

Together, we'll go far



ANNUAL REPORT 2024



Caisse Desjardins du Haut-Saint-Laurent

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2024 key figures

7.8 million

members and
clients

\$3,356 million

in surplus earnings

\$557 million

redistributed to
members and the
community

55,290

employees

\$470.9 billion

in assets

\$23.9 billion

in indivisible
shared wealth
held in the caisses'
general reserves¹

2,313

members of the
board of directors

22.2%

Tier 1A
capital ratio²

\$14.5 billion

in insurance
premiums³

This data comes from Desjardins Group's Combined financial statements and Management's Discussion and Analysis as at December 31, 2024.

¹ Included in the \$29.5 billion total reserves presented in the Desjardins Group's combined financial statements as at December 31, 2024.

² In accordance with the *Capital Adequacy Guideline - Financial services cooperatives* issued by the Autorité des marchés financiers (AMF) and applicable notably to financial services cooperatives.

³ Direct Written Insurance Premiums.

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.

Desjardins Group's financial information is therefore 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 Québec and is a player in financial services markets outside Québec. 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 Service	Wealth Management and Life and Health Insurance	Property and Casualty Insurance
Surplus earnings before member dividends of \$1,719 million ⁽¹⁾	Nets surplus earnings of \$601 million ⁽¹⁾	Nets surplus earnings of \$1,101 million ⁽¹⁾
Québec's leader in residential mortgages	No. 1 in Canada and in Québec for market-linked guaranteed investments	No. 2 property and casualty insurer in Québec
Leader in personal savings in Québec		Direct premiums written grew by \$709 million compared to 2023

For more details on each segment, we refer you to Note 30 "Segmented information" of the Desjardins Group 2024 Annual Report. Additionally, the data presented in the table above is extracted from the "Financial Highlights" section of the 2024 Desjardins Group Management's Discussion and Analysis.

⁽¹⁾ For the year ended December 31, 2024, Desjardins Group recorded net surplus earnings before member dividends of \$3,356 million, including \$(65) million from Other category.

Note to readers

This annual report provides an overview of Caisse Desjardins du Haut-Saint-Laurent's key financial data as at December 31, 2024.

This document complies with the reporting requirements of the *Act respecting financial services cooperatives* and the Autorité des marchés financiers and was approved by the caisse board of directors.

Chair	Secretary
François Pinsonneault	Sylvie Duquette

About Caisse Desjardins du Haut-Saint-Laurent:

- A dynamic team**
under the general management of Sébastien Maisonneuve

- Dedicated directors**

Chair	François Pinsonneault
Vice-Chair	Caroline Lefebvre
Secretary	Sylvie Duquette

Other members of the board of directors

Francine Boyd
Félix Lacroix
Mitchell Leahy
Jean-Luc Payant

Board Succession program

Michael Christopher Wilkins

2024 key figures for the caisse

17,453 members	\$866.8M in assets
\$1.6M redistributed to members and the community including \$1.4M in member dividends	Operating surplus earnings of \$11.8M
	Surplus earnings before member dividends of \$6.6M

The symbols K are used to represent thousands,
M for millions and B for billions.

SUMMARY OF THE LOAN PORTFOLIO

As at December 31, 2024, the quality of the caisse's loan portfolio remained high. The table below shows the gross carrying amount of loans and their allowance balance by stage:

As at December 31 (in thousands of Canadian dollars)	Non-credit impaired				Credit-impaired		Total 2024			Total 2023
	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	\$ 449,608	\$ 83	\$ 13,897	\$ 64	\$ 820	\$ 57	\$ 464,325	\$ 204	\$ 464,121	\$ 433,381
Consumer and other personal loans	8,108	7	516	9	62	62	8,686	78	8,608	9,762
Business and government	240,479	165	41,139	353	6,870	1,615	288,488	2,133	286,355	270,193
Total	\$ 698,195	\$ 255	\$ 55,552	\$ 426	\$ 7,752	\$ 1,734	\$ 761,499	\$ 2,415	\$ 759,084	\$ 713,336

For more information, see Note 2 "Accounting policies" to the Combined Financial Statements of the Desjardins Group for the year ended December 31, 2024, available at www.desjardins.com.

In 2024, no loans were granted to restricted parties. Restricted parties include Caisse directors, the caisse general manager, Federation directors including their relative.

SUMMARY OF THE DEPOSIT PORTFOLIO

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.

As at December 31 (in thousands of Canadian dollars)	Payable on demand	Payable upon notice	Payable on a fixed date	Total 2024	Total 2023
Individuals	\$ 183,270	\$ 8,765	\$ 330,252	\$ 522,287	\$ 493,629
Business and government	120,724	594	64,208	185,526	172,015
Total	\$ 303,994	\$ 9,359	\$ 394,460	\$ 707,813	\$ 665,644

For more information, see Note 2 "Accounting policies" to the Combined Financial Statements of the Desjardins Group for the year ended December 31, 2024, available at www.desjardins.com.

2024 Financial Report

Caisse Desjardins du Haut-Saint-Laurent

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Agreed-Up Upon Procedures Report of the financial report of the Caisse Desjardins du Haut-Saint-Laurent

To the members of the Fédération des Caisses Desjardins du Québec

Purpose of this Agreed-Up 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.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Canadian Standard on Related Services (CSRS) 4400, *Agreed-Up 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.

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



Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Fédération des Caisses Desjardins du Québec in the terms of engagement dated January 27, 2025, on the subject matter.

Procedures	Findings
1 Obtain the trial balance of the Caisse prior to the Caisse's specific adjustments as at December 31, 2024 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, 2024.	We have obtained the trial balance prior to the Caisse's specific adjustments as at December 31, 2024, 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, 2024. We have noted no discrepancies.
2 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, 2024. 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, 2024. We have rounded the result to the nearest thousand dollars.
3 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.
4 Obtain the financial report of the Caisse as at December 31, 2024 and compare it to the result obtained in procedure 3.	We have obtained the Caisse's financial report as at December 31, 2024 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 Fédération des Caisses Desjardins du Québec, the members of the Caisse and the Autorité des Marchés Financiers.

PricewaterhouseCoopers LLP¹

Montréal, Quebec
February 28, 2025

¹ FCPA auditor, public accountancy permit No. A115888

Balance Sheet

(unaudited)

(in thousands of Canadian dollars)

	As at December 31, 2024	As at December 31, 2023
ASSETS		
Cash and deposits with financial institutions	\$ 36,731	\$ 7,176
Investment in liquidity fund under management	15,221	38,670
Loans		
Residential mortgages	464,325	433,621
Consumer and other personal loans	8,686	9,835
Business and government	288,488	271,444
	761,499	714,900
Allowance for credit losses	2,415	1,564
	759,084	713,336
Investments in the Federation	25,220	25,220
Other assets		
Derivative financial instruments	20,040	22,510
Right-of-use assets	945	1,060
Property, plant and equipment	1,621	1,889
Net defined benefit plan assets	533	—
Other	7,434	4,010
	30,573	29,469
TOTAL ASSETS	\$ 866,829	\$ 813,871
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits		
Individuals	\$ 522,287	\$ 493,629
Business and government	185,526	172,015
	707,813	665,644
Borrowings with the Federation	62,469	54,189
Other liabilities		
Derivative financial instruments	532	9,336
Lease liabilities	1,013	1,124
Net defined benefit plan liabilities	919	1,019
Other	12,695	7,157
	15,159	18,636
TOTAL LIABILITIES	785,441	738,469
EQUITY		
Capital stock	83	81
Distributable surplus earnings	2,975	2,117
Reserves	78,330	73,204
TOTAL EQUITY	81,388	75,402
TOTAL LIABILITIES AND EQUITY	\$ 866,829	\$ 813,871

Statement of Income

(unaudited)

For the years ended December 31

(in thousands of Canadian dollars)		2024	2023
Interest income	\$	47,459	\$ 30,444
Interest expense		32,655	15,860
NET INTEREST INCOME		14,804	14,584
Other income		4,708	4,397
OPERATING INCOME		19,512	18,981
Provision for credit losses		996	552
NON-INTEREST EXPENSE			
Salaries and fringe benefits		4,642	4,750
Occupancy costs		843	800
Other		1,207	1,385
		6,692	6,935
OPERATING SURPLUS EARNINGS		11,824	11,494
Income on fair value of derivative financial instruments		3,596	1,356
Assessments paid to Desjardins Group components and related costs		(7,484)	(7,615)
Community development expenses		(179)	(134)
SURPLUS EARNINGS BEFORE TAXES AND MEMBER DIVIDENDS		7,757	5,101
Income taxes on surplus earnings		1,110	946
SURPLUS EARNINGS BEFORE MEMBER DIVIDENDS		6,647	4,155
Member dividends		1,351	1,286
Tax recovery on member dividends		(316)	(341)
NET SURPLUS EARNINGS FOR THE YEAR AFTER MEMBER DIVIDENDS	\$	5,612	\$ 3,210

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)										
BALANCE AS AT DECEMBER 31, 2022	\$ 81	\$ 26,959	\$ (1,988)	\$ (180)	\$ 42,097	\$ 5,505	\$ 454	\$ 45,888	\$ 72,928	
Allocation to reserves adopted by the members at the general meeting	—	(26,959)	—	—	20,860	5,925	174	26,959	—	
Net adjustment for member dividends	—	—	—	—	5	—	—	5	5	
Balance after distribution	81	—	(1,988)	(180)	62,962	11,430	628	72,852	72,933	
Net surplus earnings for the year after member dividends	—	3,210	—	—	—	—	—	—	3,210	
Other comprehensive income for the year	—	(736)	—	—	—	—	—	—	(736)	
Statutory transfer	—	(452)	1,015	(563)	—	—	—	452	—	
Net amounts used during the year	—	100	—	—	—	—	(100)	(100)	—	
Net adjustment for member dividends	—	(5)	—	—	—	—	—	—	(5)	
BALANCE AS AT DECEMBER 31, 2023	\$ 81	\$ 2,117	\$ (973)	\$ (743)	\$ 62,962	\$ 11,430	\$ 528	\$ 73,204	\$ 75,402	
Allocation to reserves adopted by the members at the general meeting	—	(2,117)	—	—	1,928	—	189	2,117	—	
Balance after distribution	81	—	(973)	(743)	64,890	11,430	717	75,321	75,402	
Net surplus earnings for the year after member dividends	—	5,612	—	—	—	—	—	—	5,612	
Other comprehensive income for the year	—	372	—	—	—	—	—	—	372	
Statutory transfer	—	(3,143)	2,670	473	—	—	—	3,143	—	
Net amounts used during the year	—	134	—	—	—	—	(134)	(134)	—	
Other net change in capital stock	2	—	—	—	—	—	—	—	2	
BALANCE AS AT DECEMBER 31, 2024	\$ 83	\$ 2,975	\$ 1,697	\$ (270)	\$ 64,890	\$ 11,430	\$ 583	\$ 78,330	\$ 81,388	

NOTE TO THE FINANCIAL REPORT (unaudited)

NOTE 1 - TYPE OF OPERATIONS AND BASIS OF ACCOUNTING

Caisse Desjardins du Haut-Saint-Laurent (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.