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Fédération des caisses Desjardins du Québec
Final Term Sheet
Fixed Rate Senior Sustainable Notes

Issuer:	Fédération des caisses Desjardins du Québec (the “ Issuer ”)
Issue:	Fixed Rate Senior Sustainable Notes (the “ Notes ”)
Ratings:	DBRS: AA(low) (Stable) Moody’s: A1 (Stable) S&P: A- (Stable)
Principal Amount:	C\$500 million
Term:	5 Years
Trade Date:	August 14, 2023
Settlement Date:	August 16, 2023 (T+2)
Maturity Date:	August 16, 2028
Spread:	+151 bps over Government of Canada curve (defined as the interpolation between CAN 3.5% March 1, 2028 and CAN 3.25% September 1, 2028); +151.6 bps (includes +0.6 bps curve adjustment) over CAN 3.25% September 1, 2028 (priced at \$96.785; to yield 3.959%)
Offering Price:	C\$100.00
Coupon:	5.475%
Yield:	5.475%
Interest Payment Dates:	February 16 and August 16 of each year, commencing on February 16, 2024, subject to following business day convention.
Business Day:	A day on which financial institutions are open for business in Toronto, other than a Saturday or a Sunday.
Redemption/Call Provisions:	The Notes are not redeemable prior to their Maturity Date, except that the Issuer may, at its option and without the prior approval of the <i>Autorité des marchés financiers</i> (Québec) (the “ AMF ”), within 90 days following the occurrence of a TLAC Disqualification Event (as defined below) and on not less than 10 days’ and not more than 60 days’ prior notice to the holders of record of the Notes, redeem all, but not some, of the Notes, at a redemption price equal to the greater of: (i) the Canada Yield Price (as defined below), and (ii) 100% of the principal amount thereof, in each case, plus any accrued and unpaid interest to, but excluding, the date fixed for redemption.

“**Canada Yield Price**” means a price equal to the price of the Notes calculated to provide an annual yield to maturity (calculated from the date of redemption) equal to the Government of Canada Yield plus 37.5 bps,

calculated on the business day preceding the date of the announcement of the redemption.

“Government of Canada Yield” means, on any date, the arithmetic average of the yields determined by two registered Canadian investment dealers selected by the Issuer, as being the annual yield to maturity on such date, compounded semi-annually, which a non-callable Government of Canada bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount with a term to maturity approximately equal to the remaining term to the Maturity Date.

“TLAC Disqualification Event” means the AMF had advised the Issuer in writing that the Notes will no longer be recognized in full as Total Loss Absorbing Capacity (“**TLAC**”) under the AMF’s guideline on TLAC in effect from time to time as interpreted by the AMF, provided that a TLAC Disqualification Event will not occur where the exclusion of the Notes from the Issuer’s TLAC requirements is due to the remaining maturity of the Notes being less than any period prescribed by any relevant eligibility criteria applicable as of the Settlement Date.

Status and Rank:

The Notes constitute direct unsecured and unsubordinated obligations of the Issuer. In the event of the winding-up, bankruptcy, insolvency, liquidation or dissolution of the Issuer in accordance with applicable law, the Notes shall rank equally in right of payment with all deposit liabilities and other unsecured and unsubordinated liabilities of Groupe coopératif Desjardins (as defined under the *Act respecting financial services cooperatives* (Québec)), except as may be provided by law and subject to the Resolution Powers (as defined below) of the AMF (including the Bail-in Powers (as defined below)).

The Notes are not insured or guaranteed under the *Deposit Institutions and Deposit Protection Act* (Québec) (the “**Deposit Insurance Act**”) or the *Canada Deposit Insurance Corporation Act*.

Bail-inable:

The Notes are bail-inable notes and as such, are subject to the powers (the “**Resolution Powers**”) of the AMF under, among others, the second paragraph of section 40.50 of the Deposit Insurance Act, pursuant to which, in the event of the resolution of the Issuer, the AMF may convert any part of the Notes into contributed capital securities of the Issuer (such as Class Z-Contingent Capital shares), of a deposit-taking institution that is part of the Groupe coopératif Desjardins or of a legal person constituted or resulting from an amalgamation/continuance or other conversion carried out for the purposes of the resolution of the Issuer (the “**Bail-in Powers**”). For a description of the Resolution Powers of the AMF and the consequent risk factors attaching to the Notes, reference is made to the disclosure applicable to bail-inable notes of the Issuer available at <https://www.desjardins.com/ressources/pdf/d00-fcdq-bail-in-debt-divulcation-version-e.pdf?resVer=1643048795000&navigMW=la>, which information is hereby incorporated by reference herein.

Subsequent Holders:

Each holder of record or beneficial owner of a Note that acquires an interest in the Note in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such holder of record or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified in the Note to the same extent as the holders of record or beneficial owners that acquire an interest in the Note upon its initial issuance, including, without limitation, with respect to the acknowledgements and agreements to be bound by, and consent to, the terms of the Notes related to the Resolution Powers of the AMF (including the Bail-in Powers).

Events of Default:

Non-payment of principal or interest when due for a period of 30 business days or proceedings under any applicable winding-up, bankruptcy, insolvency, liquidation or dissolution or similar relief law. Acceleration

rights may not be exercised if an order has been sought by the AMF in respect of any deposit institution being part of the Groupe coopératif Desjardins and made by the resolution board pursuant to section 40.12 of the Deposit Insurance Act. Notwithstanding the exercise of any acceleration rights, the Notes shall remain subject to the Resolution Powers of the AMF (including the Bail-in Powers) until repaid in full.

Compensation or Set-Off:

The holders of record and beneficial owners of the Notes are not entitled to exercise, or direct the exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to them by the Issuer arising under, or in connection with, the Notes, and each holder of record and beneficial owner shall, by virtue of its acquisition of any Notes (or an interest therein), be deemed to have irrevocably and unconditionally waived all such rights of set-off, netting, compensation or retention. Notwithstanding the foregoing, if any amounts due and payable to any holder of record or beneficial owner by the Issuer in respect of, or arising under, the Notes are purportedly discharged by set-off, netting, compensation or retention, without limitation to any other rights and remedies of the Issuer under applicable law, such holder of record or beneficial owner shall pay to the Issuer an amount equal to the amount of such discharge and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer and, accordingly, any such discharge shall be deemed not to have taken place.

Documentation:

No offering memorandum or prospectus has been prepared or is being provided to prospective purchasers in order to assist them in making an investment decision in respect of the Notes.

Open Market Purchases:

The Issuer may purchase Notes in the market or by tender or by private contract at such price or prices and upon such terms and conditions as the Issuer, in its absolute discretion, may determine, subject, however, to any applicable law restricting the purchase of Notes, and provided that where the purchase of the Notes would lead to a breach of the Issuer's minimum TLAC requirements, such purchase shall be subject to the prior written approval of the AMF.

Selling Restrictions:

This term sheet does not constitute an offer or invitation by anyone in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or invitation. The distribution of this term sheet and the offering or sale of the Notes in some jurisdictions may be restricted by law. This term sheet constitutes an offering of the Notes only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale and then only through persons duly qualified to effect such sales. The Notes have not been and will not be registered under the United States Securities Act of 1933, and should not be offered or sold within the United States.

Use of Proceeds (Sustainable Bonds)¹:

The Issuer intends to use an amount equal to the net proceeds of the sale of the Notes to finance or refinance the loans, investments and internal or external projects which meet the green or social criteria (collectively, "**Eligible Assets**") as described in the Issuer's Sustainable Bond Framework dated April 2021 (as may be amended or updated from time to time, the "**Framework**"). The Framework and a second party opinion in respect of the Framework (the "**Second Party Opinion**") are available electronically at <https://www.desjardins.com/ca/about-us/investor-relations/fixed-income-investors/sustainable-bonds>. The Framework outlines the intention of the Issuer to allocate the net proceeds of the Notes (or an amount at least equivalent thereto) to Eligible Assets that have been originated no more than three years prior to the issue date of the Notes.

Payment of principal and interest on the Notes will be made from the Issuer's general funds and will not be directly linked to the performance of any Eligible Asset.

Any portion of the net proceeds of the sale of the Notes that have not been allocated to Eligible Assets will be invested in accordance with the Issuer's existing liquidity management guidelines. The Issuer intends to fully allocate an amount at least equivalent to the net proceeds of the sale of the Notes within a period of two years from the issue date of the Notes.

The net proceeds of the sale of the Notes will be deposited in the general funding accounts of the Issuer. An amount at least equal to the net proceeds of the issue of the Notes will be earmarked for allocation to Eligible Assets to be included in a sustainable bond portfolio established by the Issuer in accordance with the Framework.

Form: Book-entry only through participants in CDS. Minimum denominations of C\$1,000.

Governing Law: Québec and the federal laws of Canada applicable therein.

Submission to Jurisdiction: Courts of Québec and, where applicable, Canada.

Agents: Desjardins Securities
CIBC Capital Markets
TD Securities
BMO Capital Markets
RBC Capital Markets
Scotiabank
HSBC Securities
National Bank Financial
Casgrain & Company
Laurentian Bank Securities
Manulife Securities

CUSIP/ISIN: 31430WZM9/CA31430WZM95

¹ *The Issuer will exercise its judgement and sole discretion in determining the Eligible Assets that will be financed or refinanced. While it is the intention of the Issuer to comply with the requirements of the Framework, no assurance or representation is given by the Issuer or the Agents that any of the Eligible Assets financed or refinanced, in whole or in part, with the net proceeds from the issuance and sale of the Notes will meet the requirements of the Framework at any time. Furthermore, while the intention of the Issuer is to apply an amount at least equivalent to the net proceeds of the Notes in the manner described herein, there is no contractual obligation to allocate an amount at least equivalent to the net proceeds of the Notes to finance or refinance, in whole or in part, Eligible Assets, or to provide the reports in relation to allocation of, and impact of, such amount as described herein and in the Framework.*

The Issuer's failure to so allocate an amount at least equivalent to the net proceeds, in whole or in part, to Eligible Assets or to report in accordance with the Framework, the default or failure of any of the Eligible Assets funded with such amount, the failure of any Eligible Assets to comply at any time with the Framework or the failure of external assurance providers to provide such assurance will not, in each case, constitute an Event of Default with respect to the Notes or give rise to any other claim of a holder or beneficial holder of the Notes against the Issuer. Any such failure may affect the value of the Notes and/or have adverse consequences for certain investors with portfolio mandates to invest in sustainable or green assets or for a particular purpose.

None of the Issuer or the Agents makes any representation as to the suitability of the Notes to fulfil any green, environmental, sustainable, social or other criteria required by prospective investors, or as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by the Issuer) which may or may not be made available in connection with the issue of the Notes. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Agents or any other person to buy, sell or hold the Notes. The Second Party Opinion and any such other report, assessment, opinion or certification of any third party (whether or not solicited by the Issuer) is only current as at the date that it was initially issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or its provider for the purpose of any investment in the Notes. None of the Agents have undertaken, nor are they responsible for, any assessment of the Framework or the eligibility criteria for the Notes, any verification of whether any of the businesses or projects fall within the Eligible Categories, or the monitoring of the use of the proceeds of the Notes. Investors should refer to the Framework and the Second Party Opinion.