUIREMENTS

Desjardins Group continues to monitor changes in financial disclosure requirements under global standards developed by the Basel Committee on Banking Supervision. These Pillar 3 requirements aim to enhance comparability with other financial institutions, as well as transparency and disclosure with regard to regulatory capital adequacy and risk exposure. A Pillar 3 report is issued by Desjardins Group in order to be compliant. In addition, in July 2026, the AMF updated its *Pillar 3 Disclosure Requirements Guideline,* which took effect as of the third quarter of 2026 and provided, in particular, for new disclosure requirements for financial institutions' crypto-asset exposures. As at September 30, 2026, Desjardins Group was not exposed to crypto assets.

COMPETITION ACT

Bill C-15, of which one of the sections aims to amend greenwashing provisions in the *Competition Act* by removing the requirement for internationally recognized methodology as well as by removing the private right of action before the Tribunal, received Royal Assent in March 2026. Since then, no significant regulatory changes have been noted. However, the Competition Bureau plans to update its guidelines to reflect the amendments. Desjardins Group complies with the requirements of the *Competition Act* and continues to closely monitor regulatory developments and enforcement practices in order to ensure its full compliance.

ACT TO PROTECT CONSUMERS

An Act to protect consumers against abusive practices in ticket reselling and online subscription renewal (Bill 10) was assented to in June 2026. This Act amends the *Consumer Protection Act* and its regulations. It introduces, in particular, new measures for contracts involving sequential performance, notably by requiring merchants to set up an accessible and readily identifiable online cancellation mechanism for contracts entered into online, and by making it necessary to send prior notices before the end of a promotional or reduced-price period. It also broadens the scope of certain legal remedies provided for in the *Consumer Protection Act* in the event of non-compliance with some of its provisions. Desjardins Group has identified the adjustments required for systems, processes and contracts, which will be taken into account in making changes to existing products and developing new ones that may be targeted by Bill 10.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTORS

In July 2026, the AMF issued a notice under its *Climate Risk Management Guideline* in order to harmonize its disclosure expectations for financed emissions related to off-balance sheet assets under management with the approach announced by the Office of the Superintendent of Financial Institutions (OSFI) in January 2026. This notice defers disclosure requirements for these emissions indefinitely.

NATIONAL INSTRUMENT 52-112 NON-GAAP AND OTHER FINANCIAL MEASURES DISCLOSURE

In October 2026, the CSA published final amendments to National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure,* which will come into force on December 29, 2026. These amendments aim, in particular, to harmonize the National Instrument with IFRS 18*, "Presentation and Disclosure in Financial Statements,"* and provide guidance on the disclosure, outside financial statements, of management-defined performance measures and additional subtotals. Desjardins Group is currently assessing the impact of these amendments on its financial reporting.

DESJARDINS GROUP PROFILE

Desjardins Group is the largest cooperative financial group in Canada, ranking 8th in the world.[1] As at September 30, 2026, the organization included 188 caisses in Quebec and Caisse Desjardins Ontario Credit Union Inc., the Fédération des caisses Desjardins du Québec and its subsidiaries, as well as the Fonds de sécurité Desjardins. A number of its subsidiaries and components are active across Canada, and Desjardins Group maintains a presence internationally through Desjardins Bank, National Association, Desjardins Florida Branch, and since March 23, 2026, through Guardian Capital Group Limited. Through its Personal and Business Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance business segments, Desjardins Group offers a full range of financial services to members and clients designed to meet their needs.

The Federation is a cooperative entity that is responsible for assuming orientation, framework, coordination, treasury and development activities for Desjardins Group and acts as a financial agent on Canadian and foreign financial markets. It provides its member caisses with a variety of services, including certain technical, financial and administrative services. It acts as a monitoring and control organization for the caisses, and its mission includes risk management and capital management for Desjardins Group, as well as ensuring the financial soundness and sustainability of the Desjardins Cooperative Group (composed of the Desjardins caisse network in Quebec, the Federation and the Fonds de sécurité Desjardins), pursuant to the *Act respecting financial services cooperatives* (AFSC). The Federation acts as treasurer and official representative of Desjardins Group with the Bank of Canada and the Canadian banking system, among other things. The Federation also has the right to participate in the Visa Inc. and Mastercard Inc. payment systems in Canada on behalf of Desjardins Group. In addition, it manages majority interests in joint-stock companies through holding companies.

The AFSC provides that the entities comprising the Desjardins Cooperative Group may be amalgamated into a single legal entity to be wound up, as these entities cannot be wound up in any other manner. It should be mentioned that Caisse Desjardins Ontario Credit Union Inc. is excluded from this amalgamation-liquidation provided for in the Act.

Summary additional information about the entities that are not part of the Desjardins Cooperative Group or the subsidiaries of the entities that comprise it but that are included in Desjardins Group's financial statements may be found under "Additional information required pursuant to the AMF's Decision No. 2021-FS-0091."

[1] According to the *World Cooperative Monitor 2025* issued by the International Cooperative Alliance.

FINANCIAL HIGHLIGHTS

(in millions of dollars and as a percentage)	As at or for the three-month periods ended			As at or for the nine-month periods ended	
	September 30, 2026[1]	June 30, 2026[1]	September 30, 2025[2]	**September 30, 2026[1]**	September 30, 2025[2]
Results					
Net interest income	**$ 2,345**	$ 2,299	$ 2,137	**$ 6,831**	$ 6,128
Insurance service result	**601**	615	540	**1,591**	1,423
Net insurance finance result	**61**	289	264	**509**	750
Net insurance service income	**662**	904	804	**2,100**	2,173
Other income	**1,423**	1,420	1,181	**4,223**	3,594
Total net revenue	**4,430**	4,623	4,122	**13,154**	11,895
Provision for credit losses	**221**	165	112	**598**	525
Non-interest expense					
Gross non-interest expense	**2,944**	3,112	2,779	**8,933**	8,465
Non-interest expense included in insurance service expenses[3]	**(263)**	(279)	(242)	**(802)**	(734)
Net non-interest expense	**2,681**	2,833	2,537	**8,131**	7,731
Income taxes on surplus earnings	**411**	412	358	**1,135**	886
Surplus earnings before member dividends	**$ 1,117**	$ 1,213	$ 1,115	**$ 3,290**	$ 2,753
Contribution to surplus earnings by business segment[4]					
Personal and Business Services	**$ 751**	$ 633	$ 584	**$ 1,991**	$ 1,353
Wealth Management and Life and Health Insurance	**138**	252	174	**520**	568
Property and Casualty Insurance	**281**	303	331	**738**	672
Other	**(53)**	25	26	**41**	160
	$ 1,117	$ 1,213	$ 1,115	**$ 3,290**	$ 2,753
Return to members and the community[5]					
Member dividends	**$ 151**	$ 151	$ 113	**$ 453**	$ 339
Sponsorships, donations and scholarships[6]	**29**	39	28	**99**	88
	$ 180	$ 190	$ 141	**$ 552**	$ 427
Indicators					
Net interest margin[5]	**2.31%**	2.33%	2.30%	**2.33%**	2.29%
Return on equity[7]	**9.9**	11.0	10.6	**10.0**	9.1
Credit loss provisioning rate[7]	**0.26**	0.19	0.14	**0.24**	0.23
Gross credit-impaired loans/gross loans[7]	**0.80**	0.80	0.86	**0.80**	0.86
Efficiency ratio – Personal and Business Services[7]	**57.7**	65.6	66.2	**62.2**	69.6
Insurance and annuity premiums – Wealth Management and Life and Health Insurance[7]	**$ 1,593**	$ 1,631	$ 1,560	**$ 4,855**	$ 4,818
On-balance sheet contractual service margin (CSM) – Wealth Management and Life and Health Insurance[8]	**2,405**	2,412	2,489	**2,405**	2,489
Direct written premiums – Property and Casualty Insurance[7]	**2,298**	2,387	2,177	**6,431**	6,091
On-balance sheet and off-balance sheet					
Assets	**$ 547,230**	$ 543,502	$ 511,856	**$ 547,230**	$ 511,856
Loans, net of allowance for credit losses	**331,398**	325,208	312,251	**331,398**	312,251
Deposits	**347,201**	347,708	324,039	**347,201**	324,039
Equity	**44,117**	44,352	41,911	**44,117**	41,911
Assets under administration[7]	**681,525**	703,558	662,442	**681,525**	662,442
Assets under management[7]	**304,243**	305,664	119,268	**304,243**	119,268
Average assets[7]	**545,366**	533,911	506,555	**531,324**	493,000
Capital and liquidity measures					
Tier 1A capital ratio[9]	**24.4%**	23.6%	23.1%	**24.4%**	23.1%
Tier 1 capital ratio[9]	**24.4**	23.6	23.1	**24.4**	23.1
Total capital ratio[9]	**26.8**	26.0	25.6	**26.8**	25.6
TLAC ratio[10]	**38.3**	36.8	34.9	**38.3**	34.9
Leverage ratio[9]	**7.5**	7.5	7.5	**7.5**	7.5
TLAC leverage ratio[10]	**11.6**	11.6	11.2	**11.6**	11.2
Risk-weighted assets[9]	**$ 155,835**	$ 158,945	$ 153,868	**$ 155,835**	$ 153,868
Liquidity Coverage Ratio[11]	**172%**	184%	167%	**172%**	167%
Net Stable Funding Ratio[11]	**128**	133	132	**128**	132
Other information					
Number of employees (full-time equivalent)	**52,708**	53,470	52,093	**52,708**	52,093

(1) Information presented as at September 30, 2026 and June 30, 2026 takes into account the amendments to IFRS 9, *"Financial Instruments,"* adopted as at January 1, 2026. Comparative data have not been restated. For more information, refer to Note 2, "Accounting policies," to the Interim Combined Financial Statements.

(2) Some data have been restated to conform with the current period's presentation.

(3) Represents the non-interest expense directly related to the fulfillment of insurance contracts presented under "Insurance service result."

(4) The breakdown by line item is presented in Note 11, "Segmented information," to the Interim Combined Financial Statements.

(5) For more information about non-GAAP financial measures and non-GAAP ratios, see "Non-GAAP and other financial measures" on pages 5 to 7.

(6) Including $15 million from the caisses' Community Development Fund ($19 million for the second quarter of 2026, $14 million for the third quarter of 2025, $49 million for the nine-month period of 2026 and $44 million for the nine-month period of 2025).

(7) For further information about supplementary financial measures, see the Glossary on pages 49 to 54.

(8) On-balance sheet CSM of $2,603 million ($2,615 million as at June 30, 2026 and $2,739 million as at September 30, 2025) presented net of reinsurance in the amount of $198 million ($203 million as at June 30, 2026 and $250 million as at September 30, 2025). Included in the line items "Insurance contract liabilities" and "Reinsurance contract assets (liabilities)" on the Combined Balance Sheets. For more information, see Note 7, "Insurance and reinsurance contracts," to the Interim Combined Financial Statements.

(9) In accordance with the *Capital Adequacy Guideline* issued by the AMF for financial services cooperatives in particular; see the "Capital management" section.

(10) In accordance with the *Total Loss Absorbing Capacity Guideline* ("TLAC Guideline") issued by the AMF and based on risk-weighted assets and exposures for purposes of the leverage ratio at the level of the resolution group, which is deemed to be Desjardins Group, excluding Caisse Desjardins Ontario Credit Union Inc., see the "Capital management" section.

(11) In accordance with the *Liquidity Adequacy Guideline* issued by the AMF, see the "Risk management" section.

SIGNIFICANT EVENTS

ACQUISITION OF GUARDIAN CAPITAL GROUP LIMITED

On March 23, 2026, Desjardins Group, through Desjardins Global Asset Management Inc. (DGAM), an indirect subsidiary of the Federation, completed the acquisition of all the outstanding shares of Guardian Capital Group Limited (Guardian), a global investment management company that serves institutional, retail and private clients, and was publicly traded. This acquisition increases Desjardins Group's assets under management, strengthens its presence on the Canadian asset management market and supports its international development. The results of these operations are recognized under the Wealth Management and Life and Health Insurance segment.

CHANGE IN SENIOR MANAGEMENT

In October 2026, Desjardins Group announced the retirement of Johanne Duhaime, Senior Executive Vice-President, Technology and Organizational Performance and member of the Management Committee, at the end of December 2026. Ms. Duhaime will continue to perform her duties until then, and steps are being taken to ensure a seamless transition.

AGREEMENT TO ACQUIRE BENNINGTON FINANCIAL CORP.

On October 29, 2026, Desjardins Group announced that it had entered into a definitive agreement to acquire all the issued and outstanding shares of Bennington Financial Corp. (Bennington), a wholly owned subsidiary of Equitable Bank, held by EQB Inc. Bennington is a Canadian commercial equipment leasing and financing company with total assets of approximately $1.1 billion. The transaction is expected to close in the first quarter of 2027, subject to regulatory approvals and the customary closing conditions. The results of these operations will be recognized under the Personal and Business Services segment.

ECONOMIC ENVIRONMENT AND OUTLOOK

GLOBAL ECONOMY

The outlook for the global economy remained broadly positive during the first half of 2026, despite fears over the conflict in Iran. Indicators from most of the major economies point to continued growth, albeit at a relatively slow pace. The retaliatory tariffs introduced by the United States were ended by a ruling from the Supreme Court, and their replacement by a lower, temporary tariff has benefited countries that export heavily to the U.S. Strong demand for computing products is also supporting international trade. The economic environment has been disrupted by the conflict in Iran, which triggered the most serious oil supply shock in several years, provoking a sudden contraction in global production. These disruptions quickly drove up energy prices worldwide. Tensions eased at the start of the summer, but the rise in energy prices – particularly diesel and aviation fuel prices – is creating renewed pressure. Although the global economy has become less dependent on oil over the last few decades, the shock has nevertheless led to an anticipated slowdown in the growth of real GDP for the major economies overseas. Following growth of 3.5% in 2025, global real GDP should increase by 3.1% in 2026 and 3.3% in 2027.

UNITED STATES

Following weak growth in U.S. real GDP at the end of 2025, largely caused by lower public spending due to the budget deadlock, stronger growth at an annualized rate of 2.5% was recorded in the first quarter of 2026 owing to a recovery in federal spending and new momentum in artificial intelligence investments. The situation was then undermined by the war in Iran and the dramatic surge in gasoline prices. Annualized real GDP growth slowed slightly to 2.2% in the second quarter, although domestic demand proved resilient. U.S. households appear to prefer cutting back on savings rather than on spending. Investments in artificial intelligence will continue to underpin non-residential investment in the short term, although this masks some weakness in other sectors, where investment is generally in decline. Job creation is proving volatile and uneven from one month to the next. Rising energy prices quickly drove up the inflation rate to over 4%, before it began to slow. However, the resurgence in energy prices - particularly diesel - since the end of the summer has been posing a new risk. Real U.S. GDP is expected to grow by 2.4% in 2026.

CANADA

The Canadian economy ended the first half of 2026 on a strong note, with annualized growth of 3.3% in the second quarter. Consumption and investment are expected to remain favourable in the third quarter. Looking beyond the short term, an escalation of the tariff dispute between Canada and the U.S. threatens economic growth, while retaliatory measures and high energy prices could intensify the pressures on domestic prices. Fiscal policy is providing a significant counterbalance through ongoing spending and investment measures (in particular the Productivity Mega Deduction allowing businesses to deduct immediately 100% of the cost of many investments). Nevertheless, persistent trade tensions, slowing population growth and rising longer-term interest rates remain significant downside risks. Ultimately, 2026 could end with a 0.8% rise in Canada's real GDP, followed by a 1.9% gain in 2027.

QUEBEC

Quebec's economy posted annualized GDP growth of 0.8% for the second quarter of 2026, compared to 1.4% growth for the previous quarter. Despite this slowdown, the composition of this growth has improved significantly. Domestic demand has rallied, driven by an accelerating household consumption. This improvement came as Quebec's population began to grow again in the spring. Business investment remained in positive territory for a third consecutive quarter, due in particular to increased spending on machinery and equipment. This is an encouraging sign against a backdrop of persistent uncertainty, and is consistent with investments made to capitalize on opportunities related to artificial intelligence. Trade figures also exceeded expectations, with sales to international markets and to other Canadian provinces rising sharply, suggesting that many businesses are benefiting from growing diversification of their markets, despite the ongoing trade tensions with the U.S. However, the labour market continues to send more mixed signals, with Quebec being the only province where employment fell year over year. Despite encouraging results for the first half of the year, the new U.S. tariffs announced in August disproportionately affect several key sectors of the Quebec economy, and their effects will be felt over the coming quarters. So even though the growth observed in the second quarter rests on a more solid foundation than at the start of the year, we continue to forecast limited real GDP growth of 0.4% in 2026, before gradually accelerating to 1.1% in 2027.

REVIEW OF FINANCIAL RESULTS

ANALYSIS OF RESULTS

SURPLUS EARNINGS

Comparison of the third quarters of 2026 and 2025

For the third quarter ended September 30, 2026, Desjardins Group recorded surplus earnings before member dividends of $1,117 million, an amount comparable to the third quarter of 2025. Total net revenue rose by 7.5%, due in particular to higher net interest income in the Personal and Business Services segment. The Wealth Management and Life and Health Insurance segment also recorded higher income, owing to growth in assets under management and under administration, due in particular to the acquisition of Guardian. As for the Property and Casualty Insurance segment, higher income from automobile and property insurance was offset by an increased cost of claims, attributable to flooding in Ontario, as well as less favourable developments in the markets. In addition, the provision for credit losses was higher than last year, due in particular to the unfavourable effect of the migration in credit quality.

As a cooperative financial group contributing to the development of communities, Desjardins Group gives its members and clients the support they need to be financially empowered, a mission it continued to carry out in the third quarter of 2026.

- **A total of $180 million was returned to members and the community,**[1] compared to $141 million in the third quarter of 2025.
  - Member dividends totalled $151 million for the quarter ended September 30, 2026, up $38 million from the corresponding quarter of 2025.
  - An amount of $29 million was returned in the form of sponsorships, donations and scholarships, compared to $28 million in the same period last year, including $15 million in the third quarter of 2026 and $14 million in the third quarter of 2025 from the caisses' Community Development Fund.

- **Return on equity was 9.9%,** compared to 10.6% recorded for the quarter ended September 30, 2025.

The following table presents the calculation of return on equity.

Return on equity

	For the three-month periods ended			For the nine-month periods ended	
(in millions of dollars and as a percentage)	**September 30, 2026**	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
Surplus earnings before member dividends	**$ 1,117**	$ 1,213	$ 1,115	**$ 3,290**	$ 2,753
Non-controlling interests' share	**(33)**	(34)	(34)	**(84)**	(72)
Group's share before member dividends	**$ 1,084**	$ 1,179	$ 1,081	**$ 3,206**	$ 2,681
Average equity – Group's share	**$ 43,559**	$ 42,983	$ 40,516	**$ 42,776**	$ 39,408
Return on equity[1][2]	**9.9%**	11.0%	10.6%	**10.0%**	9.1%

(1) For further information about supplementary financial measures, see the Glossary on pages 49 to 54.
(2) Corresponds to an annualized calculation that takes into account the number of days in the period concerned.

(1) For more information on non-GAAP financial measures, see "Non-GAAP and other financial measures" on pages 5 to 7.

Comparison of the first nine months of 2026 and 2025

For the first nine months of fiscal 2026, Desjardins Group recorded surplus earnings before member dividends of $3,290 million, up $537 million from the same period of 2025. Total net revenue grew 10.6%, due in particular to higher net interest income in the Personal and Business Services segment. The Wealth Management and Life and Health Insurance segment posted higher other income, attributable to growth in assets under management and under administration, stemming in particular from the acquisition of Guardian. Revenue growth in the Property and Casualty Insurance segment was primarily due to automobile and property insurance. These results were offset in part by less favourable developments in the markets and a higher provision for credit losses, primarily due to a deteriorating economic outlook and the unfavourable effect of the migration in credit quality.

- **A total of $552 million was returned to members and the community,**[1] up $125 million, compared to the first nine months of 2025.
  - Member dividends totalled $453 million, up $114 million, compared to the corresponding period in 2025.
  - An amount of $99 million was returned in the form of sponsorships, donations and scholarships, up $11 million from the same period in 2025, including $49 million for the first nine months of 2026 and $44 million for the first nine months of 2025, from the caisses' Community Development Fund.

- **Return on equity was 10.0%,** compared to 9.1% for the corresponding period of 2025.

TOTAL NET REVENUE

For the third quarter of 2026, **total net revenue amounted to $4,430 million,** up $308 million, or 7.5%, compared to that recorded for the same period in 2025.

For the first nine months of 2026, **total net revenue amounted to $13,154 million,** up $1,259 million, or 10.6%, compared to that recorded for the comparable period in 2025.

NET INTEREST INCOME

Comparison of the third quarters of 2026 and 2025

Net interest income totalled $2,345 million, up $208 million, or 9.7%. This increase was mainly due to growth in residential mortgages and business loans outstanding. The net interest margin[1] was up slightly, to 2.31%, compared to 2.30% for the corresponding period of 2025.

Comparison of the first nine months of 2026 and 2025

Net interest income was $6,831 million, up $703 million, or 11.5%. This increase was due to growth in residential mortgages and business loans outstanding and a higher net interest margin,[1] which was 2.33%, compared to 2.29% for the corresponding period of 2025.

NET INSURANCE SERVICE INCOME

The change in this heading, which consists of the insurance service result and the net insurance finance result, was due to items from the Wealth Management and Life and Health Insurance segment and the Property and Casualty Insurance segment.

Comparison of the third quarters of 2026 and 2025

Net insurance service income stood at $662 million,[2] down $142 million, or 17.7%, compared to that of the third quarter of 2025.

Wealth Management and Life and Health Insurance segment

- Insurance service result of $151 million, up $33 million, or 28.0%, attributable to the favourable experience in life insurance.

- Net insurance finance result of $11 million, down $97 million, mainly due to less favourable developments in the markets compared to the corresponding period of 2025.

Property and Casualty Insurance segment

- Insurance service result of $438 million, up $25 million, or 6.1%, from the corresponding period of 2025, due to the following:
  - Higher insurance revenue, mainly due to growth in automobile and property insurance premiums.
  - More favourable effect of the loss component on onerous contracts, mainly due to automobile insurance.
  - Offset by higher claims due to flooding in Ontario.

- Net insurance finance result of $54 million, down $92 million, or 63.0%, due to less favourable developments in the markets compared to the corresponding period of 2025.

[1] For more information about non-GAAP financial measures and non-GAAP ratios, see "Non-GAAP and other financial measures" on pages 5 to 7.
[2] The difference between this result and the sum total of the segment results relates to intersegment transactions, which are eliminated in the Other category.

Comparison of the first nine months of 2026 and 2025

Net insurance service income totalled $2,100 million,[1] down $73 million, or 3.4%, compared to the first nine months of 2025.

Wealth Management and Life and Health Insurance segment

- Insurance service result of $430 million, down $37 million, or 7.9%, due to the following:
  - Less favourable experience in disability insurance, partly offset by the favourable experience in life insurance.
  - Increase in the loss component on onerous contracts, due to growth in the volume of sales.

- Net insurance finance result of $216 million, down $146 million, or 40.3%, due in particular to gains on disposals of buildings realized in 2025.

Property and Casualty Insurance segment

- Insurance service result of $1,124 million, up $192 million, or 20.6%, compared to the corresponding period of 2025 on account of the following:
  - Higher insurance revenue, mainly due to growth in automobile and property insurance premiums.
  - Favourable effect of the loss component on onerous contracts, compared to an unfavourable effect recorded in the comparable period of 2025, mainly attributable to automobile insurance.
  - Offset by higher claims due to flooding in Ontario and Quebec.

- Net insurance finance result of $260 million, down $65 million, or 20.0%, due to less favourable developments in the markets compared to the corresponding period of 2025.

OTHER INCOME

Comparison of the third quarters of 2026 and 2025

Other income stood at $1,423 million, up $242 million, or 20.5%, compared to the third quarter of 2025, mainly due to the increase in income related to growth in assets under management and under administration, in particular following the acquisition of Guardian.

Comparison of the first nine months of 2026 and 2025

Other income stood at $4,223 million, up $629 million, or 17.5%, compared to the corresponding period of 2025, mainly due to the increase in income related to growth in assets under management and under administration, in particular following the acquisition of Guardian.

PROVISION FOR CREDIT LOSSES

Comparison of the third quarters of 2026 and 2025

The provision for credit losses amounted to $221 million, compared to $112 million for the corresponding period of 2025. This increase of $109 million was due to the following:

- Increase in the provision related to credit-impaired loans in the business loan portfolio.
- Increase in the provision related to non-credit impaired loans, due in particular to a deterioration in the economic outlook and the unfavourable effect of the migration in credit quality.

Desjardins Group has continued to present a quality loan portfolio in 2026.

- Credit loss provisioning rate of 0.26% for the third quarter of 2026, compared to 0.14% for the corresponding period of 2025. This increase was due to faster growth in the provision for credit losses than in loans.
- Ratio of gross credit-impaired loans, as a percentage of the total gross loans portfolio, of 0.80%, compared to 0.86% as at September 30, 2025.

[1] The difference between this result and the sum total of the segment results relates to intersegment transactions, which are eliminated in the Other category.

The following table presents the calculation of the credit loss provisioning rate.

Credit loss provisioning rate

(in millions of dollars and as a percentage)	For the three-month periods ended			For the nine-month periods ended	
	September 30, 2026	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
Total provision for credit losses	**$ 221**	$ 165	$ 112	**$ 598**	$ 525
Provision for (recovery of) credit losses on securities	**2**	8	—	**11**	(2)
Provision for credit losses on loans and off-balance sheet items	**$ 219**	$ 157	$ 112	**$ 587**	$ 527
Average gross loans[1]	**$ 329,782**	$ 323,460	$ 310,783	**$ 323,979**	$ 302,554
Credit loss provisioning rate[1][2]	**0.26%**	0.19%	0.14%	**0.24%**	0.23%

(1) For further information on supplementary financial measures, see the Glossary on pages 49 to 54.
(2) Corresponds to an annualized calculation that takes into account the number of days in the period concerned.

Comparison of the first nine months of 2026 and 2025

The provision for credit losses totalled $598 million, compared to $525 million for the corresponding period of 2025. This $73 million increase stemmed from the following:
- Increase in the provision related to non-credit impaired loans, due in particular to the deteriorating economic outlook and the unfavourable effect of the migration in credit quality.

Desjardins Group has continued to present a quality loan portfolio in 2026.
- The credit loss provisioning rate was 0.24% for the first nine months of 2026, compared to 0.23% for the corresponding period of 2025.
- The ratio of gross credit-impaired loans, as a percentage of the total gross loans portfolio, was 0.80%, compared to 0.86% as at September 30, 2025.

GROSS NON-INTEREST EXPENSE

Comparison of the third quarters of 2026 and 2025

Gross non-interest expense totalled $2,944 million, up $165 million, or 5.9%, from the third quarter of 2025, due to the following:
- Higher commission fees related to growth in assets under management and under administration.
- Increased spending on technology.
- Increased spending on personnel, due in particular to the acquisition of Guardian.

Comparison of the first nine months of 2026 and 2025

Gross non-interest expense totalled $8,933 million, up $468 million, or 5.5%, compared to the first nine months of 2025, due to the following:
- Increased spending on personnel, due in particular to the acquisition of Guardian and wage indexation.
- Higher commission fees due to growth in assets under management and under administration.
- Increased spending on technology.

INCOME TAXES ON SURPLUS EARNINGS

Comparison of the third quarters of 2026 and 2025

Income taxes on surplus earnings after member dividends of $372 million, up $43 million, compared to the third quarter of 2025 due to the increase in surplus earnings.
- Effective tax rate on surplus earnings after member dividends[1] of 27.0% for the quarter ended September 30, 2026, up from an effective tax rate of 24.2% for the corresponding period in 2025, mainly because of a decrease in investment income and other non-taxable items.

Comparison of the first nine months of 2026 and 2025

Income taxes on surplus earnings after member dividends of $1,016 million, up $217 million, compared to the first nine months of 2025, due to the increase in surplus earnings.
- Effective tax rate on surplus earnings after member dividends[1] of 25.6% for the first nine months of 2026, slightly higher than the rate of 24.2% recorded for the same period in 2025.

(1) For further information about supplementary financial measures, see the Glossary on pages 49 to 54.

RESULTS BY BUSINESS SEGMENT

Desjardins Group's financial reporting is organized by business segments, which are defined based on the needs of members and clients and the markets in which Desjardins operates, and on its internal management structure. Desjardins Group's financial results are divided into the following three business segments: Personal and Business Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance. In addition to these three segments, there is the Other category. This section presents an analysis of the results for each of these segments.

Additional information on these business segments, particularly their profile, operations, 2025 achievements and the industry in which they operate, can be found on pages 24 to 35 of Desjardins Group's 2025 annual MD&A.

PERSONAL AND BUSINESS SERVICES

The Personal and Business Services segment is central to Desjardins Group's operations. With its comprehensive, integrated line of products and services designed to meet the needs of individual and business members, institutions, non-profit organizations and cooperatives, Desjardins Group is a leader in financial services in Quebec and is present on the financial services scene across Canada.

Desjardins's offer includes everyday financial management, savings products, payment services, financing, specialized services, access to capital markets, risk and development capital, business ownership transfers and advisory services, and through its distribution network, life and health insurance and property and casualty insurance products.

In addition, members and clients know that they can rely on the largest advisory force in Quebec, made up of dedicated professionals who are there for them at every stage in their life or entrepreneurial journey.

To meet the constantly changing needs of its members and clients, Desjardins Group offers its services through the caisse network and the Desjardins Business Centres as well as the Business Services Centre, in person, by phone, online, via applications for mobile devices, and at ATMs.

On October 29, 2026, Desjardins Group announced that it had entered into a definitive agreement to acquire all the issued and outstanding shares of Bennington Financial Corp. (Bennington), a wholly owned subsidiary of Equitable Bank, held by EQB Inc. Bennington is a Canadian commercial equipment leasing and financing company with total assets of approximately $1.1 billion. The transaction is expected to close in the first quarter of 2027, subject to regulatory approvals and the customary closing conditions. The results of these operations will be recognized under the Personal and Business Services segment.

Personal and Business Services – Segment results

	For the three-month periods ended			For the nine-month periods ended	
(in millions of dollars and as a percentage)	**September 30, 2026**	June 30, 2026	September 30, 2025[1]	**September 30, 2026**	September 30, 2025[1]
Net interest income	**$ 2,286**	$ 2,201	$ 2,007	**$ 6,601**	$ 5,745
Other income	**697**	680	650	**2,060**	1,992
Total net revenue	**2,983**	2,881	2,657	**8,661**	7,737
Provision for credit losses	**218**	157	112	**585**	527
Gross non-interest expense	**1,722**	1,889	1,758	**5,385**	5,385
Income taxes on surplus earnings	**292**	202	203	**700**	472
Surplus earnings before member dividends	**751**	633	584	**1,991**	1,353
Member dividends, net of tax recovery	**112**	112	84	**334**	252
Net surplus earnings for the period after member dividends	**$ 639**	$ 521	$ 500	**$ 1,657**	$ 1,101
Indicators					
Average assets[2]	**$ 404,246**	$ 398,285	$ 391,364	**$ 396,855**	$ 377,912
Average core interest-bearing assets[3]	**296,923**	290,550	280,168	**291,553**	273,007
Average gross loans[2]	**317,036**	311,288	300,027	**311,766**	292,112
Average deposits[2]	**237,187**	232,878	228,195	**233,001**	224,971
Net interest margin[3]	**2.85%**	2.84%	2.68%	**2.84%**	2.64%
Efficiency ratio[2]	**57.7**	65.6	66.2	**62.2**	69.6
Credit loss provisioning rate[2]	**0.27**	0.20	0.15	**0.25**	0.24

(1) Changes have been made to the model used to allocate net interest income among segments. For the three- and nine-month periods ended September 30, 2025, these changes would have resulted in increases of $52 million and $212 million, respectively, in "Net interest income" and decreases of $44 million and $97 million, respectively, in "Other income" - Personal and Business Services, as well as a corresponding opposite impact on the same line items of the Other category. No comparative data have been restated.

(2) For further information about supplementary financial measures, see the Glossary on pages 49 to 54.

(3) For more information about non-GAAP financial measures and non-GAAP ratios, see "Non-GAAP and other financial measures" on pages 5 to 7.

Comparison of the third quarters of 2026 and 2025

Surplus earnings before member dividends stood at $751 million, up $167 million compared to the same period in 2025, due to the following:

- **Total net revenue of $2,983 million,** up $326 million, or 12.3%.
  - **Net interest income of $2,286 million,** up $279 million, or 13.9%. This increase was due to:
    - An improved net interest margin, which stood at 2.85%, compared to 2.68% for the corresponding period of 2025.
    - Growth in average personal and business loans outstanding.
  - **Other income totalled $697 million,** up $47 million, or 7.2%, mainly due to growth in income from trading in the capital markets and higher business volumes in credit card payment activities.

- **Provision for credit losses of $218 million,** compared to $112 million for the corresponding period of 2025. This $106 million increase was due to the following:
  - Increase in the provision related to credit-impaired loans in the business loan portfolio.
  - Increase in the provision related to non-credit impaired loans, due in particular to a deterioration in the economic outlook and the unfavourable effect of the migration in credit quality.

- **Gross non-interest expense of $1,722 million,** down slightly by $36 million, or 2.0%, reflecting the focus on expenditure management.

- **Efficiency ratio of 57.7%,** compared to 66.2% for the third quarter of 2025, mainly due to growth in total net revenue combined with a lower gross non-interest expense.

Comparison of the first nine months of 2026 and 2025

Surplus earnings before member dividends of $1,991 million, up $638 million compared to the first nine months of 2025, due to the following:

- **Total net revenue of $8,661 million,** up $924 million, or 11.9%.
  - **Net interest income of $6,601 million,** up $856 million, or 14.9%. This increase was due to:
    - An improved net interest margin, which stood at 2.84%, compared to 2.64% for the corresponding period of 2025.
    - Growth in average personal loans and business loans outstanding.
  - **Other income totalled $2,060 million,** up $68 million, or 3.4%, mainly due to growth in business volumes in credit card payment activities.

- **Provision for credit losses of $585 million,** compared to $527 million for the corresponding period of 2025. This $58 million increase was due to the following:
  - Increase in the provision related to non-credit impaired loans, due in particular to the deteriorating economic outlook and the unfavourable effect of the migration in credit quality.

- **Gross non-interest expense of $5,385 million,** stable compared to last year.

- **Efficiency ratio at 62.2%,** compared to 69.6% for the first nine months of 2025, mainly due to growth in total net revenue and stable gross non-interest expense.

WEALTH MANAGEMENT AND LIFE AND HEALTH INSURANCE

The Wealth Management and Life and Health Insurance segment plays a leading role in supporting members and clients in becoming financially empowered, and helping them to save and invest according to their plans and objectives as well as protect themselves and their loved ones, through a range of high-quality products and services.

The segment supports members and clients, individuals and businesses, through various distribution networks and designs several lines of individual insurance (life and health) coverage as well as investment solutions. The segment also includes asset management and trust services. The Wealth Management and Life and Health Insurance segment is a Canadian leader in responsible investing and responsible insurance.

The Wealth Management and Life and Health Insurance segment's vast and diversified Canada-wide distribution networks are one of its greatest strengths:
- Desjardins caisse network.
- Desjardins specialized networks (Signature Service, Private Wealth Management, Securities and Online Brokerage).
- Desjardins agent network.
- Desjardins Financial Security Life Assurance Company partner networks (SFL Wealth Management).
- Insurance and investment solution networks (including subsidiaries of Worldsource Group of Companies Inc.).
- Actuarial consulting firms and brokers.
- Client Relations Centres and digital channels.

Since March 23, 2026, the Wealth Management and Life and Health Insurance segment also includes operations resulting from Desjardins's acquisition of Guardian, a publicly traded global investment management company that serves institutional, retail and private clients. This acquisition has increased the assets under management of Desjardins Group, strengthening its presence in the Canadian asset management market and supporting its international development.

Wealth Management and Life and Health Insurance – Segment results

(in millions of dollars)	As at and for the three-month periods ended			As at and for the nine-month periods ended	
	September 30, 2026	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
Net interest income	**$ 93**	$ 92	$ 78	**$ 266**	$ 216
Insurance service result					
Insurance revenue	**1,148**	1,116	1,116	**3,388**	3,311
Insurance service expenses	**(989)**	(972)	(981)	**(2,940)**	(2,810)
Net reinsurance service income (expenses)	**(8)**	(1)	(17)	**(18)**	(34)
	151	143	118	**430**	467
Net insurance finance result					
Net insurance investment income (loss)	**(926)**	1,062	630	**192**	1,143
Net insurance finance income (expenses)	**979**	(924)	(532)	**39**	(791)
Net reinsurance finance income (expenses)	**(42)**	27	10	**(15)**	10
	11	165	108	**216**	362
Net insurance service income	**162**	308	226	**646**	829
Other income	**911**	891	717	**2,587**	2,104
Total net revenue	**1,166**	1,291	1,021	**3,499**	3,149
Provision for (recovery of) credit losses	**2**	6	—	**11**	(1)
Non-interest expense					
Gross non-interest expense	**1,047**	1,041	889	**3,045**	2,673
Non-interest expense included in insurance service expenses[1]	**(82)**	(84)	(82)	**(249)**	(241)
Net non-interest expense	**965**	957	807	**2,796**	2,432
Income taxes on surplus earnings	**61**	76	40	**172**	150
Net surplus earnings for the period	**$ 138**	$ 252	$ 174	**$ 520**	$ 568
Of which:					
Group's share	**$ 138**	$ 250	$ 174	**$ 518**	$ 568
Non-controlling interests' share	**—**	2	—	**2**	—
Indicators					
On-balance sheet contractual service margin (CSM)[2][3]	**$ 2,405**	$ 2,412	$ 2,489	**$ 2,405**	$ 2,489
CSM on new sales for the period[3][4]	**21**	21	20	**67**	65
Net sales of savings products[5][6]	**6,939**	3,857	5,920	**17,313**	12,418
Insurance sales[6]	**231**	225	189	**723**	587
Group insurance premiums[6]	**1,169**	1,157	1,124	**3,475**	3,326
Individual insurance premiums[6]	**340**	339	323	**1,029**	950
Annuity premiums[6]	**84**	135	113	**351**	542

(1) Represents the non-interest expense directly related to the fulfillment of insurance contracts presented under "Insurance service result."

(2) Included under "Insurance contract liabilities" and "Reinsurance contract assets (liabilities)" in the Combined Balance Sheets. For further information, see Note 7, "Insurance and reinsurance contracts," to the Interim Combined Financial Statements.

(3) On-balance sheet CSM of $2,603 million ($2,615 million as at June 30, 2026 and $2,739 million as at September 30, 2025) presented net of reinsurance for an amount of $198 million ($203 million as at June 30, 2026 and $250 million as at September 30, 2025).

(4) CSM on new insurance business for the period totalling $20 million ($19 million for the second quarter of 2026, $18 million for the third quarter of 2025, $62 million for the first nine months of 2026 and $60 million for the first nine months of 2025) presented net of reinsurance for an amount of $(1) million ($(2) million for the second quarter of 2026 and $(2) million for the third quarter of 2025, $(5) million for the first nine months of 2026 and $(5) million for the first nine months of 2025).

(5) Including $(104) million in segregated funds ($(104) million for the second quarter of 2026, $(65) million for the third quarter of 2025, $(322) million for the first nine months of 2026 and $(225) million for the first nine months of 2025).

(6) For further information about supplementary financial measures, see the Glossary on pages 49 to 54.

Comparison of the third quarters of 2026 and 2025

Net surplus earnings stood at $138 million, down $36 million compared to the third quarter of 2025. This decrease was due to the following:

- **Total net revenue of $1,166 million,** up $145 million, or 14.2%.
  - **Net interest income of $93 million**, up $15 million, or 19.2%, due to business growth.
  - **Insurance service result of $151 million,** up $33 million, or 28.0%, attributable to the favourable experience in life insurance.
  - **Net insurance finance result of $11 million,** down $97 million, mainly due to less favourable developments in the markets compared to the corresponding period of 2025.
  - **Other income of $911 million,** up $194 million, or 27.1%, primarily from management and custodial service fees related to the increase in assets under management and under administration, in particular following the acquisition of Guardian.

- **Gross non-interest expense of $1,047 million,** up $158 million, or 17.8%. This increase was primarily due to the following:
  - Higher commissions as a result of growth in assets under management and under administration.
  - Increased spending on personnel, of which $46 million came from the acquisition of Guardian.
  - Higher spending on technology.

  Note that a gross non-interest expense of $82 million was included under insurance service expenses, the same amount as for the third quarter of 2025.

- **Additional information on the contractual service margin (CSM)**
  - Balance sheet CSM of $2,405 million as at September 30, 2026, compared to $2,412 million as at June 30, 2026. This decline in CSM was mainly due to the effect of services rendered, partly offset by new sales.

Comparison of the first nine months of 2026 and 2025

Net surplus earnings of $520 million, down $48 million, compared to the corresponding period of 2025, due to the following:

- **Total net revenue of $3,499 million,** up $350 million, or 11.1%.
  - **Net interest income of $266 million,** up $50 million, or 23.1%, due to business growth.
  - **Insurance service result of $430 million,** down $37 million, or 7.9%, due to the following:
    - Less favourable experience in disability insurance, partly offset by the favourable experience in life insurance.
    - Increase in the loss component on onerous contracts, due to growth in the volume of sales.
  - **Net insurance finance result of $216 million,** down $146 million, or 40.3%, due in particular to gains on disposals of buildings realized in 2025.
  - **Other income of $2,587 million,** up $483 million, or 23.0%, primarily from management and custodial service fees related to the increase in assets under management and under administration, in particular following the acquisition of Guardian.

- **Gross non-interest expense of $3,045 million,** up $372 million, or 13.9%, owing primarily to the following:
  - Higher commissions related to growth in assets under management and under administration.
  - A rise in spending on personnel, of which $98 million came from the Guardian acquisition.
  - Higher technology costs.

  It should be mentioned that $249 million of gross non-interest expense is included in insurance service expenses, compared to $241 million for the first nine months of 2025.

- **Additional information on the contractual service margin (CSM)**
  - Balance sheet CSM of $2,405 million as at September 30, 2026, compared to $2,385 million as at December 31, 2025. The growth in CSM was due to new sales, changes in estimates, and finance expenses, partly offset by the effect of services rendered.

PROPERTY AND CASUALTY INSURANCE

The Property and Casualty (P&C) Insurance segment offers insurance products providing coverage for the assets of Desjardins Group members and clients and guarding them against disaster. This segment includes the operations of Desjardins General Insurance Group Inc. and its subsidiaries, offering a personal line of automobile and property insurance products across Canada and also providing businesses with insurance products. Its products are offered in the Desjardins caisse network in Quebec and at Caisse Desjardins Ontario Credit Union Inc. and the Desjardins Business centres as well as the Business Services Centre, and are distributed through P&C insurance agents in a number of client care centres, as well as through an exclusive agent network, including over 400 agencies in Ontario, Alberta and New Brunswick. This exclusive agent network distributes P&C insurance and several other financial products. In addition, the insurance products offered by The Insurance Company of Prince Edward Island (ICPEI) are distributed by a network of independent brokers across all the provinces of Canada. The segment also offers advice and loss prevention services to members and clients to help them protect their assets and guard against the impact of weather and climate events. Members and clients also have access to a multitude of services online and via applications for mobile devices.

Desjardins General Insurance Group Inc., which has more than 3.8 million members and clients, markets its products to the Canada-wide individual and business market under the Desjardins Insurance banner; to the group market—including members of professional associations and unions, and employers' staff—under the The Personal banner; and through brokers under the ICPEI banner, a Desjardins subsidiary specialized in business insurance.

Property and Casualty Insurance – Segment results

(in millions of dollars and as a percentage)	For the three-month periods ended			For the nine-month periods ended	
	September 30, 2026	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
Insurance service result					
Insurance revenue	**$ 2,130**	$ 2,080	$ 2,031	**$ 6,228**	$ 5,947
Insurance service expenses	**(1,631)**	(1,550)	(1,580)	**(4,962)**	(4,856)
Net reinsurance service income (expenses)	**(61)**	(78)	(38)	**(142)**	(159)
	438	452	413	**1,124**	932
Net insurance finance result					
Net insurance investment income (loss)	**3**	213	231	**329**	549
Net insurance finance income (expenses)	**56**	(104)	(93)	**(75)**	(249)
Net reinsurance finance income (expenses)	**(5)**	9	8	**6**	25
	54	118	146	**260**	325
Net insurance service income	**492**	570	559	**1,384**	1,257
Other income (loss)	**(1)**	(1)	(3)	**(7)**	(12)
Total net revenue	**491**	569	556	**1,377**	1,245
Provision for (recovery of) credit losses	**1**	2	—	**2**	(1)
Non-interest expense					
Gross non-interest expense	**297**	360	285	**952**	866
Non-interest expense included in insurance service expenses[1]	**(189)**	(203)	(170)	**(577)**	(518)
Net non-interest expense	**108**	157	115	**375**	348
Income taxes on surplus earnings	**101**	107	110	**262**	226
Net surplus earnings for the period	**$ 281**	$ 303	$ 331	**$ 738**	$ 672
Of which:					
Group's share	**$ 248**	$ 271	$ 297	**$ 656**	$ 600
Non-controlling interests' share	**33**	32	34	**82**	72
Indicators					
Direct written premiums[2]	**$ 2,298**	$ 2,387	$ 2,177	**$ 6,431**	$ 6,091
Loss ratio[3][4]	**68.2%**	59.6%	65.1%	**65.0%**	64.6%
Current year loss ratio[3][4]	**68.8**	65.3	67.8	**69.1**	68.2
Loss ratio related to catastrophes and major events[3][4]	**8.9**	5.0	3.4	**5.1**	3.1
Ratio of changes in prior year claims[3][4]	**(9.5)**	(10.7)	(6.1)	**(9.2)**	(6.7)
Expense ratio[3]	**25.6**	26.5	25.6	**26.2**	26.0
Ratio of losses on onerous contracts[3]	**(6.7)**	0.5	(2.8)	**(1.0)**	2.6
Combined ratio[3][4]	**87.1**	86.6	87.9	**90.2**	93.2
Discounted combined ratio[3]	**83.5**	83.0	84.5	**86.5**	89.4

(1) Represents the non-interest expense directly related to the fulfillment of insurance contracts presented under "Insurance service result."
(2) For further information about supplementary financial measures, see the Glossary on pages 49 to 54.
(3) For more information about non-GAAP ratios, see "Non-GAAP and other financial measures" on pages 5 to 7.
(4) Undiscounted ratio, therefore excluding the effect of discounting net liabilities for claims incurred.

Comparison of the third quarters of 2026 and 2025

Net surplus earnings stood at $281 million, down $50 million compared to the third quarter of 2025 due to the following:

- **Total net revenue of $491 million,** down $65 million, or 11.7%.
  - **Insurance service result of $438 million,** up $25 million, or 6.1%.
    - **Insurance revenue of $2,130 million,** up $99 million, or 4.9%, mainly due to premium growth in automobile and property insurance.
    - **Insurance service expenses of $1,631 million,** up $51 million, or 3.2%. By including ceded insurance service expenses of $45 million ($62 million in the comparable period of 2025) presented under "Net reinsurance service income (expenses)," the increase was $68 million, or 4.5%, due to the following:
      - Flooding in Ontario.
      - Higher current year claims, primarily in automobile and property insurance.

      This increase was partly offset by the following:
      - More favourable effect of the loss component on onerous contracts, mainly due to automobile insurance.
      - Favourable developments in prior year claims, mainly attributable to automobile insurance.
  - **Net insurance finance result of $54 million,** down $92 million, or 63.0%, due to net losses on shares, while a net gain had been recorded for the third quarter of 2025.

- **Gross non-interest expense of $297 million,** up $12 million, or 4.2%, mainly due to the following:
  - Increased spending on technology.
  - Higher spending on personnel, due in particular to wage indexation.

  Note that a gross non-interest expense of $189 million was included in insurance service expenses, compared to $170 million for the third quarter of 2025.

Comparison of the first nine months of 2026 and 2025

Net surplus earnings of $738 million, up $66 million, compared to the corresponding period of 2025, due to the following:

- **Total net revenue of $1,377 million,** up $132 million, or 10.6%.
  - **Insurance service result of $1,124 million,** up $192 million, or 20.6%.
    - **Insurance revenue of $6,228 million,** up $281 million, or 4.7%, mainly due to premium growth in automobile and property insurance.
    - **Insurance service expenses of $4,962 million,** up $106 million, or 2.2%. By including ceded insurance service expenses of $167 million ($139 million in the corresponding period of 2025) presented under "Net reinsurance service income (expenses)," there was an increase of $78 million, or 1.7%, mainly on account of the following:
      - Flooding in Ontario and Quebec.
      - Higher claims experience for the current year, mainly in property insurance.

      This increase was partly offset by the following:
      - Favourable effect of the loss component on onerous contracts, compared to the unfavourable effect recorded in the comparable period of 2025, mainly on account of automobile insurance.
      - More favourable developments in prior year claims, primarily attributable to automobile and property insurance.
  - **Net insurance finance result of $260 million,** down $65 million, or 20.0%, due to lower net gains on shares than in the comparable period of 2025. This decline was partly offset by more favourable results on futures.

- **Gross non-interest expense of $952 million,** up $86 million, or 9.9%, mainly due to the following:
  - Contingency provisions for our operations.
  - Increased spending on technology.
  - Higher spending on personnel, due in particular to wage indexation.

  Note that a gross non-interest expense of $577 million was included in insurance service expenses, compared to $518 million for the comparable period of 2025.

OTHER CATEGORY

The Other category includes financial information that is not specific to a business segment. It mainly includes treasury activities and the results for the support functions provided by the Federation to Desjardins Group as a whole, including: finance, including treasury; operations, including procurement; risk management, including compliance; the member and client experience, cooperation, culture, marketing, communications and human resources; the Project Management Office; the Desjardins Group Security Office; legal affairs and the Sustainable Development Office. It also includes all of Desjardins Group's IT operations. Non-interest expenses for support functions and Desjardins Group's IT operations are largely allocated to the various business segments.

The Other category also includes various adjustments required to prepare the Interim Combined Financial Statements and intersegment balance eliminations.

Other category

	For the three-month periods ended			For the nine-month periods ended	
(in millions of dollars)	**September 30, 2026**	June 30, 2026	September 30, 2025[1]	**September 30, 2026**	September 30, 2025[1]
Net interest income	**$ (34)**	$ 6	$ 52	**$ (36)**	$ 167
Net insurance service income	**8**	26	19	**70**	87
Other income (loss)	**(184)**	(150)	(183)	**(417)**	(490)
Total net revenue (loss)	**(210)**	(118)	(112)	**(383)**	(236)
Net non-interest expense	**(114)**	(170)	(143)	**(425)**	(434)
Income taxes on surplus earnings	**(43)**	27	5	**1**	38
Net surplus earnings (deficit) for the period	**$ (53)**	$ 25	$ 26	**$ 41**	$ 160

[1] Changes have been made to the model used to allocate net interest income among segments. For the three- and nine-month periods ended September 30, 2025, these changes would have resulted in increases of $52 million and $212 million, respectively, in "Net interest income" and decreases of $44 million and $97 million, respectively, in "Other income" - Personal and Business Services, as well as a corresponding opposite impact on the same line items of the Other category. No comparative data have been restated.

Comparison of the third quarters of 2026 and 2025

- **Net deficit of $53 million,** compared to net surplus earnings of $26 million for the third quarter of 2025, related to treasury activities. More specifically, interest rate fluctuations in the markets and hedging positions had an overall unfavourable effect on net interest income and on net other investment income (loss) included under other income (loss).

Comparison of the first nine months of 2026 and 2025

- **Net surplus earnings of $41 million,** down $119 million compared to the first nine months of 2025, related to treasury activities. Interest rate fluctuations in the markets and changes in hedging positions had an overall unfavourable effect on net interest income, partly offset by the favourable effect on net other investment income included under other income (loss).

Due to the activities and intersegment balance eliminations in the Other category, the comparability of the periods' results is limited.

SUMMARY OF INTERIM RESULTS

The table below presents a summary of data related to the results for Desjardins Group's most recent eight quarters.

Results for the previous eight quarters

	2026			2025				2024
(in millions of dollars)	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1	Q4
Net interest income	**$ 2,345**	$ 2,299	$ 2,187	$ 2,151	$ 2,137	$ 2,024	$ 1,967	$ 1,962
Insurance service result								
Insurance revenue	**3,220**	3,160	3,107	3,125	3,094	3,041	2,991	2,998
Insurance service expenses	**(2,551)**	(2,466)	(2,720)	(2,373)	(2,501)	(2,362)	(2,650)	(2,268)
Net reinsurance service income (expenses)	**(68)**	(79)	(12)	(58)	(53)	(86)	(51)	58
	601	615	375	694	540	593	290	788
Net insurance finance result								
Net insurance investment income (loss)	**(923)**	1,278	199	184	869	241	639	375
Net insurance finance income (expenses)	**1,032**	(1,025)	(42)	46	(623)	76	(487)	(309)
Net reinsurance finance income (expenses)	**(48)**	36	2	(6)	18	(5)	22	28
	61	289	159	224	264	312	174	94
Net insurance service income	**662**	904	534	918	804	905	464	882
Other income								
Deposit and payment service charges	**132**	132	137	145	145	142	137	138
Lending fees and card service revenues	**288**	273	280	285	275	257	262	278
Brokerage and investment fund services	**421**	427	430	424	388	392	391	367
Management and custodial service fees	**455**	409	302	309	264	270	248	261
Net other investment income (loss)	**(28)**	(15)	28	(8)	(55)	(64)	61	(101)
Foreign exchange income	**99**	116	117	119	111	95	97	80
Other	**56**	78	86	70	53	70	55	91
	1,423	1,420	1,380	1,344	1,181	1,162	1,251	1,114
Total net revenue	**4,430**	4,623	4,101	4,413	4,122	4,091	3,682	3,958
Provision for credit losses	**221**	165	212	163	112	203	210	272
Non-interest expense								
Gross non-interest expense	**2,944**	3,112	2,877	3,172	2,779	2,950	2,736	2,868
Non-interest expense included in insurance service expenses	**(263)**	(279)	(260)	(262)	(242)	(259)	(233)	(209)
Net non-interest expense	**2,681**	2,833	2,617	2,910	2,537	2,691	2,503	2,659
Operating surplus earnings	**1,528**	1,625	1,272	1,340	1,473	1,197	969	1,027
Income taxes on surplus earnings	**411**	412	312	282	358	297	231	201
Surplus earnings before member dividends	**1,117**	1,213	960	1,058	1,115	900	738	826
Member dividends	**151**	151	151	166	113	113	113	107
Tax recovery on member dividends	**(39)**	(39)	(41)	(40)	(29)	(29)	(29)	(23)
Net surplus earnings for the period after member dividends	**$ 1,005**	$ 1,101	$ 850	$ 932	$ 1,031	$ 816	$ 654	$ 742
Of which:								
Group's share	**$ 972**	$ 1,067	$ 833	$ 892	$ 997	$ 783	$ 649	$ 689
Non-controlling interests' share	**33**	34	17	40	34	33	5	53

Quarterly income, expenses and surplus earnings before member dividends are affected by certain trends, including seasonal variations, and by changes in general economic conditions and the financial markets. For more information about quarterly trends, see pages 38 and 39 of the 2025 annual MD&A.

BALANCE SHEET REVIEW

BALANCE SHEET MANAGEMENT

Combined Balance Sheets

(in millions of dollars and as a percentage)	As at September 30, 2026[1]		As at December 31, 2025	
Assets				
Cash and deposits with financial institutions	**$ 7,281**	**1.3%**	$ 5,848	1.1%
Securities	**108,031**	**19.7**	105,677	20.7
Securities borrowed or purchased under reverse repurchase agreements	**29,796**	**5.4**	22,809	4.5
Loans, net of allowance for credit losses	**331,398**	**60.7**	314,703	61.7
Segregated fund net assets	**37,282**	**6.8**	34,079	6.7
Derivative financial instruments	**13,165**	**2.4**	10,862	2.1
Other assets	**20,277**	**3.7**	16,264	3.2
Total assets	**$ 547,230**	**100.0%**	$ 510,242	100.0%
Liabilities and equity				
Deposits	**$ 347,201**	**63.4%**	$ 329,494	64.7%
Insurance contract liabilities	**33,980**	**6.2**	34,737	6.8
Commitments related to securities sold short	**16,571**	**3.0**	15,913	3.1
Commitments related to securities lent or sold under repurchase agreements	**21,911**	**4.0**	15,937	3.1
Derivative financial instruments	**11,007**	**2.0**	8,861	1.7
Segregated fund net liabilities – Investment contracts	**33,853**	**6.2**	30,496	6.0
Other liabilities	**33,667**	**6.2**	27,682	5.4
Subordinated notes	**4,923**	**0.9**	4,810	0.9
Equity	**44,117**	**8.1**	42,312	8.3
Total liabilities and equity	**$ 547,230**	**100.0%**	$ 510,242	100.0%

[1] The information presented as at September 30, 2026 reflects amendments to IFRS 9, *"Financial Instruments"*, adopted as at January 1, 2026. Comparative information has not been restated. For more information, refer to Note 2, "Accounting policies," to the Interim Combined Financial Statements.

ASSETS

As at September 30, 2026, Desjardins Group's total assets stood at $547.2 billion, up $37.0 billion, or 7.2%, since December 31, 2025.

Desjardins Group's cash and deposits with financial institutions were up $1.4 billion, or 24.5%, and securities, including securities borrowed or purchased under reverse repurchase agreements, rose $9.3 billion, or 7.3%, reflecting liquidity management activities.

Desjardins Group's outstanding loan portfolio, net of the allowance for credit losses, increased $16.7 billion, or 5.3%, primarily as a result of residential mortgage loans, which were up $13.2 billion, or 6.6%. Business and government loans have climbed $3.6 billion, or 3.8%, since the end of 2025. Consumer, credit card and other personal loans outstanding have increased by $0.1 billion or 0.5% since December 31, 2025.

Information on the quality of Desjardins Group's credit portfolio can be found in the "Risk management" section, on pages 31 to 34 of this MD&A.

Segregated fund net assets rose $3.2 billion, or 9.4%, on account of the increase in the fair value of the portfolio as a result of financial market developments.

Derivative financial instrument assets were up $2.3 billion, or 21.2%, owing primarily to financial market developments and exchange rate fluctuations.

Other assets rose $4.0 billion, or 24.7%, mainly as a result of higher amounts receivable from clients, brokers and financial institutions as well as increased goodwill resulting from the Guardian acquisition.

LIABILITIES

Desjardins Group's total liabilities amounted to $503.1 billion as at September 30, 2026, up $35.2 billion, or 7.5%, since December 31, 2025.

Outstanding deposits grew $17.7 billion, or 5.4%. Outstanding business and government deposits, which comprised 50.2% of Desjardins Group's total deposit portfolio, were largely responsible for this growth. These deposits outstanding were up $16.6 billion, or 10.5%, owing primarily to the various securities issued in the Canadian, U.S. and international markets, and growth in business member and client deposits. Personal deposits outstanding, which accounted for 49.7% of the total deposit portfolio, rose $1.2 billion or 0.7%. Deposits from deposit-taking institutions have decreased slightly compared to December 31, 2025.

Desjardins Group's insurance contract liabilities decreased by $0.8 billion or 2.2%, primarily on account of the change in liabilities as a result of life and health insurance activities.

Commitments related to securities sold short and lent or sold under repurchase agreements increased $6.6 billion, or 20.8%, to a volume of $38.5 billion.

Derivative financial instrument liabilities have risen $2.1 billion, or 24.2%, since December 31, 2025, owing primarily to financial market developments and the impact of interest rate fluctuations.

Segregated fund net liabilities for investment contracts were up $3.4 billion, or 11.0%, on account of the increase in the fair value of the portfolio as a result of financial market developments.

Other liabilities increased by $6.0 billion, or 21.6%, primarily due to an increase in amounts payable to clients, brokers and financial institutions.

Subordinated notes climbed $0.1 billion, or 2.3%, owing to an issue of $1.0 billion on March 3, 2026 and an issue of $208 million (24.0 billion yen) on June 4, 2026 in Tier 2 non-viability contingency capital (NVCC)-eligible subordinated notes, offset by the repurchase, on May 28, 2026, of its Tier 2 NVCC subordinated notes amounting to $1.0 billion and maturing on May 28, 2031.

EQUITY

Equity has increased by $1.8 billion, or 4.3%, since December 31, 2025 primarily due to net surplus earnings after member dividends totalling $3.0 billion for the first nine months of 2026, offset by the $0.9 billion decrease in other comprehensive income.

Note 21, "Capital stock," and Note 22, "Share capital," to the Annual Combined Financial Statements provide additional information about Desjardins Group's capital stock and share capital.

CAPITAL MANAGEMENT

Capital management is crucial to the financial management of Desjardins Group with an objective to ensure the financial soundness and sustainability of the Desjardins Cooperative Group. To help safeguard a capital level and structure that maintains the confidence of members and clients and optimizes financial capital costs, the organization has a target capital structure that takes into account the banking industry regulatory requirements, Desjardins Group's objectives for maintaining its credit ratings and the risk profiles of the organization and its components. The target structure is subject to change and is updated annually by the Board of Directors of the Federation based on changes in the above factors. Additional information on the Integrated Capital Management Framework can be found in Section 3.2, "Capital management," of Desjardins Group's 2025 annual MD&A.

The current situation and the forecasts show that, overall, Desjardins Group has a solid capital base that allows it to continue to be one of the best-capitalized Canadian financial institutions and meet its targets.

REGULATORY FRAMEWORK

Desjardins Group's regulatory capital ratios are calculated in accordance with the *Capital Adequacy Guideline* issued by the AMF and applicable, in particular, to financial services cooperatives. The Guideline takes into account the global regulatory framework for more resilient banks and banking systems (Basel III) issued by the Bank for International Settlements.

Under this framework, a minimum amount of capital must be maintained on a combined basis by all the Desjardins Group components. Some of these components are subject to separate requirements regarding regulatory capital, liquidity and funding, which are set by regulatory authorities governing trusts, credit unions, insurers and securities, among other things. Desjardins Group oversees and manages the capital requirements of these entities to ensure efficient use of capital and continuous compliance with the applicable regulations.

In this regard, it should be mentioned that the life and health insurance subsidiary under provincial jurisdiction is subject to the *Capital Adequacy Requirements Guideline – Life and Health Insurance* issued by the AMF. The property and casualty insurance subsidiaries under provincial jurisdiction must comply with the *Guideline on Capital Adequacy Requirements – Property and Casualty Insurance* issued by the AMF. The property and casualty insurance subsidiaries under federal jurisdiction must comply with the OSFI's *Minimum Capital Test – Guideline*.

For the purpose of calculating capital, Desjardins Financial Corporation Inc., the holding corporation that mainly includes the insurance companies, was deconsolidated and presented as a Desjardins Group partial capital deduction under the rules for significant investments stated in the *Capital Adequacy Guideline*. Desjardins Financial Corporation Inc. is subject to the AMF's *Capital Adequacy Requirements Guideline – Life and Health Insurance*.

In addition, Desjardins Group has been required to maintain a minimum loss absorbing capacity at all times in order to support its internal recapitalization (bail-in) in the event of failure. Such capacity is composed of regulatory capital instruments and unsecured external long-term debt that meets the criteria under the *Total Loss Absorbing Capacity Guideline* (TLAC Guideline) issued by the AMF.

The following table presents a summary of the minimum regulatory ratios set by the AMF under Basel III.

Summary of ratios regulated by the AMF under Basel III

(as a percentage)	Minimum ratio	Capital conservation buffer	Minimum ratio including capital conservation buffer	Supplement applying to D-SIFIs[1][2]	Minimum ratio including capital conservation buffer and supplement applying to D-SIFIs	Capital and leverage ratios as at September 30, 2026
Tier 1A capital ratio[3]	> 4.5%	2.5%	> 7.0%	1.0%	> 8.0%	**24.4%**
Tier 1 capital ratio[3]	> 6.0	2.5	> 8.5	1.0	> 9.5	**24.4**
Total capital ratio[3]	> 8.0	2.5	> 10.5	1.0	> 11.5	**26.8**
TLAC ratio[4]	> 21.5	N/A	> 21.5	N/A	> 21.5	**38.3**
Leverage ratio[5]	> 3.0	N/A	> 3.0	0.5	> 3.5	**7.5**
TLAC leverage ratio[6]	> 6.75	N/A	> 6.75	N/A	> 6.75	**11.6**

(1) Supplement applicable to Desjardins Group as a domestic systemically important financial institution (D-SIFI).

(2) At its discretion, the AMF may also set higher target ratios when warranted by circumstances. In this regard, the AMF could activate the countercyclical buffer when it considers that excess credit growth is associated with a build-up of system-wide risk. Based on this assessment, a countercyclical buffer requirement representing between 0% and 2.5% of total risk-weighted assets (RWA) will be put in place when circumstances warrant. This requirement will be lifted when the risk either crystallizes or dissipates.

(3) The capital ratios are expressed as a percentage of regulatory capital to risk-weighted assets.

(4) The TLAC ratio is expressed as a percentage of regulatory capital and TLAC-eligible instruments (as set out in the TLAC Guideline) compared to risk-weighted assets at the level of the resolution group, which is deemed to be Desjardins Group, excluding Caisse Desjardins Ontario Credit Union Inc.

(5) The leverage ratio is calculated by dividing Tier 1 capital by the exposure measure, which is an independent measure of risk and includes: (1) on-balance sheet exposures, (2) securities financing transaction exposures, (3) derivative exposures, and (4) off-balance sheet items.

(6) The TLAC leverage ratio is calculated by dividing the sum total of regulatory capital and TLAC-eligible instruments (as set out in the TLAC Guideline) by the exposure measure at the level of the resolution group.

REGULATORY DEVELOPMENTS

Desjardins Group continues to monitor changes in capital requirements under the global standards developed by the Basel Committee on Banking Supervision (BCBS) and to assess their impact on the capital ratios and the leverage ratios. Additional information in this regard can be found in Desjardins Group's 2025 annual MD&A on page 42. The "Changes in the regulatory environment" section of this MD&A also presents additional details on regulation as it affects all Desjardins Group operations.

In January 2026, the AMF issued a revised version of the *Capital Adequacy Guideline*. The proposed changes became effective on January 1, 2026 and no significant impacts have been noted.

COMPLIANCE WITH REQUIREMENTS

As at September 30, 2026, the Tier 1A, Tier 1 and total capital ratios of Desjardins Group, calculated in accordance with Basel III requirements, were 24.4%, 24.4% and 26.8%, respectively. The leverage ratio was 7.5%.

As at September 30, 2026, the Tier 1A capital ratio was up 67 basis points compared to December 31, 2025, essentially due to increases in reserves and surplus earnings as well as initiatives to optimize risk-weighted assets which more than offset the impacts of the Guardian acquisition.

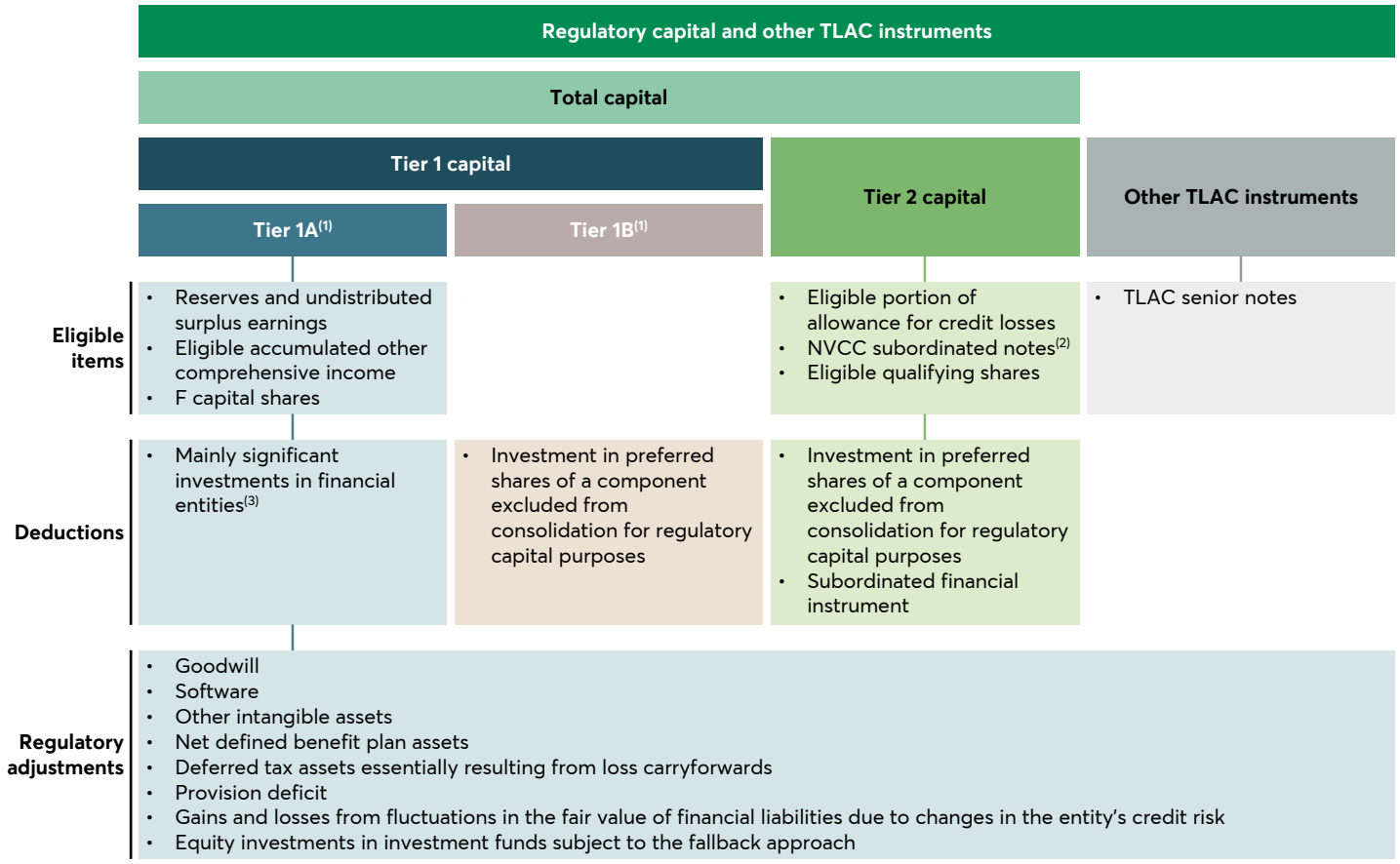
In addition, the TLAC ratio and the TLAC leverage ratio were respectively 38.3% and 11.6% as at September 30, 2026.

Desjardins Group and all its components that are subject to minimum regulatory requirements with respect to capitalization were in compliance with said requirements as at September 30, 2026.

REGULATORY CAPITAL AND OTHER TLAC INSTRUMENTS

The following tables present Desjardins Group's main capital components, regulatory capital balances and other TLAC instruments, as well as risk-weighted assets, regulatory ratios, and changes in regulatory capital and other TLAC instruments during the period.

Main capital components and other TLAC instruments



(1) The Tier 1A and Tier 1B ratios are the equivalent of the financial institutions' CET1 (Common Equity Tier 1) and AT1 (Additional Tier 1) ratios for financial services cooperatives regulated by the AMF.

(2) These notes meet the Tier 2 Non-Viability Contingent Capital (NVCC) requirements of the Capital Adequacy Guideline. To be eligible, the notes must include a clause requiring the full and permanent conversion into a Tier 1A capital instrument at the point of non-viability.

(3) Represent the portion of investments in the components deconsolidated for regulatory capital purposes (mainly Desjardins Financial Corporation Inc.) that exceeds 10% of capital, net of regulatory adjustments. In addition, when the non-deducted balance, plus deferred tax assets, net of corresponding deferred tax liabilities, exceeds 15% of the adjusted capital, the surplus is also deducted from this capital. The net non-deducted balance is subject to risk weighting at a rate of 250%.

Regulatory capital and other TLAC instruments

(in millions of dollars and as a percentage)	As at September 30, 2026	As at December 31, 2025
Capital		
Tier 1A capital	**$ 38,031**	$ 36,468
Tier 1 capital	**38,031**	36,468
Total capital	**41,782**	40,082
Available total loss absorbing capacity (TLAC)[1]	**57,485**	53,170
Risk-weighted assets		
Credit risk	**$ 126,224**	$ 125,293
Market risk	**4,754**	4,504
Operational risk	**24,857**	23,884
Total risk-weighted assets	**$ 155,835**	$ 153,681
Total risk-weighted assets for TLAC ratio purposes[1]	**149,962**	148,562
Leverage ratio exposure	**504,664**	468,023
TLAC leverage ratio exposure[1]	**494,117**	459,957
Ratios		
Tier 1A capital ratio	**24.4%**	23.7%
Tier 1 capital ratio	**24.4**	23.7
Total capital ratio	**26.8**	26.1
TLAC[1]	**38.3**	35.8
Leverage ratio	**7.5**	7.8
TLAC leverage ratio[1]	**11.6**	11.6

(1) Data calculated at the level of the resolution group, which is deemed to be Desjardins Group, excluding Caisse Desjardins Ontario Credit Union Inc.

The Federation is able to issue Tier 2 non-viability contingent capital (NVCC)-eligible instruments on Canadian, U.S. and international markets. As at September 30, 2026, the balance of outstanding eligible Tier 2 NVCC instruments totalled $5.0 billion. Upon the occurrence of a trigger event as defined in the *Capital Adequacy Guideline*, these notes would automatically and immediately be converted into Tier 1A capital.

Moreover, on May 28, 2026, the Federation repurchased its Tier 2 NVCC subordinated notes amounting to $1.0 billion and maturing on May 28, 2031 at a price equal to their par value, plus accrued and unpaid interest to May 28, 2026 exclusively.

Desjardins Group also issued TLAC-eligible debt to meet minimum requirements, for a total of $16.8 billion as at September 30, 2026.

Change in regulatory capital and other TLAC instruments

For the nine-month period ended (in millions of dollars)	September 30, 2026
Tier 1A capital	
Balance at beginning of period	$ 36,468
Increase in reserves and undistributed surplus earnings[1]	2,874
Eligible accumulated other comprehensive income	(1,002)
F capital shares[2]	(198)
Deductions	(111)
Balance at end of period	38,031
Total Tier 1 capital[3]	38,031
Tier 2 capital	
Balance at beginning of period	3,614
Eligible instruments	113
Eligible portion of allowance for credit losses	24
Deductions	—
Balance at end of period	3,751
Total capital	$ 41,782
Total capital for TLAC purposes[4]	$ 40,750
Other TLAC instruments	
Balance at beginning of period	14,085
TLAC senior notes	2,650
Balance at end of period	16,735
Total loss absorbing capacity (TLAC) available[4]	$ 57,485

(1) Amount including the change in defined benefit pension plans.
(2) On May 26, 2026, the Federation redeemed for cancellation 10 million F capital shares held in the Trust Fund. On January 23, 2026, the Federation redeemed for cancellation 10 million F capital shares held in the Trust Fund.
(3) No Tier 1B capital instrument has been issued to date.
(4) Data calculated at the level of the resolution group, which is deemed to be Desjardins Group, excluding Caisse Desjardins Ontario Credit Union Inc.

Risk-weighted assets (RWA)

Desjardins Group calculates RWA for credit risk, market risk and operational risk.

Credit risk

- Desjardins uses the Internal Ratings-Based Approach for credit risk.
- This approach is used for retail exposures – Personal – as well as for most exposures in the asset classes consisting of sovereign borrowers, financial institutions, businesses and SMEs similar to other retail client exposures.
- The Standardized Approach is used to measure the credit risk of certain exposures related to components of lesser importance, as well as asset classes that are not significant in terms of amount and perceived risk profile.

Market risk

- Desjardins uses the Standardized Approach for the calculation of market risk RWA.

Operational risk

- Desjardins uses the Standardized Approach to calculate operational risk.

Desjardins is also subject to an RWA floor. When the RWA modelled are lower than the RWA calculated using the Standardized Approach multiplied by a factor set by the AMF, the difference is added to the denominator of the regulatory capital ratio, as specified in the AMF's *Capital Adequacy Guideline*.

Movements in risk-weighted assets

RWA totalled $155.8 billion as at September 30, 2026, down $3.1 billion compared to the previous quarter.

For credit risk, changes in RWA for the third quarter of 2026 are divided into two segments: credit risk other than counterparty risk, and counterparty risk.
- Credit risk other than counterparty risk reflected a net decrease in RWA of $1.5 billion.
- Counterparty risk reflected a net decrease in RWA of $1.0 billion.

Market risk saw a net decrease in RWA totalling $1.1 billion while operational risk increased by $0.5 billion.

OFF-BALANCE SHEET ARRANGEMENTS

In the normal course of operations, Desjardins Group enters into various off-balance sheet arrangements, including assets under management and under administration on behalf of its members and clients, credit instruments, guarantees and structured entities, including securitization. Additional information is included in Section 3.3, "Off-balance sheet arrangements," of Desjardins Group's 2025 annual MD&A.

Note 13, "Interests in other entities," and Note 27, "Commitments, guarantees and contingent liabilities," to Desjardins Group's Annual Combined Financial Statements contain information about structured entities, credit instruments and guarantees, while Note 8, "Derecognition of financial assets," to the Annual Combined Financial Statements provides information about the securitization of Desjardins Group's loans.

ASSETS UNDER MANAGEMENT AND UNDER ADMINISTRATION

As at September 30, 2026, Desjardins Group administered, on behalf of its members and clients, assets totalling $681.5 billion, for an increase of $25.2 billion, or 3.8%, since December 31, 2025. The increase in assets under administration is mainly attributable to financial market developments as well as a volume increase. Financial assets entrusted to Desjardins Group as wealth manager amounted to $304.2 billion as at September 30, 2026, up $181.5 billion since December 31, 2025. The increase in assets under management resulted primarily from the increase in the number of clients following the acquisition of Guardian, as well as financial market developments.

Assets under management and under administration by Desjardins Group are composed essentially of financial assets in the form of investment funds, securities held in custody and assets accumulated by pension funds. They do not belong to Desjardins Group, but to its members and clients and, as a result, they are not recognized on the Combined Balance Sheets. The Wealth Management segment is primarily responsible for the activities related to assets under management and under administration.

RISK MANAGEMENT

RISK MANAGEMENT

Desjardins Group's objective in risk management is to optimize the risk-return trade-off by developing and applying integrated risk management strategies, frameworks, practices and procedures to all of the organization's business sectors and support functions. To this end, Desjardins developed an Integrated Risk Management Framework reflective of its business strategies and organizational risk-taking philosophy which is aimed, among other things, at giving its senior management and the Board of Directors of the Federation an appropriate level of confidence and comfort regarding the understanding and management of the risks associated with the achievement of its objectives, including risks related to external factors such as climate change.

Desjardins Group is exposed to different types of risk in the normal course of its operations, including credit risk, market risk, liquidity risk, operational risk, insurance risk, strategic risk, reputational risk, environmental, social and governance risk, and regulatory risk.

Strict and effective management of these risks is a priority for Desjardins Group, its purpose being to support its major orientations, particularly regarding its financial soundness as well as its sustained and profitable growth, while complying with regulatory requirements. Desjardins Group considers risk an inextricable part of its development, and consequently strives to promote a proactive approach in which each of its business segments, employees and managers is responsible for risk management.

In the first nine months of fiscal 2026, Desjardins Group's governance structure, frameworks and practices for risk management, and the nature and description of the risks to which it is exposed did not change significantly from those described on pages 53 to 92 of Desjardins Group's 2025 annual MD&A. In addition to these types of risk, other risk factors, which are beyond Desjardins Group's control, could have an impact on its future results. These principal risks and emerging risks, as well as other risk factors, did not change significantly from those described on pages 49 to 52 of Desjardins Group's 2025 annual MD&A, except for the economic situation as indicated in the "Economic environment and outlook" section of this MD&A. In addition, the following text is an update of the 2025 annual MD&A.

RISK FACTORS THAT COULD IMPACT FUTURE RESULTS

Economic and geopolitical uncertainty

Trade tensions with the U.S.:
The U.S.-Canada trade conflict intensified in August and September, with the U.S. and Canada both imposing new tariffs, in addition to the U.S. introducing new import restrictions on certain Canadian products. The situation remains highly uncertain and there is a significant risk that a new round of tariffs will be levied, notably in certain specific sectors (such as automotive products, metallic products, lumber, agri-food and dairy), not to mention the possible ban of certain products. While Canadian businesses have shown resilience so far, a more prolonged conflict or an escalation could eventually lead to significant job losses across the country, especially in manufacturing sub-sectors which have been severely impacted by tariffs (e.g., lumber and metallic products). The repercussions would clearly be felt more in some regions depending on their exposure to U.S. tariffs. In this context, Quebec would be one of the hardest-hit provinces. Finally, there is always the potential risk that the U.S. will invoke Article 34.6 to withdraw from CUSMA by providing six months' notice, which could have major repercussions for Canada as a whole as well as Quebec more specifically.

Geopolitical uncertainty:
Geopolitical tensions continue to run high. The conflict in Iran has significantly disrupted key trade routes, with major impacts on oil prices and other resources. The Israeli-Palestinian peace process remains fragile. The Russia-Ukraine war is creating permanent tensions between the West and Moscow.

The strategic rivalry between the U.S. and China over Taiwan could intensify. The resulting instability could undermine the economic climate and investments, disrupt supply chains, push inflation up, negatively affect financial markets and create more political and economic crises. Moreover, the situation is resulting in a push for major military investments and spending, putting more pressure on public finances.

The weakening of U.S. regulators could lead to trouble and, ultimately, to fiscal imbalances, not to mention environmental or even public health issues. The polarized political climate and certain degree of radicalization, amplified by recent decisions made by the U.S. administration, could lead to uncertainty and even weaken liberal democracy.

In these circumstances, Desjardins Group is monitoring and assessing developments to determine the appropriate course of action to mitigate any potential impact on its operations, members and clients.

Artificial intelligence risks

Desjardins Group is continuing to implement a risk management framework for its artificial intelligence systems (AIS) to ensure that they are used in a responsible, secure and controlled manner. This overall risk management framework is designed to strengthen governance and provide guidance for the identification and use of AIS, to support risk assessments according to the different areas of risk, and to prevent emerging risks, including those relating to fraud, cybernetic (cybersecurity) threats and malicious use amplified by AI. AIS are subject to appropriate monitoring and assessments to support Desjardins Group's business objectives while adhering to the applicable regulatory requirements.

CREDIT RISK

Credit risk is the risk of losses resulting from a borrower's or counterparty's failure to honour its contractual obligations, whether or not such obligations appear on the Combined Balance Sheets.

Desjardins Group is exposed to credit risk first through its direct personal, business and government loans. It is also exposed through various other commitments, including letters of credit and transactions involving derivative financial instruments as well as securities transactions.

The macroeconomic environment remains highly uncertain, in particular with respect to the evolution of trade relations with the United States, geopolitical tensions and the risk of a stock market correction. Therefore, management has to continue making particularly complex judgments to estimate the allowance for expected credit losses in such situation. Expert adjustments are applied to the measurement of the allowance for expected credit losses to take into account relevant risk factors related to the macroeconomic environment that are not reflected in models.

Desjardins Group continues to factor climate risks into its management practices, including those relating to credit risk. At this stage, the initial scenario analyses do not point to any significant impact on expected credit losses.

Quality of loan portfolio

As at September 30, 2026, in accordance with Note 5, "Loans and allowance for credit losses," to the Interim Combined Financial Statements, the loss allowance for expected credit losses on loans totalled $1,520 million, and the loss allowance for off-balance sheet items was $123 million, for a total of $1,643 million, up $158 million, compared to December 31, 2025. This change reflects a deteriorating economic outlook. For more information about the methodology and assumptions used to estimate the loss allowance for expected credit losses, please refer to Note 5, "Loans and allowance for credit losses," to the Interim Combined Financial Statements.

Gross credit-impaired loans outstanding are considered Stage 3 loans of the impairment model. The ratio of gross credit-impaired loans, as a percentage of the total gross loans portfolio, was 0.80% as at September 30, 2026, compared to 0.85% as at December 31, 2025. The allowance for credit losses on credit-impaired loans totalled $735 million as at September 30, 2026, resulting in a provisioning rate of 27.7% for credit-impaired loans.

The following table presents the aging of gross loans that are past due but not credit-impaired.

Gross loans past due but not credit-impaired[1]

(in millions of dollars)	As at September 30, 2026			As at December 31, 2025		
	31 to 90 days	91 days or more	Total	31 to 90 days	91 days or more	Total
Residential mortgages	$ 212	$ 126	$ 338	$ 159	$ 75	$ 234
Consumer, credit card and other personal loans	175	25	200	157	26	183
Business and government	82	101	183	51	94	145
Total	$ 469	$ 252	$ 721	$ 367	$ 195	$ 562

(1) Loans less than 31 days past due are not presented because, in general, they are not an indication that borrowers will not meet their payment obligations.

The following tables present gross credit-impaired loans by Desjardins Group borrower category and the change in gross credit-impaired loans.

Gross credit-impaired loans by borrower category

(in millions of dollars and as a percentage)	As at September 30, 2026					As at December 31, 2025	
	Gross carrying amount			Allowance for credit losses on credit-impaired loans	Net credit-impaired loans	Gross credit-impaired loans	Net credit-impaired loans
	Gross loans	Gross credit-impaired loans[1]					
Residential mortgages	$ 212,042	$ 463	0.22%	$ 38	$ 425	$ 446	$ 413
Consumer, credit card and other personal loans	24,537	268	1.09	186	82	267	77
Business and government	96,339	1,918	1.99	511	1,407	1,968	1,518
Total	$ 332,918	$ 2,649	0.80%	$ 735	$ 1,914	$ 2,681	$ 2,008

(1) For more information on the gross credit-impaired loans/gross loans ratio, which is a supplementary financial measure, see the Glossary on pages 49 to 54.

Change in gross credit-impaired loans

(in millions of dollars)	For the three-month periods ended			For the nine-month periods ended	
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Gross credit-impaired loans at the beginning of the period	$ 2,611	$ 2,767	$ 2,513	$ 2,681	$ 2,356
Gross loans that became credit-impaired since the last period	739	696	775	2,150	2,409
Loans returned to unimpaired status[1]	(562)	(659)	(480)	(1,753)	(1,755)
Write-offs and recoveries	(138)	(194)	(97)	(429)	(300)
Other changes	(1)	1	(2)	—	(1)
Gross credit-impaired loans at the end of the period	$ 2,649	$ 2,611	$ 2,709	$ 2,649	$ 2,709

(1) Includes returns to unimpaired status and payments on impaired accounts.

The following tables are presented to meet the disclosure requirements of the *Residential Hypothecary Lending Guideline* issued by the AMF. They present the residential mortgage portfolio of the caisse network in Quebec and Caisse Desjardins Ontario Credit Union Inc. by product type and geographic area, as well as the corresponding loan-to-value ratios.

Residential mortgage portfolio[1]
Caisse network in Quebec and Caisse Desjardins Ontario Credit Union Inc.[2]

(in millions of dollars and as a percentage)	As at September 30, 2026							
	Guaranteed or insured loans[3]		Uninsured loans[4]		Home equity lines of credit[5]		Total	
Quebec	$ 32,245	97.5%	$ 109,788	95.0%	$ 6,130	94.3%	$ 148,163	95.5%
Ontario	835	2.5	5,727	5.0	374	5.7	6,936	4.5
Other[6]	15	—	55	—	1	—	71	—
All geographic areas	$ 33,095	100.0%	$ 115,570	100.0%	$ 6,505	100.0%	$ 155,170	100.0%

(in millions of dollars and as a percentage)	As at June 30, 2026							
	Guaranteed or insured loans[3]		Uninsured loans[4]		Home equity lines of credit[5]		Total	
Quebec	$ 31,770	97.5%	$ 107,201	95.1%	$ 5,973	94.3%	$ 144,944	95.7%
Ontario	770	2.4	5,535	4.9	362	5.7	6,667	4.3
Other[6]	18	0.1	53	—	—	—	71	—
All geographic areas	$ 32,558	100.0%	$ 112,789	100.0%	$ 6,335	100.0%	$ 151,682	100.0%

(in millions of dollars and as a percentage)	As at September 30, 2025							
	Guaranteed or insured loans[3]		Uninsured loans[4]		Home equity lines of credit[5]		Total	
Quebec	$ 31,502	97.6%	$ 101,872	95.0%	$ 6,362	94.8%	$ 139,736	95.6%
Ontario	739	2.3	5,282	4.9	347	5.2	6,368	4.4
Other[6]	18	0.1	53	0.1	—	—	71	—
All geographic areas	$ 32,259	100.0%	$ 107,207	100.0%	$ 6,709	100.0%	$ 146,175	100.0%

(1) Represents all loans secured by a property with up to four units. Residential mortgages on properties with up to four units held outside of the caisse network in Quebec and Caisse Desjardins Ontario Credit Union Inc. totalled $235 million as at September 30, 2026 ($231 million as at June 30, 2026 and $228 million as at September 30, 2025).
(2) Caisse Desjardins Ontario Credit Union Inc. is not legally subject to the AMF rules but is instead subject to the Financial Services Regulatory Authority of Ontario (FSRA) rules.
(3) Term mortgages and the amortized portion of home equity lines of credit for which Desjardins Group has a full or partial guarantee or insurance from a mortgage insurer (public or private) or a government.
(4) Conventional term mortgages including the conventional amortized portion of home equity lines of credit and amortized consumer loans secured by a property with up to four units.
(5) Unamortized portion of home equity lines of credit and consumer lines of credit secured by a property with up to four units.
(6) Represents the geographic areas of Canada other than Quebec and Ontario.

Average loan-to-value (LTV) ratio for uninsured residential mortgages granted during the quarter
Caisse network in Quebec and Caisse Desjardins Ontario Credit Union Inc.[1]

(average loan-to-value ratio, by geographic area)	As at September 30, 2026			As at June 30, 2026			As at September 30, 2025		
	Uninsured loans[2]	Home equity lines of credit and related loans[3]	Total uninsured	Uninsured loans[2]	Home equity lines of credit and related loans[3]	Total uninsured	Uninsured loans[2]	Home equity lines of credit and related loans[3]	Total uninsured
Quebec	**66.2%**	**61.6%**	**63.2%**	66.5%	61.8%	63.2%	65.8%	61.5%	62.8%
Ontario	**66.4**	**65.2**	**65.8**	65.8	65.2	65.5	66.4	62.8	64.4
Other[4]	**79.8**	**44.0**	**67.5**	44.6	80.0	54.4	79.6	40.9	68.8
All geographic areas	**66.2%**	**61.8%**	**63.3%**	66.4%	61.9%	63.3%	65.9%	61.6%	62.9%

(1) Caisse Desjardins Ontario Credit Union Inc. is not legally subject to the AMF rules but rather to the FSRA rules.
(2) Conventional term mortgages and amortized consumer loans secured by a property with up to four units.
(3) Home equity lines of credit including related amortized loans and consumer lines of credit secured by a property with up to four units.
(4) Represents the geographic areas of Canada other than Quebec and Ontario.

The following table presents Desjardins Group's residential mortgage portfolio by remaining amortization period.

Remaining amortization period for residential mortgages[1][2]
Caisse network in Quebec and Caisse Desjardins Ontario Credit Union Inc.[3]

(in millions of dollars in gross loans and as a percentage of the total by remaining amortization category)	Total amortized loans					
	As at September 30, 2026		As at June 30, 2026		As at September 30, 2025	
0 to 10 years	**$ 10,070**	**6.8%**	$ 9,980	6.9%	$ 9,701	7.0%
10 to 20 years	**49,682**	**33.4**	49,173	33.8	45,775	32.8
20 to 25 years	**68,829**	**46.3**	68,278	47.0	70,242	50.3
25 to 30 years	**19,315**	**13.0**	16,854	11.6	11,707	8.4
30 to 35 years	**104**	**0.1**	121	0.1	148	0.1
35 years or more[4]	**665**	**0.4**	941	0.6	1,893	1.4
All amortization periods	**$ 148,665**	**100.0%**	$ 145,347	100.0%	$ 139,466	100.0%

(1) The caisse network's variable-rate mortgages represented 32.1% as at September 30, 2026 (30.8% as at June 30, 2026 and 27.3% as at September 30, 2025).

(2) In accordance with Desjardins Group's internal practices, the remaining amortization period for residential mortgages is limited to 30 years. However, exceeding this 30-year maximum amortization is permitted in certain exceptional situations.

(3) Caisse Desjardins Ontario Credit Union Inc. is not legally subject to the AMF rules but rather to the FSRA rules.

(4) Negative amortization loans are included in the 35 years or more category, which reflects the impact of interest rate hikes on the variable-rate mortgage portfolio.

International exposures

As at September 30, 2026, Desjardins Group credit risk exposures outside of Canada and the U.S. represented 1.9% of the total exposures.

Counterparty and issuer risk

Counterparty and issuer risk is a credit risk relative to different types of securities, derivative financial instrument and securities lending transactions.

The Risk Management Executive Division sets the maximum exposure for each counterparty and issuer based on quantitative and qualitative criteria. In addition, limits are set for certain financial instruments. The amounts are then allocated to different components based on their needs.

A large proportion of Desjardins Group's exposure is to the different levels of government in Canada, Quebec public and parapublic entities and major Canadian banks. For most of these counterparties and issuers, the credit rating is A- or higher. Apart from the U.S. sovereign debt holdings and commitments with major international banks, Desjardins Group's exposure to foreign entities is low.

MARKET RISK

Market risk refers to the risk of loss arising from changes in the fair value of financial instruments as a result of fluctuations in the parameters affecting this value, in particular, interest rates, exchange rates, credit spreads, equity prices and their volatility.

Desjardins Group is exposed to market risk through its trading activities, which result primarily from short-term transactions conducted with the intention of profiting from current price movements or to earn arbitrage revenue. Desjardins Group is also exposed to market risk through its non-trading activities, which group together mainly asset/liability management transactions in the course of its traditional banking activities as well as investment portfolios related to its insurance operations. Desjardins Group and its components have adopted policies that set out the principles, limits and procedures to use in managing market risk.

Link between market risk and the Combined Balance Sheets

The following table presents the link between the main Combined Balance Sheet data and the positions included in trading activities and non-trading activities. The principal market risks associated with non-trading activities are also indicated in the table.

Link between market risk and the Combined Balance Sheets

As at September 30, 2026

(in millions of dollars)	Combined Balance Sheets	Exposed to market risk		Not exposed to market risk	Principal risks associated with non-trading activities
		Trading activities[1][2]	Non-trading activities[3]		
Assets					
Cash and deposits with financial institutions	$ 7,281	$ —	$ 7,281	$ —	Interest rate
Securities					
Securities at fair value through profit or loss	49,195	17,980	31,215	—	Interest rate, FX, price
Securities at fair value through other comprehensive income	58,799	—	58,799	—	Interest rate, FX, price
Securities at amortized cost	37	—	37	—	Interest rate
Securities borrowed or purchased under reverse repurchase agreements	29,796	23,145	6,651	—	Interest rate
Loans, net of allowance for credit losses	331,398	—	331,398	—	Interest rate
Segregated fund net assets	37,282	—	37,282	—	Interest rate, price
Derivative financial instruments	13,165	1,212	11,953	—	Interest rate, FX, price
Other assets	20,277	—	—	20,277	
Total assets	$ 547,230	$ 42,337	$ 484,616	$ 20,277	
Liabilities and equity					
Deposits	$ 347,201	$ —	$ 347,201	$ —	Interest rate
Insurance contract liabilities	33,980	—	33,980	—	Interest rate
Commitments related to securities sold short	16,571	15,778	793	—	Interest rate
Commitments related to securities lent or sold under repurchase agreements	21,911	19,986	1,925	—	Interest rate
Derivative financial instruments	11,007	1,309	9,698	—	Interest rate, FX, price
Segregated fund net liabilities – Investment contracts	33,853	—	33,853	—	Interest rate, price
Other liabilities	33,667	—	595	33,072	Interest rate
Subordinated notes	4,923	—	4,923	—	Interest rate
Equity	44,117	—	—	44,117	
Total liabilities and equity	$ 547,230	$ 37,073	$ 432,968	$ 77,189	

See next page for table notes.

Link between market risk and the Combined Balance Sheets (continued)

As at December 31, 2025

(in millions of dollars)	Combined Balance Sheets	Exposed to market risk		Not exposed to market risk	Principal risks associated with non-trading activities
		Trading activities[1][2]	Non-trading activities[3]		
Assets					
Cash and deposits with financial institutions	$ 5,848	$ —	$ 5,848	$ —	Interest rate
Securities					
Securities at fair value through profit or loss	46,384	15,217	31,167	—	Interest rate, FX, price
Securities at fair value through other comprehensive income	59,251	—	59,251	—	Interest rate, FX, price
Securities at amortized cost	42	—	42	—	Interest rate
Securities borrowed or purchased under reverse repurchase agreements	22,809	15,703	7,106	—	Interest rate
Loans, net of allowance for credit losses	314,703	—	314,703	—	Interest rate
Segregated fund net assets	34,079	—	34,079	—	Interest rate, price
Derivative financial instruments	10,862	521	10,341	—	Interest rate, FX, price
Other assets	16,264	—	—	16,264	
Total assets	$ 510,242	$ 31,441	$ 462,537	$ 16,264	
Liabilities and equity					
Deposits	$ 329,494	$ —	$ 329,494	$ —	Interest rate
Insurance contract liabilities	34,737	—	34,737	—	Interest rate
Commitments related to securities sold short	15,913	15,128	785	—	Interest rate
Commitments related to securities lent or sold under repurchase agreements	15,937	11,768	4,169	—	Interest rate
Derivative financial instruments	8,861	653	8,208	—	Interest rate, FX, price
Segregated fund net liabilities – Investment contracts	30,496	—	30,496	—	Interest rate, price
Other liabilities	27,682	—	655	27,027	Interest rate
Subordinated notes	4,810	—	4,810	—	Interest rate
Equity	42,312	—	—	42,312	
Total liabilities and equity	$ 510,242	$ 27,549	$ 413,354	$ 69,339	

(1) Trading activity positions for which the risk measure is Value at Risk (VaR).
(2) The amounts presented under trading activities take inter-company eliminations into account.
(3) Positions mainly related to non-trading banking activities and insurance activities.

Management of market risk related to trading activities – Value at Risk

The market risk of trading portfolios is managed on a day-to-day basis under specific frameworks, which set out the risk factors that must be measured and the limit for each of these factors as well as the total. Tolerance limits are also provided for various stress testing. Compliance with these limits is monitored daily and a market risk dashboard is produced on a daily basis and reported to senior management. Any limit exceeded is immediately analyzed and the appropriate action is taken.

The main tool used to measure this risk is Value at Risk (VaR). VaR is an estimate of the potential loss over a certain period of time at a given confidence level. A Monte Carlo VaR is calculated daily on the trading portfolios, using a 99% confidence level and a holding horizon of one day. It is therefore reasonable to expect a loss exceeding the VaR figure once every 100 days. The calculation of VaR is based on historical data for a one-year interval.

The following table presents the aggregate VaR of trading activities. Equity price risk, foreign exchange risk and interest rate risk are the three market risk categories to which Desjardins Group is exposed. These risk factors are taken into account in measuring the market risk of the trading portfolio. They are reflected in the VaR table presented below. The definition of a trading portfolio meets the various criteria defined in the *Capital Adequacy Guideline* issued by the AMF.

Market risk measures for the trading portfolio

(in millions of dollars)	For the quarter ended September 30, 2026				For the quarters ended			
					June 30, 2026		September 30, 2025	
	As at September 30, 2026	Average	High	Low	As at June 30, 2026	Average	As at September 30, 2025	Average
Equities	**$ 0.2**	**$ 0.2**	**$ 0.4**	**$ 0.1**	$ 0.2	$ 0.5	$ 0.4	$ 0.5
Foreign exchange	**1.2**	**0.5**	**1.7**	**0.2**	0.8	0.6	0.2	0.5
Interest rate	**3.8**	**4.7**	**6.8**	**3.0**	6.1	5.6	4.4	5.6
Diversification effect[1]	**(1.1)**	**(0.8)**	**N/A[2]**	**N/A[2]**	(1.1)	(1.1)	(0.6)	(1.0)
Aggregate VaR	**$ 4.1**	**$ 4.6**	**$ 6.7**	**$ 3.1**	$ 6.0	$ 5.6	$ 4.4	$ 5.6

(1) Represents the risk reduction related to diversification, namely the difference between the sum of the VaR of the various market risks and the aggregate VaR.
(2) The highs and lows of the various market risk categories can refer to different dates. It is not relevant to calculate a diversification effect.

The average of the trading portfolio's aggregate VaR was $4.6 million for the quarter ended September 30, 2026, down $1.0 million compared to the quarter ended June 30, 2026.

Aggregate VaR is an appropriate measure for a trading portfolio but must be interpreted by taking into account certain limits, in particular the following ones:
- This measure does not allow future losses to be predicted if actual market fluctuations differ markedly from those used to do the calculations.
- This measure is used to determine the potential losses for a one-day holding period, not the losses on positions that cannot be liquidated or hedged during this one-day period.
- This measure does not provide information on potential losses beyond the selected confidence level of 99%.

Given these limitations, the process of monitoring trading activities using VaR is supplemented by stress testing and by establishing limits in this regard.

Structural interest rate risk management

Desjardins Group is exposed to structural interest rate risk, which represents the potential impact of interest rate fluctuations on net interest income and the economic value of equity. This risk is the main component of market risk for Desjardins Group's traditional non-trading banking activities, such as accepting deposits and granting loans, as well as for its securities portfolios used for long-term investment purposes and as liquidity reserves.

Interest rate sensitivity is based on the earlier of the repricing or the maturity date of the assets, liabilities and derivative financial instruments used to manage structural interest rate risk. The situation presented reflects the position on the date indicated and can change significantly in subsequent quarters depending on the preferences of Desjardins Group members and clients, and the application of policies on structural interest rate risk management.

Some Combined Balance Sheet items are considered non-interest-rate-sensitive instruments, including investments in equities, non-performing loans, non-interest-bearing deposits, non-maturity deposits with an interest rate not referenced to a specific rate (such as the prime rate), and equity. As dictated in its policies, Desjardins Group's management practices are based on prudent assumptions with respect to the maturity profile used in its models to determine the interest rate sensitivity of such instruments.

In addition to the total sensitivity gap, the main structural interest rate risk factors are:
- Trend in interest rate level and volatility.
- Changes in the shape of the interest rate curve.
- Member and client behaviour in their choice of products.
- Financial intermediation margin evolution.
- Optionality of the various financial products offered.

In order to mitigate these risk factors, sound and prudent management is applied to optimize net interest income while reducing the negative incidence of interest rate movements. The established policies describe the principles, limits and procedures that apply to structural interest rate risk management. Stress testing is used to measure the effect of different variables on changes in net interest income and the economic value of equity. These policies specify the structural interest rate risk factors, the risk measures selected, the risk tolerance levels and the management limits as well as the procedures in the event that limits are exceeded. Structural interest rate risk is assessed at the required frequency based on portfolio volatility (daily, monthly and quarterly).

The assumptions used in the stress testing are based on an analysis of historical data and on the effects of various interest rate environments on changes in such data. These assumptions concern changes in the structure of assets and liabilities, including modelling for non-maturity deposits, in member and client behaviour, and in pricing. Desjardins Group's Asset/Liability Committee is responsible for analyzing and approving the global matching strategy on a monthly basis while respecting the parameters defined in structural interest rate risk management policies.

The table below presents the potential impact before income taxes, with regard to structural interest rate risk management associated with banking activities, of a sudden and sustained 100-basis-point increase or decrease in interest rates on net interest income and the economic value of equity for Desjardins Group, assuming the balance sheet is stable and management takes no measures to mitigate risk.

Interest rate sensitivity (before income taxes)

	As at September 30, 2026		As at June 30, 2026		As at September 30, 2025	
(in millions of dollars)	Net interest income[1]	Economic value of equity[2]	Net interest income[1]	Economic value of equity[2]	Net interest income[1]	Economic value of equity[2]
Impact of a 100-basis-point increase in interest rates	**$ (1)**	**$ (1,581)**	$ 69	$ (1,443)	$ 50	$ (1,202)
Impact of a 100-basis-point decrease in interest rates	**28**	**1,620**	(32)	1,402	(16)	1,070

(1) Represents the interest rate sensitivity of net interest income for the next 12 months.
(2) Represents the sensitivity of the present value of assets, liabilities and off-balance sheet instruments.

LIQUIDITY RISK

Risk of loss stemming from difficulties or the Desjardins Group's inability to meet its liquidity obligations in a timely manner and at a reasonable cost.

Desjardins Group manages liquidity risk in order to ensure that it has timely and cost-effective access to the funds needed to meet its financial obligations as they become due, in both routine and crisis situations. Managing this risk involves maintaining a sufficient level of liquid securities, ensuring stable and diversified sources of funding, monitoring indicators and having a contingency plan in the event of a liquidity crisis.

Liquidity risk management is a key component of the overall risk management strategy. Desjardins Group has established policies describing the principles, limits, risk appetite thresholds as well as the procedures that apply to liquidity risk management. These policies are reviewed on a regular basis to ensure that they are appropriate for the operating environment and prevailing market conditions. They are also updated to reflect regulatory requirements and sound liquidity risk management practices. Given that the insurance companies are subject to specific regulatory requirements, they manage their liquidity risks based on their own needs while following Desjardins Group guidelines. The securities held by these components are not taken into account in the valuation of Desjardins Group's liquidity reserves.

Desjardins Group's Treasury ensures stable and diversified sources of institutional funding by type, source and maturity. It uses a wide range of financial products and borrowing programs on various markets for its funding needs. Through these operations, the funding needs of Desjardins Group components can be satisfied under conditions comparable to those offered on financial markets.

Furthermore, Desjardins Group issues covered bonds and securitizes loans insured by Canada Mortgage and Housing Corporation (CMHC) in the course of its day-to-day operations. Desjardins Group is also eligible for the Bank of Canada's various intervention programs and loan facilities for Emergency Lending Assistance advances.

Basel III standards strengthen international minimum liquidity requirements through the application of a liquidity coverage ratio (LCR), a net stable funding ratio (NSFR) and the use of Net Cumulative Cash Flow (NCCF). Under its liquidity risk management policy, Desjardins Group already produces and regularly reports on these ratios to the AMF.

Following the review of its *Liquidity Adequacy Guideline* which came into effect on January 1, 2026, the AMF published a new version of the Guideline that will take effect on January 1, 2027. This revised Guideline specifies the accounting treatment of deposits from non-banking financial intermediaries as well as the definition of interest-rate-sensitive deposits. These adjustments will not have a significant impact on Desjardins Group's liquidity ratios or practices.

Liquidity risk measurement and monitoring

Desjardins Group determines its liquidity needs by reviewing its current operations and evaluating its future forecasts for balance sheet growth and institutional funding conditions. Various analyses are used to determine the actual liquidity levels of assets and the stability of liabilities based on observed behaviours or contractual maturities. Maintaining liquidity reserves of high-quality assets is required to offset potential cash outflows following a disruption in financial markets, or events that would restrict its access to funding or result in a serious run on deposits.

The minimum liquid asset levels to be maintained by Desjardins Group are specifically prescribed by policies. Daily management of these securities and the reserve level to be maintained is centralized at Desjardins Group Treasury and is subject to monitoring by the Risk Management function under the supervision of the Desjardins Group Finance and Risk Management Committee. Securities eligible for liquidity reserves must meet high security and negotiability criteria and provide assurance of their adequacy in the event of a severe liquidity crisis.

In addition to complying with regulatory ratios, a Desjardins-wide stress testing program has been set up. This program incorporates the concepts put forward by the BCBS in *Basel III: International Framework for Liquidity Risk Measurement, Standards and Monitoring.* The scenarios make it possible to:

- measure the extent of potential cash outflows in a crisis situation;
- implement liquidity ratios and levels to be maintained across Desjardins Group;
- assess the potential marginal cost of such events, depending on the type, severity and level of the crisis.

Liquidity risk indicators

The purpose of monitoring liquidity indicators daily is to quickly identify a lack of liquidity, whether potential or real, within Desjardins Group and on financial markets. Warning levels subject to an escalation process are established for each of these indicators. If one or more indicators trigger a warning level, the relevant senior executives are alerted, depending on the nature of the incident. The senior executives would act as plan owners should the contingency plan be put into action.

This plan lists the sources of liquidity available in exceptional situations. In addition, it lays down the decision-making and information process. The aim of the plan is to allow quick and effective intervention in order to minimize disruptions caused by sudden changes in member and client behaviour and potential disruptions in capital markets or economic conditions. Furthermore, in the event of a crisis extensive enough to question Desjardins Group's creditworthiness, a living will has been prepared to enable those responsible to draw on a broader range of liquidity sources to deal with the situation.

Liquid assets

The following tables present a summary of Desjardins Group's liquid assets, which do not include assets held by the insurance subsidiaries because those assets are committed to covering insurance liabilities and not the liquidity needs of Desjardins Group's other components. Liquid assets constitute Desjardins Group's primary liquidity reserve for all its operations. Encumbered liquid assets mainly include liquid assets that are pledged as collateral or cannot be used due to regulatory, legal, operational or other restrictions.

Liquid assets[1]

As at September 30, 2026

(in millions of dollars)	Liquid assets held by Desjardins Group	Securities held as collateral – Securities financing and derivatives trading	Total liquid assets	Encumbered liquid assets	Unencumbered liquid assets
Cash and deposits with financial institutions	**$ 5,345**	**$ —**	**$ 5,345**	**$ 850**	**$ 4,495**
Securities					
Issued or guaranteed by Canada, provinces and municipal corporations in Canada, school or public corporations in Canada, and foreign public administrations	**61,227**	**28,907**	**90,134**	**36,647**	**53,487**
Other securities in Canada	**9,574**	**2,142**	**11,716**	**2,671**	**9,045**
Issued or guaranteed by foreign issuers	**567**	**79**	**646**	**90**	**556**
Loans					
Insured residential mortgage-backed securities	**11,254**	**—**	**11,254**	**826**	**10,428**
Total	**$ 87,967**	**$ 31,128**	**$ 119,095**	**$ 41,084**	**$ 78,011**

As at December 31, 2025

(in millions of dollars)	Liquid assets held by Desjardins Group	Securities held as collateral – Securities financing and derivatives trading	Total liquid assets	Encumbered liquid assets	Unencumbered liquid assets
Cash and deposits with financial institutions	$ 5,047	$ —	$ 5,047	$ 675	$ 4,372
Securities					
Issued or guaranteed by Canada, provinces and municipal corporations in Canada, school or public corporations in Canada, and foreign public administrations	60,228	22,441	82,669	32,152	50,517
Other securities in Canada	7,755	1,304	9,059	1,508	7,551
Issued or guaranteed by foreign issuers	348	18	366	20	346
Loans					
Insured residential mortgage-backed securities	14,542	—	14,542	1,020	13,522
Total	$ 87,920	$ 23,763	$ 111,683	$ 35,375	$ 76,308

[1] Excluding assets held by insurance subsidiaries.

Unencumbered liquid assets by entity[1]

(in millions of dollars)	As at September 30, 2026	As at December 31, 2025
Federation	**$ 60,045**	$ 54,177
Caisse network	**14,656**	19,135
Other entities	**3,310**	2,996
Total	**$ 78,011**	$ 76,308

(1) Excluding assets held by insurance subsidiaries. Substantially all unencumbered liquid assets presented in this table are issued in Canadian dollars.

Encumbered assets

In the course of its day-to-day operations, Desjardins Group pledges securities, loans and other assets as collateral, mainly with regard to financing operations, participation in clearing and payments systems and operations related to insurance contract liabilities.

The following tables present, for all assets on the Combined Balance Sheets and securities held as collateral, those that are encumbered as well as those that may be pledged as collateral as part of funding or other transactions.

Encumbered assets

As at September 30, 2026

(in millions of dollars)	Combined Balance Sheet assets	Securities held as collateral	Total assets	Breakdown of total assets			
				Encumbered assets		Unencumbered assets	
				Pledged as collateral	Other[1]	Available as collateral	Other[2]
Cash and deposits with financial institutions	**$ 7,281**	**$ —**	**$ 7,281**	**$ 200**	**$ 850**	**$ 4,295**	**$ 1,936**
Securities	**108,031**	**35,255**	**143,286**	**43,878**	**2,090**	**60,653**	**36,665**
Securities borrowed or purchased under reverse repurchase agreements	**29,796**	**—**	**29,796**	**—**	**—**	**—**	**29,796**
Loans, net of allowance for credit losses	**331,398**	**—**	**331,398**	**52,445**	**—**	**91,971**	**186,982**
Segregated fund net assets	**37,282**	**—**	**37,282**	**—**	**—**	**—**	**37,282**
Other assets	**33,442**	**—**	**33,442**	**—**	**—**	**—**	**33,442**
Total	**$ 547,230**	**$ 35,255**	**$ 582,485**	**$ 96,523**	**$ 2,940**	**$ 156,919**	**$ 326,103**

As at December 31, 2025

(in millions of dollars)	Combined Balance Sheet assets	Securities held as collateral	Total assets	Breakdown of total assets			
				Encumbered assets		Unencumbered assets	
				Pledged as collateral	Other[1]	Available as collateral[3]	Other[2][3]
Cash and deposits with financial institutions	$ 5,848	$ —	$ 5,848	$ 202	$ 675	$ 4,170	$ 801
Securities	105,677	32,180	137,857	42,339	1,091	57,081	37,346
Securities borrowed or purchased under reverse repurchase agreements	22,809	—	22,809	—	—	—	22,809
Loans, net of allowance for credit losses[3]	314,703	—	314,703	46,300	—	83,876	184,527
Segregated fund net assets	34,079	—	34,079	—	—	—	34,079
Other assets	27,126	—	27,126	—	—	—	27,126
Total	$ 510,242	$ 32,180	$ 542,422	$ 88,841	$ 1,766	$ 145,127	$ 306,688

(1) Assets that cannot be used for legal or other reasons.

(2) "Other" unencumbered assets include those of the insurance companies as well as other assets that in management's opinion would not be immediately available for collateral or funding purposes in their current form. Some of these other assets could eventually be assigned to the central bank as collateral.

(3) Comparative figures have been restated to conform with the presentation for the current year due to a more refined methodology.

Liquidity coverage ratio

The liquidity coverage ratio (LCR) was developed by the BCBS to promote the short-term resilience of the liquidity risk profile of financial institutions, and incorporated into the *Liquidity Adequacy Guideline* issued by the AMF. The LCR is the ratio of a stock of unencumbered high-quality liquid assets to net cash outflows over the next 30 days in the event of an acute liquidity stress scenario.

Under the AMF's *Liquidity Adequacy Guideline*, high-quality liquid assets qualifying for the purpose of calculating the LCR consist of assets that can be converted quickly into cash at little or no loss of value on financial markets. For Desjardins Group, such high-quality liquid assets are comprised primarily of cash and highly rated securities issued or guaranteed by various levels of government. This guideline also prescribes weightings for cash inflows and outflows.

The AMF stipulates that this ratio is not to be less than the minimum requirements of 100% in the absence of stressed conditions. This ratio is proactively managed by Desjardins Group's Treasury, and an appropriate level of high-quality liquid assets is maintained for adequate coverage of the theoretical cash outflows associated with the standardized crisis scenario within the Basel III framework. Desjardins Group's main sources of theoretical cash outflows are a potential serious run on member and client deposits and a sudden drying-up of the short-term institutional funding sources used on a day-to-day basis by Desjardins Group.

The table below presents quantitative information regarding the LCR, based on the template recommended in the AMF's *Liquidity Adequacy Guideline* for disclosure requirements.

Liquidity coverage ratio[1]

	For the quarter ended September 30, 2026		For the quarter ended June 30, 2026
(in millions of dollars and as a percentage)	Total non-weighted value[2] (average[3])	Total weighted value[4] (average[3])	Total weighted value[4] (average[3])
High-quality liquid assets			
Total high-quality liquid assets	**N/A**	**$ 70,305**	$ 72,172
Cash outflows			
Retail deposits and small business deposits, including:	**$ 115,688**	**9,229**	9,026
Stable deposits	**53,559**	**1,607**	1,608
Less stable deposits	**62,129**	**7,622**	7,418
Unsecured wholesale funding, including:	**56,782**	**23,285**	22,142
Operational deposits (all counterparties) and deposits in cooperative bank networks	**18,801**	**4,566**	4,406
Non-operational deposits (all counterparties)	**32,209**	**12,947**	11,992
Unsecured debt	**5,772**	**5,772**	5,744
Secured wholesale funding	**N/A**	**579**	572
Additional requirements, including:	**28,633**	**6,352**	5,680
Outflows related to exposures on derivatives and other collateral required	**2,262**	**2,262**	2,225
Outflows related to funding loss on debt products	**768**	**768**	144
Credit and liquidity facilities	**25,603**	**3,322**	3,311
Other contractual funding liabilities	**3,918**	**1,768**	2,311
Other contingent funding liabilities	**96,418**	**2,783**	2,650
Total cash outflows	**N/A**	**$ 43,996**	$ 42,381
Cash inflows			
Secured loans (e.g., reverse repurchase agreements)	**$ 27,523**	**$ 928**	$ 876
Inflows related to completely effective exposures	**4,300**	**2,150**	2,042
Other cash inflows	**71**	**71**	151
Total cash inflows	**$ 31,894**	**$ 3,149**	$ 3,069

	Total adjusted value[5]	Total adjusted value[5]
Total high-quality liquid assets	**$ 70,305**	$ 72,172
Total net cash outflows	**40,847**	39,312
Liquidity coverage ratio	**172%**	184%

(1) Excluding the insurance subsidiaries.
(2) The non-weighted values of cash inflows and outflows represent unpaid balances either maturing or falling due and payable within 30 days.
(3) The ratio is presented based on the average daily data for the quarter.
(4) Weighted values are calculated after the "haircuts" prescribed for high-quality liquid assets and the rates prescribed for cash inflows and outflows have been applied.
(5) The total adjusted value takes into account, if applicable, the caps prescribed by the AMF for high-quality liquid assets and cash inflows.

Desjardins Group's average LCR was 172% for the quarter ended September 30, 2026, compared to 184% for the previous quarter. This ratio largely exceeds regulatory requirements. For the quarter ended September 30, 2026, the high quality liquid asset average was approximately $70.3 billion, of which 95% (96% as at June 30, 2026) was composed of Level 1 assets according to Basel III criteria, a decrease of $1.9 billion compared to June 30, 2026. These include, in particular, coins and banknotes, deposits with central banks, and securities issued or secured by sovereign issuers.

Net stable funding ratio

The net stable funding ratio (NSFR) was developed by the BCBS to promote the medium- and long-term resilience of the liquidity risk profile of financial institutions, and was incorporated into the AMF's *Liquidity Adequacy Guideline*. The NSFR requires financial institutions to maintain a stable funding and capitalization profile in relation to the composition of their assets and off-balance sheet activities. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk for all on- and off-balance sheet items, and promotes funding stability.

This ratio presents the amount of available stable funding (ASF) relative to the amount of required stable funding (RSF). The amount of ASF designates the portion of capital and liabilities considered stable over a one-year horizon. Liabilities with the longest contractual maturities are the most significant contributors to the increase in the ratio. The ASF is composed mainly of capital, retail and business deposits, as well as wholesale funding liabilities. The amount of RSF is measured based on the broad characteristics of the liquidity risk profile of assets and off-balance sheet exposures. The RSF is composed mainly of mortgages, other institutional loans and, to a lesser extent, other assets and off-balance sheet items. The amounts of ASF and RSF are weighted to reflect the degree of stability of liabilities and the liquidity of assets. According to the AMF's *Liquidity Adequacy Guideline*, this ratio should be equal to at least 100% on an ongoing basis.

The table below presents quantitative information regarding the NSFR, based on the template recommended in the AMF's *Liquidity Adequacy Guideline* for disclosure requirements.

Net Stable Funding Ratio[1]

	As at September 30, 2026					As at June 30, 2026
	Unweighted value by residual maturity					
(in millions of dollars and as a percentage)	No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value	Weighted value
Available Stable Funding (ASF) item						
Capital	$ 45,436	$ —	$ —	$ 4,023	$ 49,459	$ 50,824
Regulatory capital	45,436	—	—	4,023	49,459	50,824
Other capital instruments	—	—	—	—	—	—
Retail deposits and deposits from small business customers	81,314	48,603	21,412	40,529	178,440	180,668
Stable deposits	47,470	7,054	5,759	11,028	68,297	69,838
Less stable deposits	33,844	41,549	15,653	29,501	110,143	110,830
Wholesale funding	35,124	65,256	6,894	36,563	70,443	71,103
Operational deposits	19,627	—	—	—	9,814	9,351
Other wholesale funding	15,497	65,256	6,894	36,563	60,629	61,752
Liabilities with matching interdependent assets	—	530	1,097	24,834	—	—
Other liabilities[2]	36,703			25,555	—	—
NSFR derivative liabilities[2]	N/A			7,396	N/A	N/A
All other liabilities and equity not included in the above categories	36,703	18,159	—	—	—	—
Total ASF	N/A	N/A	N/A	N/A	$ 298,342	$ 302,595
Required Stable Funding (RSF) item						
Total NSFR high-quality liquid assets	N/A	N/A	N/A	N/A	$ 1,041	$ 963
Deposits held by other financial institutions for operational purposes	$ —	$ —	$ —	$ —	—	—
Performing loans and securities	23,797	82,935	44,887	186,342	208,309	204,832
Performing loans to financial institutions secured by Level 1 high-quality liquid assets	—	28,058	—	—	1,403	1,409
Performing loans to financial institutions secured by non-Level 1 high-quality liquid assets and unsecured performing loans to financial institutions	—	3,537	—	400	764	716
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:	17,351	31,902	19,890	79,560	105,931	106,696
Loans with a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	—	11,789	7,244	11,698	7,604	7,526
Performing residential mortgages, of which:	6,442	17,677	23,314	105,461	97,702	93,434
Loans with a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	6,442	17,677	23,314	105,461	97,702	93,434
Securities that are not in default and do not qualify as high-quality liquid assets, including exchange-traded equities	4	1,761	1,683	921	2,509	2,577
Assets with matching interdependent liabilities	—	530	1,097	24,834	—	—
Other assets[2]	—			43,589	20,165	19,136
Physical traded commodities, including gold	—	N/A	N/A	N/A	—	—
Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties[2]	N/A			1,566	1,331	671
NSFR derivative assets[2]	N/A			13,093	531	506
NSFR derivative liabilities before deduction of variation margin posted[2]	N/A			10,627	—	—
All other assets not included in the above categories	—	1	1	18,301	18,303	17,959
Off-balance sheet items[2]	N/A			121,782	3,208	3,161
Total RSF	N/A	N/A	N/A	N/A	$ 232,723	$ 228,092
Net Stable Funding Ratio	N/A	N/A	N/A	N/A	128%	133%

(1) Excluding the insurance subsidiaries.
(2) The amounts in these lines include the categories of residual maturities of less than 6 months, 6 months to less than 1 year and 1 year or more.

For the quarter ended September 30, 2026, the NSFR ratio stood at 128%, compared to 133% for the previous quarter. This decrease is attributable to a slight decline in the amount of available stable funding, combined with a more significant increase in the stable funding required, which is attributable to loan growth. The ratio continues to largely exceed the regulatory requirements.

Sources of funding

Core funding, which includes capital, long-term liabilities and a diversified deposit portfolio, is the foundation upon which Desjardins Group's liquidity position depends. The solid base of deposits from individuals combined with wholesale funding, diversified in terms of both the programs used as well as the staggering of contractual maturities, allows Desjardins Group to maintain high regulatory liquidity ratios while ensuring their stability. Total deposits, including wholesale funding, presented on the Combined Balance Sheets amounted to $347.2 billion as at September 30, 2026, up $17.7 billion since December 31, 2025. Additional information on deposits is presented in the "Balance sheet management" section of this MD&A.

Funding programs and strategies

As Desjardins Group's treasurer, the Federation meets the needs of the organization's members and clients. Its first priority is to implement appropriate strategies to identify, measure and manage risks, and these strategies are regulated by policies. In the first nine months of 2026, the Federation maintained a liquidity level sufficient to meet Desjardins Group's needs through its strict treasury policy, solid institutional funding and sustained growth in member and client savings during the period. Short-term wholesale funding is used to finance very liquid assets while long-term wholesale funding is mainly used to finance less liquid assets and to support reserves of liquid assets.

In order to secure long-term funding at the lowest cost on the market, the Federation maintains an active presence in the federally guaranteed mortgage loan securitization market under the *National Housing Act* (NHA) Mortgage-Backed Securities Program. In addition, to ensure stable funding, it diversifies its sources from institutional markets. It therefore resorts to the capital markets when conditions are favourable, and makes public and private issues of term notes on Canadian, U.S. and international markets, as required.

The main programs currently used by the Federation are as follows:

Main funding programs

	As at September 30, 2026
	Maximum authorized amount
Short-term notes (U.S.)	**US$20 billion**
Short-term notes (multi-currency)	**€5 billion**
Medium-term notes (Canadian)[1]	**$13 billion**
Medium-term and subordinated notes (multi-currency)[1]	**€15 billion**
Medium-term and subordinated notes (Australian)[1]	**AU$3 billion**
Covered bonds (multi-currency)[1][2]	**$32 billion**
Tier 2 NVCC subordinated notes (Canadian)[1]	**$9 billion**

(1) Sustainable bonds may be issued under these funding programs in compliance with the Desjardins Sustainable Bond Framework.
(2) The maximum authorized amount remains subject to the prudential limit set by the AMF.

The following table presents the remaining terms to maturity of wholesale funding.

Remaining contractual term to maturity of wholesale funding

	As at September 30, 2026								As at December 31, 2025
(in millions of dollars)	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total – Less than 1 year	1 to 2 years	Over 2 years	Total	Total
Bearer discount notes	**$ 487**	**$ 121**	**$ 4**	**$ 7**	**$ 619**	**$ —**	**$ —**	**$ 619**	$ 1,071
Commercial paper	**5,955**	**1,589**	**5,577**	**1,921**	**15,042**	**—**	**—**	**15,042**	19,418
Medium-term notes[1]	**—**	**—**	**2,062**	**1,686**	**3,748**	**4,289**	**12,447**	**20,484**	17,182
Mortgage loan securitization	**—**	**396**	**130**	**1,089**	**1,615**	**1,512**	**23,105**	**26,232**	22,517
Covered bonds	**1,067**	**943**	**1,209**	**451**	**3,670**	**5,901**	**9,563**	**19,134**	17,999
Subordinated notes	**—**	**—**	**—**	**—**	**—**	**—**	**4,923**	**4,923**	4,810
Total	**$ 7,509**	**$ 3,049**	**$ 8,982**	**$ 5,154**	**$ 24,694**	**$ 11,702**	**$ 50,038**	**$ 86,434**	$ 82,997
Including:									
Secured	**$ 1,067**	**$ 1,339**	**$ 1,339**	**$ 1,540**	**$ 5,285**	**$ 7,413**	**$ 32,668**	**$ 45,366**	$ 40,516
Unsecured	**6,442**	**1,710**	**7,643**	**3,614**	**19,409**	**4,289**	**17,370**	**41,068**	42,481

(1) As at September 30, 2026, total senior medium- and long-term debt issued and eligible for the bail-in regime applicable to Desjardins Group amounts to $20,484 million.

Desjardins Group's total wholesale funding shown in the table above was carried out by the Federation. Total wholesale funding increased $3.4 billion compared to December 31, 2025, driven mainly by growth in mortgage loan securitization, medium-term notes and covered bonds offset, notably, by commercial paper. Desjardins Group does not foresee any event, commitment or requirement that could have a major impact on its ability to raise funds through wholesale funding or its members' and clients' deposits.

In addition, Desjardins Group diversifies its funding sources in order to limit its reliance on a single currency. The "Wholesale funding by currency" table presents a breakdown of borrowings on markets and subordinated notes by currency. These funds are obtained primarily through short- and medium-term notes, mortgage loan securitization, covered bonds and subordinated notes.

Wholesale funding by currency

(in millions of dollars and as a percentage)	As at September 30, 2026		As at December 31, 2025[1]	
Canadian dollars	**$ 37,341**	**43.2%**	$ 33,498	40.4%
U.S. dollars	**24,639**	**28.5**	25,841	31.1
Euros	**12,071**	**14.0**	13,059	15.7
Other	**12,383**	**14.3**	10,599	12.8
Total	**$ 86,434**	**100.0%**	$ 82,997	100.0%

[1] Some data have been reclassified to conform with the presentation for the current period.

Moreover, the Federation participated in new issues under the NHA Mortgage-Backed Securities Program for a total amount of $4.9 billion in the first nine months of 2026. The Federation also made the following issues:

- On January 16, 2026, an issue totalling C$1.5 billion subject to the bail-in regime, under its medium-term note program.
- On January 21, 2026, an issue totalling €1.0 billion subject to the bail-in regime, under its multi-currency medium-term note program.
- On March 3, 2026, an issue totalling C$1.0 billion in subordinated notes eligible as Tier 2 NVCC under its Canadian Tier 2 NVCC subordinated notes program.
- On March 20, 2026, an issue totalling US$1.0 billion under its legislative covered bond program.
- On May 27, 2026, an issue totalling US$750 million subject to the bail-in regime, under its multi-currency medium-term note program.
- On May 27, 2026, an issue totalling €750 million under its legislative covered bond program.
- On May 29, 2026, an issue totalling US$565 million subject to the bail-in regime, under its multi-currency medium-term note program.
- On June 4, 2026, an issue totalling 24.0 billion yen in Tier 2 NVCC-eligible subordinated notes under its multi-currency medium-term note program.
- On September 1, 2026, the reopening of C$500 million, subject to the bail-in regime under the Canadian medium-term note program and in accordance with the Desjardins sustainable Bond Framework, bringing total capital for this series to C$1 billion.
- On September 1, 2026, an issue totalling 175 million Swiss francs under its legislative covered bond program.
- On September 4, 2026, an issue totalling £400 million subject to the bail-in regime under its multi-currency medium-term note program.

Outstanding notes issued under the Federation's medium-term funding programs amounted to $65.9 billion as at September 30, 2026, compared to $57.7 billion as at December 31, 2025. The outstanding notes for these issues are presented under "Deposits – Business and government" on the Combined Balance Sheets.

Overall, these transactions made it possible to adequately meet the liquidity needs of Desjardins Group, to diversify its sources of funding and to further extend the average term.

Credit ratings of securities issued and outstanding

Desjardins Group's credit ratings affect its ability to access sources of funding on capital markets, as well as the conditions of such funding. They are also a factor considered in certain Desjardins Group transactions involving counterparties.

Rating agencies assign credit ratings and related ratings outlooks based on their own proprietary methodology, which includes a number of analytical criteria, including factors that are not under Desjardins Group's control. The rating agencies evaluate Desjardins Group on a combined basis and recognize its capitalization, its consistent financial performance, its significant market shares in Quebec and the quality of its assets. Consequently, the credit ratings of the Federation, a reporting issuer, are backed by Desjardins Group's financial strength.

The Federation has first-class credit ratings that are among the best of the major Canadian and international banking institutions.

Highlighted decisions by rating agencies concerning Desjardins Group's instruments:

- On May 12, 2026, Fitch revised the long-term deposit credit rating of Desjardins from 'AA' to 'AA+'. On July 30, 2026, Fitch revised the derivative counterparty rating and the rating for senior medium- and long-term debt excluded from the internal recapitalization (bail-in) regime of Desjardins, from 'AA' to 'AA+'. Fitch also confirmed the ratings assigned to other instruments issued by the Federation, while maintaining their outlook as "stable".
- On July 10, 2026, DBRS maintained the ratings of the instruments issued by the Federation and their outlook as "stable".
- On July 30, 2026, Moody's placed the counterparty risk assessment, as well as the credit rating for Desjardins' senior medium- and long-term debt excluded from the bail-in regime of Desjardins, under review for upgrade. Moody's also maintained the ratings of the other instruments issued by the Federation and their outlook as "stable". On October 28, 2026, Moody's revised the counterparty risk assessment and the rating for senior medium- and long-term debt excluded from the bail-in regime of Desjardins, from 'Aa2' to 'Aa1'.
- On October 7, 2026, Standard & Poor's maintained the ratings of the instruments issued by the Federation and their outlook as "stable".

The following table shows the different credit ratings assigned to the Federation's financial instruments.

Credit ratings of securities issued and outstanding

	DBRS	FITCH	MOODY'S	STANDARD & POOR'S
Fédération des caisses Desjardins du Québec				
Counterparty/Deposits[1]	**AA**	**AA+**	**Aa1**	**A+**
Short-term debt	**R-1 (high)**	**F1+**	**P-1**	**A-1**
Medium- and long-term debt, senior excluded from bail-in regime[2]	**AA**	**AA+**	**Aa1**	**A+**
Medium- and long-term debt, senior[3]	**AA (low)**	**AA-**	**A1**	**A-**
Tier 2 NVCC subordinated notes	**A (low)**	**A**	**A2**	**BBB+**
Covered bonds	**—**	**AAA**	**Aaa**	**—**
Outlook	**Stable**	**Stable**	**Stable**	**Stable**

(1) Represents Moody's long-term deposit rating and counterparty risk rating, S&P's issuer credit rating, DBRS's long-term deposit rating, and Fitch's long-term deposit rating and derivative counterparty rating.

(2) Includes issuable senior medium- and long-term debt that would be excluded from the bail-in regime applicable to Desjardins Group.

(3) Includes issued senior medium- and long-term debt that qualifies for the bail-in regime applicable to Desjardins Group.

Desjardins Group regularly monitors the additional level of obligations that its counterparties would require in the event of a credit rating downgrade for the Federation. This monitoring enables Desjardins Group to assess the impact of such a downgrade on its funding capabilities and its ability to perform transactions in the normal course of its operations as well as ensure that it has the additional liquid assets and collateral to meet its obligations. Currently, Desjardins Group is not obliged to provide additional collateral in the event of its credit rating being lowered three notches by one or more credit rating agencies.

ADDITIONAL INFORMATION

CONTROLS AND PROCEDURES

During the nine-month period ended September 30, 2026, Desjardins Group made no changes to its policies, procedures or other processes with regard to internal control that materially affected, or may materially affect, internal control over financial reporting. The parties involved and their responsibilities regarding such internal control are described on pages 92 and 93 of the Desjardins Group's 2025 annual MD&A.

RELATED PARTY DISCLOSURES

In the normal course of operations, Desjardins Group offers financial services to related parties, including its associates, joint ventures and other related companies, and enters into agreements for operating services with them. It also pays its key management personnel compensation on terms similar to those offered to unrelated parties.

Furthermore, Desjardins Group provides its financial products and services to its directors, its key management personnel and the persons related to them on terms similar to those offered to unrelated parties.

Desjardins Group has set up a process to obtain assurance that all transactions with its officers and the persons related to them have been carried out on terms similar to those offered to unrelated parties and in compliance with the legislative framework for its various components. These policies and procedures have not changed significantly since December 31, 2025.

Additional information on related party transactions is provided in Note 30, "Related party disclosures," to the Annual Combined Financial Statements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

A description of the accounting policies used by Desjardins Group is essential to understanding the Annual and Interim Combined Financial Statements. The significant accounting policies are described in Note 2, "Accounting policies," to Desjardins Group's Annual Combined Financial Statements on pages 123 to 143 of the 2025 Annual Report, except for the changes described in the "Changes in accounting policies" section of Note 2, "Accounting policies," to the Desjardins Group's Interim Combined Financial Statements following the adoption of amendments to IFRS 7, *"Financial Instruments: Disclosures"*, and IFRS 9, *"Financial Instruments"*.

Some of these policies are of particular importance in presenting Desjardins Group's financial position and operating results because they require management to make judgments as well as estimates and assumptions that affect the reported amounts of some assets, liabilities, income and expenses, as well as related information. Explanations of the significant accounting policies that have required management to make difficult, subjective or complex judgments, often about matters that are inherently uncertain, are provided on pages 93 to 99 of the 2025 annual MD&A. No significant changes were made to these accounting policies during the first nine months of 2026.

All the accounting policies that required management to make difficult, subjective or complex judgments, often about matters that are inherently uncertain, are presented in Note 1, "Basis of presentation," to the Annual Combined Financial Statements, except for the changes described in the "Changes in accounting policies" section of Note 2, "Accounting policies" to these Interim Combined Financial Statements of the Desjardins Group.

The global economic and geopolitical conditions continue to have an impact on the judgments and significant estimates and assumptions made by management in preparing the Interim Combined Financial Statements for the nine-month period ended September 30, 2026. The judgments, estimates and assumptions that will be made for future periods will be reassessed in light of the development of these highly uncertain conditions and could therefore differ from those made in preparing the Interim Combined Financial Statements for the nine-month period ended September 30, 2026. Desjardins Group is closely monitoring developments and their impact on its surplus earnings and financial position.

FUTURE ACCOUNTING CHANGES

Accounting standards issued by the IASB but not yet effective as at December 31, 2025 are described in Note 2, "Accounting policies," to Desjardins Group's Annual Combined Financial Statements, on pages 142 and 143 of the 2025 Annual Report. The IASB has since issued amendments to the following standard:

IAS 28, *"INVESTMENTS IN ASSOCIATES AND JOINT VENTURES"*

In June 2026, the IASB issued amendments to IAS 28, *"Investments in Associates and Joint Ventures,"* to clarify which entities are eligible to measure their investments in associates and joint ventures using the fair value option. The amendments clarify that an entity whose primary business is investing in particular types of assets, consistent with the concept introduced by IFRS 18, *"Presentation and Disclosure in Financial Statements"*, may be considered a similar entity for purposes of applying this option.

Desjardins Group is assessing the impact of these amendments that will apply for fiscal periods beginning on or after January 1, 2027.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE AMF'S DECISION N^{O} 2021-FS-0091

In addition to the entities comprising the Desjardins Cooperative Group (as defined under "Desjardins Group profile") and the subsidiaries of such entities, Desjardins Group's Combined Financial Statements include Caisse Desjardins Ontario Credit Union Inc. (CDO). The CDO's financial information compared to that of Desjardins Group is presented in the table below.

CDO financial information

	As at September 30, 2026			As at December 31, 2025		
(in millions of dollars and as a percentage)	CDO	Desjardins Group Combined Balance Sheets	% proportion	CDO	Desjardins Group Combined Balance Sheets	% proportion
Total assets	**$ 19,714**	**$ 547,230**	**3.6%**	$ 15,190	$ 510,242	3.0%
Total liabilities	**18,775**	**503,113**	**3.7**	14,280	467,930	3.1
Total equity	**939**	**44,117**	**2.1**	910	42,312	2.2

	For the three-month periods ended									For the nine-month periods ended					
	September 30, 2026			June 30, 2026			September 30, 2025			September 30, 2026			September 30, 2025		
(in millions of dollars and as a percentage)	CDO	Desjardins Group Combined Statements of Income	% pro-portion	CDO	Desjardins Group Combined Statements of Income	% pro-portion	CDO	Desjardins Group Combined Statements of Income	% pro-portion	CDO	Desjardins Group Combined Statements of Income	% pro-portion	CDO	Desjardins Group Combined Statements of Income	% pro-portion
Total net revenue	**$ 77**	**$ 4,430**	**1.7%**	$ 83	$ 4,623	1.8%	$ 72	$ 4,122	1.7%	**$235**	**$ 13,154**	**1.8%**	$ 211	$ 11,895	1.8%
Surplus earnings before member dividends	**10**	**1,117**	**0.9**	17	1,213	1.4	14	1,115	1.3	**51**	**3,290**	**1.6**	32	2,753	1.2
Net surplus earnings for the period after member dividends	**6**	**1,005**	**0.6**	13	1,101	1.2	11	1,031	1.1	**39**	**2,956**	**1.3**	23	2,501	0.9

GLOSSARY

Advanced Internal Ratings-Based Approach
Approach under which risk weighing is based on the type of counterparty (individuals, small or medium-sized business, large corporation, etc.) and risk-weighting factors determined using internal parameters: the borrower's probability of default, loss given default, applicable maturity and exposure at default.

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.

Amortized cost
For a financial asset or a financial liability, represents the historical cost at initial recognition, decreased or increased by amortization and any differences that made it fluctuate from initial recognition to maturity.

Annuity premium
Amount invested by a policyholder in order to receive annuity payments, immediately or after an accumulation period.

Assets under administration
Assets administered by a financial institution that are beneficially owned by its members or clients and are therefore not recognized on its Combined Balance Sheet. Services provided in respect of such assets are administrative in nature, such as custodial services, collection of investment income and settlement of buy and sell transactions.

Assets under management
Assets managed by a financial institution that are beneficially owned by its members or clients and are therefore not recognized on its Combined Balance Sheet. Services provided in respect of assets under management include selecting investments and offering investment advice. Assets under management may also be administered by the financial institution. In such case, they are also included in assets under administration.

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

Average assets
Average of assets presented in the Combined Financial Statements at quarter-end calculated from the quarter preceding the relevant period.

Average core interest-bearing assets
Include securities, cash and deposits with financial institutions, as well as loans, and exclude life and health insurance and property and casualty insurance assets and assets related to trading activities, and other assets not generating net interest income. Average of quarter-end balances calculated from the quarter preceding the relevant period.

Average core interest-bearing assets – Personal and Business Services
Include securities, cash and deposits with financial institutions, as well as loans, and excludes assets related to trading activities as well as assets related to capital market and liquidity management activities, and all other assets not generating net interest income – Personal and Business Services. Average of quarter-end balances calculated from the quarter preceding the relevant period.

Average deposits
Average of deposits presented in the Combined Financial Statements at quarter-end calculated from the quarter preceding the relevant period.

Average equity – Group's share
Average equity – Group's share presented in the Combined Financial Statements at quarter-end calculated from the quarter preceding the relevant period.

Average gross loans
Average of loans, presented in the Combined Financial Statements at quarter-end calculated from the quarter preceding the relevant period.

Average interest-bearing assets
Consist of securities, including those borrowed or purchased under reverse repurchase agreements, cash and deposits with financial institutions, as well as loans, and exclude life and health insurance and property and casualty insurance assets, as well as all other assets not generating net interest income. Average of quarter-end balances calculated from the quarter preceding the relevant period.

Average interest-bearing liabilities
Include deposits, subordinated notes and other interest-bearing liabilities, and exclude life and health insurance and property and casualty insurance liabilities as well as all other liabilities not generating any net interest income.

Average liabilities
Average of liabilities presented in the Combined Financial Statements at quarter-end calculated from the quarter preceding the relevant period.

Average net loans
Average of loans, net of the allowance for credit losses, presented in the Combined Financial Statements at the quarter-end calculated from the quarter preceding the relevant period.

Basis point
Unit of measure equal to one one-hundredth of a percent (0.01%).

Bond
Certificate evidencing a debt under which the issuer promises to pay the holder a specified amount of interest for a specified period of time, and to repay the borrowing at maturity. Generally, assets are pledged as security for the borrowing, except in the case of government or corporate bonds. This term is often used to describe any debt security.

Capital ratios
Ratios determined by dividing regulatory capital by risk-weighted assets. These measures are defined in the *Capital Adequacy Guideline* issued by the AMF.

Capital shares
Equity security offered to Desjardins caisse members.

Catastrophe and major event
- Catastrophe
  In property and casualty insurance, group of claims caused by one or multiple close events arising from, among others, natural or other than natural causes, for which the cost is deemed very significant since it reaches a minimum threshold, established annually by Desjardins Group's management equivalent to a specified percentage of the reinsurance program held.
- Major event
  In property and casualty insurance, group of claims caused by one or multiple close events arising from, among others, natural or other than natural causes, for which the impact on the loss ratio and claims frequency is deemed significant by Desjardins Group's management.

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.

Contractual service margin (CSM)
For insurance contracts that are not measured using the premium allocation approach, represents the unearned profit that will be recognized under "Insurance revenue," in the Combined Statements of Income, as insurance contract services are provided.

Countercyclical buffer
The countercyclical buffer aims to ensure that capital requirements take account of the macro-financial environment in which Desjardins Group operates. The AMF could deploy this buffer when it judges that excessive credit growth is associated with a build-up of system-wide risks and, as such, would provide a buffer of capital to absorb potential losses.

Covered bond
Full recourse on-balance sheet bond issued by a financial institution and secured by assets, comprised mainly of mortgage loans, over which investors enjoy a priority claim in the event of an issuer's insolvency or bankruptcy. These assets are separated from the issuer's assets in the event of the issuer's insolvency or bankruptcy and belong to a bankruptcy remote structured entity that guarantees the bond.

Credit commitment
Unused portions of authorizations to extend credit in the form of loans, guarantees or letters of credit, whose primary purpose is to ensure that members and clients have funds available, when necessary, for variable maturity terms and under specific conditions.

Credit instrument
Credit facility offered in the form of a loan or other financing vehicle recognized in the Combined Balance Sheets or in the form of an off-balance sheet product. Credit instruments include credit commitments, documentary letters of credit as well as guarantees and standby letters of credit.

Credit loss provisioning rate
Provision for credit losses on loans and off-balance sheet items expressed as a percentage of average gross loans.

Credit valuation adjustment (CVA)
Adjustment applied to the value of over-the-counter derivatives to reflect the possibility that the counterparty will not meet its contractual obligations and that Desjardins Group will be unable to receive the full amounts owed.

Defined benefit pension plan
Pension plan guaranteeing each participant a defined level of retirement income that is often based on a formula set by the plan in terms of the participant's salary and years of service.

Derivative financial instrument
Financial contract whose value fluctuates based on an underlying asset, but that does not require holding or delivering the underlying asset itself. Derivatives are used to transfer, modify or reduce current or expected risks, including risks related to interest and exchange rates and financial indexes.

Desjardins Group (Desjardins) component
Cooperative or subsidiary that is part of Desjardins Group.

Direct written premiums
In property and casualty insurance, the premiums stipulated in insurance policies issued and in force during the year. In life and health insurance, insurance or annuity premiums for the policies or certificates issued during the year.

Documentary letter of credit
Instrument issued for a member or a client that represents Desjardins Group's agreement to honour drafts presented by a third party upon completion of certain activities, up to a set maximum amount. Desjardins Group is exposed to the risk that the client does not ultimately pay the amount of the drafts. However, the amounts used are secured by the related goods.

Economic capital
Amount of capital that an institution must maintain, in addition to anticipated losses, to ensure its solvency over a certain horizon and at a high confidence level.

Effective interest rate
Rate determined by discounting total future cash flows, including those related to commissions paid or received, premiums or discounts and transaction costs.

Effective tax rate on surplus earnings after member dividends
Income taxes on surplus earnings after member dividends expressed as a percentage of surplus earnings after member dividends.

Efficiency ratio - Personal and Business Services
Gross non-interest expense for the Personal and Business Services segment expressed as a percentage of total net revenue for the Personal and Business Services segment.

Exposure at default (EAD)
Estimate of the amount of a given exposure at time of default. For balance sheet exposures, it corresponds to the balance as at observation time. For off-balance sheet exposures, it includes an estimate of additional draws that may be made between observation time and default.

Exposures related to residential mortgage loans
In accordance with the regulatory capital framework, risk category that includes mortgage loans and credit margins secured by real property granted to individuals.

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.

Fair value measurement
Measurement to determine the approximate value at which financial instruments could be traded in a current transaction between willing parties.

Forward contract
Contractual commitment to sell or purchase a determined quantity of a specified underlying asset on a future specified date and at a predetermined price. These contracts, which are derivatives, are tailored and traded over the counter.

Forward exchange contract
Contractual commitment to sell or purchase a fixed amount of foreign currency on a specified future date and at a predetermined exchange rate.

Foundation Internal Ratings-Based Approach
Approach under which risk weighing is based on the type of counterparty (individuals, small or medium-sized business, large corporation, etc.) and risk-weighting factors determined using internal parameters: the borrower's probability of default, applicable maturity and exposure at default. The regulator prescribes the loss given default parameters.

Futures contract
Contractual commitment to sell or purchase a determined quantity of a specified underlying asset on a future specified date and at a predetermined price. These contracts, which are derivatives, are standardized and exchange-traded.

Gross credit-impaired loan
A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future 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.

Gross credit-impaired loans/gross loans
Gross credit-impaired loans expressed as a percentage to total gross loans.

Group insurance premium
Payment that the insurance policyholder is required to make to maintain the contract in force. This payment represents the cost of insurance. The premium is directly proportional to the number of insured persons and the coverage chosen by the policyholder.

Guarantee and standby letter of credit
Irrevocable commitment by a financial institution to make payments in the event that a member or client cannot meet financial obligations to third parties. Desjardins Group's policy with respect to collateral received for these instruments is generally the same as for loans.

Hedging
Transaction designed to reduce or offset Desjardins Group's exposure to one or more financial risks that involves taking a position exposed to effects that are equivalent, but of opposite direction, to the effects of market fluctuations on an existing or forecast position.

Indemnification commitment related to securities lending
Commitment made to members and clients with whom Desjardins Group entered into securities lending agreements and intended to ensure that the fair value of the securities lent will be reimbursed if the borrower does not return the borrowed securities or if the fair value of assets held as collateral is insufficient to cover the fair value of the securities lent. These commitments usually mature before being used.

Individual insurance premium
Payment that the insurance policyholder is required to make to maintain the contract in force. This payment represents the cost of insurance and can sometimes include a savings component. The cost of insurance portion of the premium is directly proportional to the amount of risk underwritten by the insurer.

Insurance contract
Insurance contracts are contracts that transfer a significant insurance risk to an insurer upon their issuance. An insurance risk is transferred when the insurance subsidiaries agree to compensate a contract holder if a specified uncertain future event adversely affects the contract holder. In certain situations, an insurance contract may also transfer a financial risk.

Insurance contract liabilities
Obligation representing the amount of an insurance company's commitments toward all insureds and beneficiaries, including in particular an amount to cover the payment of benefits and claims.

Insurance premium
Payment that the insurance policyholder is required to make to maintain the contract in force. This payment represents the cost of insurance and can sometimes include a savings component. The premium is directly proportional to the amount of risk underwritten by the insurer.

Insurance sales
Metric used to measure growth in Wealth Management and Life and Health Insurance segment operations. It is equal to annualized gross new premiums under group and individual insurance policies.

Large loss
In property and casualty insurance, single claim having a significant cost.

Leverage ratio
Ratio calculated as the capital measure, which is Tier 1 capital, divided by the exposure measure. The exposure measure includes:
- on-balance sheet exposures;
- securities financing transaction exposures;
- derivative exposures; and
- off-balance sheet items.

Liquidity coverage ratio
Ratio determined by dividing the stock of unencumbered high-quality liquid assets by the amount of net cash outflows for the next 30 days assuming an acute liquidity stress scenario.

Loss given default (LGD)
Economic loss that may be incurred should the borrower default, expressed as a percentage of exposure at default.

Loss on onerous contracts
When a group of insurance contracts is onerous on initial recognition or subsequently becomes onerous, a loss on onerous contracts is recognized as insurance service expenses and a loss component is added to the liability for remaining coverage. Subsequent changes in the loss component related to future service are recognized as losses and reversals of losses on onerous contracts under "Insurance service expenses" in the Combined Statements of Income.

Master netting agreement
Standard agreement developed to reduce the credit risk of multiple derivative transactions by creating a legal right to set off the obligations of a counterparty in the event of default.

Matching
Process of adjusting asset, liability and off-balance sheet item maturities in order to reduce risks related to interest or exchange rates and financial indexes. Matching is used in asset/liability management.

Member dividend
As a cooperative financial group, Desjardins Group distributes to its members a portion of its surplus earnings for a given year, taking into account its financial capacity. This distribution, called member dividend, is paid by the caisses and tailored to each member based on the use they make of their cooperative's financial services.

Morbidity rate
Probability that a person of a given age will suffer an illness or disability. The accident/health insurance premium paid by a person belonging to a particular age group is based on this group's morbidity rate.

Mortality rate
Rate of death in a particular group of persons. The life insurance premium paid by a person belonging to a particular age group is based on this group's mortality rate.

Mortgage-backed security
Security created through the securitization of a pool of residential mortgage loans under the *National Housing Act*.

Net interest income
Difference between what a financial institution receives on assets such as loans and securities and what it pays out on liabilities such as deposits and subordinated notes.

Net interest income on core assets
Net interest income excluding net interest income generated by non-core assets.

Net interest income on core assets – Personal and Business Services
Net interest income – Personal and Business Services excluding net interest income generated by non-core assets – Personal and Business Services.

Net interest margin
Net interest income on core assets expressed as a percentage of average core interest-bearing assets.

Net interest margin – Personal and Business Services
Net interest income on core assets – Personal and Business Services expressed as a percentage of average core interest-bearing assets – Personal and Business Services.

Net sales of savings products
Metric used to measure growth in Wealth Management and Life and Health Insurance segment operations. It is equal to sales of group and individual savings products manufactured or distributed by segment entities, and is comprised of on- or off-balance sheet deposits, less redemptions.

Net stable funding ratio (NSFR)
Ratio determined by dividing available stable funding, designated by capital and liabilities, by required stable funding, designated by assets.

Notional amount
Reference amount used to calculate payments for instruments such as forward rate agreements and interest rate swaps. This amount is called "notional" because it does not change hands.

NVCC subordinated notes
Securities that meet the non-viability contingent capital (NVCC) requirements set out in the *Capital Adequacy Guideline* issued by the AMF, in particular securities issued by the Federation with a clause providing for their automatic conversion into capital shares of the Federation upon the occurrence of a trigger event as defined in the guideline.

Off-balance sheet exposure
Includes guarantees, commitments, derivatives and other contractual agreements whose total notional amount may not be recognized on the balance sheet.

Office of the Superintendent of Financial Institutions (OSFI)
Organization whose mission is to enforce all laws governing the financial industry in Canada, particularly as concerns banks, insurance companies, trust companies, loan companies, cooperative credit associations, fraternal companies and private pension plans subject to federal oversight.

Operating leverage
Represents the difference between the growth rate for total net revenue and the growth rate for net non-interest expense.

Option
Contractual agreement that grants the right, but not the obligation, to sell (put option) or to buy (call option) a specified amount of a financial instrument at a predetermined price (the exercise or strike price) on or before a specified date.

Other retail client exposures
In accordance with the regulatory capital framework, risk category that includes all loans granted to individuals except for exposures related to residential mortgage loans and qualifying revolving retail client exposures.

Pension plan
Contract under which participants receive retirement benefits under certain terms starting at a given age. A pension plan is funded through contributions made either by the employer alone or by both the employer and the participants.

Probability of default (PD)
Probability that a borrower defaults on his obligations over a period of one year.

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.

Qualifying revolving retail client exposures
In accordance with the regulatory capital framework, risk category that includes credit card loans and unsecured credit margins granted to individuals.

Regulatory capital
In accordance with the definition set out in the *Capital Adequacy Guideline* issued by the AMF, the regulatory capital under Basel III comprises Tier 1A capital, Tier 1 capital and Tier 2 capital. The composition of these various tiers is presented in the "Capital management" section of the Management's Discussion and Analysis.

Regulatory funds
Funds needed to cover unexpected losses, calculated according to parameters and methods prescribed by regulatory authorities.

Reinsurance contract
Contract whereby one insurer assumes all or part of a risk undertaken by another insurer. Despite such a contract, the original insurer remains fully liable to its policyholders for the insurance obligations.

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.

Return on equity
Return on equity is equal to surplus earnings before member dividends, excluding the non-controlling interests' share, expressed as a percentage of average equity – Group's share.

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.

Risk adjustment for non-financial risk
Represents the compensation that the insurance subsidiaries require for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risks when they fulfill insurance contracts.

Risk-weighted assets
Assets adjusted based on a risk-weighting factor prescribed by regulations to reflect the level of risk associated with items presented in the combined balance sheets. Some assets are not weighted, but rather deducted from capital. The calculation method is defined in the guidelines issued by the AMF. For more details, see the "Capital management" section of the Management's Discussion and Analysis.

Securitization
Process by which financial assets, such as mortgage loans, are converted into asset-backed securities.

Security borrowed or purchased
Security typically borrowed or purchased to cover a short position. The borrowing or purchase usually requires that an asset, taking the form or cash or highly rated securities, be pledged as collateral by the borrower.

Security lent or sold
Security typically lent or sold to cover a short position of the borrower. The loan or sale usually requires that an asset, taking the form or cash or highly rated securities, be pledged as collateral by the borrower.

Security sold short
Commitment by a seller to sell a security it does not own. Typically, the seller initially borrows the security to deliver it to the purchaser. At a later date, the seller buys an identical security to replace the borrowed security.

Segregated fund
Type of fund offered by insurance companies through a variable contract that provides the contract holder with a number of guarantees, such as principal repayment upon death. Segregated funds encompass a range of categories of securities and are designed to meet a variety of investment objectives. Segregated fund deposits represent amounts invested by clients. Segregated funds are comprised of investment funds with capital guaranteed upon death or at maturity.

Standardized Approach
- Credit risk
  Default approach used to calculate risk-weighted assets. Under this method, the entity uses valuations performed by external credit assessment institutions recognized by the AMF to determine the risk-weighting factors related to the various exposure categories.
- Market risk
  Default approach used to calculate risk-weighted assets for the market risk classes: interest rate risk, credit spread risk, equity risk, foreign exchange risk, commodity risk and default risk.
- Operational risk
  Standardized Approach for operational risk based on two main components: a Business Indicator Component (BIC), which is based on financial statements, and a Loss Component (LC), from which an Internal Loss Multiplier (ILM) is calculated. The operational risk capital requirement is calculated by multiplying the BIC and the ILM, whereas operational risk-weighted assets represent these capital requirements multiplied by 12.5.

Structured entity
Entity that has been designed so that voting rights or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: restricted activities, a narrow and well-defined objective, insufficient equity to permit it to finance its activities without subordinated financial support, or financing in the form of multiple contractually linked instruments to investors.

Subordinated note
Unsecured note whose repayment in the event of liquidation is subordinated to the prior repayment of certain other creditors.

Subsidiary
Company controlled by the Federation.

Swap
Derivative financial instrument under which two parties agree to exchange interest rates or currencies for a specified period according to predetermined rules.

TLAC leverage ratio
Ratio determined by dividing the total loss absorbing capacity by the exposure measure. The exposure measure is independent from risk and includes:
- on-balance sheet exposures;
- securities financing transaction exposures;
- derivative exposures; and
- off-balance sheet items.

TLAC ratio
Ratio determined by dividing the total loss absorbing capacity (TLAC) by risk-weighted assets.

Total loss absorbing capacity – TLAC
Regulatory capital and instruments that meet the eligibility criteria set out in the Total Loss Absorbing Capacity Guideline issued by the AMF.

Unused exposure
Amount of credit authorizations offered in the form of margins or loans that is not yet used.

Used exposure
Amount of funds invested in or advanced to a member or client.

Value at Risk (VaR)
Potential loss that could occur by the next business day in normal market conditions and at a confidence level of 99% (approximate loss that could occur once every 100 days).

COMBINED FINANCIAL STATEMENTS

TABLE OF CONTENTS

55 Combined Financial Statements
56 Combined Balance Sheets
57 Combined Statements of Income
58 Combined Statements of Comprehensive Income
59 Combined Statements of Changes in Equity
60 Combined Statements of Cash Flows

61 Notes to the Condensed Interim Combined Financial Statements
61 Note 1 Basis of presentation
62 Note 2 Accounting policies
64 Note 3 Carrying amount of financial instruments
66 Note 4 Fair value of financial instruments
71 Note 5 Loans and allowance for credit losses
78 Note 6 Deposits and subordinated notes
78 Note 7 Insurance and reinsurance contracts
85 Note 8 Accumulated other comprehensive income
86 Note 9 Capital management
87 Note 10 Net interest income and net other investment income (loss)
88 Note 11 Segmented information
90 Note 12 Significant acquisition
90 Note 13 Subsequent event

COMBINED BALANCE SHEETS

(unaudited)

(in millions of Canadian dollars)	Notes	As at September 30, 2026[1]	As at December 31, 2025
ASSETS			
Cash and deposits with financial institutions		**$ 7,281**	$ 5,848
Securities			
Securities at fair value through profit or loss		**49,195**	46,384
Securities at fair value through other comprehensive income		**58,799**	59,251
Securities at amortized cost		**37**	42
		108,031	105,677
Securities borrowed or purchased under reverse repurchase agreements		**29,796**	22,809
Loans	5		
Residential mortgages		**212,042**	198,876
Consumer, credit card and other personal loans		**24,537**	24,426
Business and government		**96,339**	92,775
		332,918	316,077
Allowance for credit losses	5	**(1,520)**	(1,374)
		331,398	314,703
Segregated fund net assets		**37,282**	34,079
Other assets			
Derivative financial instruments		**13,165**	10,862
Amounts receivable from clients, brokers and financial institutions		**5,154**	3,030
Reinsurance contract assets	7	**1,746**	1,763
Right-of-use assets		**456**	425
Investment property		**763**	773
Property, plant and equipment		**1,400**	1,437
Goodwill		**1,030**	596
Intangible assets		**1,337**	1,225
Investments in companies accounted for using the equity method		**1,312**	1,241
Net defined benefit plan assets		**1,441**	1,301
Deferred tax assets		**1,233**	916
Other		**4,405**	3,557
		33,442	27,126
TOTAL ASSETS		**$ 547,230**	$ 510,242
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits	6		
Individuals		**$ 172,475**	$ 171,286
Business and government		**174,376**	157,800
Deposit-taking institutions		**350**	408
		347,201	329,494
Insurance contract liabilities	7	**33,980**	34,737
Other liabilities			
Commitments related to securities sold short		**16,571**	15,913
Commitments related to securities lent or sold under repurchase agreements		**21,911**	15,937
Derivative financial instruments		**11,007**	8,861
Amounts payable to clients, brokers and financial institutions		**18,597**	14,357
Lease liabilities		**548**	517
Reinsurance contract liabilities	7	**35**	35
Segregated fund net liabilities – Investment contracts		**33,853**	30,496
Net defined benefit plan liabilities		**595**	655
Deferred tax liabilities		**665**	618
Other		**13,227**	11,500
		117,009	98,889
Subordinated notes	6	**4,923**	4,810
TOTAL LIABILITIES		**503,113**	467,930
EQUITY			
Capital stock		**4,323**	4,522
Undistributed surplus earnings		**4,669**	3,789
Accumulated other comprehensive income	8	**(310)**	692
Reserves		**34,757**	32,696
Equity – Group's share		**43,439**	41,699
Non-controlling interests		**678**	613
TOTAL EQUITY		**44,117**	42,312
TOTAL LIABILITIES AND EQUITY		**$ 547,230**	$ 510,242

[1] The information as at September 30, 2026, reflects the amendments to IFRS 9, *"Financial Instruments,"* adopted as at January 1, 2026. Comparative figures have not been restated. For more information, refer to Note 2, "Accounting policies."

The accompanying notes are an integral part of the Condensed Interim Combined Financial Statements.

COMBINED STATEMENTS OF INCOME

(unaudited) (in millions of Canadian dollars)	Notes	For the three-month periods ended September 30 2026	 2025	For the nine-month periods ended September 30 2026	 2025
INTEREST INCOME[1]					
Loans		**$ 4,137**	$ 3,922	**$ 12,007**	$ 11,557
Securities		**609**	627	**1,782**	1,882
		4,746	4,549	**13,789**	13,439
INTEREST EXPENSE					
Deposits		**1,910**	1,910	**5,538**	5,698
Subordinated notes		**51**	49	**151**	144
Other		**440**	453	**1,269**	1,469
		2,401	2,412	**6,958**	7,311
NET INTEREST INCOME	10	**2,345**	2,137	**6,831**	6,128
INSURANCE SERVICE RESULT					
Insurance revenue		**3,220**	3,094	**9,487**	9,126
Insurance service expenses		**(2,551)**	(2,501)	**(7,737)**	(7,513)
Net reinsurance service income (expenses)		**(68)**	(53)	**(159)**	(190)
		601	540	**1,591**	1,423
NET INSURANCE FINANCE RESULT					
Net insurance investment income (loss)[1]		**(923)**	869	**554**	1,749
Net insurance finance income (expenses)		**1,032**	(623)	**(35)**	(1,034)
Net reinsurance finance income (expenses)		**(48)**	18	**(10)**	35
	7	**61**	264	**509**	750
NET INSURANCE SERVICE INCOME		**662**	804	**2,100**	2,173
OTHER INCOME					
Deposit and payment service charges		**132**	145	**401**	424
Lending fees and card service revenues		**288**	275	**841**	794
Brokerage and investment fund services		**421**	388	**1,278**	1,171
Management and custodial service fees		**455**	264	**1,166**	782
Net other investment income (loss)[1]	10	**(28)**	(55)	**(15)**	(58)
Foreign exchange income		**99**	111	**332**	303
Other		**56**	53	**220**	178
		1,423	1,181	**4,223**	3,594
TOTAL NET REVENUE		**4,430**	4,122	**13,154**	11,895
PROVISION FOR CREDIT LOSSES	5	**221**	112	**598**	525
NON-INTEREST EXPENSE					
Salaries and employee benefits		**1,461**	1,443	**4,578**	4,411
Professional fees		**234**	228	**662**	679
Technology		**376**	334	**1,084**	971
Commissions		**271**	208	**787**	623
Occupancy costs		**101**	94	**288**	288
Communications		**97**	87	**281**	284
Business and capital taxes		**45**	41	**137**	133
Other		**359**	344	**1,116**	1,076
Gross non-interest expense		**2,944**	2,779	**8,933**	8,465
Non-interest expense included in insurance service expenses		**(263)**	(242)	**(802)**	(734)
NET NON-INTEREST EXPENSE		**2,681**	2,537	**8,131**	7,731
OPERATING SURPLUS EARNINGS		**1,528**	1,473	**4,425**	3,639
Income taxes on surplus earnings		**411**	358	**1,135**	886
SURPLUS EARNINGS BEFORE MEMBER DIVIDENDS		**1,117**	1,115	**3,290**	2,753
Member dividends		**151**	113	**453**	339
Tax recovery on member dividends		**(39)**	(29)	**(119)**	(87)
NET SURPLUS EARNINGS FOR THE PERIOD AFTER MEMBER DIVIDENDS		**$ 1,005**	$ 1,031	**$ 2,956**	$ 2,501
of which:					
Group's share		**$ 972**	$ 997	**$ 2,872**	$ 2,429
Non-controlling interests' share		**33**	34	**84**	72

[1] Includes interest income calculated using the effective interest method of $4,660 million for the three-month period ended September 30, 2026 ($4,500 million for the three-month period ended September 30, 2025) and $13,551 million for the nine-month period ended September 30, 2026 ($13,323 million for the nine-month period ended September 30, 2025).

The accompanying notes are an integral part of the Condensed Interim Combined Financial Statements.

COMBINED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)	For the three-month periods ended September 30		For the nine-month periods ended September 30	
(in millions of Canadian dollars)	2026	2025	2026	2025
Net surplus earnings for the period after member dividends	**$ 1,005**	$ 1,031	**$ 2,956**	$ 2,501
Other comprehensive income, net of income taxes				
Items that will not be reclassified subsequently to the Combined Statements of Income				
Remeasurement of net defined benefit plan assets and liabilities	**(228)**	377	**138**	555
Net change in gains and losses on equity securities designated as at fair value through other comprehensive income	**(17)**	60	**(2)**	106
Net change in fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss	**—**	(2)	**1**	(1)
	(245)	435	**137**	660
Items that will be reclassified subsequently to the Combined Statements of Income				
Net change in unrealized gains and losses on debt securities classified as at fair value through other comprehensive income				
Net unrealized gains (losses)	**(212)**	192	**(135)**	488
Reclassification of net (gains) losses to the Combined Statements of Income	**(19)**	(70)	**(144)**	(232)
	(231)	122	**(279)**	256
Net change in cash flow hedges				
Net gains (losses) on derivative financial instruments designated as cash flow hedges	**(706)**	50	**(826)**	205
Reclassification to the Combined Statements of Income of net (gains) losses on derivative financial instruments designated as cash flow hedges	**19**	32	**84**	125
	(687)	82	**(742)**	330
Net unrealized exchange gains (losses) on the translation of a net investment in a foreign operation	**3**	—	**15**	—
	(915)	204	**(1,006)**	586
Total other comprehensive income, net of income taxes	**(1,160)**	639	**(869)**	1,246
COMPREHENSIVE INCOME FOR THE PERIOD	**$ (155)**	$ 1,670	**$ 2,087**	$ 3,747
of which:				
Group's share	**$ (180)**	$ 1,629	**$ 2,006**	$ 3,665
Non-controlling interests' share	**25**	41	**81**	82

The accompanying notes are an integral part of the Condensed Interim Combined Financial Statements.

Income taxes on other comprehensive income

The tax expense (recovery) related to each component of other comprehensive income for the period is presented in the following table.

	For the three-month periods ended September 30		For the nine-month periods ended September 30	
(in millions of Canadian dollars)	2026	2025	2026	2025
Items that will not be reclassified subsequently to the Combined Statements of Income				
Remeasurement of net defined benefit plan assets and liabilities	**$ (81)**	$ 135	**$ 50**	$ 200
Net change in gains and losses on equity securities designated as at fair value through other comprehensive income	**(6)**	13	**—**	26
	(87)	148	**50**	226
Items that will be reclassified subsequently to the Combined Statements of Income				
Net change in unrealized gains and losses on debt securities classified as at fair value through other comprehensive income				
Net unrealized gains (losses)	**(77)**	67	**(40)**	173
Reclassification of net (gains) losses to the Combined Statements of Income	**(7)**	(25)	**(53)**	(84)
	(84)	42	**(93)**	89
Net change in cash flow hedges				
Net gains (losses) on derivative financial instruments designated as cash flow hedges	**(254)**	18	**(292)**	74
Reclassification to the Combined Statements of Income of net (gains) losses on derivative financial instruments designated as cash flow hedges	**1**	11	**25**	45
	(253)	29	**(267)**	119
	(337)	71	**(360)**	208
Total income tax expense (recovery)	**$ (424)**	$ 219	**$ (310)**	$ 434

COMBINED STATEMENTS OF CHANGES IN EQUITY

(unaudited)

For the nine-month periods ended September 30 (in millions of Canadian dollars)	Capital stock	Undistributed surplus earnings	Accumulated other comprehensive income (Note 8)	Reserves				Equity – Group's share	Non-controlling interests	Total equity
				Stabilization reserve	Reserve for future member dividends	General and other reserves	Total reserves			
BALANCE AS AT DECEMBER 31, 2025	**$ 4,522**	**$ 3,789**	**$ 692**	**$ 646**	**$ 3,522**	**$ 28,528**	**$ 32,696**	**$ 41,699**	**$ 613**	**$ 42,312**
Net surplus earnings for the period after member dividends	**—**	**2,872**	**—**	**—**	**—**	**—**	**—**	**2,872**	**84**	**2,956**
Other comprehensive income for the period	**—**	**136**	**(1,002)**	**—**	**—**	**—**	**—**	**(866)**	**(3)**	**(869)**
Comprehensive income for the period	**—**	**3,008**	**(1,002)**	**—**	**—**	**—**	**—**	**2,006**	**81**	**2,087**
Dividends	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(83)**	**(83)**
Transactions related to non-controlling interests[1]	**—**	**23**	**—**	**—**	**—**	**—**	**—**	**23**	**67**	**90**
Transfer between undistributed surplus earnings and reserves	**—**	**(2,061)**	**—**	**24**	**(3)**	**2,040**	**2,061**	**—**	**—**	**—**
Other net changes	**(199)**	**(90)**	**—**	**—**	**—**	**—**	**—**	**(289)**	**—**	**(289)**
BALANCE AS AT SEPTEMBER 30, 2026	**$ 4,323**	**$ 4,669**	**$ (310)**	**$ 670**	**$ 3,519**	**$ 30,568**	**$ 34,757**	**$ 43,439**	**$ 678**	**$ 44,117**
BALANCE AS AT DECEMBER 31, 2024	$ 4,731	$ 3,319	$ 256	$ 624	$ 3,522	$ 25,335	$ 29,481	$ 37,787	$ 903	$ 38,690
Net surplus earnings for the period after member dividends	—	2,429	—	—	—	—	—	2,429	72	2,501
Other comprehensive income for the period	—	650	586	—	—	—	—	1,236	10	1,246
Comprehensive income for the period	—	3,079	586	—	—	—	—	3,665	82	3,747
Dividends	—	—	—	—	—	—	—	—	(113)	(113)
Transactions related to non-controlling interests[2]	—	—	—	—	—	—	—	—	(264)	(264)
Transfer between undistributed surplus earnings and reserves	—	(1,574)	—	22	—	1,552	1,574	—	—	—
Other net changes	(149)	—	—	—	—	—	—	(149)	—	(149)
BALANCE AS AT SEPTEMBER 30, 2025	$ 4,582	$ 4,824	$ 842	$ 646	$ 3,522	$ 26,887	$ 31,055	$ 41,303	$ 608	$ 41,911

(1) For more information, refer to Note 12, "Significant acquisition."

(2) On January 1, 2025, through one of its subsidiaries, Desjardins Group redeemed preferred shares of $464 million and issued preferred shares of $200 million to holders of non-controlling interests.

The accompanying notes are an integral part of the Condensed Interim Combined Financial Statements.

COMBINED STATEMENTS OF CASH FLOWS

(unaudited) (in millions of Canadian dollars)	For the nine-month periods ended September 30 2026[1]	 2025
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Operating surplus earnings	**$ 4,425**	$ 3,639
Non-cash adjustments:		
Depreciation of right-of-use assets, property, plant and equipment and investment property, and amortization of intangible assets	**395**	359
Amortization of premiums and discounts	**13**	16
Provision for credit losses	**598**	525
Net realized (gains) losses on securities classified as at fair value through other comprehensive income	**(60)**	43
Net (gains) losses on disposal of property, plant and equipment, intangible assets and investment property	**(10)**	(99)
Other	**(87)**	54
Change in operating assets and liabilities:		
Securities at fair value through profit or loss	**(2,289)**	(5,058)
Securities borrowed or purchased under reverse repurchase agreements	**(6,987)**	(840)
Loans	**(17,310)**	(23,251)
Insurance and reinsurance contract assets and liabilities	**(740)**	659
Derivative financial instruments, net amount	**(682)**	(1,092)
Net amounts receivable from and payable to clients, brokers and financial institutions	**2,730**	(548)
Deposits	**17,943**	23,093
Commitments related to securities sold short	**634**	4,213
Commitments related to securities lent or sold under repurchase agreements	**5,974**	3,045
Other	**822**	744
Payment of the contingent consideration	**(45)**	(13)
Income taxes paid on surplus earnings	**(1,001)**	(1,075)
Payment of member dividends	**(503)**	(437)
	3,820	3,977
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Issuance of subordinated notes	**1,204**	1,807
Repayment of subordinated notes	**(1,000)**	(1,000)
Sale (purchase) of debt securities and subordinated notes to (from) third parties on the market	**—**	50
Repayment of lease liabilities	**(68)**	(59)
Other net changes	**(199)**	(149)
Remuneration on capital stock	**(234)**	(266)
Transactions related to non-controlling interests	**—**	(264)
Dividends paid	**(83)**	(113)
	(380)	6
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Purchase of securities at fair value through other comprehensive income and at amortized cost	**(25,215)**	(22,649)
Proceeds from disposals of securities at fair value through other comprehensive income and at amortized cost	**19,216**	14,607
Proceeds from maturities of securities at fair value through other comprehensive income and at amortized cost	**5,680**	5,275
Business acquisition, net of cash and cash equivalents acquired	**(788)**	—
Acquisitions of property, plant and equipment, intangible assets and investment property	**(292)**	(270)
Proceeds from disposal of property, plant and equipment, intangible assets and investment property	**16**	128
Acquisition of investments in companies accounted for using the equity method	**(30)**	(55)
Distributions received from investments in companies accounted for using the equity method	**42**	22
Other investing activities	**(2)**	72
	(1,373)	(2,870)
Net increase (decrease) in cash and cash equivalents	**2,067**	1,113
Cash and cash equivalents at beginning of period before the impact of adopting the amendments to IFRS 9	**5,848**	5,977
Impact of adopting the amendments to IFRS 9 as at January 1, 2026	**(634)**	N/A
Cash and cash equivalents at beginning of period	**5,214**	5,977
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$ 7,281**	$ 7,090
Supplemental information on cash flows from operating activities		
Interest paid	**$ 6,112**	$ 6,344
Interest received	**13,257**	12,838
Dividends received	**227**	189

[1] The information for the nine-month period ended September 30, 2026, reflects the amendments to IFRS 9 adopted as at January 1, 2026. Comparative figures have not been restated. For more information, refer to Note 2, "Accounting policies."

The accompanying notes are an integral part of the Condensed Interim Combined Financial Statements.

NOTES TO THE CONDENSED INTERIM COMBINED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1 – BASIS OF PRESENTATION

NATURE OF OPERATIONS

Desjardins Group is made up of the Desjardins caisses in Quebec, Caisse Desjardins Ontario Credit Union Inc. (CDO), the Fédération des caisses Desjardins du Québec (the Federation) and its subsidiaries, and the Fonds de sécurité Desjardins. The subsidiaries are primarily active across Canada. The address of its head office is 100 Des Commandeurs Street, Lévis, Quebec, Canada.

COMBINED FINANCIAL STATEMENTS

As an integrated financial services group, Desjardins Group is a complete economic entity. These unaudited Condensed Interim Combined Financial Statements (the Interim Combined Financial Statements) have been prepared to present the financial position, the financial performance and the cash flows of this economic entity. The Desjardins caisses exercise a collective power over the Federation, which is the cooperative entity responsible for assuming orientation, framework, coordination and development activities for Desjardins Group. The role of the Federation is also to protect the interests of Desjardins Group members.

As Desjardins caisses and the Federation are financial services cooperatives, these Interim Combined Financial Statements differ from the consolidated financial statements of a group with a traditional organizational structure. Consequently, the Combined Financial Statements of Desjardins Group are a combination of the accounts of the Desjardins caisses in Quebec, CDO, the Federation and its subsidiaries and the Fonds de sécurité Desjardins. The capital stock of Desjardins Group represents the aggregate of the capital stock issued by the Desjardins caisses in Quebec, the Federation and CDO.

STATEMENT OF COMPLIANCE

Pursuant to the *Act Respecting Financial Services Cooperatives*, these Interim Combined Financial Statements have been prepared by Desjardins Group's management in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), more specifically in accordance with International Accounting Standard (IAS) 34, *"Interim Financial Reporting,"* and the accounting requirements of the Autorité des marchés financiers (AMF) in Quebec, which do not differ from IFRS.

These Interim Combined Financial Statements should be read in conjunction with the audited Annual Combined Financial Statements (the Annual Combined Financial Statements) for the year ended December 31, 2025, and the shaded areas of section 4.0, "Risk management," of the related Management's Discussion and Analysis, which are an integral part of the Annual Combined Financial Statements.

These Interim Combined Financial Statements were approved by the Board of Directors of Desjardins Group, which is the Board of Directors of the Federation, on November 12, 2026.

SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

All the accounting policies that required management to make difficult, subjective or complex judgments, often about matters that are inherently uncertain, are presented in Note 1, "Basis of presentation," to the Annual Combined Financial Statements, except for the changes described in the "Changes in accounting policies" section of Note 2, "Accounting policies."

The global economic and geopolitical conditions continue to have an impact on the judgments and significant estimates and assumptions made by management in preparing the Interim Combined Financial Statements for the nine-month period ended September 30, 2026. The judgments, estimates and assumptions that will be made for future periods will be reassessed in light of the development of these highly uncertain conditions and could therefore differ from those made in preparing these Interim Combined Financial Statements. Desjardins Group is closely monitoring developments and their impact on its surplus earnings and financial position.

PRESENTATION AND FUNCTIONAL CURRENCY

These Interim Combined Financial Statements are expressed in Canadian dollars, which is also the functional currency of Desjardins Group. Dollar amounts presented in the tables of the Notes to the Interim Combined Financial Statements are in millions of dollars, unless otherwise stated.

NOTE 2 – ACCOUNTING POLICIES

All accounting policies were applied as described in Note 2, "Accounting policies," to the Annual Combined Financial Statements, except for the changes described in the "Changes in accounting policies" section of this note.

FUTURE ACCOUNTING CHANGES

Accounting standards issued by the IASB, but not effective as at December 31, 2025, are described in Note 2, "Accounting policies," to the Annual Combined Financial Statements. The IASB has since issued amendments to the following standard:

IAS 28, *"Investments in Associates and Joint Ventures"*

In June 2026, the IASB issued amendments to IAS 28, "*Investments in Associates and Joint Ventures*," to clarify which entities are eligible to measure their investments in associates and joint ventures using the fair value option. The amendments clarify that an entity whose primary business is investing in particular types of assets, consistent with the concept introduced by IFRS 18, *"Presentation and Disclosure in Financial Statements,"* may be considered a similar entity for purposes of applying this option.

Desjardins Group is currently assessing the impact of these amendments, which will be effective for years beginning on or after January 1, 2027.

CHANGES IN ACCOUNTING POLICIES

Adoption of the amendments to IFRS 7, *"Financial Instruments: Disclosures"* and IFRS 9, *"Financial Instruments"*

On January 1, 2026, Desjardins Group adopted the amendments to IFRS 9, *"Financial Instruments,"* retrospectively without restatement of comparative periods. The amendments to IFRS 9 clarify the recognition and derecognition date for certain financial assets and liabilities. They also clarify and provide additional guidance for assessing whether the cash flows of a financial asset are solely payments of principal and interest on the principal amount outstanding. The significant accounting policies that were changed as a result of adopting the amendments to IFRS 9 are described below, and the retrospective impact of adopting these amendments was recognized in the opening balances in the Combined Balance Sheet as at January 1, 2026, and is presented in the "Impact of changes in accounting policies" section of this note.

Desjardins Group also adopted the amendments to IFRS 7, *"Financial Instruments: Disclosures,"* which add new disclosures for certain instruments whose contractual terms could change cash flows and improve the disclosures about equity instruments designated as at fair value through other comprehensive income.

The information for the nine-month period ended September 30, 2026, is presented in accordance with these amended standards, while the information for the comparative period is presented in accordance with the standards that were in effect before January 1, 2026, and the accounting policies described in the Annual Combined Financial Statements for the year ended December 31, 2025.

(a) Financial assets and liabilities

Derecognition of financial assets and liabilities

A financial asset is derecognized from the Combined Balance Sheets on the date the contractual rights to the cash flows from the asset expire, when the contractual rights to receive these cash flows are retained but Desjardins Group has the obligation to pay them to a third party under certain conditions, or when Desjardins Group transfers the contractual rights to receive the cash flows and substantially all the risks and rewards of ownership of the asset have been transferred.

A financial liability is derecognized at the settlement date, which is the date the related obligation is discharged or cancelled or expires, or before such date if Desjardins Group elects to apply the permitted exception for a financial liability settled in cash using an electronic payment system and if, and only if, the payment instruction has been initiated and the criteria for the exception have been met. In that respect, management must use its judgment to determine when it no longer has the practical ability to withdraw, stop or cancel the payment instruction. Desjardins Group has elected to apply this exception.

The other accounting policies related to the derecognition of financial assets and liabilities have not been changed and are described in Note 2, "Accounting policies," to the Annual Combined Financial Statements for the year ended December 31, 2025.

(b) Cash and deposits with financial institutions

"Cash and deposits with financial institutions" includes cash and cash equivalents, which consist notably of deposits with the Bank of Canada, deposits with financial institutions and certain fixed-income securities. These financial instruments mature in the short term, are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

NOTE 2 – ACCOUNTING POLICIES (continued)

IMPACT OF CHANGES IN ACCOUNTING POLICIES

Adoption of the amendments to IFRS 9, *"Financial Instruments"*

The retrospective impact of adopting the amendments to IFRS 9 was recognized in the opening balances in the Combined Balance Sheet as at January 1, 2026, and is presented in the following table. There were no changes in the classification of Desjardins Group's financial assets as at January 1, 2026.

	Balance as at December 31, 2025	Adoption of the amendments to IFRS 9	Opening balance as at January 1, 2026
ASSETS			
Cash and deposits with financial institutions	$ 5,848	$ (634)	**$ 5,214**
Securities	105,677	—	**105,677**
Securities borrowed or purchased under reverse repurchase agreements	22,809	—	**22,809**
Loans	314,703	(19)	**314,684**
Segregated fund net assets	34,079	—	**34,079**
Other assets	27,126	645	**27,771**
TOTAL ASSETS	$ 510,242	$ (8)	**$ 510,234**
LIABILITIES			
Deposits	$ 329,494	$ (313)	**$ 329,181**
Insurance contract liabilities	34,737	—	**34,737**
Other liabilities	98,889	305	**99,194**
Subordinated notes	4,810	—	**4,810**
TOTAL LIABILITIES	$ 467,930	$ (8)	**$ 467,922**
EQUITY	$ 42,312	$ —	**$ 42,312**
TOTAL LIABILITIES AND EQUITY	$ 510,242	$ (8)	**$ 510,234**

NOTE 3 – CARRYING AMOUNT OF FINANCIAL INSTRUMENTS

CLASSIFICATION AND CARRYING AMOUNT OF FINANCIAL INSTRUMENTS

The following tables present the carrying amount of financial assets and liabilities according to their classification in the classes defined in the financial instrument standards.

	At fair value through profit or loss		At fair value through other comprehensive income			
As at September 30, 2026	**Classified as at fair value through profit or loss**	**Designated as at fair value through profit or loss**	**Classified as at fair value through other comprehensive income[1]**	**Designated as at fair value through other comprehensive income**	**Amortized cost[1]**	**Total**
Financial assets						
Cash and deposits with financial institutions	$ 443	$ 32	$ 772	$ —	$ 6,034	$ 7,281
Securities	28,707	20,488	57,848	951	37	108,031
Securities borrowed or purchased under reverse repurchase agreements	—	—	—	—	29,796	29,796
Loans, net of allowance for credit losses	—	1,543	—	—	329,855	331,398
Segregated fund net assets	37,365	—	—	—	(83)	37,282
Other financial assets						
Derivative financial instruments[2]	13,165	—	—	—	—	13,165
Amounts receivable from clients, brokers and financial institutions	—	—	—	—	5,154	5,154
Other	—	—	—	—	3,251	3,251
Total financial assets	$ 79,680	$ 22,063	$ 58,620	$ 951	$ 374,044	$ 535,358
Financial liabilities						
Deposits	$ —	$ 2,663	$ —	$ —	$ 344,538	$ 347,201
Other financial liabilities						
Commitments related to securities sold short	16,571	—	—	—	—	16,571
Commitments related to securities lent or sold under repurchase agreements	—	—	—	—	21,911	21,911
Derivative financial instruments[2]	11,007	—	—	—	—	11,007
Amounts payable to clients, brokers and financial institutions	—	—	—	—	18,597	18,597
Segregated fund net liabilities – Investment contracts	—	—	—	—	33,853	33,853
Other	35	—	—	—	8,271	8,306
Subordinated notes	—	—	—	—	4,923	4,923
Total financial liabilities	$ 27,613	$ 2,663	$ —	$ —	$ 432,093	$ 462,369

(1) As at September 30, 2026, the allowance for credit losses on securities at "Amortized cost" was insignificant, and the allowance for credit losses on securities "Classified as at fair value through other comprehensive income" totalled $35 million. Detailed information on the allowance for credit losses on loans is presented in Note 5, "Loans and allowance for credit losses."

(2) Include derivative financial instruments designated as hedging instruments amounting to $1,641 million in assets and $86 million in liabilities.

NOTE 3 – CARRYING AMOUNT OF FINANCIAL INSTRUMENTS (continued)

CLASSIFICATION AND CARRYING AMOUNT OF FINANCIAL INSTRUMENTS (continued)

	At fair value through profit or loss		At fair value through other comprehensive income			
As at December 31, 2025	Classified as at fair value through profit or loss	Designated as at fair value through profit or loss	Classified as at fair value through other comprehensive income[1]	Designated as at fair value through other comprehensive income	Amortized cost[1]	Total
Financial assets						
Cash and deposits with financial institutions	$ 146	$ 32	$ 546	$ —	$ 5,124	$ 5,848
Securities	25,370	21,014	58,169	1,082	42	105,677
Securities borrowed or purchased under reverse repurchase agreements	—	—	—	—	22,809	22,809
Loans, net of allowance for credit losses	—	1,620	—	—	313,083	314,703
Segregated fund net assets	34,130	—	—	—	(51)	34,079
Other financial assets						
Derivative financial instruments[2]	10,862	—	—	—	—	10,862
Amounts receivable from clients, brokers and financial institutions	—	—	—	—	3,030	3,030
Other	—	—	—	—	2,486	2,486
Total financial assets	$ 70,508	$ 22,666	$ 58,715	$ 1,082	$ 346,523	$ 499,494
Financial liabilities						
Deposits	$ —	$ 2,246	$ —	$ —	$ 327,248	$ 329,494
Other financial liabilities						
Commitments related to securities sold short	15,913	—	—	—	—	15,913
Commitments related to securities lent or sold under repurchase agreements	—	—	—	—	15,937	15,937
Derivative financial instruments[2]	8,861	—	—	—	—	8,861
Amounts payable to clients, brokers and financial institutions	—	—	—	—	14,357	14,357
Segregated fund net liabilities – Investment contracts	—	—	—	—	30,496	30,496
Other	36	—	—	—	6,864	6,900
Subordinated notes	—	—	—	—	4,810	4,810
Total financial liabilities	$ 24,810	$ 2,246	$ —	$ —	$ 399,712	$ 426,768

(1) As at December 31, 2025, the allowance for credit losses on securities at "Amortized cost" was insignificant, and the allowance for credit losses on securities "Classified as at fair value through other comprehensive income" totalled $24 million. Detailed information on the allowance for credit losses on loans is presented in Note 5, "Loans and allowance for credit losses."

(2) Include derivative financial instruments designated as hedging instruments amounting to $1,749 million in assets and $131 million in liabilities.

During the nine-month period ended September 30, 2026, and the year ended December 31, 2025, there were no material reclassifications of financial instruments.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS

DETERMINATION OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

For a description of the valuation techniques and data used to determine the fair value of the main financial instruments, refer to Note 2, "Accounting policies," to the Annual Combined Financial Statements. No significant changes were made to our fair value measurement techniques during the quarter. Desjardins Group has implemented controls and procedures to ensure that financial instruments are appropriately and reliably measured.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount of certain financial instruments measured at amortized cost does not reasonably approximate fair value. These financial instruments are presented in the following table.

	As at September 30, 2026		As at December 31, 2025	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Securities	**$ 37**	**$ 32**	$ 42	$ 37
Loans, net of allowance for credit losses	**329,855**	**327,689**	313,083	313,581
Financial liabilities				
Deposits	**344,538**	**346,078**	327,248	332,029
Subordinated notes	**4,923**	**5,022**	4,810	4,952
Other liabilities – Other	**1,717**	**1,669**	1,735	1,722

FAIR VALUE HIERARCHY

Fair value measurement is determined using a three-level fair value hierarchy. Refer to Note 4, "Fair value of financial instruments," to the Annual Combined Financial Statements, which contains a description of these three levels.

HIERARCHY OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

During the nine-month period ended September 30, 2026, financial assets of $10,917 million measured at fair value through profit or loss and at fair value through other comprehensive income as well as commitments related to securities sold short of $438 million have been transferred from Level 2 to Level 1 of the fair value hierarchy. During the same period, financial assets of $5,076 million classified in the same categories as well as commitments related to securities sold short of $38 million have been transferred from Level 1 to Level 2. These transfers resulted from obtaining new or more precise information related to prices or fair value measurement data and changes in the active nature of the market.

During the year ended December 31, 2025, no material transfers attributable to changes to the measurement based on quoted prices (unadjusted) in active markets for identical assets and liabilities were made between Level 1 and Level 2 of the hierarchy for instruments measured at fair value.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

HIERARCHY OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (continued)

The following tables present the hierarchy for financial instruments measured at fair value in the Combined Balance Sheets.

As at September 30, 2026	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss				
Cash and deposits with financial institutions	$ 53	$ 422	$ —	$ 475
Securities				
Debt securities issued or guaranteed by:				
Canadian governmental entities	11,164	3	—	11,167
Provincial governmental entities and municipal corporations in Canada	10,721	5,053	—	15,774
School or public corporations in Canada	6	75	—	81
Foreign public administrations	—	1,722	—	1,722
Other debt securities	9,575	3,545	472	13,592
Equity securities	3,011	172	3,676	6,859
	34,477	10,570	4,148	49,195
Loans				
Residential mortgages	—	—	926	926
Business and government	—	—	617	617
	—	—	1,543	1,543
Segregated fund net assets	8,140	28,343	882	37,365
Derivative financial instruments				
Interest rate contracts	—	390	—	390
Foreign exchange contracts	—	2,705	—	2,705
Other contracts	—	10,070	—	10,070
	—	13,165	—	13,165
Total financial assets at fair value through profit or loss	42,670	52,500	6,573	101,743
Financial assets at fair value through other comprehensive income				
Cash and deposits with financial institutions	94	678	—	772
Securities				
Debt securities issued or guaranteed by:				
Canadian governmental entities	7,589	10,050	—	17,639
Provincial governmental entities and municipal corporations in Canada	23,990	4,391	—	28,381
Foreign public administrations	30	115	—	145
Other debt securities	8,121	3,562	—	11,683
Equity securities	881	—	70	951
	40,611	18,118	70	58,799
Total financial assets at fair value through other comprehensive income	40,705	18,796	70	59,571
Total financial assets	$ 83,375	$ 71,296	$ 6,643	$ 161,314
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Deposits	$ —	$ 2,663	$ —	$ 2,663
Other liabilities				
Commitments related to securities sold short	16,012	559	—	16,571
Other	—	—	35	35
	16,012	3,222	35	19,269
Derivative financial instruments				
Interest rate contracts	—	886	—	886
Foreign exchange contracts	—	758	—	758
Other contracts	—	9,363	—	9,363
	—	11,007	—	11,007
Total financial liabilities	$ 16,012	$ 14,229	$ 35	$ 30,276

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

HIERARCHY OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (continued)

As at December 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss				
Cash and deposits with financial institutions	$ 10	$ 168	$ —	$ 178
Securities				
Debt securities issued or guaranteed by:				
Canadian governmental entities	10,180	—	—	10,180
Provincial governmental entities and municipal corporations in Canada	15,937	659	—	16,596
School or public corporations in Canada	22	65	—	87
Foreign public administrations	300	—	—	300
Other debt securities	428	11,953	435	12,816
Equity securities	2,810	355	3,240	6,405
	29,677	13,032	3,675	46,384
Loans				
Residential mortgages	—	—	1,053	1,053
Business and government	—	—	567	567
	—	—	1,620	1,620
Segregated fund net assets	8,974	24,356	800	34,130
Derivative financial instruments				
Interest rate contracts	—	285	—	285
Foreign exchange contracts	—	2,166	—	2,166
Other contracts	—	8,411	—	8,411
	—	10,862	—	10,862
Total financial assets at fair value through profit or loss	38,661	48,418	6,095	93,174
Financial assets at fair value through other comprehensive income				
Cash and deposits with financial institutions	26	520	—	546
Securities				
Debt securities issued or guaranteed by:				
Canadian governmental entities	13,053	9,111	—	22,164
Provincial governmental entities and municipal corporations in Canada	21,835	3,910	—	25,745
Foreign public administrations	138	—	—	138
Other debt securities	1,656	8,466	—	10,122
Equity securities	1,010	—	72	1,082
	37,692	21,487	72	59,251
Total financial assets at fair value through other comprehensive income	37,718	22,007	72	59,797
Total financial assets	$ 76,379	$ 70,425	$ 6,167	$ 152,971
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Deposits	$ —	$ 2,246	$ —	$ 2,246
Other liabilities				
Commitments related to securities sold short	14,599	1,314	—	15,913
Other	—	—	36	36
	14,599	3,560	36	18,195
Derivative financial instruments				
Interest rate contracts	—	365	—	365
Foreign exchange contracts	—	598	—	598
Other contracts	—	7,898	—	7,898
	—	8,861	—	8,861
Total financial liabilities	$ 14,599	$ 12,421	$ 36	$ 27,056

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS CATEGORIZED WITHIN LEVEL 3

Desjardins Group has implemented various key controls and procedures to ensure that the financial instruments categorized within Level 3 are appropriately and reliably measured. During the nine-month period ended September 30, 2026, no significant changes were made to key controls and procedures, valuation techniques, unobservable inputs and input value ranges used to determine fair value. For a description of the valuation process for financial instruments categorized within Level 3, refer to Note 4, "Fair value of financial instruments," to the Annual Combined Financial Statements.

CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS CATEGORIZED WITHIN LEVEL 3

The following tables present the changes in fair value of financial instruments categorized within Level 3 of the hierarchy, namely financial instruments whose fair value is determined using valuation techniques not based mainly on observable market data.

For the nine-month period ended September 30, 2026	Balance at beginning of period	Realized gains / losses recognized in profit or loss[1]	Unrealized gains / losses recognized in profit or loss[2]	Unrealized gains / losses recognized in other comprehensive income[3]	Purchases / Issuances / Other	Sales / Settlements / Other	Balance at end of period
Financial assets							
Financial assets at fair value through profit or loss							
Securities							
Other debt securities							
Mortgage bonds	$ 190	$ —	$ (5)	$ —	$ —	$ (14)	$ 171
Other	245	—	16	—	58	(18)	301
Equity securities	3,240	—	63	—	524	(151)	3,676
	3,675	—	74	—	582	(183)	4,148
Loans							
Residential mortgages	1,053	—	(26)	—	—	(101)	926
Business and government	567	—	(17)	—	107	(40)	617
	1,620	—	(43)	—	107	(141)	1,543
Segregated fund net assets	800	1	16	—	126	(61)	882
Total financial assets at fair value through profit or loss	6,095	1	47	—	815	(385)	6,573
Financial assets at fair value through other comprehensive income							
Equity securities	72	—	—	(2)	—	—	70
Total financial assets at fair value through other comprehensive income	72	—	—	(2)	—	—	70
Total financial assets	$ 6,167	$ 1	$ 47	$ (2)	$ 815	$ (385)	$ 6,643
Financial liabilities							
Financial liabilities at fair value through profit or loss							
Other liabilities – Other							
Financial liability related to the contingent considerations	$ 36	$ —	$ 13	$ —	$ 31	$ (45)	$ 35
Total financial liabilities	$ 36	$ —	$ 13	$ —	$ 31	$ (45)	$ 35

(1) Realized gains or losses on financial assets classified or designated as at fair value through profit or loss are presented under "Net insurance investment income (loss)" and "Net other investment income (loss)" in the Combined Statements of Income.

(2) Unrealized gains or losses on financial assets classified or designated as at fair value through profit or loss are presented under "Net insurance investment income (loss)" and "Net other investment income (loss)," while unrealized gains or losses on financial liabilities "Classified as at fair value through profit or loss" are recognized under "Other income – Other" in the Combined Statements of Income.

(3) Unrealized gains or losses on financial assets "Classified as at fair value through other comprehensive income" are recognized under "Net unrealized gains (losses)" on debt securities at fair value through other comprehensive income, while unrealized gains or losses on financial assets "Designated as at fair value through other comprehensive income" are recognized under "Net change in gains and losses on equity securities designated as at fair value through other comprehensive income" in the Combined Statements of Comprehensive Income.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS CATEGORIZED WITHIN LEVEL 3 (continued)

CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS CATEGORIZED WITHIN LEVEL 3 (continued)

For the nine-month period ended September 30, 2025	Balance at beginning of period	Realized gains / losses recognized in profit or loss[1]	Unrealized gains / losses recognized in profit or loss[2]	Unrealized gains / losses recognized in other comprehensive income[3]	Transfers of instruments into (out of) Level 3	Purchases / Issuances / Other	Sales / Settlements / Other	Balance at end of period
Financial assets								
Financial assets at fair value through profit or loss								
Securities								
Other debt securities								
Mortgage bonds	$ 238	$ —	$ 3	$ —	$ —	$ —	$ (21)	$ 220
Other	178	—	9	—	—	66	(17)	236
Equity securities	2,821	—	54	—	—	366	(67)	3,174
	3,237	—	66	—	—	432	(105)	3,630
Loans								
Residential mortgages	1,065	—	15	—	—	20	(32)	1,068
Business and government	597	—	9	—	—	5	(30)	581
	1,662	—	24	—	—	25	(62)	1,649
Segregated fund net assets	751	4	—	—	(2)	227	(199)	781
Total financial assets at fair value through profit or loss	5,650	4	90	—	(2)	684	(366)	6,060
Financial assets at fair value through other comprehensive income								
Equity securities	82	—	—	(23)	—	18	—	77
Total financial assets at fair value through other comprehensive income	82	—	—	(23)	—	18	—	77
Total financial assets	$ 5,732	$ 4	$ 90	$ (23)	$ (2)	$ 702	$ (366)	$ 6,137
Financial liabilities								
Financial liabilities at fair value through profit or loss								
Other liabilities – Other								
Financial liability related to the contingent consideration	$ 25	$ —	$ 17	$ —	$ —	$ —	$ (13)	$ 29
Total financial liabilities	$ 25	$ —	$ 17	$ —	$ —	$ —	$ (13)	$ 29

(1) Realized gains or losses on financial assets classified or designated as at fair value through profit or loss are presented under "Net insurance investment income (loss)" and "Net other investment income (loss)" in the Combined Statements of Income.

(2) Unrealized gains or losses on financial assets classified or designated as at fair value through profit or loss are presented under "Net insurance investment income (loss)" and "Net other investment income (loss)," while unrealized gains or losses on financial liabilities "Classified as at fair value through profit or loss" are recognized under "Other income – Other" in the Combined Statements of Income.

(3) Unrealized gains or losses on financial assets "Classified as at fair value through other comprehensive income" are recognized under "Net unrealized gains (losses)" on debt securities at fair value through other comprehensive income, while unrealized gains or losses on financial assets "Designated as at fair value through other comprehensive income" are recognized under "Net change in gains and losses on equity securities designated as at fair value through other comprehensive income" in the Combined Statements of Comprehensive Income.

NOTE 5 – LOANS AND ALLOWANCE FOR CREDIT LOSSES

EXPOSURE TO CREDIT RISK OF LOANS AND OFF-BALANCE SHEET ITEMS

The following tables present the gross carrying amount of loans and the exposure amount for off-balance sheet items for which Desjardins Group estimates an allowance for expected credit losses, according to credit quality and the impairment model stage in which they are classified. For more information on credit quality according to risk levels, see Table 28, "Probabilities of default of retail clients by risk level," and Table 29, "Probabilities of default of businesses, financial institutions and sovereign borrowers by risk level," in section 4.0, "Risk management," of the 2025 Annual Management's Discussion and Analysis.

Loans

	Non-credit impaired		Credit-impaired	
As at September 30, 2026	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Residential mortgages				
Excellent	$ 59,236	$ 14	$ —	$ 59,250
Very low	86,156	625	—	86,781
Low	54,226	4,109	—	58,335
Moderate	2,634	2,272	—	4,906
High	4	760	—	764
Default	—	617	463	1,080
Total residential mortgages subject to expected credit losses	$ 202,256	$ 8,397	$ 463	$ 211,116
Residential mortgages at fair value through profit or loss[1]				926
Total gross residential mortgages	$ 202,256	$ 8,397	$ 463	$ 212,042
Allowance for credit losses	(50)	(34)	(38)	(122)
Total net residential mortgages	$ 202,206	$ 8,363	$ 425	$ 211,920
Consumer, credit card and other personal loans				
Excellent	$ 5,934	$ —	$ —	$ 5,934
Very low	6,273	3	—	6,276
Low	8,079	804	—	8,883
Moderate	1,151	820	—	1,971
High	15	1,158	—	1,173
Default	—	32	268	300
Total gross consumer, credit card and other personal loans	$ 21,452	$ 2,817	$ 268	$ 24,537
Allowance for credit losses	(97)	(225)	(186)	(508)
Total net consumer, credit card and other personal loans	$ 21,355	$ 2,592	$ 82	$ 24,029
Business and government loans				
Acceptable risk				
Investment grade	$ 30,493	$ 179	$ —	$ 30,672
Other than investment grade	52,012	6,178	—	58,190
Under watch	2,048	2,690	—	4,738
Default	—	204	1,918	2,122
Total business and government loans subject to expected credit losses	$ 84,553	$ 9,251	$ 1,918	$ 95,722
Business and government loans at fair value through profit or loss[1]				617
Total gross business and government loans	$ 84,553	$ 9,251	$ 1,918	$ 96,339
Allowance for credit losses	(202)	(177)	(511)	(890)
Total net business and government loans	$ 84,351	$ 9,074	$ 1,407	$ 95,449
Total gross loans	$ 308,261	$ 20,465	$ 2,649	$ 332,918
Allowance for credit losses	(349)	(436)	(735)	(1,520)
Total net loans	$ 307,912	$ 20,029	$ 1,914	$ 331,398

[1] Loans at fair value through profit or loss are not subject to expected credit losses.

NOTE 5 – LOANS AND ALLOWANCE FOR CREDIT LOSSES (continued)

EXPOSURE TO CREDIT RISK OF LOANS AND OFF-BALANCE SHEET ITEMS (continued)

Loans (continued)

As at December 31, 2025	Non-credit impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Residential mortgages				
Excellent	$ 60,114	$ 18	$ —	$ 60,132
Very low	81,047	1,094	—	82,141
Low	46,288	3,317	—	49,605
Moderate	2,298	1,982	—	4,280
High	3	793	—	796
Default	—	423	446	869
Total residential mortgages subject to expected credit losses	$ 189,750	$ 7,627	$ 446	$ 197,823
Residential mortgages at fair value through profit or loss[1]				1,053
Total gross residential mortgages	$ 189,750	$ 7,627	$ 446	$ 198,876
Allowance for credit losses	(43)	(29)	(33)	(105)
Total net residential mortgages	$ 189,707	$ 7,598	$ 413	$ 198,771
Consumer, credit card and other personal loans				
Excellent	$ 5,613	$ —	$ —	$ 5,613
Very low	6,327	2	—	6,329
Low	8,439	608	—	9,047
Moderate	1,087	746	—	1,833
High	11	1,292	—	1,303
Default	—	34	267	301
Total gross consumer, credit card and other personal loans	$ 21,477	$ 2,682	$ 267	$ 24,426
Allowance for credit losses	(105)	(232)	(190)	(527)
Total net consumer, credit card and other personal loans	$ 21,372	$ 2,450	$ 77	$ 23,899
Business and government loans				
Acceptable risk				
Investment grade	$ 29,629	$ 205	$ —	$ 29,834
Other than investment grade	50,374	5,111	—	55,485
Under watch	2,159	2,590	—	4,749
Default	—	172	1,968	2,140
Total business and government loans subject to expected credit losses	$ 82,162	$ 8,078	$ 1,968	$ 92,208
Business and government loans at fair value through profit or loss[1]				567
Total gross business and government loans	$ 82,162	$ 8,078	$ 1,968	$ 92,775
Allowance for credit losses	(169)	(123)	(450)	(742)
Total net business and government loans	$ 81,993	$ 7,955	$ 1,518	$ 92,033
Total gross loans	$ 293,389	$ 18,387	$ 2,681	$ 316,077
Allowance for credit losses	(317)	(384)	(673)	(1,374)
Total net loans	$ 293,072	$ 18,003	$ 2,008	$ 314,703

[1] Loans at fair value through profit or loss are not subject to expected credit losses.

NOTE 5 – LOANS AND ALLOWANCE FOR CREDIT LOSSES (continued)

EXPOSURE TO CREDIT RISK OF LOANS AND OFF-BALANCE SHEET ITEMS (continued)

Off-balance sheet items[1]

As at September 30, 2026	Non-credit impaired Stage 1	Non-credit impaired Stage 2	Credit-impaired Stage 3	Total
Residential mortgages, consumer, credit card and other personal loans				
Excellent	**$ 53,236**	**$ —**	**$ —**	**$ 53,236**
Very low	**26,649**	**14**	**—**	**26,663**
Low	**9,945**	**624**	**—**	**10,569**
Moderate	**438**	**454**	**—**	**892**
High	**7**	**222**	**—**	**229**
Default	**—**	**16**	**54**	**70**
Total	**$ 90,275**	**$ 1,330**	**$ 54**	**$ 91,659**
Allowance for credit losses	**(43)**	**(22)**	**—**	**(65)**
Total, net of allowance for credit losses	**$ 90,232**	**$ 1,308**	**$ 54**	**$ 91,594**
Business and government				
Acceptable risk				
Investment grade	**$ 41,998**	**$ 160**	**$ —**	**$ 42,158**
Other than investment grade	**17,980**	**1,631**	**—**	**19,611**
Under watch	**324**	**497**	**—**	**821**
Default	**—**	**20**	**439**	**459**
Total	**$ 60,302**	**$ 2,308**	**$ 439**	**$ 63,049**
Allowance for credit losses	**(34)**	**(24)**	**—**	**(58)**
Total, net of allowance for credit losses	**$ 60,268**	**$ 2,284**	**$ 439**	**$ 62,991**
Total off-balance sheet items	**$ 150,577**	**$ 3,638**	**$ 493**	**$ 154,708**
Allowance for credit losses	**(77)**	**(46)**	**—**	**(123)**
Total off-balance sheet items, net of allowance for credit losses	**$ 150,500**	**$ 3,592**	**$ 493**	**$ 154,585**

As at December 31, 2025	Non-credit impaired Stage 1	Non-credit impaired Stage 2	Credit-impaired Stage 3	Total
Residential mortgages, consumer, credit card and other personal loans				
Excellent	$ 52,313	$ 1	$ —	$ 52,314
Very low	25,677	10	—	25,687
Low	9,568	509	—	10,077
Moderate	361	436	—	797
High	7	228	—	235
Default	—	8	60	68
Total	$ 87,926	$ 1,192	$ 60	$ 89,178
Allowance for credit losses	(43)	(22)	—	(65)
Total, net of allowance for credit losses	$ 87,883	$ 1,170	$ 60	$ 89,113
Business and government				
Acceptable risk				
Investment grade	$ 38,178	$ 110	$ —	$ 38,288
Other than investment grade	17,818	1,438	—	19,256
Under watch	335	526	—	861
Default	—	12	465	477
Total	$ 56,331	$ 2,086	$ 465	$ 58,882
Allowance for credit losses	(29)	(17)	—	(46)
Total, net of allowance for credit losses	$ 56,302	$ 2,069	$ 465	$ 58,836
Total off-balance sheet items	$ 144,257	$ 3,278	$ 525	$ 148,060
Allowance for credit losses	(72)	(39)	—	(111)
Total off-balance sheet items, net of allowance for credit losses	$ 144,185	$ 3,239	$ 525	$ 147,949

[1] Loan commitments for which Desjardins Group estimates an allowance for expected credit losses comprise credit commitments and documentary letters of credit, while financial guarantees for which it estimates an allowance for expected credit losses comprise guarantees and standby letters of credit.

NOTE 5 – LOANS AND ALLOWANCE FOR CREDIT LOSSES (continued)

ALLOWANCE FOR CREDIT LOSSES

The following tables present the changes in the balance of the allowance for expected credit losses on loans and off-balance sheet items.

For the nine-month period ended September 30, 2026	Non-credit impaired		Credit-impaired	Allowance for credit losses
	Stage 1	Stage 2	Stage 3	
Residential mortgages				
Balance at beginning of period	$ 47	$ 29	$ 33	$ 109
Provision for credit losses				
Transfers to[1]:				
Stage 1	18	(16)	(2)	—
Stage 2	(8)	14	(6)	—
Stage 3	—	(2)	2	—
Net remeasurement due to transfers[2]	(6)	6	18	18
Changes in risks, parameters and models[3]	(17)	12	3	(2)
New originations or acquisitions[4]	26	—	—	26
Derecognitions and maturities[5]	(6)	(7)	(11)	(24)
Net drawdowns (repayments)[6]	—	(1)	—	(1)
	7	6	4	17
Write-offs and recoveries	—	—	1	1
Balance at end of period	$ 54	$ 35	$ 38	$ 127
Consumer, credit card and other personal loans				
Balance at beginning of period	$ 144	$ 254	$ 190	$ 588
Provision for credit losses				
Transfers to[1]:				
Stage 1	158	(144)	(14)	—
Stage 2	(53)	100	(47)	—
Stage 3	(1)	(44)	45	—
Net remeasurement due to transfers[2]	(47)	41	242	236
Changes in risks, parameters and models[3]	(99)	86	164	151
New originations or acquisitions[4]	62	—	—	62
Derecognitions and maturities[5]	(23)	(39)	(87)	(149)
Net drawdowns (repayments)[6]	(5)	(8)	—	(13)
	(8)	(8)	303	287
Write-offs and recoveries	—	—	(307)	(307)
Balance at end of period	$ 136	$ 246	$ 186	$ 568
Business and government				
Balance at beginning of period	$ 198	$ 140	$ 450	$ 788
Provision for credit losses				
Transfers to[1]:				
Stage 1	56	(55)	(1)	—
Stage 2	(49)	63	(14)	—
Stage 3	(1)	(17)	18	—
Net remeasurement due to transfers[2]	(28)	58	179	209
Changes in risks, parameters and models[3]	(48)	38	88	78
New originations or acquisitions[4]	162	—	—	162
Derecognitions and maturities[5]	(60)	(26)	(36)	(122)
Net drawdowns (repayments)[6]	6	—	(50)	(44)
	38	61	184	283
Write-offs and recoveries	—	—	(123)	(123)
Balance at end of period	$ 236	$ 201	$ 511	$ 948
Total balances at end of period	$ 426	$ 482	$ 735	$ 1,643
Composed of:				
Loans	$ 349	$ 436	$ 735	$ 1,520
Off-balance sheet items[7]	77	46	—	123

(1) Represent transfers between stages before the remeasurement of expected credit losses.
(2) Represents the remeasurement of the allowance for expected credit losses resulting from transfers between stages.
(3) Represent the change in the allowance due to changes in risks resulting from changes in forward-looking information, risk levels, parameters and models, after transfers between stages.
(4) Represent the increase in the allowance for new originations or acquisitions during the period, including loans that were derecognized and for which a new asset was recognized following a modification of terms.
(5) Represent mainly the decrease in the allowance for fully repaid loans, including loans that were derecognized and for which a new asset was recognized following a modification of terms.
(6) Represent changes in the allowance attributable to drawdowns and repayments on outstanding loans.
(7) The allowance for credit losses on off-balance sheet items is presented under "Other liabilities – Other" in the Combined Balance Sheets.

NOTE 5 – LOANS AND ALLOWANCE FOR CREDIT LOSSES (continued)

ALLOWANCE FOR CREDIT LOSSES (continued)

For the nine-month period ended September 30, 2025	Non-credit impaired		Credit-impaired	Allowance for credit losses
	Stage 1	Stage 2	Stage 3	
Residential mortgages				
Balance at beginning of period	$ 42	$ 26	$ 30	$ 98
Provision for credit losses				
Transfers to[1]:				
Stage 1	19	(16)	(3)	—
Stage 2	(8)	13	(5)	—
Stage 3	—	(2)	2	—
Net remeasurement due to transfers[2]	(6)	5	18	17
Changes in risks, parameters and models[3]	(18)	12	(3)	(9)
New originations or acquisitions[4]	21	—	—	21
Derecognitions and maturities[5]	(5)	(7)	(12)	(24)
Net drawdowns (repayments)[6]	—	(1)	—	(1)
	3	4	(3)	4
Write-offs and recoveries	—	—	4	4
Balance at end of period	$ 45	$ 30	$ 31	$ 106
Consumer, credit card and other personal loans				
Balance at beginning of period	$ 150	$ 255	$ 165	$ 570
Provision for credit losses				
Transfers to[1]:				
Stage 1	187	(174)	(13)	—
Stage 2	(68)	115	(47)	—
Stage 3	(2)	(46)	48	—
Net remeasurement due to transfers[2]	(56)	58	233	235
Changes in risks, parameters and models[3]	(110)	125	149	164
New originations or acquisitions[4]	60	—	—	60
Derecognitions and maturities[5]	(18)	(38)	(72)	(128)
Net drawdowns (repayments)[6]	(1)	(6)	—	(7)
	(8)	34	298	324
Write-offs and recoveries	—	—	(286)	(286)
Balance at end of period	$ 142	$ 289	$ 177	$ 608
Business and government				
Balance at beginning of period	$ 151	$ 181	$ 420	$ 752
Provision for credit losses				
Transfers to[1]:				
Stage 1	58	(57)	(1)	—
Stage 2	(43)	54	(11)	—
Stage 3	(4)	(17)	21	—
Net remeasurement due to transfers[2]	(29)	51	147	169
Changes in risks, parameters and models[3]	(37)	(31)	87	19
New originations or acquisitions[4]	131	—	—	131
Derecognitions and maturities[5]	(45)	(27)	(41)	(113)
Net drawdowns (repayments)[6]	10	(4)	(13)	(7)
	41	(31)	189	199
Write-offs and recoveries	—	—	(18)	(18)
Balance at end of period	$ 192	$ 150	$ 591	$ 933
Total balances at end of period	$ 379	$ 469	$ 799	$ 1,647
Composed of:				
Loans	$ 307	$ 424	$ 799	$ 1,530
Off-balance sheet items[7]	72	45	—	117

(1) Represent transfers between stages before the remeasurement of expected credit losses.
(2) Represents the remeasurement of the allowance for expected credit losses resulting from transfers between stages.
(3) Represent the change in the allowance due to changes in risks resulting from changes in forward-looking information, risk levels, parameters and models, after transfers between stages.
(4) Represent the increase in the allowance for new originations or acquisitions during the period, including loans that were derecognized and for which a new asset was recognized following a modification of terms.
(5) Represent mainly the decrease in the allowance for fully repaid loans, including loans that were derecognized and for which a new asset was recognized following a modification of terms.
(6) Represent changes in the allowance attributable to drawdowns and repayments on outstanding loans.
(7) The allowance for credit losses on off-balance sheet items is presented under "Other liabilities – Other" in the Combined Balance Sheets.

NOTE 5 – LOANS AND ALLOWANCE FOR CREDIT LOSSES (continued)

KEY DATA AND ASSUMPTIONS

The following information is an update, compared to the most recent Annual Combined Financial Statements, of key data and assumptions underlying the measurement of the allowance for expected credit losses. For more information, see Notes 2, "Accounting policies," and 7, "Loans and allowance for credit losses," to the Annual Combined Financial Statements.

The macroeconomic environment remains highly uncertain, in particular with respect to the evolution of trade relations with the United States, geopolitical tensions and the risk of a stock market correction. Therefore, management has to continue making particularly complex judgments to estimate the allowance for expected credit losses in such situation. Expert adjustments are applied to the measurement of the allowance for expected credit losses to take into account relevant risk factors related to the macroeconomic environment that are not reflected in models.

The macroeconomic scenarios prepared for calculating the allowance for expected credit losses include the following value ranges over the projection horizon for the most significant variables for credit risk parameters:

	Base scenario		**Upside scenario**		**Downside scenario**	
As at September 30, 2026	**Next 12 months**	**Remaining forecast period**	**Next 12 months**	**Remaining forecast period**	**Next 12 months**	**Remaining forecast period**
Macroeconomic variables[1]						
Gross domestic product (annualized change)	**1.2%**	**1.3%**	**2.0%**	**1.6%**	**(2.5)%**	**1.2%**
Unemployment rate (average)	**5.9%**	**5.2%**	**5.2%**	**4.2%**	**7.3%**	**6.7%**
Consumer Price Index (annualized change)	**1.9%**	**1.8%**	**2.9%**	**1.8%**	**2.6%**	**1.9%**
Housing prices (annualized change)	**0.6%**	**2.8%**	**4.8%**	**4.0%**	**(16.8)%**	**3.4%**
Corporate credit spread[2] (average)	**105 bp**	**120 bp**	**85 bp**	**85 bp**	**205 bp**	**152 bp**
S&P/TSX stock index[2] (annualized change)	**9.8%**	**8.2%**	**15.2%**	**9.5%**	**(31.1)%**	**8.6%**

	Base scenario		Upside scenario		Downside scenario	
As at December 31, 2025	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period
Macroeconomic variables[1]						
Gross domestic product (annualized change)	1.7%	1.5%	2.6%	1.8%	(1.5)%	1.3%
Unemployment rate (average)	5.5%	4.5%	5.2%	3.9%	6.7%	6.1%
Consumer Price Index (annualized change)	1.8%	2.0%	3.3%	2.1%	2.2%	2.0%
Housing prices (annualized change)	2.2%	2.9%	5.2%	4.1%	(13.2)%	1.4%
Corporate credit spread[2] (average)	106 bp	118 bp	90 bp	90 bp	195 bp	153 bp
S&P/TSX stock index[2] (annualized change)	10.3%	7.0%	16.1%	8.0%	(35.5)%	10.7%

(1) All macroeconomic variables relate to the Quebec economy, unless otherwise noted.
(2) Macroeconomic variables related to the Canadian economy.

NOTE 5 – LOANS AND ALLOWANCE FOR CREDIT LOSSES (continued)

KEY DATA AND ASSUMPTIONS (continued)

Following the latest tariff escalation, the base scenario was adjusted downward and now forecasts economic growth that will remain weak until the end of 2026. However, an acceleration is still expected for 2027. This scenario assumes that a portion of the recently added tariffs could be withdrawn next year as a result of negotiations between Canada and the United States. The unemployment rate in Quebec should rise to around 6% by the end of 2026. Afterwards, it should gradually decrease and drop back to below 5% by 2030. Labour shortage will contribute to this decrease in unemployment. Inflation should converge to 2% in a few quarters. The Bank of Canada should keep its overnight rate unchanged until the end of 2026, but two 25-basis-point increases are expected in 2027 as a result of a more robust economy. This would bring the Canadian monetary policy closer to its neutral position. The housing market is losing momentum in Quebec, but housing prices should continue to grow moderately.

The downside scenario forecasts a recession, which could result from a new escalation in trade tensions, a continuation of the oil shock or increased volatility in financial markets. The Quebec real GDP would decrease by nearly 3% over a horizon of approximately one year. The unemployment rate would rise and reach a high of 8.2% in Quebec in 2027. This scenario also assumes that inflation would rise more in the short term due to new tariffs and a prolonged oil shock. Consequently, the Bank of Canada would be forced to raise interest rates a few times. The discount rate would reach 3.25% in the first quarter of 2027, but would be lowered a few quarters later as a result of the disinflationary pressures arising from the recession. The forecast for the housing market is also more pessimistic in this scenario. The greater uncertainty, in particular with respect to the labour market, would contribute to weakening demand and prices for residential properties. The price decrease could be close to 20% in Quebec.

The upside scenario essentially assumes that the economy will be stronger than in the base scenario, supported by the abandonment of most of the tariffs currently in place. A sharper rebound in investments and productivity gains would help drive economic growth. Other factors, such as a quick and lasting end to the conflicts in Ukraine and the Middle East, could also support the global economy. In this scenario, the unemployment rate could go down to around 4% in Quebec by 2030. The inflationary pressures would however be more considerable than in the base scenario as a result of more vibrant economic activity. The Bank of Canada could have to raise the discount rate up to 3.75% in 2027. In the longer term, the discount rate could be cut back to 3.50%, which is at the high end of the Bank of Canada's estimated neutral range. Average housing prices would be driven by a stronger labour market, but hampered by higher interest rates. Ultimately, housing price growth would be slightly greater than in the base scenario.

The development of the economic outlook after September 30, 2026, will be considered in estimating the allowance for expected credit losses in future periods.

SENSITIVITY ANALYSIS OF THE ALLOWANCE FOR CREDIT LOSSES ON NON-CREDIT IMPAIRED LOANS

Scenarios

The amount of the allowance for expected credit losses depends on the probability of occurrence associated with each scenario. The following table compares the allowance for credit losses on non-credit impaired loans and off-balance sheet items at the reporting dates, which takes into account the probability weighting for the three scenarios, with the allowance for credit losses that would have been obtained if a weighting of 100% had been assigned to each scenario individually.

	Allowance for credit losses on non-credit impaired loans and off-balance sheet items	
	As at September 30, 2026	As at December 31, 2025
Under IFRS 9	**$ 908**	$ 812
Weighting of 100% assigned to the scenario:		
Base	**$ 763**	$ 730
Upside	**667**	676
Downside	**1,297**	1,078

Transfers between stages

The following table compares the allowance for credit losses on non-credit impaired loans and off-balance sheet items at the reporting dates with the allowance for credit losses that would have been obtained if all non-credit impaired loans had been included in Stage 1 of the impairment model.

	Allowance for credit losses on non-credit impaired loans and off-balance sheet items	
	As at September 30, 2026	As at December 31, 2025
Under IFRS 9	**$ 908**	$ 812
If all non-credit impaired loans and off-balance sheet items had been included in Stage 1	**$ 746**	$ 674

NOTE 6 – DEPOSITS AND SUBORDINATED NOTES

DEPOSITS

Deposits consist of demand deposits, notice deposits and term deposits. Demand deposits are interest-bearing or non-interest-bearing deposits, primarily accounts with chequing privileges, for which Desjardins Group does not have the right to require notice prior to withdrawal. Notice deposits are interest-bearing deposits, primarily savings accounts, for which Desjardins Group has the legal right to require notice prior to withdrawal. Term deposits are interest-bearing deposits, primarily fixed-term deposit accounts, guaranteed investment certificates or other similar instruments, with a term that generally varies from one day to 10 years and mature on a predetermined date.

The following table presents the breakdown of deposits.

	As at September 30, 2026				As at December 31, 2025			
	Demand deposits	**Notice deposits**	**Term deposits**	**Total**	Demand deposits	Notice deposits	Term deposits	Total
Individuals	**$ 71,958**	**$ 3,914**	**$ 96,603**	**$ 172,475**	$ 74,553	$ 4,102	$ 92,631	$ 171,286
Business and government	**73,750**	**116**	**100,510**	**174,376**	62,661	139	95,000	157,800
Deposit-taking institutions	**329**	**—**	**21**	**350**	398	—	10	408
	$ 146,037	**$ 4,030**	**$ 197,134**	**$ 347,201**	$ 137,612	$ 4,241	$ 187,641	$ 329,494

SUBORDINATED NOTES

On March 3, 2026, the Federation issued Tier 2 subordinated notes eligible as Non-Viability Contingent Capital (NVCC) amounting to $1 billion. The notes bear interest at an annual fixed rate of 3.856% for the first five years and at an annual rate equal to daily compounded CORRA (Canadian Overnight Repo Rate Average) plus 1.28% until maturity on March 3, 2036. These notes are redeemable at the option of the issuer on or after March 3, 2031, subject to conditions and the prior approval of the regulatory authority.

On May 28, 2026, the Federation redeemed Tier 2 subordinated notes eligible as NVCC amounting to $1 billion and maturing on May 28, 2031, at a price equal to their par value, plus accrued and unpaid interest to May 28, 2026, exclusively.

On June 4, 2026, the Federation issued Tier 2 subordinated notes eligible as NVCC amounting to 24 billion yen (JPY). The notes bear interest at an annual fixed rate of 2.901% for the first five years and at the semi-annual TONA (Tokyo Overnight Average Rate) five-year mid-swap rate plus 0.99% until maturity on September 4, 2036. These notes are redeemable at the option of the issuer on September 4, 2031, subject to conditions and the prior approval of the regulatory authority.

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS

COMPOSITION OF BALANCE SHEET BALANCES

Balance sheet summary

The following table presents the composition of insurance contract liabilities as well as reinsurance contract assets and liabilities.

	As at September 30, 2026			As at December 31, 2025		
	Life and health insurance activities	**Property and casualty insurance activities**	**Total**	Life and health insurance activities	Property and casualty insurance activities	Total
Insurance contract liabilities						
Insurance contract liabilities, excluding the asset for insurance acquisition cash flows[1]	**$ 26,118**	**$ 7,909**	**$ 34,027**	$ 26,971	$ 7,824	$ 34,795
Asset for insurance acquisition cash flows	**(47)**	**—**	**(47)**	(58)	—	(58)
	$ 26,071	**$ 7,909**	**$ 33,980**	$ 26,913	$ 7,824	$ 34,737
Reinsurance contract assets	**$ 991**	**$ 755**	**$ 1,746**	$ 992	$ 771	$ 1,763
Reinsurance contract liabilities	**$ 35**	**$ —**	**$ 35**	$ 35	$ —	$ 35

(1) The balance for life and health insurance includes an amount of $3,389 million ($3,547 million as at December 31, 2025) corresponding to the obligation to segregated fund holders and an amount of $333 million ($417 million as at December 31, 2025) related to segregated fund guarantees.

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS (continued)

INSURANCE FINANCE RESULT

Finance expenses and investment income

The following tables present insurance finance income (expenses) and the return on assets held in respect of insurance activities.

For the three-month periods ended September 30	2026 Life and health insurance activities	2026 Property and casualty insurance activities	2026 Total	2025 Life and health insurance activities	2025 Property and casualty insurance activities	2025 Total
Return on assets held in respect of insurance activities						
Net insurance investment income (loss)						
Insurance contracts	**$ (925)**	**$ 5**	**$ (920)**	$ 445	$ 233	$ 678
Segregated fund contracts	**(3)**	**—**	**(3)**	191	—	191
	(928)	**5**	**(923)**	636	233	869
Net change in insurance investment gains and losses recognized in the Combined Statements of Comprehensive Income	**(37)**	**(77)**	**(114)**	65	33	98
	(965)	**(72)**	**(1,037)**	701	266	967
Net insurance and reinsurance finance income (expenses)						
Net insurance finance income (expenses)						
Capitalized interest	**(151)**	**(64)**	**(215)**	(153)	(61)	(214)
Effect related to changes in discount rates and other financial assumptions	**1,043**	**120**	**1,163**	(152)	(32)	(184)
Change in the fair value of underlying assets of insurance contracts with direct participation features:						
Insurance contracts	**17**	**—**	**17**	(49)	—	(49)
Segregated fund contracts	**3**	**—**	**3**	(191)	—	(191)
Effect of financial risk mitigation	**73**	**—**	**73**	31	—	31
Other	**(9)**	**—**	**(9)**	(16)	—	(16)
	976	**56**	**1,032**	(530)	(93)	(623)
Net reinsurance finance income (expenses)						
Capitalized interest	**(1)**	**5**	**4**	7	5	12
Effect related to changes in discount rates and other financial assumptions	**(42)**	**(10)**	**(52)**	3	3	6
	(43)	**(5)**	**(48)**	10	8	18
	933	**51**	**984**	(520)	(85)	(605)
Total	**$ (32)**	**$ (21)**	**$ (53)**	$ 181	$ 181	$ 362
Composed of:						
Net insurance finance result in the Combined Statements of Income	**$ 5**	**$ 56**	**$ 61**	$ 116	$ 148	$ 264
Net insurance finance result in the Combined Statements of Comprehensive Income	**(37)**	**(77)**	**(114)**	65	33	98

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS (continued)

INSURANCE FINANCE RESULT (continued)

Finance expenses and investment income (continued)

For the nine-month periods ended September 30	2026 Life and health insurance activities	2026 Property and casualty insurance activities	2026 Total	2025 Life and health insurance activities	2025 Property and casualty insurance activities	2025 Total
Return on assets held in respect of insurance activities						
Net insurance investment income (loss)						
Insurance contracts	**$ (51)**	**$ 348**	**$ 297**	$ 837	$ 566	$ 1,403
Segregated fund contracts	**257**	**—**	**257**	346	—	346
	206	**348**	**554**	1,183	566	1,749
Net change in insurance investment gains and losses recognized in the Combined Statements of Comprehensive Income	**(37)**	**(77)**	**(114)**	128	52	180
	169	**271**	**440**	1,311	618	1,929
Net insurance and reinsurance finance income (expenses)						
Net insurance finance income (expenses)						
Capitalized interest	**(434)**	**(179)**	**(613)**	(475)	(187)	(662)
Effect related to changes in discount rates and other financial assumptions	**725**	**104**	**829**	71	(62)	9
Change in the fair value of underlying assets of insurance contracts with direct participation features:						
Insurance contracts	**(63)**	**—**	**(63)**	(96)	—	(96)
Segregated fund contracts	**(257)**	**—**	**(257)**	(346)	—	(346)
Effect of financial risk mitigation	**102**	**—**	**102**	77	—	77
Other	**(33)**	**—**	**(33)**	(16)	—	(16)
	40	**(75)**	**(35)**	(785)	(249)	(1,034)
Net reinsurance finance income (expenses)						
Capitalized interest	**10**	**15**	**25**	19	19	38
Effect related to changes in discount rates and other financial assumptions	**(26)**	**(9)**	**(35)**	(12)	6	(6)
Other	**—**	**—**	**—**	3	—	3
	(16)	**6**	**(10)**	10	25	35
	24	**(69)**	**(45)**	(775)	(224)	(999)
Total	**$ 193**	**$ 202**	**$ 395**	$ 536	$ 394	$ 930
Composed of:						
Net insurance finance result in the Combined Statements of Income	**$ 230**	**$ 279**	**$ 509**	$ 408	$ 342	$ 750
Net insurance finance result in the Combined Statements of Comprehensive Income	**(37)**	**(77)**	**(114)**	128	52	180

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS (continued)

RECONCILIATIONS OF INSURANCE CONTRACT LIABILITIES

The following tables present the reconciliation from the opening balance to the closing balance for the liability for remaining coverage and the liability for incurred claims.

Life and health insurance activities

For the nine-month period ended September 30, 2026	Remaining coverage		Incurred claims Contracts			Total
				To which the premium allocation approach has been applied		
	Excluding the loss component	Loss component	Other than those to which the premium allocation approach has been applied	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Liability balance at beginning of period	**$ 21,665**	**$ 248**	**$ 373**	**$ 4,563**	**$ 122**	**$ 26,971**
Insurance revenue						
Contracts to which the fair value approach has been applied	(787)	—	—	—	—	(787)
Other contracts	(2,512)	—	—	—	—	(2,512)
	(3,299)	—	—	—	—	(3,299)
Insurance service expenses						
Incurred claims and other incurred insurance service expenses	—	(60)	822	1,678	4	2,444
Amortization of insurance acquisition cash flows	310	—	—	—	—	310
Losses and reversals of losses on onerous contracts	—	60	—	—	—	60
	310	—	822	1,678	4	2,814
Insurance service result	(2,989)	—	822	1,678	4	(485)
Net insurance finance expenses (income)	(56)	3	8	6	(1)	(40)
Total items recognized in the Combined Statements of Income	**$ (3,045)**	**$ 3**	**$ 830**	**$ 1,684**	**$ 3**	**$ (525)**
Investment components	(1,751)	—	774	977	—	—
Cash flows						
Premiums and other amounts received	4,259	—	—	—	—	4,259
Insurance acquisition cash outflows	(396)	—	—	—	—	(396)
Claims and other insurance service expenses paid (including investment components)	—	—	(1,584)	(2,607)	—	(4,191)
Total cash flows	**$ 3,863**	**$ —**	**$ (1,584)**	**$ (2,607)**	**$ —**	**$ (328)**
Liability balance at end of period	**$ 20,732**	**$ 251**	**$ 393**	**$ 4,617**	**$ 125**	**$ 26,118**

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS (continued)

Life and health insurance activities (continued)

For the nine-month period ended September 30, 2025	Remaining coverage		Incurred claims Contracts			Total
				To which the premium allocation approach has been applied		
	Excluding the loss component	Loss component	Other than those to which the premium allocation approach has been applied	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Liability balance at beginning of period	$ 21,899	$ 209	$ 369	$ 4,420	$ 118	$ 27,015
Insurance revenue						
Contracts to which the fair value approach has been applied	(799)	—	—	—	—	(799)
Other contracts	(2,420)	—	—	—	—	(2,420)
	(3,219)	—	—	—	—	(3,219)
Insurance service expenses						
Incurred claims and other incurred insurance service expenses	—	(36)	808	1,589	2	2,363
Amortization of insurance acquisition cash flows	295	—	—	—	—	295
Losses and reversals of losses on onerous contracts	—	45	—	—	—	45
	295	9	808	1,589	2	2,703
Insurance service result	(2,924)	9	808	1,589	2	(516)
Net insurance finance expenses (income)	628	6	7	140	4	785
Total items recognized in the Combined Statements of Income	$ (2,296)	$ 15	$ 815	$ 1,729	$ 6	$ 269
Investment components	(1,585)	—	659	926	—	—
Cash flows						
Premiums and other amounts received	4,250	—	—	—	—	4,250
Insurance acquisition cash outflows	(400)	—	—	—	—	(400)
Claims and other insurance service expenses paid (including investment components)	—	—	(1,475)	(2,485)	—	(3,960)
Total cash flows	$ 3,850	$ —	$ (1,475)	$ (2,485)	$ —	$ (110)
Liability balance at end of period	$ 21,868	$ 224	$ 368	$ 4,590	$ 124	$ 27,174

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS (continued)

Property and casualty insurance activities

For the nine-month period ended September 30, 2026	Remaining coverage		Incurred claims		Total
	Excluding the loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Liability balance at beginning of period	**$ 212**	**$ 257**	**$ 6,838**	**$ 517**	**$ 7,824**
Insurance revenue	**(6,188)**	**—**	**—**	**—**	**(6,188)**
Insurance service expenses					
Incurred claims and other incurred insurance service expenses	**—**	**(305)**	**4,470**	**139**	**4,304**
Amortization of insurance acquisition cash flows	**967**	**—**	**—**	**—**	**967**
Changes related to claims incurred in prior years	**—**	**—**	**(436)**	**(132)**	**(568)**
Losses and reversals of losses on onerous contracts	**—**	**220**	**—**	**—**	**220**
	967	**(85)**	**4,034**	**7**	**4,923**
Insurance service result	**(5,221)**	**(85)**	**4,034**	**7**	**(1,265)**
Net insurance finance expenses (income)	**—**	**—**	**70**	**5**	**75**
Total items recognized in the Combined Statements of Income	**$ (5,221)**	**$ (85)**	**$ 4,104**	**$ 12**	**$ (1,190)**
Cash flows					
Premiums and other amounts received	**6,213**	**—**	**—**	**—**	**6,213**
Insurance acquisition cash outflows	**(1,006)**	**—**	**—**	**—**	**(1,006)**
Claims and other insurance service expenses paid (including investment components)	**—**	**—**	**(3,932)**	**—**	**(3,932)**
Total cash flows	**$ 5,207**	**$ —**	**$ (3,932)**	**$ —**	**$ 1,275**
Liability balance at end of period	**$ 198**	**$ 172**	**$ 7,010**	**$ 529**	**$ 7,909**

For the nine-month period ended September 30, 2025	Remaining coverage		Incurred claims		Total
	Excluding the loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	
Liability balance at beginning of period	$ 269	$ 196	$ 6,606	$ 505	$ 7,576
Insurance revenue	(5,907)	—	—	—	(5,907)
Insurance service expenses					
Incurred claims and other incurred insurance service expenses	—	(299)	4,105	131	3,937
Amortization of insurance acquisition cash flows	883	—	—	—	883
Changes related to claims incurred in prior years	—	—	(340)	(125)	(465)
Losses and reversals of losses on onerous contracts	—	455	—	—	455
	883	156	3,765	6	4,810
Insurance service result	(5,024)	156	3,765	6	(1,097)
Net insurance finance expenses (income)	—	—	231	18	249
Total items recognized in the Combined Statements of Income	$ (5,024)	$ 156	$ 3,996	$ 24	$ (848)
Cash flows					
Premiums and other amounts received	5,902	—	—	—	5,902
Insurance acquisition cash outflows	(938)	—	—	—	(938)
Claims and other insurance service expenses paid (including investment components)	—	—	(3,697)	—	(3,697)
Total cash flows	$ 4,964	$ —	$ (3,697)	$ —	$ 1,267
Liability balance at end of period	$ 209	$ 352	$ 6,905	$ 529	$ 7,995

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS (continued)

The following tables present the reconciliation from the opening balance to the closing balance for the measurement components of the insurance contract liabilities for contracts other than those to which the premium allocation approach has been applied.

Life and health insurance activities

For the nine-month period ended September 30, 2026	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Contracts to which the fair value approach has been applied	Other contracts	
Liability balance at beginning of period	$ 19,066	$ 774	$ 2,395	$ 204	$ 22,439
Changes that relate to current service					
Amount of the contractual service margin	—	—	(143)	(11)	(154)
Change in the risk adjustment for non-financial risk for expired risks	—	(37)	—	—	(37)
Experience adjustments	(36)	—	—	—	(36)
	(36)	(37)	(143)	(11)	(227)
Changes that relate to future service					
Changes in estimates that adjust the contractual service margin	(42)	(15)	72	(15)	—
Changes in estimates that result in losses or reversal of losses on onerous contracts	6	(1)	—	—	5
Contracts initially recognized in the period	(86)	30	—	62	6
	(122)	14	72	47	11
Insurance service result	(158)	(23)	(71)	36	(216)
Net insurance finance expenses (income)	(74)	(12)	33	6	(47)
Total items recognized in the Combined Statements of Income	$ (232)	$ (35)	$ (38)	$ 42	$ (263)
Cash flows					
Premiums and other amounts received	1,099	—	—	—	1,099
Insurance acquisition cash outflows	(111)	—	—	—	(111)
Claims and other insurance service expenses paid (including investment components)	(1,583)	—	—	—	(1,583)
Total cash flows	$ (595)	$ —	$ —	$ —	$ (595)
Liability balance at end of period	$ 18,239	$ 739	$ 2,357	$ 246	$ 21,581

NOTE 7 – INSURANCE AND REINSURANCE CONTRACTS (continued)

Life and health insurance activities (continued)

For the nine-month period ended September 30, 2025	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin: Contracts to which the fair value approach has been applied	Contractual service margin: Other contracts	Total
Liability balance at beginning of period	$ 18,999	$ 785	$ 2,695	$ 143	$ 22,622
Changes that relate to current service					
Amount of the contractual service margin	—	—	(153)	(7)	(160)
Change in the risk adjustment for non-financial risk for expired risks	—	(34)	—	—	(34)
Experience adjustments	(24)	—	—	—	(24)
	(24)	(34)	(153)	(7)	(218)
Changes that relate to future service					
Changes in estimates that adjust the contractual service margin	29	13	(36)	(6)	—
Changes in estimates that result in losses or reversal of losses on onerous contracts	9	(2)	—	—	7
Contracts initially recognized in the period	(89)	32	—	60	3
	(51)	43	(36)	54	10
Insurance service result	(75)	9	(189)	47	(208)
Net insurance finance expenses (income)	588	9	38	5	640
Total items recognized in the Combined Statements of Income	$ 513	$ 18	$ (151)	$ 52	$ 432
Cash flows					
Premiums and other amounts received	1,204	—	—	—	1,204
Insurance acquisition cash outflows	(122)	—	—	—	(122)
Claims and other insurance service expenses paid (including investment components)	(1,474)	—	—	—	(1,474)
Total cash flows	$ (392)	$ —	$ —	$ —	$ (392)
Liability balance at end of period	$ 19,120	$ 803	$ 2,544	$ 195	$ 22,662

NOTE 8 – ACCUMULATED OTHER COMPREHENSIVE INCOME

The following table presents the main components of "Accumulated other comprehensive income" (net of taxes).

	As at September 30, 2026		As at December 31, 2025	
	Group's share	**Non-controlling interests' share**	Group's share	Non-controlling interests' share
Items that will be reclassified subsequently to the Combined Statements of Income				
Net unrealized gains (losses) on debt securities classified as at fair value through other comprehensive income[1]	**$ 81**	**$ —**	$ 356	$ 4
Net gains (losses) on derivative financial instruments designated as cash flow hedges	**(406)**	**—**	336	—
Net unrealized exchange gains (losses) on the translation of a net investment in a foreign operation	**15**	**—**	—	—
Accumulated other comprehensive income	**$ (310)**	**$ —**	$ 692	$ 4

(1) Take into account an allowance for credit losses of $35 million as at September 30, 2026, ($24 million as at December 31, 2025) on securities classified as at fair value through other comprehensive income.

NOTE 9 – CAPITAL MANAGEMENT

The goal of capital management at Desjardins Group is to ensure the financial soundness and sustainability of the Desjardins Cooperative Group. To help safeguard a capital level and structure that maintains the confidence of members and clients and optimizes the financial capital costs, the organization has adopted a target capital structure that takes into account the banking industry regulatory requirements, Desjardins Group's ambitions for maintaining its credit ratings and the risk profiles of the organization and its components. The target structure is updated based on changes in the above factors and approved annually by the Federation's Board of Directors.

Desjardins Group's capital ratios are calculated using the *Capital Adequacy Guideline* issued by the AMF and applicable in particular to financial services cooperatives.

As it was designated by the AMF as a domestic systemically important financial institution, Desjardins Group is subject to an additional capital surcharge of 1.0% and must maintain a minimum Tier 1A capital ratio of 8.0%. Its Tier 1 capital ratio and total capital ratio must be above 9.5% and 11.5%, respectively. These ratios include a 2.5% capital conservation buffer. In addition, Desjardins Group is required by the AMF to meet a minimum leverage ratio of 3.5%.

Desjardins Group also has to meet the requirements of the *Total Loss Absorbing Capacity (TLAC) Guideline* issued by the AMF. The TLAC ratio and TLAC leverage ratio are calculated in accordance with this guideline. The guideline applies to a resolution group deemed to be Desjardins Group excluding CDO. Desjardins Group is required to maintain a TLAC ratio of at least 21.5% and a TLAC leverage ratio of at least 6.75%.

As at September 30, 2026, Desjardins Group was in compliance with the AMF's capital ratio and leverage ratio regulatory requirements.

The following table presents the regulatory capital and available total loss absorbing capital (TLAC) balances, risk-weighted assets and regulatory ratios.

(in millions of dollars and as a percentage)	As at September 30, 2026	As at December 31, 2025
Capital and other TLAC instruments		
Tier 1A capital	**$ 38,031**	$ 36,468
Tier 1 capital	**38,031**	36,468
Total capital	**41,782**	40,082
Available total loss absorbing capacity (TLAC)[1]	**57,485**	53,170
Risk-weighted assets		
Credit risk	**126,224**	125,293
Market risk	**4,754**	4,504
Operational risk	**24,857**	23,884
Total risk-weighted assets	**$ 155,835**	$ 153,681
Total risk-weighted assets for TLAC ratio purposes[1]	**149,962**	148,562
Leverage ratio exposure	**504,664**	468,023
TLAC leverage ratio exposure[1]	**494,117**	459,957
Ratios		
Tier 1A capital	**24.4%**	23.7%
Tier 1 capital	**24.4**	23.7
Total capital	**26.8**	26.1
TLAC[1]	**38.3**	35.8
Leverage	**7.5**	7.8
TLAC leverage[1]	**11.6**	11.6

(1) Data calculated at the resolution group level that is deemed to be Desjardins Group excluding CDO.

NOTE 10 – NET INTEREST INCOME AND NET OTHER INVESTMENT INCOME (LOSS)

NET INTEREST INCOME

The following table presents the breakdown of net interest income according to the classification of financial assets and liabilities.

	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2026	2025	**2026**	2025
Interest income on financial assets				
At amortized cost	**$ 4,168**	$ 3,957	**$ 12,093**	$ 11,671
At fair value through other comprehensive income	**395**	444	**1,171**	1,346
At fair value through profit or loss	**183**	148	**525**	422
	4,746	4,549	**13,789**	13,439
Interest expense on financial liabilities				
At amortized cost	**2,243**	2,289	**6,515**	6,924
At fair value through profit or loss	**158**	123	**443**	387
	2,401	2,412	**6,958**	7,311
	$ 2,345	$ 2,137	**$ 6,831**	$ 6,128

NET OTHER INVESTMENT INCOME (LOSS)

The following tables present the breakdown of net investment income (loss) according to the classification of financial assets and liabilities.

	2026			2025		
For the three-month periods ended September 30	**Net interest and dividend income**	**Change in fair value and other**	**Total**	Net interest and dividend income	Change in fair value and other	Total
Net other investment income (loss) on financial assets and liabilities						
Classified as at fair value through profit or loss	**$ 27**	**$ (24)**	**$ 3**	$ (51)	$ 94	$ 43
Designated as at fair value through profit or loss	**—**	**(5)**	**(5)**	—	(96)	(96)
Classified as at fair value through other comprehensive income	**10**	**(30)**	**(20)**	11	(5)	6
At amortized cost and other	**(6)**	**—**	**(6)**	(8)	—	(8)
	$ 31	**$ (59)**	**$ (28)**	$ (48)	$ (7)	$ (55)

	2026			2025		
For the nine-month periods ended September 30	**Net interest and dividend income**	**Change in fair value and other**	**Total**	Net interest and dividend income	Change in fair value and other	Total
Net other investment income (loss) on financial assets and liabilities						
Classified as at fair value through profit or loss	**$ (16)**	**$ 182**	**$ 166**	$ (165)	$ 337	$ 172
Designated as at fair value through profit or loss	**—**	**(194)**	**(194)**	—	(185)	(185)
Classified as at fair value through other comprehensive income	**28**	**5**	**33**	32	(26)	6
At amortized cost and other	**(20)**	**—**	**(20)**	(51)	—	(51)
	$ (8)	**$ (7)**	**$ (15)**	$ (184)	$ 126	$ (58)

NOTE 11 – SEGMENTED INFORMATION

RESULTS BY BUSINESS SEGMENT

The following tables provide a summary of Desjardins Group's financial results by business segment.

For the three-month periods ended September 30	Personal and Business Services		Wealth Management and Life and Health Insurance		Property and Casualty Insurance		Other		Combined	
	2026	2025[1]	2026	2025	2026	2025	2026	2025[1]	2026	2025
Net interest income	**$ 2,286**	$ 2,007	**$ 93**	$ 78	**$ —**	$ —	**$ (34)**	$ 52	**$ 2,345**	$ 2,137
Net insurance service income	**—**	—	**162**	226	**492**	559	**8**	19	**662**	804
Other income	**697**	650	**911**	717	**(1)**	(3)	**(184)**	(183)	**1,423**	1,181
Total net revenue	**2,983**	2,657	**1,166**	1,021	**491**	556	**(210)**	(112)	**4,430**	4,122
Provision for (recovery of) credit losses	**218**	112	**2**	—	**1**	—	**—**	—	**221**	112
Net non-interest expense	**1,722**	1,758	**965**	807	**108**	115	**(114)**	(143)	**2,681**	2,537
Operating surplus earnings	**1,043**	787	**199**	214	**382**	441	**(96)**	31	**1,528**	1,473
Income taxes on surplus earnings	**292**	203	**61**	40	**101**	110	**(43)**	5	**411**	358
Surplus earnings before member dividends	**751**	584	**138**	174	**281**	331	**(53)**	26	**1,117**	1,115
Member dividends, net of income tax recovery	**112**	84	**—**	—	**—**	—	**—**	—	**112**	84
Net surplus earnings for the period after member dividends	**$ 639**	$ 500	**$ 138**	$ 174	**$ 281**	$ 331	**$ (53)**	$ 26	**$ 1,005**	$ 1,031
of which:										
Group's share	**$ 639**	$ 500	**$ 138**	$ 174	**$ 248**	$ 297	**$ (53)**	$ 26	**$ 972**	$ 997
Non-controlling interests' share	**—**	—	**—**	—	**33**	34	**—**	—	**33**	34

(1) In 2026, changes were made to the model used to allocate intersegment net interest income. For the three-month period ended September 30, 2025, these changes would have resulted in an increase of $52 million in "Net interest income" and a decrease of $44 million in "Other income" for the Personal and Business Services segment, and a reverse change of the same items in the Other category. Comparative data have not been restated.

NOTE 11 – SEGMENTED INFORMATION (continued)

RESULTS BY BUSINESS SEGMENT (continued)

For the nine-month periods ended September 30	Personal and Business Services		Wealth Management and Life and Health Insurance		Property and Casualty Insurance		Other		Combined	
	2026	2025[1]	2026	2025	2026	2025	2026	2025[1]	2026	2025
Net interest income	$ 6,601	$ 5,745	$ 266	$ 216	$ —	$ —	$ (36)	$ 167	$ 6,831	$ 6,128
Net insurance service income	—	—	646	829	1,384	1,257	70	87	2,100	2,173
Other income	2,060	1,992	2,587	2,104	(7)	(12)	(417)	(490)	4,223	3,594
Total net revenue	8,661	7,737	3,499	3,149	1,377	1,245	(383)	(236)	13,154	11,895
Provision for (recovery of) credit losses	585	527	11	(1)	2	(1)	—	—	598	525
Net non-interest expense	5,385	5,385	2,796	2,432	375	348	(425)	(434)	8,131	7,731
Operating surplus earnings	2,691	1,825	692	718	1,000	898	42	198	4,425	3,639
Income taxes on surplus earnings	700	472	172	150	262	226	1	38	1,135	886
Surplus earnings before member dividends	1,991	1,353	520	568	738	672	41	160	3,290	2,753
Member dividends, net of income tax recovery	334	252	—	—	—	—	—	—	334	252
Net surplus earnings for the period after member dividends	$ 1,657	$ 1,101	$ 520	$ 568	$ 738	$ 672	$ 41	$ 160	$ 2,956	$ 2,501
of which:										
Group's share	$ 1,657	$ 1,101	$ 518	$ 568	$ 656	$ 600	$ 41	$ 160	$ 2,872	$ 2,429
Non-controlling interests' share	—	—	2	—	82	72	—	—	84	72

[1] In 2026, changes were made to the model used to allocate intersegment net interest income. For the nine-month period ended September 30, 2025, these changes would have resulted in an increase of $212 million in "Net interest income" and a decrease of $97 million in "Other income" for the Personal and Business Services segment, and a reverse change of the same items in the Other category. Comparative data have not been restated.

SEGMENT ASSETS

	Personal and Business Services	Wealth Management and Life and Health Insurance	Property and Casualty Insurance	Other	Combined
As at September 30, 2026	**$ 406,551**	**$ 90,203**	**$ 14,047**	**$ 36,429**	**$ 547,230**
As at December 31, 2025	$ 384,301	$ 82,940	$ 14,226	$ 28,775	$ 510,242

NOTE 12 – SIGNIFICANT ACQUISITION

On March 23, 2026, Desjardins Group, through Desjardins Global Asset Management Inc. (DGAM), an indirect subsidiary of the Federation, completed the acquisition of all the outstanding shares of Guardian Capital Group Limited (Guardian), a global investment management company that serves institutional, retail and private clients, and was publicly traded. This acquisition increases Desjardins Group's assets under management, strengthens its presence on the Canadian asset management market and supports its international development.

This transaction qualifies as a business combination and was accounted for using the acquisition method. The determination of the fair value of the identifiable assets acquired, the liabilities assumed and the consideration transferred remains provisional and may be adjusted during the measurement period. As at September 30, 2026, Desjardins Group revised the purchase price allocation to reflect new information obtained about facts and circumstances that existed at the acquisition date and, if known at that date, would have affected the amounts initially recognized in the Interim Combined Financial Statements. Consequently, certain amounts that had been presented on a provisional basis were adjusted. The accounting for the business combination will be completed in the coming quarter.

The estimates of the fair value of identifiable assets acquired and liabilities assumed at the acquisition date are presented below.

	As at March 23, 2026 Preliminary	Adjustments	As at March 23, 2026 Updated
Identifiable net assets acquired			
Cash and deposits with financial institutions	$ 705	$ 88	$ 793
Securities at fair value through profit or loss	622	(100)	522
Right-of-use assets	47	—	47
Property, plant and equipment	5	—	5
Intangible assets	109	—	109
Deferred tax assets	23	—	23
Investments in companies accounted for using the equity method	—	206	206
Other assets – Other	106	—	106
Deposits	(77)	—	(77)
Commitments related to securities sold short	(24)	—	(24)
Lease liabilities	(47)	—	(47)
Deferred tax liabilities	(6)	—	(6)
Other liabilities – Other	(226)	(194)	(420)
	1,237	—	1,237
Goodwill	434	—	434
Total identifiable net assets acquired and goodwill	$ 1,671	$ —	$ 1,671
Consideration transferred			
Cash and cash equivalents acquired	$ 705	$ 88	$ 793
Net cash used for the acquisition	876	(88)	788
Issuance of common shares[1]	90	—	90
Acquisition consideration	$ 1,671	$ —	$ 1,671

[1] DGAM issued 994,447 common shares, having a total value of $90 million, representing 10% of its voting shares. The fair value of the common shares issued as consideration was determined under the market approach, using comparable companies' multiples.

Goodwill is attributable to the synergies that should result from the acquisition of Guardian by Desjardins Group. Goodwill is not tax deductible.

Since the acquisition, the contribution of the Guardian operations to Desjardins Group's "Total net revenue" has been $171 million. The acquisition did not have a significant impact on "Net surplus earnings for the period after member dividends." If the acquisition had occurred at the beginning of the year, the contribution of Guardian would have instead increased "Total net revenue" by $242 million for the nine-month period ended September 30, 2026, without significant impact on "Net surplus earnings for the period after member dividends."

IMPACT ON SUBSIDIARY OWNERSHIP

As a result of the issuance of shares by DGAM, equity attributable to Desjardins Group increased by $23 million, which reflects the dilutive effect arising from the recognition of a non-controlling interest. This transaction is an equity transaction. The cumulative share of other comprehensive income associated with the diluted interest was reallocated to equity attributable to non-controlling interests.

NOTE 13 – SUBSEQUENT EVENT

On October 29, 2026, Desjardins Group announced that it had entered into a definitive agreement to acquire all the issued and outstanding shares of Bennington Financial Corp. (Bennington), a wholly owned subsidiary of Equitable Bank, held by EQB Inc. Bennington is a Canadian commercial equipment leasing and financing company with total assets of approximately $1.1 billion.

The transaction is expected to close in the first quarter of 2027, subject to regulatory approvals and the customary closing conditions.

GENERAL INFORMATION

Desjardins Group

100 Des Commandeurs Street
Lévis, Quebec
G6V 7N5 Canada
Telephone: 514 281-7000

La version française du présent rapport trimestriel peut être consultée sur notre site Web à l'adresse suivante : www.desjardins.com