

# AGA | ASSEMBLÉES GÉNÉRALES ANNUELLES



SPEAKING NOTES FOR

**GUY CORMIER**  
**CHAIR OF THE BOARD, PRESIDENT AND CEO**  
**OF DESJARDINS GROUP**

**"DESJARDINS, A COOPERATIVE FINANCIAL GROUP  
SERVING MEMBERS AND CLIENTS  
AND CREATING A SHARED PROSPERITY"**

QUEBEC CITY CONVENTION CENTRE, MARCH 24, 2018  
(ACTUAL SPEECH MAY DIFFER FROM THIS TEXT)

Fellow cooperators from across Canada and around the world,  
Partners,  
Distinguished guests,  
Team Desjardins,  
Ladies and gentlemen,

Members, clients, employees and members of the public joining us online, our retirees, some of whom are with us here at the Quebec City Convention Centre and others who are tuning into our webcast, thank you all for being here today for our annual general meeting.

All day, we've been taking a look back on our 2017 achievements. On the progress we've made toward better meeting the needs of our members and clients and acting in their best interest. And on our outstanding financial results.

We also voted on big changes to our bylaws based on the priorities we set at our 23rd Congress last October. With these decisions, we've reaffirmed our position as a leader in cooperative governance.

I'm proud of these decisions and accomplishments, and I'm confident they'll serve us well moving forward.

In the video before my address, you may have noticed the new Desjardins logo. We don't change our logo very often, so why now? We did it to show that we're modern and changing with the times. And to update our image for today's digital platforms.

We're proud of our logo and its direct ties to our history. Though we've made it simpler and cleaner, it still features the honeycomb evoking the bee as well as our signature green. In short, it still represents Desjardins—your Desjardins.

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I'd like to take a few minutes today to talk to you about what we're working on and where we're heading. I'd like to tell you about some of the steps we've taken, and I'd like to address the issues of sustainable, responsible development and shared prosperity.

Our continuous improvement efforts are in high gear across the organization. Our hard work is really paying off, and I'd like to thank all our officers and employees who are so engaged and committed to making this change happen.

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"Desjardins, a cooperative financial group  
serving members and clients  
and creating a shared prosperity"



March 24, 2018

As for me, I'll continue focusing my energy and bringing my influence to bear to ensure that we achieve our goals.

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The Desjardins we're building each and every day is a simple, modern, high-performance, and people-focused organization.

### **Working every day to make your life easier**

We want Desjardins to be simple. These days, it seems like everything is getting more complicated. We're constantly bombarded with information and having to learn new things. Life seemed so simple before.

At Desjardins, we're doing away with unnecessary complications. Our goal is to make it even easier to do business with us. We're cutting the red tape, minimizing paperwork and using technology to make life easier for our members and clients.

That's why we introduced electronic signature—a new way for members and clients to open an account and do their banking online without mailing us a thing or stepping foot in a caisse.

We're also making life easier by sending members mobile alerts to let them know when their account is almost overdrawn, that they don't have funds to cover their next pre-authorized payment. And give them time to take care of it so they don't get charged.

We're also piloting an option that would let members renew their mortgage on their computer, tablet or smartphone. We hope to make this available to all caisse members by the end of the year.

### **Modernizing our financial cooperative and planning for the future**

We also want Desjardins to be modern. We want to be an organization that listens to our members and clients. One that uses the best available technology to keep pace with their changing habits and needs.

Desjardins is planning for the future. We're making strategic decisions and choosing technology that will ensure we'll still be around in 10 years, 20 years, 50 years. And still be relevant for our members, our clients, and our communities.

The digital revolution is changing the world as we know it. Whether we're sitting in our living room or sitting on the bus, we have the world at our fingertips. Today, more than four billion people have internet access.

Being connected with the world 24/7 has transformed our way of life. Computers can do more and more every day, and with artificial intelligence, robotics and other emerging technologies, there's no telling where this digital shift will take us.

So at Desjardins we've decided to lead, not follow. We want to leverage everything that technology has to offer to improve our service and find new ways to meet member and client needs.

It's why we're speeding up our digital shift, particularly our move to mobile.

Take a look at this.

These are just some of the ways we're building a modern Desjardins that uses technology to make your life easier.

But our focus goes beyond the realm of mobile and technology. At Desjardins, we're striving to improve the entire experience for our members and clients no matter how they interact with us.

### ***Updating our distribution network***

As part of our digital shift, we're also updating our network of ATMs and points of service. This has attracted a great deal of media attention in recent months.

We currently have a network of brick and mortar locations that was created when computers weren't a fixture of everyday life. We're also moving quickly to develop the broad array of digital services and apps our members and clients want.

That means we need to update our physical network and digital services based on the habits, behaviours and expectations of all our members.

We sometimes hear that decisions about ATMs and points of service are made without member input. But these decisions are made by local caisses. By their elected officers, who themselves are caisse members and must live with the consequences of these decisions.

Officers make decisions based in part on user data. They look at whether you're using a service, and if you're using it more or less often as time goes by. This factors into their decisions as they seek to responsibly manage your caisses' resources.

That said, I know some people and communities aren't very happy right now, and that's a big concern for all of us. It's a big concern for me in particular, because I'm ultimately responsible for the organization's strategic decisions.

When it comes to sensitive decisions like these, I've always said we need to sit down with community members and come up with solutions that are viable for both the community and Desjardins. When both sides make a good faith effort to compromise and agree on transitional measures, we can make positive change happen.

Yes, Desjardins is changing. We're changing the way we deliver our services. But we're not leaving anyone behind. We're not leaving any communities behind. In fact, we're more accessible than ever—online, by phone and face to face, even if those interactions are happening in different places.

## **Being high-performance for our members, clients and communities**

We also want Desjardins to be high-performance for our members and clients. We need to be high-performance to secure the future and long-term success of our cooperative financial group.

Being high-performance means growing our market share, membership and client base. It means making our member/client experience even better. And that's exactly what we did in 2017.

Being high-performance also means diversifying our operations and our risk by expanding our presence across Canada. We're collaborating more effectively with the State Farm teams that joined us three years ago. That includes some 500 agencies that by the end of next year will all be doing business under the Desjardins banner in Ontario, Alberta and New Brunswick.

Being high-performance means joining forces with other Canadian cooperatives to create a new wealth management firm, Aviso Wealth, which will serve 500,000 clients in Canada and manage over \$55 billion in assets.

And being high-performance means growing our surplus earnings, which climbed to \$2.15 billion in 2017.

Surplus earnings are key to improving our service, bolstering our socioeconomic leadership and pursuing our digital shift for members and clients. We plan to invest nearly \$3 billion by 2021 to make this all happen.

Thanks to our 2017 surplus earnings, we were able to give back \$320 million to members and communities in the form of dividends, donations, sponsorships and scholarships. No one gives back more to our communities than Desjardins.

While we're on the topic, let me just say how proud I am of the decisive position we just took to ensure that our dividends are here to stay. And next year we'll be changing the way we pay dividends to recognize the business relationships our individual and business members have with various Desjardins components.

With our strong surplus earnings, we were also able to establish a \$100 million fund for community initiatives. In its first year in 2017, the fund supported over 70 initiatives in 14 different regions.

Through the \$100 million fund, we've helped launch a new tech incubator in Magog and a social innovation lab at Saint Paul University in Ottawa. And we'll help the Centre de formation en entreprise et récupération (CFER) in Beauce build a new production line and offer its adult job training and education programs under one roof.

The fund will be supporting more and more initiatives each year.

## **Building a people-focused Desjardins**

And finally, we're working to build an even more people-focused Desjardins.

Being people-focused means being attuned to the needs and goals of the people we serve and always acting in their best interest.

Being people-focused means offering services tailored to all kinds of needs, from microcredit to private wealth management. It means supporting communities in developing countries as we've been doing since 1970 through Développement international Desjardins.

But human interaction is still important, even in today's digital world. Our elected officers and 45,000 employees across Canada make all the difference in the member/client experience. Because only humans have the emotional intelligence it takes to connect with other humans.

Being people-focused also means helping our members and clients become financially literate and independent. And it means giving young people a voice through our Youth Advisory Board.

## ***Supporting sustainable, responsible development***

Being people-focused means seeing how we fit into the bigger picture as well. And that's why we're doing our part in the fight against climate change.

We all know there is no Planet B. There's no hidden reset button we can hit to make Earth the way it was before.

During the industrial revolution in the 19th century, our ancestors had no idea that what they were spewing into the atmosphere would eventually harm the climate and endanger human life as we know it. But now we know. And now we must act.

Desjardins is leading the way. For over 25 years, we've been supporting the transition to a low-carbon economy.

Some say we aren't doing enough. But Desjardins isn't an environmental NGO or advocacy group. We're a cooperative financial group with all the responsibilities that come with it. We have longstanding relationships with businesses across Canada, and we have commitments to keep.

But with renewed determination, we can speed up the transition to clean energy and encourage our partners to follow our lead.

How?

By making new investments in renewable energy. By introducing in 2017 new approval criteria for investment, financing and insurance applications. By offering green products and services.

Just last week we announced the installation of 200 new charging stations across our caisse network—a new way we're encouraging the use of electric vehicles in Quebec and Ontario.

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"Desjardins, a cooperative financial group  
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It will take a global effort to address climate change. And while some are backing down from this challenge, we will never give up!

### **Creating a shared prosperity**

I'd like to close with some thoughts on prosperity and those who enjoy it.

When it comes to prosperity and equal opportunity, Canada is one of the best places on earth. Our economy is booming. Unemployment is at a 40-year low. But not everyone shares in these privileges equally.

As numerous studies have shown, many have not benefitted from the wealth created in recent decades.

In Europe and North America, broad segments of society have seen their standard of living decline. So much so that growing inequality now threatens our social stability.

Inequality breeds distrust of institutions and a lack of motivation that prevents people from becoming full-fledged members of society. Inequality also fuels extreme political views. These all contribute to instability and hamper social progress and long-term economic growth.

Meanwhile a more egalitarian society is more likely to foster trust in institutions, increase everyone's sense of security, spur citizen participation, encourage young people to take up the baton, and motivate people to get the skills they need to be contributing members of society.

At Desjardins, this is the kind of society we want to keep building. A society in which everyone knows they'll have a chance to succeed and have support and encouragement if they encounter challenges along the way.

Former Minnesota Senator Paul Wellstone summed it up well when he said, "We all do better when we all do better."

### ***Shoring up the foundations of shared prosperity***

A society that shares its prosperity is built on strong foundations such as education.

Education is a powerful driver of prosperity. Nelson Mandela once said that education is "the most powerful weapon which you can use to change the world." With an education, anyone can create prosperity and live a prosperous life.

Education is more important today than ever before. Every day we're bombarded with news, issues and opinions. We need an informed, skilled citizenry that can interpret all this information and make sense of today's rapidly changing, complex world. That is why we must help our young people stay in school and get an education.

Whenever a young person drops out of school or fails to meet their full potential, it's a huge loss. It's a huge loss for them, as they will have a harder time achieving their life goals. It's a huge loss for society as well. We need everyone to contribute their skills and talents so we can meet the many pressing challenges we face.

But a basic education isn't enough anymore. People need to be lifelong learners. In today's rapidly changing job market, we must constantly update our skillset and knowledge.

And businesses have a duty to help their employees get the training they need to succeed in today's jobs. To help them develop the skills they need to remain employable and ready to take on new challenges.

Entrepreneurship is another key to a broader, more equally shared prosperity. Successful businesses are essential to building healthy, vibrant communities and creating prosperity.

But we need entrepreneurs to start those businesses. A lot of entrepreneurs. And while there are some programs and preconditions in place, we as a society have yet to make a concerted effort to support new businesses. In fact, the number of start-ups has been declining in recent years. We need to reverse this trend. We need all hands on deck to foster a culture of entrepreneurship. To empower people of all ages, including young people, to start their own business.

Another key to prosperity is helping newcomers to Canada fully contribute to society.

Our aging population means we face a real challenge in terms of succession planning. Canada's job vacancy rate reached a record high last year, with nearly 400,000 unfilled jobs in the private sector.

That means that we need to do better as a society to help immigrants succeed socially and economically.

We still have a ways to go to be more welcoming. To better recognize the skills and training of people who move here. To put their qualifications to better use. To include them in our businesses and communities and help them learn the language.

Another key to prosperity is paying our fair share of taxes, which goes to the heart of our social contract.

Our social programs and social safety net are bulwarks against growing inequality. They ensure that all people have equal access to opportunity, education and healthcare. They ensure that people who are going through a rough patch or are in a transitional period of their lives can meet their basic needs.

But these programs will only continue to exist if everyone pays into them. If instead of coming up with imaginative new ways of avoiding taxes, everyone paid their fair share.



At Desjardins, we'll continue to shore up the foundations of prosperity—education, job training, entrepreneurship and inclusion. We'll continue to lend financial support, make investments and provide socioeconomic leadership. We'll continue to hold up our end of the social contract.

***Cooperating to create a shared prosperity***

We'll also keep communicating and cooperating with partners and opening up a world of opportunity for our young people, citizens and businesses.

With the resurgence of protectionism, trade tensions and hard-line diplomacy and the flagging influence of large multilateral forums, it's needed now more than ever.

No doubt, there are obstacles to overcome.

But the global nature of some major issues calls for collective action. No single person or country has the skills and technological, scientific and financial resources to singlehandedly tackle the pressing challenges of sustainable development and shared prosperity. No one can save themselves individually because we're all interconnected.

We must address these challenges together. Not in some us-versus-them or zero-sum sort of way. In an all-for-one kind of way. In cooperation.

Yes, cooperation. By joining forces, helping one another and standing in solidarity, we can overcome these challenges. History tells us so.

Cooperation is that enduring notion of hard work, stick-to-itiveness and resilience dating back nearly 200 years. It has helped people weather many a global crisis.

There are 2.5 million cooperatives in the world today and over a billion cooperators—more than ever before, and stronger than ever before.

With confidence and determination, we'll continue to leverage our cooperative strength.

We'll leverage our cooperative strength to support sustainable, responsible development.

And we'll leverage it to create and share prosperity.

Because prosperity can only be sustainable if it is shared.

Thank you.