Desjardins Group

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

04/08/2025, 06:43 pm

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:
☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:
☑ CAD

(1.3) Provide an overview and introduction to your organization.

(1.3.1) Type of financial institution

Select from:
☑ Bank

(1.3.2) Organization type

Select from:
☑ Privately owned organization

(1.3.3) Description of organization

Desjardins Group is the largest financial cooperative group in North America, with assets of 422.9 billion. As at December 31, 2023, the organization grouped together 208 caisses in Québec and Caisse Desjardins Ontario Credit Union Inc., the Fédération des caisses Desjardins du Québec and its subsidiaries and the Fonds de sécurité Desjardins. A number of its subsidiaries and components are active across Canada, and Desjardins Group maintains a presence in the U.S. through Desjardins Bank, National Association, and Desjardins Florida Branch. Through its Personal and Business Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance business segments, Desjardins Group offers a full range of financial services to members and clients designed to meet their needs. As one of the largest employers in the country, Desjardins Group capitalizes on the skills of close to 56,200 employees and the commitment of nearly 2,380 directors in the caisse network.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:
☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:
☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:
☑ 2 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:
☑ 2 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:
☑ 2 years
[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

12577000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

549300B2Q47IR0CR5B54

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

Quebec Enterprise Number (QEN):1160196300
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply
☑ Canada
☑ France
☑ United States of America

(1.9) What was the size of your organization based on total assets value at the end of the reporting period?

422900000000

(1.10) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

Banking (Bank)

(1.10.1) Activity undertaken

Select from:

☑ Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

☑ Yes, the % of revenue associated with the portfolio

(1.10.5) % of revenue

51.4

(1.10.6) Type of clients

Select all that apply

☑ Family offices / high network individuals

☑ Retail clients

☑ Corporate and institutional clients (companies)

☑ Business and private clients (banking)

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

☑ Retail

☑ Apparel

☑ Services

☑ Materials

☑ Hospitality

☑ Transportation services

☑ Food, beverage & agriculture

☑ Biotech, health care & pharma

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ International bodies

Investing (Asset manager)

(1.10.1) Activity undertaken

Select from:

☑ Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

☑ No

(1.10.6) Type of clients

Select all that apply

☑ Asset owners
☑ Retail clients
☑ Institutional investors
☑ Business and private clients (banking)
☑ Family offices / high network individuals
☑ Corporate and institutional clients (companies)
☑ Government / sovereign / quasi-government / sovereign wealth funds

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

Investing (Asset owner)

(1.10.1) Activity undertaken

Select from:

☑ Yes

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

☑ No

(1.10.6) Type of clients

Select all that apply

☑ Asset owners
☑ Retail clients
☑ Institutional investors
☑ Business and private clients (banking)
☑ Family offices / high network individuals
☑ Corporate and institutional clients (companies)
☑ Government / sovereign / quasi-government / sovereign wealth funds

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

Insurance underwriting (Insurance company)

(1.10.1) Activity undertaken

Select from:

☑ Yes

(1.10.2) Insurance types underwritten

Select all that apply

☑ General (non-life)

☑ Life and/or Health

(1.10.3) Reporting the portfolio value and % of revenue associated with the portfolio

Select from:

☑ No

(1.10.6) Type of clients

Select all that apply

☑ Retail clients

(1.10.7) Industry sectors your organization lends to, invests in, and/or insures

Select all that apply

☑ Retail

☑ Apparel

☑ Services

☑ Materials

☑ Hospitality

☑ Transportation services

☑ Food, beverage & agriculture

☑ Biotech, health care & pharma

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ International bodies

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Portfolio

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ All supplier tiers known have been mapped

(1.24.5) Portfolios covered in mapping

Select all that apply

☑ Banking (Bank)

☑ Investing (Asset manager)

☑ Investing (Asset owner)

(1.24.7) Description of mapping process and coverage

We have identified our tier 1 supplier.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	Select from: ☑ No, and we do not plan to within the next two years	*Select from:* ☑ Not an immediate strategic priority	*The production, commercialisation and use of plastics is not material in our organization*

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We have choose this horizon for comparaison purpose with other financials institutions

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We have choose this horizon for comparaison purpose with other financials institutions

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

20

(2.1.4) How this time horizon is linked to strategic and/or financial planning

We have choose this horizon for comparaison purpose with other financials institutions
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

(2.2.1.1) Process in place

Select from:

☑ Yes

(2.2.1.2) Risks and/or opportunities evaluated in this process

Select from:

☑ Both risks and opportunities

(2.2.1.3) Is this process informed by the dependencies and/or impacts process?

Select from:

☑ No

(2.2.1.6) Explain why you do not have a process for evaluating both risks and opportunities that is informed by a dependencies and/or impacts process

Our risk analysis process does not yet incorporate the results from the dependencies and impact analysis process. Both processes are under continuous improvement.
[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Local

☑ Sub-national

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Internal company methods

Other

☑ Materiality assessment

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Storm (including blizzards, dust, and sandstorms)

☑ Wildfires

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Precipitation or hydrological variability

Policy

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Stigmatization of sector

☑ Other reputation, please specify :Focus on climate finance

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Regulation and supervision of environmental risk in the financial sector

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Regulators

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Climate-related risks and opportunities are identified, assessed and managed as part of a multidisciplinary company-wide climate risk analysis process. This process includes both transition and physical risks and opportunities. Experts from all business lines and operations are involved in this risk analysis. The business experts are supported by the risks experts during the entire process. The business experts are responsible for identifying climate-related risk specific to their field of expertise, either at the business sector level or on a company-wide basis. They are also required to identify the risk level (low, moderate, high or very high) associated with each *identified risk. Action plans are required to address each risk, as well as the associated timeline and the person accountable for its mitigation plan. Annually, the Sustainability Office is responsible for following up on the implementation of the action plans that are under the responsibility of each business sectors, with the full process being monitored by Risk Management Department. As far as identifying opportunities related to climate changes, the climate risk analysis process is the same. The results and recommendations of the analysis are presented to Desjardins Group Finance and Risk Management Committee (DGFRMC), which reports to the Desjardins Executive Management Committee (DEMC) and the Risks Management Commission.*

Row 3

(2.2.2.1) Environmental issue

Select all that apply

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Partial

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Not defined

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.11) Location-specificity used

Select all that apply

☑ Not location specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ Encore tool

Enterprise Risk Management

☑ Internal company methods

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Regulators

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

In order to obtain a high-level view of our portfolios dependancies and impacts, we applied the ENCORE tool to S&P/TSX and S&P 500 securities, covering a large portion of our public portfolio investments. The analysis identified sector impacts and dependencies, how they varied and what environmental factors are most impacted in each of the subsectors.

Row 4

(2.2.2.1) Environmental issue

Select all that apply

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Impacts

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Partial

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Not defined

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.11) Location-specificity used

Select all that apply

☑ Not location specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ Encore tool

Enterprise Risk Management

☑ Internal company methods

Other

☑ Other, please specify :CDP data base, Finance for Biodiversity Foundation tool, WBA

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers
☑ Employees
☑ Investors
☑ Regulators

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ Yes

(2.2.2.16) Further details of process

We have used the ENCORE tool to analyze the impact of our responsible-denominated funds.

Row 5

(2.2.2.1) Environmental issue

Select all that apply
☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply
☑ Risks
☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply
☑ Direct operations

(2.2.2.4) Coverage

Select from:
☑ Full

(2.2.2.7) Type of assessment

Select from:
☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:
☑ Not defined

(2.2.2.9) Time horizons covered

Select all that apply
☑ Short-term
☑ Medium-term
☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:
☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply
☑ Not location specific

(2.2.2.12) Tools and methods used

Other
☑ External consultants

☑ Internal company methods

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Storm (including blizzards, dust, and sandstorms)

☑ Wildfires

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Temperature variability

Market

☑ Changing customer behavior

Reputation

☑ Stigmatization of sector

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Regulators

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

Our board of directors adopted an ESG risk management policy and the Desjardins Group Management Committee adopted a climate-related risk management directive in 2022. These documents were adopted for operationalization by Desjardins components. We continue to use, develop and expand the scope of current tools and practices. These include shareholder engagement with companies in our own investments, ESG assessment grids used when granting and reviewing business financing, portfolio decarbonization targets, critical reviews of projects and positions, and the identification and qualitative assessment of climate-related risks. The implementation of this risk management policy aims to ensure that climate-related risks are addressed in decision-making processes and given increasing levels of importance, and contributes to the growing maturity of risk management. We're also improving our climate-related risk management processes as part of the ESG Program in order to enhance current practices, reach the goals we've set for ourselves and align with ever-growing regulatory obligations. The Desjardins-wide ESG Program includes 3 distinct but closely interconnected projects: data, risk management, and reporting. It was launched to get the entire organization moving toward the same goal, which is to develop improved reporting practices that meet regulatory requirements and to accelerate and coordinate implementation of climate-related risk management throughout Desjardins.
[Add row]

(2.2.4) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts related to your portfolio activities?

Banking (Bank)

(2.2.4.1) Process in place covering this portfolio

Select from:
☑ No, but we plan to within the next two years

(2.2.4.3) Primary reason for not evaluating dependencies and/or impacts related to this portfolio

Select from:
☑ No standardized procedure

(2.2.4.4) Explain why you do not evaluate dependencies and/or impacts related to this portfolio and describe any plans to evaluate this in the future

Our initial dependencies and impacts analyses were focused on our investment activities. We plan to expand this type of analysis to our banking activities in the coming years. To this end, we are currently working wth external consultants to develop a nature and biodiversity roadmap.

Investing (Asset manager)

(2.2.4.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.4.2) Dependencies and/or impacts related to this portfolio evaluated in this process

Select from:

☑ Both dependencies and impacts

Investing (Asset owner)

(2.2.4.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.4.2) Dependencies and/or impacts related to this portfolio evaluated in this process

Select from:

☑ Impacts only

(2.2.4.3) Primary reason for not evaluating dependencies and/or impacts related to this portfolio

Select from:

☑ Not an immediate strategic priority

(2.2.4.4) Explain why you do not evaluate dependencies and/or impacts related to this portfolio and describe any plans to evaluate this in the future

As a signatory of the Finance for biodiversity pledge, we are committed to analyzing our impacts by the end of 2024. We might refine our approach in the future, depending on methodologies and data developments.

Insurance underwriting (Insurance company)

(2.2.4.1) Process in place covering this portfolio

Select from:

☑ No, and we do not plan to within the next two years

(2.2.4.3) Primary reason for not evaluating dependencies and/or impacts related to this portfolio

Select from:

☑ No standardized procedure

(2.2.4.4) Explain why you do not evaluate dependencies and/or impacts related to this portfolio and describe any plans to evaluate this in the future

Our initial dependencies and impacts analyses are focused on our investment activities. We plan to expand this type of analysis to other business lines in the coming years. That being said, our property and casualty commercial line of business represents a low proportion of our P&C activities, with a low exposure to nature and biodiversity risks (based on a sectoral analysis).
[Fixed row]

(2.2.5) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities related to your portfolio activities?

Banking (Bank)

(2.2.5.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.5.2) Risks and/or opportunities related to this portfolio are evaluated in this process

Select from:

☑ Both risks and opportunities

Investing (Asset manager)

(2.2.5.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.5.2) Risks and/or opportunities related to this portfolio are evaluated in this process

Select from:

☑ Both risks and opportunities

(2.2.5.3) Is this process informed by the dependencies and/or impacts process?

Select from:

☑ No

(2.2.5.6) Explain why you do not have a process for evaluating both risks and opportunities related to this portfolio that is informed by a dependencies and/or impacts process

The climate risk analysis process is currently not integrated with the environnemental risk and opportunities assessment. A more robust alignement of methodologies will be developped in the future to ensure a proper integration.

Investing (Asset owner)

(2.2.5.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.5.2) Risks and/or opportunities related to this portfolio are evaluated in this process

Select from:

☑ Both risks and opportunities

(2.2.5.3) Is this process informed by the dependencies and/or impacts process?

Select from:

☑ No

(2.2.5.6) Explain why you do not have a process for evaluating both risks and opportunities related to this portfolio that is informed by a dependencies and/or impacts process

The climate risk analysis process is currently not integrated with the environnemental risk and opportunities assessment. A more robust alignement of methodologies will be developped in the future to ensure a proper integration.

Insurance underwriting (Insurance company)

(2.2.5.1) Process in place covering this portfolio

Select from:

☑ Yes

(2.2.5.2) Risks and/or opportunities related to this portfolio are evaluated in this process

Select from:

☑ Both risks and opportunities

[Fixed row]

(2.2.6) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities related to your portfolio activities.

Banking (Bank)

(2.2.6.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

☑ Risks

☑ Opportunities

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

☑ Retail

☑ Apparel

☑ Services

☑ Materials

☑ Hospitality

☑ Transportation services

☑ Food, beverage & agriculture

☑ Biotech, health care & pharma

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ International bodies

(2.2.6.6) Frequency of assessment

Select from:

☑ Annually

(2.2.6.7) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.6.8) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply

☑ Sub-national

☑ National

(2.2.6.10) Tools and methods used

Select all that apply

☑ Internal tools/methods

☑ UNEP FI Portfolio Impact Analysis Tool for Banks

(2.2.6.11) Risk type and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Storm (including blizzards, dust, and sandstorms)

☑ Wildfires

Chronic physical

☑ Heat stress

☑ Precipitation or hydrological variability

☑ Temperature variability

Policy

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Stigmatization of sector

☑ Other reputation, please specify **:**Switch to sustainable finance

Technology

☑ Transition to lower emissions technology and products

☑ Other technology, please specify **:**Changes in energy production, storage and distribution

(2.2.6.12) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

(2.2.6.13) Further details of process

Desjardins's bank lending portfolio is evaluated as part of Desjardins multidisciplinary company-wide climate risk analysis process to assess portfolio exposure related to each physical and transitional climate change risk identified. We also monitor our exposure to carbon-intensive sectors and are disclosing our financed GHG emissions for key parts of the portfolio (morgages and commercial real estate, energy and utilities, transportation). We used since 2020 the UNEP FI Portfolio Impact Analysis Tool to assess our loan portfolio, as described in our PRB report. The tool looks at national and international data to identify the potential positive and negative impacts of different sectors based on the International Standard Industrial Classification.

Investing (Asset manager)

(2.2.6.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

☑ Retail

☑ Apparel

☑ Services

☑ Materials

☑ Hospitality

☑ Transportation services

☑ Food, beverage & agriculture

☑ Biotech, health care & pharma

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ International bodies

(2.2.6.6) Frequency of assessment

Select from:

☑ Annually

(2.2.6.7) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.6.8) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply

☑ Sub-national

☑ National

(2.2.6.10) Tools and methods used

Select all that apply

☑ Internal tools/methods

(2.2.6.11) Risk type and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Storm (including blizzards, dust, and sandstorms)

☑ Wildfires

Chronic physical

☑ Heat stress

☑ Temperature variability

Policy

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Stigmatization of sector

Technology

☑ Transition to lower emissions technology and products

☑ Other technology, please specify **:**Changes in energy production, storage, and distribution

(2.2.6.12) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

(2.2.6.13) Further details of process

Desjardins's investing (asset manager) portfolio is evaluated as part of Desjardins multidisciplinary company-wide climate risk analysis process to assess portfolio exposure related to each physical and transitional climate change risk identified.

Investing (Asset owner)

(2.2.6.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

☑ Risks

☑ Opportunities

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

☑ Retail

☑ Apparel

☑ Services

☑ Materials

☑ Hospitality

☑ Transportation services

☑ Food, beverage & agriculture

☑ Biotech, health care & pharma

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ International bodies

(2.2.6.6) Frequency of assessment

Select from:

☑ Annually

(2.2.6.7) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.6.8) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply

☑ Sub-national

☑ National

(2.2.6.10) Tools and methods used

Select all that apply

☑ Internal tools/methods

☑ Portfolio temperature alignment

☑ Other, please specify **:**MSCI Climate Value at Risk Tool

(2.2.6.11) Risk type and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Storm (including blizzards, dust, and sandstorms)

☑ Wildfires

Chronic physical

☑ Precipitation or hydrological variability

☑ Temperature variability

Policy

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Stigmatization of sector

Technology

☑ Transition to water intensive, low carbon energy sources

☑ Other technology, please specify **:**Changes in energy production, storage, and distribution

(2.2.6.12) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

(2.2.6.13) Further details of process

Desjardins's investing (asset owner) portfolio is evaluated as part of Desjardins multidisciplinary company-wide climate risk analysis process to assess portfolio exposure related to each physical and transitional climate change risk identified. We also monitor the GHG emissions of the listed equities and corporate bonds of our investments. In 2021, leveraging the MSCI Climate Value at Risk tool (CVaR), Desjardins Global Asset Management (DGAM) began analysing multiple physical and transition scenarios to calculate the projected net present value of our listed equity and debt portfolio. As part of our continuous improvement and in line with our commitment to Business Ambition 1.5, DGAM began to measure the portfolio temperature alignment of its portfolio using both the SBTi methodology (temperature rating) and the MSCI methodology (Implied Temperature Rise). In 2021, DGAM partnered with CIRANO, a Montreal based research centre, to assess the impact of *adopting science-based carbon reduction targets (as recommended by SBTi) on portfolio risk/return characteristics. The purpose was to determine whether emission reduction targets could be achieved without affecting the financial performance of equity (common or preferred) and corporate bond portfolios. The study simulated portfolio progress toward the goal of net zero emissions by 2040/2050 based on parameters related to issuer commitments to climate change and the likelihood of meeting reduction targets.*

Insurance underwriting (Insurance company)

(2.2.6.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.6.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this portfolio

Select all that apply

☑ Risks

☑ Opportunities

(2.2.6.3) % of portfolio covered by the assessment process in relation to total portfolio value

100

(2.2.6.4) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.6.5) Industry sectors covered by the assessment

Select all that apply

☑ Retail

☑ Apparel

☑ Services

☑ Materials

☑ Hospitality

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ International bodies

☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma

(2.2.6.6) Frequency of assessment

Select from:
☑ Annually

(2.2.6.7) Time horizons covered

Select all that apply
☑ Short-term
☑ Medium-term
☑ Long-term

(2.2.6.8) Integration of risk management process

Select from:
☑ Integrated into multi-disciplinary organization-wide risk assessment process

(2.2.6.9) Location-specificity used

Select all that apply
☑ Sub-national
☑ National

(2.2.6.10) Tools and methods used

Select all that apply
☑ Internal tools/methods
☑ Risk models
☑ Scenario analysis

(2.2.6.11) Risk type and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Storm (including blizzards, dust, and sandstorms)

☑ Wildfires

Chronic physical

☑ Heat stress

☑ Precipitation or hydrological variability

☑ Temperature variability

Policy

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Stigmatization of sector

Technology

☑ Transition to lower emissions technology and products

☑ Other technology, please specify **:**Changes in energy production, storage, and distribution

(2.2.6.12) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

(2.2.6.13) Further details of process

Desjardins's insurance portfolio is evaluated as part of Desjardins new multidisciplinary company-wide analysis to assess portfolio exposure related to each physical and transitional climate change risk identified. In addition, quantitative and geolocated analysis is now being performed to better understand the financial impact of climate change hazards with a timeframe from 2030 to 2050 for selected hazards.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ No

(2.2.7.3) Primary reason for not assessing interconnections between environmental dependencies, impacts, risks and/or opportunities

Select from:

☑ No standardized procedure

(2.2.7.4) Explain why you do not assess the interconnections between environmental dependencies, impacts, risks and/or opportunities

We have not yet assessed the interconnections as we are only starting our biodiversity journey. Our ability to better understand such interconnections will improve with our progress related to our understanding of our dependencies and impacts.
[Fixed row]

(2.2.8) Does your organization consider environmental information about your clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process?

	We consider environmental information
Banking (Bank)	*Select from:* ☑ Yes
Investing (Asset manager)	*Select from:* ☑ Yes
Investing (Asset owner)	*Select from:* ☑ Yes
Insurance underwriting (Insurance company)	*Select from:* ☑ Yes

[Fixed row]

(2.2.9) Indicate the environmental information your organization considers about clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process, and how this influences decision-making.

Banking (Bank)

(2.2.9.1) Environmental issues covered

Select all that apply

☑ Climate change

(2.2.9.2) Type of environmental information considered

Select all that apply

☑ Emissions data

☑ Emissions reduction targets

☑ Climate transition plans
☑ TCFD disclosures

(2.2.9.3) Process through which information is obtained

Select all that apply
☑ Directly from the client/investee
☑ Data provider
☑ Public data sources

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply
☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

100

(2.2.9.6) Total portfolio value covered by the process

0

Investing (Asset manager)

(2.2.9.1) Environmental issues covered

Select all that apply

☑ Climate change

(2.2.9.2) Type of environmental information considered

Select all that apply

☑ Emissions data

☑ Emissions reduction targets

☑ Climate transition plans

☑ TCFD disclosures

(2.2.9.3) Process through which information is obtained

Select all that apply

☑ Directly from the client/investee

☑ Data provider

☑ Public data sources

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply

☑ Retail

☑ Apparel

☑ Services

☑ Materials

☑ Hospitality

☑ Transportation services

☑ Food, beverage & agriculture

☑ Biotech, health care & pharma

☑ Fossil Fuels

☑ Manufacturing

☑ Infrastructure

☑ Power generation

☑ International bodies

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

100

(2.2.9.6) Total portfolio value covered by the process

0

Investing (Asset owner)

(2.2.9.1) Environmental issues covered

Select all that apply

☑ Climate change

(2.2.9.2) Type of environmental information considered

Select all that apply

☑ Emissions data
☑ Emissions reduction targets
☑ Climate transition plans
☑ TCFD disclosures
☑ Science-Based Net-Zero Targets

(2.2.9.3) Process through which information is obtained

Select all that apply

☑ Data provider
☑ Public data sources

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation

☑ Hospitality

☑ Transportation services

☑ Food, beverage & agriculture

☑ Biotech, health care & pharma

☑ International bodies

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

100

(2.2.9.6) Total portfolio value covered by the process

0

Insurance underwriting (Insurance company)

(2.2.9.1) Environmental issues covered

Select all that apply

☑ Climate change

(2.2.9.2) Type of environmental information considered

Select all that apply

☑ Other, please specify :Environnmental information about the insure the policyholder or the insured good

(2.2.9.3) Process through which information is obtained

Select all that apply

☑ Directly from the client/investee

☑ Data provider

☑ Public data sources

(2.2.9.4) Industry sectors covered by due diligence and/or risk assessment process

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(2.2.9.5) % of portfolio covered by the process in relation to total portfolio value

100

(2.2.9.6) Total portfolio value covered by the process

0

[Add row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring
☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

As a significant component of Desjardins Group's Integrated Risk Management Framework, a risk appetite analysis enables the identification of the risk type and the level that Desjardins is prepared to assume in pursuing its business and strategic objectives. Risk appetite forms an integral part of strategic planning, which makes it possible to guide risk-taking in order to ensure Desjardins Group's stability and sustainability in the case of unfavourable future events that could affect the reputation, volatility of profitability, capital adequacy or liquidity. As a result, risk appetite analysis provides a basis for integrated risk management by promoting a better understanding of the impact of principal risks and emerging risk factors on Desjardins Group's strategic impact, performance and results. Desjardins Group considers it important to periodically assess the environment in which it operates and to identify key risks, as well as the aforesaid principal risk factors and emerging risk factors to which it is exposed. Desjardins Group has a risk register that sets out the main categories and subcategories of risks which could affect Desjardins Group. The register is periodically updated and is used as a basis to make a quantitative and qualitative assessment of risk materiality, to determine Desjardins Group's risk profile and to implement appropriate strategies to mitigate risk.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

As a significant component of Desjardins Group's Integrated Risk Management Framework, a risk appetite analysis enables the identification of the risk type and the level that Desjardins is prepared to assume in pursuing its business and strategic objectives. Risk appetite forms an integral part of strategic planning, which makes it possible to guide risk-taking in order to ensure Desjardins Group's stability and sustainability in the case of unfavourable future events that could affect the reputation, volatility of profitability, capital adequacy or liquidity. As a result, risk appetite analysis provides a basis for integrated risk management by promoting a better understanding of the impact of principal risks and emerging risk factors on Desjardins Group's strategic impact, performance and results. Desjardins Group considers it important to periodically assess the environment in which it operates and to identify key risks, as well as the aforesaid principal risk factors and emerging risk factors

to which it is exposed. Desjardins Group has a risk register that sets out the main categories and subcategories of risks which could affect Desjardins Group. The register is periodically updated and is used as a basis to make a quantitative and qualitative assessment of risk materiality, to determine Desjardins Group's risk profile and to implement appropriate strategies to mitigate risk.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both within our direct operations or upstream value chain, and within our portfolio

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

We assessed that our current environemental priorities should be focused on climate change first. We are starting to consider nature and biodiversity, and might consider additional topics to prioritize in the future.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☑ Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

(3.1.1.9) Organization-specific description of risk

The implementation of a higher carbon price (through stricter carbon tax requirements or a lower GHG emission cap in carbon markets) could affect our clients' profitability and solvency (in relation with increased energy costs) and ultimately lead to financial losses for Desjardins.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☑ 100%

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In 2023, we conducted a climate change risk vulnerability analysis of our lending and own investment portfolio. Our lending portfolio as of December 31, 2023 had a total exposure at default of 410 billion CAD. The following sectors in our loan book (including % of total exposure at default) are considered more vulnerable to this risk type: mining, oil and gas (0.4%), manufacturing (1.4%) and utilities (0.8%). This results into a total of 10.66 billion CAD exposed to this risk in our lending portfolio.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

11000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

207000000

(3.1.1.25) Explanation of financial effect figure

The potential financial impact provided is the calculated annual maximum probable loss from additional defaulting loans from the sectors at risk by 2030. The loss represents the change in probability of default due to the transition to a net-zero 2050 (1.5C) scenario by 2030, additional to the existing probability of default. The change in probability of default is taken from Bank of Canada and Office of the superintendent of financial institutions (2022) "Using Scenario Analysis to Assess Climate Transition Risk" report and is applied to average probability of default from Desjardins in 2021. Increases in carbon pricing may have an adverse impact on profitability for our Canadian and international members and clients in carbon-intensive industries. Consequently, our members' ability to repay loans may be impacted. In the same way, the collateral of our investments in carbon intensive industries may also be negatively impacted. Impacts of stricter regulations (carbon tax or cap) could affect clients, investment values, building values, energy costs and procurement costs. In December 2020, the Government of Canada announced a gradual hike in the federal carbon tax to 170 a tonne by 2030. The carbon pricing at the federal level applies to any province or territory that does not have an equivalent system in place, such as the cap and trade system already in place in Quebec. Also in 2020, the Government of Quebec reinforced the importance of the cap and trade system in the province.

(3.1.1.26) Primary response to risk

Diversification

☑ Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

4000000

(3.1.1.28) Explanation of cost calculation

It is difficult to provide an estimated cost for all these activities, as the work is done across the organization and not only on this portfolio. This cost estimate was calculated by taking into account the current full-time equivalent employees and partnerships dedicated to these tasks across the organization. It includes high- level and general assumptions.

(3.1.1.29) Description of response

Desjardins has implemented several initiatives and practices to mitigate risks related to carbon pricing and other transition risk factors: - Corporate banking: ESG analysis conducted for large companies prior to financing. - Real estate (owned buildings and offices): Desjardins Real Estate team is dedicated to improving energy efficiency and lowering Desjardin's carbon footprint. The real estate energy efficiency team has developed a strategy to reduce energy consumption and increase energy efficiency. The development of this strategy includes a cost analysis and estimate that is currently being reviewed by Desjardins leadership. - Procurement: prices are negotiated for a predetermined period and integrated into contracts Initial estimates have been developed for our real estate and is being validated. Cost analysis for other our upstream (Procurement) and downstream (Financing and Investing) are underway.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Investing (Asset owner) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☑ Market risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

(3.1.1.9) Organization-specific description of risk

The implementation of a higher carbon price (through stricter carbon tax requirements or a lower GHG emission cap in carbon markets) could affect our clients' and investees' profitability and solvency (in relation with increased energy costs) and ultimately lead to financial losses for Desjardins

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☑ 100%

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In 2023, we conducted a climate change risk vulnerability analysis of our lending and own investment portfolio. As of December 31, 2023, our assets under management of our own funds in our investment portfolio were 40 billion CAD. Based on our climate change risk vulnerability analysis, the following sectors (including % of our total assets under management of our own funds) are considered vulnerable to this risk type: energy (3.1%), utilities (2.7%), industrials (1.6%) and materials (0.4%). This results into an approximate total of 3.12 billion CAD exposed to this risk type. Sovereign bonds (36.7%) are also a significant portion of our portfolio and analysis will be performed in the near future to understand their exposure to this risk.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

889000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

5406000000

(3.1.1.25) Explanation of financial effect figure

The range presented in the potential financial impact cells constitute a minimum and a maximum difference in the net present value of our assets as result of the aggregated future policy risk costs, including carbon pricing and technology opportunity profits should the scenario in question be realised. The analysis was completed through the Climate Value-at-Risk (CVAR) tool from MSCI ESG Research on the listed equity and debt assets of our portfolio. The minimum impact utilises a REMIND 1.5CNGFSORDERLY scenario and the maximum impact uses a REMIND 1.5CNGFSDISORDERLY scenario. MSCI ESG Research employs a hybrid top-down and bottom-up methodology to calculate climate change risks and opportunities such as future policies targeting emission reductions, the potential of low carbon technologies and extreme weather hazards. Increases in carbon pricing may have an adverse impact on profitability for our Canadian and international members and clients in carbon-intensive industries. Consequently, our members' ability to repay loans may be impacted. In the same way, the value of our investments in carbon intensive industries may also be negatively impacted. Impacts of stricter regulations (carbon tax or cap) could affect member and clients, investment values, building values, energy costs and procurement costs. In December 2020, the Government of Canada announced a gradual hike in the federal carbon tax to 170 a tonne by 2030. The carbon pricing at the federal level applies to any province or territory that does not have an equivalent system in place, such *as the cap and trade system already in place in Quebec. Also in 2020, the Government of Quebec reinforced the importance of the cap and trade system in the province.*

(3.1.1.26) Primary response to risk

Diversification

☑ Other diversification, please specify **:**Portfolio asset allocation

(3.1.1.27) Cost of response to risk

4000000

(3.1.1.28) Explanation of cost calculation

It is difficult to provide an estimated cost for all these activities, as the work is done across the organization and not only on this portfolio. This cost estimate was calculated by taking into account the current full-time equivalent employees and partnerships dedicated to these tasks across the organization. It includes high- level and general assumptions.

(3.1.1.29) Description of response

Desjardins has implemented several initiatives and practices to mitigate risks related to carbon pricing and other transition risk factors: -Investment sector: In 2022, the carbon footprint of our investments in publicly traded securities was 40% lower than the average of the companies that make up the stock and bond market indexes. Our target was to be 25% lower, which we also surpassed since 2020 at 32% and we were glad to meet and surpass our targets through portfolio asset allocation (taking stock carbon intensity into account), shareholder engagement (including the exercise of shareholder voting rights), engaging in dialogue to improve companies' RI practices (alone, in partnerships or as a coalition) and shareholder proposals (if necessary) to stimulate change. (See: https://www.desjardins.com/ressources/pdf/rapport-activite-investissement-responsable-2021-e.pdf?navigMWla&) - Corporate banking: ESG analysis conducted for large companies prior to financing. - Real estate (owned buildings and offices): Desjardins Real Estate team is dedicated to improving energy efficiency and lowering Desjardin's carbon footprint. The real estate energy efficiency team has developed a strategy to reduce energy consumption and increase energy efficiency. The development of this strategy includes a cost analysis and estimate that is currently being reviewed by Desjardins leadership. - Procurement: prices are negotiated for a predetermined period and integrated into contracts Initial estimates have been developed for our real estate and is being validated. Cost analysis for other our upstream (Procurement) and downstream (Financing and Investing) are underway.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical
☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Banking (Bank) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply
☑ Credit risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ Canada

(3.1.1.9) Organization-specific description of risk

An increase of the severity and frequency of extreme weather events might impact member/client assets and businesses (operations and supply chain), including their homes and properties financed by Desjardins mortgages

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:
☑ 100%

(3.1.1.11) Primary financial effect of the risk

Select from:
☑ Devaluation of collateral and potential for stranded, illiquid assets

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply
☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:
☑ Likely

(3.1.1.14) Magnitude

Select from:
☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Desjardins mortgages finance properties in Quebec and Ontario, Canada and as of December 31st, 2023, the total exposure at default of the mortgages was 129 billions. In 2021, we conducted a high-level analysis to project flooding risk in the short to medium term. Based on this analysis, 86% of the portfolio properties are in low to very low flooding risk areas, 10% in high risk areas and 4% in a very high-risk flooding areas.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:
☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

200000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

8500000

(3.1.1.25) Explanation of financial effect figure

Desjardins is aware of the risk that a flood can have in the properties that its mortgages finance. A major flood will decrease the value of the collateral (i.e. the financed property), and will also increase the probability of default of the mortgage loan. The potential financial impact represents the annual losses expected from two scenarios: a likely scenario and a worst-case scenario. The worst-case scenario assumes a flood impacting 100% of one specific area that is the most at risk of a major flood event. This worst-case scenario is simulated and has not materialized. The analysis was conducted by mapping all mortgage collateral addresses along with flooding zones provided by flooding risk models. The annual financial impact is considered low in the short term (by 2025). Longer term projections are under development.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Other compliance, monitoring or target, please specify **:**Improving risk factor analysis

(3.1.1.27) Cost of response to risk

30000

(3.1.1.28) Explanation of cost calculation

The cost calculation represents the current annual cost to evaluate this risk based on the resources used. The cost will increase significantly as the evaluation and mitigation risk progresses and it will be updated in future reports.

(3.1.1.29) Description of response

Even though the medium term risk that this hazard has on our loan book is low, our mortgage, insurance and sustainability teams are working on the following tasks to better understand and respond to this risk: Improving long term analysis of flooding risk on our mortgage portfolio Improving our home insurance offering to further support members that are situated in areas at risk Analyse the impact of government support in areas at risk (adaptation infrastructure and damage compensation)

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Other acute physical risk, please specify **:**Considers a wide range of extreme weather event hazards such as: Tropical cyclones, coastal flooding, extreme heat, extreme cold, heavy precipitation/snowfall, extreme wind, fluvial flooding, among others.

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Investing (Asset owner) portfolio

(3.1.1.5) Risk type mapped to traditional financial services industry risk classification

Select all that apply

☑ Market risk

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Canada

(3.1.1.9) Organization-specific description of risk

An increase of the severity and frequency of extreme weather events might impact investee real assets and businesses (operations and supply chain) and ultimately lead to a reduced asset value for Desjardins.

(3.1.1.10) % of portfolio value vulnerable to this risk

Select from:

☑ 100%

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Reduced profitability of investment portfolios

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In 2023, we conducted a climate change risk vulnerability analysis of our lending and own investment portfolio. As of December 31, 2023, our assets under management of our own funds in our investment portfolio were 40 billion CAD. Based on our climate change risk vulnerability analysis, the following sectors (including % of our total assets under management of our own funds) are considered vulnerable to this risk type: real estate (17.2%), utilities (2.7%), materials (0.4%), industrials (1.6%), and infrastructure (3.6%). This results into a total of 10.2 billion CAD exposed to this risk type. Sovereign bonds (41.5%) are also a significant portion of our portfolio and analysis will be performed in the near future to understand their exposure to this risk.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

745000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

1731000000

(3.1.1.25) Explanation of financial effect figure

The range presented in the potential financial impact cells constitute a minimum and a maximum difference in the net present value of our assets as result of the aggregated future extreme weather event costs and profits should the scenario in question be realised. The analysis was completed through the Climate Value-at-Risk (CVAR) tool from MSCI ESG Research. The minimum impact utilises a Physical Risk- Average scenario and the maximum impact uses a Physical Risk- Aggressive scenario. MSCI ESG Research has established the current level of climate related physical risk from eight distinct hazards on companies' facilities and modelled how that may change in the future under different physical risk scenarios. MSCI ESG Research has also translated the physical risk from these hazards into detailed costs or opportunities for each company facility.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Other compliance, monitoring or target, please specify **:**Improving risk analysis and tools

(3.1.1.27) Cost of response to risk

1350000

(3.1.1.28) Explanation of cost calculation

It is difficult to provide an estimated cost for all these activities, as the work is done across the organization and not only on this portfolio. This cost estimate was calculated by taking into account the current full-time equivalent employees and partnerships dedicated to these tasks across the organization. It includes high- level and general assumptions.

(3.1.1.29) Description of response

To reduce the risk in our portfolio Desjardins Group Assets Management (DGAM) responsible investment team will monitor our portfolio of investments on an ongoing basis using the latest tools and approaches. While our entire staff is responsible for implementing responsible investment (RI) practices, DGAM has recruited ten professionals from a variety of backgrounds such as finance, engineering, sustainable development, climate change, water management and ESG data science. These RI specialists are part of the investment strategy team, which allows them to influence strategies and put our convictions into action. They monitor ESG issues on an ongoing basis and work closely with our analysts and managers to ensure that our investment solutions are in line with sustainable development principles. RI

specialists also assist in the development of solutions to ensure the integration of ESG criteria into strategies and the credibility of RI portfolios. They maintain close ties with the RI ecosystem and provide training to all DGAM employees.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Other, please specify :Assets under management of our own investments

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

3120000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

10200000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ 21-30%

(3.1.2.7) Explanation of financial figures

Exposure to climate-related risks for our assets under management of our own investments

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Other, please specify :Exposure at default in our lending portfolios

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

10660000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

240670000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 51-60%

(3.1.2.7) Explanation of financial figures

Exposure at default to climate-related risks in our lending portfolios
[Add row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

(3.6.1.8) Organization specific description

Since 2016, Desjardins lending and insurance have a green product offering called Desjardins Green Program. Desjardins promotes energy efficiency through its Green Homes Program, which offers advantageous financing conditions and cash-back for the construction, purchase, or green renovation of energy-efficient homes. It further encourages its individual and business clients to opt for energy-efficient alternatives with its green option for vehicle loans (for energy efficient, hybrid and electric vehicles). These products have not only attracted more members that are conscious about their environmental footprint but are also incentivizing our members to have more sustainable homes and vehicles. Details: The Green Homes program offers loans to purchase a new home that meets Novoclimat, ENERGY STAR or LEED Canada conditions, and for eco-friendly renovations that meet the criteria of the Rénoclimat program. The offer includes cash back (up to 2,000), discounts on home insurance and free access to our Home Assistance service. In 2023, close to 300 clients took advantage of this offer, for a total of 98 million. Our Green Program for financing electric and hybrid vehicles provided loans for over 2,300 vehicles in 2023, for a total of 107 million. The offer also features better rates and a slightly higher commission for dealerships. We're currently looking at options to promote these offers more widely.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:
☑ Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:
☑ No

(3.6.1.24) Cost to realize opportunity

8000000

(3.6.1.25) Explanation of cost calculation

The cost to realize opportunity is a high-level estimate of the annual salaries of the resources dedicated to this task.

(3.6.1.26) Strategy to realize opportunity

Since 2021, our green products have been reviewed, and research and development began to further improve our product offering and expected impact. In addition, a proactive communication strategy is being developed to share the results of these products and the success stories of our members using them. Our improved products and communication strategy are expected to generate additional revenue in the coming years.

Climate change

(3.6.1.1) Opportunity identifier

Select from:
☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services
☑ Other products and services opportunity, please specify :Development and/or expansion of low emission goods and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

(3.6.1.8) Organization specific description

As part of Desjardins' climate ambition 2040, we have announced a 2025 target to financially support the development of five additional biomethanization projects to support the transformation of organic waste, particularly agricultural waste, into renewable energy. Desjardins key mission is to contribute to the economic and social well-being of people and communities in which we operate. Our main headquarters and impact is in the province of Quebec, Canada. While the province is highly electrified with hydroelectricity, there are still many buildings that consume natural gas for heating and cooking. A key target of the Quebec provincial government is to increase the utilisation of renewable natural gas in the province. Renewable natural gas is currently less than 1 % of the natural gas distributed by the province's main distributor, Energir. According to a 2018 study by Energir, the province has a technical and economic potential to increase this percentage to 12% of the natural gas distributed at the time. In 2030, this potential volume will correspond to 66% of the volume of natural gas distributed by Energir in 2018. As a result, this market constitutes a significant opportunity to generate revenue for Desjardins through the finance of biomethanization projects to generate the natural gas required.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:
☑ Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:
☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

0

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

2700000

(3.6.1.23) Explanation of financial effect figures

This financial impact figure constitutes the estimated annual revenues for Desjardins from financing five additional biomethanization projects by 2025.

(3.6.1.24) Cost to realize opportunity

150000

(3.6.1.25) Explanation of cost calculation

The cost to realize this opportunity is a high-level estimate of the annual salaries of the resources dedicated to this task.

(3.6.1.26) Strategy to realize opportunity

Desjardins' lending team is leveraging its relationships with the agricultural sector and renewable energy companies to identify these projects. Desjardins already has already financed one project and the learnings from this project will support the implementation of the next projects.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Shift in consumer preferences

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Investing (Asset owner) portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

(3.6.1.8) Organization specific description

The investing landscape is evolving quickly with a strong increase of responsible investment products and services. Desjardins has been playing a key role in Canada to develop responsible investment and will continue doing so by developing innovative new solutions to offer low-emission funds and portfolios to Canadians

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We are unable to share data on the cost associated to these products externally for the time being

(3.6.1.26) Strategy to realize opportunity

Desjardins offers various saving products for members and clients concerned about environmental, social and governance (ESG) considerations into investments. The Desjardins SocieTerra Funds and SocieTerra Portfolios use several strategies to take part in the transition to a low-carbon economy. These focus on: • Cutting how much we invest in high-carbon companies • Considering environmental issues in all investments • A much smaller carbon footprint • Investments that focus on environmental solutions • Implementing constructive dialogue with businesses to improve their practices. All 28 of our SocieTerra Funds and Portfolios have been oil- and pipeline-free since June 2020, reducing the exposure of these investment products to fossil fuel producers and specialized transporters from 5% to 0%. The SocieTerra Portfolios and Funds use many responsible investment strategies, including exclusion screening, environmental, social and governance integration, thematic investing and, shareholder engagement. As of December 31, 2023, SocieTerra has 13.8 billion in assets under management. We measure the estimated carbon intensity of organizations that the Desjardins Funds invest in compared to similar organizations

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp4

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Other products and services opportunity, please specify :Development and/or expansion of low emission goods and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

(3.6.1.8) Organization specific description

Sustainable bonds are fixed-income financial instruments that attract clients that want to support the financing of green and social projects and represent an opportunity for increased revenue and reduced cost. The Desjardins Sustainable Bond Framework allows for the issuance of green, social and sustainability bonds. This framework is consistent with the principles and guidelines of the International Capital Market Association (ICMA).

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Other, please specify :Increased profit as a result of reduced cost when compared to a regular bond

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

28000

(3.6.1.25) Explanation of cost calculation

The cost to realize this opportunity represents the average annual employee salaries to issue and manage these bonds

(3.6.1.26) Strategy to realize opportunity

In 2023, Desjardins Securities helped distribute over 10.5 billion of green, social and sustainable bonds, including a 500 million Fédération des caisses Desjardins du Québec issue, in keeping with the Desjardins Sustainable Bond Framework Moody's ESG Solutions, an independent firm, gave our framework their highest rating, "Advanced." The extremely positive market response to this issuance created value for our members and clients and speaks to our approach's high standards and relevance. The proceeds from these bonds are used to finance eligible green and social assets. Eligible green assets: Renewable energy Energy efficiency Green buildings Clean transportation Sustainable food productions Environmentally sustainable management of living natural resources and land use Sustainable water and wastewater management Pollution prevention and control See the ICMA Green Bond Principles - External link. This link will open in a new window Desjardins social bonds The proceeds from these bonds are used to finance eligible social assets. Eligible social assets: Affordable housing Employment generation through SME financing Access to essential services

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp5

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Other products and services opportunity, please specify :Development and/or expansion of low emission goods and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Investing (Asset manager) portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

(3.6.1.8) Organization specific description

The investing landscape is evolving quickly with a strong increase of responsible investment products and services. Desjardins has been playing a key role in Canada to develop responsible investment and will continue doing so by developing innovative new solutions to offer low-emission exchange-traded funds (ETFs) to Canadians

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We are unable to share cost estimate associated to these products at the moment.

(3.6.1.26) Strategy to realize opportunity

Low-carbon Exchange Traded Funds (ETFs) Desjardins offers a range of responsible investment ETFs that specifically address climate change. These ETFs build their portfolios using a rigorous selection process that chooses companies with practices that emphasize social responsibility and respect for the environment. Desjardins RI ETFs – Low CO2 These ETFs offer portfolios with carbon intensity that are intended to be 25% lower than their corresponding market indexes, by excluding securities from the companies in each sector with the highest carbon intensity. This target is in line with the commitments made by Desjardins to combat climate change. Desjardins RI Global Multifactor ETF – Fossil Fuel Reserves Free This ETF offers the rare opportunity to invest with no exposure to the traditional energy sector (coal, gas, oil). It excludes all companies in the fossil fuel industry and uses a filter to screen out any businesses that hold fossil fuel reserves. Here is the list of available RI ETFs that address climate change: Desjardins RI Active Canadian Bond - Low CO2 ETF (Canada) Desjardins RI Canada - Low CO2 Index ETF (Canada) Desjardins RI Canada Multifactor - Low CO2 ETF (Canada) Desjardins RI Developed ex-USA ex-Canada Low CO2 Index ETF (Canada) Desjardins RI

Developed ex-USA ex-Canada Multifactor - Low CO2 ETF (Canada) Desjardins RI Emerging Markets Low CO2 Index ETF (Canada) Desjardins RI Emerging Markets Multifactor - Low CO2 ETF (Canada) Desjardins RI USA - Low CO2 Index ETF (Canada) Desjardins RI USA Multifactor - Low CO2 ETF (Canada) Desjardins RI Global Multifactor - Fossil Fuel Reserves Free ETF (Canada)

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp6

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of climate adaptation, resilience and insurance risk solutions

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Insurance underwriting portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

(3.6.1.8) Organization specific description

Insurance contracts now include 2 resilient reconstruction measures following a loss: 1,000 for devices to mitigate damage following a loss caused by sewer backup across Canada and 2,500 for replacing damaged standard shingles with Class 4 impact resistant shingles following an insured hail-related loss in the high-risk area in Alberta.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We are unable to share cost estimate associated to these products at the moment.

(3.6.1.26) Strategy to realize opportunity

Inclusion of these measures in insurance contracts.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp7

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Capital flow and financing

☑ Access to new financing options

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Banking portfolio

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

(3.6.1.8) Organization specific description

The new ESG swap for large businesses is a derivative financing product linked to key performance indicators related to sustainable development goals. It uses cash back as a reward for achieving ESG goals and encourages the implementation of sustainable initiatives like building wind farms. This year, we acted as the sole arranger for the Apuiat project. For the Paintearth Wind Project, we entered into a 125 million swap covering the financed portion.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We are unable to share cost estimate associated to these products at the moment.

(3.6.1.26) Strategy to realize opportunity

Inclusion of this offer in our banking services
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Other, please specify **:**Exposure at default in our lending portfolios

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

229022000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 51-60%

(3.6.2.4) Explanation of financial figures

It includes the portfolios for which we have identified climate opportunities
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ No

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Chief Executive Officer (CEO)

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

☑ Other policy applicable to the board, please specify

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring compliance with corporate policies and/or commitments

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.6) Scope of board-level oversight

Select all that apply

☑ Risks and opportunities to our own operations

☑ Risks and opportunities to our banking activities

☑ Risks and opportunities to our investment activities

☑ Risks and opportunities to our insurance underwriting activities

(4.1.2.7) Please explain

Climate-related files are supervised by the Board of Directors (including the Chair) as needed, with the support of the Governance and Responsible Finance Commission and the Risk Management Commission. The Board of directors of the Fédération des caisses Desjardins du Québec oversees the implementation of an effective risk culture and internal control framework through its Risk management commission subcommittee. Through its Governance and Responsible Finance Commission, it has responsibility for climate-related and ESG issues. The Board's mandate specifically includes responsibilities for climate-related issues and the Board members were trained on the subject. In addition, 10 members of the board (53%) have a knowledge/competency level considered as advanced in corporate responsibility and responsible investment, including on climate change. From 2018 to 2021, year of the release of the renewed climate ambition 2040, the Board has *had a specific objective related to the release of this climate ambition and its short-term targets. We updated our sustainability policy in 2020, making ESG criteria even more central to our practices. The same year, we also adapted this policy to include our caisses for the first time. At the end of a three-year transition period, 88% of caisses had adopted this policy, which identified sustainability priorities and laid the foundations for ESG integration in caisse activities. This year, a strengthened version of this policy was made mandatory for all caisses. This move will help us take a more unified approach to sustainable development at the local level, in keeping with our goals.*

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

☑ Other policy applicable to the board, please specify

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Sporadic – agenda item as important matters arise

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

(4.1.2.6) Scope of board-level oversight

Select all that apply

☑ Risks and opportunities to our own operations

☑ Risks and opportunities to our investment activities

(4.1.2.7) Please explain

We consider biodiversity as an ESG issue, and we therefore intend to use the same approach as for climate-related topics. However, we are still developing and reinforcing our biodiversity related governance mechanisms.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

☑ Course certificate (relating to environmental issues), please specify :Sustainable investing certificate, CSR Business Models & Tools

Experience

☑ Executive-level experience in a role focused on environmental issues

☑ Experience in an academic role focused on environmental issues

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Managing major capital and/or operational expenditures relating to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Desjardins Group Management Committee, supported by the ESG Steering Committee and the Finance and Risk Management Committee, is responsible for implementing our cross-sector climate strategy. This includes identifying, assessing and managing climate-related risks and opportunities.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Desjardins Group Management Committee, supported by the ESG Steering Committee and the Finance and Risk Management Committee, is responsible for identifying ESG risk and opportunities and integrate these insights into our strategic decision-making process, we consider biodiveristy as a type of ESG topic.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.3) Coverage of responsibilities

Select all that apply

☑ Dependencies, impacts, risks, and opportunities related to our banking activities

☑ Dependencies, impacts, risks, and opportunities related to our investing activities

☑ Dependencies, impacts, risks, and opportunities related to our insurance underwriting activities

☑ Dependencies, impacts, risks and opportunities related to our own operations and/or upstream value chain

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Desjardins Group Management Committee, supported by the ESG Steering Committee and the Finance and Risk Management Committee, is responsible for implementing our cross-sector climate strategy. This includes identifying, assessing and managing climate-related risks and opportunities.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Risks Officer (CRO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

Strategy and financial planning

☑ Conducting environmental scenario analysis

(4.3.1.3) Coverage of responsibilities

Select all that apply

☑ Dependencies, impacts, risks, and opportunities related to our banking activities

☑ Dependencies, impacts, risks, and opportunities related to our investing activities

☑ Dependencies, impacts, risks, and opportunities related to our insurance underwriting activities

☑ Dependencies, impacts, risks and opportunities related to our own operations and/or upstream value chain

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Operating Officer (COO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Desjardins Group Management Committee, supported by the ESG Steering Committee and the Finance and Risk Management Committee, is responsible for implementing our cross-sector climate strategy. This includes identifying, assessing and managing climate-related risks and opportunities. The Desjardins Group Finance and Risk Management Committee is tasked with conducting regular reviews of the risks we're exposed to and supporting the ESG Steering Committee in establishing ESG positions. The ESG Risk Factor Committee, made up of 9 vice-presidents and directors from all 3 lines of defence, provides cross-sector visibility on climate-related risk trends and management. Working groups help operationalize the work that comes out of this committee's monthly meetings.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Sustainability Officer (CSO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Conducting environmental scenario analysis

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Managing annual budgets related to environmental issues

(4.3.1.3) Coverage of responsibilities

Select all that apply

☑ Dependencies, impacts, risks, and opportunities related to our banking activities

☑ Dependencies, impacts, risks, and opportunities related to our investing activities

☑ Dependencies, impacts, risks, and opportunities related to our insurance underwriting activities

☑ Dependencies, impacts, risks and opportunities related to our own operations and/or upstream value chain

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Operating Officer (COO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The ESG Steering Committee is chaired by the chief sustainability officer and is composed of 9 vice-presidents who represent our core business areas and some key support functions related to the committee's mandate. The steering committee is supported by a cross-sector ESG working group that represents our business sectors and support functions. The Desjardins Group Sustainable Development Office reports directly to the senior executive vicepresident and chief operating officer. It's responsible for developing our ESG strategy and positions, supporting their implementation, and following up in collaboration with our business sectors and support functions. It coordinates and makes sure climate action plans are coherent all across our organization and provides internal advisory services on climate change and climate-related risk management.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**Risk Management Commission

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

(4.3.1.3) Coverage of responsibilities

Select all that apply

☑ Dependencies, impacts, risks, and opportunities related to our banking activities

☑ Dependencies, impacts, risks, and opportunities related to our investing activities

☑ Dependencies, impacts, risks, and opportunities related to our insurance underwriting activities

☑ Dependencies, impacts, risks and opportunities related to our own operations and/or upstream value chain

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Board of Directors' Risk Management Committee is responsible for overseeing the integration and monitoring of ESG-related risks, including those associated with climate change.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.3) Please explain

Extra-financial rating agencies are assessing our group ESG performance, including climate-related governance, risk management, strategy and the indicators demonstrating how our climate commitments are implemented. The ratings (and how they compare to our benchmark peers) are then used in the general incentive plan calculations.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Reduction in absolute emissions

☑ Emissions reductions across portfolio companies

(4.5.1.4) Incentive plan the incentives are linked to

Select from:
☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In 2022, the general incentive plan for all employees has been updated to include an indicator linked to our ESG performance as evaluated by four major extra-financial rating agencies.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Extra-financial rating agencies are assessing our group ESG performance, including climate-related governance, risk management, strategy and the indicators demonstrating how our climate commitments are implemented. The ratings (and how they compare to our benchmark peers) are then used in the general incentive plan calculations.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level
☑ Chief Sustainability Officer (CSO)

(4.5.1.2) Incentives

Select all that apply
☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets
☑ Progress towards environmental targets
☑ Achievement of environmental targets
☑ Organization performance against an environmental sustainability index
☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Achievement of climate transition plan

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Some Sustainability team members, including the manager, have results-based objectives relating to emission reduction as part of their performance evaluation. Employees that deliver consistent performance are eligible for the Desjardins Group annual bonus, which is influenced by ESG factors, as mentioned in the answer above.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

This incentive is directly linked to the achievement of our climate commitments and strategy, through the reduction of our GHG emissions.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Other C-Suite Officer, please specify

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

Strategy and financial planning

☑ Increased alignment of capex with transition plan and/or sustainable finance taxonomy

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in absolute emissions

Engagement

☑ Increased engagement with investee companies on environmental issues

☑ Increased engagement with clients on environmental issues

☑ Implementation of employee awareness campaign or training program on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Several officers, SVPs and VPs of our Wealth Management and Life and Health Insurance Division, Property and Casualty Insurance division, or Desjardins Financial Corporation, have results-based objectives related to sustainability and climate change issues, including responsible investment programs and climate change-related strategy implementations (i.e. GHG reduction, renewable energy investments and lending, etc.). Results from those key performance indicators are considered in determining annual bonuses.

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Several of these indicators are directly aligned with the 2025 or 2930 short term objective of our 2040 net-zero strategy.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Portfolio/Fund manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Emission reduction

☑ Reduction in absolute emissions

Engagement

☑ Increased engagement with investee companies on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Desjardins Global Asset Management's asset managers have a duty to execute on the decarbonization objectives for Desjardins's equity investments, while maintaining adequate risk-return ratios. This additional constraint is a requirement that they have to comply with and which in turns impact their performance assessment based on the returns of their managed portfolio. Investment teams are also conducting shareholder engagement activities on ESG topics, including on climate change strategy and performance with our investees. Achieving targets (portfolio decarbonization and engagement) is impacting the annual assessment of the employees and the related bonuses.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

This incentive is linked to the achievement of our portfolio decarbonization target, which are part of our net zero climate strategy and NZAMI commitments

Climate change

(4.5.1.1) Position entitled to monetary incentive

Facility/Unit/Site management

☑ Facilities manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

The real estate department and associated managers are responsible for meeting energy targets and achieving GHG reduction. Managers have financial incentives for employees with sustainability-related objectives, this incentives is linked to our extra-financial rating.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

This incentive is directly linked to the reduction of operational GHG emissions from our buildings, which is part of our net zero strategy.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ Portfolio

(4.6.1.4) Explain the coverage

Our sustainable development policy covers the entire organization, and aims to prioritize the best interests of its members and clients, provide support to their communities, and ensure its longevity as an organization.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, and we do not plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

d50-politique-dd-mvt-2020-e.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ Portfolio

(4.6.1.4) Explain the coverage

ESG risk management policy: Risks related to an environmental, social or governance event or issue, which materializes within the operations of Desjardins Group, its financing, investment, and insurance activities, or its commitments, whose consequences may result in financial losses or damage to reputation

(4.6.1.5) Environmental policy content

Additional references/Descriptions

☑ Description of dependencies on natural resources and ecosystems

☑ Description of impacts on natural resources and ecosystems

☑ Other additional reference/description, please specify **:**Description of our ESG risks, including roles and responsibilities to manage them

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, and we do not plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Not publicly available

Row 3

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ Portfolio

(4.6.1.4) Explain the coverage

As a cooperative financial group contributing to the development of communities, the Desjardins Group helps its members and customers to achieve financial independence. Founded on strong cooperative values, Desjardins is committed to contributing to the sustainable and ethical development of communities, by adhering to principles that embody its core values personal and mutual empowerment and responsibility, democracy, equality, equity and solidarity. An ongoing commitment to acting ethically and transparently in line with fundamental cooperative values, testifies to Desjardins' commitment to respect the human rights and dignity of every individual in the conduct of its business. Desjardins Group maintains rigorous standards to ensure ethical and responsible business practices. In this respect, exploitation in all its forms - including forced and child labor - is in direct contradiction with Desjardins' mission and values of Desjardins. Desjardins refuses to accept any form of exploitation within its operations its activities and throughout its supply chain, with its suppliers as well as their their affiliates and subcontractors. Desjardins also expects its employees, directors and partners to demonstrate probity by complying with applicable requirements.

(4.6.1.5) Environmental policy content

Social commitments

☑ Other social commitment, please specify **:**Fight Against Forced Labor and Child Labour

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, and we do not plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

rapport-travail-force-2023.pdf
[Add row]

(4.7) Does the policy framework for the portfolio activities of your organization include environmental requirements that clients/investees need to meet, and/or exclusion policies?

	Policy framework for portfolio activities include environmental requirements for clients/investees, and/or exclusion policies
Banking (Bank)	*Select from:* ☑ Yes, our framework includes both policies with environmental client/investee requirements and environmental exclusion policies
Investing (Asset manager)	*Select from:* ☑ Yes, our framework includes both policies with environmental client/investee requirements and environmental exclusion policies
Investing (Asset owner)	*Select from:*

	Policy framework for portfolio activities include environmental requirements for clients/investees, and/or exclusion policies
	☑ Yes, our framework includes both policies with environmental client/investee requirements and environmental exclusion policies
Insurance (Insurance company)	*Select from:* ☑ Yes, our framework includes both policies with environmental client/investee requirements and environmental exclusion policies

[Fixed row]

(4.7.1) Provide details of the policies which include environmental requirements that clients/investees need to meet.

Banking (Bank)

(4.7.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.7.1.2) Type of policy

Select all that apply

☑ Other banking policy, please specify :Group-wide sustainability policy

(4.7.1.3) Public availability

Select from:

☑ Publicly available

(4.7.1.4) Attach the policy

(4.7.1.5) Value chain stages of client/investee covered by policy

Select from:

☑ Direct operations and upstream/downstream value chain

(4.7.1.6) Industry sectors covered by the policy

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(4.7.1.9) % of portfolio covered by the policy in relation to total portfolio value

100

(4.7.1.11) Explain how criteria coverage and/or exceptions have been determined

Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders.

(4.7.1.12) Requirements for clients/investees

Additional references/Descriptions

☑ Other additional reference/description, please specify **:**We do not have specifc requirements for our client however we are always trying to have a full profile of our members and clients by providing them with support and this include sustainability subjects

(4.7.1.13) Measurement of proportion of clients/investees compliant with the policy

Select from:

☑ No, and we do not plan to measure this in the next two years

(4.7.1.17) Explain why your organization does not measure the % of clients/investees compliant with the policy

The purpose of the Desjardins Group Sustainable Development Policy ("Policy") is to set out how Desjardins Group ("Desjardins") should incorporate Sustainable Development into its business model in line with its mission and values as a cooperative financial institution. Desjardins has adopted this Policy with a view to prioritizing the best interests of its members and clients, providing support to their communities, and ensuring its longevity as an organization. This policy was does not include compliance indicators, thus we do not have a percentage associated with it.

Investing (Asset manager)

(4.7.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.7.1.2) Type of policy

Select all that apply

☑ Sustainable/Responsible Investment Policy

☑ Investment policy/strategy

☑ Stewardship policy

(4.7.1.3) Public availability

Select from:

☑ Publicly available

(4.7.1.4) Attach the policy

2023-12_IR Politicy DGAM_EN.pdf

(4.7.1.5) Value chain stages of client/investee covered by policy

Select from:

☑ Direct operations and upstream/downstream value chain

(4.7.1.6) Industry sectors covered by the policy

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(4.7.1.9) % of portfolio covered by the policy in relation to total portfolio value

100

(4.7.1.11) Explain how criteria coverage and/or exceptions have been determined

Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders. In addition to this group-level sustainability policy, we also have additional documents related to our investing activities: Our Desjardins Funds Responsible Investment Policy and Policy on Responsible Annuities describes approaches to responsible investing as well as environmental exclusions for our Desjardins Mutual Funds and Responsible Annuities. Our Desjardins Funds Stewardship Policy highlights our engagement approach with issuers, with public decision-makers and industry groups, and collaboratively with peers, across our three priority themes: climate, nature and human rights. With regards to climate, we have a set a net zero ambition by 2050 for our Desjardins Funds. Our Desjardins Funds Policy on the exercise of voting rights describes our approach to voting on climate and biodiversity related issues across all Desjardins Funds. Finally, our Simplified Prospectus gives more information on the responsible investment approaches used for each specific strategy of the Desjardins Sustainable Funds.

(4.7.1.13) Measurement of proportion of clients/investees compliant with the policy

Select from:

☑ No, but we plan to measure this within the next two years

(4.7.1.17) Explain why your organization does not measure the % of clients/investees compliant with the policy

We measure the proportion of investees with the Desjardins Sustainable Funds lineup (initial scope of our Net Zero Asset Managers commitment) that have committed to net-zero emissions by 2050 annually (in % of financed emissions). This scope represents approximately 16% of our total Desjardins Funds AUM. We will disclose through the Principles for Responsible Investment association disclosure platform in 2025. We aim for full compliance with regards to investing in companies that have not breached the UNGC without demonstration of prompt implementation of mechanisms to solve the controversy, and perform monthly compliance checks to assess, reach for more information when necessary and enforce compliance measures accordingly.

Investing (Asset owner)

(4.7.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.7.1.2) Type of policy

Select all that apply

☑ Sustainable/Responsible Investment Policy

☑ Stewardship policy

☑ Active ownership policy

(4.7.1.3) Public availability

Select from:

☑ Publicly available

(4.7.1.4) Attach the policy

2023-12_IR Politicy DGAM_EN.pdf

(4.7.1.5) Value chain stages of client/investee covered by policy

Select from:

☑ Direct operations and upstream/downstream value chain

(4.7.1.6) Industry sectors covered by the policy

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(4.7.1.9) % of portfolio covered by the policy in relation to total portfolio value

100

(4.7.1.11) Explain how criteria coverage and/or exceptions have been determined

Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders. In addition to this group-level sustainability policy, we also have additional documents related to our investing activities: Desjardins Global Asset Management (DGAM) is committed to deploying responsible investment (RI) best practices in its portfolio management. DGAM is convinced that by taking environmental, social and governance (ESG) criteria into account it can better manage risks and act on opportunities across asset classes to enhance a portfolio's long-term return potential. The firm is of the view that RI creates value and promotes a long-term performance vision that is positive for investors, companies, and society. RI is an integral part of DGAM's mandate as a portfolio manager and is consistent with its commitment to sustainable prosperity. In this context, this policy sets out the framework enabling DGAM to incorporate RI into its asset management. It has the following objectives: • Oversee implementation of the RI strategy in its operations; • Formalize DGAM's expectations of its investment professionals and external portfolio managers in terms of integration of RI best practices; • Clarify the RI roles and responsibilities of stakeholders; and • Define monitoring and reporting mechanisms for RI activities.

(4.7.1.12) Requirements for clients/investees

Climate-specific commitments

☑ Other climate-related commitment, please specify **:**We have set 2030 targets validated by the Net Zero Asset Managers initiative. One of them is that by 2030, 50% of our financed emissions will be aligned to a net zero pathway or at net zero (for the Desjardins Sustainable Funds lineup).

Social commitments

☑ Other social commitment, please specify **:**No breach of the UN Global Compact Principles (UNGC) without demonstration of prompt implementation of mechanisms to solve the controversy.

(4.7.1.13) Measurement of proportion of clients/investees compliant with the policy

Select from:

☑ No, but we plan to measure this within the next two years

(4.7.1.17) Explain why your organization does not measure the % of clients/investees compliant with the policy

We do not measure the % of clients/investees compliant with the policy because this policy only applies to members and clients that made the request for responsible investment products. As we are providing them with a service, we consider that the % of compliance is irrelevant.

Insurance (Insurance company)

(4.7.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.7.1.2) Type of policy

Select all that apply

☑ Other insurance policy, please specify **:**Group-wide sustainability policy

(4.7.1.3) Public availability

Select from:
☑ Publicly available

(4.7.1.4) Attach the policy

d50-politique-dd-mvt-2020-e.pdf

(4.7.1.5) Value chain stages of client/investee covered by policy

Select from:
☑ Direct operations and upstream/downstream value chain

(4.7.1.6) Industry sectors covered by the policy

Select all that apply
☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Transportation services
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ Power generation
☑ International bodies

(4.7.1.9) % of portfolio covered by the policy in relation to total portfolio value

100

(4.7.1.11) Explain how criteria coverage and/or exceptions have been determined

Our group-wide sustainability policy states that climate change (including mitigation and adaptation) is Desjardins Group's environmental priority. This policy applies to all of Desjardins Group's activities. This policy further includes elements ensuring that the environment (including climate change) is taken into account in all aspects of our business, especially in our strategy, risk management, products and services development, training of employees and leaders.

(4.7.1.12) Requirements for clients/investees

Additional references/Descriptions

☑ Other additional reference/description, please specify :We do not have specifc requirements for our client however we are always trying to have a full profile of our members and clients by providing them with support and this include sustainability subjects

(4.7.1.13) Measurement of proportion of clients/investees compliant with the policy

Select from:

☑ No, and we do not plan to measure this in the next two years

(4.7.1.17) Explain why your organization does not measure the % of clients/investees compliant with the policy

The purpose of the Desjardins Group Sustainable Development Policy ("Policy") is to set out how Desjardins Group ("Desjardins") should incorporate Sustainable Development into its business model in line with its mission and values as a cooperative financial institution. Desjardins has adopted this Policy with a view to prioritizing the best interests of its members and clients, providing support to their communities, and ensuring its longevity as an organization. This policy does not include compliance indicators, thus we do not have a percentage associated with it.
[Add row]

(4.7.2) Provide details of your exclusion policies related to industries, activities and/or locations exposed or contributing to environmental risks.

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Thermal coal

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2019

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

☑ New business/investment for existing projects

☑ Existing business/investment for existing projects

(4.7.2.5) Year of complete phaseout

2040

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Desjardins Group has published in 2019 its position on coal. This policy was assessed by the NGO Reclaim Finance in 2020 and considered at the time amongst the 17 most robust coal policy for financial institutions worldwide. Statement: Desjardins will not invest its own funds in, or provide financial products (including corporate financing, financial intermediation, loans and insurance) to companies that: Operate or develop coal mines Have greater than 10%, or 5 GW, installed coal power generation capacity Are building, extending or renovating coal mines, power plants or infrastructure In keeping with the principles of a just energy transition, and to support businesses that want to divest from the industry, Desjardins may work with companies that have announced a coal phase-out strategy in line with IPCC Guidelines and the Paris Agreement, which call for a complete coal phase-out by: 2030 for OECD countries 2040 for the rest of the world This exception will only apply to a limited number of cases. Our position applies to business relationships with current and future members and clients. (https://www.desjardins.com/ressources/pdf/d00-desjardins_position_coal.pdf)

Investing (Asset manager)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Thermal coal

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2019

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

☑ New business/investment for existing projects

☑ Existing business/investment for existing projects

(4.7.2.5) Year of complete phaseout

2040

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Desjardins Group has published in 2019 its position on coal. This policy was assessed by the NGO Reclaim Finance in 2020 and considered at the time amongst the 17 most robust coal policy for financial institutions worldwide. Statement: Desjardins will not invest its own funds in, or provide financial products (including corporate financing, financial intermediation, loans and insurance) to companies that: Operate or develop coal mines Have greater than 10%, or 5 GW, installed coal power generation capacity Are building, extending or renovating coal mines, power plants or infrastructure In keeping with the principles of a just energy transition, and to support businesses that want to divest from the industry, Desjardins may work with companies that have announced a coal phase-out strategy in line with IPCC Guidelines and the Paris Agreement, which call for a complete coal phase-out by: 2030 for OECD countries 2040 for the rest of the world This exception will only apply to a limited number of cases. Our position applies to business relationships with current and future members and clients. (https://www.desjardins.com/ressources/pdf/d00-desjardins_position_coal.pdf)

Investing (Asset owner)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Thermal coal

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2019

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

☑ New business/investment for existing projects

☑ Existing business/investment for existing projects

(4.7.2.5) Year of complete phaseout

2040

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Desjardins Group has published in 2019 its position on coal. This policy was assessed by the NGO Reclaim Finance in 2020 and considered at the time amongst the 17 most robust coal policy for financial institutions worldwide. Statement: Desjardins will not invest its own funds in, or provide financial products (including corporate financing, financial intermediation, loans and insurance) to companies that: Operate or develop coal mines Have greater than 10%, or 5 GW, installed coal power generation capacity Are building, extending or renovating coal mines, power plants or infrastructure In keeping with the principles of a just energy transition, and to support businesses that want to divest from the industry, Desjardins may work with companies that have announced a coal phase-out strategy in line with IPCC Guidelines and the Paris Agreement, which call for a complete coal phase-out by: 2030 for OECD countries 2040 for the rest of the world This exception will only apply to a limited number of cases. Our position applies to business relationships with current and future members and clients. (https://www.desjardins.com/ressources/pdf/d00-desjardins_position_coal.pdf)

Insurance underwriting (Insurance company)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Thermal coal

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2019

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

☑ New business/investment for existing projects

☑ Existing business/investment for existing projects

(4.7.2.5) Year of complete phaseout

2040

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Desjardins Group has published in 2019 its position on coal. This policy was assessed by the NGO Reclaim Finance in 2020 and considered at the time amongst the 17 most robust coal policy for financial institutions worldwide. Statement: Desjardins will not invest its own funds in, or provide financial products (including corporate financing, financial intermediation, loans and insurance) to companies that: Operate or develop coal mines Have greater than 10%, or 5 GW, installed coal power generation capacity Are building, extending or renovating coal mines, power plants or infrastructure In keeping with the principles of a just energy transition, and to support businesses that want to divest from the industry, Desjardins may work with companies that have announced a coal phase-out strategy in line with IPCC Guidelines and the Paris Agreement, which call for a complete coal phase-out by: 2030 for OECD countries 2040 for the rest of the world This exception will only apply to a limited number of cases. Our position applies to business relationships with current and future members and clients. (https://www.desjardins.com/ressources/pdf/d00-desjardins_position_coal.pdf)

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Arctic oil and gas

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2023

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

(4.7.2.5) Year of complete phaseout

2023

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Desjardins will not finance fossil energy projects in the Arctic or in ultra-deep waters, or new infrastructure development projects (extraction sites, pipelines, refineries). Arctic zone: defined according to the boundaries proposed by the Arctic Council's Arctic Monitoring and Assessment Program. https://www.desjardins.com/content/dam/pdf/en/about-us/community/sustainable-development/reports/position-energy-sector.pdf

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Ultra-deepwater oil and gas

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2023

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

(4.7.2.5) Year of complete phaseout

2023

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Desjardins will not finance fossil energy projects in the Arctic or in ultra-deep waters (beyond a depth of 1,500 m), or new infrastructure development projects (extraction sites, pipelines, refineries). https://www.desjardins.com/content/dam/pdf/en/about-us/community/sustainable-development/reports/position-energy-sector.pdf

Banking (Bank)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Other, please specify **:**large companies in the global oil and gas sector

(4.7.2.3) Year of exclusion implementation

2023

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

(4.7.2.5) Year of complete phaseout

2023

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

Desjardins will not finance large companies in the global oil and gas sector unless they are committed to the energy transition or to finance their transition projects. Major companies in the sector are defined as those contributing to at least 60% of global production or exploiting at least 60% of global reserves for near-term expansion, identified according to the Global Oil and Gaz Exit List https://www.desjardins.com/content/dam/pdf/en/about-us/community/sustainable-development/reports/position-energy-sector.pdf

Investing (Asset manager)

(4.7.2.1) Type of exclusion policy

Select from:

☑ Thermal coal

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2020

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

☑ New business/investment for existing projects

☑ Existing business/investment for existing projects

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

The Desjardins Sustainable Funds line does not invest in companies that generate a major portion of their revenue (10%) from petroleum, gas or thermal coal extraction or production, from the operation of infrastructures dedicated to the transportation or storage of oil and gas, from oil and gas refining, or from energy production from coal. In the latter case, investments might be considered if the company publicly shows a commitment to reducing, within a reasonable time horizon, the portion of coal in its energy mix for the purpose of making an energy transition. In addition, the Desjardins Sustainable Funds line may invest in green bonds or sustainable bonds issued by companies that carry out activities in the production of energy from coal in order to help them invest in renewable energies for the purpose of transitioning to a low-carbon energy mix. The direct distribution of petroleum or natural gas products to the end consumer and the distribution of energy produced from coal are not excluded. Similarly, renewable natural gas production activities (e.g., biogas and waste reclamation) are not part of this exclusion.

Investing (Asset manager)

(4.7.2.1) Type of exclusion policy

Select from:

☑ All oil & gas

(4.7.2.2) Fossil fuel value chain

Select all that apply

☑ Upstream

☑ Midstream

☑ Downstream

(4.7.2.3) Year of exclusion implementation

2020

(4.7.2.4) Phaseout pathway

Select all that apply

☑ New business/investment for new projects

☑ New business/investment for existing projects

☑ Existing business/investment for existing projects

(4.7.2.6) Country/area the exclusion policy applies to

Select all that apply

☑ Worldwide

(4.7.2.7) Description

The Desjardins Sustainable Funds line does not invest in companies that generate a major portion of their revenue (10%) from petroleum, gas or thermal coal extraction or production, from the operation of infrastructures dedicated to the transportation or storage of oil and gas, from oil and gas refining, or from energy production from coal. In the latter case, investments might be considered if the company publicly shows a commitment to reducing, within a reasonable time horizon, the portion of coal in its energy mix for the purpose of making an energy transition. In addition, the Desjardins Sustainable Funds line may invest in green bonds or sustainable bonds issued by companies that carry out activities in the production of energy from coal in order to help them invest in renewable energies for the

purpose of transitioning to a low-carbon energy mix. The direct distribution of petroleum or natural gas products to the end consumer and the distribution of energy produced from coal are not excluded. Similarly, renewable natural gas production activities (e.g., biogas and waste reclamation) are not part of this exclusion.
[Add row]

(4.8) Does your organization include covenants in financing agreements to reflect and enforce your environmental policies?

(4.8.1) Covenants included in financing agreements to reflect and enforce policies

Select from:
☑ No, but we plan to within the next two years

(4.8.2) Primary reason for not including covenants in financing agreements

Select from:
☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(4.8.3) Explain why your organization does not include covenants in financing agreements

In 2022, our corporate lending branch formalized its sustainable lending team. In 2023, we worked on several financing solutions which include covenants to enforce our policies. Some of these solutions will be available by the end of 2024 and we will be able to implement the sustainable lending strategy in the coming years.
[Fixed row]

(4.9) Does your organization offer its employees a pension scheme that incorporates environmental criteria in its holdings?

Climate change

(4.9.1) Pension scheme incorporates environmental criteria in its holdings

Select from:
☑ Yes, as the default investment strategy for all plans

(4.9.2) Describe how funds within the pension scheme are selected and how your organization ensures that environmental criteria are incorporated

Our defined-benefit employee-based retirement scheme is the Desjardins Group Pension Plan (DGPP). DGPP is a UN PRI signatory since January 2018 and is committed to a strong integration of ESG principles. As a signatory of PRI, the DGPP benefits from Desjardins's responsible investment expertise and contributes to it. The DGPP therefore adopted the same approach used by Desjardins Group by excluding investments associated with tobacco, thermal coal and weapons of mass destruction, reducing the carbon footprint of its portfolio and allocating an important portion of its portfolio to renewable energy infrastructures.
[Fixed row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:
☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply
☑ UNEP FI
☑ We Mean Business
☑ Climate Action 100+
☑ Race to Zero Campaign
☑ CDP Investor Signatory
☑ Partnership for Carbon Accounting Financials (PCAF)
☑ Task Force on Climate-related Financial Disclosures (TCFD)
☑ Science-Based Targets Initiative for Financial Institutions (SBTi-FI)
☑ Other, please specify **:Powering Past Coal Alliance, Climate Proof Canada, Climate Engagement Canada, Finance for Biodiversity Pledge**
☑ Net Zero Asset Managers initiative
☑ UNEP FI's Climate Risk and TCFD programme
☑ Principles for Responsible Investment (PRI)
☑ UNEP FI Principles for Responsible Banking
☑ UNEP FI Principles for Sustainable Insurance

(4.10.3) Describe your organization's role within each framework or initiative

Desjardins is a member, signatory or supporter of several climate-related initiatives and frameworks. We are a signatory of the UN PRI, PSI and PRB, and integrate ESG criteria in our operations and business activities. We committed in 2021 to the Business Ambition for 1.5C (and therefore to the We mean business coalition), to

the NZAMI (for our asset management business line) and to the SBTi-FI (targets under development) to formalize our net-zero 2040 climate ambition. We also are a member of the Powering Past Coal Alliance, in relation with our robust thermal coal policy. We are using the PCAF to measure and disclose our financed emissions in our TCFD-aligned climate report. We have participated every year between 2019 and 2023 to several UNEP FI TCFD pilots to develop our capacities, raise awareness in our teams and adopt leading practices.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

lobbying-statement.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:
☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply
☑ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Office of commissioner of lobbying of Canada

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Amid growing concerns about ethics and corporate governance, it's essential for Desjardins to comply with lobbying laws. Failure to do so may not only expose the organization to severe sanctions, but it may also damage its reputation. The Institutional and Government Relations team ensures that Desjardins Group complies with lobbying laws and regulations in the jurisdiction where it operates and in communications with public decision-makers. Desjardins Group is currently registered as a lobbyist in Quebec, Ontario, Alberta, and with the Government of Canada and the City of Toronto. As such, it is governed by the Lobbying Transparency and Ethics Act (Quebec), the Lobbyists Registration Act, 1998 (Ontario), the Lobbyists Act (Alberta), the Lobbying Act (Canada), the City of Toronto's municipal code on lobbying, and by the codes of professional conduct for lobbying from various jurisdictions. In addition to the President and CEO of Desjardins Group, employees in the Institutional and Government Relations team are registered as lobbyists and are responsible for filing declarations in public registries on behalf of Desjardins. A process has also been set up for employees and directors to ensure that they're informed about and involved in all influential interactions with public authorities. These declarations include topics or issues being lobbied, public sector entities targeted and/or public office holders solicited, and individuals registered to lobby on behalf of Desjardins. Desjardins Group's declarations are available in the following public registries: • Canada: lobbycanada.gc.ca • Quebec: carrefourlobby.quebec • Ontario: lobbyist.oico.on.ca • Alberta: albertalobbyistregistry.ca • Toronto: toronto.ca/city-government/lobbyist-registrar
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Office of the Superintendent of Financial Institutions - Guideline B-15

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Transparency and due diligence

☑ Transparency requirements

☑ Due diligence requirements

☑ Corporate environmental reporting

☑ Mandatory environmental reporting

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Canada

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization’s proposed alternative approach to the policy, law, or regulation

Desjardins main concerns regarding the guideline were the harmonization with other standards (such as the upcomming IFRS S2) and the need to seek a balance between a timely implementation of the guideline and the limitations of climate-related data and models

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Responding to consultations

☑ Submitting written proposals/inquiries

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

In 2022, Desjardins participated in the consultation on draft GL B-15, Climate Risk Management, which addresses governance and risk management expectations, and financial reporting in relation to climate change. GL B-15 was published in March 2023. Desjardins submitted responses to consultations during 2023, including, firstly, on climate risk statements (collection of data on climate-related emissions and exposures) and secondly, in December 2023, on its standardized climate scenario analysis exercise.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

ISSB

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Transparency and due diligence

☑ Transparency requirements

☑ Due diligence requirements

☑ Corporate environmental reporting

☑ Mandatory environmental reporting

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ Global

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization’s proposed alternative approach to the policy, law, or regulation

Desjardins strongly supports the ISSB’s mission to deliver a high-quality global baseline of sustainability disclosures, which includes an initial focus on detailed climate requirements. Our key recommendations focused on a timely publication of the final standards, the inclusion of scope 3 emissions in the standards requirements, a proper alignment with local jurisdictions and regulations.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

On the international scene, the International Sustainability Standards Board (ISSB), set up by the IFRS Foundation, published disclosure requirement standards on sustainability (IFRS S1) and climate (IFRS S2) in June 2023. Three consultations were also held in the second and third quarters of 2023, to revise the Sustainability Accounting Standards Board (SASB) disclosure standards, prioritize upcoming ISSB topics of interest, such as biodiversity, human rights or human capital, and define a digital sustainability disclosure taxonomy.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 3

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Transparency and due diligence

☑ Transparency requirements

☑ Due diligence requirements

☑ Corporate environmental reporting

☑ Mandatory environmental reporting

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Canada

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization’s proposed alternative approach to the policy, law, or regulation

Desjardins main concerns regarding the guideline were the harmonization with other standards (such as the upcomming IFRS S2) and the need to seek a balance between a timely implementation of the guideline and the limitations of climate-related data and models

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Responding to consultations

☑ Submitting written proposals/inquiries

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

In November 2023, the AMF published a draft Guideline on Climate Change Risk Management, for consultation in which Desjardins participated. The AMF's expectations in this guideline cover governance, integrated risk management, climate and stress testing scenarios, capital and liquidity adequacy, fair treatment of customers and financial reporting of climate change risks.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Governmental institution

(4.11.2.3) State the organization or position of individual

House of Commons of Canada - Current state of play on green finance, green investment, transition finance and transparency, standards and taxonomy

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we attempted to influence them but they did not change their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Argue that the financial sector has a role to play, but that it must be aligned with the public sector. A credible taxonomy, as recommended by the Sustainable Finance Action Council (SFAC), is the cornerstone, and climate disclosures must be aligned with international standards. The discussion are still in progress

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Governmental institution

(4.11.2.3) State the organization or position of individual

Canadian Chamber of commerce - Green and Transition Finance Council

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization’s position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual’s position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

Participate in the Canadian Chamber of Commerce's Green and Transition Finance Council through Desjardins Group's Chief Sustainable Development Officer, who co-chairs the Council

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

☑ No, we have not evaluated

Row 3

(4.11.2.1) Type of indirect engagement

Select from:
☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:
☑ International Governmental Organization (IGO)

(4.11.2.3) State the organization or position of individual

United Nations Environmental Program - Financial Initiative (UNEP FI)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply
☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:
☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:
☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Since 2021, several members of Desjardins teams have been part of the UNEP FI TCFD and Climate Risk Programme's various modules, working groups and specialized trainings. In 2023, our teams participated in modules including: Climate Stress Testing; Transition and Physical Risk Tools; Physical Risk Data; and Climate-Related Legal and Regulatory Risks.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

35000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Our funding encompasses the membership to UNEP FI as well as our participation to the TCFD and Climate program. As a member to the UN PRI, PSI and PRB initiatives, Desjardins is supporting UNEP FI to develop knowledge and advocates for better integration of climate change consideration at the global level, through UN-led initiatives.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 4

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ University or other educational institution

(4.11.2.3) State the organization or position of individual

Université de Sherbrooke - Responsible Finance Chair

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Committed to addressing Quebec's challenges, Université de Sherbrooke and Desjardins Group created in 2016 the Desjardins chair in responsible finance, aiming at developing expertise related to the social and environmental impact of financial decisions, and helping the society deal with the issues of responsible management

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

146878

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The donation amount (annual, with a extension signed for the 2022-2027 period) will be used to offer financial support to graduate research students, grant recruitment scholarships, and support other activities such as innovative responsible finance projects that highlight the expertise of both Université de Sherbrooke collaborators and Desjardins Group professionals. This research might influence policies and regulations aiming to improve climate change considerations (including disclosure) in the financial system.

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 5

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ University or other educational institution

(4.11.2.3) State the organization or position of individual

Centre for intersectoral study and research into the circular economy (CERIEC) of the École de technologie supérieure (ÉTS)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

In 2020, Desjardins began a partnership in research and development to support the transition to a circular economy. This research might influence policies and regulations aiming to improve circular economy and therefore climate change attenuation and mitigation federal and provincial regulations.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 6

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Research organization

(4.11.2.3) State the organization or position of individual

ICLR Institute for Catastrophic Loss Reduction

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

The Institute for Catastrophic Loss Reduction (ICLR) is a world-class centre for multidisciplinary disaster prevention research and communication. ICLR was established by Canada’s property and casualty (P&C) insurance industry as an independent, not-for-profit research institute affiliated with Western University, London, Ontario. Institute staff and research associates are international leaders in wind and seismic engineering, atmospheric science, risk perception, hydrology, economics, geography, health sciences, public policy and a number of other disciplines. The Institute’s mission is to reduce the loss of life and property caused by severe weather and earthquakes through the identification and support of sustained actions that improve society’s capacity to adapt to, anticipate, mitigate, withstand and recover from natural disasters.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

152626

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

ICLR is developing knowledge to increase climate resiliency in Canada (for building owners, municipalities, businesses, insurers) and therefore provides inputs to improve policy and regulations at the federal, provincial and municipal levels. Our funding will contribute to the research.

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:
☑ Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply
☑ GRI

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change
☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply

- ☑ Strategy
- ☑ Governance
- ☑ Emission targets
- ☑ Emissions figures
- ☑ Risks & Opportunities
- ☑ Value chain engagement
- ☑ Public policy engagement
- ☑ Content of environmental policies

(4.12.1.6) Page/section reference

All

(4.12.1.7) Attach the relevant publication

2023-gri-index.pdf

(4.12.1.8) Comment

The Global Reporting Initiative (GRI) is an independent international organization that provides the world's most widely used sustainability reporting standards. The content of this index, which is required by GRI, helps readers navigate our reporting by specifying which indicators from the GRI Standards were used and where the information can be found. This index uses the GRI Universal Standards 2021. Our Social and Cooperative Responsibility Report has been prepared with reference to the GRI Standards.

Row 2

(4.12.1.1) Publication

Select from:

- ☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

- ☑ Other, please specify :SABS index

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Risks & Opportunities

☑ Strategy

☑ Emissions figures

(4.12.1.6) Page/section reference

All

(4.12.1.7) Attach the relevant publication

2023-disclosure.pdf

(4.12.1.8) Comment

The Sustainability Accounting Standards Board (SASB) has developed standards for businesses to identify, manage and report on sustainability topics to meets investor needs

Row 3

(4.12.1.1) Publication

Select from:

☑ In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Risks & Opportunities

☑ Strategy

☑ Emissions figures

☑ Emission targets

(4.12.1.6) Page/section reference

Page 25 -32 Pages 55 - 64 Page 68

(4.12.1.7) Attach the relevant publication

2023-social-cooperative-responsibility.pdf

(4.12.1.8) Comment

This social and cooperative responsibility report illustrates the progress we've made toward our responsible finance goals—and the challenges we want to tackle with our stakeholders. It also highlights what we've done with and for our members, clients, employees and even our society at large.

Row 4

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ Other, please specify :PRB

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Risks & Opportunities

☑ Strategy

☑ Emission targets

(4.12.1.6) Page/section reference

All

(4.12.1.7) Attach the relevant publication

(4.12.1.8) Comment

As a PRB founding signatory in 2019, we published our third PRB report in March 2024 (covering the year 2023)

Row 5

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ Other, please specify :PSI

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Strategy

☑ Emission targets

(4.12.1.6) Page/section reference

All

(4.12.1.7) Attach the relevant publication

2023-principles-sustainable-insurance.pdf

(4.12.1.8) Comment

As a PSI signatory since 2019, we published our fourth PSI report for the year 2023 in March 2024

Row 6

(4.12.1.1) Publication

Select from:

☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Strategy

☑ Emissions figures

(4.12.1.6) Page/section reference

All

(4.12.1.7) Attach the relevant publication

Combinaison PRI.pdf

(4.12.1.8) Comment

As a PRI signatory, Desjardins publishes on a yearly basis transparency reports for 4 of our entities listed below: - Desjardins Investment Inc. - Desjardins Global Assets Management - Développement International Desjardins - Desjardins Group Pension Plan

Row 7

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Risks & Opportunities

☑ Strategy

☑ Emissions figures

☑ Emission targets

(4.12.1.6) Page/section reference

All

(4.12.1.7) Attach the relevant publication

2023-climate-action.pdf

(4.12.1.8) Comment

Our 2023 Climate report

Row 8

(4.12.1.1) Publication

Select from:

☑ In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Governance
☑ Risks & Opportunities
☑ Strategy
☑ Emissions figures
☑ Emission targets

(4.12.1.6) Page/section reference

Page XXIII to XXV

(4.12.1.7) Attach the relevant publication

d50-rapport-annuel-mcd-2023-t4-e.pdf

(4.12.1.8) Comment

Annual report, incorporting TCFD key elements, as well as the risk management governance and climate risk descriptions.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Business division

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ Unknown

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Several Desjardins teams conducted initial stress tests to assess the impact of climate change on our insurance operations (physical risks) and on our investments (transition risks). These analyses inform our property and casualty and life and health insurers' own risk and solvency assessments (ORSA). They were made on portfolios that were limited (investments in listed equity and corporate bonds, insured real estate), and were based essentially on status quo scenarios (RCP 8.5) for physical risks and orderly or disorderly transition scenarios, aligned with an average temperature increase of 1.5C or less than 2C by the end of the century. They're currently subject to a number of uncertainties, including the lack of data, the assumptions used and the available methodologies.

(5.1.1.11) Rationale for choice of scenario

This scenario provides our analysis with a worst case scenario (hot house world), from a physical risk point of view.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ NGFS scenarios framework, please specify :Transition scenarios

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Business division

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ Unknown

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

This analysis is conducted wittout taking into account pontential changes in portofolio composition. In order words the analysis assume that the companies within the portfolio are kept up until 2100. The results provided by these models indicate a medium to high transition risk, particularly in a disorderly transition, which is aligned with the economies in which these funds invest. They show the potential risks if the selected scenarios suddenly occur (assuming the associated assumptions are valid).

(5.1.1.11) Rationale for choice of scenario

The NGFS scenarios used in the tool provided by our external provider are also used as reference scenarios by several regulators and financial institutions.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Scenario analysis has not influenced our business processes

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ No, but we are developing a climate transition plan within the next two years

(5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:

☑ No standardized procedure

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

As transition plans are becoming a mandatory requirement for financial institutions in Canada, we are working on formalizing our process using existing frameworks as a basis, such as the one developped by the UK TPT. It should be noted that several elements of our future transition plan are already part of our climat action report (Governance, strategy, metrics, etc.).
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Many of our products and services demonstrate how our strategy takes into account the opportunities and risks related to climate change, across the organization: - insurance: insurance products that target specifically green buildings, programs/apps helping our clients manage climate-related risks (see R&D below) - investing: ongoing decarbonization of our own investments (with a related target), low-carbon and oil-production and pipeline-free funds or portfolios (SocieTerra line of investment vehicles), low-carbon or fossil fuel-free ETFs, thematic guaranteed investments (Priority Terra market-linked guaranteed investment), regular shareholder dialogue related to climate, and proxy voting policy - banking: financing products that offer rebates and cashback for the purchase of a green home or vehicle, and energy-efficient home renovations. As part of our 2040 climate action plan and policy related to our activities with the energy sector, Desjardins has set commitments to increase its support for the renewable energy sector by: -Boosting the share allocated to renewables in our lending to energy corporations from 24% in 2020 to 60% in 2030. [2023 progress: 59%] - Building a 2 billion investment portfolio by 2025 in renewable energy infrastructure (an increase of 66% over 2020). [2023 progress: 1.9B] - Participate in 6 biomethanization projects by 2025 (5 projects vs 2020) to convert organic waste (largely biomass from agriculture) into renewable energy. [2023 progress: 2 projects financed]. To further improve our products and services, Desjardins has set a commitment of training its employees on the principles of sustainable development and responsible finance so they can better support Desjardins's 7.5 million members and clients. By then end of 2023, 95% of Desjardins's more than 56,000 employees completed this mandatory training. Employees who design or sell responsible investing products will receive specific training to help them get the word out to their clientele. In addition to our group-wide coal exclusion policy, Desjardins has also committed to focus on and supporting large corporations in carbon-intensive sectors who: -Demonstrate solid environmental, social and governance (ESG) performance; -Factor in climate risk; -Set credible targets for reducing greenhouse gas (GHG) emissions.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

All suppliers commit to respecting the Supplier Code of Conduct, which includes an expectation on GHG management ("Desjardins expects its suppliers to implement actions to reduce greenhouse gas emissions"). More than 13% of our suppliers, representing 55% of our product and service purchases, have been evaluated with a questionnaire including specific questions regarding climate change. As part of our 2040 climate action plan, Desjardins has set a 2025 commitment to work with about 100 key suppliers to gradually reduce the carbon footprint of our supply chain, with a 2040 objective of having a net-zero supply chain.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

R&D is key to the development of products and services aligned with our climate change position. This can take different forms, for example: - the creation of ETFs avoiding all investment in fossil fuels in March 2019; - internal methodological developments to track and lower the carbon footprint of our investment and lending activities for various asset classes; - the development of programs such as Radar (TM) and Alert (TM) notifying our members and clients about extreme weather or potential freeze/water damage, or Ajusto (C), our telematics program encouraging drivers to be safer by cutting down on sudden stops and acceleration, which also saves them gas; or - developing new markets, particularly in the renewable energy sector, to make sure that our strategy contributes to a just energy transition of the society. In 2020, Desjardins began a partnership in research and development to support the transition to a circular economy. Desjardins made a 2.1M contribution over five years to the Centre for intersectoral study and research into the circular economy (CERIEC) of the École de technologie supérieure (ÉTS) to launch an ecosystem of circular economy acceleration laboratories. Desjardins is also partnering with the University of Sherbrooke (QC) and launched in 2016 the Desjardins chair in responsible finance with a contribution of 2.5M.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Various GHG emissions reduction initiatives have been implemented to decrease our operational footprint, lower our exposure to reputational and carbon pricing risks and take advantage of resource efficiency and cost reduction opportunities. These opportunities focus on energy use (real estate, transportation) and paper consumption. We also became carbon neutral for our operations in 2017 following an earlier decision to purchase carbon offsets. In support of Desjardins's 2040 climate ambition, we announced in 2021 that by 2025, Desjardins will have reduced the carbon emissions of its basic activities (business travel, paper use, energy consumption in buildings we lease or own) to 50% below 2020 levels. This target is in line with the SBTi methodology (1,5C alignment). To reach this ambition, we have also created the Cooperating for the Climate Challenge. As part of this project, we have created a governance structure, set a schedule for follow-ups, and identified 5 priorities: paper consumption, business travels, energy use in our buildings (since we're one of the largest private landowners in Quebec), employee buy-in and our supply chain. The project is supported by 60 ambassadors from the business sectors and support functions who are responsible for identifying initiatives that will significantly cut down on emissions as well as engaging employees across the organization and giving them the tools they need to contribute. We've already identified several initiatives for the Cooperating for the Climate challenge. Work began in 2021.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Assets
☑ Revenues
☑ Direct costs
☑ Claims reserves
☑ Capital expenditures
☑ Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Desjardins has announced a climate action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate and formalized this strategy though public commitments to the NZAMI and the SBTi. As part of our 2040 climate action plan and policy related to our activities with the energy sector, Desjardins has set commitments to increase its support for the renewable energy sector by: -Boosting the share allocated to renewables in our lending to energy corporations from 24% in 2020 to 60% in 2030. [2023 progress: 59%] - Building a 2 billion investment portfolio by 2025 in renewable energy infrastructure (an increase of 66% over 2020). [2023 progress: 1.9B] - Participate in 6 biomethanization projects by 2025 (5 projects vs 2020) to convert organic waste (largely biomass from agriculture) into renewable energy. [2023 progress: 2 projects financed]. Direct costs: In addition to the resources allocated to meet our commitment of training our employees (95% of Desjardins's more than 56,000 employees by the end of 2023) on the principles of sustainable development so they can better support Desjardins's 7.5 million members and clients, resources are being allocated across our organization to hire more professionals in climate change and sustainable development. For instance, the investment, lending and insurance teams have added ESG specialists and created communities of practice for responsible investment and responsible insurance that help coordinate the approaches from sector to sector. Operations (Capital Expenditures and Assets): Our internal carbon pricing mechanism also allows us to better assess, monitor and lower our GHG emissions in our operations, including the management of our real estate and procurement division. In support of Desjardins's 2040 climate ambition, our real estate team developed a general approach for the energy management of the buildings that includes a series of pilot projects and potential initiatives that will support the further decarbonization of our portfolio. This plan includes a proposed budget for capital expenditures including building retrofits and further renewable energy purchases. This approach is being refined and reviewed by our internal experts and stakeholders.

[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization’s internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Implicit price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Drive energy efficiency

☑ Other, please specify :Change internal behavior, Stakeholder expectations

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Price/cost of voluntary carbon offset credits

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The price is calculated based on the cost per carbon offset for each project selected, weighted by the volume of offsets bought for each project.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3, other (upstream)

☑ Scope 3, other (downstream)

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

Our internal carbon pricing, for the time being, is directly linked to the voluntary carbon credit market. We expect an increase based on pricing projections provided to us by our credit suppliers and historical trends.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

20

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

20

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Operations

☑ Procurement

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for some decision-making processes, please specify **:**Carbon price is calculated on an annual basis and communicated when and where appropriate to business units that handle projects that could have a significant impact on our carbon footprint.

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

100

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:
☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

The Sustainability office communicates the cost of carbon based on the costs of our carbon neutrality commitment, measured through our purchase of carbon offsets. These costs are calculated on an annual basis and communicated when and where appropriate to business units that handle projects that could have a significant impact on our carbon footprint. The internal price on carbon is also linked to the offsets Desjardins buys each year to ensure its carbon neutrality. The internal price on carbon went from 14 in 2021 to approximately 20 in 2023 per tonne of CO2e, representing an 20% increase. This variance is linked to the change of the weighted average price of carbon credits in the projects included in our offset portfolio for the year 2023. This price of carbon influences decision-making and investment in projects with a significant impact on our carbon footprint (e.g., paper procurement).
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Clients

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:
☑ Yes

Investees

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:
☑ Yes

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, and we do not plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Judged to be unimportant or not relevant

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

As a cooperative, we do not have investors nor shareholders

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, and we do not plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

Our current focus targets our members and clients, as well as our suppliers.
[Fixed row]

(5.11.3) Provide details of your environmental engagement strategy with your clients.

Row 1

(5.11.3.1) Type of clients

Select from:
☑ Clients of Banks

(5.11.3.2) Environmental issues covered by the engagement strategy

Select all that apply
☑ Climate change

(5.11.3.3) Type and details of engagement

Information collection
☑ Other information collection activity, please specify **:**Information collection (understanding client behavior)

(5.11.3.4) % of client-associated scope 3 emissions as reported in question 12.1.1

Select from:
☑ None

(5.11.3.5) % of portfolio covered in relation to total portfolio value

Select from:
☑ 1-25%

(5.11.3.6) Explain the rationale for the coverage of your engagement

Engagement with large businesses

(5.11.3.7) Describe how you communicate your engagement strategy to your clients and/or to the public

We consider climate change in lending decisions and when files are reviewed annually by using an ESG evaluation grid customized by industry (used since 2020 for large businesses, i.e. 21% of our outstanding loans to corporate clients, with gradual integration for medium-sized businesses started in 2021). The completion of this grid paired with discussions on ESG/climate-related topics with our clients leads to a better awareness and understanding of the climate risks and opportunities, maturity and actual/potential commitments of our clients.

(5.11.3.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Specialized in-house engagement teams

(5.11.3.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ Board members

☑ Board chair

☑ CEO

☑ Corporate secretary

☑ Investor relations managers

(5.11.3.11) Effect of engagement, including measures of success

In 2022, we created a dedicated responsible banking team to support businesses. Last year, the team had over 700 ESG interactions regarding member/client files and our ESG product lineup for businesses. We also expanded that lineup last year by adding an ESG swap that encourages companies to invest based on ESG criteria. We also developed a specific strategy for the energy sector to help define our business relationships with energy companies and support them as they transition to a low-carbon economy.

(5.11.3.12) Escalation process for engagement when dialogue is failing

Select from:

☑ Yes, we have an escalation process

(5.11.3.13) Describe your escalation process

When dialogues on important issues are unsuccessful, we use a variety of levers that are part of a formal escalation process.

Row 2

(5.11.3.1) Type of clients

Select from:

☑ Clients of Banks

(5.11.3.2) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

(5.11.3.3) Type and details of engagement

Financial incentives

☑ Other financial incentive, please specify **:**Offer financial incentives for clients who reduce your downstream emissions (Scope 3) and/or exposure to carbon-related assets

(5.11.3.4) % of client-associated scope 3 emissions as reported in question 12.1.1

Select from:

☑ 26-50%

(5.11.3.5) % of portfolio covered in relation to total portfolio value

Select from:

☑ 100%

(5.11.3.6) Explain the rationale for the coverage of your engagement

Non-targeted engagement

(5.11.3.7) Describe how you communicate your engagement strategy to your clients and/or to the public

As a financial institution, most of our climate impact is linked to downstream emissions (financed emissions though our investments and loans, insured buildings and vehicles, etc.). We engage with our retail clients by providing them with financial products that both allow them to reduce their climate impact and reward them for reducing their energy consumption and greenhouse gas emissions. We offer incentives for financing and insuring green homes and hybrid, electric and other low-emission vehicles. We also offer incentives for our members who want to renovate their home to improve its energy efficiency. We continually review and enhance our product line to ensure that it meets the expectations of our members and clients.

(5.11.3.8) Attach your engagement strategy

2023-principles-responsible-banking.pdf

(5.11.3.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Specialized in-house engagement teams

(5.11.3.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ Board members

☑ Board chair

☑ CEO

☑ Corporate secretary

☑ Investor relations managers

(5.11.3.11) Effect of engagement, including measures of success

The primary goal of any cooperative is to meet the needs of its members and clients. With that in mind, we've developed a lineup of responsible products for individuals: Desjardins Solutions for a Sustainable Future. These solutions help our members and clients reach their goals, save on insurance, buy a hybrid or electric vehicle, renovate in an eco-friendly way, and more. With 74 responsible investment (RI) product options in total for clients, including group retirement savings and *institutional clients, we're one of Canada's leaders in the field. As at December 31, 2023, we had almost 13.8 billion in RI assets under management. At the end of 2023, 44% of Desjardins Funds unitholders held a SocieTerra Fund or Portfolio (RI), up from 42% at the end of 2022. Assets under management in SocieTerra Funds and Portfolios went up by 8% over the same period. To support our members in a just energy transition, our SocieTerra Funds and Portfolios are 100% oil productionand pipeline-free. We track the proportion of our members and clients who have chosen responsible products on a quarterly basis.*

(5.11.3.12) Escalation process for engagement when dialogue is failing

Select from:

☑ Yes, we have an escalation process

(5.11.3.13) Describe your escalation process

When dialogues on important issues are unsuccessful, we use a variety of levers that are part of a formal escalation process.

Row 3

(5.11.3.1) Type of clients

Select from:

☑ Clients of Asset Managers

(5.11.3.2) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

(5.11.3.3) Type and details of engagement

Innovation and collaboration

☑ Engage with clients to advocate for policy or regulatory change to address environmental challenges

Other, please specify

☑ Other, please specify **:**Run an engagement campaign to educate clients about your climate change performance and strategy

(5.11.3.4) % of client-associated scope 3 emissions as reported in question 12.1.1

Select from:

☑ 1-25%

(5.11.3.5) % of portfolio covered in relation to total portfolio value

Select from:

☑ 100%

(5.11.3.6) Explain the rationale for the coverage of your engagement

Non-targeted engagement

(5.11.3.7) Describe how you communicate your engagement strategy to your clients and/or to the public

We're a leader in responsible investment (RI) in Canada with 74 RI solutions and nearly 13.8 billion in RI assets under management as at December 31, 2023. Desjardins Sustainable Funds and Portfolios are some of our main products. They aim to offer attractive return potential while benefiting communities and the planet. All 28 of our Desjardins Sustainable Funds and Portfolios have been oil- and pipeline-free since June 2020. Desjardins Funds are a wide range of investment funds that stand out for their innovative investment solutions, including the SocieTerra responsible investment offering. Desjardins Investments also engages its retail clients through its annual report on responsible investment that provides a precise view of the ESG performance and carbon intensity of SocieTerra funds. As of December 31, 2023, SocieTerra has 8.3 billion in assets under management. As part of DGAM engagement and voting activities, DGAM assess corporate strategy on climate change from a number of angles: As part of our engagement and voting activities, we assess corporate strategy on climate change from a number of angles: • Robust governance structure to oversee the integration and deployment of the climate change strategy. • Transparent, detailed disclosure of GHG emissions. • Adherence to a recognized reporting structure. • Net-zero emissions by 2050, with short- and medium-term reduction targets. • Executive compensation tied to measurable results • Low-carbon economy transition plan and development of new green technologies.

(5.11.3.8) Attach your engagement strategy

2023-12_IR Politicy DGAM_EN.pdf

(5.11.3.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Fund managers

☑ Equity/credit analysts

(5.11.3.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ Board members

☑ Board chair

☑ CEO

☑ Corporate secretary

☑ Investor relations managers

(5.11.3.11) Effect of engagement, including measures of success

The foundations of our corporate engagement program are also based on these materiality factors in addition to our own list of priority issues, which is reviewed annually by our research team to ensure its relevance and alignment with emerging trends. Climate Change is one of the top six ESG issues on which DGAM focuses its engagement. In 2023, DGAM's dialogue activities continued to increase. In figures, 159 interactions took place, 128 companies met and 29 issues addressed. The top ESG pillar addressed was transition to a low-carbon economy (105 occurrences), followed by ensuring governance with strength, integrity and resilience (80 occurrences),development of a fair, equitable and inclusive economy (54 occurrences) and protection of biodiversity and natural capital (23 occurrences). Engagement is used to exercise influence on investees to integrate ESG issues into their strategy and risk management. As an example, for several years, DGAM has been in an ongoing dialogue with a fossil fuel company that, despite good ESG integration into its business model, it seems to have lost momentum in its transition efforts. In response to a shareholder proposal asking the company to set science-based targets and adopt indirect emission targets (Scope 3), we met with management to get a better understanding of its strategy for this year through 2030. The directors explained that accelerating their transition required a radical change of business model, while pointing out that they calculate their indirect emissions and are assessing an alignment strategy. This dialogue led us to conclude that the company's strategy was not consistent with global best practices and that it could invest more effort in its transition program, which prompted us to vote "for" the proposal. We discussed the balance between maximizing shareholder value and ensuring the company's sustainability in a low-carbon world.

(5.11.3.12) Escalation process for engagement when dialogue is failing

Select from:

☑ Yes, we have an escalation process

(5.11.3.13) Describe your escalation process

When dialogues on important issues are unsuccessful, DGAM uses a variety of levers that are part of a formal escalation process: • Collaboration with other investors • Support for a shareholder proposal • Vote against the election or re-election of one or more directors • Submission of a shareholder proposal • Partial or complete divestment DGAM favours dialogue over divestment to maintain its ability to guide issuers and to encourage them to adopt best practices. Divestment is a last resort that is used when other strategies fail to achieve progress and the issuer shows no openness to improving its ESG practices.

Row 4

(5.11.3.1) Type of clients

Select from:

☑ Clients of Insurers

(5.11.3.2) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

(5.11.3.3) Type and details of engagement

Other, please specify

☑ Other, please specify **:**Desjardins Insurance has developed a strategic positioning for our sustainable insurance offer. This positioning helps us incorporate ESG factors faster and meet the growing expectations of members and clients, who are looking for seeking concrete, w

(5.11.3.4) % of client-associated scope 3 emissions as reported in question 12.1.1

Select from:

☑ None

(5.11.3.5) % of portfolio covered in relation to total portfolio value

Select from:

☑ 100%

(5.11.3.6) Explain the rationale for the coverage of your engagement

Non-targeted engagement

(5.11.3.7) Describe how you communicate your engagement strategy to your clients and/or to the public

- Help members and clients deal with the impacts of climate change and find ways to reduce their carbon footprints - Financially empower members and clients and implement practices that promote equity, diversity and inclusion - Integrate ESG factors into products, services and investments, and communicate the benefits transparently

(5.11.3.8) Attach your engagement strategy

2023-principles.pdf

(5.11.3.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Specialized in-house engagement teams

(5.11.3.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ Board members

☑ Board chair

☑ CEO

☑ Corporate secretary

☑ Investor relations managers

(5.11.3.11) Effect of engagement, including measures of success

Our engagement strategy resides in the fact that we provide complementary solutions to our members and clients to help them mitigate the impact of climate change. In 2023, more than 100,000.00 members and clients used our solution Radar, that notifies them whenever their home or good might be impacted by an extreme event.

(5.11.3.12) Escalation process for engagement when dialogue is failing

Select from:

☑ No, we don’t have an escalation process

[Add row]

(5.11.4) Provide details of your environmental engagement strategy with your investees.

Row 1

(5.11.4.1) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

(5.11.4.2) Type and details of engagement

Information collection

☑ Collect environmental risk and opportunity information at least annually from investees

☑ Collect GHG emissions data at least annually from investees

Other, please specify

☑ Other, please specify **:**Include climate-related criteria in investee selection / management mechanism Climate-related criteria is integrated into investee evaluation processes

(5.11.4.3) % of scope 3 investees associated emissions as reported in 12.1.1/12.1.3

Select from:

☑ 1-25%

(5.11.4.4) % of investing (Asset managers) portfolio covered in relation to total portfolio value

Select from:

☑ 26-50%

(5.11.4.5) % of investing (Asset owners) portfolio covered in relation to total portfolio value

Select from:

☑ 26-50%

(5.11.4.6) Explain the rationale for the coverage of your engagement

Engagement targeted at investees with increased climate-related risks

(5.11.4.7) Describe how you communicate your engagement strategy to your investees and/or to the public

DGAM's engagement approach applies to all asset classes and includes a dialogue process whereby investment professionals meet with issuers and asset managers. The objectives of the dialogues are predefined according to DGAM's four thematic pillars and are updated annually. The selection criteria for priority dialogues include the issuer's geographic location, the relative importance of its ESG issues, its weighting in DGAM portfolios, and relations with its executives. For private markets, dialogues are based on the expectations and engagement established during the selection process. DGMA RESPONSIBLE INVESTMENT POLICY 6 Five categories of benefits are identified as priorities: • Improving ESG disclosure • Mitigating ESG risks • Capturing ESG opportunities • Aligning with internationally recognized standards • Promoting positive societal benefits The dialogues target the issuer's stakeholders according to the issues to be discussed: • Communication with the board of directors: issuer's governance, sustainability and critical ESG management issues; • Communication with senior management: strategic questions on ESG management; and • Communication with internal experts: operational details on ESG management and data collection. The interactions take various forms, including correspondence, one-to-one meetings, meetings that include other investors and visits to the issuer's premises.

(5.11.4.8) Attach your engagement strategy

2023-12_IR Politicy DGAM_EN.pdf

(5.11.4.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Specialized in-house engagement teams

☑ Fund managers

☑ Equity/credit analysts

(5.11.4.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ CEO

☑ Board chair

☑ Board members

☑ Corporate secretary

☑ Investor relations managers

☑ Other, please specify **:Internal ESG specialist**

(5.11.4.11) Effect of engagement, including measures of success

Desjardins Global asset management (DGAM) adheres to UN PRI and support the TCFD recommendations. DGAM has specific objectives to identify ways of integrating climate change issues into investment solutions. DGAM's approach is based on the integration of key materiality ESG risk factors and core principles into company analysis, as well as its corporate engagement program. DGAM's ESG research team is fully dedicated to analysing industries from a responsible investment point of view based on each sector's key materiality factors derived primarily from the SASB framework. The foundations of our corporate engagement program are also based on these materiality factors in addition to our own list of priority issues, which is reviewed annually by our research team to ensure its relevance and alignment with emerging trends. Climate Change is one of the top six ESG issues on which DGAM focuses its engagement. In 2023, DGAM's dialogue activities continued to increase. In figures, 159 interactions took place, 128 companies met and 29 issues addressed. The top ESG pillar addressed was transition to a low-carbon economy (105 occurrences), followed by ensuring governance with strength, integrity and resilience (80 occurrences),development of a fair, equitable and inclusive economy (54 occurrences) and protection of biodiversity and natural capital (23 occurrences). Engagement is used to exercise influence on investees to integrate ESG issues into their strategy and risk management. As an example, for several years, DGAM has been in an ongoing dialogue with a fossil fuel company that, despite good ESG integration into its business model, it seems to have lost momentum in its transition efforts. In response to a shareholder proposal asking the company to set science-based targets and adopt indirect emission targets (Scope 3), we met with management to get a better understanding of its strategy for this year through 2030. The directors explained that accelerating their transition required a radical change of business model, while pointing out that they calculate their indirect emissions and are assessing an alignment strategy. This dialogue led us to conclude that the company's strategy was not consistent with global best practices and that it could invest more effort in its transition program, which prompted us to vote "for" the proposal. We discussed the balance between maximizing shareholder value and ensuring the company's sustainability in a low-carbon world.

(5.11.4.12) Escalation process for engagement when dialogue is failing

Select from:

☑ Yes, we have an escalation process

(5.11.4.13) Describe your escalation process

When dialogues on important issues are unsuccessful, DGAM uses a variety of levers that are part of a formal escalation process: • Collaboration with other investors • Support for a shareholder proposal • Vote against the election or re-election of one or more directors • Submission of a shareholder proposal • Partial or complete divestment. DGAM favours dialogue over divestment to maintain its ability to guide issuers and to encourage them to adopt best practices. Divestment is a last resort that is used when other strategies fail to achieve progress and the issuer shows no openness to improving its ESG practices.

Row 2

(5.11.4.1) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

(5.11.4.2) Type and details of engagement

Capacity building

☑ Provide training, support, and best practices on how to set science-based targets

☑ Support investees to set their own environmental commitments across their operations

Other, please specify

☑ Other, please specify **:**Exercise active ownership Support climate-related shareholder resolutions Support climate-related issues in proxy voting Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition

(5.11.4.3) % of scope 3 investees associated emissions as reported in 12.1.1/12.1.3

Select from:

☑ 1-25%

(5.11.4.4) % of investing (Asset managers) portfolio covered in relation to total portfolio value

Select from:

☑ 26-50%

(5.11.4.5) % of investing (Asset owners) portfolio covered in relation to total portfolio value

Select from:

☑ 26-50%

(5.11.4.6) Explain the rationale for the coverage of your engagement

Engagement targeted at investees with increased climate-related risks

(5.11.4.7) Describe how you communicate your engagement strategy to your investees and/or to the public

We consider it part of our fiduciary duty to vote on all proposals submitted to the shareholders' meetings of the companies we hold, in accordance with our principles and those of our clients. DGAM pays particular attention to the exercise of voting rights, which allows us to express our opinion on business practices in a manner consistent with the values of Desjardins and its partners. Consistent with our Policy on the Exercise of Proxy Voting Rights and its guidelines, we do not back *proposals that are overly prescriptive, that do not consider the target company's efforts or that are unsuited or not adapted to its business reality. For example, we do not back proposals aimed at a company that already has a strategy to manage the issue in question (or plans to adopt one). Before making a decision, we take into consideration the content and form of the shareholder proposals submitted. In the interest of transparency and compliance, we disclose the votes we cast for Desjardins ETFs on an annual basis. We also use shareholder proposals as a means of raising awareness of a particular ESG issue within a company and among its shareholders. At DGAM, this activity consists of making a non-binding recommendation, i.e., one that does not prescribe a direct action that could harm the management of the company.*

(5.11.4.8) Attach your engagement strategy

DGIA_Politiquededroitsdevote AN 2023 VF.pdf

(5.11.4.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Specialized in-house engagement teams

☑ Fund managers

☑ Equity/credit analysts

(5.11.4.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ CEO

☑ Board chair

☑ Board members

☑ Corporate secretary

☑ Investor relations managers

☑ Other, please specify

(5.11.4.11) Effect of engagement, including measures of success

Desjardins Global asset management (DGAM) adheres to UN PRI and support the TCFD recommendations. DGAM has specific objectives to identify ways of integrating climate change issues into investment solutions. DGAM's approach is based on the integration of key materiality ESG risk factors and core principles into company analysis, as well as its corporate engagement program. DGAM's ESG research team is fully dedicated to analysing industries from a responsible investment point of view based on each sector's key materiality factors derived primarily from the SASB framework. The foundations of our corporate engagement program are also based on these materiality factors in addition to our own list of priority issues, which is reviewed annually by our research team to ensure its relevance and alignment with emerging trends. Climate Change is one of the top six ESG issues on which DGAM focuses its engagement. In 2023, DGAM's dialogue activities continued to increase. In figures, 159 interactions took place, 128 companies met and 29 issues addressed. The top ESG pillar addressed was transition to a low-

carbon economy (105 occurrences), followed by ensuring governance with strength, integrity and resilience (80 occurrences),development of a fair, equitable and inclusive economy (54 occurrences) and protection of biodiversity and natural capital (23 occurrences). Engagement is used to exercise influence on investees to integrate ESG issues into their strategy and risk management. As an example, for several years, DGAM has been in an ongoing dialogue with a fossil fuel company that, despite good ESG integration into its business model, it seems to have lost momentum in its transition efforts. In response to a shareholder proposal asking the company to set science-based targets and adopt indirect emission targets (Scope 3), we met with management to get a better understanding of its strategy for this year through 2030. The directors explained that accelerating their transition required a radical change of business model, while pointing out that they calculate their indirect emissions and are assessing an alignment strategy. This dialogue led us to conclude that the company's strategy was not consistent with global best practices and that it could invest more effort in its transition program, which prompted us to vote "for" the proposal. We discussed the balance between maximizing shareholder value and ensuring the company's sustainability in a low-carbon world.

(5.11.4.12) Escalation process for engagement when dialogue is failing

Select from:

☑ Yes, we have an escalation process

(5.11.4.13) Describe your escalation process

When dialogues on important issues are unsuccessful, DGAM uses a variety of levers that are part of a formal escalation process: • Collaboration with other investors • Support for a shareholder proposal • Vote against the election or re-election of one or more directors • Submission of a shareholder proposal • Partial or complete divestment. DGAM favours dialogue over divestment to maintain its ability to guide issuers and to encourage them to adopt best practices. Divestment is a last resort that is used when other strategies fail to achieve progress and the issuer shows no openness to improving its ESG practices.

Row 3

(5.11.4.1) Environmental issues covered by the engagement strategy

Select all that apply

☑ Climate change

(5.11.4.2) Type and details of engagement

Innovation and collaboration

☑ Other innovation and collaboration activity, please specify :Carry out collaborative engagements with other investors or institutions

(5.11.4.3) % of scope 3 investees associated emissions as reported in 12.1.1/12.1.3

Select from:
☑ 1-25%

(5.11.4.4) % of investing (Asset managers) portfolio covered in relation to total portfolio value

Select from:
☑ 26-50%

(5.11.4.5) % of investing (Asset owners) portfolio covered in relation to total portfolio value

Select from:
☑ 26-50%

(5.11.4.6) Explain the rationale for the coverage of your engagement

Engagement targeted at investees with increased climate-related risks

(5.11.4.7) Describe how you communicate your engagement strategy to your investees and/or to the public

At DGAM, we firmly believe that combining our voice with that of other institutional investors will enable us to be a fundamental driver to advance the adoption of sustainable practices by companies. We took part in several collaborative initiatives in 2022-2023. Here are a few examples: • DGAM joined the Nature Action 100 initiative, the first international initiative focused on biodiversity-related commitments. It aims to reverse the damage caused to nature by combining biodiversity ambitions with actions taken by companies. • We joined the PRI's Nature Reference Group, which works to convey industry best practices to asset managers through examples and guidance documents. • We also took part in five Finance for Biodiversity Foundation working groups throughout 2023. These groups focus on engagement with businesses, assessment of benefits, public policy advocacy and the definition of objectives and positive impacts. • DGAM took part in the public consultation on two approaches to proposed amendments to the Canadian Securities Administrators' (CSA) disclosure requirements and governance guidelines. These amendments, which address the selection of board candidates, as well as board renewal and diversity, would require disclosure on aspects of diversity other than representation of women, while maintaining the specific obligations of such representation

(5.11.4.8) Attach your engagement strategy

DGIA_Politiquededroitsdevote AN 2023 VF.pdf

(5.11.4.9) Staff in your organization carrying out the engagement

Select all that apply

☑ Specialized in-house engagement teams

☑ Fund managers

☑ Equity/credit analysts

(5.11.4.10) Roles of individuals at the portfolio organizations you seek to engage with

Select all that apply

☑ CEO

☑ Board chair

☑ Board members

☑ Corporate secretary

☑ Investor relations managers

☑ Other, please specify **:Internal ESG specialist**

(5.11.4.11) Effect of engagement, including measures of success

Desjardins Global asset management (DGAM) adheres to UN PRI and support the TCFD recommendations. DGAM has specific objectives to identify ways of integrating climate change issues into investment solutions. DGAM's approach is based on the integration of key materiality ESG risk factors and core principles into company analysis, as well as its corporate engagement program. DGAM's ESG research team is fully dedicated to analysing industries from a responsible investment point of view based on each sector's key materiality factors derived primarily from the SASB framework. The foundations of our corporate engagement program are also based on these materiality factors in addition to our own list of priority issues, which is reviewed annually by our research team to ensure its relevance and alignment with emerging trends. Climate Change is one of the top six ESG issues on which DGAM focuses its engagement. In 2023, DGAM's dialogue activities continued to increase. In figures, 159 interactions took place, 128 companies met and 29 issues addressed. The top ESG pillar addressed was transition to a low-carbon economy (105 occurrences), followed by ensuring governance with strength, integrity and resilience (80 occurrences),development of a fair, equitable and inclusive economy (54 occurrences) and protection of biodiversity and natural capital (23 occurrences). Engagement is used to exercise influence on investees to integrate ESG issues into their strategy and risk management. As an example, for several years, DGAM has been in an ongoing dialogue with a fossil fuel company that, despite good ESG integration into its business model, it seems to have lost momentum in its transition efforts. In response to a shareholder proposal asking the company to set science-based targets and adopt indirect emission targets (Scope 3), we met with management to get a better understanding of its strategy for this year through 2030. The directors explained that accelerating their transition required a radical change of business model, while pointing out that they calculate their indirect emissions and are assessing an alignment strategy. This dialogue led us to conclude that the company's strategy was not consistent with global best practices and that it could invest more effort in its transition program, which prompted us to vote "for" the proposal. We discussed the balance between maximizing shareholder value and ensuring the company's sustainability in a low-carbon world.

(5.11.4.12) Escalation process for engagement when dialogue is failing

Select from:

☑ Yes, we have an escalation process

(5.11.4.13) Describe your escalation process

When dialogues on important issues are unsuccessful, DGAM uses a variety of levers that are part of a formal escalation process: • Collaboration with other investors • Support for a shareholder proposal • Vote against the election or re-election of one or more directors • Submission of a shareholder proposal • Partial or complete divestment. DGAM favours dialogue over divestment to maintain its ability to guide issuers and to encourage them to adopt best practices. Divestment is a last resort that is used when other strategies fail to achieve progress and the issuer shows no openness to improving its ESG practices.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:
☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Financial incentives
☑ Feature environmental performance in supplier awards scheme

Information collection
☑ Collect GHG emissions data at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply
☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 51-75%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We evaluate and allocate a portion of the scoring during RFP process for ESG and mostly GHG emissions from a supplier. The questions are evaluated and the final score provided back to procurement. The validations made are mostly verification of the submitted documents by the supplier being evaluated (ESG policie, certificates,...) It should be noted that in 2023 we evaluated the interest of joining the CDP supply chian program, and started to formally participate in early 2024.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

(5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

Select from:

☑ No, and we do not plan to within the next two years

(5.13.2) Primary reason for not implementing environmental initiatives

Select from:

☑ Not an immediate strategic priority

(5.13.3) Explain why your organization has not implemented any environmental initiatives

Our supply chain team is currently working with our top suppliers to collect more ESG data and improve our understanding of our supply chain. This might allow us in the future to implement mutually beneficial initiatives.
[Fixed row]

(5.14) Do your external asset managers have to meet environmental requirements as part of your organization’s selection process and engagement?

	External asset managers have to meet specific environmental requirements as part of the selection process and engagement	Policy in place for addressing external asset manager non-compliance
	Select from: ☑ Yes	*Select from:* ☑ Yes, we have a policy in place for addressing non-compliance

[Fixed row]

(5.14.1) Provide details of the environmental requirements that external asset managers have to meet as part of your organization’s selection process and engagement.

Row 1

(5.14.1.1) Environmental issues covered by the requirement

Select all that apply
☑ Climate change

(5.14.1.2) Coverage

Select from:
☑ All assets managed externally

(5.14.1.3) Environmental requirement that external asset managers have to meet

Select from:

☑ Other, please specify :Climate-related issues are factored in the selection process and engagement with external asset managers for all our products. Our ESG due diligence questionnaire used for asset managers selection includes climate change considerations.

(5.14.1.4) Mechanisms used to include environmental requirement in external asset manager selection

Select all that apply

☑ Preference for investment managers with an offering of funds resilient to environmental issues

☑ Review investment manager’s environmental performance (e.g., active ownership, proxy voting records, under-weighting in high impact activities)

☑ Review investment manager’s environmental policies

(5.14.1.5) Response to external asset manager non-compliance with environmental requirement

Select from:

☑ Retain and engage

(5.14.1.6) % of non-compliant external asset managers engaged

Select from:

☑ 100%

Row 2

(5.14.1.1) Environmental issues covered by the requirement

Select all that apply

☑ Climate change

(5.14.1.2) Coverage

Select from:

☑ Minority of assets managed externally

(5.14.1.3) Environmental requirement that external asset managers have to meet

Select from:

☑ Other, please specify :Respect environmental exclusions as set our in our Responsible Investment Policy for Desjardins Funds, as well as being assessed on our ESG due diligence questionnaire used for asset manager selection (includes climate change considerations).

(5.14.1.4) Mechanisms used to include environmental requirement in external asset manager selection

Select all that apply

☑ Include environmental requirements in requests for proposals

☑ Preference for investment managers with an offering of funds resilient to environmental issues

☑ Include environmental requirements in investment mandates

☑ Review investment manager's environmental performance (e.g., active ownership, proxy voting records, under-weighting in high impact activities)

☑ Review investment manager's environmental policies

(5.14.1.5) Response to external asset manager non-compliance with environmental requirement

Select from:

☑ Retain and engage

(5.14.1.6) % of non-compliant external asset managers engaged

Select from:

☑ 100%

[Add row]

(5.15) Does your organization exercise voting rights as a shareholder on environmental issues?

	Exercise voting rights as a shareholder on environmental issues
	Select from: ☑ Yes

[Fixed row]

(5.15.1) Provide details of your shareholder voting record on environmental issues.

Row 1

(5.15.1.1) Method used to exercise your voting rights as a shareholder

Select from:

☑ Exercise voting rights directly

(5.15.1.3) % of voting rights exercised

53

(5.15.1.4) % of voting which is publicly available

100

(5.15.1.5) Environmental issues covered in shareholder voting

Select all that apply

☑ Climate change

(5.15.1.6) Global environmental commitments that your shareholder voting is aligned with

Select all that apply

☑ Not assessed

(5.15.1.7) Issues supported in shareholder resolutions

Select all that apply

☑ Aligning public policy position (lobbying)

☑ Board oversight of environmental issues

☑ Climate transition plans

☑ Emissions reduction targets

☑ Environmental disclosures

Row 2

(5.15.1.1) Method used to exercise your voting rights as a shareholder

Select from:

☑ Exercise voting rights through an external service provider

(5.15.1.2) How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?

Select all that apply

☑ Vote tracking

☑ Include environmental requirements in requests for proposals

☑ Include environmental requirements in service provider mandates

☑ Include environmental requirements in performance indicators and incentive structures

(5.15.1.3) % of voting rights exercised

47

(5.15.1.5) Environmental issues covered in shareholder voting

Select all that apply
☑ Climate change

(5.15.1.6) Global environmental commitments that your shareholder voting is aligned with

Select all that apply
☑ Not assessed

(5.15.1.7) Issues supported in shareholder resolutions

Select all that apply
☑ Aligning public policy position (lobbying)
☑ Board oversight of environmental issues
☑ Climate transition plans
☑ Emissions reduction targets
☑ Environmental disclosures
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	*Select from:* ☑ Operational control	*The operational control approach is the most used in the financial sector, thus it assured a comparability among peers.*
Plastics	*Select from:* ☑ Operational control	*The operational control approach is the most used in the financial sector, thus it assured a comparability among peers.*
Biodiversity	*Select from:* ☑ Operational control	*The operational control approach is the most used in the financial sector, thus it assured a comparability among peers.*

[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply
☑ No, but we have discovered significant errors in our previous response(s)

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

In relationship with a strong effort to improve data quality and accuracy, we were able to obtain more accurate data for previous years, such as the energy use, which consequently impacted our GHG emissions calculation.
[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:
☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply
☑ Scope 1
☑ Scope 2, location-based
☑ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

The assumptions, data, metrics, measurements, methodologies, scenarios, and other standards used to develop our assumptions and estimates and to monitor our progress, believed to be reasonable at the time of preparing this document, may later turn out to be inaccurate. Many of these assumptions, data, metrics, measurements, methodologies, scenarios, and other standards continue to evolve and may differ significantly from those used by others, those we may use in the future or that government authorities or other standard setters may later mandate. Such evolution and changes could affect the assumptions and estimates we use and could affect the comparability of the information and data across industries or companies and from one reporting period to another, as well as our ability to achieve our objectives, priorities, strategies, sustainability commitments and targets.

(7.1.3.4) Past years' recalculation

Select from:
☑ Yes
[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure	*na*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

5968

(7.5.3) Methodological details

In 2023, more precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 1 from 6 935 tco2e to 5 968 tCO2e for the year 2020.

Scope 2 (location-based)

(7.5.1) Base year end

09/30/2020

(7.5.2) Base year emissions (metric tons CO2e)

1680

(7.5.3) Methodological details

In 2023, more precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 2 from 2 261 to 1 680 tCO2e. In 2021, the way we define the scope for our building-related GHG emissions changed. Scopes 1 and 2 only include emissions of buildings over which we have operational control (ones used or occupied by Desjardins employees), while Scope 3 includes emissions of buildings that are direct investments and not under our operational control (Scope 3, category 15 in the GHG Protocol). The scoping around transportation and paper use is the same as before. Annual emissions are calculated for the following time periods: From January 1, 2020 to December 31, 2020, for Ozone-Depleting Substances (ODS), business travel and paper consumption, and October 1, 2019 to September 30, 2020, for energy consumption (Scope 12) for buildings. Scope 2 emissions include electricity consumption-related emissions from our employee occupied buildings

Scope 2 (market-based)

(7.5.1) Base year end

09/30/2020

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

NA

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

11553.0

(7.5.3) Methodological details

No changes made to this category from previously reported data. Company-wide paper consumption is tracked, broken down by recycled content grade (0%, 30%, 50% and 100% recycled). The total weight is then converted into GHG emissions using emission factors from the Environmental Paper Network (https://c.environmentalpaper.org/). Most of the paper we consume comes directly from our main suppliers. However, we had to estimate paper consumption for the Caisses network for the portion of paper provided by other suppliers (no data available). This estimate is extrapolated based on the ratio (total quantity of paper sourced by the Caisses) / (percentage of Caisses that have accounts with our main suppliers).

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

3477.0

(7.5.3) Methodological details

No changes made to this category from previously reported data. Emissions related to business travel includes rental car, personal car, bus, train and airplane travel. - Rental vehicles: we calculated fuel consumption for rental vehicles by compiling the total amount spent on fuel in Canadian dollars and converted it to litres using the average cost of fuel. Rental vehicles are assumed to run on gasoline. - Personal cars: we determined the total distance travelled by converting mileage costs claimed by employees. We then converted the total number of kilometres to litres based on an average fuel consumption rating by vehicle types including electric and hybrid cars. Desjardins has included in its expense report a section for electric and hybrid cars to identify the mileage costs for those categories. - Air travel: travel data was obtained from our travel agency and include flight segments and distance travelled in kilometres. Flight segments were converted to metric tons of CO2e using emission factors. - Rail travel: data was provided by VIA Rail. CO2 emissions were calculated by multiplying kilometres travelled by emission factors. - Bus travel: Since data on business travel by intercity bus is difficult to obtain from suppliers and represents a small percentage of GHG emissions from travel (less than 0.05%), it has been excluded from our 2020 emissions.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

1683000

(7.5.3) Methodological details

We were able to obtain more accurate data.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

4963

(7.6.3) Methodological details

Direct emissions (Scope 1) include those related to fuel consumption in the buildings that we occupy (as an owner or tenant), our vehicle fleet, and any refrigerant leakage in our buildings. The 2023 data covers all of Desjardins Group's components and subsidiaries, with the exception of refrigerant leakage, which is only calculated for the head offices (Complexe Desjardins in Montreal and Cité Desjardins de la coopération in Lévis). The operational GHG emissions report also includes data for Desjardins International Development, the Desjardins Foundation and the Desjardins Group Pension Plan. Gases included in carbon dioxide equivalent (CO2 e) calculations are carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2 O).

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

5033

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

Direct emissions (Scope 1) include those related to fuel consumption in the buildings that we occupy (as an owner or tenant), our vehicle fleet, and any refrigerant leakage in our buildings. The 2023 data covers all of Desjardins Group's components and subsidiaries, with the exception of refrigerant leakage, which is only calculated for the head offices (Complexe Desjardins in Montreal and Cité Desjardins de la coopération in Lévis). The operational GHG emissions report also includes data for Desjardins International Development, the Desjardins Foundation and the Desjardins Group Pension Plan. Gases included in carbon dioxide equivalent (CO2 e) calculations are carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2 O). More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 1 from 5 404 tco2e to 5 030 tco2e.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

5868

(7.6.2) End date

12/31/2021

(7.6.3) Methodological details

Direct emissions (Scope 1) include those related to fuel consumption in the buildings that we occupy (as an owner or tenant), our vehicle fleet, and any refrigerant leakage in our buildings. The 2023 data covers all of Desjardins Group's components and subsidiaries, with the exception of refrigerant leakage, which is only calculated for the head offices (Complexe Desjardins in Montreal and Cité Desjardins de la coopération in Lévis). The operational GHG emissions report also includes data for Desjardins International Development, the Desjardins Foundation and the Desjardins Group Pension Plan. Gases included in carbon dioxide equivalent (CO2 e) calculations are carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2 O). More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 1 from 6935 tco2e to 5868 tco2e.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

1083

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.4) Methodological details

Indirect emissions (Scope 2) include electricity and steam consumed in the buildings that we occupy (as an owner or tenant). Gases included in the calculations are carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2 O). All emissions are calculated using the location-based method. The 2023 data covers all of Desjardins Group's components and subsidiaries, with the exception of refrigerant leakage, which is only calculated for the head offices (Complexe Desjardins in Montreal and Cité Desjardins de la coopération in Lévis). The operational GHG emissions report also includes data for Desjardins International Development, the Desjardins Foundation and the Desjardins Group Pension Plan. Gases included in carbon dioxide equivalent (CO2 e) calculations are carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2 O).

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

1163

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.3) End date

09/30/2022

(7.7.4) Methodological details

Indirect emissions (Scope 2) include electricity and steam consumed in the buildings that we occupy (as an owner or tenant). Gases included in the calculations are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). All emissions are calculated using the location-based method. The 2023 data covers all of Desjardins Group's components and subsidiaries, with the exception of refrigerant leakage, which is only calculated for the head offices (Complexe Desjardins in Montreal and Cité Desjardins de la coopération in Lévis). The operational GHG emissions report also includes data for Desjardins International Development, the Desjardins Foundation and the Desjardins Group Pension Plan. Gases included in carbon dioxide equivalent (CO_2 e) calculations are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). In 2023, the 2022 year data was updated. Steam and electricity consumption of buildings under Desjardins's operational control has decreased from 1218 tco2e to 1163 tco2e from the recalculation of the energy consumption in corporate sites leased by Desjardins. More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 2.

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

1208

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.3) End date

09/30/2021

(7.7.4) Methodological details

Indirect emissions (Scope 2) include electricity and steam consumed in the buildings that we occupy (as an owner or tenant). Gases included in the calculations are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). All emissions are calculated using the location-based method. The 2023 data covers all of Desjardins Group's components and subsidiaries, with the exception of refrigerant leakage, which is only calculated for the head offices (Complexe Desjardins in Montreal and Cité Desjardins de la coopération in Lévis). The operational GHG emissions report also includes data for Desjardins International Development, the Desjardins Foundation and the Desjardins Group Pension Plan. Gases included in carbon dioxide equivalent (CO_2 e) calculations are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). In 2023, the 2021 year data was updated. Steam and electricity consumption of buildings under Desjardins's operational control has increased from 1267 tco2e to 1208 tco2e from the recalculation of the energy consumption in corporate sites leased by Desjardins. More precise data were available to estimate the total energy consumption and the distribution of energy sources consumed for this category of buildings changing the total emission for scope 2.
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

7039

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Company-wide paper consumption is tracked, broken down by recycled content grade (0%, 30%, 50% and 100% recycled). The total weight is then converted into GHG emissions using emission factors from the Environmental Paper Network (https://c.environmentalpaper.org/). Most of the paper we consume comes directly from our main suppliers. However, we had to estimate paper consumption for the Caisses network for the portion of paper provided by other suppliers (no data available). This estimate is extrapolated based on the ratio (total quantity of paper sourced by the Caisses) / (percentage of Caisses that have accounts with our main suppliers).

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology

Waste generated in operations

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We track emissions from paper consumption and its end-of-life (as the emissions factors from the Environmental Paper Network are for the full lifecycle) and we report these emissions in Category 1: Purchased goods and services as it corresponds to purchased paper. Other waste generated in our operations is partly tracked. We plan to further develop the calculation for this category in the future

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

6309

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions related to business travel includes rental car, personal car, bus, train and airplane travel. - Rental vehicles: we calculated fuel consumption for rental vehicles by compiling the total amount spent on fuel in Canadian dollars and converted it to litres using the average cost of fuel. Rental vehicles are assumed to run on gasoline. - Personal cars: we determined the total distance travelled by converting mileage costs claimed by employees. We then converted the total number of kilometres to litres based on an average fuel consumption rating by vehicle types including electric and hybrid cars. Desjardins has included in its expense report a section for electric and hybrid cars to identify the mileage costs for those categories. - Air travel: travel data was obtained from our travel agency and include flight segments and distance travelled in kilometres. Flight segments were converted to metric tons of CO2e using emission factors. - Rail travel: data was provided by VIA Rail. CO2 emissions were calculated by multiplying kilometres travelled by emission factors. - Bus travel: Since data on business travel by intercity bus is difficult to obtain from suppliers and represents a small percentage of GHG emissions from travel (less than 0.05%), it has been excluded from our 2020 emissions. The data collection process is being revised for 2021. GHG emissions were calculated by multiplying fossil fuel volumes by Canadian emission factors

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

Desjardins's scope 3 emissions are currently being reviewed to improve our reporting methodology. Employee commuting emissions calculations progressed in 2022 as part of an analysis to estimate other emissions changes as a result of the COVID-19 pandemic. A new sustainable mobility program is to be implemented in 2023 to better understand the modes of transportation of our employees.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

In 2021, the way we define the scope for our building-related GHG emissions changed. Scopes 1 and 2 only include emissions of buildings over which we have operational control (ones used or occupied by Desjardins employees), while Scope 3 includes emissions of buildings that are direct investments and not under our operational control (Scope 3, category 15 in the GHG Protocol). This means that emissions from leased offices occupied by our employees, which were reported under this category in previous years, are now part of our scope 1 and 2 emissions.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Transportation and distribution are paid by Desjardins. As per the GHG Protocol, it is included in Category 4.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

No products sold by Desjardins are processed before reaching customers.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

For Desjardins, emissions from this category are generated by card terminals installed in participating stores. GHG emissions from those terminals are linked to the electricity production in Quebec (with about 99% of this electricity coming from renewables). Given the number of terminals and the very low emission factor of the electricity used, this category is not considered significant (less than 0,5% of our emissions based on our estimates).

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

For Desjardins, emissions from this category are mainly linked to the end-of-life of paper distributed to customers. We calculated a rough estimate based on the mass of distributed paper collected for recycling and or sent to landfill, using provincial average data. Emission factors from Ecoinvent 3.2 were used to determine GHG emissions. Terminals and plastic cards end-of-life was deemed negligible based on estimates. Based on this estimate, this category is not considered significant (less than 0,6% of our emissions).

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Desjardins owns investment property that is leased out to third parties. The emissions from this property are included in category 15. Investments.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Desjardins does not sell franchises

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

No other upstream GHG emissions identified

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1998000

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Other, please specify :PCAF

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Scope 3: Other correspond to category 15-Investments, in other words, our financed emissions that are also reported in section C.14. Portfolio of this questionnaire
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

8298

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

4518

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

1618000

(7.8.1.19) Comment

na

Past year 2

(7.8.1.1) End date

12/31/2021

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

7989

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

1636

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

1661000

(7.8.1.19) Comment

na
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

2023-limited-assurance-report.pdf

(7.9.1.5) Page/section reference

1-3

(7.9.1.6) Relevant standard

Select from:

☑ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

2023-limited-assurance-report.pdf

(7.9.2.6) Page/ section reference

1-3

(7.9.2.7) Relevant standard

Select from:
☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Purchased goods and services
☑ Scope 3: Business travel
☑ Scope 3: Investments

(7.9.3.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

2023-limited-assurance-report.pdf

(7.9.3.6) Page/section reference

1-3 & 6-10

(7.9.3.7) Relevant standard

Select from:
☑ ISAE 3410

(7.9.3.8) Proportion of reported emissions verified (%)

50

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

150

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

2.4

(7.10.1.4) Please explain calculation

Some of our branches made the switch from natural gas to electricity. Our square footage has also decreased in our real estate. In addition, we were able to collecte actual consumption data for previously estimated data.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Location-based

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☑ Not relevant as we do not have any subsidiaries

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation not necessary due to type of primary data available

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We are currently unable to allocate GHG emissions to specific customers. As a diversified financial institution, with banking, investment and insurance activities, we currently do not track activity-level GHG emissions, and therefore are unable to link those to our product and services sold to our members and clients.

Row 2

(7.26.1) Requesting member

Select from:

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation not necessary due to type of primary data available

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We are currently unable to allocate GHG emissions to specific customers. As a diversified financial institution, with banking, investment and insurance activities, we currently do not track activity-level GHG emissions, and therefore are unable to link those to our product and services sold to our members and clients.

Row 3

(7.26.1) Requesting member

Select from:

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation not necessary due to type of primary data available

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We are currently unable to allocate GHG emissions to specific customers. As a diversified financial institution, with banking, investment and insurance activities, we currently do not track activity-level GHG emissions, and therefore are unable to link those to our product and services sold to our members and clients.
[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 2

(7.27.1) Allocation challenges

Select from:

☑ Diversity of product lines makes accurately accounting for each product/product line cost ineffective

(7.27.2) Please explain what would help you overcome these challenges

Customers requesting companies with a diversified service offering to allocate GHG emissions to the product and services they consume could provide a list of the product/services bought in a table, with the associated cost when available (insurance premiums, banking fees, etc.). This would allow for diversified companies to allocate more easily on a revenu basis its GHG emissions for a given client.

Row 3

(7.27.1) Allocation challenges

Select from:

☑ Customer base is too large and diverse to accurately track emissions to the customer level

(7.27.2) Please explain what would help you overcome these challenges

No solution identified for now

Row 4

(7.27.1) Allocation challenges

Select from:

☑ Doing so would require we disclose business sensitive/proprietary information

(7.27.2) Please explain what would help you overcome these challenges

Communicating the market value of product and services provided to the client through the CDP platform might require a thorough additional IT security analysis from our side and a specific authorization to publish sensitive information (e.g. revenues from a client), both from our organization and the client.
[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☑ No

(7.28.3) Primary reason for no plans to develop your capabilities to allocate emissions to your customers

Select from:

☑ Not an immediate strategic priority

(7.28.4) Explain why you do not plan to develop capabilities to allocate emissions to your customers

Almost none of our members and clients are currently requesting us to provide this type of information (only 3 requests this year). Given the ressources that would be required for this type of calculation, we have prioritized other climate-related activities.
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No

	Indicate whether your organization undertook this energy-related activity in the reporting year
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ No

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

24390.12

(7.30.1.4) Total (renewable and non-renewable) MWh

24390.12

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

279912.56

(7.30.1.3) MWh from non-renewable sources

13525.47

(7.30.1.4) Total (renewable and non-renewable) MWh

293438

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

279912.56

(7.30.1.3) MWh from non-renewable sources

37915.59

(7.30.1.4) Total (renewable and non-renewable) MWh

317828.15
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

279770.86

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

279770.86

France

(7.30.16.1) Consumption of purchased electricity (MWh)

30.34

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

30.34

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

111.37

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

111.37
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

4.81e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

6046

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

12577000000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

2

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

(7.45.9) Please explain

We are able to obtain more precise data for 2022 and the previous year (2022) intensity was recalculated as a result to emissions recalculation resulting in 0,000000599 tCO2e/CAD

Row 2

(7.45.1) Intensity figure

0.11

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

6046

(7.45.3) Metric denominator

Select from:

☑ full time equivalent (FTE) employee

(7.45.4) Metric denominator: Unit total

56165

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

0

(7.45.7) Direction of change

Select from:
☑ No change

(7.45.8) Reasons for change

Select all that apply
☑ Unidentified

(7.45.9) Please explain

no change

Row 3

(7.45.1) Intensity figure

0.0043

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

6046

(7.45.3) Metric denominator

Select from:
☑ square meter

(7.45.4) Metric denominator: Unit total

1404472

(7.45.5) Scope 2 figure used

Select from:
☑ Location-based

(7.45.6) % change from previous year

2

(7.45.7) Direction of change

Select from:
☑ Increased

(7.45.8) Reasons for change

Select all that apply
☑ Divestment

(7.45.9) Please explain

The previous year (2022) intensity was recalculated as a result to emissions recalculation resulting in 0,00420 tCO2e/m2
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:
☑ Waste

(7.52.2) Metric value

2035

(7.52.3) Metric numerator

Total residual waste (in metric tons)

(7.52.5) % change from previous year

31

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

Our overall waste generation decreased by 31% due to a better waste management system and our ongoing effort to raise employee awareness on the best practices.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

☑ Portfolio target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Target-language-and-summary_Desjardins-Group_Updated.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

12/31/2021

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO_2)

☑ Methane (CH_4)

☑ Nitrous oxide (N_2O)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Location-based

(7.53.1.11) End date of base year

12/31/2020

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

5968

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

1680

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

7648.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

1

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

50

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

3824.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

4962

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

1083

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

6045.000

(7.53.1.78) Land-related emissions covered by target

Select from:
☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

41.92

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers our GHG emissions (scopes 1 and 2), linked to our operations: - Fossil fuel consumption in buildings under Desjardins Group's operational control - Refrigerant leaks (ODS - Fuel consumption for the Desjardins vehicle fleet and shuttle - Steam and electricity consumption of buildings under Desjardins's operational control Note: as part of a preexisting target, we also monitor and aim to decarbonize our paper consumption and business travel activities (same intermediate target: -50% between 2020 and 2030, but not part of our SBTi approved targets)

(7.53.1.83) Target objective

Our long -term goal is to achieve net zero emissions by 2040 in our base operations and supply chain, and in our lending activities and own investments in 3 carbon-intensive sectors: energy, transportation and real estate. This intermediate targets clarifies the path for our base operations (-50% for scopes 1 and 2 emissions between 2020 and 2030)

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

To reach this target, we have created the project Cooperating for the climate challenge. As part of this project, we have created a governance structure, set a schedule for follow-ups, and identified 5 priorities: paper consumption, business travel, energy use in our buildings (since we're one of the largest private landowners in Quebec), employee buy-in and our supply chain. The project is supported by 60 ambassadors from the business sectors and support functions who are responsible for identifying initiatives that will significantly cut down on emissions as well as engaging employees across the organization and giving them the tools they need to contribute. We've already identified several initiatives for the Cooperating for the Climate challenge. Work began in 2021.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

[Add row]

(7.53.4) Provide details of the climate-related targets for your portfolio.

Row 1

(7.53.4.1) Target reference number

Select from:
☑ Por1

(7.53.4.2) Target type

Select from:
☑ Sector Decarbonization Approach (SDA)

(7.53.4.4) Methodology used when setting the target

Select from:
☑ SBTi for Financial Institutions

(7.53.4.5) Date target was set

08/31/2023

(7.53.4.6) Target is set and progress against it is tracked at

Select from:
☑ Sector level

(7.53.4.7) Sector

Select from:
☑ Power generation

(7.53.4.8) Portfolios covered by the target

Select all that apply
☑ Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Loans

☑ Project finance

(7.53.4.12) Target type: Absolute or intensity

Select from:

☑ Intensity

(7.53.4.14) % of portfolio emissions covered by the target

100

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Other, SDA metric please specify :gCO2e

(7.53.4.17) Target denominator

Select from:

☑ kWh

(7.53.4.18) % of portfolio covered in relation to total portfolio value

100

(7.53.4.21) Frequency of target reviews

Select from:

☑ Annually

(7.53.4.22) End date of base year

12/31/2020

(7.53.4.23) Figure in base year

39

(7.53.4.24) We have an interim target

Select from:

☑ No

(7.53.4.27) End date of target

12/31/2030

(7.53.4.28) Figure in target year

39

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science-Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

This target include 100% of our project finance and corporate loans portfolios.

(7.53.4.38) Target objective

Desjardins Group commits to maintain the emissions intensity of its electricity generation project finance and corporate loans portfolio at or below 39 gCO_2e/kWh from 2020 through 2030

Row 2

(7.53.4.1) Target reference number

Select from:

☑ Por2

(7.53.4.2) Target type

Select from:

☑ Portfolio temperature rating target

(7.53.4.4) Methodology used when setting the target

Select from:

☑ SBTi for Financial Institutions

(7.53.4.5) Date target was set

08/31/2023

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

☑ Portfolio level

(7.53.4.9) Portfolio

Select from:

☑ Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Loans

(7.53.4.11) Sectors covered by the target

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ International bodies
☑ Transportation services

(7.53.4.13) Emissions scopes of portfolio companies covered by the target

Select from:

☑ Scope 1 + 2

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Degrees of warming

(7.53.4.18) % of portfolio covered in relation to total portfolio value

100

(7.53.4.21) Frequency of target reviews

Select from:

☑ Annually

(7.53.4.22) End date of base year

12/31/2020

(7.53.4.23) Figure in base year

2.87

(7.53.4.24) We have an interim target

Select from:
☑ No

(7.53.4.27) End date of target

12/31/2028

(7.53.4.28) Figure in target year

2.32

(7.53.4.31) Target status in reporting year

Select from:
☑ Underway

(7.53.4.32) Aggregation weighting used

Select from:
☑ Weighted average temperature score (WATS)

(7.53.4.33) % of the temperature score calculated in the reporting year based on company targets

100

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science-Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

This target includes 100% of corporate loans to large entreprises and excludes loans made to SME.

(7.53.4.38) Target objective

Desjardins Group commits to align its scope 1 2 portfolio temperature score by loan commitment value within other sectors of its corporate loan portfolio from 2.87C in 2020 to 2.32C by 2028.

Row 3

(7.53.4.1) Target reference number

Select from:

☑ Por2

(7.53.4.2) Target type

Select from:

☑ Portfolio temperature rating target

(7.53.4.4) Methodology used when setting the target

Select from:

☑ SBTi for Financial Institutions

(7.53.4.5) Date target was set

08/31/2023

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

☑ Portfolio level

(7.53.4.9) Portfolio

Select from:

☑ Banking (Bank)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Loans

(7.53.4.11) Sectors covered by the target

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ International bodies
☑ Transportation services

(7.53.4.13) Emissions scopes of portfolio companies covered by the target

Select from:

☑ Scope 1 + 2 + 3

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Degrees of warming

(7.53.4.18) % of portfolio covered in relation to total portfolio value

100

(7.53.4.21) Frequency of target reviews

Select from:

☑ Annually

(7.53.4.22) End date of base year

12/31/2020

(7.53.4.23) Figure in base year

2.99

(7.53.4.24) We have an interim target

Select from:

☑ No

(7.53.4.27) End date of target

12/31/2028

(7.53.4.28) Figure in target year

2.39

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.32) Aggregation weighting used

Select from:

☑ Weighted average temperature score (WATS)

(7.53.4.33) % of the temperature score calculated in the reporting year based on company targets

100

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science-Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.37) Please explain target coverage and identify any exclusions

This target includes 100% of corporate loans to large entreprises and excludes loans made to SME.

(7.53.4.38) Target objective

Desjardins Group commits to align their scope 1 2 3 portfolio temperature score by loan commitment value within other sectors of its corporate loan portfolio from 2.99C in 2020 to 2.39C by 2028.

Row 4

(7.53.4.1) Target reference number

Select from:

☑ Por3

(7.53.4.2) Target type

Select from:

☑ Sector Decarbonization Approach (SDA)

(7.53.4.4) Methodology used when setting the target

Select from:

☑ SBTi for Financial Institutions

(7.53.4.5) Date target was set

08/31/2023

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

☑ Sector level

(7.53.4.7) Sector

Select from:

☑ Infrastructure

(7.53.4.8) Portfolios covered by the target

Select all that apply

☑ Investing (Asset manager)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Real estate

(7.53.4.12) Target type: Absolute or intensity

Select from:

☑ Intensity

(7.53.4.14) % of portfolio emissions covered by the target

100

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Metric tons CO2e

(7.53.4.17) Target denominator

Select from:

☑ Meters squared

(7.53.4.18) % of portfolio covered in relation to total portfolio value

100

(7.53.4.21) Frequency of target reviews

Select from:

☑ Annually

(7.53.4.22) End date of base year

12/31/2020

(7.53.4.24) We have an interim target

Select from:

☑ No

(7.53.4.27) End date of target

12/31/2030

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.37) Please explain target coverage and identify any exclusions

This target includes 100% of our real estate portfolio (direct investments).

(7.53.4.38) Target objective

Desjardins Group commits to reduce its real estate portfolio GHG emissions within its direct investment portfolio 54% per square meter by 2030 from a 2020 base year

Row 5

(7.53.4.1) Target reference number

Select from:

☑ Por4

(7.53.4.2) Target type

Select from:

☑ Sector Decarbonization Approach (SDA)

(7.53.4.4) Methodology used when setting the target

Select from:

☑ SBTi for Financial Institutions

(7.53.4.5) Date target was set

12/31/2023

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

☑ Portfolio level

(7.53.4.9) Portfolio

Select from:

☑ Investing (Asset manager)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Bonds

☑ Equity investments

☑ Fixed income

(7.53.4.11) Sectors covered by the target

Select all that apply

☑ Power generation

(7.53.4.12) Target type: Absolute or intensity

Select from:

☑ Intensity

(7.53.4.14) % of portfolio emissions covered by the target

100

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Metric tons CO2e

(7.53.4.17) Target denominator

Select from:

☑ Other, SDA denominator please specify :MWh

(7.53.4.18) % of portfolio covered in relation to total portfolio value

100

(7.53.4.21) Frequency of target reviews

Select from:

☑ Annually

(7.53.4.22) End date of base year

12/31/2020

(7.53.4.27) End date of target

12/31/2030

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science-Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.38) Target objective

Desjardins Group commits to reduce GHG emissions from the power generation sector within its listed equity and corporate bond portfolio 75.8% per MWh by 2030 from a 2020 base year.

Row 6

(7.53.4.1) Target reference number

Select from:

☑ Por4

(7.53.4.2) Target type

Select from:

☑ Portfolio temperature rating target

(7.53.4.4) Methodology used when setting the target

Select from:

☑ SBTi for Financial Institutions

(7.53.4.5) Date target was set

12/31/2023

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

☑ Portfolio level

(7.53.4.9) Portfolio

Select from:

☑ Investing (Asset manager)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Bonds
☑ Equity investments
☑ Fixed income

(7.53.4.11) Sectors covered by the target

Select all that apply

☑ Retail
☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Fossil Fuels
☑ Manufacturing
☑ Infrastructure
☑ International bodies
☑ Transportation services

(7.53.4.13) Emissions scopes of portfolio companies covered by the target

Select from:

☑ Scope 1 + 2

(7.53.4.16) Metric (or target numerator if intensity)

Select from:

☑ Degrees of warming

(7.53.4.18) % of portfolio covered in relation to total portfolio value

100

(7.53.4.21) Frequency of target reviews

Select from:

☑ Annually

(7.53.4.22) End date of base year

12/31/2020

(7.53.4.23) Figure in base year

3.01

(7.53.4.24) We have an interim target

Select from:

☑ No

(7.53.4.27) End date of target

12/31/2028

(7.53.4.28) Figure in target year

2.41

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.32) Aggregation weighting used

Select from:

☑ Weighted average temperature score (WATS)

(7.53.4.33) % of the temperature score calculated in the reporting year based on company targets

100

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science-Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.38) Target objective

Desjardins Group commits to align its scope 1 2 portfolio temperature score by invested value within other sectors of its listed equity and corporate bond portfolio from 3.01C in 2020 to 2.41C by 2028.

Row 7

(7.53.4.1) Target reference number

Select from:

☑ Por4

(7.53.4.2) Target type

Select from:

☑ Portfolio temperature rating target

(7.53.4.4) Methodology used when setting the target

Select from:

☑ SBTi for Financial Institutions

(7.53.4.5) Date target was set

12/31/2023

(7.53.4.6) Target is set and progress against it is tracked at

Select from:

☑ Portfolio level

(7.53.4.9) Portfolio

Select from:

☑ Investing (Asset manager)

(7.53.4.10) Asset classes covered by the target

Select all that apply

☑ Bonds

☑ Equity investments

☑ Fixed income

(7.53.4.11) Sectors covered by the target

Select all that apply

☑ Retail

☑ Fossil Fuels

☑ Apparel
☑ Services
☑ Materials
☑ Hospitality
☑ Food, beverage & agriculture
☑ Biotech, health care & pharma
☑ Manufacturing
☑ Infrastructure
☑ International bodies
☑ Transportation services

(7.53.4.13) Emissions scopes of portfolio companies covered by the target

Select from:
☑ Scope 1 + 2 + 3

(7.53.4.16) Metric (or target numerator if intensity)

Select from:
☑ Degrees of warming

(7.53.4.18) % of portfolio covered in relation to total portfolio value

100

(7.53.4.21) Frequency of target reviews

Select from:
☑ Annually

(7.53.4.22) End date of base year

12/31/2020

(7.53.4.23) Figure in base year

3.18

(7.53.4.24) We have an interim target

Select from:

☑ No

(7.53.4.27) End date of target

12/31/2028

(7.53.4.28) Figure in target year

2.51

(7.53.4.31) Target status in reporting year

Select from:

☑ Underway

(7.53.4.32) Aggregation weighting used

Select from:

☑ Weighted average temperature score (WATS)

(7.53.4.33) % of the temperature score calculated in the reporting year based on company targets

100

(7.53.4.34) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science-Based Targets initiative

(7.53.4.35) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.4.38) Target objective

Desjardins Group commits to align their scope 1 2 3 portfolio temperature score by invested value within other sectors of its listed equity and corporate bond portfolio from 3.18C in 2020 to 2.51C by 2028.
[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Net-zero targets

☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 1

(7.54.2.2) Date target was set

12/31/2021

(7.54.2.3) Target coverage

Select from:

☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Green finance

☑ Other green finance, please specify **:**Green project finance

(7.54.2.7) End date of base year

12/31/2020

(7.54.2.8) Figure or percentage in base year

0

(7.54.2.9) End date of target

12/31/2025

(7.54.2.10) Figure or percentage at end of date of target

6

(7.54.2.11) Figure or percentage in reporting year

2

(7.54.2.12) % of target achieved relative to base year

33.3333333333

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it’s not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Desjardins has a 2025 commitment to increase its support for the renewable energy sector by providing financial support to five additional projects (for a total of 6 in 2025) to convert organic waste (largely from agriculture) into renewable energy (biomethanization)

(7.54.2.19) Target objective

This objective is to support the economy to a low carbon emissions economy

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

This target will be achieved through the identification of lending opportunities in biomethanization projects. Desjardins lending teams analyze and evaluate investment opportunities in biomethanization project through its large network of agriculture, organic waste and renewable energy client companies.

Row 3

(7.54.2.1) Target reference number

Select from:

☑ Oth 2

(7.54.2.2) Date target was set

12/31/2021

(7.54.2.3) Target coverage

Select from:

☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity

☑ Other, energy productivity, please specify :Building an investment portfolio in renewable energy infrastructure of $ 2 billion by 2025

(7.54.2.7) End date of base year

12/31/2020

(7.54.2.8) Figure or percentage in base year

1.2

(7.54.2.9) End date of target

12/31/2025

(7.54.2.10) Figure or percentage at end of date of target

2

(7.54.2.11) Figure or percentage in reporting year

1.9

(7.54.2.12) % of target achieved relative to base year

87.5000000000

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it’s not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Desjardins has a 2025 commitment to increase its support for the renewable energy sector by building a 2 billion investment portfolio in renewable energy infrastructure (an increase of 66% over our 1.2B portfolio in 2020).

(7.54.2.19) Target objective

The target objective is to support the energy sector transition to low carbon emissions

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

This target will be achieved through the identification of investment opportunities in renewable energy sector companies and projects.

Row 4

(7.54.2.1) Target reference number

Select from:
☑ Oth 3

(7.54.2.2) Date target was set

12/31/2021

(7.54.2.3) Target coverage

Select from:
☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity
☑ Other, energy productivity, please specify **:**Number of suppliers engaged

(7.54.2.7) End date of base year

12/31/2020

(7.54.2.8) Figure or percentage in base year

0.0

(7.54.2.9) End date of target

12/31/2025

(7.54.2.10) Figure or percentage at end of date of target

100

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Desjardins has a 2025 commitment to work with 100 key suppliers to gradually reduce the carbon footprint of its supply chain. Desjardins also recently updated its procurement policy to include ESG factors.

(7.54.2.19) Target objective

The objective is to influence our suppliers in order to obtain more precise datas and convert them to more sustainable pratices

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

In 2021, Desjardins began work to calculate Desjardins scope 3 emissions in the supply chain by supplier. Following this initial calculation a materiality and prioritization analysis was conducted and the key suppliers were identified. In 2022, work to refine the initial emissions calculations is underway as well as the supplier onboarding and engagement strategy. In 2023, we did a pre verification of our calculations, that pre verification highlighted improvement opportunities. We will be working on it in 2024. Our teams are utilizing data purchased through CDP Investor Dashboard service to gather actual emissions and estimate unreported emissions.

Row 5

(7.54.2.1) Target reference number

Select from:

☑ Oth 4

(7.54.2.2) Date target was set

12/31/2021

(7.54.2.3) Target coverage

Select from:

☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity

☑ Other, energy productivity, please specify **:**Percentage of employees that have completed sustainable development training

(7.54.2.7) End date of base year

12/31/2020

(7.54.2.8) Figure or percentage in base year

0.0

(7.54.2.9) End date of target

12/31/2023

(7.54.2.10) Figure or percentage at end of date of target

85

(7.54.2.11) Figure or percentage in reporting year

95

(7.54.2.12) % of target achieved relative to base year

111.7647058824

(7.54.2.13) Target status in reporting year

Select from:
☑ Achieved

(7.54.2.15) Is this target part of an emissions target?

This target is part of Desjardins's action plan to achieve net zero emissions by 2040 in its extended operations and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply
☑ No, it’s not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Desjardins has set a 2025 commitment to training its employees on the principles of sustainable development so they can better support Desjardins's 7.5 million members and clients

(7.54.2.19) Target objective

The objectives was to make sure that our employees had the adequate knowledge to support oour members and clients

(7.54.2.21) List the actions which contributed most to achieving this target

We have included the sustainability training into out mandatory training whenever an employee is joinning the organization.

Row 6

(7.54.2.1) Target reference number

Select from:

☑ Oth 5

(7.54.2.2) Date target was set

06/30/2023

(7.54.2.3) Target coverage

Select from:

☑ Business division

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Net emissions target

☑ Other net emissions target, please specify **:**Percentage of financed emissions in material sectors that are NZ

(7.54.2.7) End date of base year

12/31/2022

(7.54.2.8) Figure or percentage in base year

58

(7.54.2.9) End date of target

12/31/2025

(7.54.2.10) Figure or percentage at end of date of target

70

(7.54.2.11) Figure or percentage in reporting year

58

(7.54.2.12) % of target achieved relative to base year

0.0000000000

(7.54.2.13) Target status in reporting year

Select from:

☑ New

(7.54.2.15) Is this target part of an emissions target?

We are setting an alignment target as well as an engagement target, to meet NZIF and NZAM requirements. We recognize that the global economy is not yet on a path that's in line with the goal of reaching net zero emissions by 2050. Therefore, achieving our ambition depends on the actions of governments and other decision-makers. It also relies on investors appetite for solutions that are guided by our net zero ambition, the development of methodologies for calculating financed emissions and alignment across different asset classes. That being said, Desjardins Investments is ready to be a committed investment fund manufacturer with other actors of the financial system and its investors to achieve this collective 1,5C goal.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it’s not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

We calculate our financed emissions with the PCAF methodology for public markets. For the purpose of target-setting and monitoring, we consider scope 1 and scope 2 emissions given data and methodology limitations for scope 3 emissions. However, for prioritisation of engagements, we do consider scope 3 emissions.

(7.54.2.19) Target objective

70% of financed emissions in material sectors will be net zero, aligned or subject to engagement in 2025

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

The scope of assets managed in line with net zero at this time covers equities and corporate bonds within Desjardins Sustainable Funds. The Desjardins Sustainable lineup already has robust and leading responsible investment strategies in place to enable net zero management practices, and equities and corporate bonds are well covered by net zero methodologies. Scope will increase as we strengthen our net zero management practices across our portfolio, and methodologies become available for other asset classes over the next few years.

[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

04/30/2021

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

(7.54.3.5) End date of target for achieving net zero

12/31/2040

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO_2)

☑ Methane (CH_4)

☑ Nitrous oxide (N_2O)

(7.54.3.10) Explain target coverage and identify any exclusions

Desjardins Group has announced an ambitious action plan to achieve net zero emissions by 2040 in its extended operations (Scope 1 and 2, and part of scope 3, including key suppliers) and in its lending activities and own investments in three key carbon-intensive sectors: energy, transportation and real estate. These sectors represented in 2018 73% of Canada's GHG emissions. This long-term ambition was further refined in 2021. A five-year plan in support of this long-term ambition has been announced

(7.54.3.11) Target objective

Our goal is to achieve net zero emissions by 2040 in our base operations and supply chain, and in our lending activities and own investments in 3 carbon-intensive sectors: energy, transportation and real estate.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Desjardins's main focus is first to achieve its intermediate 2030 targets to mitigate emissions as much as possible by 2040. Activities and decisions to support the first phase of our plan are underway and future targets will be announced in the coming years. The focus will always be to support emissions reduction from lending, investment, base and extended operations. However, Desjardins also plans to increase its carbon credit purchases to offset residual emissions closer to the target date.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

This climate ambition was announced with a first 5-year milestone, with several targets we've committed to reaching by 2025. We also obtained approval by the SBTi for our intermediary targets. As we progress on our net-zero journey, we will reassess on a regular basis the 2040 net zero implementation strategy and targets.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:
☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*0*	*0*
Implementation commenced	*4*	*11175*
Implemented	*0*	*0*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Transportation

☑ Business travel policy

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1028

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 3 category 6: Business travel

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

20560

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

To reach our target, we created the Cooperating for the Climate Challenge, an internal initiative focused on paper consumption, business travel, energy use in our buildings, employee buy-in and our supply chain. We've already identified several initiatives for the challenge and started working on them. To achieve the Cooperating for the Climate Challenge, we need to make sure all our employees are on board. To help foster buy-in, we've built a community of some 2,600 employees (at the end of 2023) who use a sustainable development platform to share tools, information and best practices in line with our targets. In 2023, we rolled out several awareness and education initiatives. The annual monetary saving was estimated by using our internal carbon price.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Other, please specify :Building energy consumption

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

3122

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

62438

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

To reach our target, we created the Cooperating for the Climate Challenge, an internal initiative focused on paper consumption, business travel, energy use in our buildings, employee buy-in and our supply chain. We've already identified several initiatives for the challenge and started working on them. To achieve the Cooperating for the Climate Challenge, we need to make sure all our employees are on board. To help foster buy-in, we've built a community of some 2,600 employees (at the end of 2023) who use a sustainable development platform to share tools, information and best practices in line with our targets. In 2023, we rolled out several awareness and education initiatives. The annual monetary saving was estimated by using our internal carbon price

Row 3

(7.55.2.1) Initiative category & Initiative type

Fugitive emissions reductions

☑ Other, please specify **:**Paper consumption

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

6932

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 3 category 1: Purchased goods & services

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

138640

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

To reach our target, we created the Cooperating for the Climate Challenge, an internal initiative focused on paper consumption, business travel, energy use in our buildings, employee buy-in and our supply chain. We've already identified several initiatives for the challenge and started working on them. To achieve the Cooperating for the Climate Challenge, we need to make sure all our employees are on board. To help foster buy-in, we've built a community of some 2,600 employees (at the end of 2023) who use a sustainable development platform to share tools, information and best practices in line with our targets. In 2023, we rolled out several awareness and education initiatives. The annual monetary saving was estimated by using our internal carbon price

Row 4

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Building Energy Management Systems (BEMS)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

93

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1868

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 1-2 years

(7.55.2.9) Comment

A few of our caisses are working on their energy consumption by doing a formal energetic audit. This audit will allows us to identify the work needed to make our building more energy efficent. The annual monetary saving was estimated by using our internal carbon price

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

Desjardins organizes numerous activities for employees in the spring to encourage them to adopt active transportation. For the past seven years, kiosks have been set up every May (except in 2020 due to the pandemics) at our corporate offices in three cities in Canada, offering information on our alternative transportation program, local organizations that promote active mobility, and free bicycle tune-ups. Our Alternative Transportation Program encourages employees to use other means of transportation than travelling alone by car. The program is available to employees in our main employment hubs (Lévis, Montréal, Québec City, Toronto, Mississauga and Aurora). Due to the pandemic, more than 80% of our employees were working from home as of mid-March 2020. This change had a considerable effect on the number of program participants.In partnership with AddÉnergie and Hydro-Québec, we continued to install electric charging stations at caisse and credit union locations across Quebec and eastern Ontario. To date, more than 300 charging stations have been installed. In 2023, we have provided a new advantage to our employee by creating the sustainable commuting allowance that reimburses some public transit and car sharing expenses. This program is designed to encourage employees to choose sustainable mobility options by allowing reimbursement for public transit tickets and annual carsharing subscriptions. In partnership with AddÉnergie and Hydro-Québec, we continued to install electric charging stations at caisse and credit union locations across Quebec and eastern Ontario. To date, more than 400 charging stations have been installed.

Row 3

(7.55.3.1) Method

Select from:

☑ Internal price on carbon

(7.55.3.2) Comment

The Sustainability Office communicates the cost of carbon based on the costs of our carbon neutrality commitment, measured through our purchase of carbon offsets. These costs are calculated on an annual basis and communicated when and where appropriate to business units that handle projects that could have a significant impact on our carbon footprint. In 2023, the price was 20 per metric ton of CO2 equivalent. This price of carbon influences decision making and investment in projects with a significant impact on our carbon footprint (e.g., paper procurement).

Row 4

(7.55.3.1) Method

Select from:

☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

Desjardins Real Estate team is dedicated to improving energy efficiency and lowering Desjardin's carbon footprint. In support of Desjardins's 2040 climate ambition, in 2020, our real estate team developed a general approach for the energy management of the buildings that includes a series of pilot projects and potential initiatives that will support the further decarbonization of our building portfolio. This plan includes a proposed budget for capital expenditures including building retrofits and further renewable energy purchases. This approach is being refined and reviewed by our internal experts and stakeholders.

Row 5

(7.55.3.1) Method

Select from:

☑ Other :ESG Program

(7.55.3.2) Comment

We set up a major transformative ESG Program in 2023. Its purpose is to define and implement a cross-sector approach to ESG data collection and valorization so that we can monitor our ESG performance, manage risk and meet the expectations of stakeholders and regulators, including in terms of reporting. This program,

which is supported by a dedicated project governance, is sponsored by vice-presidents within our business sectors and support functions and reports directly to the senior management.
[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:
☑ No, I am not providing data

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:
☑ Yes

(7.79.1) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Row 1

(7.79.1.1) Project type

Select from:
☑ Biomass energy

(7.79.1.2) Type of mitigation activity

Select from:
☑ Emissions reduction

(7.79.1.3) Project description

Lauzon recovers, treats and recovers wood residues destined for stacking and landfill. Thanks to a cutting-edge technological process, Lauzon is a pioneer in the production of renewable biomaas fuel and, through these activities, avoids methane emissions caused by the decomposition of woody organic matter. Substantial R&D efforts and technological investments are now benefiting the environment and the economy of the Outaouais and Mauricie regions.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

10000

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2014

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ Other private carbon crediting program, please specify :CSA Group

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Upstream/downstream emissions

(7.79.1.13) Provide details of other issues the selected program requires projects to address

Papineauville plant: process modification (optimization of drying and grinding) to enable full utilization of residues from the Thurso sawmill and flooring manufacturing plants. In addition, the project promoter agrees to contribute a portion of the profits to the development of a reforestation, conservation and land enhancement initiative. This initiative, led by NEL-i and a number of founding partners, aims to collectively create a healthy territory by giving pride of place to forest landscapes and varied natural ecosystems, close to communities.

(7.79.1.14) Please explain

na

Row 2

(7.79.1.1) Project type

Select from:

☑ Afforestation

(7.79.1.2) Type of mitigation activity

Select from:

☑ Carbon removal

(7.79.1.3) Project description

The Great Bear Forest Carbon Project is owned and operated by the Nanwakolas First Nations and the Coastal First Nations. There are three individual forest carbon projects that make up the Great Bear Forest Carbon Project. The Great Bear Carbon Credit Limited Partnership (GBCC LP) manages two of the projects (Haida

Gwaii/North and Central Mid Coast) on behalf of the Coastal First Nations. The Nanwakolas Carbon Offset Limited Partnership (Nanwakolas) manages the South Central Coast project on behalf of the Nanwakolas First Nations.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

2224

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2016

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ Other private carbon crediting program, please specify :BC Forest Carbon Offset Protocol

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Upstream/downstream emissions

☑ Activity-shifting

(7.79.1.13) Provide details of other issues the selected program requires projects to address

Returning forest management to the Coastal First Nations addresses longstanding concerns about new employment at home for First Nations in the Great Bear region. Revenue flowing into the communities creates long term economic opportunities in areas with very high unemployment. Money from the sale of carbon offsets goes through two channels: stewardship and community development 1. Stewardship. • Majority of the funds goes towards stewardship jobs for the First Nations—the monitoring of the carbon program • Funding scientific research 2. Community Development. Some revenue from offset sales support community initiatives; some include: • Youth programs and summer camps • Supports Guardian Watchmen program o Monitor and protect lands and waters on their territory o Employ resource technicians, fisheries guardians, park rangers and community watchmen o Bear safety program – education program in community to reduce attractants and educate on safe bear behaviour • Renovated Elder (senior) centre o open space for luncheons and other gatherings o includes private rooms for medical check-ups and private events • Built a youth centre o Contains washer/dryer so they can do laundry (can't do this at home due to overcrowding or lack of washer/dryer) o Safe place to study Beyond the climate benefits from the carbon sequestered from the forest, the project protects the forest and its inhabitants. The Great Bear Rainforest is the largest intact coastal temperate rainforest in the world. The forest contains the Spirit Bear (Kermode Bear—a rare subspecies of the American black bear with white fur), grizzly bears, cougars, wolves, salmon runs, etc.

(7.79.1.14) Please explain

na

Row 3

(7.79.1.1) Project type

Select from:

☑ Afforestation

(7.79.1.2) Type of mitigation activity

Select from:

☑ Carbon removal

(7.79.1.3) Project description

Quinte Conservation is a community-based environmental protection agency that owns and manages a 25,400-acre community forest on the northeastern shores of Lake Ontario. Quinte manages the forest as part of a provincial mandate to protect 3 watersheds providing ecosystem services to 18 municipalities. Quinte Conservation manages the land with the goal of creating a sustainable ecosystem where people and nature coexist in harmony. As southern Ontario's forest lands continue to disappear due to development, its commitment to managing the forest sustainably for the long term offers significant benefits to the health of the watersheds and a legacy for the region's residents. The project area is known as the ecotone, and represents a transition zone containing elements from the ecosystems it borders, with features unique to the region and found nowhere else. Quinte Conservation is working to develop improved forest management practices that recognize and ensure the permanent capture of CO2. While many other resources previously available to conservation authorities like Quinte are being cut, this project will provide sustainable resources that will be reinvested in the forest to sequester carbon and strengthen conservation efforts.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

11819

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2021

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:
☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:
☑ ACR (American Carbon Registry)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply
☑ Consideration of legal requirements

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply
☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply
☑ Upstream/downstream emissions
☑ Activity-shifting

(7.79.1.13) Provide details of other issues the selected program requires projects to address

The community forest protects the watershed, supporting healthy ecosystems in the Napanee, Moira and Salmon River drainage basins. The trees act as natural filters, purifying water for downstream use; - Conserving this forest brings co-benefits in terms of water, air quality, biodiversity and recreation. Carbon revenues help protect community values and resources for future generations; - This project preserves over 25,000 acres of woodland, home to hawks, eagles, waterfowl, mink, muskrat and more.

(7.79.1.14) Please explain

na

Row 4

(7.79.1.1) Project type

Select from:

☑ Afforestation

(7.79.1.2) Type of mitigation activity

Select from:

☑ Carbon removal

(7.79.1.3) Project description

Canadian forest conservation project generating the highest quality carbon credits in North America. A vast forest property in Abitibi-Témiscamingue is being preserved rather than harvested, generating around 7,500 carbon credits a year until 2076.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

1000

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2021

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ VCS (Verified Carbon Standard)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Upstream/downstream emissions

☑ Activity-shifting

(7.79.1.13) Provide details of other issues the selected program requires projects to address

Water quality, soil protection and habitat for endangered species.

(7.79.1.14) Please explain

na

Row 5

(7.79.1.1) Project type

Select from:

☑ Afforestation

(7.79.1.2) Type of mitigation activity

Select from:

☑ Carbon removal

(7.79.1.3) Project description

The Anew - Quinte forestry project takes place on 10,073 hectares (24,891 acres) of forested land in the Quinte region of Ontario. Through sustainable forestry practices, the project will maintain and sequester carbon over its lifetime.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

7801

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2021

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:
☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:
☑ ACR (American Carbon Registry)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply
☑ Consideration of legal requirements

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply
☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply
☑ Upstream/downstream emissions
☑ Activity-shifting

(7.79.1.13) Provide details of other issues the selected program requires projects to address

Protecting source water and watersheds, supporting ecosystem health in the Napanee, Moira and Salmon river drainages. The trees act as natural filters, purifying the water for all users. Finally, it preserves valuable habitat for a variety of species, including hawks, eagles, waterfowl, mink, muskrats and more.

(7.79.1.14) Please explain

na
[Add row]

C12. Environmental performance - Financial Services

(12.1) Does your organization measure the impact of your portfolio on the environment?

Banking (Bank)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

☑ Yes

(12.1.2) Disclosure metric

Select all that apply

☑ Financed emissions

☑ Other carbon footprinting and/or exposure metrics (as defined by TCFD)

Investing (Asset manager)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

☑ Yes

(12.1.2) Disclosure metric

Select all that apply

☑ Financed emissions

☑ Other carbon footprinting and/or exposure metrics (as defined by TCFD)

(12.1.11) We measure the impact of our portfolio on biodiversity

Select from:

☑ No, but we plan to do so in the next two years

(12.1.12) Primary reason for not measuring portfolio impact on biodiversity

Select from:

☑ No standardized procedure

(12.1.13) Explain why your organization does not measure its portfolio impact on biodiversity

We have not yet developed biodiversity indicators that allow us to measure our impact on biodiversity.

Investing (Asset owner)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:

☑ Yes

(12.1.2) Disclosure metric

Select all that apply

☑ Financed emissions

☑ Other carbon footprinting and/or exposure metrics (as defined by TCFD)

(12.1.11) We measure the impact of our portfolio on biodiversity

Select from:

☑ No, but we plan to do so in the next two years

(12.1.12) Primary reason for not measuring portfolio impact on biodiversity

Select from:

☑ No standardized procedure

(12.1.13) Explain why your organization does not measure its portfolio impact on biodiversity

We have not yet developed biodiversity indicators that allow us to measure our impact on biodiversity.

Insurance underwriting (Insurance company)

(12.1.1) We measure the impact of our portfolio on the climate

Select from:
☑ Yes

(12.1.2) Disclosure metric

Select all that apply
☑ Other carbon footprinting and/or exposure metrics (as defined by TCFD)
[Fixed row]

(12.1.1) Provide details of your organization's financed emissions in the reporting year and in the base year.

Banking (Bank)

(12.1.1.1) Asset classes covered in the calculation

Select all that apply
☑ Loans

(12.1.1.2) Financed emissions (metric unit tons CO2e) in the reporting year

1669000

(12.1.1.3) % of portfolio covered in relation to total portfolio value

91

(12.1.1.4) Total value of assets included in the financed emissions calculation

0.00

(12.1.1.5) % of financed emissions calculated using data obtained from clients/investees (optional)

0

(12.1.1.6) Emissions calculation methodology

Select from:

☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.1.7) Weighted data quality score (for PCAF-aligned data quality scores only)

4

(12.1.1.8) Financed emissions (metric unit tons CO2e) in the base year

1314000

(12.1.1.9) Base year end

12/31/2020

(12.1.1.10) % of undrawn loan commitments included in the financed emissions calculation

0

(12.1.1.11) Please explain the details of and assumptions used in your calculation

This total includes the following asset classes: Mortgages, vehicle loans, business financing (transportation and energy) and commercial real estate loans. Calculations based on the PCAF methodology. Note: base year perimeter does not include corporate loans to the energy and transportation sectors.

Investing (Asset manager)

(12.1.1.1) Asset classes covered in the calculation

Select all that apply

☑ Bonds

☑ Equity investments

☑ Fixed income

☑ Real estate

(12.1.1.2) Financed emissions (metric unit tons CO2e) in the reporting year

329000

(12.1.1.3) % of portfolio covered in relation to total portfolio value

87

(12.1.1.4) Total value of assets included in the financed emissions calculation

0.00

(12.1.1.5) % of financed emissions calculated using data obtained from clients/investees (optional)

0

(12.1.1.6) Emissions calculation methodology

Select from:

☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.1.7) Weighted data quality score (for PCAF-aligned data quality scores only)

4

(12.1.1.8) Financed emissions (metric unit tons CO2e) in the base year

387000

(12.1.1.9) Base year end

12/31/2020

(12.1.1.10) % of undrawn loan commitments included in the financed emissions calculation

0

(12.1.1.11) Please explain the details of and assumptions used in your calculation

This footprint includes our listed equity and corporate bonds and our direct investments in real estate. Calculations based on the PCAF methodology.

Investing (Asset owner)

(12.1.1.1) Asset classes covered in the calculation

Select all that apply

☑ Bonds

☑ Equity investments

☑ Fixed income

☑ Real estate

(12.1.1.2) Financed emissions (metric unit tons CO2e) in the reporting year

329000

(12.1.1.3) % of portfolio covered in relation to total portfolio value

87

(12.1.1.4) Total value of assets included in the financed emissions calculation

0.00

(12.1.1.5) % of financed emissions calculated using data obtained from clients/investees (optional)

0

(12.1.1.6) Emissions calculation methodology

Select from:

☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.1.7) Weighted data quality score (for PCAF-aligned data quality scores only)

2

(12.1.1.8) Financed emissions (metric unit tons CO2e) in the base year

387000

(12.1.1.9) Base year end

12/31/2020

(12.1.1.10) % of undrawn loan commitments included in the financed emissions calculation

0

(12.1.1.11) Please explain the details of and assumptions used in your calculation

This footprint includes our listed equity and corporate bonds and our direct investments in real estate. Calculations based on the PCAF methodology.
[Fixed row]

(12.1.2) Disclose or restate your financed emissions for previous years.

Past year 1 for Banking (Bank)

(12.1.2.1) End Date

12/31/2022

(12.1.2.2) Financed emissions (metric unit tons CO2e) in the reporting year

1290000

(12.1.2.3) % of portfolio covered in relation to total portfolio value

92

(12.1.2.4) % calculated using data obtained from clients/investees

0

(12.1.2.5) Emissions calculation methodology

Select from:
☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.2.6) Please explain the details of and assumptions used in your calculation

This total includes the following asset classes: Mortgages, vehicle loans and commercial real estate loans. Calculations based on the PCAF methodology

Past year 1 for Investing (Asset owner)

(12.1.2.1) End Date

12/31/2022

(12.1.2.2) Financed emissions (metric unit tons CO2e) in the reporting year

328000

(12.1.2.3) % of portfolio covered in relation to total portfolio value

89

(12.1.2.4) % calculated using data obtained from clients/investees

0

(12.1.2.5) Emissions calculation methodology

Select from:

☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.2.6) Please explain the details of and assumptions used in your calculation

This footprint includes our listed equity and corporate bonds and our direct investments in real estate. Calculations based on the PCAF methodology.

Past year 2 for Banking (Bank)

(12.1.2.1) End Date

12/31/2021

(12.1.2.2) Financed emissions (metric unit tons CO2e) in the reporting year

1272000

(12.1.2.3) % of portfolio covered in relation to total portfolio value

92

(12.1.2.4) % calculated using data obtained from clients/investees

0

(12.1.2.5) Emissions calculation methodology

Select from:

☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.2.6) Please explain the details of and assumptions used in your calculation

This total includes the following asset classes: Mortgages, vehicle loans and commercial real estate loans. Calculations based on the PCAF methodology

Past year 2 for Investing (Asset owner)

(12.1.2.1) End Date

12/31/2021

(12.1.2.2) Financed emissions (metric unit tons CO2e) in the reporting year

389000

(12.1.2.3) % of portfolio covered in relation to total portfolio value

86

(12.1.2.4) % calculated using data obtained from clients/investees

0

(12.1.2.5) Emissions calculation methodology

Select from:

☑ The Global GHG Accounting and Reporting Standard for the Financial Industry (PCAF)

(12.1.2.6) Please explain the details of and assumptions used in your calculation

This footprint includes our listed equity and corporate bonds and our direct investments in real estate. Calculations based on the PCAF methodology.
[Fixed row]

(12.1.3) Provide details of the other metrics used to track the impact of your portfolio on the environment.

Climate change

(12.1.3.1) Portfolio

Select from:

☑ Banking (Bank)

(12.1.3.2) Portfolio metric

Select from:

☑ Other metric for impact on climate change please specify **:**Exposure to carbon-related sectors

(12.1.3.3) Metric value in the reporting year

22

(12.1.3.4) % of portfolio covered in relation to total portfolio value

100

(12.1.3.5) Total value of assets included in the calculation

386574000000

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

0

(12.1.3.7) Please explain the details and key assumptions used in your assessment

This percentage is calculated by dividing the exposure at default (EAD) to carbon-related sectors by the total credit risk EAD. Carbon-related sectors include the energy, utilities, transportation, materials and buildings, agriculture, food and forest products sectors, but exclude water utilities, independent power producers and renewable energy producers, as defined by the TCFD (2021). Repo-style transactions and over-the-counter derivatives are not included in the calculation.

Climate change

(12.1.3.1) Portfolio

Select from:

☑ Banking (Bank)

(12.1.3.2) Portfolio metric

Select from:

☑ Other metric for impact on climate change please specify **:**Percentage (%) of renewables in total exposure at default for electricity production

(12.1.3.3) Metric value in the reporting year

94

(12.1.3.4) % of portfolio covered in relation to total portfolio value

100

(12.1.3.5) Total value of assets included in the calculation

3200000000

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

0

(12.1.3.7) Please explain the details and key assumptions used in your assessment

This percentage is calculated based on the exposure at default of companies in the electricity production sector, prorated by source of electricity. The proportion of elecricity generated by each source (renewables, fossil fuels, other) is calculated at the company-level based on the amount of electricity produced (in GWh), the production capacity (GW) or the revenues.

Climate change

(12.1.3.1) Portfolio

Select from:

☑ Banking (Bank)

(12.1.3.2) Portfolio metric

Select from:

☑ Other metric for impact on climate change please specify :Share of renewables in our lending to energy corporations

(12.1.3.3) Metric value in the reporting year

59

(12.1.3.4) % of portfolio covered in relation to total portfolio value

100

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

0

(12.1.3.7) Please explain the details and key assumptions used in your assessment

Share of renewables in our lending energy corporations

Climate change

(12.1.3.1) Portfolio

Select from:

☑ Investing (Asset owner)

(12.1.3.2) Portfolio metric

Select from:

☑ Other metric for impact on climate change please specify :Amount invested in renewable energy (our own investments and the Desjardins Group Pension Plan's investments)

(12.1.3.3) Metric value in the reporting year

1900000000

(12.1.3.4) % of portfolio covered in relation to total portfolio value

100

(12.1.3.5) Total value of assets included in the calculation

1900000000

(12.1.3.6) % of emissions calculated using data obtained from clients/investees

0

(12.1.3.7) Please explain the details and key assumptions used in your assessment

We work with external partners to manage high-quality infrastructure investment portfolios for our partners and clients. Together with the Desjardins Group Pension Plan, we have a sizable infrastructure portfolio. Our infrastructure investments are concentrated in the renewable energy sector, which accounts for 41% of this portfolio. Renewable energy investments continue to grow. The portfolio stood at 1.9 billion on September 30, 2023, up by 56% from the end of 2020 (about 55% wind energy, 28% solar energy, and 17% hydroelectricity). This concentration of our infrastructure investments in the renewable energy sector reflects the commitment we made in 2018 to focus our energy investments towards renewable energy.
[Add row]

(12.2) Are you able to provide a breakdown of your organization's financed emissions and other portfolio carbon footprinting metrics?

	Portfolio breakdown	Please explain why you do not provide a breakdown of your portfolio impact on the climate
Banking (Bank)	*Select all that apply* ☑ Yes, by asset class	*Rich text input [must be under 2500 characters]*

	Portfolio breakdown	Please explain why you do not provide a breakdown of your portfolio impact on the climate
Investing (Asset manager)	*Select all that apply* ☑ Yes, by asset class	*Rich text input [must be under 2500 characters]*
Investing (Asset owner)	*Select all that apply* ☑ Yes, by asset class	*Rich text input [must be under 2500 characters]*
Insurance underwriting (Insurance company)	*Select all that apply* ☑ None of the above, but we plan to do this in the next two years	*The asset class in this category are not covered yet, we are working on improving the data for our current asset class first.*

[Fixed row]

(12.2.1) Break down your organization's financed emissions and other portfolio carbon footprinting metrics by asset class, by industry, and/or by scope.

Row 1

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☑ Real estate

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

84

(12.2.1.7) Value of assets covered in the calculation

58400000000

(12.2.1.8) Financed emissions or alternative metric

527000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:
☑ Yes

(12.2.1.10) Value of assets covered in the calculation based on outstanding loan amounts

58400000000

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Business loans and project financing: Only one portion of this portfolio is currently being measured and disclosed as part of the monitoring process for sectors covered by our climate ambition (energy, real estate and transportation). In the absence of actual emission data and high quality estimates, it's currently impossible for us to publish a satisfactory calculation of our financed emissions for these asset classes for other economic sectors. In fact, the vast majority of our business portfolio is made up of small and medium-sized businesses, whose emissions would be estimated based on emission factors by industry sector. Variance analyses of some sectors and some businesses have shown differences of over 85% between estimates based on real data (PCAF data quality score 1 or 2) and sectoral estimates based on outstanding debt (PCAF data quality score 5), which makes it difficult to use this kind of data right now.

Row 2

(12.2.1.1) Portfolio

Select from:
☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:
☑ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:
☑ Other, please specify **:**Retail mortgage

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

96

(12.2.1.7) Value of assets covered in the calculation

128700000000

(12.2.1.8) Financed emissions or alternative metric

328000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:
☑ Yes

(12.2.1.10) Value of assets covered in the calculation based on outstanding loan amounts

128700000000

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

The calculation of mortgage-related financed emissions includes on-balance-sheet loans for specific consumption purposes, namely the purchase and refinancing of residential real estate, including single-family homes and multi-family dwellings with a small number of units. Here's the calculation we follow: $Financed\ emissions\ Outstanding\ amount\ Property\ valuet\ at\ origination\ b\ x\ Energy\ consumptionb,e\ x\ Emissions\ factore\ b,e$ (with bbuilding and eenergy source) Mortgages to individuals for buildings of 5 or more units are often separated in disclosure, as these loans are generally considered commercial. However, we have decided that regardless of the number of units, residential financing for an individual is included in this asset class. We exclude home equity lines of credit, as they are not required as part of this methodology, given that these products are generally consumer loans for general consumption purposes. We exclude mortgages for construction or renovations at this stage, as the owner is not directly responsible for emissions. Methodology and assumptions To calculate our emissions factors, Desjardins Group used the PCAF database methodology, and we recalculated them using energy consumption data by energy source and number of units by housing type provided by Natural Resources Canada. To calculate GHG emissions for electricity consumption, we used the most recent data for consumption intensity g CO2e/kWh21 from the National Inventory Report. This portfolio is concentrated in Quebec, where electricity is produced from renewable energy sources (in 2022: 95% hydroelectric, 4% other renewables) and electric heating is found in most buildings. As a result, this asset class has a low carbon intensity. Most of the energy consumption data for these assets is currently estimated and therefore imprecise. We will bolster these estimates with real data as it becomes available.

Row 3

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☑ Other, please specify **:**Retail loans - motor vehicles

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

59

(12.2.1.7) Value of assets covered in the calculation

7800000000

(12.2.1.8) Financed emissions or alternative metric

325000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ Yes

(12.2.1.10) Value of assets covered in the calculation based on outstanding loan amounts

7800000000

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

The purpose of this indicator is to quantify the GHG emissions of loans granted for motor vehicles in order to assess the portion attributed to Desjardins Group. It is calculated using the PCAF methodology as follows: Finan□□ed emissions Outstanding amount Total value at originationv x Vehicle emissionsv v (with v vehicle or vehicle fleet) We calculate financed emissions for personal vehicles and motorcycles, which represent 59% of our portfolio on December 31, 2023. We do not calculate financed emissions for other motor vehicles (boats, trucks, snowmobiles, etc.), due to the lack of recognised methodology and specific data for these vehicles. Methodology and assumptions To obtain the emissions of the vehicles we finance, we use the average annual distance travelled per vehicle by province, the CO2 emissions and electricity consumption (kWh) by vehicle type and the emission factors per kWh of electricity by province. To calculate financed motorcycle emissions, we use the Scope 1 emissions per province provided by PCAF multiplied by the attribution factor. This portfolio has a high emission intensity. It includes very few electric vehicles, which is representative of the current state of vehicles in Canada. The part of this portfolio that isn't covered (41%) represents recreational vehicles (ATVs, boats, etc.), for which there is no recognized approach for estimating emissions. The gradual decrease in this portfolio's emissions reflects the changes in our vehicle fleet, which is being moved progressively to electric vehicles.

Row 4

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☑ Other, please specify **:**Energy

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

83

(12.2.1.7) Value of assets covered in the calculation

3200000000

(12.2.1.8) Financed emissions or alternative metric

356000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ Yes

(12.2.1.10) Value of assets covered in the calculation based on outstanding loan amounts

3200000000

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Business loans and project financing: Only one portion of this portfolio is currently being measured and disclosed as part of the monitoring process for sectors covered by our climate ambition (energy, real estate and transportation). In the absence of actual emission data and high quality estimates, it's currently impossible for us to publish a satisfactory calculation of our financed emissions for these asset classes for other economic sectors. In fact, the vast majority of our business portfolio is made up of small and medium-sized businesses, whose emissions would be estimated based on emission factors by industry sector. Variance analyses of some sectors and some businesses have shown differences of over 85% between estimates based on real data (PCAF data quality score 1 or 2) and sectoral estimates based on outstanding debt (PCAF data quality score 5), which makes it difficult to use this kind of data right now.

Row 5

(12.2.1.1) Portfolio

Select from:

☑ Banking (Bank)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☑ Other, please specify :Transportation services

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

100

(12.2.1.7) Value of assets covered in the calculation

1400000000

(12.2.1.8) Financed emissions or alternative metric

132999

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ Yes

(12.2.1.10) Value of assets covered in the calculation based on outstanding loan amounts

1400000000

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

Business loans and project financing: Only one portion of this portfolio is currently being measured and disclosed as part of the monitoring process for sectors covered by our climate ambition (energy, real estate and transportation). In the absence of actual emission data and high quality estimates, it's currently impossible for us to publish a satisfactory calculation of our financed emissions for these asset classes for other economic sectors. In fact, the vast majority of our business portfolio is made up of small and medium-sized businesses, whose emissions would be estimated based on emission factors by industry sector. Variance analyses of some sectors and some businesses have shown differences of over 85% between estimates based on real data (PCAF data quality score 1 or 2) and sectoral estimates based on outstanding debt (PCAF data quality score 5), which makes it difficult to use this kind of data right now.

Row 6

(12.2.1.1) Portfolio

Select from:

☑ Investing (Asset manager)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☑ Real estate

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

100

(12.2.1.7) Value of assets covered in the calculation

2000000

(12.2.1.8) Financed emissions or alternative metric

13000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ Not applicable

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

The calculation of financed emissions from commercial real estate includes on-balance-sheet loans for investment purposes. Here is the calculation we follow: Financed emissions b Attribution factorb x Building emissionsb (with bbuilding) We include the entire portfolio of direct investments in commercial real estate of Desjardins Group in the calculation of our financed emissions, except for buildings occupied by Desjardins employees, since emissions from these buildings are included in our operational scope 1 and 2. For this asset class, the attribution factor is calculated based on the percentage of ownership of the building by Desjardins Group. Methodology and assumptions For sites for which energy consumption volumes are known, information from invoices and reports from our utility providers was compiled by our energy data collection systems. For sites where Desjardins Group has information on neither energy costs nor consumption, volumes were estimated using a more accurate model in 2023. We used the Government of Canada's clean energy management software, RETScreen, to calculate energy estimates for certain buildings.25 These models take into account site-specific data collected during a verification process, including fuel types for each end-use, the efficiency of installed equipment, as well as temperature set points and operating schedules. Subsequently, we estimated energy consumption using ENERGY STAR Portfolio Manager for buildings that have not been verified and for which we have no actual consumption data.26 These estimates take into account surface area, main usage and temperature. The fuel mix was estimated with a combination of information provided by Desjardins Group and averages from other similar buildings within the portfolio.

Row 7

(12.2.1.1) Portfolio

Select from:

☑ Investing (Asset owner)

(12.2.1.2) Portfolio metric

Select from:

☑ Absolute portfolio emissions (tCO2e)

(12.2.1.4) Asset class

Select from:

☑ Other, please specify **:**Listed equity and corporate bonds of our own investments

(12.2.1.6) % of asset class emissions calculated in the reporting year based on total value of assets

86

(12.2.1.7) Value of assets covered in the calculation

15400000000

(12.2.1.8) Financed emissions or alternative metric

316000

(12.2.1.9) Are you able to provide the gross exposure for your undrawn loan commitment separately from the drawn loan commitment?

Select from:

☑ Not applicable

(12.2.1.12) Please explain the details, assumptions and exclusions in your calculation

This asset class includes only the portfolio of listed equity and corporate bonds of Desjardins Group insurance entities, Desjardins Financial Security and Desjardins General Insurance Group, which represents approximately 66% of the own assets in listed equity and corporate bonds held by Desjardins Group on December 31,

2023. Here is the calculation we follow: Financed emissions Assets under management Enterprise Value Including Cash (EVIC)c x Company emissionsc c (with c borrower or investee company) We include scope 1 and 2 emissions from companies in Common Shares (including Exchange Traded Funds), Preferred Shares and Corporate Bonds. Our calculation covers 86% of this portfolio because it excludes investments in companies for which the attribution factor could not be calculated. Private investments and sovereign bonds are not included in our calculations. Methodology and assumptions According to the attribution approach by the PCAF standard, Desjardins Group insurance entities'investments are responsible for a portion of the company's annual GHG emissions. This is determined by the attribution factor, which is the ratio between the value of Desjardins Group insurance entities' publicly traded shares or bonds in the company, that is, our assets under management (AUM), and the value of the financed company. The value of listed shares is defined on the basis of their market value and the value of the bonds is defined on the basis of the carrying value of the debt. The value of the financed enterprise is defined by the Enterprise Value Including Cash (EVIC) of the company. To access the information needed to calculate our carbon footprint according to PCAF, we use data from the MSCI ESG Manager (MSCI) platform. Using the market values of each security, we calculate our assets under management. The enterprise value including cash (EVIC) of each company in the portfolio comes from MSCI or is calculated from data in the WorldScope and DataStream database. We multiply each attribution factor by each company's GHG emissions, also obtained from MSCI, to calculate our total financed emissions. Energy, utilities, materials and industrials account for 92% of this portfolio's emissions, although they comprise only 20% of assets under management. Scope 3 indirect emissions from the energy (oil and gas) and mining sectors are estimated, based on values provided by MSCI ESG Research, to be 569 ktCO2 e, or approximately 3.4 times the Scope 1 and Scope 2 emissions from these sectors.
[Add row]

(12.3) State the values of your financing and insurance of fossil fuel assets in the reporting year.

Lending to all fossil fuel assets

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:
☑ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

2460000000

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

1

Lending to thermal coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

0

(12.3.3) New loans advanced in reporting year (unit currency – as specified 1.2)

0

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

0

(12.3.6) Details of calculation

Our lending activities to thermal coal-related entities represent less than 0,01% of our total engagement.

Lending to met coal

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ No standardized procedure

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

We do not have exclusion for met coal.

Lending to oil

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

2460000000

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

0.6

(12.3.6) Details of calculation

Exposure at default for the energy sector loans in our lending book at end of year 2023. Note that we disclose only one combined indicator for oil and gas together.

Lending to gas

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Other, please specify :Included above

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

We only calculate the one indicator for oil and gas together, we do not separate those amount. Our exposure to gas is included in the amount above.

Investing in all fossil fuel assets (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

1240000000

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

3.1

(12.3.6) Details of calculation

Assets under management in listed equity and corporate bonds at year end 2023 in four carbon-intensive sectors: Industrials, materials, utilities and energy. Percentage based on the listed equity and corporate bonds portfolio only.

Investing in thermal coal (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

0

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

0

Investing in met coal (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ No standardized procedure

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

We do not have exclusion for met coal.

Investing in oil (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

(12.3.2) Value of the fossil fuel assets in your portfolio (unit currency - as specified in 1.2)

1240000000

(12.3.5) % of portfolio value comprised of fossil fuel assets to total portfolio value in reporting year

3.1

(12.3.6) Details of calculation

Assets under management in listed equity and corporate bonds at year end 2023 in the energy GICS sector. Percentage based on the listed equity and corporate bonds portfolio only. We do not separate oil from gas

Investing in gas (Asset manager)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ No, but we plan to report our portfolio's exposure to fossil fuel in the next two years

(12.3.7) Primary reason for not providing values of the financing and/or insurance to fossil fuel assets

Select from:

☑ Other, please specify **:**Included above

(12.3.8) Please explain why you are not providing values of the financing and/or insurance to fossil fuel assets

We currently are disclosing a combined amount for both oil and gas. Our exposure to gas is included in the amount above.

Investing all fossil fuel assets (Asset owner)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

Investing in thermal coal (Asset owner)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:

☑ Yes

Investing in met coal (Asset owner)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:
☑ No, and we do not plan to report our portfolio's exposure to fossil fuel in the next two years

Investing in oil (Asset owner)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:
☑ Yes

Investing in gas (Asset owner)

(12.3.1) Reporting values of the financing and/or insurance of fossil fuel assets

Select from:
☑ Yes
[Fixed row]

(12.5) In the reporting year, did your organization finance and/or insure activities or sectors that are aligned with, or eligible under, a sustainable finance taxonomy? If so, are you able to report the values of that financing and/or underwriting?

Banking (Bank)

(12.5.1) Reporting values of the financing and/or insurance of activities or sectors that are eligible under or aligned with a sustainable finance taxonomy

Select from:
☑ No, and we do not plan to report in the next two years

(12.5.35) Primary reason for not providing values of the financing and/or insurance

Select from:

☑ Not an immediate strategic priority

(12.5.36) Explain why you are not providing values of the financing and/or insurance

We have not yet develop a sustainable finance framework that is aligned with sustainable finance taxonomy as Canada does not have a sustainable finance taxonomy yet.

Investing (Asset manager)

(12.5.1) Reporting values of the financing and/or insurance of activities or sectors that are eligible under or aligned with a sustainable finance taxonomy

Select from:

☑ No, and we do not plan to report in the next two years

(12.5.35) Primary reason for not providing values of the financing and/or insurance

Select from:

☑ Not an immediate strategic priority

(12.5.36) Explain why you are not providing values of the financing and/or insurance

We have not yet develop a sustainable finance framework that is aligned with sustainable finance taxonomy as Canada does not have a sustainable finance taxonomy yet..

Investing (Asset owner)

(12.5.1) Reporting values of the financing and/or insurance of activities or sectors that are eligible under or aligned with a sustainable finance taxonomy

Select from:

☑ No, and we do not plan to report in the next two years

(12.5.35) Primary reason for not providing values of the financing and/or insurance

Select from:
☑ Not an immediate strategic priority

(12.5.36) Explain why you are not providing values of the financing and/or insurance

We have not yet develop a sustainable finance framework that is aligned with sustainable finance taxonomy as Canada does not have a sustainable finance taxonomy yet.

Insurance underwriting (Insurance company)

(12.5.1) Reporting values of the financing and/or insurance of activities or sectors that are eligible under or aligned with a sustainable finance taxonomy

Select from:
☑ No, and we do not plan to report in the next two years

(12.5.35) Primary reason for not providing values of the financing and/or insurance

Select from:
☑ Not an immediate strategic priority

(12.5.36) Explain why you are not providing values of the financing and/or insurance

We have not yet develop a sustainable finance framework that is aligned with sustainable finance taxonomy as Canada does not have a sustainable finance taxonomy yet.
[Fixed row]

(12.6) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues?

	Existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues
	Select from: ☑ Yes

[Fixed row]

(12.6.1) Provide details of your existing products and services that enable clients to mitigate and/or adapt to the effects of environmental issues, including any taxonomy or methodology used to classify the products and services.

Row 1

(12.6.1.1) Environmental issue

Select all that apply

☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

(12.6.1.3) Portfolio

Select from:

☑ Investing (Asset owner)

(12.6.1.4) Asset class

Select from:

☑ Equity investments

(12.6.1.5) Type of product classification

Select all that apply

☑ Products that promote environmental and/or social characteristics

☑ Products that have sustainable investment as their core objective

☑ Other product classification, please specify :Canadian Investment Funds Standard Committee

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☑ The EU Taxonomy for environmentally sustainable economic activities

☑ Green Bond Principles (ICMA)

☑ Externally classified using other taxonomy or methodology, please specify :Sub-advisors' proprietary methodologies

☑ Internally classified

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☑ Renewable energy

☑ Nature-based solutions

☑ Low-emission transport

☑ Energy efficiency measures

☑ Paperless/ digital service

☑ Green buildings and equipment

(12.6.1.8) Description of product/service

Desjardins Sustainable Funds & Portfolios use several strategies to take part in the transition to a low-carbon economy. These may include: • Considering environmental issues in all investments; • Investing with a focus on environmental solutions; • Implementing constructive dialogue with businesses to improve their environmental practices. Since 2020, all Desjardins Sustainable Funds and Portfolios follow an exclusion on fossil fuels producers and specialized transporters (more information in our Desjardins Funds Responsible Investing Policy). As of December 31, 2023, Desjardins Sustainable Funds and Portfolios represented has 8.3 billion in assets under management. We measure the estimated carbon intensity of organizations that the Desjardins Funds invest in compared to similar organizations. Below the results as of December 31, 2023: • Desjardins SocieTerra Positive Change Fund -74% • Desjardins SocieTerra Diversity Fund -84% • Desjardins SocieTerra Global Opportunities Fund -42% • Desjardins SocieTerra International Equity Fund -7% • Desjardins SocieTerra American Equity Fund -76% • Desjardins SocieTerra Canadian Equity Fund -59% • Desjardins SocieTerra Cleantech Fund -11% • Desjardins SocieTerra Emerging Markets Equity Fund -73% • Desjardins

SocieTerra Canadian Equity Income Fund -63% • Desjardins SocieTerra American Small Cap Equity Fund -22% • Desjardins SocieTerra International Small Cap Equity Fund -90% • Desjardins SocieTerra Low Volatility Global Equity Fund -68% • Desjardins SocieTerra Global Dividend Fund -36% Source: Estimated carbon intensity on December 31, 2023, of organizations that each of the Desjardins SocieTerra Equity Funds invest in, compared to organizations in their respective benchmark Index. Calculated using data from MSCI ESG 2024 MSCI ESG Research LLC. Reproduced by permission; no further distribution. This report contains certain information (the "Information") sourced from MSCI ESG Research LLC, or its affiliates or information providers (the "ESG Parties").

(12.6.1.9) % of portfolio aligned with a taxonomy or methodology in relation to total portfolio value

0

(12.6.1.10) % of asset value aligned with a taxonomy or methodology

21

(12.6.1.11) Product considers principal adverse impacts on environmental factors

Select from:

☑ Yes

(12.6.1.12) Details on how the principal adverse impacts on environmental factors are considered in this product

Some of the underlying strategies for specifics Desjardins Sustainable Funds consider principal adverse impacts on sustainability factors through, per example: • Revenue-based exclusions associated with certain activities that can materially cause principal adverse impacts at the issuer level, which may be assessed through set thresholds against relevant third-party indicators or through proprietary research frameworks • Communication with the management and other key representatives of investee companies in person, virtually or in written format addressing adverse impacts • Setting up engagement in actions or shareholder dialogue with specific sustainability objectives (eg, reducing or mitigating adverse impacts) • Controversies monitoring • Documented escalation measures should those objectives not be achieved. • As part of the investment process, identifying, assessing and managing risks of investee companies As part of its investment process, Impax considers PAIs on environmental matters

Row 2

(12.6.1.1) Environmental issue

Select all that apply

☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

(12.6.1.3) Portfolio

Select from:

☑ Banking (Bank)

(12.6.1.4) Asset class

Select from:

☑ Fixed income

(12.6.1.5) Type of product classification

Select all that apply

☑ Other product classification, please specify **:**Eligible green assets : Renewable energy Energy efficiency Green buildings Clean transportation Sustainable food productions Environmentally sustainable management of living natural resources and land use Sustainable water and wastewater management

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☑ Externally classified using other taxonomy or methodology, please specify

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☑ Renewable energy

☑ Nature-based solutions

☑ Low-emission transport

☑ Energy efficiency measures

☑ Other, please specify **:land use, waste management, biodiversity conservation**

☑ Green buildings and equipment

(12.6.1.8) Description of product/service

After our first issue of 500 million in sustainable bonds in September 2021, we issued another 500 million in August 2023. The net proceeds will be used to fund loans for social (40%) and environmental (60%) projects. Moody's Investors Service, an independent firm, gave our framework their highest rating, "Advanced." The extremely positive market response to these bond issues creates value for our members and clients and speaks to our approach's high standards and relevance. The Desjardins Sustainable Bond Framework allows for the issuance of green, social and sustainability bonds. This framework is consistent with the principles and guidelines of the International Capital Market Association (ICMA).

(12.6.1.9) % of portfolio aligned with a taxonomy or methodology in relation to total portfolio value

100

(12.6.1.10) % of asset value aligned with a taxonomy or methodology

100

Row 3

(12.6.1.1) Environmental issue

Select all that apply

☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

(12.6.1.3) Portfolio

Select from:

☑ Banking (Bank)

(12.6.1.4) Asset class

Select from:

☑ Loans

(12.6.1.5) Type of product classification

Select all that apply

☑ Not applicable

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☑ Internally classified

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☑ Fortified buildings

☑ Green buildings and equipment

☑ Low-emission transport

☑ Renewable energy

(12.6.1.8) Description of product/service

Desjardins promotes energy efficiency through its Green Homes Program, which offers advantageous financing conditions and cash-back for the construction, purchase, or green renovation of energy efficient homes. The Green Homes program offers loans to purchase a new home that meets Novoclimat, ENERGY STAR or LEED Canada conditions, and for eco-friendly renovations that meet the criteria of the Rénoclimat program. The offer includes cash back (up to 2,000), discounts on home insurance and free access to our Home Assistance service. In 2023, close to 300 clients took advantage of this offer, for a total of 98 million

(12.6.1.9) % of portfolio aligned with a taxonomy or methodology in relation to total portfolio value

0

(12.6.1.10) % of asset value aligned with a taxonomy or methodology

0

Row 4

(12.6.1.1) Environmental issue

Select all that apply

☑ Climate change

(12.6.1.2) Product/service enables clients to mitigate and/or adapt to climate change

Select all that apply

☑ Mitigation

(12.6.1.3) Portfolio

Select from:

☑ Investing (Asset manager)

(12.6.1.4) Asset class

Select from:

☑ Equity investments

(12.6.1.5) Type of product classification

Select all that apply

☑ Products that promote environmental and/or social characteristics

☑ Products that have sustainable investment as their core objective

(12.6.1.6) Taxonomy or methodology used to identify product characteristics

Select all that apply

☑ Internally classified

(12.6.1.7) Type of solution financed, invested in or insured

Select all that apply

☑ Other, please specify :Diversified ETF with low carbon footprints

(12.6.1.8) Description of product/service

DGAM manages Desjardins RI ETFs which are aligned with the market best practices in terms of ESG integration and alignment to net zero.. Emissions reduction is based on financed emissions according to a trajectory of net-zero emissions by 2050, with 2020 as reference year. ETF risk management is based on a rigorous process that includes active risk constraints and maximum weighting by security and sector. DGAM has modernized its approach to quantitative multifactor strategies, which involves five RI ETFs, by leveraging in-house expertise. After the 2021 acquisition of Hexavest, which used a different multifactor portfolio construction methodology, a convergence of methodologies was carried out. The standardization of processes has increased control over active risk by balancing the factor exposures of all the portfolios concerned. Here is the list of available ETFs that address climate change Canada – Net-Zero Emissions Pathway ETF USA – Net-Zero Emissions Pathway ETF Developed ex-USA ex-Canada – Net-Zero Emissions Pathway ETF Emerging Markets – Net-Zero Emissions Pathway ETF Canada Multifactor – Net-Zero Emissions Pathway ETF USA Multifactor – Net-Zero Emissions Pathway ETF Developed ex-USA ex-Canada Multifactor – Net-Zero Emissions Pathway ETF Emerging Markets Multifactor – Net-Zero Emissions Pathway ETF Global Multifactor – Fossil Fuel Reserves Free ETF Active Canadian Bond – Net-Zero Emissions Pathway ETF

(12.6.1.9) % of portfolio aligned with a taxonomy or methodology in relation to total portfolio value

0

(12.6.1.10) % of asset value aligned with a taxonomy or methodology

21

(12.6.1.11) Product considers principal adverse impacts on environmental factors

Select from:

☑ Yes

(12.6.1.12) Details on how the principal adverse impacts on environmental factors are considered in this product

Some of the underlying strategies for specifics Desjardins Sustainable Funds consider principal adverse impacts on sustainability factors through, per example: • Revenue-based exclusions associated with certain activities that can materially cause principal adverse impacts at the issuer level, which may be assessed through set thresholds against relevant third-party indicators or through proprietary research frameworks • Communication with the management and other key representatives of investee companies in person, virtually or in written format addressing adverse impacts • Setting up engagement in actions or shareholder

dialogue with specific sustainability objectives (eg, reducing or mitigating adverse impacts) • Controversies monitoring • Documented escalation measures should those objectives not be achieved. • As part of the investment process, identifying, assessing and managing risks of investee companies As part of its investment process, Impax considers PAIs on environmental matters
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party	Primary reason why other environmental information included in your CDP response is not verified and/or assured by a third party	Explain why other environmental information included in your CDP response is not verified and/or assured by a third party
	Select from: ☑ No, but we plan to obtain third-party verification/assurance of other environmental information in our CDP response within the next two years	*Select from:* ☑ Not an immediate strategic priority	*For now we focus on our scope 1,2, 3 emissions in order to make sure that this data is more precise.*

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

CSO

(13.3.2) Corresponding job category

Select from:

☑ Chief Sustainability Officer (CSO)

[Fixed row]