

2018 Social and Cooperative Responsibility Report – Desjardins

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No specific disclosures required for GRI 101.

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GRI METHODOLOGY

GRI 102: GENERAL STANDARD DISCLOSURES

GRI 102-1 TO 102-13: ORGANIZATIONAL PROFILE

GRI 102-1 NAME OF THE ORGANIZATION

Desjardins Group (Desjardins)

GRI 102-2 ACTIVITIES, BRANDS, PRODUCTS AND SERVICES

We offer a wide assortment of financial products and services for individuals, associations, cooperatives and businesses:

- Savings and investment solutions
- Securities brokerage services
- Debit, credit and prepaid cards
- Payment services
- Personal and commercial loans
- Property and casualty insurance
- Life and health insurance
- Group insurance and group retirement savings
- Wealth management
- Financial investment services (securities, mutual funds and venture capital)
- Trust services
- Global trade and finance

Our brand architecture looks like this:

- Master brand (Desjardins)
- Commercial brands, which include:
 - Pillar brands
 - Identity brands
- Institutional brands
- Endorsed brands
- Stand-alone brands

OUR BRANDS

DESJARDINS BRAND

Master brand



COMMERCIAL BRANDS

Pillar brands



Identity brands



INSTITUTIONAL BRANDS



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OUR BRANDS

ENDORSED BRANDS



Brands for DFS independent brokers



STAND-ALONE BRANDS



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GRI 102-3 LOCATION OF HEADQUARTERS

100 rue des Commandeurs
Lévis QC G6V 7N5

GRI 102-4 LOCATION OF OPERATIONS

We conduct most of our business in Canada. Desjardins has more locations than any other financial institution in Quebec, especially in outlying areas with low population densities where we're often the only financial institution with a brick-and-mortar location.

To learn more, see section 1.4 – **Accessible services and experts** of the Social and Cooperative Responsibility Report.

We have a presence in the United States, doing business as Desjardins Bank, National Association (a retail banking provider) and Desjardins Florida Branch (which supports business members and clients in Florida). We also have a representation office in Europe.

Développement international Desjardins (our non-profit organization) operates in 30 countries around the world and is active in the following 3 areas:

- Expert advice
- Investments
- Creation and operation of entrepreneur financial centres

GRI 102-5 OWNERSHIP AND LEGAL FORM

Desjardins includes a network of caisses located in Quebec and Ontario as well as the Fédération des caisses Desjardins du Québec (Federation) and its components, which include Desjardins Capital Inc., the Fédération des caisses populaires de l'Ontario Inc. and the Desjardins Security Fund.

The Quebec caisses, the Federation and the Desjardins Security Fund are incorporated under the *Act Respecting Financial Services Cooperatives*, CQLR c C-67.3 (ARFSC).

The Ontario caisses and the Fédération des caisses populaires de l'Ontario Inc. are incorporated under the *Credit Unions and Caisses Populaires Act*, 1994, S.O. 1994.

GRI 102-6 MARKETS SERVED

We serve individuals, businesses, self-employed workers, non-profit organizations, public institutions and all 3 levels of government. We also strive to be the provider of choice for Canada's credit unions and other cooperatives, both inside and outside the financial services industry.

We offer members and clients across Canada a range of financial services for banking, payments and wealth management, as well as property and casualty insurance and life and health insurance for individuals and groups. We also assist clients who do business abroad. Our banking services in Florida are provided through Desjardins Bank, National Association and Desjardins Florida Branch.

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GRI 102-7 SCALE OF THE ORGANIZATION AS AT DECEMBER 31, 2018

Total number of employees	46,216
Total income	\$17,310M
Total assets	\$295,465M
Number of caisses and caisse points of service in Quebec and Ontario (including caisse head offices and service centres)	989
Product portfolio	FS7 FS8

GRI 102-8 WORKFORCE DISTRIBUTION

	2018	2017	2016
Business sectors and support functions	28,615	27,661	29,207
Caisse network	17,601	17,886	18,448
Quebec	40,868	40,038	40,230
Ontario	4,839	4,828	4,808
Other provinces	425	590	2,505
Outside Canada	84	91	112
Permanent	91.7%	91.8%	91.7%
Contract	8.3%	8.2%	8.3%
Senior managers	1.4%	0.8%	0.9%
Managers	6.3%	6.5%	7.1%
Employees	92.3%	92.7%	92.0%
Total workforce	46,216	45,547	47,655

GRI 102-9 SUPPLY CHAIN

To learn more, see section 4.4 – **Responsible procurement** of the Social and Cooperative Responsibility Report.

GRI 102-10 SIGNIFICANT CHANGES TO THE ORGANIZATION AND ITS SUPPLY CHAIN

- April 1, 2018 marked the creation of Aviso Wealth, one of Canada's largest wealth management firms, thanks to a partnership between provincial credit union centrals, Desjardins and CUMIS.
- Zag Bank will be gradually winding down its operations with a target closure of 2019.
- Aside from regular supplier turnover from one-time initiatives, there were no documented significant changes to our stable supply chain.

GRI 102-11 PRECAUTIONARY PRINCIPLE OR APPROACH

At Desjardins, we take our environmental impact seriously and have made environmental and social risks a part of our risk management framework. In reviewing credit applications from commercial, industrial, real estate or agricultural borrowers, we examine potential environmental risks against current regulations. In 2018, we also started analyzing environmental, social and governance (ESG) criteria that apply to capital market borrowers. Considering ESG criteria is also an integral part of the risk analyses we conduct for our large-scale initiatives.

GRI 102-12 EXTERNAL INITIATIVES

As a corporate citizen committed to sustainable community development, Desjardins supports many initiatives:

- United Nations Environment Programme – Finance Initiative – Member (2003)
- CDP (formerly the Carbon Disclosure Project) – Signatory (2013)
- Declaration of the International Co-operative Alliance – Signatory
- Final declarations of the International Summit of Cooperatives – Signatory (2012, 2014 and 2016)
- Principles for Responsible Investment – Signatory (2009: Desjardins Investments, 2017: Desjardins Global Asset Management and 2018: Desjardins Group Pension Plan)
- Principles for Positive Impact Finance – Signatory (2017)
- Statement by Financial Institutions on Energy Efficiency – Signatory (2015)
- European Association of Co-operative Banks COP21 statement – Signatory (2015)

Développement international Desjardins supports the following initiatives:

- Principles for Responsible Investment – Signatory (2014)
- Global Impact Investing Network – Signatory (2014)
- Smart Campaign for the protection of microfinance clients – Signatory (2011)

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GRI 102-13 MEMBERSHIP OF ASSOCIATIONS

Desjardins maintains close relationships with a number of associations, institutions and public agencies. This may involve a member of our senior management or Board of Directors (Board) sitting on one of our partners' boards or participating in an advisory committee or working group, or it may take the form of financial support.

Cooperatives and mutuals

- International Co-operative Alliance (and its members)
- Canadian Association of Mutual Insurance Companies
- Canadian Credit Union Association
- Canadian Coalition for Good Governance
- International Confederation of Popular Banks
- Conseil de la coopération de l'Ontario
- Conseil québécois de la coopération et de la mutualité (and its members)
- Co-operatives and Mutuals Canada (and its members)
- Crédit industriel et commercial (subsidiary of Crédit Mutuel)
- International Cooperative and Mutual Insurance Federation
- Filene Research Institute
- Fondation pour l'éducation à la coopération et à la mutualité
- Forum of Canadian Ombudsman
- European Association of Co-operative Banks
- International Raiffeisen Union
- Réseau de la coopération du travail du Québec
- Société pour la coopération et le développement international
- Ontario Co-operative Association

Finance and insurance

- Financial Consumer Agency of Canada
- AON Risk Solutions
- Canadian Life and Health Insurance Association
- Mutual Fund Dealers Association of Canada
- Canadian Insurance Claims Managers Association
- Canadian Association of Financial Institutions in Insurance
- Investment Industry Association of Canada
- Canadian Bankers Association
- Canadian Securities Administrators
- Autorité des marchés financiers
- Business Development Bank of Canada
- Canada Infrastructure Bank
- Bank of Canada
- Insurance Bureau of Canada
- Office of the Superintendent of Financial Institutions
- Caisse de dépôt et placement du Québec
- Canada Forum for Impact Investment and Development
- Canadian Association of Direct Relationship Insurers
- Canadian Association of Special Investigation Units
- Canadian National Insurance Crime Services
- Financial Transactions and Reports Analysis Centre of Canada
- Centre de développement en assurances et services financiers (Puissance Onze)
- Cercle finance du Québec
- Chambre de l'assurance de dommages
- Chambre de la sécurité financière
- Financial Services Commission of Ontario
- Ontario Securities Commission
- Canadian Council of Insurance Regulators
- Conseil des fonds d'investissement du Québec
- Council of Professionals in Financial Services
- Conseil québécois du commerce de détail
- Corporation des assureurs directs de dommages du Québec
- Discover
- Euro-Information
- Facility Association
- International Cooperative and Mutual Insurance Federation
- Finance Montréal
- Financière agricole du Québec – Développement international
- FinDev Canada
- Fondation

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Finance and insurance (cont.)

- Fonds international de développement agricole
- General Insurance Statistical Agency
- Global Impact Investing Network
- Global Risk Institute
- Groupement des assureurs automobiles
- Health Claims for Auto Insurance
- Finance and Sustainability Initiative
- Institut d'assurance de dommages du Québec
- Montreal Institute of Structured Finance and Derivatives
- Investment Funds Institute of Canada
- Institut québécois de planification financière
- Institute for Catastrophic Loss Reduction
- Interac
- Institutional Shareholder Services
- Investissement Québec
- Journal de l'assurance
- Women in Insurance Cancer Crusade
- Mastercard
- Mouvement d'éducation et de défense des actionnaires
- National Association of Mutual Insurance Companies
- Nexo
- Office de la protection du consommateur
- Ombudsman for Banking Services and Investments
- Ontario Chamber of Commerce
- Investment Industry Regulatory Organization of Canada
- Payments Canada
- Proparco
- Proxfin
- Québec International
- Québec PRI Network
- Réunion des organismes d'assurance mutuelle
- Canada Mortgage and Housing Corporation
- Canada Deposit Insurance Corporation
- Property and Casualty Insurance Compensation Corporation
- Deposit Insurance Corporation of Ontario
- State Farm U.S.
- Statistics Canada
- Traffic Injury Research Foundation
- UNI Financial Cooperation
- Visa

Sustainable community development

- Academos
- Teens Against Drinking and Driving – New Brunswick
- Agence universitaire de la Francophonie
- Alberta Severe Weather Management Society
- Alloprof
- arrive alive DRIVE SOBER
- Canadian Education Association
- Canadian Political Science Association
- Association des directeurs généraux des commissions scolaires
- Responsible Investment Association
- Association québécoise d'information scolaire et professionnelle
- Association québécoise de la production d'énergie renouvelable
- Association québécoise des enseignantes et enseignants du primaire
- Association québécoise pour la maîtrise de l'énergie
- Consumer associations, such as family finance cooperative associations
- Bourse du carbone Scol'ERE
- CEFRIO
- Centraide United Way
- International Reference Centre for the Life Cycle of Products, Processes and Services
- Chaire d'actuariat (Université Laval)
- Chaire de coopération Guy-Bernier (Université du Québec à Montréal)
- Chaire de leadership en enseignement et en développement régional et économique (Université Laval)
- Chaire Desjardins en finance responsable (Université de Sherbrooke)
- Chaire Desjardins en développement des petites collectivités (Université du Québec en Abitibi-Témiscamingue)

Sustainable community development (cont.)

- Chaire en éco-conseil (Université du Québec à Chicoutimi)
- Centre for Addiction and Mental Health
- Centre for Interdisciplinary Research and Information on Community Enterprises
- Canadian Chamber of Commerce
- The Chamber of Commerce of Metropolitan Montreal
- Chambre de commerce et d'industrie de Québec
- Chantier de l'économie sociale
- Club canadien de Toronto
- Coalition des associations de consommateurs du Québec
- Food Sovereignty Coalition
- Carbon Pricing Leadership Coalition
- Communauto
- Montreal Canadiens Children's Foundation
- Mental Illness Foundation
- Fondation du Cégep de Sainte-Foy
- Fondation du Cégep de Lévis-Lauzon
- Fondation du Cégep du Vieux-Montréal
- Fondation du Conservatoire de musique et d'art dramatique du Québec
- Jasmin Roy Sophie Desmarais Foundation
- Fondation Jeunes en Tête
- Fondation Les Voltigeurs
- Fondation Maison Dauphine
- New Pathways Foundation
- Literacy Foundation
- Fondation québécoise en environnement
- Fondation Sport-Études
- Vanguard Foundation
- Fonds d'action québécois pour le développement durable
- Groupe investissement responsable
- Habitat for Humanity Canada
- United Nations Environment Programme – Finance Initiative
- InnoCité MTL
- Insertech Angus
- Institut québécois des hautes études internationales (Université Laval)
- Institute for Governance of Private and Public Organizations
- Institut de coopération pour l'éducation des adultes
- Institut de recherche et d'éducation pour les coopératives et les mutuelles (Université de Sherbrooke)
- Institut international des coopératives Alphonse-et-Dorimène-Desjardins (HEC Montréal)
- Smart Prosperity
- International Women's Forum
- Je fais Mtl
- Kids Help Phone
- Kids Now
- La Ruche
- La Tablée des Chefs
- Leucan
- Université du Québec à Chicoutimi
- Université du Québec à Rimouski
- Université du Québec à Trois-Rivières
- Université du Québec en Abitibi-Témiscamingue
- Université du Québec en Outaouais
- Université Laval
- Conseil d'orientation stratégique de l'Agence universitaire de la Francophonie
- Concertation Montréal
- Canada Green Building Council
- Conseil du patronat du Québec
- Quebec Business Council on the Environment
- Boreal Leadership Council
- Conseil québécois des entreprises adaptées
- Conseil régional de l'environnement de Montréal
- Coop Carbone
- Coopérative de développement régional du Québec
- Canada Safety Council
- Montreal Council on Foreign Relations
- Canadian Red Cross
- Éco Entreprises Québec
- Ecohome
- École d'Entrepreneurship de Beauce
- École de technologie supérieure
- École secondaire Vanier
- Écotech Québec
- Éducaide

Sustainable community development (cont.)

- Éducaloi
- Équiterre
- Espace québécois de concertation sur les pratiques d'approvisionnement responsable
- Ethiquette
- exo-RTM
- Fédération des chambres de commerce du Québec
- Fédération des commissions scolaires du Québec
- Fédération des Villages-relais du Québec
- Fédération québécoise des municipalités
- Armand-Frappier Foundation
- David Suzuki Foundation
- Fondation de l'entrepreneurship
- The Montreal Children's Hospital Foundation
- Fondation de l'Université de Sherbrooke
- Fondation des Auberges du cœur
- MicroEntreprendre
- MOBA/Mobilité alternative
- Mobili-T
- Mouvement québécois de la qualité
- Novae
- Operation Red Nose
- OSEntreprendre
- Parachute
- Place aux jeunes en région
- Parliamentary Internship Program
- Quartier de l'innovation
- The Climate Reality Project Canada
- RECYC-QUÉBEC
- Regroupement national des conseils régionaux de l'environnement
- Community Futures Network of Canada
- Réseau de transport de la Capitale
- Réseau des carrefours jeunesse-emploi du Québec
- Réseau des Centres de Formation en Entreprise et Récupération
- Réseau FADOQ
- Réseau intercollégial des activités socioculturelles du Québec
- Montreal Hooked on School
- Société de transport de Lévis
- Société de transport de Montréal
- Société des relations internationales de Québec
- Société d'habitation du Québec
- Solidarité rurale du Québec
- Southlake Regional Health Centre Foundation
- Soutien-O-sinistrés
- Students Against Drinking and Driving – Alberta
- Sûreté municipale de Saguenay
- SWITCH, l'Alliance pour une économie verte au Québec
- Toronto Region Board of Trade
- Union des consommateurs
- Union des municipalités du Québec
- Union des producteurs agricoles
- University of Ottawa
- Ville de Lévis
- Ville de Montréal
- Ville de Québec
- Vivre en Ville
- Voyagez Futé
- YMCAs of Quebec

GRI 102-14 AND 102-15: STRATEGY AND ANALYSIS

GRI 102-14 STATEMENT FROM SENIOR DECISION-MAKER

See pages 9 to 10 of the Social and Cooperative Responsibility Report to read the Message from the President and CEO.

GRI 102-15 KEY IMPACTS, RISKS AND OPPORTUNITIES

Identification and management of main risks

At Desjardins, we believe it's important to periodically assess the environment in which we operate and to identify key risks, main risk factors and emerging risks. That's why we keep a log of risks that are likely to affect our results. We update this risk log at least once a year and use it to make a quantitative and qualitative assessment of risk materiality, to determine our risk profile and to implement appropriate strategies to mitigate risk.

Our Risk Management Division ensures that our risk profile corresponds to our risk appetite. Each quarter, Risk Management ensures that we comply with the statements and indicators set by senior management and the Board of Directors (Board) and provides them with an update. When a risk appetite indicator threshold or limit is exceeded, we look into it immediately. We then inform the appropriate bodies why this occurred and notify them of the action plan, if applicable.

A detailed presentation of our risk management principles, especially in terms of environmental and social risk, can be found in the **Risk Management** section of the annual report's **Management's Discussion and Analysis** (<https://desjardins.com/annualreport>).

The complete mandate and composition of the commissions and committees that support the Board in the performance of its duties are available on our website at <https://www.desjardins.com/ca/about-us/desjardins/governance-democracy/index.jsp>. Additional information specifically about the Risk Management Commission and its governance practices can also be found there.

GRI 102-16 TO 102-17: ETHICS AND INTEGRITY

GRI 102-16 VALUES, PRINCIPLES AND NORMS OF BEHAVIOUR

Culture of integrity

The Board is responsible for promoting Desjardins's cooperative values—money at the service of human development, democratic action, personal commitment, integrity and rigour in cooperative enterprises, solidarity with the community and inter-cooperation—with a view to earning the trust of the public and ensuring members and clients have confidence in their financial services cooperative. The Board is also responsible for enforcing our rules of professional conduct. Our *Code of Professional Conduct* (Code), which is available to the public on Desjardins.com, applies to all Desjardins entities. It includes 2 sections: one covering our ethics, mission and values, and a second outlining all our rules of professional conduct. All Desjardins employees and directors can take 2 online training courses on professional conduct and conflicts of interest. Every year, all our employees and directors are required to acknowledge that they've read the Code and agree to uphold it.

GRI 102-17 MECHANISMS FOR ADVICE AND CONCERNS ABOUT ETHICS

Our Board of Ethics and Professional Conduct (BEPC) adopts rules of professional conduct for Desjardins directors, and Federation and caisse employees and directors. Our Board of Directors (Board) must ratify these rules before they can come into effect. The BEPC works collaboratively with our subsidiaries, but has no authority over them.

The BEPC is responsible for promoting the values, principles and rules of our *Code of Professional Conduct (Code)*. It also handles professional conduct issues that fall under its scope, and identifies and analyzes situations that raise ethical issues for Desjardins, especially those relating to our mission and values. The Federation also offers advisory services for the entire organization.

BEPC members are all independent from our management team and Board. For Desjardins caisses in Quebec, responsibility for ethics and professional conduct is assumed by an Audit and Professional Conduct Committee and a Governance and Ethics Committee made up of caisse directors. For caisses in Ontario, this responsibility is assumed by an Audit Committee made up of caisse directors. We also have a policy for reporting regulatory violations and violations of the Code. This policy is combined with a confidential reporting mechanism that protects the anonymity of those who use it.

We also oversee the financial reporting process and the disclosure of any major changes that may affect our financial position. We use various channels to ensure effective communication with our many stakeholders. These channels include: the Ombudsman, our ethics and professional conduct team and the caisse complaint handling procedure.

Other mechanisms used by Desjardins:

- Annual general meetings
- Disclosure of quarterly financial results
- Desjardins publications (including annual reports)
- Toll-free telephone numbers
- Intranet portals and the portal for caisse directors
- Desjardins.com (which includes information on education, cooperation and dialogue with our members and clients, and a Member Relations section)
- The Federation's Member Services Committee
- Procedure for reporting violations of the Code and other regulatory instruments
- Newsletters
- Social media (Facebook, YouTube, LinkedIn, Twitter, etc.)

GRI 102-18 TO 102-39: GOVERNANCE

GRI 102-18 GOVERNANCE STRUCTURE

To learn more: See section 2.0 – **Our co-op and its governance** of the Social and Cooperative Responsibility Report. Full disclosure can also be found in Desjardins Group's annual report available on SEDAR.com.

GRI 102-21 CONSULTING STAKEHOLDERS ON ECONOMIC, ENVIRONMENTAL AND SOCIAL TOPICS

See standards 102-40, 102-42, 102-43 and 102-44. The Board is the highest governance body dealing with economic, environmental and social topics.

GRI 102-32 HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING

Upon the recommendation of the Cooperation and Network Liaison Commission, the Board approves the **Social and Cooperative Responsibility** section of the annual report.

GRI 102-38 ANNUAL TOTAL COMPENSATION RATIO

Ratio of the annual total compensation of the President and CEO to the average annual total compensation for all permanent full-time Desjardins employees

The compensation ratio is calculated by the Committee on the Aggregate Remuneration of the President and Chief Executive Officer of Desjardins Group every year. The 2018 ratio is 35 times the average compensation of full-time-equivalent employees.

GRI G4-55 BOARD ATTENDANCE FIGURES

In 2018, the attendance rate for meetings of the Federation's Board was 96.2%.

GRI 102-40 TO 102-44: STAKEHOLDER ENGAGEMENT

GRI 102-40 LIST OF STAKEHOLDER GROUPS

See the **Our approach** section of the Social and Cooperative Responsibility Report.

GRI 102-41 COLLECTIVE BARGAINING AGREEMENTS

In Canada, the right to organize is protected by law. We're fully compliant with all applicable labour legislation. Across all of Desjardins in 2018, collective bargaining agreements covered:

- 17% of employees, or
- 25% of caisse network employees, including employees in Desjardins Business centres.

We consider all potential legal implications prior to taking any action. It's our policy to respect the right to organize and negotiated working conditions.

GRI 102-42 IDENTIFYING AND SELECTING STAKEHOLDERS

See the **Our approach** section of the Social and Cooperative Responsibility Report.

GRI 102-43 APPROACH TO STAKEHOLDER ENGAGEMENT

See the **Our approach** section of the Social and Cooperative Responsibility Report.

GRI 102-44 KEY TOPICS AND CONCERNS RAISED

See the **Our approach** section of the Social and Cooperative Responsibility Report.

GRI 102-45 TO 102-56: REPORTING PRACTICE

GRI 102-45 ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

The main subsidiaries included in Desjardins's group scope were incorporated in Canada, and their principal place of business is also in Canada. The following table presents the nature of the operations of these components and the proportion of ownership interests held in each of them:

Subsidiary	Nature of operations	As at December 31, 2018 ¹	As at December 31, 2017 ¹	As at December 31, 2016 ¹
Caisse centrale Desjardins ²	Desjardins's treasurer and financial agent on the Canadian and international markets	N/A	N/A	100%
Desjardins Capital Inc.	Issuance of securities on the markets and financing of the Desjardins caisses	100%	100%	100%
Desjardins Financial Holding Inc.	Holding company	100%	100%	100%
Zag Bank ³	Financial institution	100%	100%	100%
Desjardins Financial Corporation Inc.	Holding company	100%	100%	100%
Desjardins Global Asset Management Inc.	Asset management	100%	100%	100%
Desjardins General Insurance Group Inc.	Property and casualty insurance	100%	100%	100%
Property and casualty insurance subsidiaries ⁴	Property and casualty insurance	90%	90%	90%
Desjardins Financial Security Life Assurance Company	Life and health insurance and financial services	100%	100%	100%
Desjardins Investments Inc.	Design, administration and distribution of insurance and savings products	100%	100%	100%
Western Financial Group Inc. ⁵	Insurance brokerage and financial services	–	–	100%
Western Life Assurance Company ⁵	Life and health insurance	–	–	100%
Western Financial Insurance Company ⁶	Property and casualty insurance	–	–	100%
Desjardins Trust Inc.	Asset custody and trust services	100%	100%	100%
Desjardins Technology Group Inc.	Development, maintenance and modernization of Desjardins technology	100%	100%	100%
Qtrade Canada Inc. ⁷	Online brokerage and wealth management services	–	80.8%	77.2%
Desjardins Securities Inc.	Securities brokerage	100%	100%	100%

¹ Represents also the proportion of voting rights we hold in these subsidiaries, except for Qtrade Canada Inc., in which we held 100% of the voting rights as at December 31, 2017 and 2016.

² On January 1, 2017, the Federation amalgamated with Caisse centrale Desjardins by absorption thereof. As a result of the amalgamation, the Federation holds all the rights and assumes all the obligations of Caisse centrale Desjardins, in addition to its own rights and obligations. This transaction had no material impact on our Combined Balance Sheet on the date it was completed.

³ We're planning to wind up this subsidiary in the upcoming fiscal year.

⁴ Represents a group of 6 property and casualty insurance subsidiaries.

⁵ Subsidiary sold on July 1, 2017. For more information, see **Note 20 – Significant transactions** in the annual financial statements of Desjardins Group.

⁶ Subsidiary sold on January 1, 2017. The transaction had no material impact on our Combined Balance Sheet.

⁷ On April 1, 2018, this subsidiary was involved in a transaction that led to the creation of Aviso Wealth. For more information, see **Note 20 – Significant transactions** in the annual financial statements of Desjardins Group.

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GRI 102-46 DEFINING REPORT CONTENT AND TOPIC BOUNDARIES

See the **Our approach** section of the Social and Cooperative Responsibility Report.

GRI 102-47 MATERIAL TOPICS

See the **Our approach** section of the Social and Cooperative Responsibility Report.

GRI 102-48 RESTATEMENTS OF INFORMATION

In 2018, GHG emissions were calculated for all sources over which we have financial control, including rental space we occupy and space we own that's occupied by third parties (real estate investments). Estimates were used for these sites when data was not available. In order to perform data quality control earlier in the reporting cycle and reduce the risk of incomplete data, the data collection period for Energy indicators is from November 1 to October 31. The data collection period for all other indicators is from January 1 to December 31.

Where minor restatements were necessary, it has been indicated in the text.

GRI 102-49 CHANGES IN REPORTING

This report reflects our commitment to complying with the strictest social responsibility reporting standards, namely the GRI methodology and integrated reporting. Changes made in 2018 are compliant with the standards. Minor changes in scope that have been made to certain elements are specified in the corresponding text.

GRI 102-50 REPORTING PERIOD

The annual report covers the period from January 1 to December 31, 2018.

GRI 102-51 DATE OF MOST RECENT REPORT

The previous report was published in March 2018 and covered operations for the 2017 calendar year.

GRI 102-52 REPORTING CYCLE

Since publishing our first Social and Cooperative Responsibility Report in 2004, we've been disclosing our social and cooperative responsibility performance every year. See the full list of our past reports: <https://www.desjardins.com/ca/about-us/social-responsibility-cooperation/reports/>.

GRI 102-53 CONTACT POINT FOR QUESTIONS REGARDING THE REPORT

- For questions about the Social and Cooperative Responsibility Report, email: rse_coop@desjardins.com.
- For more information on our social and cooperative responsibility, see the **Social Responsibility and Cooperation** section of our website at: <https://www.desjardins.com/ca/about-us/social-responsibility-cooperation/>.

GRI 102-54 CLAIMS OF REPORTING IN ACCORDANCE WITH THE GRI STANDARDS

We affirm that our Social and Cooperative Responsibility Report has been produced in accordance with the GRI Standards: Core option.

GRI 102-55 GRI CONTENT INDEX

The GRI content index is presented in this section.

GRI 102-56 EXTERNAL ASSURANCE

All data disclosed was validated by senior management. Our 2013 and 2014 reports were also subject to an internal audit, and corrections were incorporated in subsequent reports. In 2018, PricewaterhouseCoopers LLP independently verified our GHG emissions and provided limited assurance on our Scope 1, 2 and 3 emissions. <https://www.desjardins.com/ressources/pdf/d50-rapport-certification-2018-e.pdf>.