



2025 ANNUAL REPORT

Caisse Desjardins de la Baie-des-Chaleurs

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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%¹

Tier 1A capital ratio

\$14.5B

in insurance
premiums²

Reserves of
\$32.7B³

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

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

² Direct premiums written.

³ 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 ⁽¹⁾	Net surplus earnings of \$756 million ⁽¹⁾	Net surplus earnings of \$1,053 million ⁽¹⁾
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.

⁽¹⁾ 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 of Caisse Desjardins de la Baie-des-Chaleurs 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

Gilles Cavanagh

Secretary

Diane Beaudin



2025 key figures for the caisse

25,205
members

\$1.1B
in assets

\$3.2M
redistributed to
members and
the community
including

\$2M
in member
dividends

Operating surplus
earnings of
\$23M

Surplus earnings
before member
dividends of
\$9.8M



Caisse Desjardins de la Baie-des-Chaleurs stands out for:

A dynamic team

under the general management of Cindy Whitty

Dedicated directors

as at December 31, 2025

Chair	Gilles Cavanagh
Vice-Chair	Gabriel Bélanger
Secretary	Diane Beaudin
Members of the Board of Directors	Marik Cormier Joel Dallaire Jocelyne Ferguson Mireille Gauthier Sylvie Girard Denis Henry Diane Loubert Henry Martin Serge Therrien Gilles Tremblay
Board Succession program	Raphaële Guité

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	\$ 474,056	\$ 84	\$ 13,494	\$ 55	\$ 1,381	\$ 84	\$ 488,931	\$ 223	\$ 488,708	\$ 468,909
Consumer and other personal loans	32,576	39	2,113	84	177	143	34,866	266	34,600	34,036
Business and government	111,456	82	15,366	161	6,936	1,543	133,758	1,786	131,972	134,339
Total	\$ 618,088	\$ 205	\$ 30,973	\$ 300	\$ 8,494	\$ 1,770	\$ 657,555	\$ 2,275	\$ 655,280	\$ 637,284

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 \$689K. 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	\$ 290,987	\$ 26,939	\$ 393,838	\$ 711,764	\$ 664,458
Business and government	207,739	1,751	26,340	235,830	210,995
Total	\$ 498,726	\$ 28,690	\$ 420,178	\$ 947,594	\$ 875,453

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 la Baie-des-Chaleurs

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Agreed-Upon Procedures Report of the financial report of the Caisse Desjardins de la Baie-des-Chaleurs

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
1 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.
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, 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.
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, 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 LLP¹

Montréal, Québec

March 11, 2026

¹ 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
ASSETS		
Cash and deposits with financial institutions	\$ 106,288	\$ 52,390
Investment in liquidity fund under management	18,478	21,122
Deposits with the Federation	240,987	237,012
Loans		
Residential mortgages	488,931	469,151
Consumer and other personal loans	34,866	34,178
Business and government	133,758	136,253
	657,555	639,582
Allowance for credit losses	2,275	2,298
	655,280	637,284
Investments in the Federation	37,703	37,703
Other assets		
Derivative financial instruments	29,544	20,793
Interest receivable	8,570	10,573
Right-of-use assets	60	—
Property, plant and equipment	5,756	6,025
Net defined benefit plan assets	1,257	715
Other	2,734	2,385
	47,921	40,491
TOTAL ASSETS	\$ 1,106,657	\$ 1,026,002
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits		
Individuals	\$ 711,764	\$ 664,458
Business and government	235,830	210,995
	947,594	875,453
Other liabilities		
Derivative financial instruments	666	1,050
Interest payable	10,057	10,844
Lease liabilities	29	—
Net defined benefit plan liabilities	2,013	2,084
Other	5,664	4,830
	18,429	18,808
TOTAL LIABILITIES	966,023	894,261
EQUITY		
Capital stock	123	122
Distributable surplus earnings	9,225	7,821
Reserves	131,286	123,798
TOTAL EQUITY	140,634	131,741
TOTAL LIABILITIES AND EQUITY	\$ 1,106,657	\$ 1,026,002

Statement of Income

(unaudited)

For the years ended December 31

(in thousands of Canadian dollars)	2025	2024
Interest income	\$ 59,305	\$ 56,571
Interest expense	34,113	34,647
NET INTEREST INCOME	25,192	21,924
Other income	7,536	7,455
OPERATING INCOME	32,728	29,379
Provision for credit losses (recovery)	28	(464)
NON-INTEREST EXPENSE		
Salaries and fringe benefits	6,885	6,716
Occupancy costs	1,251	1,069
Other	1,566	1,636
	9,702	9,421
OPERATING SURPLUS EARNINGS	22,998	20,422
Income (loss) on fair value of derivative financial instruments	(94)	2,630
Assessments paid to Desjardins Group components and related costs	(10,112)	(9,448)
Community development expenses	(969)	(527)
SURPLUS EARNINGS BEFORE TAXES AND MEMBER DIVIDENDS	11,823	13,077
Income taxes on surplus earnings	1,993	2,347
SURPLUS EARNINGS BEFORE MEMBER DIVIDENDS	9,830	10,730
Member dividends	2,016	1,632
Tax recovery on member dividends	(554)	(455)
NET SURPLUS EARNINGS FOR THE YEAR AFTER MEMBER DIVIDENDS	\$ 8,368	\$ 9,553

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 2023	\$ 121	\$ 3,342	\$ 383	\$ (1,634)	\$ 103,470	\$ 15,312	\$ 647	\$ 118,178	\$ 121,641	
Allocation to reserves adopted by the members at the general meeting	—	(3,342)	—	—	2,942	—	400	3,342	—	
Net adjustment for member dividends	—	—	—	—	75	—	—	75	75	
Balance after distribution	121	—	383	(1,634)	106,487	15,312	1,047	121,595	121,716	
Net surplus earnings for the year after member dividends	—	9,553	—	—	—	—	—	—	9,553	
Other comprehensive income for the year	—	546	—	—	—	—	—	—	546	
Statutory transfer	—	(2,596)	1,940	656	—	—	—	2,596	—	
Net amounts used during the year	—	393	—	—	—	—	(393)	(393)	—	
Other net change in capital stock	1	—	—	—	—	—	—	—	1	
Net adjustment for member dividends	—	(75)	—	—	—	—	—	—	(75)	
BALANCE AS AT DECEMBER 31, 2024	\$ 122	\$ 7,821	\$ 2,323	\$ (978)	\$ 106,487	\$ 15,312	\$ 654	\$ 123,798	\$ 131,741	
Allocation to reserves adopted by the members at the general meeting	—	(7,821)	—	—	7,471	—	350	7,821	—	
Net adjustment for member dividends	—	—	—	—	2	—	—	2	2	
Balance after distribution	122	—	2,323	(978)	113,960	15,312	1,004	131,621	131,743	
Net surplus earnings for the year after member dividends	—	8,368	—	—	—	—	—	—	8,368	
Other comprehensive income for the year	—	524	—	—	—	—	—	—	524	
Statutory transfer	—	(382)	(71)	453	—	—	—	382	—	
Net amounts used during the year	—	717	—	—	—	—	(717)	(717)	—	
Other net change in capital stock	1	—	—	—	—	—	—	—	1	
Net adjustment for member dividends	—	(2)	—	—	—	—	—	—	(2)	
BALANCE AS AT DECEMBER 31, 2025	\$ 123	\$ 9,225	\$ 2,252	\$ (525)	\$ 113,960	\$ 15,312	\$ 287	\$ 131,286	\$ 140,634	

NOTE TO THE FINANCIAL REPORT (unaudited)

NOTE 1 - NATURE OF OPERATIONS AND BASIS OF ACCOUNTING

Caisse Desjardins de la Baie-des-Chaleurs (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.

