Desjardins

Cooperating in building the future

Desjardins Trust Inc.
Financial Information and Information on Risk Management (unaudited)

For the period ended December 31, 2014

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NOTES TO READERS

USE OF THIS DOCUMENT

The Financial Information and Information on Risk Management (the document) is designed to support the transparency and disclosure of Desjardins Trust's financial information and information on risk management so that the various financial market participants can assess its risk profile. The information disclosed in this document is unaudited.

DESJARDINS TRUST PROFILE

Desjardins Trust Inc. (the Company) is a trustee incorporated as a trust and loan company and registered under the *Trust and Loan Companies Act* (Canada) that provides a range of products and services, including asset custody, trust services to individuals and businesses and the Immigrant Investors Program. Since January 1, 2014, it is a wholly-owned subsidiary of Desjardins Financial Corporation Inc., which in turn is wholly-owned by the *Fédération des caisses Desjardins du Québec* (the Federation). The Company was previously held directly by the Federation. The address of its head office is 1 Complexe Desjardins, Montreal, Quebec, Canada. Through a service and outsourcing agreement, the Company uses the services of the Federation and some of its subsidiaries to support its operations both in terms of managing staff as well as meeting its movable and immovable asset requirements. Under this agreement, the Federation and its subsidiaries agree to provide the Company with substantially all administrative and operating services. The Company is governed by the Office of the Superintendent of Financial Institutions (OSFI).

BASIS OF PRESENTATION OF FINANCIAL INFORMATION

The Annual Financial Statements have been prepared by the Company's management in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting requirements of the *Autorité des marchés financiers* (AMF) in Quebec and OSFI, which do not differ from IFRS. The unaudited financial information presented in this document is excerpted from the Annual and Interim Financial Statements of the Company. Unless indicated otherwise, all amounts are in Canadian dollars.

FINANCIAL INFORMATION

TABLE 1 - STATEMENTS OF INCOME

(in thousands of dollars)	For the three-month periods ended December 31		For the twelve-month periods ended December 31	
	2014	2013	**2014**	2013
Income				
Fee and other income	**$ 26,526**	$ 33,747	**$ 119,792**	$ 144,478
Investment income				
Interest income	**1,585**	3,849	**7,858**	12,988
Interest expense	**(1,146)**	(1,716)	**(4,790)**	(6,367)
Net interest income	**439**	2,133	**3,068**	6,621
Other investment income				
Net gain on available-for-sale securities	**(55)**	1,198	**1,047**	3,066
Net income on securities at fair value through profit or loss	**(11)**	18	**(6)**	224
Others	**71**	49	**203**	83
	5	1,265	**1,244**	3,373
Net investment income	**444**	3,398	**4,312**	9,994
Total income	**26,970**	37,145	**124,104**	154,472
Non-interest expense				
Service agreements and outsourcing	**16,065**	17,348	**60,339**	64,566
Consulting fees	**5,124**	13,977	**31,605**	61,916
Custodian fees	**2,089**	1,527	**7,759**	6,136
Other	**2,109**	1,661	**8,489**	7,766
	25,387	34,513	**108,192**	140,384
Income before income taxes	**1,583**	2,632	**15,912**	14,088
Income taxes	**460**	737	**4,271**	3,879
Net income for the period	**$ 1,123**	$ 1,895	**$ 11,641**	$ 10,209

TABLE 2 - BALANCE SHEETS

(In thousands of dollars)	**As at December 31, 2014**	As at December 31, 2013
Assets		
Cash and deposits with financial institutions	**$ 14,319**	$ 147,357
Securities		
Securities at fair value through profit or loss	**298,334**	573,230
Available-for-sale securities	**428,099**	790,721
Securities purchased under reverse repurchase agreements	**658,738**	520,884
Interest receivable	**1,568**	2,923
Amounts receivable from clients	**36,722**	40,050
Deferred tax assets	**821**	858
Other assets	**1,505**	3,860
Total assets	**$ 1,440,106**	$ 2,079,883
Liabilities and equity		
Liabilities		
Deposits	**$ 407,797**	$ 1,116,088
Commitments related to securities lent or sold under repurchase agreements	**907,742**	846,288
Net defined benefit plan liabilities	**2,194**	2,066
Other liabilities	**10,565**	14,663
Total liabilities	**1,328,298**	1,979,105
Equity		
Share capital	**59,972**	59,972
Retained earnings	**51,539**	40,013
Accumulated other comprehensive income	**297**	793
Total equity	**111,808**	100,778
Total liabilities and equity	**$ 1,440,106**	$ 2,079,883

TABLE 3 - STATEMENTS OF COMPREHENSIVE INCOME

(in thousands of dollars)	For the three-month periods ended December 31		For the twelve-month periods ended December 31	
	2014	2013	**2014**	2013
Net income for the period	**$ 1,123**	$ 1,895	**$ 11,641**	$ 10,209
Other comprehensive income, net of income taxes				
Item that will not be reclassified subsequently to the Statements of Income				
Remeasurement of net defined benefit plan liabilities	**(115)**	(69)	**(115)**	(69)
	(115)	(69)	**(115)**	(69)
Items that will be reclassified subsequently to the Statements of Income				
Net change in unrealized gains and losses on available-for-sale securities				
Net unrealized gains on available-for-sale securities	**61**	364	**269**	2,191
Reclassification to the Statements of Income of gains on available-for-sale securities	**41**	(874)	**(765)**	(2,240)
	102	(510)	**(496)**	(49)
Total other comprehensive income	**(13)**	(579)	**(611)**	(118)
Comprehensive income for the period	**$ 1,110**	$ 1,316	**$ 11,030**	$ 10,091

TABLE 4 - STATEMENTS OF CHANGES IN EQUITY
For the twelve-month periods ended December 31

(in thousands of dollars)	Share capital	Retained earnings	Accumulated other comprehensive income	Total equity
Balance as at December 31, 2012	$ 49,972	$ 29,873	$ 842	$ 80,687
Net income for the period	-	10,209	-	10,209
Other comprehensive income for the period	-	(69)	(49)	(118)
Total comprehensive income for the period	-	10,140	(49)	10,091
Issuance of share capital	10,000	-	-	10,000
Balance as at December 31, 2013	$ 59,972	$ 40,013	$ 793	$ 100,778
Net income for the period	**-**	**11,641**	**-**	**11,641**
Other comprehensive income for the period	**-**	**(115)**	**(496)**	**(611)**
Total comprehensive income for the period	**-**	**11,526**	**(496)**	**11,030**
Balance as at December 31, 2014	**$ 59,972**	**$ 51,539**	**$ 297**	**$ 111,808**

TABLE 5 - SECURITIES

As at December 31, 2014	**Terms to maturity**			
(in thousands of dollars)	**Under 1 year**	**Over 1 year**	**No specific maturity**	**Total**
Securities issued or guaranteed by				
Canada	**$ 210,374**	**$ -**	**$ -**	**$ 210,374**
Provinces	**128,406**	**93,115**	**-**	**221,521**
Other securities in Canada				
Financial institutions	**262,235**	**32,263**	**-**	**294,498**
Other issuers	**-**	**40**	**-**	**40**
Total securities	**$ 601,015**	**$ 125,418**	**$ -**	**$ 726,433**

As at December 31, 2013	Terms to maturity			
(in thousands of dollars)	Under 1 year	Over 1 year	No specific maturity	Total
Securities issued or guaranteed by				
Canada	$ 206,880	$ 4,999	$ -	$ 211,879
Provinces	328,169	479,982	-	808,151
Other securities in Canada				
Financial institutions	314,237	29,648	-	343,885
Other issuers	-	-	36	36
Total securities	$ 849,286	$ 514,629	$ 36	$ 1,363,951

TABLE 5 - SECURITIES (continued)

As at December 31, 2014 (in thousands of dollars)	**Distribution by province (excluding securities issued or guaranteed by Canada)**							
	Quebec	**Ontario**	**Manitoba**	**British Columbia**	**Saskatchewan**	**Alberta**	**Nova Scotia**	**Total**
Securities issued or guaranteed	**$ 122,488**	**$ 39,709**	**$ -**	**$ 34,231**	**$ -**	**$ 25,093**	**$ -**	**$ 221,521**
Other securities in Canada	**294,538**	**-**	**-**	**-**	**-**	**-**	**-**	**294,538**
	$ 417,026	**$ 39,709**	**$ -**	**$ 34,231**	**$ -**	**$ 25,093**	**$ -**	**$ 516,059**

As at December 31, 2013 (in thousands of dollars)	Distribution by province (excluding securities issued or guaranteed by Canada)							
	Quebec	Ontario	Manitoba	British Columbia	Saskatchewan	Alberta	Nova Scotia	Total
Securities issued or guaranteed	$ 495,648	$ 105,198	$ 60,321	$ 42,695	$ 19,988	$ 75,305	$ 8,996	$ 808,151
Other securities in Canada	343,921	-	-	-	-	-	-	343,921
	$ 839,569	$ 105,198	$ 60,321	$ 42,695	$ 19,988	$ 75,305	$ 8,996	$ 1,152,072

TABLE 6 - SECURITIES PURCHASED UNDER REVERSE REPURCHASE AGREEMENTS

(in thousands of dollars)	**As at December 31, 2014**	As at December 31, 2013
Residents	**$ 658,738**	$ 520,884
Non-residents	**-**	-
Total	**$ 658,738**	$ 520,884

In the normal course of business, the Company carries out securities lending transactions, which include repurchase and reverse purchase agreements and securities lending. As part of such transactions, the Company acts as custodian for the securities holder who authorizes it to lend the securities to a borrower for a commission, the form and terms of which are determined in a pre-arranged contract under which the Company may assume certain risks.

TABLE 7 - ALLOWANCE FOR CREDIT LOSSES

(in thousands of dollars)	**As at December 31, 2014**	As at December 31, 2013
Total	**$ -**	$ -

TABLE 8 - DEPOSITS

(in thousands of dollars)	**As at December 31, 2014**	As at December 31, 2013
Type		
Payable on demand	**$ 125,479**	$ 874,950
Payable on a fixed date	**282,318**	241,138
Total	**$ 407,797**	$ 1,116,088

(in thousands of dollars)	**As at December 31, 2014**	As at December 31, 2013
Distribution by province		
Quebec	**$ 395,983**	$ 1,104,105
Ontario	**11,796**	11,951
New Brunswick	**18**	32
Total	**$ 407,797**	$ 1,116,088

On April 1, 2014, the Company transferred to a company under common control some of the activities it was carrying out as a custodian. The market value of the deposits and the assets related to these operations was $1,090 million.

TABLE 9 - INTEREST RATE SENSITIVITY AND MATURITY MATCHING

As at December 31, 2014	**Terms to maturity**							
(in thousands of dollars)	**Floating rate**	**Under 3 months**	**Over 3 to 6 months**	**Over 6 to 12 months**	**Over 1 to 2 years**	**Over 2 years**	**Non-interest-sensitive**	**Total**
Assets								
Cash and deposits with financial institutions	**$ -**	**$ 14,319**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 14,319**
Securities	**-**	**327,895**	**153,998**	**119,123**	**64,779**	**60,598**	**40**	**726,433**
Securities purchased under reverse repurchase agreements	**-**	**658,604**	**-**	**-**	**-**	**-**	**134**	**658,738**
Interest receivable	**-**	**-**	**-**	**-**	**-**	**-**	**1,568**	**1,568**
Amounts receivable from clients	**-**	**-**	**-**	**-**	**-**	**-**	**36,722**	**36,722**
Deferred tax assets	**-**	**-**	**-**	**-**	**-**	**-**	**821**	**821**
Other assets	**-**	**-**	**-**	**-**	**-**	**-**	**1,505**	**1,505**
Total assets	**$ -**	**$ 1,000,818**	**$ 153,998**	**$ 119,123**	**$ 64,779**	**$ 60,598**	**$ 40,790**	**$**
Liabilities and equity								
Deposits	**$ 125,479**	**$ 79,575**	**$ 21,363**	**$ 60,293**	**$ 60,259**	**$ 60,828**	**$ -**	**$ 407,797**
Commitments related to securities lent or sold under repurchase agreements	**-**	**907,588**	**-**	**-**	**-**	**-**	**154**	**907,742**
Defined benefit plan liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**2,194**	**2,194**
Other liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**10,565**	**10,565**
Equity	**-**	**-**	**-**	**-**	**-**	**-**	**111,808**	**111,808**
Total liabilities and equity	**$ 125,479**	**$ 987,163**	**$ 21,363**	**$ 60,293**	**$ 60,259**	**$ 60,828**	**$ 124,721**	**$ 1,440,106**
Sensitivity gap - Balance Sheet items	**$ (125,479)**	**$ 13,655**	**$ 132,635**	**$ 58,830**	**$ 4,520**	**$ (230)**	**$ (83,931)**	**$ -**

As at December 31, 2013	Terms to maturity							
(in thousands of dollars)	Floating rate	Under 3 months	Over 3 to 6 months	Over 6 to 12 months	Over 1 to 2 years	Over 2 years	Non-interest-sensitive	Total
Assets								
Cash and deposits with financial institutions	$ -	$ 147,357	$ -	$ -	$ -	$ -	$ -	$ 147,357
Securities	-	454,123	242,516	152,648	162,067	352,561	36	1,363,951
Securities purchased under reverse repurchase agreements	-	520,884	-	-	-	-	-	520,884
Interest receivable	-	-	-	-	-	-	2,923	2,923
Amounts receivable from clients	-	-	-	-	-	-	40,050	40,050
Deferred tax assets	-	-	-	-	-	-	858	858
Other assets	-	-	-	-	-	-	3,860	3,860
Total assets	$ -	$ 1,122,364	$ 242,516	$ 152,648	$ 162,067	$ 352,561	$ 47,727	$ 2,079,883
Liabilities and equity								
Deposits	$ 874,950	$ 32,100	$ 22,906	$ 71,053	$ 61,527	$ 53,552	$ -	$ 1,116,088
Commitments related to securities lent or sold under repurchase afreements	-	846,288	-	-	-	-	-	846,288
Defined benefit plan liabilities	-	-	-	-	-	-	2,066	2,066
Other liabilities	-	-	-	-	-	-	14,663	14,663
Equity	-	-	-	-	-	-	100,778	100,778
Total liabilities and equity	$ 874,950	$ 878,388	$ 22,906	$ 71,053	$ 61,527	$ 53,552	$ 117,507	$ 2,079,883
Sensitivity gap - Balance Sheet items	$ (874,950)	$ 243,976	$ 219,610	$ 81,595	$ 100,540	$ 299,009	$ (69,780)	$ -

CAPITAL

BASEL III

The new Basel III regulatory framework increases capital requirements. Even though the Basel III regulatory framework provides for a transitional period from 2013 to 2019 to mitigate the impact of the new capitalization rules, OSFI required the Company to meet the Common Equity Tier 1 capital ratio levels established for 2019 in the first quarter of 2013. For the Tier 1 and total capital ratios, OSFI required the Company to meet the levels established for 2019 in the first quarter of 2014.

The minimum Common Equity Tier 1 capital ratio that the Company must maintain to meet regulatory requirements is 7%. In addition, the Tier 1 capital ratio and total capital ratio must exceed 8.5% and 10.5%, respectively. These minimum ratios include a 2.5% capital conservation buffer.

TABLE 10 - STATEMENT OF CAPITAL

	All-in method[1]	
(In thousands of dollars, as a percentage and as a coefficient)	**As at December 31, 2014**	As at December 31, 2013
Common Equity Tier 1 capital		
Common shares	**$ 59,972**	$ 59,972
Retained earnings	**51,539**	40,013
Accumulated other comprehensive income	**297**	793
Net Common Equity Tier 1 capital	**$ 111,808**	$ 100,778
Total risk-weighted assets	**$ 396,435**	$ 461,179
Capital ratios		
Common Equity Tier 1 capital ratio	**28.2%**	21.9%
Tier 1 capital ratio	**28.2%**	21.9%
Total capital ratio	**28.2%**	21.9%
Assets/capital ratio	**4.8**	12.2
Target ratios		
Common Equity Tier 1 capital ratio	**7.0%**	7.0%
Tier 1 capital ratio	**8.5%**	8.5%
Total capital ratio	**10.5%**	10.5%
Assets/capital ratio	**20.0**	20.0

[1] Under the all-in method, regulatory capital is calculated taking into account all the regulatory adjustments under Basel III effective January 1, 2013 and the phase-out of the capital of instruments that are not eligible for regulatory capital under the Basel III rules.

RISK MANAGEMENT

STRUCTURE AND ORGANIZATION OF THE RISK MANAGEMENT FUNCTION

The Company is exposed to different types of risks in its normal course of operations, including credit risk, market risk, liquidity risk, operational risk, strategic risk and reputation risk. Strict and effective management of these risks is a priority for the Company in order to support its major orientations, particularly regarding its financial stability as well as its profitable growth, while complying with regulatory requirements. The Company considers risk an inextricable part of its development and consequently strives to promote a culture in which each of its employees and managers is responsible for risk management.

INTEGRATED RISK MANAGEMENT FRAMEWORK

The Company's objective in risk management is to optimize the risk-return trade-off, within set tolerance limits, by applying integrated risk management and control strategies, frameworks and procedures to all its activities. In that respect, the Company adopted an Integrated Risk Management Framework designed to provide its management and Board of Directors an acceptable level of confidence and comfort with respect to understanding and managing the entire range of risks associated with achieving its objectives.

As important components of this management framework, risk appetite and tolerance determine the type and level of risk that the Company is prepared to accept in order to achieve its business and strategic objectives. They provide a basis for integrated risk management by promoting a better understanding of the risks and their impact on the risk profile.

The risk appetite and tolerance framework determines the Company's orientations with respect to risk taking and risk management, including:

- business practices that reflect its values;
- measures based on a long-term perspective that are consistent with its cooperative nature;
- activities for which the risks are adequately understood and managed;
- performing its trustee functions in accordance with the highest ethical and prudential standards.

The risk appetite and tolerance framework also provides for a system of qualitative and quantitative risk indicators that are regularly monitored to ensure that the Company's risk profile remains within the risk appetite and tolerance limits set out by management and the Board of Directors. The Board of Directors is responsible for approving the risk appetite and tolerance framework and ensuring that it reflects the Company's financial and strategic objectives.

The Company's governance principles comply with the regulatory criteria applicable to a federal trust company. The Company's Board of Directors is responsible for directing, planning, coordinating and monitoring all its activities. In particular, it is responsible for overseeing risk management, examining internal control systems as well as adopting and properly implementing relevant risk management policies. The Board of Directors is supported in its specific risk management responsibilities by the Risk Management Committee, the Audit Committee and the Review Committee. All of these committees benefit from Desjardins Group's support.

The Company's management is responsible for ensuring that sound risk management practices are complied with. In particular, it ensures that appropriate frameworks are developed, implemented, monitored and reviewed. It also ensures that the Company can identify all significant risks, assess their potential impact and implement practices, procedures and control measures to effectively manage them.

Desjardins Group's risk management approach is based on principles promoting the accountability of business units. The risk management function of Desjardins Group and the Company ensures that these units successfully manage and control on a daily basis the risks associated with their activities.

Risk management frameworks

The main risk management frameworks address in particular the following:

- Integrated risk management
- Risk appetite and tolerance
- Operational risk management
- Business continuity and crisis management
- Reputation risk management
- Internal capital adequacy assessment program
- Model governance
- Risk analyses for financial projects and products
- Stress testing
- Matching and liquidity
- Securities lending
- Fiduciary risk management

CREDIT RISK

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

Limits by commitments, issuers and counterparties, borrowers, groups of borrowers and industries are prescribed by policies. They are reviewed by senior management and the Risk Management Committee, which recommends them to the Board of Directors.

Mitigating credit risk

In its securities lending transactions, which include repurchase and reverse repurchase agreements and securities borrowing and lending, the Company uses various techniques to reduce its counterparty credit risk.

Securities lending transactions are regulated by Investment Industry Regulatory Organization of Canada participation agreements. The Company also uses netting agreements with its counterparties to mitigate its credit risk exposure and requires a percentage of collateralization (a pledge) on these transactions.

The Company accepts from its counterparties only financial collateral that complies with the eligibility criteria set out in its policies. These eligibility criteria allow for the timely realization of collateral, if necessary, in the event of default. The types of collateral received and pledged by the Company are mainly cash and government securities.

MARKET RISK

Market risk refers to the risk of changes in the fair value of financial instruments resulting from fluctuations in the parameters affecting this value, in particular, interest rates, exchange rates, credit spreads and their volatility.

The Company is exposed to market risk primarily through its financial intermediation and securities lending activities. The Company has adopted policies that set out the principles, limits and procedures to use in managing market risk.

Interest rate risk is the main component of market risk to which the Company is exposed. Sound and prudent management is applied to optimize net interest income while minimizing the negative incidence of interest rate movements. The established policies describe the principles, limits and procedures that apply to interest rate risk management. The Company's Management Committee is responsible for analyzing and approving the various interest rate matching strategies while respecting the parameters defined in the policies. Additional information of the Company's position with respect to interest rate sensitivity and maturity matching is provided in Table 9, "Interest rate sensitivity and maturity matching", in this document.

LIQUIDITY RISK

Liquidity risk refers to the Company's capacity to raise the necessary funds (by increasing liabilities or converting assets) to meet a financial obligation, whether or not it appears on the Balance Sheets.

The Company 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. In addition, the Company ensures, through Desjardins Group, that there are stable and diversified sources of funding, that indicators are monitored and that there is a contingency plan to implement in the event of a liquidity crisis.

Liquidity risk management is a key component of the overall risk management strategy. The Company has established policies describing the principles, limits, risk appetite and tolerance thresholds as well as the procedures that apply to liquidity risk management. The policy is reviewed on a regular basis to ensure that it is appropriate for the operating environment, prevailing market conditions and regulatory requirements. It incorporates, in particular, the requirements of OSFI's Guideline B-6, *Liquidity Principles*, as well as monitoring and compliance with the new standards for the liquidity coverage ratio (LCR), the net stable funding ratio (NSFR) and net cumulative cash flow (NCCF) under Basel III. This policy has been approved by the Board of Directors and is monitored by the Risk Management Committee.

OPERATIONAL RISK

Operational risk is the risk of inadequacy or failure attributable to processes, people, internal systems or external events resulting in particular in losses, failure to achieve objectives or a negative impact on reputation.

Operational risk is inherent to all business activities as well as internal and outsourced activities. It may lead to losses mainly resulting from theft and fraud, damage to tangible assets, illegal acts, systems failures, unauthorized access to computer systems (cybercrimes) and problems or errors in process management. Although this risk cannot be totally eliminated, procedures are in place in the Company and Desjardins Group to keep it at an acceptable level.

Operational risk management framework

The primary objective of the operational risk management framework is to maintain this risk at an acceptable level while focusing on the quality of service provided to Desjardins Group members and clients as well as organizational agility. The development of policies, guidelines and rules with respect to operational risk ensures its sound and prudent management.

The Company and Desjardins Group efficiently and proactively manages events that could lead to operational risk by implementing practices to identify, measure, mitigate and monitor operational risk and to ensure adequate disclosure.

The operational risk management framework is periodically reviewed based on regulatory authorities' expectations and industry practices.

STRATEGIC RISK

Strategic risk refers to a possible loss attributable to an inability to adapt to a changing environment because of failure to act, an inappropriate strategic choice or the inability to effectively implement strategies.

It is first up to senior management and the Board of Directors to address and define the strategic orientations of Desjardins Group and the Company, taking into account risk appetite, according to the consultation processes specific to Desjardins, and to monitor the development of such orientations. Events that could compromise the achievement of the strategic objectives and initiatives of Desjardins Group and the Company are systematically and regularly monitored by their management personnel and management. Business segments and support functions periodically identify and assess events and risks that could prevent the achievement of strategic objectives, and report thereon to the appropriate bodies.

REPUTATION RISK

Reputation risk is the risk that a negative perception by the stakeholders, whether or not justified, of the Company's practices, actions or lack of action could have an unfavourable impact on income and equity, or the trust that it inspires.

A reputation is of critical importance, and reputation risk cannot be managed separately from other risks. Therefore, managing reputation risk in all their spheres of activity is a constant concern for Desjardins Group and the Company. In that regard, the objective of Desjardins Group and the Company is to ensure that all employees are constantly aware of the potential implications of their actions on their reputation and image. Desjardins Group and the Company consider that it is essential to promote a risk culture in which integrity and ethics are fundamental values.

Desjardins Group has defined guidelines, a management framework, and roles and responsibilities with regard to reputation risk. This framework is in addition to various processes already in place, such as the regulatory compliance program, ethical requirements, and reputation risk assessment as part of new initiatives and the introduction of new products. All these aspects are aimed to promote sound reputation risk management. All management personnel and employees are required to perform their duties in accordance with these principles and the values of Desjardins Group and the Company.