



# 2025 ANNUAL REPORT

**Caisse Desjardins de Montcalm et de la Ouareau**

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### Note to reader

The symbols K, M, and B are employed to denote thousands, millions, and billions, respectively. Thus, "\$400K" corresponds to "four hundred thousand dollars", "\$10M" to "ten million dollars", and "\$100G" to "one hundred billion dollars". This annual report was produced by the Finance Executive Division of Desjardins Group (Finance Division).

# Desjardins Group

## 2025 key figures

More than

**10 million**

members and clients

**2,244**

members of the boards of directors

**57,530**

employees

**\$638M**

redistributed to members  
and the community

**\$3,811M**

in surplus earnings

**\$510.2B**

in assets

**23.7%<sup>1</sup>**

Tier 1A capital ratio

**\$14.5B**

in insurance  
premiums<sup>2</sup>

Reserves of  
**\$32.7B<sup>3</sup>**

This data comes from Desjardins Group's Combined financial statements and Management's Discussion and Analysis as at December 31, 2025.

<sup>1</sup> In accordance with the Capital Adequacy Guideline for financial services cooperatives issued by the Autorité des marchés financiers (AMF).

<sup>2</sup> Direct premiums written.

<sup>3</sup> Including \$25.5B in indivisible shared wealth held in the caisses' general reserves.

# Desjardins Group

## Information on our business segments

Desjardins Group's financial reporting is grouped by activities, which are defined based on the needs of its members and clients and the markets in which Desjardins Group operates and reflect Desjardins Group's internal management method.

Accordingly, Desjardins Group's financial results are grouped in three business segments, namely **Personal and Business Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance**.

The **Personal and Business Services** segment offers Desjardins Group members and clients a comprehensive, integrated offering designed to meet the needs of individuals, businesses, institutions, not-for-profit organizations and cooperatives. Desjardins Group operates in the financial services market in Quebec and is a player in financial services markets outside Quebec. This offering meets a range of needs including financial management, savings, payments, financing, specialty services, access to capital markets, development and venture capital, business ownership transfers and advice.

The **Wealth Management and Life and Health Insurance** segment plays a role in developing the financial autonomy of Desjardins Group members and clients, helping them to develop healthy financial habits. This segment supports members and clients, individuals and businesses, through various networks and designs life and health insurance product lines, and investment solutions. It also includes asset management and trust services.

The **Property and Casualty Insurance** segment offers insurance products to protect Desjardins Group members and clients to protect their assets and protect themselves against damage and loss.

Personal and Business Services	Wealth Management and Life and Health Insurance	Property and Casualty Insurance
Surplus earnings before member dividends of \$1,853 million <sup>(1)</sup>	Net surplus earnings of \$756 million <sup>(1)</sup>	Net surplus earnings of \$1,053 million <sup>(1)</sup>
Quebec's leader in residential mortgages	No. 1 in Canada and in Quebec for market-linked guaranteed investments	No. 2 property and casualty insurer in Quebec
Leader in personal savings in Quebec		Direct premiums written grew by \$431 million compared to 2024

For further details on each of the segments, refer to Note 29 "Segmented information" in the Desjardins Group 2025 Annual Report. In addition, the data presented in the table above is taken from the "Financial Highlights" section in the Desjardins Group 2025 Management's Discussion and Analysis.

<sup>(1)</sup> For the year ended December 31, 2025, Desjardins Group recorded net surplus earnings before member dividends of \$3,811 million, including \$149 million from Other category.

## Approval of the Board of Directors

The annual report provides an overview of Caisse Desjardins de Montcalm et de la Ouareau as at December 31, 2025 was duly approved by his board of directors.

We certify that this annual report complies with the reporting requirements of the *Act respecting financial services cooperatives* and the *Autorité des marchés financiers*.

### Chair

Alexandre Lemire

### Secretary

Marcel Lapalme



## 2025 key figures for the caisse

**47,145**  
members

**\$2.5B**  
in assets

**\$4.2M**  
redistributed to  
members and  
the community  
including

**\$3.8M**  
in member  
dividends

Operating surplus  
earnings of  
**\$38.2M**

Surplus earnings  
before member  
dividends of  
**\$14.8M**



## Caisse Desjardins de Montcalm et de la Ouareau stands out for:

### A dynamic team

under the general management of Louise Lauzon

### Dedicated directors

as at December 31, 2025

<b>Chair</b>	Alexandre Lemire
<b>First Vice-Chair</b>	Antonin Majeau
<b>Second Vice-Chair</b>	Karine Laporte
<b>Secretary</b>	Marcel Lapalme
<b>Members of the Board of Directors</b>	Vicky-Ann Arguin Roxane Bégin Diane Bélisle Martin Gervais Josée Groleau Marie-Claude Jolicoeur Marie-Julie Lanoix Sonia Massicotte Elisabeth Sigouin Valerie Sylvain

## LOANS AND ALLOWANCE FOR CREDIT LOSSES

As at December 31, 2025, the quality of the caisse's loan portfolio remained high. The following table presents the gross carrying amount of loans and their allowance for credit losses by stage:

(in thousands of Canadian dollars)	As at December 31, 2025									As at December 31, 2024
	Non-credit impaired				Credit-impaired		Total			Total
	Stage 1		Stage 2		Stage 3		Gross carrying amount	Allowance for credit losses	Net carrying amount	Net carrying amount
	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses	Gross carrying amount	Allowance for credit losses				
Residential mortgages	\$ 1,599,855	\$ 349	\$ 70,554	\$ 229	\$ 2,636	\$ 152	\$ 1,673,045	\$ 730	\$ 1,672,315	\$ 1,586,719
Consumer and other personal loans	29,642	30	1,707	43	196	62	31,545	135	31,410	27,455
Business and government	566,912	638	61,318	1,032	13,656	3,041	641,886	4,711	637,175	639,984
<b>Total</b>	<b>\$ 2,196,409</b>	<b>\$ 1,017</b>	<b>\$ 133,579</b>	<b>\$ 1,304</b>	<b>\$ 16,488</b>	<b>\$ 3,255</b>	<b>\$ 2,346,476</b>	<b>\$ 5,576</b>	<b>\$ 2,340,900</b>	<b>\$ 2,254,158</b>

For further details, refer to Note 2 "Accounting Policies" in the Desjardins Group's combined financial statements for the year ended December 31, 2025.

Loans to restricted parties during the year 2025 totalled \$224K. Restricted parties include the board members of the Caisse and the Federation, the general manager of the Caisse, as well as their relatives.

## DEPOSITS

Deposits consist of demand deposits (payable on demand), notice deposits (payable upon notice) and term deposits (payable on a fixed date). Demand deposits are interest-bearing or non-interest-bearing deposits, primarily accounts with chequing privileges, for which the Caisse does not have the right to require notice prior to withdrawal. Notice deposits are interest-bearing deposits, primarily savings accounts, for which the Caisse 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:

(in thousands of Canadian dollars)	As at December 31, 2025				As at December 31, 2024
	Demand deposits	Notice deposits	Term deposits	Total	Total
Individuals	\$ 478,026	\$ 26,303	\$ 617,648	\$ 1,121,977	\$ 1,022,786
Business and government	340,049	291	40,890	381,230	371,153
<b>Total</b>	<b>\$ 818,075</b>	<b>\$ 26,594</b>	<b>\$ 658,538</b>	<b>\$ 1,503,207</b>	<b>\$ 1,393,939</b>

For further details, refer to Note 2 "Accounting Policies" in the Desjardins Group's combined financial statements for the year ended December 31, 2025.

# 2025 Financial Report

## Caisse Desjardins de Montcalm et de la Ouareau

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# Agreed-Upon Procedures Report of the financial report of the Caisse Desjardins de Montcalm et de la Ouareau

To the members of the Fédération des caisses Desjardins du Québec

## **Purpose of this agreed-upon procedures report**

Our report is solely for the purpose of assisting the members of the Fédération des caisses Desjardins du Québec to determine whether the information included in the financial report of the Caisse, considering the Caisse's specific accounting adjustments, is in line with the information used for the preparation of the combined financial statements of the Desjardins Group and may not be suitable for another purpose. This report only covers the accounts and the items specified below in the financial report and does not cover the annual report.

## **Responsibilities of the Engaging party**

The Fédération des caisses Desjardins du Québec has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Fédération des caisses Desjardins du Québec is responsible for the subject matter on which the agreed-upon procedures are performed.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

## **Practitioner's responsibilities**

We have conducted the agreed-upon procedures engagement in accordance with the Canadian Standard on Related Services (CSRS) 4400, Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Fédération des caisses Desjardins du Québec, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

## **Professional ethics and quality management**

We have complied with the relevant ethical and independence requirements in the rules of professional conduct/code of ethics issued by the various professional accounting bodies.

Our firm applies Canadian Standard on Quality Management (CSQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Procedures and findings

We have performed the procedures described below, which were agreed upon the Fédération des caisses Desjardins du Québec in the terms of engagement dated February 5, 2026, on the subject matter.

Procedures	Findings
<b>1</b> Obtain the trial balance of the Caisse prior to the Caisse's specific adjustments as at December 31, 2025 and compare it to the Caisse's trial balance used in the audit of combined financial statements of the Desjardins Group as at December 31, 2025.	We have obtained the trial balance prior to the Caisse's specific adjustments as at December 31, 2025 and compared it to the trial balance of the Caisse used as part of the audit of the combined financial statements of the Desjardins Group as at December 31, 2025. We have noted no discrepancies.
<b>2</b> Obtain the Caisse's specific accounting adjustments and add them to the trial balance prior to the Caisse's specific adjustments as at December 31, 2025. Round the result to the nearest thousand dollars.	We have obtained the accounting adjustments specific to the Caisse and added them to the trial balance prior to the Caisse's specific adjustments as at December 31, 2025. We have rounded the result to the nearest thousand dollars.
<b>3</b> From the Caisse's financial report accounting chart, recalculate the balance of each financial statement line item of the Caisse's financial report using the result of procedure 2.	We have recalculated the balance of each financial statement line item of the Caisse's financial report from the Caisse's financial report accounting chart using the result of procedure 2.
<b>4</b> Obtain the financial report of the Caisse as at December 31, 2025, and compare it to the result obtained in procedure 3.	We have obtained the Caisse's financial report as at December 31, 2025, and compared it to the result obtained in procedure 3. We have noted no discrepancies.

## **Restriction on distribution and use**

Our report is intended solely for Members of the Fédération des caisses Desjardins du Québec, to the members of the Caisse and to the Autorité des Marchés Financiers. We make no representations or warranties of any kind to any other third party in respect of this report. Our report should not be distributed to parties other than the members of the Fédération des caisses Desjardins du Québec, the members of the Caisse or the Autorité des Marchés Financiers.

*PricewaterhouseCoopers LLP<sup>1</sup>*

Montréal, Québec

March 9, 2026

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<sup>1</sup> FCPA auditor, public accountancy permit No. A115888

# Balance Sheet

(unaudited)

(in thousands of Canadian dollars)	As at December 31, 2025	As at December 31, 2024
<b>ASSETS</b>		
<b>Cash and deposits with financial institutions</b>	\$ 23,984	\$ 11,717
<b>Investment in liquidity fund under management</b>	30,409	34,614
<b>Loans</b>		
Residential mortgages	1,673,045	1,587,893
Consumer and other personal loans	31,545	27,612
Business and government	641,886	643,861
	2,346,476	2,259,366
Allowance for credit losses	5,576	5,208
	2,340,900	2,254,158
<b>Investments in the Federation</b>	55,796	55,796
<b>Other assets</b>		
Derivative financial instruments	52,571	34,309
Interest receivable	12,303	14,787
Right-of-use assets	3,405	3,584
Property, plant and equipment	7,070	7,288
Net defined benefit plan assets	2,093	1,176
Other	7,134	4,746
	84,576	65,890
<b>TOTAL ASSETS</b>	\$ 2,535,665	\$ 2,422,175
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Deposits</b>		
Individuals	\$ 1,121,977	\$ 1,022,786
Business and government	381,230	371,153
	1,503,207	1,393,939
<b>Borrowings with the Federation</b>	766,046	766,412
<b>Other liabilities</b>		
Derivative financial instruments	1,381	2,510
Interest payable	17,706	24,447
Lease liabilities	3,585	3,743
Net defined benefit plan liabilities	2,214	2,276
Other	8,188	8,302
	33,074	41,278
<b>TOTAL LIABILITIES</b>	2,302,327	2,201,629
<b>EQUITY</b>		
Capital stock	220	216
Distributable surplus earnings	11,734	15,770
Reserves	221,384	204,560
<b>TOTAL EQUITY</b>	233,338	220,546
<b>TOTAL LIABILITIES AND EQUITY</b>	\$ 2,535,665	\$ 2,422,175

# Statement of Income

(unaudited)

For the years ended December 31

(in thousands of Canadian dollars)	2025	2024
Interest income	\$ 129,825	\$ 145,707
Interest expense	89,367	102,472
<b>NET INTEREST INCOME</b>	<b>40,458</b>	<b>43,235</b>
Other income	13,244	14,376
<b>OPERATING INCOME</b>	<b>53,702</b>	<b>57,611</b>
Provision for credit losses	319	230
<b>NON-INTEREST EXPENSE</b>		
Salaries and fringe benefits	10,848	10,497
Occupancy costs	1,778	1,703
Other	2,577	3,010
	15,203	15,210
<b>OPERATING SURPLUS EARNINGS</b>	<b>38,180</b>	<b>42,171</b>
Income (loss) on fair value of derivative financial instruments	618	(6,040)
Assessments paid to Desjardins Group components and related costs	(22,326)	(20,372)
Community development expenses	(168)	(264)
<b>SURPLUS EARNINGS BEFORE TAXES AND MEMBER DIVIDENDS</b>	<b>16,304</b>	<b>15,495</b>
Income taxes on surplus earnings	1,459	1,682
<b>SURPLUS EARNINGS BEFORE MEMBER DIVIDENDS</b>	<b>14,845</b>	<b>13,813</b>
Member dividends	3,819	3,397
Tax recovery on member dividends	(944)	(883)
<b>NET SURPLUS EARNINGS FOR THE YEAR AFTER MEMBER DIVIDENDS</b>	<b>\$ 11,970</b>	<b>\$ 11,299</b>

# Statement of Changes in Equity

(unaudited)

For the years ended December 31

	Reserves								
	Capital stock	Distributable surplus earnings	Appreciation reserve (derivative financial instruments)	Appreciation reserve (employee benefit plans)	General reserve	Reserve for future member dividends	Community Development Fund	Total reserves	Total equity
(in thousands of Canadian dollars)									
<b>BALANCE AS AT DECEMBER 31 2023</b>	\$ 212	\$ 5,949	\$ 6,445	\$ (1,804)	\$ 166,962	\$ 28,527	\$ 2,099	\$ 202,229	\$ 208,390
Allocation to reserves adopted by the members at the general meeting	—	(5,949)	—	—	5,502	—	447	5,949	—
Net adjustment for member dividends	—	—	—	—	(5)	—	—	(5)	(5)
Balance after distribution	212	—	6,445	(1,804)	172,459	28,527	2,546	208,173	208,385
Net surplus earnings for the year after member dividends	—	11,299	—	—	—	—	—	—	11,299
Other comprehensive income for the year	—	853	—	—	—	—	—	—	853
Statutory transfer	—	3,418	(4,462)	1,044	—	—	—	(3,418)	—
Net amounts used during the year	—	195	—	—	—	—	(195)	(195)	—
Other net change in capital stock	4	—	—	—	—	—	—	—	4
Net adjustment for member dividends	—	5	—	—	—	—	—	—	5
<b>BALANCE AS AT DECEMBER 31, 2024</b>	\$ 216	\$ 15,770	\$ 1,983	\$ (760)	\$ 172,459	\$ 28,527	\$ 2,351	\$ 204,560	\$ 220,546
Allocation to reserves adopted by the members at the general meeting	—	(15,770)	—	—	15,281	—	489	15,770	—
Balance after distribution	216	—	1,983	(760)	187,740	28,527	2,840	220,330	220,546
Net surplus earnings for the year after member dividends	—	11,970	—	—	—	—	—	—	11,970
Other comprehensive income for the year	—	818	—	—	—	—	—	—	818
Statutory transfer	—	(1,178)	456	722	—	—	—	1,178	—
Net amounts used during the year	—	124	—	—	—	—	(124)	(124)	—
Other net change in capital stock	4	—	—	—	—	—	—	—	4
<b>BALANCE AS AT DECEMBER 31, 2025</b>	\$ 220	\$ 11,734	\$ 2,439	\$ (38)	\$ 187,740	\$ 28,527	\$ 2,716	\$ 221,384	\$ 233,338

## NOTE TO THE FINANCIAL REPORT (unaudited)

### NOTE 1 - NATURE OF OPERATIONS AND BASIS OF ACCOUNTING

Caisse Desjardins de Montcalm et de la Ouareau (the *caisse*) is a cooperative whose purpose is to accept and help grow the savings of its members, as well as to extend credit and provide other financial products and services to its members. Its mission also includes fostering cooperation and promoting economic, social and cooperative education. It is governed by the *Act Respecting Financial Services Cooperatives* (the Act).

The *caisse* is registered with the Autorité des marchés financiers. It is also a member of the Fonds de sécurité Desjardins, whose main purpose is to establish and manage a security, liquidity or mutual assistance fund for *caisses* members of the Fund.

The *caisse* is a member of the Fédération des caisses Desjardins du Québec (the Federation), which controls other components that together make up Desjardins Group.

This financial report has been prepared in accordance with the requirements set out in the Act. Deposits and borrowings with the Federation are presented on a net basis, although there is no contractual right to settle on a net amount. Except for the presentation of deposits and borrowings with the Federation, the *caisse* applies accounting methods consistent with those used for the preparation of the combined financial statements of the Desjardins Group, in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board.

Some figures from the prior year were reclassified for consistency with the presentation of the current year's financial statements. This reclassification did not affect the *caisse's* surplus earnings or total assets and liabilities.

