

Committed. Connected.



Audit and Ethics Committee report



In fiscal 2023, the Audit and Ethics Committee fulfilled its responsibilities under the *Credit Unions and Caisses Populaires Act, 2020* and any related regulations. The committee met 11 times to monitor the credit union's financial reporting, internal control system and integrated risk management.

The Audit and Ethics Committee is an integral part of the credit union's overall administrative framework. Together with general management and the auditors, the committee ensures that:

- Risks are properly assessed and mitigated
- Reports are accurate, timely and relevant
- Members' assets and interests are protected
- Compliance is upheld
- Principles and rules of professional conduct are followed

The Audit and Ethics Committee:

- Made recommendations to the board of directors about measures to protect credit union assets, ensure compliance with applicable lending and investment policies and procedures, and address any questions regarding the credit union's financial policies
- Examined the effectiveness of internal control and risk management practices as well as the actions taken by management to address any deficiencies
- Reviewed the credit union's policies and procedures governing the way in which it meets the requirements set forth in the Act and any other applicable law
- Reviewed the inspection reports and the response prepared by management for recommendation to the board of directors
- Made sure the agreed-on measures were implemented by the established deadline
- Reviewed the engagement letter, the audit plan, the independent auditor's remuneration and the draft of the audited financial statements, and recommended their adoption by the board of directors

Supervision report on the application of the rules of professional conduct

Every year, credit union directors and employees renew their commitment to comply with the Desjardins *Code of Professional Conduct*. The Code sets out the behaviours that are expected as well as those that are not acceptable.

Here is the supervision report for the past year concerning 3 rules of professional conduct:

- No conflicts of interest were found.
- Deposits from and loans to the credit union's restricted parties* were in accordance with applicable rules of professional conduct.
- The credit union did not award any contracts for the supply of goods or services to restricted parties subject to the Code** or any associated persons.

I'd like to thank the members of the committee for their contribution and the general manager for his support.

Sophie Miller

Chair of the Audit and Ethics Committee

Members of the Audit and Ethics Committee

Sophie Miller, Chair

Sylvain Charlebois

Roger Gauthier

Maxine Vincent

Alexandre Bouffard

*Restricted parties: Credit union directors, officers and the General Manager and Chief Operating Officer and their associated persons.

**Restricted parties subject to the Code: Restricted parties, credit union employees and their associated persons.