

2022 Principles for Sustainable Insurance





Sustainability at Desjardins Insurance¹

At Desjardins Insurance, we believe it's our duty as an insurer and a wealth manager to place sustainability and social responsibility at the heart of what we do.

As part of the cooperative financial institution Desjardins Group, we share the organization's cooperative values and vision. Through our property and casualty (P&C) insurance, life and health insurance, and wealth management offerings, our products and services cover the full range of our members' and clients' financial needs and are designed with a special focus on environmental, social and governance (ESG) criteria.

In 2019, we signed on to the Principles for Sustainable Insurance of the United Nations Environment Programme Finance Initiative (UNEP FI) as a way to confirm our commitment to incorporating sustainable and responsible practices into our business operations.



¹ Desjardins Insurance is composed of 2 Desjardins subsidiaries: Desjardins Financial Security for life and health insurance and Desjardins General Insurance Group for P&C insurance.



PRINCIPLE 1

NEW IN 2022

We will embed in our decision-making ESG issues relevant to our insurance business.

Integrating ESG factors into our corporate strategy

- Desjardins Group uses a sustainable development policy to incorporate ESG factors into all its operations. At Desjardins Insurance, we've also adopted this policy.¹
 - The ESG Steering Committee, composed of vice-presidents from each of our business segments, makes recommendations on ESG issues directly to decision-making bodies and ensures consistency in our actions.²
 - We implement the positions approved by the ESG Steering Committee regarding the sectors we insure and invest in.³
 - We've incorporated the Principles for Sustainable Insurance into our strategic planning initiatives and monitor our progress through the governance process.
- N** We rolled out mandatory training on the principles of sustainable development, with a goal of training at least 85% of all our employees by the end of 2023. By the end of 2022, 93% of employees had completed the training.
- N** We launched a fun module-based learning path across the organization to teach employees about the climate system, how it affects biodiversity, society and the economy, and what we can do now to fight climate change. By the end of 2022, over 500 employees had already signed up for the new learning path within 2 months of the launch.

N We created a responsible investment learning path, based on employees' roles and responsibilities (introduction to the Principles of Responsible Investment, specific training for employees providing investment advice or overseeing asset management). Some of the training was developed in-house and the rest comes from well-known organizations (CSI Global Education Inc., Responsible Investment Association, Sustainability Accounting Standards Board, CFA Institute, etc.).

N We developed training on the Principles for Sustainable Insurance and how to incorporate them into our operating and decision-making procedures. The training includes a module on climate change issues and how they affect the health of Canadians to help us anticipate the changing needs of our members, clients and partners.

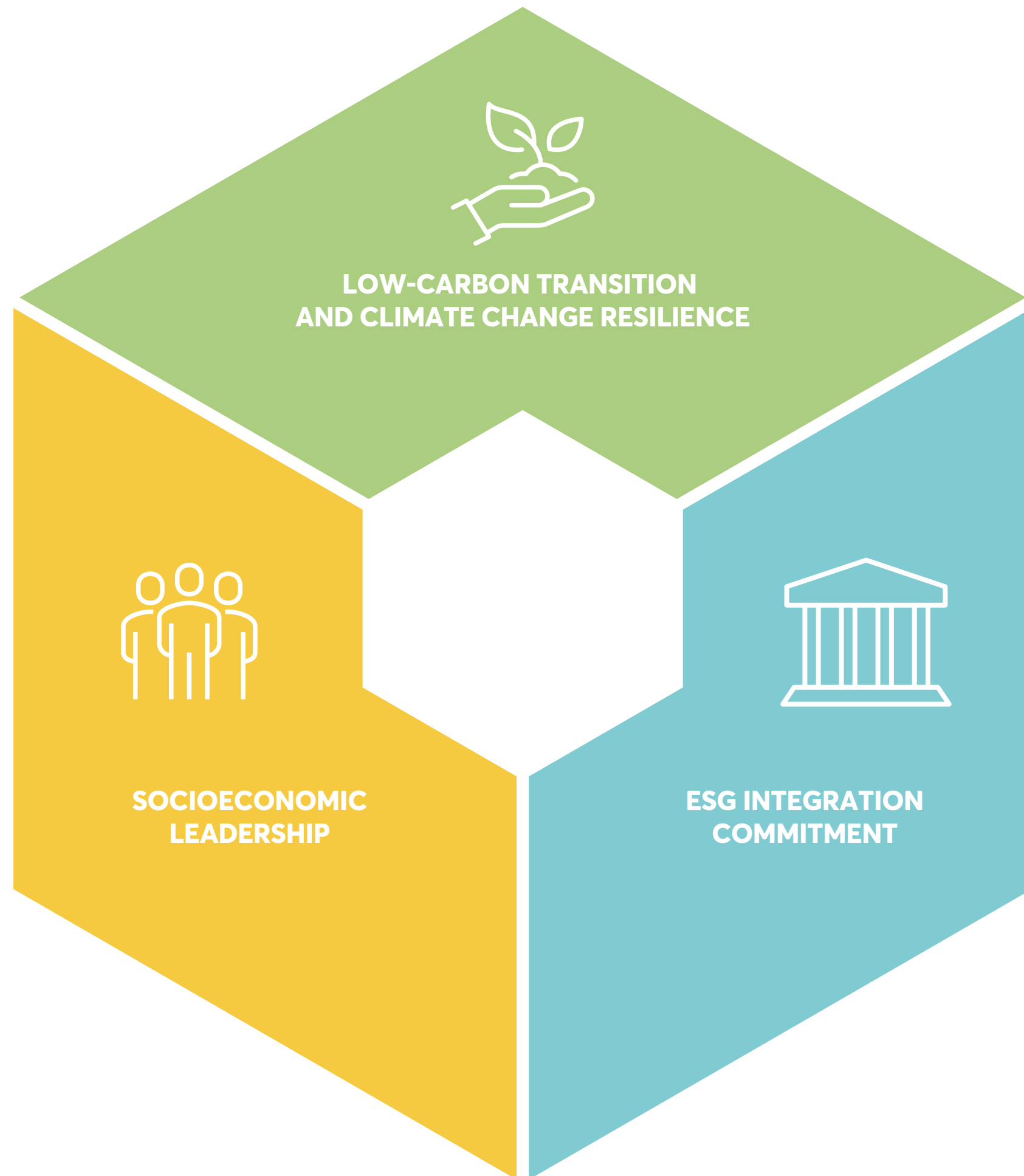
• While the responsible investment and sustainable insurance training courses are only mandatory for certain roles within the organization, they're open to any employee who's interested in taking them. At the end of 2022, completion rates for employees required to take the training were 65% for responsible investment and 46% for sustainable insurance (target: 85% by the end of 2023).

¹ See the **Sustainable development policy** section in the Social and Cooperative Responsibility Report ([page 63](#)).

² See the **Message from the chair of the ESG Steering Committee** in the Social and Cooperative Responsibility Report ([page 8](#)).

³ See the **ESG positions** section in the Social and Cooperative Responsibility Report ([page 63](#)) and the **Climate change commitments and positions** section in the Climate Action at Desjardins report ([page 18](#)).

N In 2022, we developed a strategic positioning for our sustainable insurance offer to help us incorporate ESG factors faster and meet the growing expectations of members and clients, by seeking concrete and beneficial solutions to environmental and social issues.



Help members and clients deal with the impacts of climate change and find ways to reduce their carbon footprints

Examples:

- Radar™ – Weather alerts to help prevent damage
- Alert™ – A program to help prevent or limit damage from the most common home insurance losses caused by: fire/smoke, water/freezing, intrusions, and power outages
- Ajusto® – A telematics program for auto insurance
- Employee Assistance Program (group insurance) to help employees cope with difficult situations



Financially empower members and clients and implement practices that promote equity, diversity and inclusion

Examples:

- Articles with tips on financial empowerment, health and wellness, and home and auto loss prevention
- Free assistance services (travel, roadside, legal, psychological) based on offers
- Accessible insurance, including affordable life insurance, critical illness insurance, competitive rates for young drivers and visitor's insurance for newcomers to Canada
- Group retirement savings support tools and training
- Group insurance solutions promoting wellness, including health and disability insurance, gender affirmation coverage, telemedicine, cognitive therapy and a sleep health program



Integrate ESG factors into products, services and investments, and communicate the benefits transparently

Examples:

- ESG factors taken into account when managing our investment assets (premiums)
- Responsible annuities
- ESG guaranteed investment fund portfolios
- ESG market-linked term investment
- Group retirement savings ESG funds and portfolios

Radar™ is a trademark of Desjardins General Insurance Group Inc., used under licence.
Alert™ is a trademark of Desjardins General Insurance Group Inc., used under licence.
Ajusto® is a registered trademark of Desjardins General Insurance Inc.

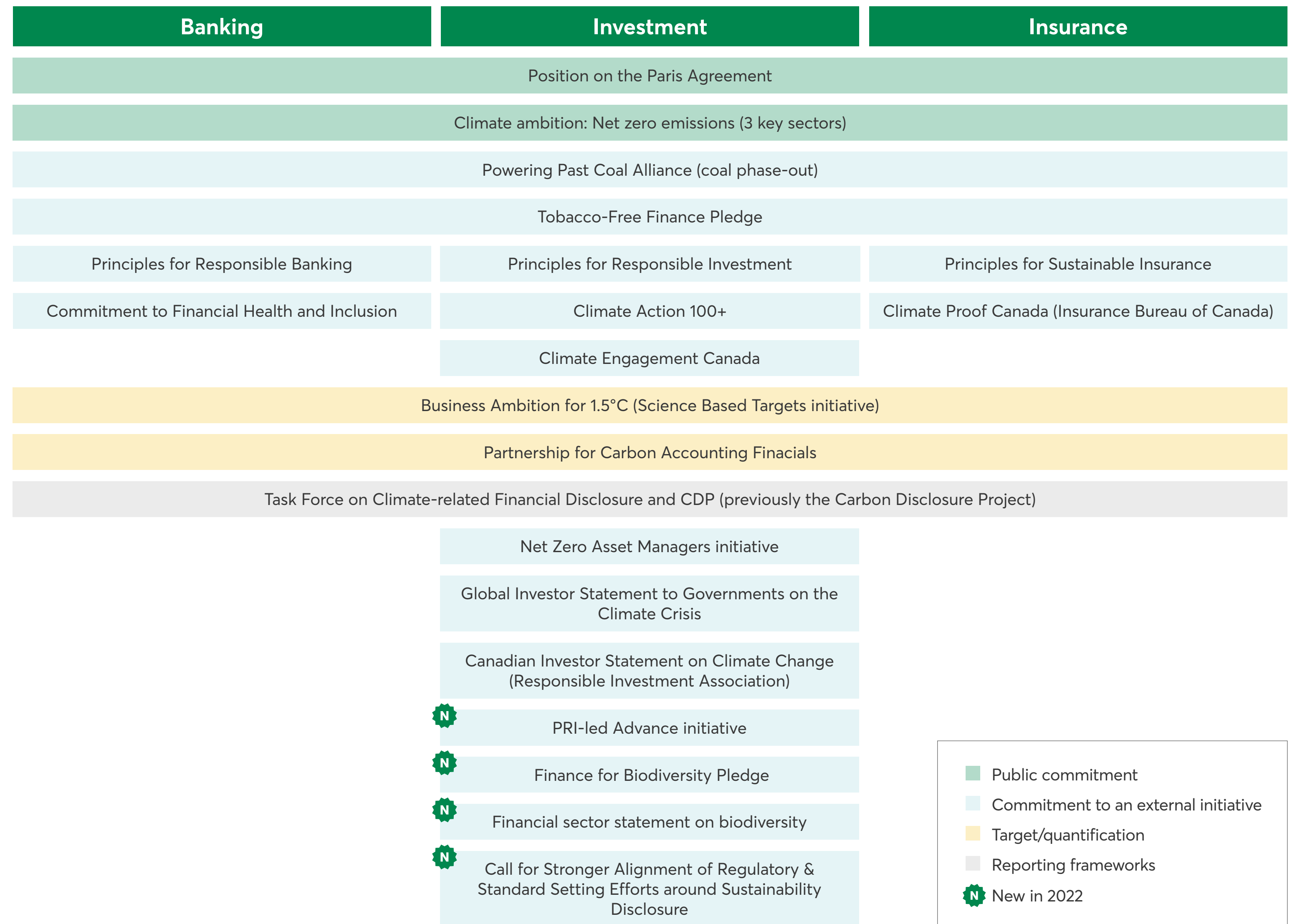
N Here are some of the new climate action commitments made by Desjardins or Desjardins components in 2022:¹

- › **Advance**
A PRI-led shareholder engagement initiative to take action on human rights and social issues.
- › **Finance for Biodiversity Pledge**
This initiative was launched by a group of 126 financial institutions. The initiative's signatories call on global leaders and commit to protecting and restoring biodiversity through their financing activities and investments, mainly by collaborating and sharing knowledge, assessing the impacts of their activities and setting targets.
- › **Financial sector statement on biodiversity**
An ambitious statement rolled out by UNEP FI calling on world leaders to agree on a global economic plan for halting and reversing nature loss, ahead of the UN Biodiversity Conference (COP15).
- › **Call for Stronger Alignment of Regulatory & Standard Setting Efforts around Sustainability Disclosure**
Developed jointly by the World Business Council for Sustainable Development, the PRI and the International Federation of Accountants, this statement encourages key stakeholders (the International Sustainability Standards Board, the US Securities and Exchange Commission and the European Financial Reporting Advisory Group) to continue to work together to establish global sustainability disclosure standards, to which local jurisdictions can add their own requirements.

In 2021, we ranked **5th in the world** among **life and health insurers** and P&C insurers in ShareAction's first ever [Insuring Disaster](#) report, which ranks insurers' approaches to responsible investment and underwriting. The rankings will be updated in 2023.

¹ See the the **Climate change commitments and positions** section in the Climate Action at Desjardins report ([page 18](#)).

Commitments and initiatives: Climate change and responsible finance



Climate change risk management

- Desjardins published its 5th report on climate-related risks and opportunities¹ in 4 thematic areas: governance, strategy, risk management, and metrics and targets. New in 2022:
 - **N** Desjardins strengthened its governance and climate risk frameworks, by creating a Climate Change Risk Committee (reporting to the Desjardins Group Finance and Risk Management Committee) and supporting working tables, by implementing an ESG risk management policy and a climate risk management directive, and by defining a risk appetite statement for climate change.
 - **N** In addition to the sustainable development, sustainable insurance and responsible investment training described above, a specific training program on climate change was made available to all employees.
 - › We're gradually adding certain climate risks to our own risk and solvency assessment processes. For example:
 - **N** For the first time, we quantified excess mortality risk for risks related to air quality degradation associated with climate change and concluded that the impact is low.
 - **N** We estimated the transition risk for assets held by Desjardins Insurance using a tool developed by an external firm.
 - **N** We defined indicators to assess and track our vulnerability to climate-related risk in investment portfolios for our own investments. We developed the indicators while defining and monitoring targets according to the approaches of the Science-Based Targets initiative and as part of Desjardins Global Asset Management's commitment to the Net Zero Asset Managers initiative.
 - › We also carried out research on certain climate-related risks, such as the impact of heat waves on human health and the physical risks of hail, flooding and high winds.

Asset management

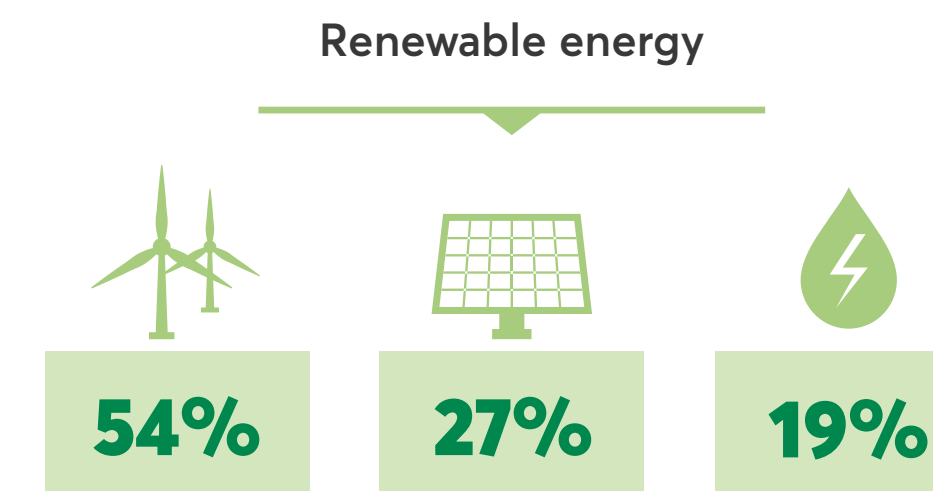
- For the most part, our own investments are managed by Desjardins Global Asset Management (DGAM), a Desjardins subsidiary that signed on to the Principles for Responsible Investment (PRI) in 2017. DGAM's ESG analysis framework was developed based on the United Nations Sustainable Development Goals and Desjardins's ESG risk management commitments. The 4 priority issues are :
 - › Transitioning to a low-carbon economy
 - › Developing a fair, equitable and inclusive economy (including human rights)
 - › Ensuring governance with strength, integrity and resilience
 - › Protecting biodiversity and natural capital

To learn more about DGAM's approach to responsible investment and shareholder engagement² and how the priorities are being addressed, see the [Responsible Investment Activity Report](#).

 - **N** We exceeded our 2022 carbon footprint reduction target for our own investments.
 - › Our goal was for our own investments in corporate stocks and bonds to have a carbon footprint that is 25% lower than benchmark indexes.
 - › We ended the year 40% lower.

By joining the Business Ambition for 1.5°C global campaign, Desjardins committed to setting science-based emissions reduction targets by the fall of 2023 in several areas, including its own investments in 3 key carbon-intensive sectors: energy, transportation and real estate.

Desjardins's commitment to the renewable energy sector includes building a portfolio of at least \$2 billion in infrastructure assets in that sector by 2025. As of September 30, 2022, the portfolio held approximately \$1.7 billion in assets.



Responsible management practices

- **N** In 2022, Desjardins was once again rated one of the top employers in Canada when it comes to work-life balance, skills development, and diversity and inclusion. Desjardins was also named one of Canada's Greenest Employers.³ Find out more in the **Engaged employer** section of our 2022 Social and Cooperative Responsibility Report.
- Desjardins has publicly committed to a process to help ensure equity, diversity and inclusion across the entire organization and be recognized as a caring and inclusive employer.⁴ Diversity representation indicators were identified for the following 3 priority groups:
 - › Women
 - › People under age 35
 - › Members of ethnocultural communities (including Indigenous Peoples)

¹ See the [Climate Action at Desjardins report](#).

² See the **Product responsibility** section ([page 37](#)) and the **Shareholder engagement** section ([page 41](#)) in the GRI Index.

³ See the **Engaged employer** and **Awards and recognition** sections ([page 65](#)) and the **Equity, diversity and inclusion** and **Awards and recognition** sections ([page 60](#)) in the Social and Cooperative Responsibility Report.

⁴ See the **A 2024 strategic plan for achieving our equity, diversity and inclusion goals** section in the Social and Cooperative Responsibility Report ([page 53](#)).

- We also adopted a target for reducing our operational emissions by 41% compared to 2019 levels by the end of 2025. We're targeting 5 key areas: paper consumption, business travel, energy consumption in our buildings, employee buy-in and our supply chain.

N In 2022, our energy consumption in buildings used by Desjardins (as an owner and as a tenant), business travel and paper consumption stood at 19,438 tonnes of CO₂ equivalent, up 14% from 2021. This increase is mainly due to resuming activities that had been put on hold during the pandemic, such as business travel.¹

- Since 2021, all group P&C insurance agreements have been signed paper-free. First introduced during the pandemic, paper-free agreements have become standard practice for The Personal.
- By transferring some of our P&C insurance core business systems to Microsoft's Azure cloud to improve the member/client experience and expand our omnichannel capabilities, we were also able to enhance the energy performance of our technology portfolio. The project was rolled out in 2019 and is scheduled for completion in 2024. It should cut our annual GHG emissions by 261 tonnes of CO₂ equivalent—comparable to the emissions from 110,000 litres of automotive fuel.
- We're gradually electrifying our vehicle fleet. The bulk of this Desjardins-wide initiative will happen here at Desjardins Insurance. As at December 31, 2022, we had 459 vehicles across Canada, including 283 hybrid, plug-in hybrid or electric vehicles (62% of our fleet). In the long term, we're aiming to have a 100% hybrid or electric vehicle fleet.

Responsible business practices

- We reviewed our product design, underwriting and claims processes to ensure our members and clients are treated fairly.

Accessible digital content

- We care about social inclusion and understand that there are barriers preventing people with physical, cognitive and functional limitations from finding the information they need about insurance products. That's why we've made sure all our online platforms comply with local accessibility standards for users all across Canada.

Transparency at the core of our communications

N We created a series of legal fact sheets and made them available. The fact sheets contain additional information and references adapted to the problems most frequently addressed by our Legal Assistance Service.

- We've implemented a number of initiatives to help members and clients learn more about their insurance. For example, we send emails with important renewal information and regularly update the blogs on our websites.
- We rolled out a number of initiatives to help get the word out about responsible investment. We produced educational videos and held webinars on the benefits of responsible investment and the positive impact it has on the environment and communities.

Member/client experience²

N We were named **Life & Health Insurer of the Year** at the **Insurance Business Canada Awards** for our commitment to quality products and services, financial literacy and exemplary client service.

Some of our initiatives to increase member and client satisfaction included:

- **N** Redesigning our P&C insurance information sites to:
 - › Bring all our personal lines P&C insurance information sites under Desjardins.com to have all P&C insurance products sold by Desjardins on a single platform and provide a simplified, consistent and personalized experience by province
 - › Enhance The Personal's group insurance websites to make them easier to navigate, include quick links to our main online solutions and add a more user-friendly group search function
- Continuing to move forward with the program to modernize our P&C insurance systems by:
 - › Delivering omnichannel auto insurance transactions in Quebec, allowing personal and business members and clients to obtain the same quality of service regardless of the channel they use
- Continuing to enhance our credit insurance offer and support and providing real-time responses to meet the needs of members and clients applying for individual insurance
- Having a single app that members and clients can use to access both their group insurance and their retirement savings plans, as well as resources to take charge of their health and financial well-being
- Rolling out a virtual assistant to help members and clients reach their group retirement savings goals according to their stage of life
- Adding a 3-question price estimator on our website to give members and clients an idea of the cost of a critical illness insurance policy that would let them focus on getting better

¹ See the **Our GHG emissions reduction target** section in the Social and Cooperative Responsibility Report ([page 25](#)).

² See the **Member/client experience** section in the Social and Cooperative Responsibility Report ([page 29](#)) and the **Member/client experience – Management approach** section in the GRI Index ([page 35](#)).

Responsible products and services

P&C insurance products

- We've enhanced our commercial lines water and sewer backup insurance to provide more comprehensive and suitable coverage while lowering most commercial lines members' premiums.

Group retirement savings and investment solutions

N We launched responsible annuities. All new individual annuities purchased at Desjardins will automatically go into investments that meet strict ESG criteria.

N We enhanced the responsible investment offer on our group retirement savings platform by adding 6 new funds to meet the growing expectations of members and clients regarding sustainable development.

- To meet a wide range of needs, our savings and investment solutions include 6 SocieTerra responsible investment portfolios for guaranteed investment funds and the ESG Global Diversified basket for Guarantee Advantage market-linked term investments.

Improving access to insurance and closing the insurance gap

- We're making **basic insurance coverage** more accessible with **affordable prices** and no medical exam for products like Accirance Select accident insurance and 50+ Life Insurance. We also have an advice centre featuring helpful articles like [Life insurance can be affordable](#).
- We offer a **life annuity designed for people with a critical illness** and a reduced life expectancy. Payments are higher than conventional life annuities to take their particular circumstances into account. This annuity helps them face their illness with dignity and preserve their quality of life.
- We offer affordable auto insurance for **young drivers** and [tips to help them save money](#).

- Our members and clients have access to **free assistance services**, including medical assistance while travelling, psychological support services, clear legal information and in some cases, roadside assistance.
- **Newcomers** face all kinds of challenges when they get to Canada. That's why Desjardins has developed [online content and videos](#) that make it easier to understand the Canadian financial system and offers [products and services adapted](#) to the needs of newcomers, including:
 - › Access to Visitors to Canada Insurance (healthcare and emergency medical services)
 - › Possibility of recognizing newcomers' previous driving experience in their home country when obtaining an auto insurance quote¹

A fast, streamlined and user-oriented claims process

We aim to offer a claims process that is simple, quick, and people-focused to help members and clients when they need it most.

N We've reviewed the fast-track eligibility criteria for individual life products, simplifying the process for our members and clients and reducing the turnaround times. About 60% of claims are now processed without documents due to this change!

N We enhanced our human and caring support approach to help insureds recover. We helped an additional 3,000 insureds through this approach in 2022 compared to 2021.

N We created a national list of languages spoken by our life and health insurance employees so members and clients insured with us can speak to someone in the language of their choice.

- We continue to work on making our communications as clear, easy-to-understand and empathetic as possible.
- We rolled out a new platform for group insurance claims that allows us to process more health and dental claims in real time.

- Our account managers received mental health training to help them support members and clients insured under our group insurance plans.
- We've simplified and digitalized our processes so members and clients can stay home and get answers quickly:
 - › In 2022, we completed nearly 39,000 vehicle damage appraisals using our photo-based estimate feature, saving our members and clients a trip to the auto body shop.
 - › Clients can use our mobile app to view the latest information on their home insurance claim and track its progress.
- We revamped some processes for urgent situations, such as natural disasters.
 - › During extreme weather events (like Hurricane Fiona), our claims employees make proactive calls to help members and clients who are eligible for government assistance (this assistance varies depending on the events).
 - › During the severe wind events in Quebec and Ontario in the summer of 2022, we streamlined the claims process so clients could receive their insurance payment faster. We also simplified the documents needed to make a claim.

¹ Applicable to principal drivers, and in Quebec only.



PRINCIPLE 2

We will work together with our clients and business partners to raise awareness of ESG issues, manage risk and develop solutions.

Initiatives for members and clients

We put members and clients first by developing and using different tools and channels to educate them about risk prevention, help them better protect themselves and encourage them to adopt healthy lifestyles. By raising their awareness and providing information, we support their financial empowerment.

Ongoing dialogue for prevention and education

- We've developed a range of communication initiatives, including [blogs](#) and [newsletters](#) where we share information about preventing home and auto claims, with a focus on weather events and natural disasters.
- We use our various platforms to publish [advice](#) on **health management, financial empowerment and stress reduction**, with articles targeted to our group insurance plan members, other Desjardins members and clients, and the general public. We provide reliable information on financial well-being, interactive tools to help people empower themselves, and one-on-one phone support to help them lead healthier lives.

Solutions with real results

As part of a cooperative financial group, we make a point of developing innovative tools and practices to help members and clients manage risk and find concrete solutions.

Taking steps to prevent loss and injury risks

- We offer the Desjardins Insurance Home-Auto app for our members and clients with features like Radar, Alert and Ajusto.
 - › With **Radar**, policyholders get a notification when severe weather is in the area so they can prevent damage to their home and property.
 - **N** We continued with our prevention efforts for home insurance by rolling out version 2.0 of **Alert**, a program that helps prevent damage caused by fire/smoke, water/freezing, intrusions, and power outages.
 - Members and clients who enroll in the program also have the option to sign up for a professional monitoring service—with no long-term obligation.
 - › With our telematics offer, **Ajusto**, drivers get feedback sent right to their smartphone, which helps them improve their driving and make the roads safer.
 - **N** We're now including Ajusto in our basic digital offer for Ontario to provide personalized rates based on members' and clients' driving habits—while promoting safe driving habits through personalized advice to improve road safety.

Taking steps to encourage health and wellness among group insurance plan members

N We've added gender affirmation coverage to our group insurance plans. The initiative was developed in collaboration with Fondation Émergence. Through its ProAlly program, this organization advocates for the rights of LGBTQ+ people to create more inclusive workplaces.

- The Healthy Weight program offers a unique approach that goes straight to the source, tackling several factors at once to help plan members manage their weight in a realistic and sustainable way. Prescription drugs for the treatment of obesity are automatically covered under our standard service offer.
- We offer a program to promote better sleep quality. It includes educational resources and therapy sessions for better sleep, potentially helping with any associated health problems.
- Plan members have access to an employee assistance program and manager support services. The program offers plan members and their families confidential assistance services, including counselling in person, by phone or online for personal, relationship or family problems or problems at work.
- We also provide a telemedicine service to plan members and their families, giving them anytime access to online healthcare.
- We made mental healthcare more accessible by adding internet-delivered cognitive behavioural therapy to several types of insurance. This psychotherapy treatment is the most studied and clinically proven treatment for mental health disorders like depression, anxiety and insomnia.
- We partnered with Les Impatients to offer art workshops to plan members on long-term disability. We did this because we recognize the benefits of art on mental health.

Taking steps toward financial empowerment

- The group retirement savings online Education Centre offers a variety of interactive educational webinars on topics such as budgeting, debt management, responsible investing (new in 2022), and retirement planning to boost financial literacy.
- Group retirement savings plan members have access to educational and personalized videos, a virtual guide and a retirement income simulator to help them set retirement goals at every stage of their life, stay on track and make informed decisions.
- We make tools and materials available to employers so they can track employee enrollment in their pension plans and encourage people to develop retirement plans.

Partner initiatives

- N** We developed a webinar to help employers and intermediaries learn more about the basics of responsible investment (RI) and discover how it fits into our group retirement savings solutions.
- We were one of the first in the industry to incorporate ESG factors into fund selection on our group retirement savings platform. Employers and intermediaries can use the fund valuation and rating framework.
- The Desjardins Responsible Investment Certification Program teaches Desjardins and non-Desjardins advisors how RI can help members and clients reach their financial objectives and have a positive impact on the environment and communities. To date, 1,930 advisors have completed the certification program.

Supplier initiatives

We value responsible business relationships.¹

- N** We take ESG considerations into account when selecting P&C insurance claims suppliers.
- We follow established responsible procurement practices, including:
 - › Using resources responsibly
 - › Incorporating ESG factors into all procurement processes
 - › Adopting the 5Rs (rethink, reduce, reuse, recycle and repurpose).
- We include ESG criteria in the reinsurer selection process.

¹ See the **Responsible and inclusive procurement** section in the Social and Cooperative Responsibility Report ([page 45](#)) and the **Procurement practices and supplier assessment – Management approaches** section in the GRI Index ([page 25](#)).



PRINCIPLE 3

We will work together with governments, regulators and other key stakeholders to promote widespread action across society on ESG issues.

Collaborating and dialoguing with governments and industry stakeholders

- N** Desjardins signed the Finance for Biodiversity Pledge, to ensure our investments take protecting and restoring biodiversity into account.
- N** Desjardins signed the COP15 Statement from the Private Financial Sector, to support a global framework aimed at halting and reversing biodiversity loss.
- N** Desjardins was the main sponsor of the 2022 Sustainable Finance Summit. The purpose of this large-scale event bringing together renowned leaders is to spur a constructive dialogue about the relationship between economic development, environmental protection and sustainable development and the ways finance can meet these challenges.
- N** DGAM sponsored the SHARE Investor Summit, which focused on strengthening investor collaboration and action on the ESG challenges that capital markets face, and participated as a panellist during the Combatting Systemic Risk: Strategies for Tackling Inequality session.
- N** DGAM will engage with mining companies, as part of the PRI-led Advance initiative.
- N** DGAM joined the Land Use and Climate Working Group of Ceres, a non-profit organization working with the most influential capital market leaders to solve the world's greatest sustainability challenges.
- We have an ongoing dialogue with different levels of government to increase awareness and understanding of climate change, its connection to natural disasters, and its impact on financial services and P&C insurance.

- We're an active member of the Institute for Catastrophic Loss Reduction.
- We use Catastrophe Indices and Quantification Inc. to quantify the impact of natural disasters on the insurance sector.
- We're part of climate change working groups with the Canadian Life and Health Insurance Association and the Insurance Bureau of Canada.
- DGAM is a member of the Sustainability Accounting Standards Board, an independent non-profit organization that sets standards for the disclosure of financially material ESG information by companies to their investors, and GRESB, a private for-profit organization that assesses the ESG performance of real assets.
- DGAM sits on the Canadian Coalition for Good Governance's (CCGG) Environmental and Social Committee. The committee's mandate is to assist CCGG in providing best practice guidance on environmental and social risk matters, through a governance lens.
- Our employees have participated in a number of events as panellists and speakers, and have written articles to inform and raise awareness in the financial community. The events and articles were about:
 - › Prescription drugs, disability management, obesity, mental health and technological innovations in healthcare
 - › Responsible investment, shareholder engagement, diversity and inclusion, and compensation in the investment world
- N** Biodiversity and natural capital challenges and how they affect portfolio managers.

Involvement and partnerships with community associations and organizations, universities and research institutes

Helping people in need¹

N The Desjardins Foundation announced its largest-ever donation, \$1 million to **Kids Help Phone**. There are more than 12,000 young people across Canada reaching out to Kids Help Phone for help every day. They all have their own challenges, big or small, and need reassurance, guidance, and someone they can confide in.

N We'll invest \$3.2 million over the next 3 years to support organizations that promote road safety in Canada, including **Parachute**, the **Traffic Injury Research Foundation**, **arrive alive DRIVE SOBER** and **Operation Red Nose**.

N Every year, we run the **Desjardins Cares and Shares campaign** to help **United Way**, the **Desjardins Foundation** and the **Canadian Red Cross** build inclusive communities and make a real difference in the lives of those in need. In 2022, 33,812 donors—made up of Desjardins employees, directors and retirees—contributed to a campaign that raised a record \$8.6 million.

- We created the **Desjardins Disaster Relief Fund** to support our members and clients who are affected by disasters not covered by their P&C insurance. In 2022, we paid over \$100,000 to 35 claimants.
- We also run the **P&C Insurance Outreach Program**, which values, encourages and promotes volunteer and charitable work by our employees.

Joining forces to help enrich the lives of people and communities

N We teamed up with the **Fonds d'investissement étudiant de l'Université de Sherbrooke** (FIEUS) to support young people studying asset management and responsible investment. FIEUS is a student fund that independently participates in the management of portfolios in excess of \$900,000.

- We partner with organizations like the [Heart and Stroke Foundation of Canada](#) and the [Canadian Cancer Society](#) to support research and promote wellness.
- Desjardins Insurance is the [first group insurance provider](#) to join **Obesity Canada's FOCUS partnership program**. The program leverages resources from Canadian research, business and public sector leaders to fund obesity research, education and outreach initiatives.
- We've also partnered with the [Healthy Enterprises Group](#) (in French only), whose mission is to create a movement to provide workplaces that promote employee health and safety.
- We pinpointed 6 key indicators that Canadian employers can use to identify employees whose physical, mental or financial health is at risk so that they can create wellness-friendly workplaces.

Supporting research and innovation to address ESG issues

N We teamed up with Polytechnique Montréal's **PolyFinances** student investment fund to conduct research on long-term bonds and fossil fuels. PolyFinances strives to implement educational initiatives combining theory and practice, to establish a link between the economic and financial aspects of businesses and the technologies specific to each type of engineering. A short publication summarizing the research results will be published in 2023.

- We helped the **Center for Intersectoral Studies and Research on the Circular Economy** at the École de technologie supérieure launch an **ecosystem of circular economy acceleration labs** to promote research and development

for innovative practices and technologies. With a contribution of \$2.1 million over 5 years, we're a major partner of this initiative.

- We continue to work with the **Institute for Catastrophic Loss Reduction**, a world-class centre for multidisciplinary disaster prevention research and communication. Through this partnership, we contribute to the Institute's mission to identify and support sustained actions that improve society's capacity to adapt to, anticipate, mitigate, withstand and recover from natural hazards.
- We teamed up with **The Conference Board of Canada** to fund nationwide studies and help create the **Workplace Mental Health Research Centre**. Through this partnership, we're helping develop workplace health and wellness expertise and best practices, and acting as an agent of change in the area of mental health.
- In 2021, we announced a partnership with the **Montreal Propel Impact Fund** (formerly the Montreal Social Value Fund). It's Quebec's first student-led impact investment organization. More than a year later, we continue to support the organization as it studies new sustainability projects. Whether it's about smart, eco-friendly window boxes or the ethical and sustainable distribution of high-quality fabrics, youth and sustainable prosperity are at the forefront of this initiative.
- Desjardins joined the Canadian cohort of **Impact Frontiers**, a learning and innovation collaboration involving asset managers, asset owners and partners in the impact investing field. Impact Frontiers opens new paths and creates a cohort of peers to build the capacity of investors to manage impact and integrate impact with financial data, analysis, frameworks and processes. A strategic positioning on impact investing will be developed in 2023.

¹ See the **Support for local communities** section in the Social and Cooperative Responsibility Report ([page 14](#)).

- In 2022, we renewed our partnership with the **Chaire Desjardins en finance responsable (Université de Sherbrooke)**. This \$1 million commitment over 5 years will support 3 key research areas: responsible portfolio management, systemic risk and social responsibility in the financial sector, and extra-financial and reputation risks in the corporate sector.

Chaire Desjardins en finance responsable: Making a difference since 2016

- **59 students supervised**, twice the number initially expected
- A **prestigious** CFA Society Toronto & Hillsdale Canadian **Investment Research Award**
- **9 awards** and special mentions for work done by the research chair and students



A person with curly hair is using a tablet computer in a field of sunflowers. The person is wearing a blue and white plaid shirt. The background is a field of yellow sunflowers with green foliage. A green banner with the text 'PRINCIPLE 4' is overlaid on the top right of the image.

PRINCIPLE 4

We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

We're aware of the importance of transparency in disclosure reporting. This report summarizes the measures we're taking to gradually integrate ESG criteria into our business operations. The report is available on the [UNEP FI](#) website and on [Desjardins.com](#).

DGAM and Desjardins Investments Inc. are partners of Desjardins Insurance and signatories to the Principles for Responsible Investment (PRI). Every year, they disclose their investment practices according to the PRI framework.

Each year, Desjardins Group publishes a Social and Cooperative Responsibility Report, GRI Index and Climate Action at Desjardins report. They reflect Desjardins's commitment to environmental, social and governance factors and to integrating them into everything the organization does.