PRESS RELEASE
Financial results for the first quarter of 2025

AN ACTIVE AND INVOLVED GROUP. It was at the Annual General Meeting on Saturday, March 22, that Desjardins Group launched the festivities around its 125th anniversary. This also provided an opportunity to highlight Desjardins' support in the context of trade tensions with the United States.

Desjardins posts encouraging results, despite an uncertain economic situation

Lévis, May 13, 2025 – For the first quarter ended March 31, 2025, Desjardins Group, North America's largest financial cooperative group, recorded surplus earnings before member dividends of $738 million, down $117 million compared to the same quarter of 2024. This decrease in surplus earnings was primarily due to the results of the Property and Casualty Insurance segment, which were affected by higher claims expenses, mainly resulting from increases in both the frequency and the average cost of claims. There was also an increase in the provision for credit losses, due in particular to unfavourable developments in the economic outlook stemming from the imposition of tariffs by the new U.S. administration. In addition, there was an increase in non-interest expense to support growth in operations and enhance the service offering to members and clients. The decline in surplus earnings was partially offset by higher net interest income, mainly as a result of business growth in the Personal and Business Services segment.

For the first quarter of 2025, the provision for member dividends totalled $113 million, up $3 million from the corresponding period of 2024. Sponsorships, donations and scholarships amounted to $26 million, of which $13 million came from the caisses' Community Development Fund.

"Despite economic uncertainty, Desjardins has posted solid financial results for the first quarter," said Guy Cormier, President and Chief Executive Officer of Desjardins Group. "*Forbes* included Desjardins in its prestigious list of the *World's Best Banks 2025*, which is a sign that our proactive approach to supporting our members and clients is being noticed. What's more, I'm genuinely proud of our employees' sustained commitment to the members and businesses that have been hit the hardest by the tariffs."

125 years of ambition

A bold and visionary idea was took shape in Lévis 125 years ago. Alphonse and Dorimène Desjardins laid the foundation for a unique cooperative movement with the goal of providing Francophones with the means to achieve their ambitions. Their goal was to build a more just society and enable everyone to achieve their potential. That is how Desjardins Group originated, and we continue to pursue this ambition while remaining true to the values of our founders. Today, Desjardins is a leader in socio-economic development, and the financial institution will be celebrating its 125th anniversary over the coming months under the theme "125 years of ambition." This will be an opportunity to highlight the ambition of some of its 7.8 million members and clients from all walks of life and across Canada and how Desjardins supports them.

Doing what's best for members and clients

Committed to providing support

- In light of the trade tensions with the United States, Desjardins is supporting its members and clients, in both Personal and Business Services. Desjardins teams remain fully mobilized to provide proactive support to those businesses most affected by tariffs, by contacting them directly to ensure they receive the support they need.

- Together with its economic team, Desjardins provides analysis and recommendations to help its members and clients find their way in this uncertain economic climate. Desjardins is in contact with various economic stakeholders to ensure that solutions are put forward and is helping its business members access them.

- To continue helping people better understand the economic environment, Jimmy Jean, Vice-President and Chief Economist at Desjardins Group, and Emna Braham, President and CEO of the Institut du Québec, presented their first economic web conference (in French only) of the year, on March 27. Among other things, the conference touched on the economic impacts of trade tensions with the U.S. and the impacts on consumers.

High-performance products for members and clients

- Desjardins won the first *Prix Mentorat en lumière* (in French only), presented by Mentorat Québec. This award recognizes active mentoring programs that contribute to people's personal, professional and social development while supporting the growth of Québec organizations.

- Desjardins won nine FundGrade A+® Awards in February, from Fundata Canada Inc. These awards are given to Canadian investment funds that have delivered the best risk-adjusted returns and maintained high FundGrade ratings over a full calendar year. The award-winning funds include one mutual fund, two responsible investment exchange-traded funds and six guaranteed investment funds.

- *Forbes* magazine has ranked Desjardins among the top 10 Canadian companies of its prestigious *World's Best Banks 2025* ranking. This ranking lists financial institutions around the world that have succeeded in maintaining the trust of their clients and meeting their financial needs.

Committed to communities

Through the Goodspark Fund, Desjardins stimulates social and economic activity in communities. During the first quarter, Desjardins made a contribution to enable Patro Laval to expand in Québec (in French only) and confirmed support for Cycle Momentum, a clean technology consortium, promoting the "*Lab-à-la-Start-up*" project. Since 2017, the Goodspark Fund has supported 920 projects totalling $211 million in commitments.

Through several initiatives, Desjardins helps promote better access to housing, an issue that is affecting all the regions of Québec, as housing costs account for an increasingly large share of household budgets. As part of a partnership with the Government of Québec, Desjardins has committed to supporting the construction of more than 1,750 affordable housing units by the end of 2025. As of March 31, 2025, eight projects totalling 1,190 units are open and operating and 11 projects totalling 772 units are under construction, particularly in the Bas-Saint-Laurent, Centre-du-Québec, Estrie, Laval, Montréal and Outaouais regions.

Desjardins is also maintaining its commitment to work toward a more sustainable and inclusive economy through its initiatives to accelerate the energy transition and its range of responsible finance products and services.

Financial highlights

Comparison of first quarter 2025 with first quarter 2024:

- Surplus earnings before member dividends of $738 million, down $117 million.
- Total net revenue of $3,682 million, up $118 million or 3.3%:
  - Net interest income of $1,967 million, up $234 million or 13.5%, due to growth in average residential mortgages and business loans outstanding.
  - Insurance service result of $290 million, down $119 million, as a result of the increase in net claims expenses in the Property and Casualty Insurance segment.
  - Net insurance finance result of $174 million, down $136 million, due in particular to developments in the financial markets.
  - Other income of $1,251 million, up $139 million, mainly due to growth in assets under management and assets under administration.

- Provision for credit losses of $210 million, compared to $133 million for the comparable period in 2024. The provision for the first quarter of 2025 reflects, in particular, a migration in credit quality and unfavourable developments in the economic outlook related in particular to the imposition of tariffs by the new U.S. administration.
- Gross non-interest expense of $2,736 million, up $180 million or 7.0%, compared to the first quarter of 2024 due to increased spending on personnel, including wage indexation. There was also greater spending on technology to support growth in operations and enhance the service offering to members and clients.
- $139 million returned to members and the community,[1] up $2 million or 1.5%.

(1) For additional information on supplementary financial measures, see "Non-GAAP Financial Measures and Other Financial Measures" on page 4.

Other highlights:
- Tier 1A capital ratio[1] of 22.4%, compared to 22.2% as at December 31, 2024.
- Total capital ratio[1] of 25.3%, compared to 24.2% as at December 31, 2024.
- Total assets grew 3.6% since December 31, 2024, to $487.9 billion as at March 31, 2025.
- Several securities issues were completed during the first quarter of 2025, including under the legislative covered bond program, the multi-currency medium-term note program, and the Canadian Non-Viability Contingent Capital (NVCC) program. All of these transactions made it possible to adequately meet the liquidity needs of Desjardins Group and to diversify its sources of financing. For further details, please refer to the Management's Discussion and Analysis for the first quarter of 2025, on page 41.
- In March 2025, Moody's affirmed the ratings for instruments issued by the *Fédération des caisses Desjardins du Québec* while maintaining their outlook as "stable". This assessment reflects the strength of Desjardins Group in Québec, where it has leading market shares in multiple industries.

Non-GAAP financial measures and other financial measures

To measure its performance, Desjardins Group uses different Canadian generally accepted accounting principles (GAAP) (International Financial Reporting Standards (IFRS)) financial measures and various other financial measures, some of which are non-GAAP financial measures. *Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure* (Regulation 52-112) provides guidance to issuers disclosing specified financial measures, including the following measures used by Desjardins Group:
- A non-GAAP financial measure;
- Supplementary financial measures.

Non-GAAP financial measure

The non-GAAP financial measure used by Desjardins Group in this press release, and which does not have a standardized definition, is not directly comparable to similar measures used by other companies, and may not be directly comparable to any GAAP measure. It is defined as follows:

Return to members and the community

As a cooperative financial group contributing to the development of communities, Desjardins Group gives its members and clients the support they need to be financially empowered. The amounts returned to members and the community, a non-GAAP financial measure, are used to present the overall amount returned to the community and are composed of member dividends, as well as sponsorships, donations and scholarships.

More detailed information about the amounts returned to members and the community may be found in the "Financial Highlights" table on the following page.

Supplementary financial measures

In accordance with Regulation 52-112, supplementary financial measures are used to show historical or expected future financial performance, financial position or cash flows. In addition, these measures are not disclosed in the financial statements. Desjardins Group uses certain supplementary financial measures, and their composition is presented in the Glossary on pages 46 to 53 of the MD&A for the first quarter of 2025.

[1] In accordance with the *Capital Adequacy Guideline* for financial services cooperatives issued by the *Autorité des marchés financiers* (AMF).

FINANCIAL HIGHLIGHTS

(in millions of dollars and as a percentage)	As at and for the three-month periods ended		
	March 31, 2025	December 31, 2024[1]	March 31, 2024[1]
Results			
Net interest income	**$ 1,967**	$ 1,962	$ 1,733
Net insurance service income	**464**	882	719
Other income	**1,251**	1,114	1,112
Total net revenue	**3,682**	3,958	3,564
Provision for credit losses	**210**	272	133
Net non-interest expense	**2,503**	2,659	2,311
Surplus earnings before member dividends[2]	**$ 738**	$ 826	$ 855
Contribution to surplus earnings by business segment[3]			
Personal and Business Services	**$ 399**	$ 293	$ 384
Wealth Management and Life and Health Insurance	**168**	75	173
Property and Casualty Insurance	**34**	453	280
Other	**137**	5	18
	$ 738	$ 826	$ 855
Returned to members and the community[4]			
Member dividends	**$ 113**	$ 107	$ 110
Sponsorships, donations and scholarships[5]	**26**	36	27
	$ 139	$ 143	$ 137
Indicators			
Return on equity[6]	**7.8%**	8.2%	9.8%
Credit loss provisioning rate[6]	**0.28**	0.38	0.21
Gross credit-impaired loans/gross loans[6]	**0.83**	0.81	0.80
Liquidity coverage ratio[7]	**172**	165	152
Net stable funding ratio[7]	**131**	129	125
Productivity index – Personal and Business Services[6]	**70.4**	73.1	70.8
Insurance and annuity premiums – Wealth Management and Life and Health Insurance[6]	**$ 1,688**	$ 1,585	$ 1,772
Total contractual service margin (CSM) - Wealth Management and Life and Health Insurance[8]	**2,578**	2,585	2,630
Direct premiums written – Property and Casualty Insurance[6]	**1,671**	1,830	1,556
On-balance sheet and off-balance sheet			
Assets	**$ 487,946**	$ 470,942	$ 435,819
Loans, net of allowance for credit losses	**296,328**	289,597	269,012
Deposits	**309,379**	300,946	281,189
Equity	**39,371**	38,690	35,169
Assets under administration[6]	**614,643**	600,968	549,580
Assets under management[6]	**107,029**	104,220	89,549
Capital measures			
Tier 1A capital ratio[9]	**22.4%**	22.2%	21.0%
Tier 1 capital ratio[9]	**22.4**	22.2	21.0
Total capital ratio[9]	**25.3**	24.2	22.0
TLAC ratio[10]	**33.1**	32.9	29.8
Leverage ratio[9]	**7.6**	7.6	7.4
TLAC leverage ratio[10]	**11.0**	11.2	10.4
Risk-weighted assets[9]	**$ 151,882**	$ 149,621	$ 142,266
Other information			
Number of employees (full-time equivalent)	**51,406**	50,785	50,669

(1) Some data have been restated to conform with the current period's presentation.
(2) The breakdown by line item is presented in the Statement of Income in the Interim Combined Financial Statements.
(3) The breakdown by line item is presented in Note 11, "Segmented information" to the Interim Combined Financial Statements.
(4) For more information on non-GAAP financial measures, see "Non-GAAP financial measures and other financial measures" on page 4.
(5) Including $13 million from the caisses' Community Development Fund ($23 million for the fourth quarter of 2024 and $11 million for the first quarter of 2024).
(6) For additional information on supplementary financial measures, see "Non-GAAP Financial Measures and Other Financial Measures" on page 4.
(7) In accordance with the *Liquidity Adequacy Guideline* issued by the AMF.
(8) Total CSM of $2,826 million ($2,844 million as at March 31, 2024) presented net of reinsurance for a total of $248 million ($214 million as at March 31, 2024). Included in the line items "Insurance contract liabilities" and "Reinsurance contract assets (liabilities)" on the Combined Balance Sheets. For more information, see Note 7, "Insurance and reinsurance contracts," to the Interim Combined Financial Statements.
(9) In accordance with the *Capital Adequacy Guideline* for financial services cooperatives issued by the AMF.
(10) In accordance with the *Total Loss Absorbing Capacity Guideline* ("TLAC Guideline") issued by the AMF and based on risk-weighted assets and exposures for purposes of the leverage ratio at the level of the resolution group, which is deemed to be Desjardins Group, excluding Caisse Desjardins Ontario Credit Union Inc.

Strong capital base

Desjardins Group maintains strong capitalization levels, in accordance with Basel III rules. As at March 31, 2025, its Tier 1A and total capital ratios stood at 22.4% and 25.3%, respectively, compared to 22.2% and 24.2%, respectively, as at December 31, 2024.

Analysis of business segment results

PERSONAL AND BUSINESS SERVICES SEGMENT

Results for the first quarter

For the first quarter of 2025, surplus earnings before member dividends were $399 million, up $15 million from the same period in 2024, mainly due to higher net interest income related to business growth, as well as other income. This increase in surplus earnings was offset by a higher provision for credit losses compared to the corresponding period in 2024. In addition, there was an increase in net non-interest expense to support growth in operations and enhance the services offered to members and clients.

WEALTH MANAGEMENT AND LIFE AND HEALTH INSURANCE SEGMENT

Results for the first quarter

For the first quarter of 2025, the segment posted $168 million in net surplus earnings, down $5 million compared to the corresponding period of 2024, mainly due to a decrease in the net insurance finance result due to developments in the financial markets. This decrease was partly offset by the increase in the insurance service result stemming from a more favourable experience.

PROPERTY AND CASUALTY INSURANCE SEGMENT

Results for the first quarter

For the first quarter of 2025, the segment posted $34 million in net surplus earnings, down $246 million, from the same period of 2024. This decrease was mainly due to higher claims expenses for the current year in automobile and property insurance, a lower net insurance finance result and the effect of the loss component on onerous contracts, which was more unfavourable than in the corresponding quarter of 2024. In addition, the first quarter of 2025 was marked by two major events, namely freezing rain in Ontario and water and wind damage in Québec and Ontario, whereas no catastrophes or major events occurred during the corresponding quarter of 2024. This decrease in surplus earnings was partly offset by higher insurance revenue due to premium growth in automobile and property insurance.

OTHER CATEGORY

Results for the first quarter

For the first quarter of 2025, the Other category posted net surplus earnings of $137 million, compared to net surplus earnings of $18 million in the first quarter of 2024. The Other category includes mainly treasury activities.

More detailed financial information can be found in Desjardins Group's interim Management's Discussion and Analysis (MD&A) for the first quarter of 2025, available on the Desjardins website or on the SEDAR+ website, at www.sedarplus.com (under the *Fédération des caisses Desjardins du Québec* profile).

About Desjardins Group

Desjardins Group is the largest cooperative financial group in North America and the sixth largest in the world, with assets of $487.9 billion as at March 31, 2025. It has been named one of the top employers in Canada by both *Forbes* magazine and Mediacorp. It has also been recognized as one of the *World's Best Banks 2025* by *Forbes*. The organization has more than 56,100 skilled employees. To meet the diverse needs of its members and clients, Desjardins offers a full range of products and services to individuals and businesses through its extensive distribution network, its online platforms, and its subsidiaries across Canada. Ranked among the world's strongest banks according to *The Banker* magazine, Desjardins has one of the highest capital ratios and one of the highest credit ratings in the industry. In 2025, Desjardins Group is celebrating its 125th anniversary, marking more than a century of focusing its ambitions and expertise on being there for members and clients.

Caution concerning forward-looking statements

Desjardins Group's public communications often include oral or written forward-looking statements, within the meaning of applicable securities legislation, particularly in Québec, Canada and the United States. This press release contains forward-looking statements that may be incorporated in other filings with Canadian regulators or in any other communications. In addition, Desjardins Group's representatives may make verbal forward-looking statements to investors, the media and others.

The forward-looking statements include, but are not limited to, comments on Desjardins Group's objectives regarding financial performance, priorities, vision, operations, targets and commitments, its strategies to achieve them, its results and its financial position, economic as well as financial market conditions, the outlook for the Québec, Canadian, U.S. and global economies, and the regulatory environment in which we operate. Such forward-looking statements are typically identified by words or phrases such as "target," "objective," "timing," "outlook," "believe," "predict," "foresee," "expect," "intend," "have as a goal," "estimate," "plan," "forecast," "anticipate," "aim," "propose," "should" and "may," words and expressions of similar import, and future and conditional verbs, in all grammatical variants.

By their very nature, such statements require us to make assumptions, and are subject to uncertainties and inherent risks, both general and specific. Desjardins Group cautions readers against placing undue reliance on forward-looking statements when making decisions since a number of factors, many of which are beyond Desjardins Group's control and the effects of which can be difficult to predict, could influence, individually or collectively, the accuracy of the assumptions, predictions, forecasts or other forward-looking statements, including those in this press release. Although Desjardins Group believes that the expectations expressed in these forward-looking statements are reasonable and founded on valid bases, it cannot guarantee that these expectations will materialize or prove to be accurate. It is also possible that these assumptions, predictions, forecasts or other forward-looking statements, as well as Desjardins Group's objectives and priorities, may not materialize or may prove to be inaccurate, and that actual future results, conditions, actions or events may differ materially from targets, expectations, estimates or intentions that have been explicitly or implicitly put forward. Readers who rely on these forward-looking statements must carefully consider these risk factors and other uncertainties and potential events, including the uncertainty inherent in forward-looking statements.

The factors that may affect the accuracy of the forward-looking statements in this press release include those discussed in the "Risk management" section of Desjardins Group's 2024 annual MD&A and of its MD&A for the first quarter of 2025, and include credit, market, liquidity, operational, insurance, strategic and reputation risk, environmental, social and governance risk, and regulatory risk.

Such factors also include those related to security (including cybersecurity) breaches, fraud risk, the housing market and household and corporate indebtedness, technological and regulatory developments, including changes to liquidity and capital adequacy guidelines, and requirements relating to their presentation and interpretation, as well as interest rate fluctuations, inflation, climate change, geopolitical uncertainty, artificial intelligence, data risk, a trade dispute with the United States, and the impact that tariffs imposed on certain Canadian exported goods, as well as any resulting retaliatory tariffs, could notably have on goods and services, businesses in certain industries, and the Canadian economy. Furthermore, there are factors related to general economic and business conditions in regions in which Desjardins Group operates; monetary policies; the critical accounting estimates and accounting standards applied by Desjardins Group; new products and services to maintain or increase Desjardins Group's market share; geographic concentration; changes in the credit ratings assigned to Desjardins Group; reliance on third parties; the ability to recruit and retain talent; and tax risk. Other factors include unexpected changes in consumer spending and saving habits, the potential impact of international conflicts on operations, public health crises, such as pandemics and epidemics, or any other similar events affecting the local, national or global economy, as well as Desjardins Group's ability to anticipate and properly manage the risks associated with these factors despite a disciplined risk management environment. Additional information about these factors is found in the "Risk management" section of Desjardins Group's 2024 Annual Report and of its MD&A for the first quarter of 2025.

It is important to note that the above list of factors that could influence future results is not exhaustive. Other factors could have an effect on Desjardins Group's results. Additional information about these and other factors is found in the "Risk management" section of Desjardins Group's 2024 Annual MD&A and of its MD&A for the first quarter of 2025.

The significant economic assumptions underlying the forward-looking statements in this document are described in the "Economic environment and outlook" section of Desjardins Group's 2024 MD&A and of its MD&A for the first quarter of 2025 and can be updated in the interim MD&As subsequently filed. Readers are cautioned to consider the foregoing factors when reading this section. To determine economic growth forecasts in general, and for the financial services sector in particular, Desjardins Group mainly uses historical economic data provided by recognized and reliable organizations, empirical and theoretical relationships between economic and financial variables, expert judgments, and identified upside and downside risks for the domestic and global economies. In light of the changing circumstances of the U.S. trade dispute and the resulting impact on the Canadian economy, financial market conditions, commercial operations, and Desjardins Group's financial results and financial position, there is greater uncertainty about our economic assumptions than in previous periods, as these assumptions are based on uncertain future developments and it is difficult to predict how significant the long-term impact of U.S. tariffs will be.

Any forward-looking statements contained in this press release represent the views of management only as at the date hereof, and are presented for the purpose of assisting readers in understanding and interpreting Desjardins Group's financial position as at the dates indicated or its results for the periods then ended, as well as its strategic priorities and objectives as considered as at the date hereof. These forward-looking statements may not be appropriate for other purposes. Desjardins Group does not undertake to update any oral or written forward-looking statements that could be made from time to time by or on behalf of Desjardins Group, except as required under applicable securities legislation.

Basis of presentation of financial information

The financial information in this document comes primarily from the Annual and Interim Combined Financial Statements. Those statements have been prepared by Desjardins Group's management in accordance with IFRS issued by the International Accounting Standards Board (IASB) and the accounting requirements of the AMF, which do not differ from IFRS. IFRS represent Canada's GAAP. The Interim Combined Financial Statements of Desjardins Group have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting." All the accounting policies were applied as described in Note 2, "Accounting policies," to the Annual Combined Financial Statements.

This press release has been prepared in accordance with the current regulations of the Canadian Securities Administrators (CSA) on continuous disclosure obligations. Unless otherwise indicated, all amounts are presented in Canadian dollars ($) and are primarily from Desjardins Group's annual and interim combined financial statements.

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