

2018 Annual Report

Here





Message from the Caisse Chair

Dear Members,

We're proud to present this review of our caisse's main achievements for fiscal year 2018.

A governance structure built around you

In order to do what's best for you, our members, we have to get to know you and your needs. This responsibility falls to both the employees who serve you and the directors who represent you on the board.

We believe our board of directors should reflect the diversity of our members. That's why we put together a detailed director job description and issued a call for nominations. The nomination committee then reviewed each nomination we received.

As we announced last year, director roles and responsibilities have been updated to include ethics, professional conduct and cooperation, which were previously the purview of the board of supervision. Again, I'd like to thank all the members who served on the board of supervision for the work they did.

Here for the community

Because of your commitment to the caisse, we're able to enrich the lives of people and communities. **Last year, we distributed \$440,500 through our Community Development Fund and gave \$30,000 in the form of donations and sponsorships.**

Along with our financial contributions, our Escouade D (a volunteer squad made up of caisse employees and directors) devoted 520 hours of volunteer work to help support organizations and activities in our region.

Desjardins also used its \$100 million development fund to support and raise awareness of entrepreneurship, education, social responsibility, sustainability, community action and other initiatives that tie in to its socioeconomic mission.

Desjardins named coolest financial institution

According to Leger's 2018 Youth Study, millennials think Desjardins is the coolest financial institution in Canada! We've made a concerted effort in recent years to offer products and services tailored to young people and to communicate in ways that resonate with them. In 2018, the caisse organized its first-ever youth VIP Desjardins scholarship event, inviting 400 applicants between the ages of 12 and 35 to the Vieux Clocher de Magog for a festive evening. Almost \$15,000 in scholarships was awarded that night.



In addition to listening to young members, the caisse is also active in promoting financial literacy through initiatives like the school caisse program, active in a dozen elementary schools in the region, the student caisse at École secondaire de la Ruche, and workshops through the Personal Finance: I'm in Charge! educational program. The initiatives are all designed to support young people while they're making some of their first financial decisions at important steps in their lives.

Acknowledgments

Special thanks to all our employees, managers and directors who work tirelessly to serve our members and the community. You're the heart and soul of our caisse. I'd also like to thank our general manager, Patrick Gravel, who keeps us focused on what's best for our members and clients, and our Desjardins Group partners, who help us meet our members' financial needs.

Finally, I'd like to thank our members for placing their trust in us. Thanks to you, we're able to help our members and the community achieve their goals!

Maxime Ferland
Chair



Message from the General Manager

Dear Members,

2018 was a year of innovation. Along with our partners at Desjardins Group, we rolled out a number of new and improved products and services. It's just one way we're constantly working to serve you better and set ourselves apart from the competition.

You can find the caisse's annual report and detailed financial reports at www.desjardins.com/caissedulacmemphremagog.

Our 2018 results are a testament to the faith and trust you place in our cooperative financial institution by choosing our products and services. We couldn't grow or be active in the community without your support.

With business under management totalling \$1.95B, up 5.9% from 2017, we are well positioned in our market. As a part of Desjardins Group and an active participant in Desjardins Group subsidiaries, we offer our members access to a wide range of financial products and services both in person and online to meet their ever-growing needs.

People first

Our caisse directors, employees and managers are all committed to doing what's best for you, our members. That means listening to you so we can understand what you need and how we can improve. So let us know what you think! It'll help us serve you better.

Here for you 24/7

Many of our products and services are available 24/7 online and in the AccèsD app. And in 2018, Desjardins continued to modernize by making even more of them available online.

For over a year now, we've been offering online account opening; our members can open a line of credit over the phone in just a few minutes. They can also renew their mortgage completely online. Also, Desjardins Insurance has a new free app as well. Radar™ lets you know if severe weather is expected within 500 metres of a selected location.

We also recently got new ATMs. They feature touch screens and accept envelope-free deposits for a simpler, more user-friendly experience.

Here to help you save with Desjardins Member Advantages

In addition, the caisse paid out \$298,740 in Member Advantages last year.

To learn more, visit www.desjardins.com/avantages.

Changes to member dividends

Another big change for 2019 is the introduction of the product dividend. Your member dividends used to be based on your business volume with the caisse, i.e., your savings and loans with us. The aim of the new product dividend is to recognize your business relationships with other Desjardins components, such as Desjardins Insurance. The product dividend is a fixed amount given back to individual members who have at least one Desjardins product in each of the following four categories: accounts, loans/credit cards/lines of credit, investments, and insurance.

The way you manage your finances and interact with Desjardins is changing all the time, so we're updating our products, services and dividends to meet your changing needs.

Putting our passion to work for you

Our employees are here to help you reach your goals. They work tirelessly to provide you with the expert service and advice you deserve. I want to thank them for all their hard work and their dedication to you, our members.

I'd also like to thank our caisse directors. They're deeply committed to the community and the people they represent. Thanks to their investment of time and energy, we're growing a vibrant community and enriching the lives of our members.

Now more than ever, it's truly a privilege to be here for you!

Patrick Gravel
General Manager
















Allocation of surplus earnings

DISTRIBUTION	RECOMMENDATION
Interest on permanent shares (2.00%)	\$73,900
Interest on surplus shares (2.00%)	\$5,000
General reserve	\$9,448,000
Use of the reserve for future member dividends	\$6,559,000
Member dividends	\$1,640,000
Collective dividends – Community Development fund	\$227,000
Individual member dividends	\$1,413,000
Member dividends on loans	\$594,738
Member dividends on savings	\$459,917
Member product dividend	\$358,345






Caisse directors

Board of directors

NAME, FUNCTION AND TITLE	END OF TERM	NUMBER OF MEETINGS ATTENDED	ATTENDANCE FEES PAID IN 2018 ¹
 Maxime Ferland Chair Engineer	2020	22	\$13,910
 Maxime Langlois Vice-chair Teacher	2019	14	\$3,030
 Anne-Marie Grenier* Secretary Owner-manager	2018	20	\$3,420
 Christine Allard* Director Secretary	2018	16	\$3,060
 Daniel Boisclair* Director Retired	2018	13	\$2,370
 Danielle Bolduc Director Businesswoman	2020	17	\$5,900

NAME, FUNCTION AND TITLE	END OF TERM	NUMBER OF MEETINGS ATTENDED	ATTENDANCE FEES PAID IN 2018 ¹
 Louise Côté Director Businesswoman	2019	8	\$1,800
 Olivier Désilets Director Philanthropist	2020	17	\$2,970
 Gaétan Giguère Director Clerk	2019	16	\$3,120
 Nicholas Hamel Youth intern director Student	2018	11	\$1,200
 Michel Lafleur ^{*2} Director Professor	2018	10	\$2,250
 Charles Métivier Director Academic Coordinator	2019	15	\$3,060
 Jocelyne Pellerin Director Honorary notary	2020	17	\$3,000

Board of supervision³

NAME, FUNCTION AND TITLE	END OF TERM	NUMBER OF MEETINGS ATTENDED	ATTENDANCE FEES PAID IN 2018 ¹
 André Bégin Chair Retired	2018	5	\$2,280
 Thérèse Gaulin Secretary Retired	2018	5	\$1,050
 Danielle Boulianne Advisor Semi-retired	2018	5	\$1,050
 Lucie Lessard Advisor General management assistant	2018	5	\$1,050
 Martin Pomerleau Advisor Fireman	2018	4	\$750

* Outgoing directors eligible for re-election

¹ Attendance fees vary based on officer involvement.

² Sits on the Council of the Eastern Township Representatives.

³ The board of supervision was dissolved on November 22nd 2018.

Easy-to-access services

Available anywhere in the region

Phone: 819-843-3328

Toll free: 1-866-400-3328

Need to speak with an advisor?

Every day between 6:00 a.m. and midnight

[Desjardins.com/lacmemphremagog](https://desjardins.com/lacmemphremagog)

[f/caisselacmemphremagog](https://facebook.com/caisselacmemphremagog)

[@desjardinsmemphremagog](https://instagram.com/desjardinsmemphremagog)

Desjardins Business Centre - Estrie


1815, rue King Ouest, bureau 300
Sherbrooke J1J 2E3

Phone: 819-821-2201


Toll free: 1-866-821-2201

Available 24/7

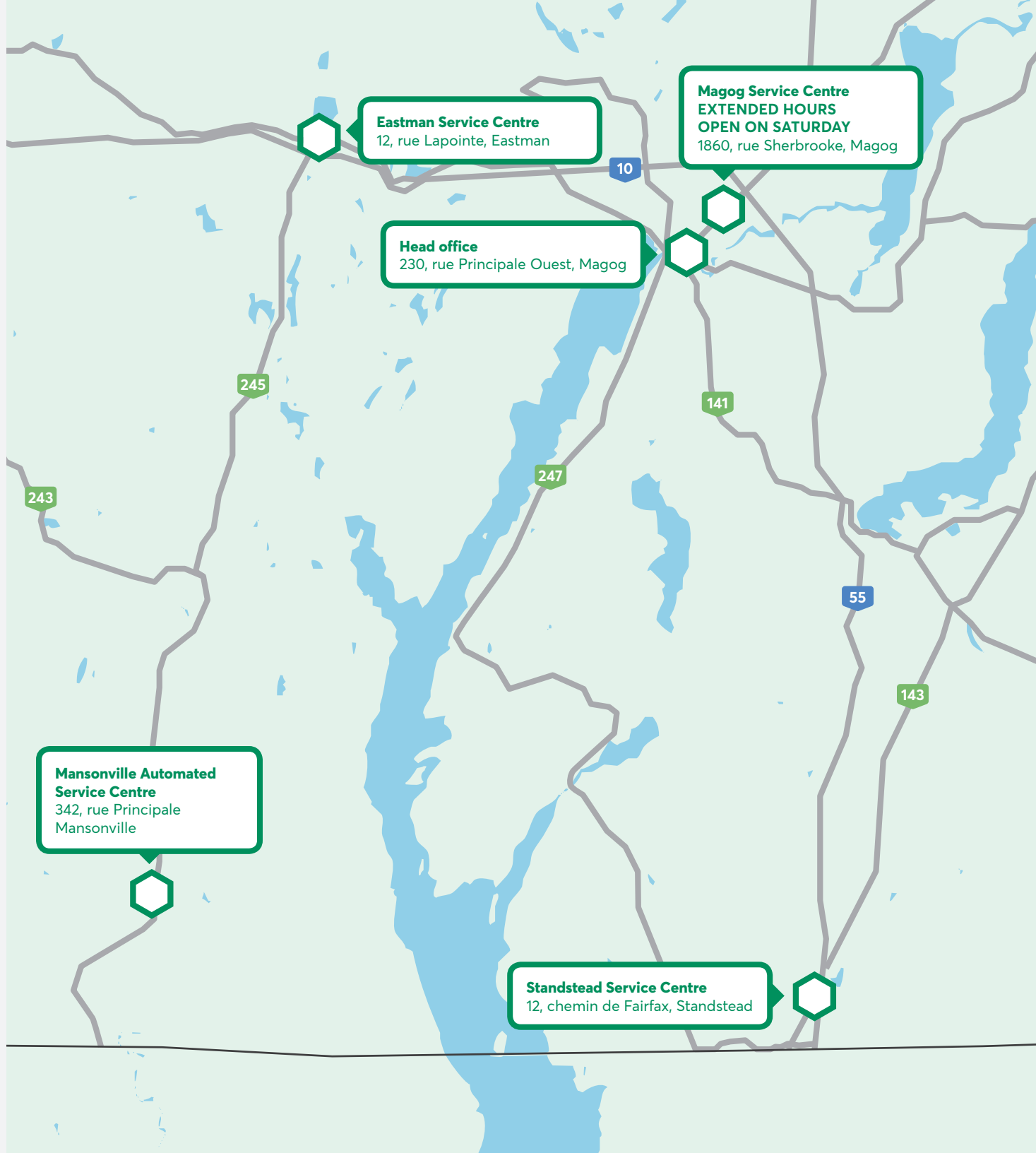
 desjardins.com


 m.desjardins.com

 ATMs

 1-800-CAISSES

 Mobile cheque deposit





Desjardins: Where money works for people

By being a member of this caisse and doing business with Desjardins, you're helping to give back to the community and supporting local projects that benefit your children, families and area.

- **\$440,500 in collective dividends to 35 organizations**
- **\$30,000 in donations and sponsorships to over 50 organizations**
- **520 hours volunteered by Escouade D to local organizations**