

2023 ESG Report Desjardins Ontario Credit Union

Striving for Sustainability

We continue to integrate environmental, social and governance (ESG) factors into our business model and operations. Desjardins continued to take concrete action to speed up the transition to a low-carbon economy.

As a cooperative financial institution, we recognize the responsibility we have toward our members, our communities and the environment. This section highlights our initiatives, progress and continued commitment to integrating ESG factors into all our operations and decisions.

We are determined to make a lasting positive impact while ensuring long-term financial sustainability for our members and future generations.

The environment and sustainable development

Climate change is a threat not only to our environment, society and economy, but also to individuals' physical, mental and financial well-being. Desjardins has been taking action to protect the environment since 1990. We recognize the urgent need to act—and act fast—to fight and adapt to climate change and prevent biodiversity loss.

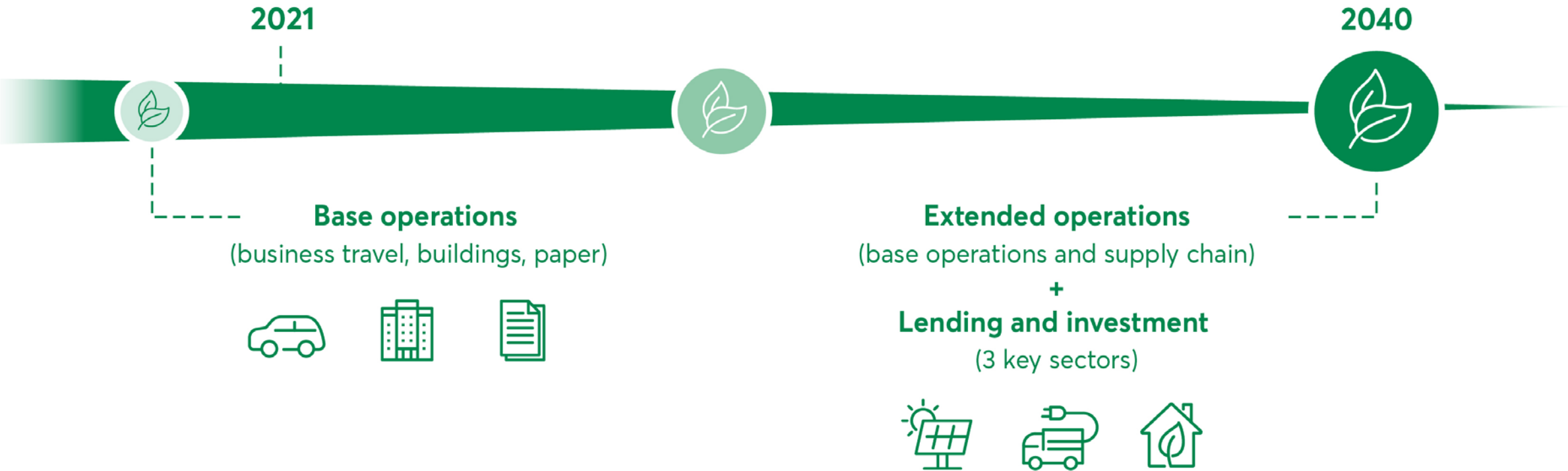
Climate action plan

With the help of partners and support from our employees, we continued to implement our Climate Action Plan. The goal of the plan is to achieve net zero emissions by 2040. In 2023, Desjardins reaffirmed its commitment to the environment by revising its target operational emissions to -50% by 2030, compared to 2020 levels.

In accordance with Desjardins Group's sustainable development policy, the credit union has implemented a plan with tangible actions such as:

- Creating an action plan to reduce paper consumption at our branches
- Reducing the square footage used by the credit union
- Decreasing energy use at our branches
- Cutting back on business travel for credit union employees
- Setting up waste-sorting stations for trash, recycling and compost and managing hazardous waste responsibly
- Installing bike repair stands and bike racks in certain communities

Net zero emissions by 2040



2023 achievements

Transition to a low-carbon circular economy

Through our various partnerships, we encourage local businesses to move toward sustainable development by providing them with the tools they need to prosper in this new economy. Desjardins Group is involved in several initiatives that will help businesses stay competitive in a low-carbon circular economy.

Desjardins now offers a new ESG swap designed to hedge the risk of interest rate fluctuations on debt and reward companies with a cash back incentive for achieving measurable results in ESG performance. The amount of the cash back is based on the ESG scope of the commitments, and the efforts required by the business to achieve them. In April 2023, Desjardins announced its participation in one of the first projects to use this financial product in Canada, with a \$125 million swap covering Desjardins's portion of the financing for the Paintearth Wind Project, an onshore wind farm in Alberta. In doing so, Desjardins is proving its intention to continue playing a key role in educating and finding ways for economic players to be a part of the energy transition.



Sustainable development training

All members of the credit union's staff and Board of Directors received a training on sustainable development and responsible finance.

Cleaning up the Ottawa River shoreline



For Earth Day, we joined forces with Ottawa Riverkeeper for an incredible shoreline cleanup! We collected 500 pounds of trash together, helping to keep the river clean and safe for everyone.

"Zero waste" training

Our staff had the opportunity to attend a talk about zero-waste practices, particularly geared toward an eco-friendly holiday season.

Street cleanup in Sudbury

Our teams in Sudbury came together for a cleanup of La Salle Street, picking up litter along a 2-kilometre stretch of the street.

Electric vehicle charging stations



10 charging stations are now available, courtesy of the credit union, to communities in four of our major regions.

Business travel

A new internal policy encourages staff to use public transit and carpooling to commute to work.

Tree-planting in Eastern Ontario

A major storm in May 2022 left behind a trail of destruction in the region. Desjardins Ontario Credit Union teamed up with the Prescott-Russell Recreational Trail to plant tree saplings.



Responsible products and services

We're determined to support our members with efficient, responsible products so they can do their part in building a more sustainable future. Since the number of members holding SocieTerra funds or portfolios increases every year, our advisors receive ongoing training through the Responsible Investment Certification Program. With their knowledge of responsible investment, our advisors are able to help members and clients reach their financial objectives while having a positive impact on communities and the environment.

Making a difference with an approach based on 3 criteria



With responsible investing, environmental, social and governance (ESG) criteria are built into the analyses used to screen for companies that care about ESG issues and adapt their practices to meet the challenges of the global economy.

What sets us apart

We have the expertise needed to help you achieve your goals. We have the widest range of responsible investment products in Canada, and you can count on our team of specialists to provide standout service while working to grow your portfolio or investments.

- Over 60 savings products
- Leader: first environmental RI fund, launched in 1990
- A roadmap with tangible results
- Constant innovations, including Canadian firsts
- Reports on financial and non-financial fund performance

Desjardins SocieTerra Funds: A one-of-a-kind approach to responsible investment

Desjardins SocieTerra Funds and Portfolios aim to offer attractive return potential and make a difference for communities and the planet. To do so, they go beyond traditional financial analysis, incorporating ESG criteria into their selection and management of securities. SocieTerra products target issuers that:

- Use sound ESG practices across all of their operations
- Offer solutions to social and environmental challenges
- Are improving their ESG practices, following a shareholder engagement process



Green homes

We encourage our members and clients to invest in environmentally friendly homes. With our Green Homes Program, anyone who purchases a green new build or makes green renovations is eligible for a wide range of advantages, including:

- Cash back on their mortgage
- Discounts, some free services, competitive rates and much more

Electric and hybrid vehicles

With a Desjardins Auto Loan with the Green Option, members and clients can buy a new hybrid or electric vehicle at a competitive fixed interest rate.

Advantages for alternative transportation

It is now possible to earn more BONUSDOLLARS and cash back on alternative transportation purchases made with certain Desjardins credit cards (buses, commuter trains, taxis, metro or subway, public charging stations for electric vehicles).

Our vision of the future is reflected in our environmental, social and governance (ESG) initiatives and in our range of responsible finance products and services

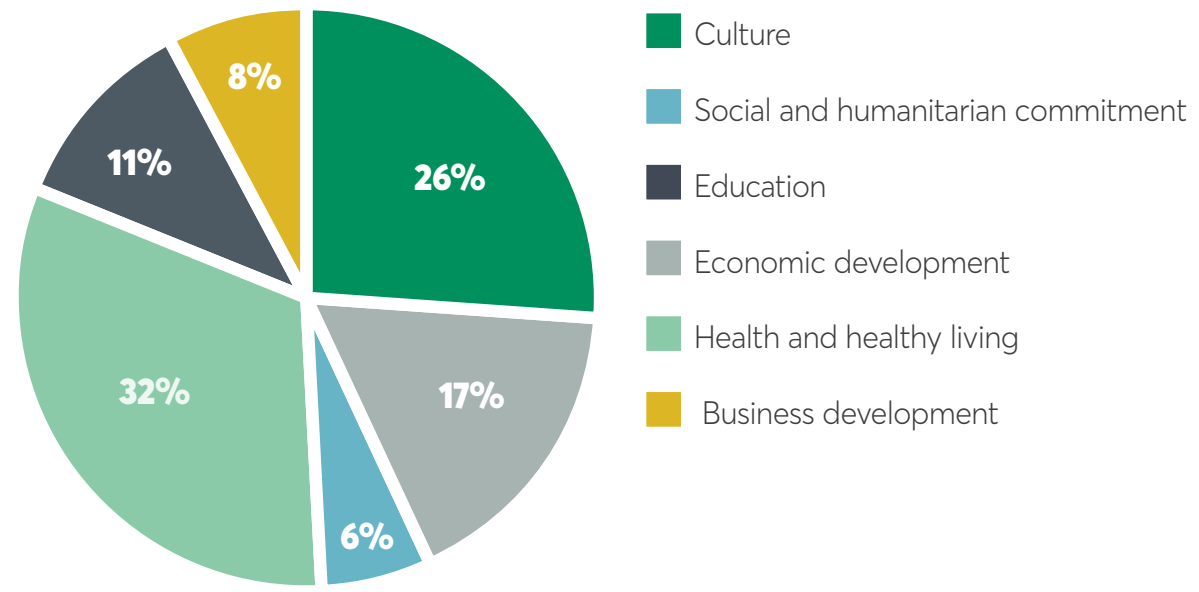


Social

Desjardins's cooperative business model is a powerful force for community development. We help build vibrant communities in many tangible ways by:

- Offering products and services tailored to the needs of each individual and community
- Launching initiatives for sustainable development, diversity, climate action and the circular economy
- Promoting financial literacy and inclusion in Canada and abroad
- Contributing to long-term community development projects through the GoodSpark Fund and Community Development Funds
- Financing individual and group entrepreneurship projects

Donations and sponsorships for 2023 \$616,265



As a cooperative and a socioeconomic leader, we believe in the value created by diversity of all kinds—including gender, background, culture, religion, age, experience, sexual orientation and ability.

Having an equitable, diversified and inclusive workplace enables us to better meet the needs of our members, our clients, our teams and the communities we serve.



Equity, diversity and inclusion (EDI)

2023 achievements

Human resources at Desjardins Ontario Credit Union

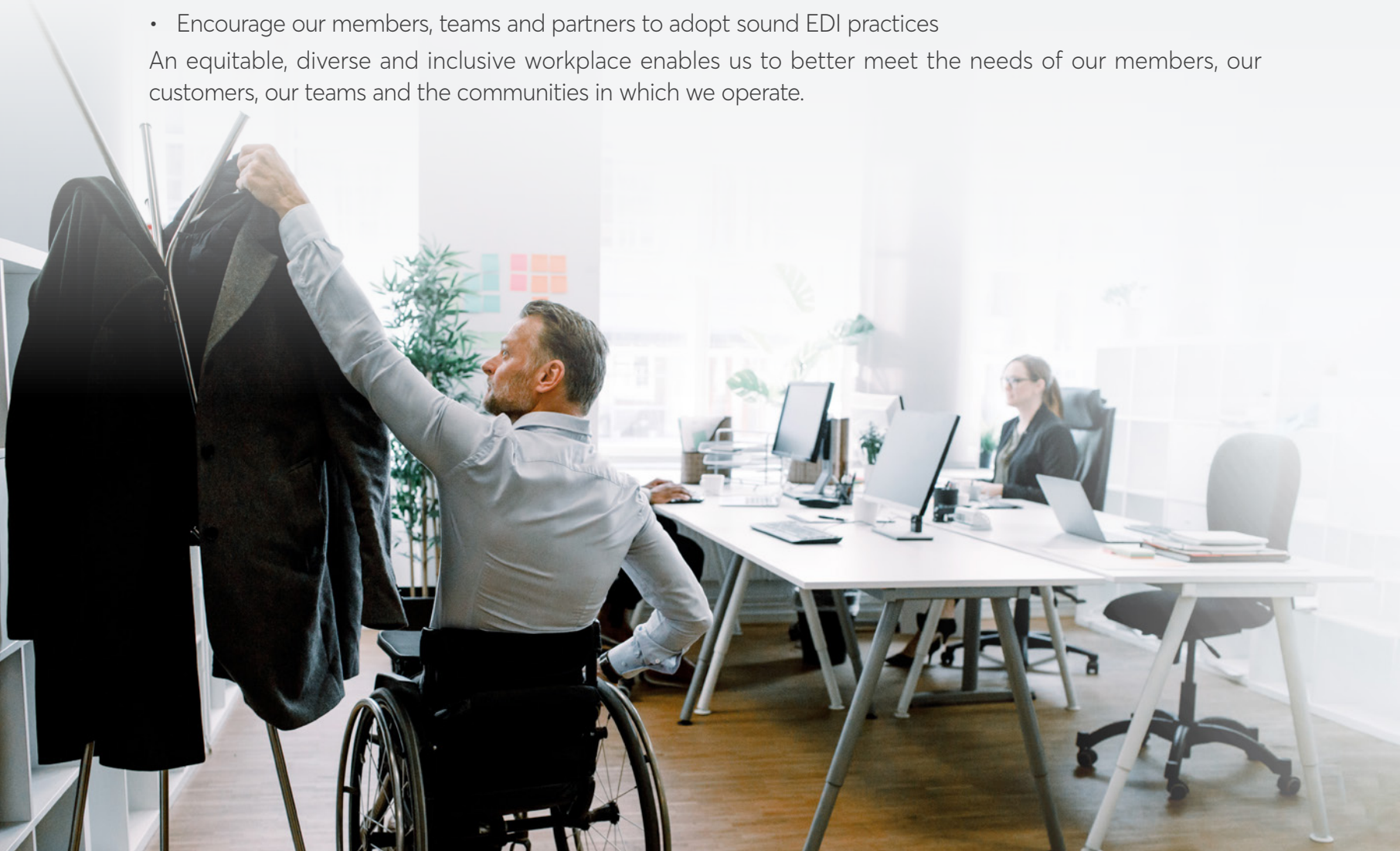
Our efforts toward diversity and inclusion have gained significant momentum, with an ethnocultural diversity indicator at 22.4% at Desjardins Ontario Credit Union. Our mission: Welcoming each person, accepting them for who they are, learning from our differences, celebrating our differences and guaranteeing everyone the same treatment.

Diversity and inclusion are everyone's responsibility, and each person has a role to play in creating an inclusive workplace.

Our strategic directions

- Develop a shared awareness of EDI
- Build awareness of EDI among staff
- Enable managers to practise inclusive leadership
- Increase our collective intelligence
- Encourage our members, teams and partners to adopt sound EDI practices

An equitable, diverse and inclusive workplace enables us to better meet the needs of our members, our customers, our teams and the communities in which we operate.



Creation of an Equity, Diversity and Inclusion Committee

Desjardins Ontario Credit Union recognizes the benefits of diversity and embraces varied opinions and ways of thinking. Committee members hail from various backgrounds and showcase the great value of diversity.

Action against racism and discrimination when dealing with members and clients

This includes a working group to identify potential challenges, meetings with managers to support and assist employees experiencing racism and discrimination, as well as resources made available to employees to help them deal with these situations and create a workplace free from discrimination and racism.

Workplace united against intimate partner and domestic violence

In a seminar setting, we provide employees with information and guide them to specialized resources. Workplaces play a critical role, we can make a very real difference for victims and their co-workers.

Employee training

This involves a dynamic learning path based on transformational experiences and market best practices, addressing the credit union's desire to be even more inclusive and create a workplace that celebrates all that diversity has to offer. This learning path allows employees to become more aware more of EDI concepts, learn appropriate behaviours and put them into practice. It uses what we call "safety circles" to create a safe and healthy environment for employees and fosters open, respectful discussions about the different aspects of EDI.

Diversity and inclusion are everyone's responsibility, and each person has a role to play in creating an inclusive workplace.



Moving forward with pride

We participated in the Pride Parade in Ottawa, a first for Desjardins Group and our credit union.

Governance

As a member, you have a voice in the credit union's decisions when you participate in our democratic processes.

The Annual General Meeting offers you a voice. It gives you the opportunity to participate in a variety of consultations such as how surplus earnings should be allocated. It also lets you exercise your right to vote to adopt or amend credit union bylaws and elect the people who sit on the Board of Directors.

And don't forget, as a member, you're also a co-owner of the credit union.

Enhanced group profile and skills

The confidence and legitimacy Desjardins members afford their credit union's Board of Directors is a result of the collective competence and skill that directors demonstrate in carrying out their responsibilities and how they represent members and their community. To this end, we've adopted an enhanced group profile, which sets skills and representation targets based on the credit union's specific needs and realities. Beyond the essential skills needed for the position, a detailed list of profiles is released annually in the call for nominations. This action ensures the well-rounded representation of all credit union members in terms of gender, age, and cultural and linguistic diversity.

In the 2024 call for nominations, the Board of Directors was looking for:

- People with skills in one or more of the following fields: accounting, financial management, entrepreneurship, and sustainable development;
- Three women and three men to maintain gender parity;
- A representative of a cultural community and/or a representative of the English-speaking community;
- Two people between ages 35 and 49, and four people ages 50 and over;
- People representing the farming, automobile (manufacturing) and mining (mines and services) industries, as well as healthcare and technology; and
- A balanced distribution of new and experienced Board members is desirable to ensure healthy continuity in the credit union's governance.

Gender parity

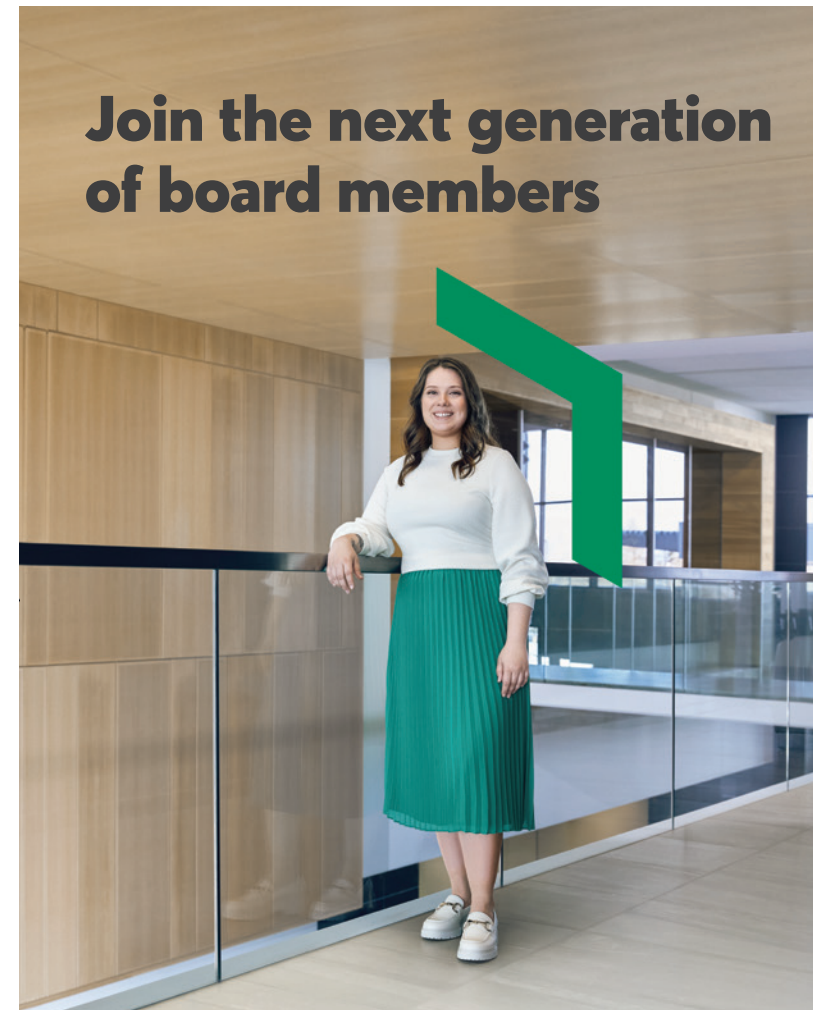
We want every individual to have equal opportunities for advancement. We're proud that we've had gender parity in the members of Board of Directors since 2021. In addition, 67% of the credit union's staff are women.

We proudly encourage women to develop their leadership skills and take on greater responsibilities. The Empowering Women Network helps female employees and Board members support one another, build their network, and develop their skills.

Diversity

In addition, the Board of Directors is composed of members from different cultures and backgrounds to ensure that our representativeness of our members and employees.

Join the next generation of board members



The Succession program

The Board Succession program provides credit union members with an opportunity to learn more about how the Board of Directors works and to bolster their credit union's performance. The board selects the winning candidates, who then participate in board meetings and discussions as observers. Candidates may use the experience they gain to apply for a full seat on the Board of Directors.

The program is intended for members whose profiles would strengthen the group's profile, help it meet diversity targets, and add to its shared skillset.

This program is a concrete example of Desjardins's commitment to young people and communities, and an important part of our cooperative and financial education mission.

Liaison committees

We consider our members and communities to be full partners in all our decisions. That's why we've developed structures that help us keep an ear to the ground and get a solid grasp of the unique realities of each of our regions.

Their mission is to bring a local perspective to the decisions of the board of directors. They play an essential role in helping us understand the expectations and exact needs of our members and communities across the province, highlighting each region's distinctive features and identifying development opportunities for the credit union.

I'm pleased to announce that, in 2024, liaison committees will be adapted to be more dynamic so we can better meet our goals. I'm certain that this new approach will strengthen the bonds we have with our members and communities and ensure that our actions and decisions reflect their realities as much as possible.

Consulting members

Every three years, Desjardins Ontario Credit Union holds a consultation with its members. The credit union's management team and the Board of Directors use the feedback as a guideline for investments in the community. A consultation is scheduled to take place in 2024.

We're proud that we've had gender parity in the members of Board of Directors since 2021.

THANK YOU

Every time you do business with Desjardins, you're choosing a cooperative financial group that invests in your community and helps enrich the lives of people and communities.

Your credit union, a proud partner of your plans

In addition to the financial support we provide, what sets us apart from other financial institutions is that our credit union, our elected directors and our employees are all deeply committed to the communities we serve.

We firmly believe that what we offer is a cooperative model that goes above and beyond. A cooperative model that performs. A cooperative model that innovates.

Because cooperation is the future. Our future and our children's future.

Thank you to our 159,267 members!



DESJARDINS ONTARIO CREDIT UNION

Find our locations and more:

 desjardins.com/ontario

You can reach us at one number:

 1 833 DESJ-ONT (1 833 337-5668)

 facebook.com/CaisseOntarioCreditUnion