

**Desjardins Trust Inc.  
Financial Information and  
Information on Risk Management  
(unaudited)**

**For the period ended March 31, 2026**

**Table of contents**

	Page		Page
<b>NOTES TO THE READER</b>		<b>RISK MANAGEMENT</b>	
Use of this document	2	Structure and organization of the risk management function	8
Desjardins Trust Inc. profile	2	Integrated Risk Management Framework	8
Basis of presentation of financial information	2	Risk factor that could impact future results	9
		Credit risk	9
		Market risk	10
<b>FINANCIAL INFORMATION</b>		Liquidity risk	10
Balance Sheets	3	Operational risk	10
Statements of Income	4	Strategic risk	12
Statements of Comprehensive Income	4	Reputation risk	12
Statements of Changes in Equity	5	Environmental, social and governance (ESG) risks	12
Securities	5	Regulatory risks	13
Allowance for credit losses on securities	6		
Deposits	6	<b>PILLAR 3 DISCLOSURES</b>	
Interest rate sensitivity and maturity matching	6	Key metrics [KM1]	15
		Composition of regulatory capital [CC1]	16
<b>CAPITAL</b>		Leverage ratio common disclosure [LR2]	18
Basel III	7		
Statement of capital	7		

## NOTES TO THE READER

### USE OF THIS DOCUMENT

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The Financial Information and Information inherent on Risk Management (the document) is designed to support the transparency and disclosure of Desjardins Trust Inc.'s financial information and information inherent on risk management so that the various financial market participants can assess its risk profile. The information disclosed in this document is unaudited.

The information presented in the "Pillar 3 Disclosure" section has been prepared in accordance with the guidelines issued by the Office of the Superintendent of Financial Institutions (OSFI):

- *Pillar 3 Disclosure Guideline for Small and Medium-Sized Deposit-Taking Institutions (SMSBs)*;
- *Capital Disclosure Requirements*;
- *Leverage Ratio Disclosure Requirements*.

In accordance with the requirements of the *Small and Medium-Sized Deposit-Taking Institutions (SMSBs) Capital and Liquidity Requirements - Guideline*, they are classified into three categories. Based on the criteria set out in Section III of this guideline, Desjardins Trust Inc. is classified in Category II.

For more information, please refer to OSFI's financial data website at: <https://www.osfi-bsif.gc.ca>.

### DESJARDINS TRUST INC. PROFILE

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Desjardins Trust Inc. (the Company) is a trustee incorporated as a trust and loan company. It is registered under the *Trust and Loan Companies Act* (Canada) and provides a range of products and services, including asset custody and trust services to individuals and businesses. It is a wholly-owned subsidiary of Desjardins Financial Holding Inc., which in turn is wholly-owned by the Fédération des caisses Desjardins du Québec (the Federation). The address of its head office is 1 Complexe Desjardins, Montreal, Quebec, Canada. Through a service and outsourcing agreement, the Company uses the services of the Federation and some of its subsidiaries to support its operations both in terms of managing staff as well as meeting its movable and immovable asset requirements. Under this agreement, the Federation and its subsidiaries agree to provide the Company with substantially all administrative and operating services. The Company is governed by the OSFI.

### BASIS OF PRESENTATION OF FINANCIAL INFORMATION

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The Annual Financial Statements have been prepared by the Company's management in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and the accounting requirements of the *Autorité des marchés financiers* (AMF) in Quebec and OSFI, which do not differ from IFRS. IFRS represent Canadian generally accepted accounting principles (GAAP). The unaudited financial information presented in this document is mainly excerpted from the Annual and Interim Financial Statements of the Company. Unless indicated otherwise, amounts are in Canadian dollars.

## FINANCIAL INFORMATION

**Table 1 – Balance Sheets**

(in thousands of dollars)	As at March 31, 2026 <sup>(1)</sup>	As at December 31, 2025
<b>ASSETS</b>		
Cash	\$ 28,405	\$ 23,234
Securities at fair value through other comprehensive income	958,679	971,064
Amounts receivable from clients	42,973	46,846
Interest receivable	7,589	4,004
Deferred tax assets	913	962
Other assets	20,027	18,923
<b>TOTAL ASSETS</b>	<b>\$ 1,058,586</b>	<b>\$ 1,065,033</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposits	\$ 746,299	\$ 755,658
Other liabilities	34,772	32,788
<b>TOTAL LIABILITIES</b>	<b>781,071</b>	<b>788,446</b>
<b>EQUITY</b>		
Share capital	59,972	59,972
Retained earnings	216,239	213,668
Accumulated other comprehensive income	1,304	2,947
<b>TOTAL EQUITY</b>	<b>277,515</b>	<b>276,587</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,058,586</b>	<b>\$ 1,065,033</b>

<sup>(1)</sup> The information as at March 31, 2026, reflects the amendments to IFRS 9, "Financial Instruments," adopted as at January 1, 2026. Comparative figures have not been restated.

Table 2 – Statements of Income

(in thousands of dollars)	For the three-month periods ended	
	2026	2025
<b>FEE INCOME AND OTHER INCOME</b>		
Securities administration and custodial services	\$ 21,081	\$ 23,857
Individual and business trust services	17,047	18,193
Other	1,367	1,312
	<b>39,495</b>	<b>43,362</b>
<b>NET INVESTMENT INCOME</b>		
<b>NET INTEREST INCOME</b>		
Interest income	6,798	9,406
Interest expense	(4,310)	(5,439)
	<b>2,488</b>	<b>3,967</b>
<b>OTHER NET INVESTMENT INCOME</b>		
Net realized gains on securities classified as at fair value through other comprehensive income	99	9
Foreign exchange income (loss)	41	(99)
	<b>140</b>	<b>(90)</b>
<b>NET INVESTMENT INCOME</b>	<b>2,628</b>	<b>3,877</b>
<b>TOTAL INCOME</b>	<b>42,123</b>	<b>47,239</b>
<b>PROVISION FOR CREDIT LOSSES<sup>(1)</sup></b>	<b>28</b>	<b>47</b>
<b>NON-INTEREST EXPENSE</b>		
Service agreements and outsourcing	22,456	24,815
Technologies	8,616	7,653
Fees	792	916
Custodian fees	2,717	2,736
Communications	2,186	2,465
Other	1,819	2,305
	<b>38,586</b>	<b>40,890</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>3,509</b>	<b>6,302</b>
Income taxes	938	1,670
<b>NET INCOME FOR THE PERIOD</b>	<b>\$ 2,571</b>	<b>\$ 4,632</b>

<sup>(1)</sup> Represents the provision for expected credit losses on securities classified as at fair value through other comprehensive income.

Table 3 – Statements of Comprehensive Income

(in thousands of dollars)	For the three-month periods ended	
	2026	2025
<b>Net income for the period</b>	\$ 2,571	\$ 4,632
<b>Other comprehensive income, net of income taxes</b>		
<b>Items that will be reclassified subsequently to the Statements of Income</b>		
Net change in unrealized gains and losses on debt securities classified as at fair value through other comprehensive income		
Net unrealized gains (losses)	(1,580)	907
Provision for credit losses	21	35
Reclassification of net gains to the Statements of Income	(84)	(7)
<b>Total other comprehensive income, net of income taxes</b>	<b>(1,643)</b>	<b>935</b>
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>\$ 928</b>	<b>\$ 5,567</b>

**Table 4 – Statements of Changes in Equity**

For the three-month periods ended March 31,

(in thousands of dollars)	Share capital	Retained earnings	Accumulated other comprehensive income	Total equity
<b>BALANCE AS AT DECEMBER 31, 2025</b>	\$ 59,972	\$ 213,668	\$ 2,947	\$ 276,587
Net income for the period	—	2,571	—	2,571
Other comprehensive income for the period	—	—	(1,643)	(1,643)
Comprehensive income for the period	—	2,571	(1,643)	928
<b>BALANCE AS AT MARCH 31, 2026</b>	\$ 59,972	\$ 216,239	\$ 1,304	\$ 277,515
<b>BALANCE AS AT DECEMBER 31, 2024</b>	\$ 59,972	\$ 197,235	\$ 5,010	\$ 262,217
Net income for the period	—	4,632	—	4,632
Other comprehensive income for the period	—	—	935	935
Comprehensive income for the period	—	4,632	935	5,567
<b>BALANCE AS AT MARCH 31, 2025</b>	\$ 59,972	\$ 201,867	\$ 5,945	\$ 267,784

**Table 5 – Securities**

As at March 31, 2026

(in thousands of dollars)	Terms to maturity		
	Under 1 year	Over 1 year	Total
<b>Securities issued or guaranteed by:</b>			
Canadian government entities	\$ 224,262	\$ —	\$ 224,262
Provincial government entities and municipal corporations in Canada	136,435	99,995	236,430
<b>Other securities:</b>			
Financial institutions and other issuers	252,130	245,857	497,987
<b>Total securities</b>	<b>\$ 612,827</b>	<b>\$ 345,852</b>	<b>\$ 958,679</b>

As at December 31, 2025

(in thousands of dollars)	Terms to maturity		
	Under 1 year	Over 1 year	Total
<b>Securities issued or guaranteed by:</b>			
Canadian government entities	\$ 183,921	\$ —	\$ 183,921
Provincial government entities and municipal corporations in Canada	212,997	100,011	313,008
<b>Other securities:</b>			
Financial institutions and other issuers	216,185	257,950	474,135
<b>Total securities</b>	<b>\$ 613,103</b>	<b>\$ 357,961</b>	<b>\$ 971,064</b>

As at March 31, 2026

(in thousands of dollars)	Distribution by province (excluding securities issued or guaranteed by Canadian government entities)						
	British Columbia	Alberta	Manitoba	Ontario	Quebec	Nova Scotia	Total
Securities issued or guaranteed <sup>(1)</sup>	\$ —	\$ 27,483	\$ —	\$ 132,440	\$ 70,683	\$ 5,824	\$ 236,430
Other securities <sup>(2)</sup>	24,964	46,438	5,430	280,726	135,404	5,025	497,987
	<b>\$ 24,964</b>	<b>\$ 73,921</b>	<b>\$ 5,430</b>	<b>\$ 413,166</b>	<b>\$ 206,087</b>	<b>\$ 10,849</b>	<b>\$ 734,417</b>

As at December 31, 2025

(in thousands of dollars)	Distribution by province (excluding securities issued or guaranteed by Canadian government entities)						
	British Columbia	Alberta	Manitoba	Ontario	Quebec	Nova Scotia	Total
Securities issued or guaranteed <sup>(1)</sup>	\$ 49,610	\$ 12,297	\$ 17,907	\$ 113,436	\$ 113,932	\$ 5,826	\$ 313,008
Other securities <sup>(2)</sup>	4,046	43,380	—	289,755	131,906	5,048	474,135
	<b>\$ 53,656</b>	<b>\$ 55,677</b>	<b>\$ 17,907</b>	<b>\$ 403,191</b>	<b>\$ 245,838</b>	<b>\$ 10,874</b>	<b>\$ 787,143</b>

<sup>(1)</sup> Provincial government entities and municipal corporations in Canada.<sup>(2)</sup> Financial institutions and other issuers.

**Table 6 – Allowance for credit losses on securities**

(in thousands of dollars)	As at March 31, 2026	As at December 31, 2025
On securities at fair value through other comprehensive income	\$ 177	\$ 149

**Table 7 – Deposits**

(in thousands of dollars)	As at March 31, 2026	As at December 31, 2025
<b>Type</b>		
Payable on demand	\$ 294,972	\$ 304,203
Payable on a fixed date	451,327	451,455
<b>Total</b>	\$ 746,299	\$ 755,658

(in thousands of dollars)	As at March 31, 2026	As at December 31, 2025
<b>Distribution by province</b>		
Quebec	\$ 719,487	\$ 728,993
Ontario	26,765	26,618
New Brunswick	47	47
<b>Total</b>	\$ 746,299	\$ 755,658

**Table 8 – Interest rate sensitivity and maturity matching**

As at March 31, 2026  (in thousands of dollars)	Terms to maturity							Non-interest- sensitive and provisions	Total
	Floating rate	Under 3 months	3 to 6 months	6 to 12 months	1 to 2 years	Over 2 years			
<b>Assets</b>									
Cash	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	28,405	\$ 28,405
Securities at fair value through other comprehensive income	—	240,866	85,616	286,345	108,766	237,086	—	—	958,679
Interest receivable	—	—	—	—	—	—	7,589	—	7,589
Other assets	—	—	—	—	—	—	63,913	—	63,913
<b>Total assets</b>	\$ —	\$ 240,866	\$ 85,616	\$ 286,345	\$ 108,766	\$ 237,086	\$ 99,907	\$ —	\$ 1,058,586
<b>Liabilities and equity</b>									
Deposits	\$ 294,972	\$ 48,678	\$ 38,666	\$ 113,486	\$ 115,621	\$ 134,876	\$ —	\$ —	\$ 746,299
Other liabilities	—	—	—	—	—	—	34,772	—	34,772
Equity	—	—	—	—	—	—	277,515	—	277,515
<b>Total liabilities and equity</b>	\$ 294,972	\$ 48,678	\$ 38,666	\$ 113,486	\$ 115,621	\$ 134,876	\$ 312,287	\$ —	\$ 1,058,586
<b>Sensitivity gap – Balance Sheet items</b>	\$ (294,972)	\$ 192,188	\$ 46,950	\$ 172,859	\$ (6,855)	\$ 102,210	\$ (212,380)	\$ —	\$ —

**Table 8 – Interest rate sensitivity and maturity matching (continued)**

As at December 31, 2025

Terms to maturity

(in thousands of dollars)	Terms to maturity						Non-interest-sensitive and provisions	Total
	Floating rate	Under 3 months	3 to 6 months	6 to 12 months	1 to 2 years	Over 2 years		
<b>Assets</b>								
Cash	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	23,234	\$ 23,234
Securities at fair value through other comprehensive income	—	126,722	265,311	221,070	113,731	244,230	—	971,064
Interest receivable	—	—	—	—	—	—	4,004	4,004
Other assets	—	—	—	—	—	—	66,731	66,731
<b>Total assets</b>	<b>\$ —</b>	<b>\$ 126,722</b>	<b>\$ 265,311</b>	<b>\$ 221,070</b>	<b>\$ 113,731</b>	<b>\$ 244,230</b>	<b>\$ 93,969</b>	<b>\$ 1,065,033</b>
<b>Liabilities and equity</b>								
Deposits	\$ 304,203	\$ 48,004	\$ 49,509	\$ 96,253	\$ 115,717	\$ 141,972	—	\$ 755,658
Other liabilities	—	—	—	—	—	—	32,788	32,788
Equity	—	—	—	—	—	—	276,587	276,587
<b>Total liabilities and equity</b>	<b>\$ 304,203</b>	<b>\$ 48,004</b>	<b>\$ 49,509</b>	<b>\$ 96,253</b>	<b>\$ 115,717</b>	<b>\$ 141,972</b>	<b>\$ 309,375</b>	<b>\$ 1,065,033</b>
<b>Sensitivity gap – Balance Sheet Items</b>	<b>\$ (304,203)</b>	<b>\$ 78,718</b>	<b>\$ 215,802</b>	<b>\$ 124,817</b>	<b>\$ (1,986)</b>	<b>\$ 102,258</b>	<b>\$ (215,406)</b>	<b>\$ —</b>

## CAPITAL

### BASEL III

The Company's capital ratios are calculated according to the *Capital Adequacy Requirements Guideline* issued by OSFI.

Capital ratios are expressed as a percentage of regulatory capital to risk-weighted assets. The minimum Common Equity Tier 1 capital ratio that the Company must maintain to meet regulatory requirements is 7%. In addition, the Tier 1 capital ratio and total capital ratio must exceed 8.5% and 10.5%, respectively. These minimum ratios include a 2.5% capital conservation buffer.

OSFI also requires that the Company maintains a leverage ratio greater than 3%. This ratio is defined as the capital measure (namely Tier 1 capital) divided by the exposure measure. The exposure measure includes on-balance sheet assets and securities financing transaction exposures.

**Table 9 – Statement of capital**

(in thousands of dollars and as a percentage)	As at March 31, 2026	As at December 31, 2025
<b>Common Equity Tier 1 capital</b>		
Common shares	\$ 59,972	\$ 59,972
Retained earnings	216,239	213,668
Accumulated other comprehensive income	1,304	2,947
Deductions	(22)	(29)
<b>Total Common Equity Tier 1 capital</b>	<b>\$ 277,493</b>	<b>\$ 276,558</b>
<b>Total risk-weighted assets</b>	<b>\$ 604,555</b>	<b>\$ 597,738</b>
<b>Total leverage ratio exposure</b>	<b>\$ 1,058,564</b>	<b>\$ 1,065,004</b>
<b>Ratios</b>		
Common Equity Tier 1 capital ratio	45.9%	46.3%
Tier 1 capital ratio	45.9	46.3
Total capital ratio	45.9	46.3
Leverage	26.2	26.0

## RISK MANAGEMENT

### STRUCTURE AND ORGANIZATION OF THE RISK MANAGEMENT FUNCTION

The Company is exposed to different types of risks in its normal course of operations, including credit risk, market risk, liquidity risk, operational risk, strategic risk, reputation risk, environmental, social and governance risks and regulatory risks. Strict and effective management of these risks is a priority for the Company, its purpose being to support its major orientations, particularly regarding its financial soundness as well as its sustained and profitable growth, while complying with regulatory requirements. The Company considers risk an inextricable part of its development and consequently strives to promote a proactive approach in which everyone in the organization is responsible for risk management.

### INTEGRATED RISK MANAGEMENT FRAMEWORK

The Company's objective in risk management is to optimize the risk-return trade-off by developing and applying integrated risk management strategies, frameworks, practices and procedures to all its operations. To this end, the Company developed an Integrated Risk Management Framework consistent with the organization's business strategies and risk-taking philosophy, which is designed, among other things, to give senior management and the Board of Directors an appropriate level of confidence and comfort regarding the understanding and management of risks associated with the achievement of its objectives, including risks arising from external factors, notably climate change.

This Integrated Risk Management Framework is consistent with that of Desjardins Group (hereinafter also referred to as Desjardins) and covers all of the Company's activities. Like Desjardins Group, the Company uses an overall, coordinated approach to manage its risks in an integrated manner, i.e., by taking into account the interrelationships and interdependencies between the various risks.

As a significant component of the Integrated Risk Management Framework, risk appetite makes it possible to determine the risk type and level that the Company 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 the Company's stability and sustainability in the case of unfavourable future events that could affect reputation, the volatility of profitability, capital adequacy or liquidities. As a result, risk appetite provides a basis for integrated risk by promoting a better understanding of the effect of principal risks and emerging risk factors on the Company's results.

The Risk Appetite Framework reflects the Company's values, mission and risk-taking philosophy, and is based on:

- Ensuring the Company's sustainability by safeguarding against unfavourable events that may affect the volatility of profitability, capital adequacy or liquidity, while preserving its reputation in keeping with its cooperative values.
- Guiding business decisions by defining the type and level of risk the Company wishes to assume to meet its strategic objectives.
- Understanding and conscientiously managing the risks arising from the Company's operations and engaging in only new activities for which the risks are defined, assessed and understood.
- Ensuring the Company's financial sustainability for the benefit of its clients by preserving a capitalization level that meets market expectations and complies with regulatory requirements.
- Limiting risk taking so that the capitalization level is sufficient to face a severe shock having a low probability of occurrence.
- Ensuring the Company's financial sustainability through adequate profitability in light of risk exposure to meet its financial commitments.
- Managing the Company's liquidities and funding activities through stable and diversified sources of funding in order to guard against liquidity risk and to maintain, with highly liquid assets, greater flexibility at the required regulatory level.
- Ensuring credit risk and long-term returns remain suitable for the Company's clients to support them and communities throughout the relationship.
- Avoiding excessively large risk concentration on certain at-risk groups or entities.
- Managing the exposure to interest rate risk arising from strategies and, through managing this risk, limiting the impact of interest rate changes and ensuring the Company's sustainability.
- Always doing what's best for clients by giving them the support they need to be financially empowered, while contributing to community development, in keeping with our values.
- Through our decisions, communications, and actions, protecting the Company's reputation with its clients, communities, regulatory authorities and other stakeholders, while respecting the Company's values.
- Anticipating and gradually mitigating the Company's exposure to climate change risks by acting as a socio-economic leader in the development of a low greenhouse gas emission economy, while contributing to the resilience of clients and other stakeholders by supporting them in the energy transition.
- Maintaining an effective control environment and promoting sound management of operational and regulatory risks for technological, information security, data, third-party, business continuity, model, legal and regulatory, fraud and financial crime, privacy, employment practices, execution, personal and asset damage, and external disclosure risks.

The Company's Board of Directors approves the Risk Appetite Framework and ensures that the organization's financial and strategic objectives are in line with its risk appetite. The Risk Appetite Framework is reviewed regularly and submitted to the Board of Directors for approval. The Risk Management Executive Division relays the main guidelines for risk appetite to the business segments and components, and supports them in implementing these concepts by ensuring consistency in all the indicators, their targets, their levels and their limits with the Desjardins Group Risk Appetite Framework.

The risk management function ensures that the Company's risk profile is in line with its risk appetite. Each quarter, it reports to senior management and the Board of Directors on the compliance with the risk appetite statements and indicators. In the event a threshold or limit for a risk appetite indicator is exceeded, the investigation into the situation and the corrective measures, as applicable, are brought to the attention of the appropriate bodies.

The Company's structure and governance principles comply with the regulatory criteria applicable to a federal trust company. The Company's Board of Directors is responsible for directing, planning, coordinating and monitoring all its activities. In particular, it is responsible for overseeing risk management, examining internal control systems as well as adopting and properly implementing relevant risk management frameworks. The Board of Directors is supported in its specific risk management responsibilities by the Risk Management Committee, the Management Committee, the Audit Committee and the Review Committee. All of these committees benefit from Desjardins Group's support.

The Company's management is responsible for ensuring that sound risk management practices are complied with. In particular, it ensures that appropriate frameworks are developed, implemented, monitored and reviewed. It also ensures that the Company can identify all significant risks, assess their potential impact and implement practices, procedures and control measures to effectively manage them.

The risk management approach of Desjardins Group and the Company is based on principles promoting the accountability of business units. The risk management function of Desjardins Group and the Company ensures that these units successfully manage and control on a daily basis the risks associated with their activities.

### **Risk management frameworks and practices**

The Company uses risk management frameworks to support its business development and meet its strategic objectives. It takes the necessary measures to ensure that they are implemented, applied and maintained in order to meet the regulatory requirements to which it is subject.

The main risk management frameworks address in particular the following:

- Integrated risk management approach;
- Risk appetite, including statements and indicators;
- Strategic and reputation risk management;
- Environmental, social and governance risk management;
- Risk modelling governance;
- Stress testing;
- Internal capital adequacy assessment;
- Operational and regulatory risk management;
- Liquidity risk management;
- Market risk management;
- Credit, counterparty and issuer risk management;
- Investments.

## **RISK FACTOR THAT COULD IMPACT FUTURE RESULTS**

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### **Economic and geopolitical uncertainty**

U.S. trade policy remains in flux, notably with the recent U.S. Supreme Court decision striking down the IEEPA (International Emergency Economic Powers Act) reciprocal tariffs imposed by the U.S. President. While the impact on Canada remains uncertain, the many exemptions under the Canada-U.S.-Mexico Agreement (CUSMA) are limiting the impacts on the Canadian economy for now. With the expected review of CUSMA between now and July 2026, the uncertainty surrounding U.S. trade policy is once again becoming a major risk for Canada, with a particularly broad range of potential issues. In the worst-case scenario, the agreement would be scrapped, subjecting Canadian exports to wide-ranging punitive duties. On the other hand, if the agreement is renewed, and the current sectoral tariffs are lifted, North America would return to more of a free trade type of framework similar to what existed prior to the re-election of the current U.S. President. Our basic assumption is that the agreement will be reviewed, but that the current tariff conditions will be maintained.

Moreover, many geopolitical tensions are fuelling global instability and impacting markets. The conflict in the Middle East is still ongoing, and oil and gas prices remain exceptionally high, leading to accelerating inflation almost everywhere in the world. There is a risk that this conflict will continue for a long time, or that it will escalate into a wider war. Energy prices could rise even more and supply chains could face further disruption. Consumer, business and investor confidence could collapse, creating an economic environment characterized by weak growth – even a global recession – and much higher inflation. In these circumstances, Desjardins Group, including the Company, is monitoring and assessing developments to determine the appropriate course of action to mitigate any potential impact on its operations, members and clients.

## **CREDIT RISK**

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### **Counterparty and issuer risk**

*Counterparty and issuer risk is a credit risk relating to various types of transactions involving securities, financial derivative instruments and securities loans.*

Limits by commitments, issuers and counterparties, borrowers, groups of borrowers and industries are prescribed by policies. They are reviewed by management, which recommends them to the Board of Directors for approval.

## MARKET RISK

*Market risk refers to the risk of loss arising from changes in the fair value of financial instruments as a result of fluctuations in the parameters affecting this value, in particular, interest rates, exchange rates, credit spreads, stock prices and their volatility.*

The Company is exposed to market risk primarily through its financial intermediation activities. The Company has adopted policies that set out the principles, limits and procedures to use in managing market risk. Interest rate risk is the main component of market risk to which the Company is exposed. Sound and prudent management is applied to optimize net interest income while minimizing the negative incidence of interest rate movements. The established policies describe the principles, limits and procedures that apply to interest rate risk management. The Company's Management Committee is responsible for analyzing and approving the various interest rate matching strategies while respecting the parameters defined in the policies.

Additional information of the Company's position with respect to interest rate sensitivity and maturity matching is provided in Table 8, "Interest rate sensitivity and maturity matching," in this document.

## LIQUIDITY RISK

*Liquidity risk refers to the Company's capacity to raise the necessary funds (by increasing liabilities or converting assets) to meet a financial obligation, whether or not it appears on the Balance Sheets.*

The Company manages liquidity risk in order to ensure that it has timely and cost-effective access to the funds needed to meet its financial obligations as they become due, in both routine and crisis situations. Managing this risk involves maintaining a sufficient level of liquid securities. In addition, the Company ensures, through Desjardins Group, that there are stable and diversified sources of funding, that indicators are monitored and a contingency plan to implement in the event of a liquidity crisis.

Liquidity risk management is a key component of the overall risk management strategy. The Company has established a policy describing the principles, limits, risk appetite thresholds as well as the procedures that apply to liquidity risk management. The policy is reviewed on a regular basis to ensure that it is appropriate for the operating environment, prevailing market conditions and regulatory requirements. It incorporates, in particular, the requirements of OSFI's *Guideline B-6, Liquidity Principles*, as well as monitoring and compliance with the standards for the short term liquidity coverage ratio (LCR) and net cumulative cash flow (NCCF) under Basel III. This policy has been approved by the Board of Directors and is monitored by the Risk Management Committee. During the quarter, the Company filed with OSFI the monthly reports on LCR and NCCF.

In January 2026, OSFI issued the final version of its *Liquidity Adequacy Requirements* guideline, which addresses in particular the LCR and NCCF ratios. This version of the guideline adds new funding categories related to structured notes and unrelated third-party deposits, and specifies the treatment of instruments with contingent provisions. These changes will become effective on May 1, 2026.

## OPERATIONAL RISK

*Operational risk is the risk of inadequacy or failure attributable to processes, people, internal systems or external events and resulting in losses or failure to achieve objectives, and takes into consideration the impact of failures to achieve the strategic objectives of the component concerned or Desjardins Group, if applicable.*

Operational risk is inherent to all of the activities of Desjardins Group and the Company, including management and control activities in other risk areas such as credit risk, market risk, liquidity risk, model risk, etc., as well as activities performed by a third party. Among other things, this risk may lead to losses or the non-achievement of objectives, mainly resulting from theft, fraud, damage to tangible assets, non-compliance with legislation or regulations, systems failures, unauthorized access to computer systems, cyber threats, or problems or errors in process management. To maintain this risk at an acceptable level, an Operational Risk Management Framework has been developed and deployed throughout the organization. This Framework includes the usual practices for sound management of operations and is based on the three lines of defence model, clearly defining the roles and responsibilities in risk and operations management.

OSFI's *Guideline E-21, Operational Risk Management and Resilience*, which raises expectations for operational risk management and resilience, is being phased in across Desjardins Group and the Company and should lead to full compliance with the guideline by September 1, 2026, the deadline set by OSFI.

Bill C-8, which introduces the *Critical Cyber Systems Protection Act (CCSPA)*, is intended to govern the cybersecurity of federally-regulated critical infrastructures, in particular in the banking and insurance sectors. Among other things, the CCSPA requires that entities subject to it implement cybersecurity programs and report incidents affecting a critical cybersecurity system to the federal authorities in the manner prescribed in the CCSPA. In that context, Desjardins Group, including the Company, already has management, oversight and reporting programs for cybersecurity incidents. Desjardins Group, including the Company, remains focused to ensure compliance with applicable legal and regulatory requirements, including those resulting from the CCSPA, as part of its overall risk management and compliance framework.

Desjardins Group, including the Company, is working to integrate artificial intelligence risk management into its existing operational risk management practices. The work addresses items such as, but not limited to, the development of model risk management practices by integrating into them risks related to artificial intelligence systems in compliance with the requirements of OSFI's *Guideline E-23, Model Risk Management*, the last version of which will be effective as of May 1, 2027.

In that regard, artificial intelligence models and systems will be monitored and assessed to ensure their ability to support the Company's business objectives.

With respect to *Guideline B-10, Third-Party Risk Management*, which applies to federal financial institutions governed by OSFI, including the Company, the Desjardins Group third-party risk management frameworks, which are also applicable to the Company, are in line with the principles and expectations reflected in this Guideline.

### Operational Risk Management Framework

The purpose of the Operational Risk Management Framework is to identify, measure, mitigate and monitor operational risk as well as make interventions and disclosures in accordance with operational risk appetite and the frameworks adopted by the Board of Directors. It is supported by guidelines setting out operational risk management foundations. At the same time, the Operational Risk Management Framework connects with the other areas of risk.

This Framework is reviewed according to defined frequency and conditions to maintain its adequacy and its relevance based on developments in industry practices and new regulations.

### Governance

Operational risk management governance emphasizes accountability and risk oversight. Operational risk is governed by frameworks, which are reviewed periodically to ensure consistency with the Integrated Risk Management Framework approved by the Board of Directors.

Reporting is done on a regular basis to the committees that provide risk management oversight so that their members can assess the operational risk exposure of Desjardins Group and the Company.

In addition, the main mandate of the Desjardins Group Operational Risk Committee, which is composed of representatives of the second line of defence functions monitoring and overseeing operational risks, is to monitor operational and regulatory risks to which Desjardins Group and the Company are exposed. Its governance is described in the "Integrated Risk Management Framework" section of this document.

### Approaches to identifying, measuring and monitoring operational risk

With respect to the Operational Risk Management Framework, the following table illustrates the tools and methods used to identify, measure and monitor operational risk.

The purpose of the Operational Risk Management Framework is to identify, measure, mitigate and monitor operational risk as well as make interventions and disclosures in accordance with operational risk appetite and the frameworks adopted by the Board of Directors. It is supported by guidelines setting out operational risk management foundations. At the same time, the Operational Risk Management Framework connects with the other areas of risk.

This Framework is continuously reviewed to ensure its adequacy and its relevance based on developments in industry practices and new regulations.

	Description
<b>Risk disclosures</b>	The nature and levels of operational risks are frequently disclosed to senior management as well as the various committees overseeing risk management. This promotes an effective management of operational risk that enables taking action quickly when required and establish the various priorities based on the importance of the risks involved.
<b>Mitigation measures</b>	Desjardins Group and the Company have a structure to ensure sound management of operational risks by overseeing the design and applying robust controls that contribute to risk mitigation. Once risks have been identified and assessed, Desjardins Group and the Company ensure they are maintained at a level that is consistent with risk appetite, to promote achieving goals and continuously ensure the effectiveness of the various existing internal control mechanisms. Accordingly, in the event that established tolerance thresholds are exceeded, action plans are put in place to ensure that risk-taking is always consistent with the Appetite Framework and goals of Desjardins Group and the Company.
<b>Risk-sharing and insurance programs</b>	Desjardins Group and the Company have developed insurance programs to give themselves additional protection against material operational losses. These programs offer protection based on the business segment's needs, the risk tolerance of Desjardins Group and the Company, as well as emerging risks on the market.
<b>Calculation of capital exposed to operational risk</b>	Regulatory capital for operational risk is calculated using the Simplified Standardized Approach in accordance with the <i>Capital Adequacy Requirements Guideline</i> issued by OSFI. This calculation method is based on the Company's adjusted gross income component.

## STRATEGIC RISK

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*Strategic risk refers to a possible loss in value attributable to the occurrence of external and internal events or the implementation of inadequate strategies or actions that might prevent Desjardins Group and the Company from achieving their strategic objectives, including the interests of members and clients.*

This risk forms an integral part of the Integrated Risk Management Framework of Desjardins Group and the Company and is the subject of the Strategic Risk Management Policy. It is first up to senior management and the Board of Directors to address and monitor the development of the strategic orientations of Desjardins Group and the Company, taking into account the risk appetite and financial constraints of Desjardins Group and the Company. Events that could compromise the achievement of the strategic objectives, and therefore the competitiveness, of Desjardins Group and the Company are systematically and regularly monitored. To this end, Desjardins Group and the Company have implemented an annual process to update the strategic plan, including a risk analysis and an objective review, to factor in market developments, emerging risks, major industry trends as well as the geopolitical and economic context.

Business segments and support functions periodically identify and assess events and risks that could prevent the achievement of strategic objectives, and report thereon to the appropriate bodies. In addition, strategic positions, business acquisitions, new products and services, projects financed by the Desjardins Group investment portfolio, major initiatives and transactions are subject to a risk analysis, including an objective review by the second lines of defence, if required, before being implemented.

## REPUTATION RISK

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*Reputation risk is the risk that a negative perception by the stakeholders, whether or not justified, of the Company's practices, actions or lack of action could have a material unfavourable impact on its income and equity, or may significantly affect the confidence of members and clients or, more broadly, public opinion.*

A reputation is of critical importance, and reputation risk cannot be managed separately from other risks. Therefore, managing reputation risk in all their operating segments is a constant concern for Desjardins Group and the Company. In that regard, Desjardins Group and the Company seek to ensure that all employees are constantly aware of the potential repercussions of their actions on the reputation and image of Desjardins Group, including the Company. Desjardins Group and the Company consider it essential to foster a proactive approach to risk management in which integrity and ethics are fundamental values.

Desjardins Group has defined a Management Framework, and roles and responsibilities with regard to reputation risk. This framework is in addition to various processes already in place to identify, measure and govern this risk, such as the previously mentioned operational risk management initiatives, the regulatory compliance program, ethical requirements, and reputation risk assessment as part of new initiatives and the introduction of new products. All these aspects are aimed to promote sound reputation risk management. In addition, the President and Chief Executive Officer of Desjardins Group is the main person responsible for the culture change process. The aim of this process is to effect a profound change in behaviour in order to always work in the best interests of members and clients. This approach also contributes to managing reputational risks.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

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*ESG risks are linked to an environmental, social or governance event or issue, which materializes as part of the operations, financing, investing and insurance activities or commitments of Desjardins Group, including the Company, the consequences of which could generate financial losses or reputational harm.*

The Company is increasingly focusing on integrating ESG considerations into its operations. These cross-sectional risks may also materialize indirectly through business relations with other entities whose operations could involve Environmental, Social or Governance issues.

Due to the nature of its operations, the Company has a low exposure to ESG risks. Through the Integrated Risk Management Framework and the ESG Policy, the Company ensures that those risks are managed at all levels.

## REGULATORY RISKS

The financial services industry is one of the most strictly regulated and monitored sectors. For several years, the regulatory framework has steadily strengthened as a result of both the extension of its scope and the growing complexity of its requirements. The pressure exerted by regulatory authorities is mounting and their oversight powers are increasing, and this exposes Desjardins Group, including the Company, to monetary sanctions and greater reputation risk.

### Regulatory authorities and bodies

This evolution is in response to numerous socio-economic phenomena such as the development of new, increasingly complex financial products, the continuing volatility in the securities industry, increasingly complex financial fraud, the fight against money laundering and terrorist financing, and the fight against tax evasion, to mention but a few. In addition to federal (Canada and the U.S.) and provincial government requirements, due consideration must be given to the requirements of the AMF, the Canadian Securities Administrators, OSFI, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and the Canadian Investment Regulatory Organization. Complying with legislative and regulatory provisions, such as those on the protection of personal information, laws and regulations governing insurance, the *Foreign Account Tax Compliance Act*, the *Standard for Automatic Exchange of Financial Account Information in Tax Matters*, the *Dodd-Frank Wall Street Reform and Consumer Protection Act* or the Basel accords, requires considerable technical, human and financial resources and also affects the way the Company manages its current operations and implements its business strategies.

### Compliance Management Framework

Fulfilling an independent supervisory function, the Vice-President and Chief Compliance and Privacy Officer of Desjardins Group fosters a proactive approach to compliance by fully integrating compliance into the Company's current operations.

The Management Framework applies to legal and regulatory risks, including the fight against financial crimes and corruption as well as fraud and privacy risks. It is based on identifying and monitoring regulatory obligations and overseeing the functional units subject to them. The compliance Management Framework provides for the following:

- developing frameworks and documentation to comply with the regulatory requirements in effect;
- implementing training programs and coaching initiatives (advisory role);
- deploying operations oversight and inspection programs;
- reporting on the compliance status to the Company's Board of Directors and senior management.

To maintain its reputation for integrity as well as the confidence of its members and clients, the market and the general public, Desjardins Group, including the Company, has also adopted a code of professional conduct applicable to the officers and employees of all its components.

This Compliance Management Framework provides reasonable assurance that the Company's operations are carried out in compliance with applicable regulations. Despite all these efforts, the Company may not be able to predict the exact impact of regulatory developments and appropriately implement strategies to respond. It could then sustain an adverse impact on its financial performance, its operations and its reputation.

### Compliance organizational structure

The Vice-President and Chief Compliance and Privacy Officer of Desjardins Group reports to the Executive Vice-President, Risk Management of Desjardins Group. The Chief Compliance Officers of the components, including the Company, report to the Vice-President and Chief Compliance and Privacy Officer.

### Legal and regulatory

*Legal and regulatory risk is the risk associated with the non-compliance by Desjardins Group with obligations arising from the anticipation, interpretation or application of a legislative or regulatory provision or a contractual commitment, which could have an impact on the conduct of its operations, its reputation, its strategies and its financial objectives.*

Legal and regulatory risk entails, inter alia, effectively preventing and handling possible disputes and claims that may lead in particular to judgments or decisions by a court of law or regulatory body that could result in orders to pay damages, financial penalties or sanctions. Moreover, the legal and regulatory environment is evolving quickly and could increase the Company's exposure to new types of litigation. In addition, some lawsuits against the Company may be very complex and be based on legal theories that are new or have never been verified. The outcome of such lawsuits may be difficult to predict or estimate until the proceedings have reached an advanced stage, which may take several years. Class action lawsuits or multi-party litigation may feature an additional risk of judgments with substantial monetary, non-monetary or punitive damages. Plaintiffs who bring a class action or other lawsuit sometimes claim very large amounts, and it is impossible to determine the Company's liability, if any, for some time. Legal liability or an important regulatory measure could have an adverse effect on the current activities of the Company, its results of operations and its financial position, in addition to damaging its reputation. Even if the Company won its court case or was no longer the subject of measures imposed by regulatory bodies, these situations could harm its reputation and have an adverse impact on its financial position, due in particular to the costs associated with such proceedings, and its brand image.

## **Privacy**

*Privacy risk is the risk associated with inadequate handling of personal information (theft or breach, loss, collection, consent management, use, disclosure, retention, destruction or infringement of the rights of individuals related to their personal information) through intentional or unintentional actions (internal threat, error, negligence or omission). The key consequences of privacy risk deal with the Company's reputation, compliance and potential financial losses.*

After the Quebec privacy regulatory reform, which occurred between 2021 and 2024, the federal Minister of Artificial Intelligence and Digital Innovation confirmed that his office is currently developing a new privacy act to replace Bill C-27, which died on the Order Paper in January 2025. Desjardins Group, including the Company, carefully monitors the intentions of the federal government with respect to privacy laws reform.

Federal Bill C-15, the new legislative banking services framework applicable to open finance, was passed by the House of Commons on February 26, 2026, and received royal assent on March 26, 2026. Complying with this new framework will require significant work for Desjardins Group, including the Company, which will begin with filing an application for accreditation with the Bank of Canada. Service providers and data recipients will also have to be accredited. Desjardins Group, including the Company, continues its work to align itself with the current regulatory framework and ensure that any project implemented in the organization complies with the framework.

## **Fraud and financial crime**

*Fraud and financial crime risk is the risk associated with acts conducted illegally by internal or external parties with the intent to cause harm, benefit from them or misappropriate assets belonging to Desjardins Group, members or clients, or the risk associated with non-compliance by Desjardins Group, including the Company, with obligations arising from the anticipation, interpretation or application of a legislative or regulatory provision regarding financial crimes.*

To protect members and clients as well as the organization, Desjardins Group, including the Company, continually improves its processes and solutions to adequately prevent, detect and deal with fraud. To do so, fraud risks are identified on an ongoing basis and effective and robust mitigation measures are constantly evolving.

With respect to the fight against money laundering and terrorist financing, the Minister of Public Safety tabled, in October 2025, a bill that would, among other things, raise the administrative monetary penalties that FINTRAC may impose. This bill confirms that the regulator is willing to impose more severe sanctions for non-compliance. It is now in its last phase before the Senate before receiving royal assent.

In February 2026, FINTRAC initiated Targeted Indicator Profiles in respect of extortion. These will act as a new tool to communicate emerging indicators, trends, and typologies to businesses through trusted channels, improving the timeliness, quantity and quality of the reports submitted by reporting entities.

Desjardins Group, including the Company, also has a Financial Crime Governance Framework, which it is continuously improving. In past months, the Department of Finance adopted regulatory changes to expand the obligations of reporting entities, such as Desjardins Group, including the Company, in particular with respect to listed person or entity property reports, information sharing between reporting entities and beneficial ownership information. In addition, the Directive on Financial Transactions Associated with the Islamic Republic of Iran was updated to broaden its scope. Desjardins Group continues to carry out the work to meet these new requirements and participated in the consultations organized by FINTRAC.

## PILLAR 3 DISCLOSURES

### Template KM1 – Key metrics

	a	b	c	d	e
	As at March 31, 2026	As at December 31, 2025	As at September 30, 2025	As at June 30, 2025	As at March 31, 2025
(in thousands of dollars and as a percentage)					
<b>Available capital (amounts)</b>					
1 Common Equity Tier 1 (CET1)	\$ 277,493	\$ 276,558	\$ 277,303	\$ 271,257	\$ 267,784
2 Tier 1 capital	277,493	276,558	277,303	271,257	267,784
3 Total capital	277,493	276,558	277,303	271,257	267,784
<b>Risk-weighted assets (amounts)</b>					
4 Total risk-weighted assets (RWA)	\$ 604,555	\$ 597,738	\$ 541,064	\$ 558,302	\$ 542,212
<b>Risk-based capital ratios as a percentage of RWA</b>					
5 CET1 ratio	45.9%	46.3%	51.3%	48.6%	49.4%
6 Tier 1 ratio	45.9%	46.3%	51.3%	48.6%	49.4%
7 Total capital ratio	45.9%	46.3%	51.3%	48.6%	49.4%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8 Capital conservation buffer requirement	2.5%	2.5%	2.5%	2.5%	2.5%
9 Countercyclical buffer requirement	—	—	—	—	—
10 Domestic Systemically Important Financial Institution (D-SIFI) additional requirements	—	—	—	—	—
11 Total of bank CET1 specific buffer requirements (row 8 + 9 + 10)	2.5%	2.5%	2.5%	2.5%	2.5%
12 CET1 available after meeting the bank's minimum capital requirements	37.9%	38.3%	43.3%	40.6%	41.4%
<b>Basel III Leverage ratio</b>					
13 Total Basel III leverage ratio exposure measure	\$ 1,058,564	\$ 1,065,004	\$ 1,073,464	\$ 1,082,741	\$ 1,073,203
14 Basel III leverage ratio (row 2 / row 13)	26.2%	26.0%	25.8%	25.1%	25.0%

## Template CC1 - Composition of regulatory capital

	<sup>a</sup> As at March 31, 2026	As at December 31, 2025	As at September 30, 2025	As at June 30, 2025	As at March 31, 2025
(in thousands of dollars and as a percentage)					
<b>Tier 1A capital: Instruments and reserves</b>					
1	\$ 59,972	\$ 59,972	\$ 59,972	\$ 59,972	\$ 59,972
2	216,239	213,668	212,615	206,699	201,867
3	1,304	2,947	4,716	4,586	5,945
4	N/A	N/A	N/A	N/A	N/A
5	—	—	—	—	—
6	<b>\$ 277,515</b>	<b>\$ 276,587</b>	<b>\$ 277,303</b>	<b>\$ 271,257</b>	<b>\$ 267,784</b>
15	<b>22</b>	<b>29</b>	<b>—</b>	<b>—</b>	<b>—</b>
28	<b>\$ 22</b>	<b>\$ 29</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
29	<b>\$ 277,493</b>	<b>\$ 276,558</b>	<b>\$ 277,303</b>	<b>\$ 271,257</b>	<b>\$ 267,784</b>
30	—	—	—	—	—
31	—	—	—	—	—
32	—	—	—	—	—
33	N/A	N/A	N/A	N/A	N/A
34	—	—	—	—	—
35	N/A	N/A	N/A	N/A	N/A
36	—	—	—	—	—
43	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
44	—	—	—	—	—
45	<b>\$ 277,493</b>	<b>\$ 276,558</b>	<b>\$ 277,303</b>	<b>\$ 271,257</b>	<b>\$ 267,784</b>
<b>Tier 2 capital</b>					
46	—	—	—	—	—
47	N/A	N/A	N/A	N/A	N/A
48	—	—	—	—	—
49	N/A	N/A	N/A	N/A	N/A
50	—	—	—	—	—
51	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
57	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
58	—	—	—	—	—
59	<b>\$ 277,493</b>	<b>\$ 276,558</b>	<b>\$ 277,303</b>	<b>\$ 271,257</b>	<b>\$ 267,784</b>
60	<b>\$ 604,555</b>	<b>\$ 597,738</b>	<b>\$ 541,064</b>	<b>\$ 558,302</b>	<b>\$ 542,212</b>
60a	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

## Template CC1 - Composition of regulatory capital (continued)

		a				
		As at March 31, 2026	As at December 31, 2025	As at September 30, 2025	As at June 30, 2025	As at March 31, 2025
(in thousands of dollars and as a percentage)						
<b>Capital ratios and buffers</b>						
61	Common Equity Tier 1 (as % of risk-weighted assets)	45.9%	46.3%	51.3%	48.6%	49.4%
62	Tier 1 (as % of risk-weighted assets)	45.9%	46.3%	51.3%	48.6%	49.4%
63	Total capital (as % of risk-weighted assets)	45.9%	46.3%	51.3%	48.6%	49.4%
<b>OSFI target</b>						
69	Common Equity Tier 1 target ratio	7.0%	7.0%	7.0%	7.0%	7.0%
70	Tier 1 capital target ratio	8.5%	8.5%	8.5%	8.5%	8.5%
71	Total capital target ratio	10.5%	10.5%	10.5%	10.5%	10.5%
<b>Applicable caps on the inclusion of allowances in Tier 2</b>						
76	Allowances eligible for inclusion in Tier 2 capital in respect of exposures subject to the Standardized Approach (prior to application of cap)	\$ —	\$ —	\$ —	\$ —	\$ —
77	Cap on inclusion of allowances in Tier 2 capital under the Standardized Approach	—	—	—	—	—

## Template LR2 - Leverage ratio common disclosure

	a	b			
	As at March 31, 2026	As at December 31, 2025	As at September 30, 2025	As at June 30, 2025	As at March 31, 2025
(in thousands of dollars and as a percentage)					
<b>On-balance sheet exposures</b>					
1					
On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures, but including collateral) <sup>(1)</sup>	\$ 1,058,586	\$ 1,065,033	\$ 1,073,464	\$ 1,082,741	\$ 1,073,203
2					
Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework (IFRS)	—	—	—	—	—
3					
(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	—	—	—	—	—
4					
(Asset amounts deducted in determining Tier 1 capital) <sup>(1)</sup>	(22)	(29)	—	—	—
5					
<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 4)</b>	<b>\$ 1,058,564</b>	<b>\$ 1,065,004</b>	<b>\$ 1,073,464</b>	<b>\$ 1,082,741</b>	<b>\$ 1,073,203</b>
<b>Derivative exposures</b>					
6					
Replacement cost associated with all derivative transactions	—	—	—	—	—
7					
Add-on amounts for potential future exposure associated with all derivative transactions	—	—	—	—	—
8					
(Exempted central counterparty leg of client-cleared trade exposures)	—	—	—	—	—
9					
Adjusted effective notional amount of written credit derivatives	—	—	—	—	—
10					
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	—	—	—	—	—
11					
<b>Total derivative exposures (sum of lines 6 to 10)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Securities financing transaction exposures</b>					
12					
Gross SFT assets recognized for accounting purposes (with no recognition of netting, after adjusting for sale accounting transactions)	\$ —	\$ —	\$ —	\$ —	\$ —
13					
(Netted amounts of cash payables and cash receivables of gross SFT assets)	—	—	—	—	—
14					
Counterparty credit risk (CCR) exposure for SFTs	—	—	—	—	—
15					
Agent transaction exposures	—	—	—	—	—
16					
<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Other off-balance sheet exposures</b>					
17					
Off-balance sheet exposure at gross notional amount	—	—	—	—	—
18					
(Adjustments for conversion to credit equivalent amounts)	—	—	—	—	—
19					
<b>Off-balance sheet items (sum of lines 17 and 18)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Capital and total exposures</b>					
20					
Tier 1 capital	277,493	276,558	277,303	271,257	267,784
21					
<b>Total exposures (sum of lines 5, 11, 16 and 19)</b>	<b>\$ 1,058,564</b>	<b>\$ 1,065,004</b>	<b>\$ 1,073,464</b>	<b>\$ 1,082,741</b>	<b>\$ 1,073,203</b>
<b>Leverage ratio</b>					
22					
Basel III leverage ratio	26.2%	26.0%	25.8%	25.1%	25.0%

<sup>(1)</sup> Reclassification of the amount of assets deducted that were initially presented on a net basis on the balance sheet.