

# Security is everyone's responsibility!



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**The Desjardins Group  
Security Office  
(DGSO) is responsible  
for supporting all of  
Desjardins Group in  
identifying and  
responding to all  
types of security  
threats.**





# Creation of the Desjardins Group Security Office and appointment of a Chief Security Officer

On January 23, 2020, Desjardins set up the Desjardins Group Security Office, which is tasked with protecting members and clients, their assets and their personal information. The DGSO is responsible for identifying and responding to all types of security threats in any context.

A Chief Security Officer was appointed, reporting directly to Senior Executive Vice-President and Chief Operating Officer of Desjardins Group.

Today, the DGSO has more than 1,100 professionals and experts in their respective fields. The DGSO is continuing its mandate while developing a collective awareness of security at Desjardins Group. The DGSO also ensures consistency in different security practices for:

- Fraud prevention
- Financial crime prevention
- Personal information protection
- Data governance
- Information security
- Physical security

# Roles of various heads and chief officers

at Desjardins Group

**The roles of each head/chief officer at Desjardins Group are assumed by senior management.**

## Head of Fraud Prevention

Responsible for a fraud prevention management framework that combines protection, detection and response with member/client, employee, manager, director, supplier and Desjardins product life cycles. This 360° view helps protect people and organizational assets.

## Anti-Tax Evasion Officer

Responsible for overseeing the program to ensure compliance with regulatory requirements, including the intergovernmental agreement between Canada and the United States, the Foreign Account Tax Compliance Act, and the Common Reporting Standard developed by the Organisation for Economic Co-operation and Development.

## Chief Anti-Money Laundering Officer and Head of Economic Sanctions

Responsible for ensuring sound management of risks associated with money laundering and terrorist financing, and economic sanctions and international economic measures. The program, policies, procedures and training are mainly adjusted to reflect regulatory changes. These measures help detect and report transactions associated with money laundering and terrorist financing.

## Chief Privacy Officer

Responsible for implementing and overseeing our privacy compliance program to guarantee optimal and secure use of data for members and clients, in accordance with professional conduct and compliance rules, and privacy rules and policies.

## Chief Information Security Officer

Responsible for ensuring that Desjardins Group's actions are aligned with the IT risk framework.

## Chief Anti-Corruption Officer

Responsible for overseeing the implementation of control measures to mitigate corruption risks. An anti-corruption team was also created in June 2020.

## Chief Data Officer

Responsible for providing leadership, structure, expertise and direction to encourage stakeholders across the organization to recognize data as a strategic asset and to manage data in the best interests of our members and clients.

# Mandatory security training

Security is everyone's business!

Desjardins Group made sure that employees had the tools and accountability needed to implement the robust and thorough security processes—and they were up to the task!

## Security for Everyone dashboard

The Security for Everyone dashboard was rolled out to let each employee can see how they're doing and to show managers team results. This user-friendly, interactive platform has videos about various security practices to help employees adopt security best practices in their day-to-day work.

## Mandatory training for all employees and managers

There is a mandatory security learning path for all Desjardins employees and managers. This learning path includes the following courses:

- **Protecting personal and confidential information is everyone's business!:** This course helps employees identify personal information and confidential information, understand the roles and responsibilities of the organization and employees, and protect information with the principle of necessity.
- **Identifying phishing emails:** This course explores how to recognize the red flags of fraudulent emails so employees don't fall for phishing attempts.
- **Conflicts of interest: Don't look the other way!:** This course explores the basics of how to recognize conflicts of interest and what to do when they occur.
- **Sound commercial practices at Desjardins:** This course explores how to identify and apply sound commercial practices with members and clients.



- **Privacy Policy and consents:** To show Desjardins Group's commitment to security and kick off activities surrounding the passing of the *Act to modernize legislative provisions as regards the protection of personal information*, the organization updated its Privacy Policy and types of consent.
- **Introduction to security:** This training has 7 videos to help employees learn about with the different security practices overseen by the DGSO.

## Ongoing training

Starting in 2022, all employees have been required to complete ongoing security training, which they'll need renew each year. With up-to-date content, this approach will help employees stay vigilant and know how to apply security best practices. At the end of the year, employees will take a dynamic assessment to test everything they've learned.

**2022 annual training:** The topics covered this year will be physical security, confidential data management, identity and access management, protection of personal information, and information security.

## Mandatory training for managers

The following courses are only mandatory for Desjardins Group managers, even though they're available to all Desjardins Group employees.

- **Desjardins identity and access management:** This is a specific training program designed for managers to help them recognize their managerial responsibilities and identify best practices in identity and access management.
- **The business manager role and their delegate in identity and access management:** This course helps managers recognize the responsibilities of the business manager and their delegate, the steps for processing an access request, and the actions to take for incomplete requests.
- **The access management technician (AMT) and their manager: When the protection of members' and clients' assets depends on their actions:** This course helps managers recognize the access management officer's responsibilities, the steps for processing an access request, and the actions to take for incomplete requests.



## Mandatory training for DGSO employees

All DGSO employees must take the training listed below. These courses aren't mandatory for all Desjardins Group employees, but they'll need to take the ones that are specific to their job:

- **MISSION POSSIBLE: Fighting money laundering and terrorist financing and BEHIND THE SCENE: Fighting money laundering and terrorist financing:** These courses help employees identify and understand how and when people get involved in illegal activities related to money laundering and terrorist financing.
- **International economic sanctions:** This course helps employees understand economic sanctions in the context of correspondent bank relationships with foreign financial institutions.
- **Anti-corruption:** This course explores how to understand what corruption is, recognize at-risk situations and respond appropriately to protect the organization and do what's best for members, clients and communities.
- **Unusual operation notification:** This course helps employees be more vigilant in reporting unusual transactions or events to better protect Desjardins Group's reputation by acting in accordance with the regulatory obligations that Desjardins Group is subject to.
- **Introduction to fraud prevention:** This training program helps employees recognize the types of external and internal fraud, depending on the situation.

## Phishing tests

Desjardins Group improved its phishing training in 2021—the tests became harder, and tests were added for calls and text messages to target specific groups of employees. The program is designed to make employees more aware of phishing.

## Forum Sécurité

The 12th edition of the Forum Sécurité took place in May 2022. At the event, Desjardins Group employees were able to get the tools and support they need to make best security practices part of their day-to-day. Each year, 2 editions of the Forum Sécurité are held; they're available to all Desjardins Group employees.

# Key governance documents

at Desjardins Group

The DGSO implemented the *Desjardins Group Information Security Policy*, which provides a general framework for developing collective awareness of security and ensuring that security practices are consistent. In addition, Desjardins Group ensures that governance documents are strictly adhered to for each of the security practices. There are a number of tactical and operational governance documents to ensure that operations run smoothly and that compliance strategies are applied effectively.

The DGSO's governance framework is based on 2 global information security governance frameworks: ISO 27000 and the National Institute of Standards and Technology (NIST) Cybersecurity Framework.

## Financial crime prevention

- *Anti-Fraud Policy*
- *Anti-Money Laundering and Anti-Terrorist Financing Regulatory Compliance Standard and Anti-Money Laundering and Anti-Terrorist Financing Regulatory Compliance Policy*
- *Standard on Compliance with International Anti-Tax Evasion Regulations and Policy on Compliance with International Anti-Tax Evasion Regulations*
- *Anti-Corruption Standard and Anti-Corruption Policy*
- *Standard and directive on conflict of interest management*
- *Policy on security and credit checks for employment*
- *Desjardins Code of Professional Conduct*

## Fraud prevention

- *Anti-Fraud Policy*
- *Policy on security and credit checks for employment*
- *Desjardins Code of Professional Conduct*

## Physical security

- *Desjardins Group Rule on Physical Security*

## Information security

- *Standard on caisse network risk management*
- *Desjardins Group Information Security Policy and Desjardins Group Information Security Directive*
- *Acceptable Use of Information Technology Directive*
- *Desjardins Group Rule on Identity and Access Management*
- *Desjardins Group Rule on Information Security Classification*
- *Rule on security of information available to suppliers*

## Personal information protection

- *Privacy Policy*

## Desjardins Group data governance

- *Privacy Policy and consents*



## Performance monitoring

Desjardins Group uses the 3 lines of defence model in line with industry best practices. The DGSO carries out first line of defence activities.

To ensure effective protection mechanisms and security, the DGSO has set up a forward-looking organizational structure that fosters collaboration, transparency and security data sharing.

The DGSO makes sure that the programs related to the 6 security practices are being implemented properly and monitor regulatory risk. These programs allow the DGSO to provide an opinion on the adequacy, application and effectiveness of control mechanisms.

Desjardins Group's second line of defence provides governance and oversight of the DGSO's operational activities. This role is assumed by the Risk Management Executive Division.

The Desjardins Group Monitoring Office is the third line of defence and provides an independent assessment of the relevance and effectiveness of the management framework. In addition, as required by regulations, the Desjardins Group Monitoring Office conducts an independent assessment every 2 years to make sure all our reporting entities are compliant.

Every quarter, the DGSO prepares integrated security reports that are in line with Desjardins's risk management practices. These reports give Desjardins's governance bodies and regulators the information they need to assess the organization's security position.

# What the Desjardins Group Security Office has achieved since it was created

## Promoting security to members and clients

For several years now, Desjardins has been significantly increasing its investment in security. The DGSO's 2022 investment budget is **\$350 million** (the investment budget increased from \$150 million in 2020, to \$250 million in 2021). It's a testament to the importance that Desjardins Group places on security and personal information protection. The DGSO uses rigorous processes and a variety of strategies to ensure there is a strong, unified approach across the organization.

### July 2019 – Desjardins Identity Protection

*In July 2019, Desjardins Identity Protection was launched to protect members against identity theft. Desjardins was the first financial institution in Canada to offer this type of coverage to all members at no cost. In December 2019, the Desjardins Identity Protection was made available to all members and clients, in addition to 5 years of free Equifax credit monitoring.*

### October 2020 – Security section

On October 8, 2020, the AccèsD Security section was rolled out for members and clients who use online services. The Security section provides personalized advice, and lets members and clients make their AccèsD accounts more secure by allowing them to manage their password or username, choose security questions, identify trusted devices, enable 2-step verification, verify identity and manage alerts.

### December 2020 – Desjardins Fusion Centre

The Desjardins Fusion Centre was opened in December 2020. It has a team of tactical experts in cybercrime, fraud and financial crime. The Fusion Centre responds to a growing need for data analysis to prevent and detect security and financial crime incidents.

### June 2021 – Desjardins Liaison Office (DLO)

In 2021, Desjardins Group launched the DLO to interface with law enforcement agencies and other financial institutions. The DLO is a central hub for all requests for cooperation or information, including those from the police. Since the DLO was established, dialogue with the police has been very positive, as has the response from partners.

The DLO wishes to expand its activities across Canada to work with the Ontario Provincial Police and the Royal Canadian Mounted Police. Work is also underway to strengthen international ties to be able to cooperate with the Federal Bureau of Investigation (FBI) in the US and the International Criminal Police Organization (INTERPOL) elsewhere around the world.

**Desjardins Group is the first Canadian financial institution to create this kind of communication channel. There is a formal process in place between Desjardins and the police to cooperate during missing persons investigations, including AMBER Alerts.**

### August 2021 – New authentication

Since August 2021, it has become easier for members to log in to AccèsD and AccèsD Affaires. Desjardins Group moved away from the personal security image and phrase, and launched a single sign-in page to give members quicker access to their accounts and transactions.

Doing what's best for members and clients includes making their lives easier by giving them an experience on our platforms that's more user-friendly—but just as secure. By putting best practices in place that will protect member and client data, Desjardins Group is maintaining the highest security standards and decreasing the risk of cyberattacks.



# Partnerships

to boost research and innovation in cybersecurity

Desjardins Group collaborates and builds security partnerships with industry peers to promote research and innovation in the field.

- Desjardins Group continued the partnership launched in 2018 with Cybereco, a multi-sector cybersecurity reference in Quebec and the rest of Canada that helps limit the risks of cyber threats by educating businesses and individuals about fraudulent practices.
- Desjardins Group launched a cybersecurity challenge for Canadian start-ups, with a total of \$45,000 in grants up for grabs and the opportunity to join its Startup in Residence accelerator and receive up to \$250,000 in funding.
- Desjardins Group actively contributed to innovation in the field of cybersecurity by helping set up a research chair in cybersecurity and AI at the École Polytechnique de Montréal and a research chair in cybercrime prevention at the Université de Montréal.
- Desjardins Group partnered with École Cybersécurité to recognize and encourage young people under 30 who have demonstrated a commitment to the field of cybersecurity.
- Through a partnership between Desjardins Group, Université du Québec à Chicoutimi (UQAC) and Cybereco, UQAC will launch a defensive cybersecurity training program for the master's, bachelor's and certificate levels. The UQAC campus will also have a technical lab that does simulations and replicates the environment and tools used by security professionals at Desjardins Group. With this partnership, Desjardins Group will be able to invest in youth development, train a specialized workforce and recruit young talent from the Saguenay-Lac-St-Jean region, in addition to developing training and practice through research mandates with the university.