

2008 SOCIAL RESPONSIBILITY AND COOPERATIVE REPORT

COOPERATE TO SHAPE OUR DESTINY



Money working for people

COOPERATE TO SHAPE OUR DESTINY FOR A MORE RESPONSIBLE, EQUITABLE AND SUSTAINABLE WORLD

In doing business with Desjardins Group, our members and clients are not only finding the solutions to their financial needs, but also playing an active role in the development of an economically more responsible, equitable and sustainable world.

The notion of social responsibility is part of the very fabric of Desjardins Group, whose mission is to contribute to the economic and social well-being of individuals and communities. Its elected officers and employees ensure that the mission is carried out on a day-to-day basis by:

- maintaining dynamic and disciplined cooperative governance.
- supporting communities through various commitments that contribute to their prosperity and improve their quality of life.
- implementing business and management practices that show respect for the environment, human rights and the less fortunate.
- upholding a healthy work environment, conducive to the growth and well-being of individuals.

AN EVER-EVOLVING APPROACH

In 2005, Desjardins Group adopted a sustainable development policy based on the principles of social responsibility. This policy has received increasing support from the caisses and other components, who have in turn made it part of their cooperative difference. Always attentive to its members and clients, and to the communities in which it operates, Desjardins Group is motivated more than ever by the desire to develop its internal practices and its products and services accordingly.

For the second consecutive year, Desjardins Group is using Global Reporting Initiative (GRI) performance indicators to report on its results in terms of social responsibility. These indicators are to social responsibility what generally accepted accounting principles (GAAP) are to financial disclosure: a guarantee of transparency and consistency in monitoring results. Because of its concern for presenting accessible and thorough information, Desjardins has chosen to present its results using a unique tool—this Report—which is based on the GRI and the cooperative principles that guide Desjardins Group's actions. Readers are invited to send comments and suggestions through a brief online survey at www.desjardins.com/socialresponsibilityreport.

Desjardins Group has decided that, from now on, it will publish its complete results online in the fall during Cooperation Week. However, a summary of its Social and Cooperative Impact was already published in the 2008 Annual Report released last spring and available on desjardins.com.

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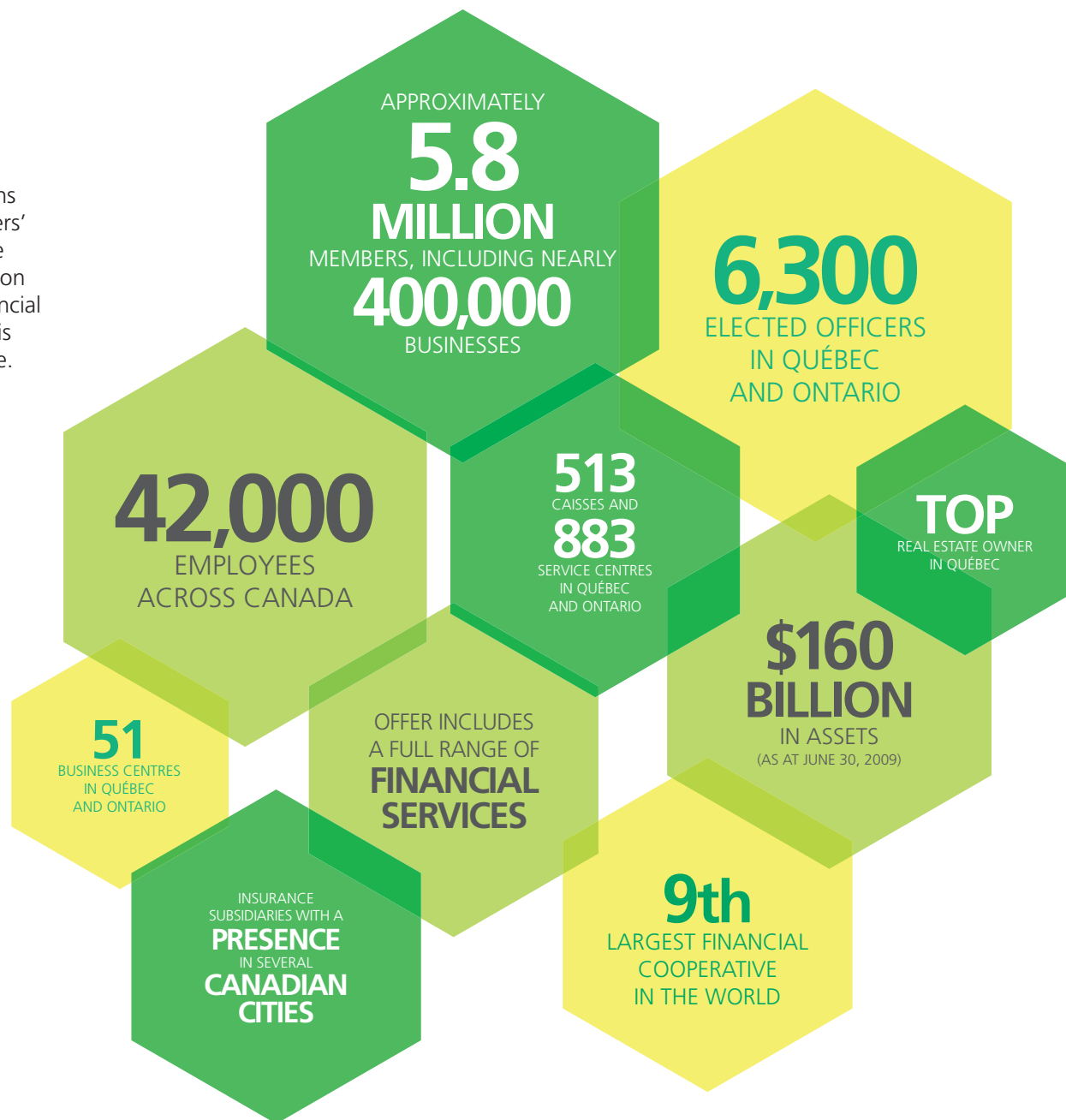
On peut obtenir la version française de ce rapport au www.desjardins.com/rapportresponsabilitesociale.

This Social Responsibility and Cooperative Report was produced by the Communications Corporate Division of Desjardins Group.

Graphic design: lg2boutique
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THE SCOPE OF DESJARDINS GROUP

Desjardins Group stands out from other financial institutions through its cooperative approach, which prioritizes members' and clients' interests. Almost 110 years after the first caisse was founded, Desjardins Group is the top financial institution in Québec, the sixth-largest in Canada and the largest financial cooperative in the country. Its cooperative business model is more relevant than ever and focused on building the future.





A GROUP EFFORT TOWARD GREATER RESPONSIBILITY, FAIRNESS AND SUSTAINABILITY

In 2008, a major economic crisis rocked the stock markets, affecting the economy on a global scale. This unusual occurrence had serious consequences for many people and communities. As a result, actions demonstrating a profound sense of social responsibility took on even greater importance. Always faithful to its cooperative mission, Desjardins Group spared no effort in going beyond its purely economic and financial role to exercise a positive influence on the community.

A LEADER IN SOCIAL RESPONSIBILITY

Our members and officers expect that, regardless of the circumstances, we will continue to assume the kind of leadership role we always have in terms of social responsibility. We intend to live up to that expectation, both in terms of our initiatives and in the way we recognize and report them.

That is why we are taking even further steps in our use of the Global Reporting Initiative (GRI) performance indicators, which we first began using last year. Our 2008 Social Responsibility and Cooperative Report is thus more complete and more transparent. Having a greater number of indicators enables our various stakeholders to better measure our achievements. On that note, I invite you to fill out the online survey after having read this report, to let us know where your interests lie and what you think of it. For us, this is a way to remain attentive to your concerns and to improve our business.

“When we focus on the company’s extended role within the community, when we concern ourselves with who will be taking over after us, when we seek to establish sustainable and harmonious relationships with our various stakeholders, namely clients, employees, suppliers, local communities and governments—in fact, all the people and entities upon which our activities have an impact or that may influence the future of the company—we are obliged to look further than just the next quarter. That is why I believe that cooperatives, which belong to and are largely capitalized by their members, have a distinct advantage over other businesses.”

MONIQUE F. LEROUX

Chair of the Board, President and CEO, Desjardins Group

"Thanks largely to the human and financial force they represent, the caisses today play an influential role in their communities. Their extensive resources give them enormous capacity for action. When backed by a caisse, a cause or a project receives the kind of endorsement and contribution that vastly improves its chances for success. Moreover, the caisses do not hesitate to pool their resources in order to strengthen their impact on a regional or provincial level."

Our Social Responsibility and Cooperative Report is also being presented for the first time exclusively on virtual media. This is in compliance with Desjardins Group's Sustainable Development Policy which, among other things, addresses the issue of reducing paper consumption. Finally, we chose Cooperation Week to launch our report, because we wanted to draw even more attention to the close ties between Desjardins Group's cooperative nature and its social responsibility activities.

That being said, we will continue in the future to deepen our commitment with respect to social responsibility. The extensive strategic reflection process now underway at Desjardins Group, and which will culminate at our 20th Congress in November 2009, will contribute to this process.

RECOGNIZED PERFORMANCE

Our performance in terms of social responsibility leads us to seek the highest standards of practices for a broad spectrum of activities: governance, HR management, investment, community involvement, the environment, occupational health and safety, and human rights. Desjardins Group's performance in these areas already sets it apart from the crowd. For example, Desjardins was ranked 24th by *Corporate Knights* magazine on their 2009 list of the Best 50 Corporate Citizens in the country. We are very proud to be making our mark nationally and intend to continue our efforts to rise even higher in those ranks. Desjardins is also a finalist for the 2009 *Prix québécois de l'entreprise citoyenne* (Québec corporate citizenship) award in the social responsibility category. This recognition reflects the commitment of thousands of elected officers who have helped build and develop Desjardins Group since its founding in 1900.

SUSTAINABLE DEVELOPMENT: FROM FORERUNNER TO KEY PLAYER

By virtue of its mission and its commitment to the community, Desjardins Group has been a forerunner in terms of sustainable development. Since the beginning, two of the three aspects of sustainable development—economic development and social development—have been central to all its actions and concerns. In these areas, Desjardins has always worked toward making continuous improvements, constantly seeking new ways to leave a positive mark wherever it goes.

At the end of the 1980s, Desjardins began integrating the third aspect of sustainable development—respect for the environment—into its approach. Today, we have a sustainable development policy to guide the progress of our commercial and management practices.

Each of the numerous initiatives taken by Desjardins Group is a clear demonstration of its constant desire to improve in terms of social responsibility. As a financial group imbued with cooperative values, Desjardins is making a group effort toward greater responsibility, greater fairness and greater sustainability.

Now more than ever, Desjardins Group aims to "Cooperate to Shape our Destiny."

Monique F. Leroux, FCA, FCMA
Chair of the Board, President and CEO,
Desjardins Group



The Innu Essipit community, established on the Côte-Nord, benefits from the ongoing support of Desjardins for its local socio-economic development projects. Pictured above is Essipit's economic development director standing in front of one such project: the construction of rental cottages. Photo: Pierre Rambaud



During the Festivoix de Trois-Rivières, sponsored by Caisse Desjardins des Trois-Rivières, 300,000 spectators enjoy 10 days of musical festivities. Photo: Eventus7

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Desjardins and *La Presse* have implemented the Desjardins-*La Presse* educational program, which uses the newspaper as an educational tool among French-as-a-second-language high school students. In total, 625,000 copies of the newspaper are made available every year to teachers and students of participating schools on the Island of Montréal.

REPORTING FRAMEWORK

The 2008 Social Responsibility and Cooperative Report presents the performance of all Desjardins Group components, except for Desjardins Credit Union and our affiliated federations in New Brunswick and Manitoba. The indicators chosen are based on Global Reporting Initiative (GRI) guidelines. A complete index of the selected GRI indicators corresponding to a level B application of the guidelines is available online at www.desjardins.com/socialresponsibilityreport.



REPORT APPLICATION LEVEL			C	C+	B	B+	A	A+
STANDARD DISCLOSURES	G3 PROFILE DISCLOSURES	OUTPUT >>>	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	REPORT EXTERNALLY ASSURED	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	REPORT EXTERNALLY ASSURED	Same as requirement for Level B	REPORT EXTERNALLY ASSURED
	G3 MANAGEMENT APPROACH DISCLOSURES	OUTPUT >>>	Not required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
	G3 PERFORMANCE INDICATORS & SECTOR SUPPLEMENT PERFORMANCE INDICATORS	OUTPUT >>>	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human Rights, Labor Practices, Society, Product Responsibility.		Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

COOPERATE TO SHAPE OUR DESTINY FOR A MORE RESPONSIBLE, EQUITABLE AND SUSTAINABLE WORLD

Throughout its history, Desjardins Group has been a forerunner and a builder. Desjardins Group has been able to adapt and grow to provide relevant responses to the changing needs of its members and communities. That is the spirit in which, in 2008, Desjardins Group adopted the “Cooperate to Shape our Destiny” Development Plan which, while respecting the organization’s mission and values, aims to achieve growth, taking into account current and future issues. The four-year Development Plan draws on the skills, talent and creativity of elected officers and caisse general managers, as well as Desjardins employees and management staff.

The Desjardins Group Development Plan is based on five major convictions:

- The caisses are the driving force of Desjardins Group.
- The Fédération des caisses Desjardins du Québec (FCDQ) and the subsidiaries of Desjardins Group are there to work for the caisses and their members.
- The caisses actively participate in the growth of Desjardins Group.
- Our human capital is our greatest asset.
- Our cooperative values must remain central to our actions.

These convictions have inspired our strategic reflection task forces, including the one responsible for social responsibility and sustainable development issues, in preparing to draw up the Desjardins Group 2010–2012 Strategic Plan. This strategic reflection exercise has made it possible to identify the topics that will be subject to discussion during the 20th Desjardins Group Congress of Elected Officers to be held in November 2009.

A MISSION THAT REMAINS RELEVANT

To contribute to improving the economic and social well-being of people and communities within the compatible limits of its field of activity:

- by continually developing an integrated cooperative network of secure and profitable financial services, owned and administered by the members, as well as a network of complementary financial organizations with competitive returns, controlled by the members;
- by educating people, particularly members, officers and employees, about democracy, economics, solidarity, and individual and collective responsibility.

STRONG VALUES

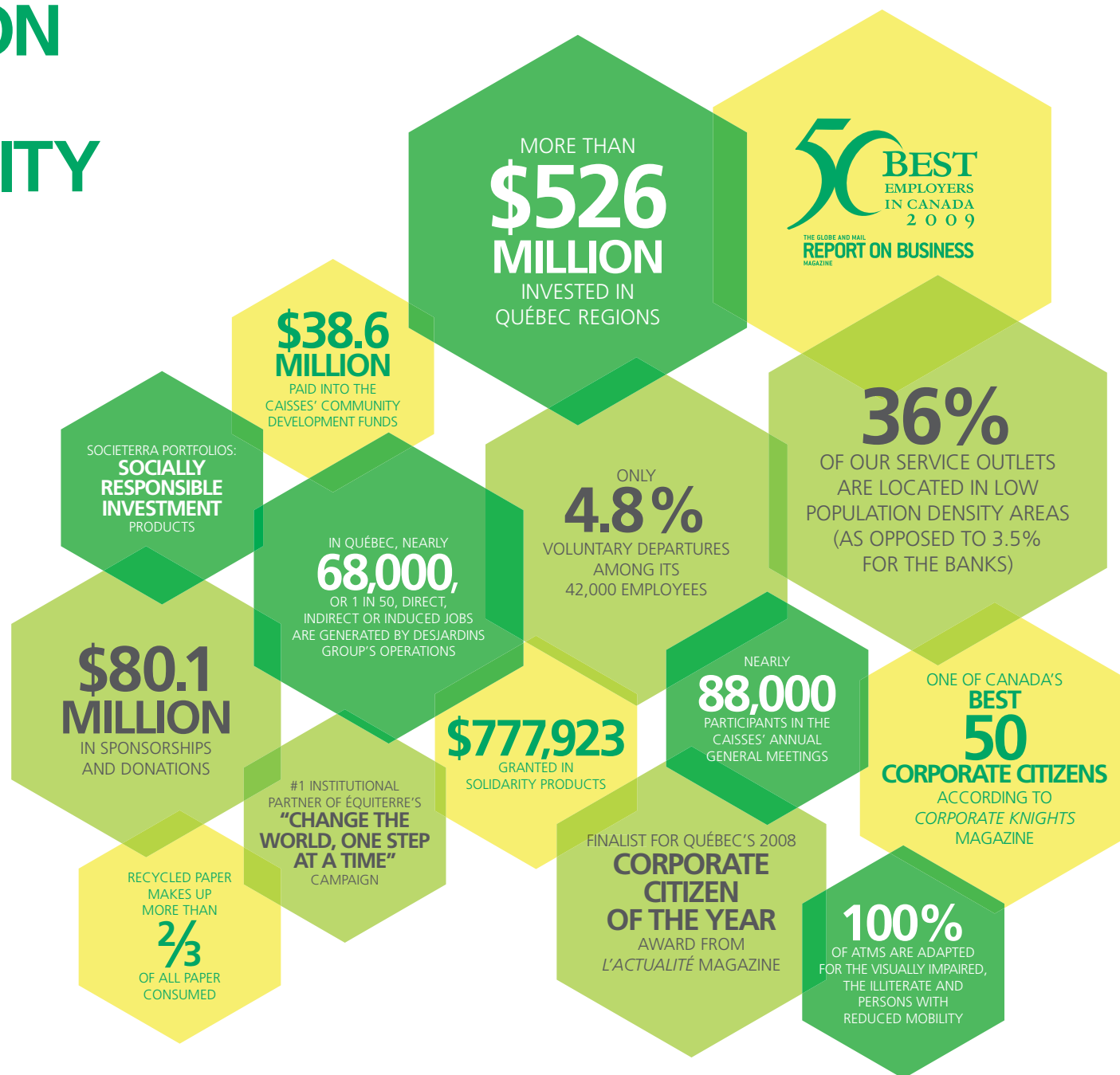
- Money at the service of human development
- Personal commitment
- Democratic action
- Integrity and discipline
- Solidarity with the community

As a member of the International Co-operative Alliance, Desjardins Group also adheres to its cooperative values, which are self-help, self-responsibility, democracy, equality, equity and solidarity.

“A cooperative is an autonomous association of people united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.”

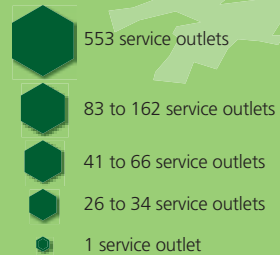
International Co-operative Alliance

COOPERATION AND SOCIAL RESPONSIBILITY HIGHLIGHTS



DESJARDINS GROUP'S PRESENCE IN QUÉBEC AND ACROSS CANADA

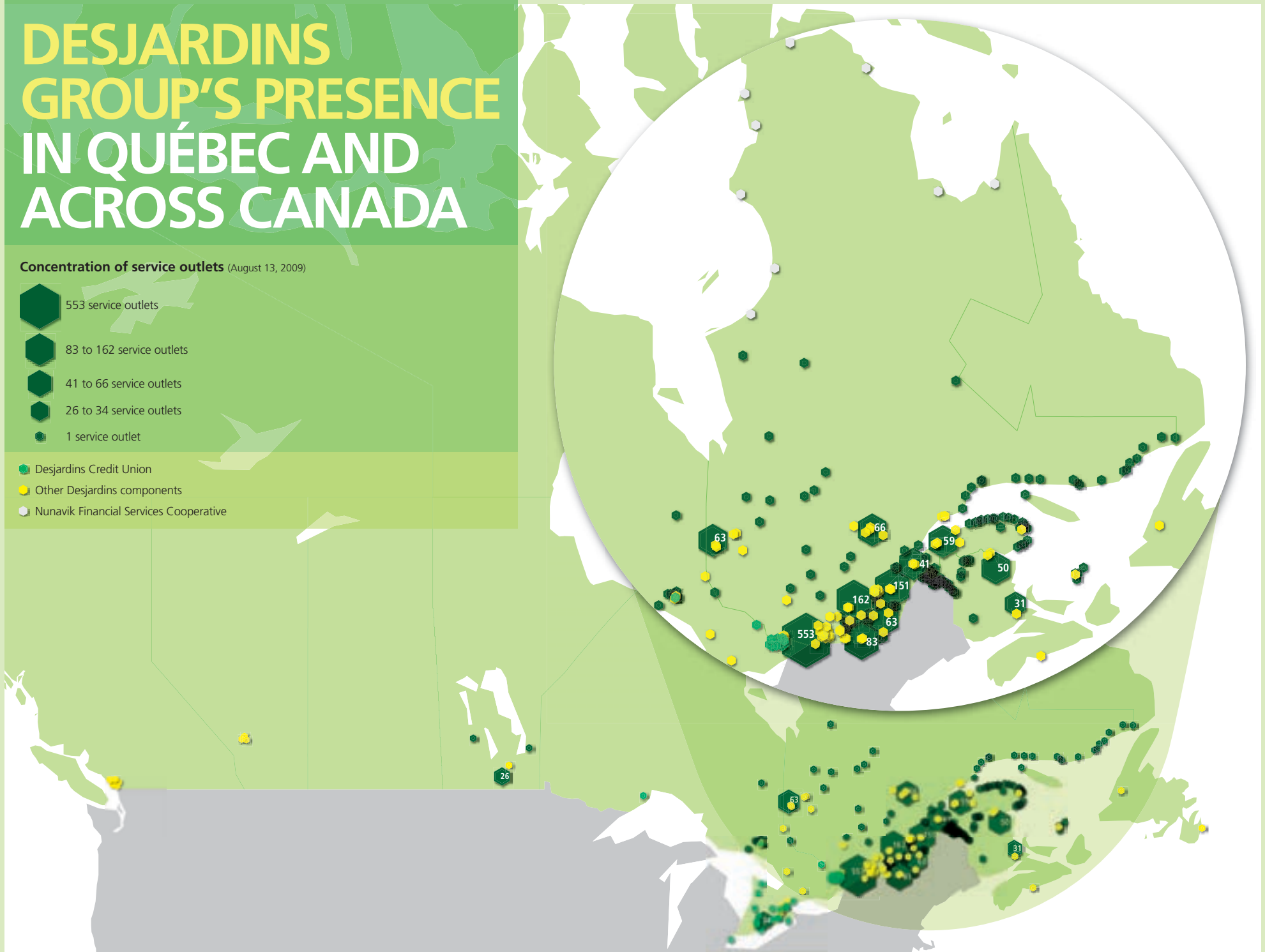
Concentration of service outlets (August 13, 2009)



- Desjardins Credit Union
- Other Desjardins components
- Nunavik Financial Services Cooperative

BACKGROUND INFORMATION

DESJARDINS



AND AROUND THE WORLD

- Countries in which Développement international Desjardins (DID) was active in 2008
- Caisse centrale Desjardins U.S. Branch and Desjardins Bank



DESJARDINS GROUP AND ITS STAKEHOLDERS: AN OPEN DIALOGUE

For Desjardins Group, cooperating and communicating go hand-in-hand. And that's why it maintains open and continuous dialogue with all its stakeholders. Its vital democratic activity and the proximity of the caisses to their members and their communities make it a highly present advocate; one that is accessible and very involved in the communities it serves.

In fact, in an employee survey carried out in the spring of 2008, 90% of the 15,590 respondents said that they support Desjardins Group in its sustainable development initiatives.

In the fall of 2008, over 188 young people between the ages of 15 and 30 participated in an online chat session with the Chair of the Board, President and CEO of Desjardins Group. A total of 262 interventions were compiled and the President answered 122 questions on topics such as the cooperative difference and how young people are received at Desjardins, as well as major social issues.

The following table presents an overview of the various communication and consultation mechanisms used by Desjardins Group with its various stakeholders.

STAKEHOLDER	COMMUNICATION OR CONSULTATION MECHANISM
OUR MEMBERS	Cooperative network and subsidiary employees (at the counter, by e-mail, by telephone, Web site, etc.) ■ Caisse annual general meetings ■ Ad hoc consultation committees ■ Officer elections: one member, one voice ■ Publications: <i>Desjardins and Me</i> , <i>Desjardins Entreprises</i> , <i>Partenaires</i> magazines ■ <i>desjardins.com</i> Web site ■ Satisfaction surveys ■ Member services and Desjardins Group Ombudsman ■ Online chat session between young people and the President of Desjardins Group ■ Online consultations
OUR CLIENTS	The subsidiaries' call centres ■ The subsidiaries' Web sites
OUR ELECTED OFFICERS	Caisse boards of directors and boards of supervision ■ Meetings and assemblies (general, regional or group caisses; councils of representatives) ■ Councils of representatives ■ Orientation Congress ■ Annual <i>Rendez-vous</i> meeting of caisse presidents and general managers ■ Annual <i>Rendez-vous</i> meeting of caisse board of supervision chairs ■ <i>Desjardins</i> magazine ■ Video conferences, telephone conferences and online conferences with Desjardins Group Management ■ E-mail address: presidente@desjardins.com ■ <i>BoD Info</i> and <i>Ethics Info</i> bulletins
NOT-FOR-PROFIT ORGANIZATIONS	Partnership agreements ■ Sponsorships ■ Presence on boards of directors ■ Consumer associations
GOVERNMENT AGENCIES	Representation activities (registered as a lobbyist in Québec, Ontario and Canada) ■ Presentation of statements, commentaries and conferences ■ Participation in parliamentary commissions
OUR EMPLOYEES	Hewitt satisfaction survey ■ Internal information portal for Desjardins employees ■ Telephone conferences with employees, management staff and the President ■ Information and video clips on the Employee Portal ■ Internal bulletins ■ <i>Desjardins</i> magazine ■ Online consultations ■ Discussion forums ■ Ad hoc surveys on specific subjects ■ Reporting mechanisms to flag actions that violate the <i>Code of Ethics and Professional Conduct</i> and other frameworks
GENERAL PUBLIC	New survey on the Social Responsibility and Cooperative Report ■ <i>desjardins.com</i> Web site ■ <i>Desjardins and Me</i> magazine ■ Information distributed through the caisse network ■ <i>Rendez-vous des jeunes leaders</i> (young leaders' meeting) ■ Focus groups (market research)

COOPERATE TO SHAPE OUR DESTINY WITH OUR MEMBERS AND OFFICERS

Desjardins itself was founded on a social responsibility approach, on the desire to enable everyone to benefit from financial services adapted to their needs. “Cooperation benefits us all—that’s what makes it so appealing,” said the organization’s founder, Alphonse Desjardins.

Since Desjardins Group is a cooperative financial group, its members’ and clients’ expectations in terms of social responsibility are high, and they do not hesitate to share their critical eye. They count on Desjardins Group to adopt responsible, equitable and sustainable governance practices. Desjardins Group also wants its members and clients to get more involved in its democratic activities. This is why it makes sure that numerous means are available for members and clients to share their ideas, concerns and expectations. The development of an online democracy tool is one example that is now being tested.



An employee at Caisse Desjardins de Victoriaville works on the Desjardins Youth Focus program, which is a major Desjardins Group initiative to promote the social, professional and financial integration of youth ages 15 to 30 in Québec and Ontario.



Desjardins caisse officers benefit from several opportunities to represent the interests of the members who elected them, such as group discussions during various annual meetings.

Photo: Eventus7

DEMOCRATIC AND ETHICAL GOVERNANCE PRACTICES

Desjardins Group is a democratic organization run by its members, who are called upon to actively participate in establishing policies and in making decisions.

EACH YEAR, NEARLY
88,000 MEMBERS
PARTICIPATE IN THE ANNUAL GENERAL MEETINGS OF THE DESJARDINS GROUP CAISSES AND IN SEVERAL OTHER MAJOR GATHERINGS THAT FORM PART AND PARCEL OF THE ASSOCIATIVE AND DEMOCRATIC ASPECTS OF DESJARDINS GROUP'S ACTIVITIES.



At the Desjardins Group Annual General Meetings, elected officers exercise their right to vote using electronic devices. Photo: Eventus7

DEMOCRACY IS ALIVE AND WELL

Over the years, Desjardins Group has developed democratic mechanisms to facilitate the participation of members in decisions concerning their caisse. Among other things, they can attend their caisse's annual general meeting, elect members or stand for election to its board of directors and board of supervision, sit on various ad hoc committees, and participate in consultation activities and satisfaction surveys in order to express their point of view.

In a Desjardins caisse, it is the members who decide on its major orientations, on potential amalgamations (mergers) and on by-laws that govern its operations. They learn about their caisse's annual results and, when applicable, vote on the distribution of surplus earnings. According to the "one member, one vote" principle, caisse members at a general meeting have certain powers reserved for them under the *Act respecting financial services cooperatives*, in Québec, and the caisse's Internal By-laws.

The objective of one of the building blocks under the Desjardins Group 2008–2012 Development Plan is to improve mechanisms enabling the caisses to influence Group decisions. Its mandate is to review and update mechanisms for collaboration, participation and connection with the network in terms of both orientations and operations.

Participation in the democratic aspect of caisse activities

Number of participants attending caisse annual general meetings	88,274	89,881	87,810
Number of caisse delegates at regional and group caisse general meetings	1,026	1,100	1,147
Number of delegates at FCDQ general meetings	2,136	2,201	2,489
Percentage of representatives who attended Assemblies of Representatives ¹	89.2 %	89.3 %	81.4 %

¹ The Assembly of Representatives meets three times a year, bringing together members from the 17 councils of representatives in Québec and Ontario as well as the Chair of the Board, President and CEO of Desjardins Group (256 people).

OUR CHALLENGE WITH RESPECT TO KEEPING DEMOCRACY AT DESJARDINS ALIVE AND WELL

Ensure better representation of members among elected officers by increasing the number of women acting as board presidents and chairs and fostering interest in officer positions among younger people, especially those in the 18-to-34 and the 35-to-49 age groups, as well as representatives from cultural communities.

OUR ACHIEVEMENTS

Representation of women in caisse governance

	2008	2007	2006
Women officers	34.4 %	33.8 %	33.2 %
Women who head a board of directors	13.5	14.0	15.0
Women who chair a board of supervision ²	34.2	33.1	35.0

² Only caisses in Québec have boards of supervision.

Elected officer representation by age group

	2008	2007	2006
Officers between the ages of 18 and 34	10.8 %	10.1 %	10.0 %
Officers between the ages of 35 and 49	21.3	22.8	24.2
Officers between the ages of 50 and 64	44.4	45.2	45.4
Officers aged 65 and up	23.5	21.9	20.4

Tools for better cooperation

For Desjardins Group, improving member satisfaction with respect to its cooperative values is a daily commitment. Several tools were developed to make these better known among caisse members and elected officers:

- In 2008, the Action-based Training on the Cooperative Difference course was made available to all caisses in Québec and Ontario. As at December 31, 2008, more than 79 caisses were enrolled, enabling more than 2,761 members, elected officers, management staff and employees to be trained in or sensitized to the cooperative difference and to establish the basis for a related action plan.
- The Know-how and Governance Program was designed to support elected officers in carrying out their duties. This year, two new training courses were added. In 2008, some 1,558 officers in Québec and Ontario participated in one of the 148 training sessions offered, with a 79% satisfaction rate.
- Offered in more than 170 caisses, the Young Intern Officer program offers members between the ages of 18 and 30 the chance to carry out a one-year practical internship on the board of directors or board of supervision of their caisse. In 2008, 222 young people took advantage of this experience.

RIGOROUS ETHICS

Because it is motivated by the values of integrity and discipline, Desjardins Group has adopted the highest standards in terms of ethics and professional conduct.

Code of Ethics and Professional Conduct

The *Desjardins Group Code of Ethics and Professional Conduct* is used to guide officers, employees and components in their conduct by drawing their attention to the importance of respecting its values, principles and rules. In this way, we aim to ensure that anyone who works for Desjardins:

- takes the values of the organization into account in their day-to-day actions and decisions, thus helping Desjardins Group achieve its mission and fulfil its social responsibility;
- protects the interests of Desjardins Group's stakeholders. In this regard, the Code lists three principles: respect for persons, respect for the common good and respect for the organization.

In particular, the *Desjardins Group Code of Ethics and Professional Conduct* sets out very precise rules concerning confidentiality, data protection, conflicts of interest, and respect for legislation. All Desjardins Group officers and employees receive training on the Code and, every year, sign a statement in which they acknowledge having read it and affirming that they are committed to following its values, principles and rules. A reporting mechanism is also available for flagging situations that violate the Code and that protects the anonymity of anyone who wishes to use it.

In the more precise framework of marketing communications—advertising, promotions, sponsorships—our practices respect the *Charter of the French Language*, the *Consumer Protection Act* and the *Copyright Act*. Thus, Desjardins Group faithfully respects all matters concerning photographic rights, standards of the *Union des artistes* and intellectual property.

Privacy policy for members and clients

Desjardins Group takes the protection of personal information very seriously. That is why it adopted and follows a privacy policy that establishes the guidelines and rules that Desjardins Group components must set for themselves and by which they must abide to ensure the privacy of personal information collected, held, used or disclosed about their members or clients.

The Desjardins Group Privacy Policy can be found at www.desjardins.com/privacy.

Human rights

Desjardins Group is concerned with protecting human rights. Its actions in this area are guided by basic principles such as those expressed by the United Nations' Universal Declaration of Human Rights and by the fundamental Conventions of the International Labour Organization (ILO). Its support for those principles is reflected in its policies and practices with respect to its employees, members and suppliers, as well as the communities in which it carries out its activities. It remains extremely vigilant on these issues since they are particularly complex when it comes to procurement and managing investments.

Framework for representation activities

Desjardins Group develops and maintains strong relationships with the political and administrative arm of the federal and provincial governments, while preserving its autonomy and independence. These relationships seek to fulfil four objectives:

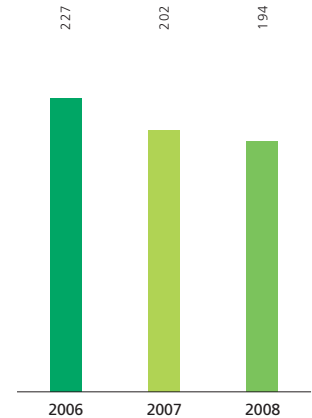
- To support the strategic orientations of Desjardins Group.
- To ensure that its interests are taken into consideration when legislative and regulatory decisions are being made.
- To increase its business relationships.
- To gain recognition for its cooperative difference.

Each Desjardins Group intervention is aimed at ensuring the continuity of its activities and serving the best interests of its members and clients, elected officers and employees, as well as the communities it serves. The Government Relations Division handles all responsibilities with respect to representation to government officials.

In Canada, these relationships are subject to legislation on lobbying, recognized as being the legitimate means of accessing various levels of government with respect to both policy and administration. In order to guarantee transparency and ethical conduct in all of its activities, Desjardins Group scrupulously respects the laws and standards dictated by the *Commissaire au lobbying du Québec* and by the Office of the Commissioner of Lobbying of Canada, as well as by the Office of the Integrity Commissioner of Ontario. Desjardins Group is thus duly registered as a lobby group in each of these jurisdictions, which make the purpose of representations made by the various lobbies accessible to the public.

Finally, Desjardins Group actively participates in public debate concerning its activities in the interests of its members, clients and communities by presenting statements and commentaries to legislative or government bodies, and by organizing conferences.

NUMBER OF COMPLAINTS
HANDLED BY THE OMBUDSMAN



Complaint management

In 1994, Desjardins created an Ombudsman function, which operates under conditions aimed at ensuring the exercise of independent judgment. The Ombudsman reports to the Cooperative Development and Democratic Governance Support Corporate Division. This office is meant to be a mechanism of last recourse for members, clients and employees for dealing with cases in a fair and impartial way, while taking into account Desjardins Group’s values and rules of conduct. The Ombudsman carries out a thorough analysis of the facts, examines cases with specialists from all fields pertaining to the institution and makes recommendations for handling complaints. The Ombudsman has direct access to the Audit and Inspection Commission, which reports to the Board of Directors, and to the Board of Ethics and Professional Conduct.

Each year, the Ombudsman produces a report stating its observations and recommendations to Management and to the above-mentioned bodies. The Ombudsman also represents the link between the *Autorité des marchés financiers* and Desjardins for handling complaints throughout Desjardins Group.

Fraud prevention

Fraud prevention is a major concern at Desjardins Group, which has deployed numerous training and awareness programs designed to protect the private information of its members and ensure the security of their assets. In the fall of 2008, Desjardins Group trained 430 caisse and business centre employees as fraud prevention officers on topics such as membership enrollment fraud, information security, and proceeds of crime (money laundering) and terrorist financing activities. To arm itself against the latest fraud techniques, Desjardins implemented one the most effective systems in the industry. The “strong authentication” feature was added to AccèsD, Desjardins Group’s transactional Web site, in 2008 to increase transaction security for members and clients. Desjardins also continued its rollout of the chip card, which prevents fraud from card cloning (skimming).

OUR CHALLENGE WITH RESPECT TO RIGOROUS ETHICS

To integrate the monitoring of respect for human rights into our supply chain and our investment management activities.

OUR ACHIEVEMENTS

Corruption

Strategic fields of activity subject to the new risk and control self-assessment practices for operational risk, including internal fraud

2008	2007	2006
89 %	31 %	0 %

In addition, Desjardins Group actively supports the government in its efforts to battle money laundering and terrorist financing activities. In fact, cooperative network employees are trained to check identities and file various reports as outlined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. In 2008, as it does every year, Desjardins Group worked closely with the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) to continue improving its practices in this regard.

Similarly, since January 2008, Desjardins Group has been a partner of the Bank Crime Prevention and Investigation Office (BCPIO), a group of Canadian financial institutions that aims to protect clients against financial crime, including credit card and debit card fraud, robbery, counterfeiting, cyber crime, money laundering and the use of fake documents.

Anti-corruption measures

Desjardins Group also set up an operational risk management framework to integrate Basel II Accord requirements into its practices. This framework is an independent supervision tool that ensures the implementation of the measures required for the sound management of the risk to which Desjardins is exposed in order to promote overall sound and sustainable performance.

Corruption falls under one of the seven risk categories supported by regulatory authority guidelines. This risk is therefore inherent to Desjardins Group’s operational risk management program and is subject to rigorous follow-up. In addition, in order to promote effective management of this risk, four practices were put in place: risk and control self-assessment, data collection on operational losses, risk indicators and measures, and the implementation and follow-up of remedial measures.

Finally, Desjardins Group’s monitoring of corruption risk, which is part of the operational risk management program, is supported by a framework policy that ensures the identification, measurement, management, mitigation, monitoring, intervention and disclosure of all major operational risks in accordance with the policies and tolerance thresholds approved by the Desjardins Group Board of Directors.

MEMBER DIVIDENDS AND CAPITALIZATION

SHARING SURPLUS EARNINGS

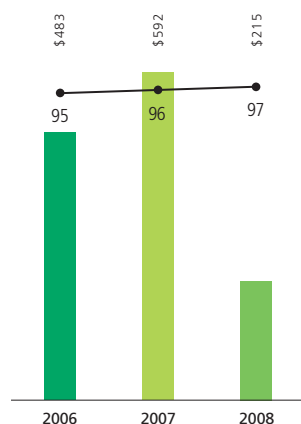
Each year, in each caisse, the members attending the General Meeting (in Québec) or the elected members of the Board of Directors (in Ontario) must decide on how the caisse's surplus earnings will be distributed, after ensuring that there are sufficient funds in the general reserve. If there are surplus earnings to be distributed, the members vote on this distribution in the form of individual member dividends and contributions to the community through the Community Development Fund. Member dividends are paid to individual and business members depending on the use they have each made of the caisse's services. The amounts paid into the Community Development Fund when member dividends are allocated will be used to support projects that contribute to local development.

Having not escaped the effects of the financial turbulence in 2008, Desjardins reported surplus earnings before member dividends of \$78 million as at December 31, 2008. Had it not been for the specific items related mainly to the financial crisis and asset-backed commercial paper (ABCP), Desjardins would have posted surplus earnings before member dividends of approximately \$1.2 billion in 2008. Still, Desjardins provisioned \$215 million for member dividends, without compromising its financial stability.

STRENGTHENING ITS FINANCIAL FOUNDATIONS

A concrete demonstration of the third cooperative principle of the International Co-operative Alliance, member economic participation, the purchase of permanent shares, qualifying shares and surplus shares enables members to contribute more directly to the development and continuity of their cooperative. This is how they will be able to leave future generations a solid financial institution capable of weathering turbulent periods.

**PROVISION FOR
MEMBER DIVIDENDS**
(in millions of \$)



—●— Percentage of caisses paying out member dividends

OUR CHALLENGE WITH RESPECT TO MEMBER DIVIDENDS AND CAPITALIZATION

To convince our members of the importance of continuing to capitalize their caisse and thus assure the success of the next issue of permanent shares.

OUR ACHIEVEMENTS

Member participation in caisse capitalization

	2008	2007	2006
Permanent shares (in millions of \$)	\$ 828	\$ 813 ³	\$ 796
Qualifying shares (in millions of \$)	38	33	32
Surplus shares (in millions of \$)	49	17	—
Individual participation in caisse capitalization – amount per member	\$ 1,704	\$ 1,601	\$ 1,469

³ This previously published figure was altered to reflect corrections made to the data compilation methodology.

PRODUCTS AND SERVICES

Desjardins offers its 5.8 million members a wide variety of financial services adapted to their needs, accessible 24/7, at competitive prices. This service offer is provided with thought, consideration and courtesy and is recognized as such by our members, as seen in satisfaction surveys that are carried out on a regular basis.

Desjardins Group's commercial practices are inspired by its mission, its values and its service logic. Those practices are defined by:

- Social accessibility of basic financial products
- The professionalism of its sales force
- The information made available to members
- Consideration, first and foremost, of the member's interest in the product and service offer

With respect to this last point, in a survey published in 2007 by Forrester, a marketing research firm recognized in the financial services industry, Canadians placed Desjardins at the top of a list rating Canadian financial institutions on how well they advocate for their clients' best interests.

SERVICE ACCESSIBILITY

Desjardins is convinced of the importance of a dynamic and diversified local and regional economy in increasing the standard of living and quality of life in communities. That is why Desjardins Group has more locations than any other financial institution in Québec, with more service outlets than all the banks combined.

In Québec, 36% of its service outlets are located in areas with low population density.⁴ Added to that are the caisses founded by the Chinese, Italian, Lithuanian, Polish, Portuguese and Ukrainian communities, as well as five caisses founded by Aboriginal communities and 36 caisses located near Aboriginal markets. Through its geographical proximity, its specific culture and its social role, Desjardins Group is a natural choice for meeting the needs of First Nations communities.

Additionally, each of the 14 Inuit villages of Nunavik will soon have access to Desjardins Group's services. The Kativik Regional Government, the local development centre (also known as a CLD), the *Fédération des coopératives du Nouveau-Québec* and Caisse d'économie solidaire Desjardins have put forward a project to improve the financial services available to some 11,000 Inuit. The result was the creation of the Nunavik Financial Services Cooperative in 2007. During 2008, five service outlets opened their doors, bringing the number of northern towns and villages with access to Desjardins Group financial services to eight. As at December 31, 2008, 1,734 people and 24 businesses were members and were served by 16 bilingual or trilingual employees. For more information, go to www.nunavikfinancialservices.coop (available in English, French and Inuktitut).

Desjardins Group accessibility

Number of caisses
Number of business centres
Number of service centres
Number of ATMs

2008	2007	2006
513	536	549
51	51	56
883	919	922
2,764	2,769	2,787

Elsewhere in Canada, Desjardins Group is associated with the Ontario caisses populaires, a network of 21 caisses, 3 business centres and 41 service outlets, in addition to those in Manitoba and New Brunswick, as well as Desjardins Credit Union in Ontario. In addition to the size of its distribution network, Desjardins offers an incomparable advisory team working for its members and clients, with nearly 10,000 advisors, financial planners, mortgage representatives and agents.

In the United States, Desjardins members and clients can count on the services offered by Desjardins Bank and Caisse centrale Desjardins to support them in their business development or to facilitate their stay on U.S. soil.

Buildings for people with reduced mobility

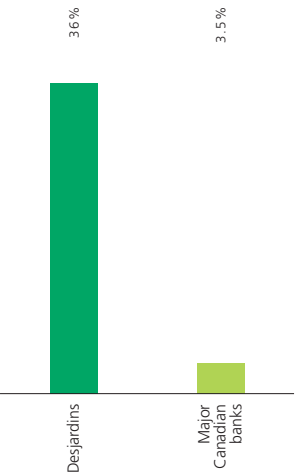
The construction of any new Desjardins service outlet, and the major renovation of any existing service outlet, automatically includes provisions for facilitating access to people with reduced mobility as per established standards, including parking.

Accessible ATMs

The 2,764 ATMs operated by the Desjardins network are accessible to people with visual impairments and reduced mobility. Desjardins is the only financial institution in the world with such a high proportion of accessible ATMs, which can be identified by their lower components (keyboard, screen, buttons) and shelves that are more practical for the wheelchair-bound or people of smaller stature, who can thus comfortably and securely carry out their transactions.

Desjardins ATMs also offer voice assistance for the visually impaired, illiterate and elderly. By inserting earphones into a jack on the ATM, these members can obtain private voice instructions explaining how to use the service and guiding them every step of the way through their transactions. This application, available on all Desjardins ATMs, was developed in collaboration with associations for persons with disabilities.

SERVICE OUTLETS IN AREAS WITH LOW POPULATION DENSITY⁴



⁴ Municipalities with fewer than 2,000 persons that are not part of an urban area as defined by Statistics Canada. The average population density in these municipalities is 0.5 person per km². Data for Québec only.

Virtual accessibility

Desjardins Online Solutions offers a variety of simple, quick and secure access modes. For example, *desjardins.com* is the most widely visited financial site in Québec and the sixth most visited in Canada. Following the adaptation of its 15,000 pages of information and images that can be read with either a text-to-Braille or text-to-speech screen reader, the site also offers easy access to the visually impaired.

Finally, AccèsD is the most frequently-used transactional site in Québec. In 2008, more than 2 million users carried out 759 million automated transactions—an increase of 12.9% over 2007.

Language policy

In order to increase accessibility, Desjardins Group continues to work towards developing greater openness to diversity. As such, in 2008, Desjardins Group updated the language policy it adopted in 2002, to show greater consistency with its business development objectives among cultural communities and to promote the integration of members of these communities among Desjardins Group officers and employees. This policy is intended for use by elected officers, managers and employees in their communications among themselves and with members, clients and other correspondents.








OUR CHALLENGE WITH RESPECT TO SERVICE ACCESSIBILITY

To maintain the accessibility of our service offer in all regions of Québec while adapting our work methods to both meet the needs of our members and respond to productivity issues facing our industry.

OUR ACHIEVEMENTS

In 2008, the excellence of AccèsD was again underscored when the service won two Synovate Best Banking Awards, in the “ATM Banking Excellence” and “Telephone Banking Excellence” categories, over all the financial institutions in Canada.

Meanwhile, Desjardins AccèsD call centres remain the international benchmark among financial institutions, having been awarded COPC (Customer Operations Performance Center) certification in 2008 for the fourth year running, based on over 200 performance indicators for productivity, service quality and customer satisfaction. As yet, it has never been awarded to any other financial institution in North America.

 SERVICE OUTLETS	 BUSINESS HOURS	 1-800-CAISSES	 desjardins.com	 ACCÈSD INTERNET AND TELEPHONE	 ATMs	 POINT-OF-SALE ACCESS
		6 A.M. TO MIDNIGHT, 7 DAYS A WEEK	24 / 7*			
1,396 service outlets in Québec and Ontario, i.e. 513 caisses and 883 services centres 48 business centres in Québec and 3 in Ontario Carrefour Desjardins Desjardins Mid-Market Business Centre Call centres On-site specialists (integrated offer)	Business hours for advisory services 35 hours or more per week (in 57% of service centres) Appointments at any time Advisor mobility Business hours for regular/ convenience services 30 hours or more per week (in 40% of service centres) Vary from caisse to caisse	COPC-certified Client Contact Centre (4 years in a row) 2.2 million calls per year (in assisted mode) Availability of caisse products and services	Top financial Web site in Québec and 6th in Canada 2.5 million unique visitors per month Complete information and user-friendly tools Live online help (click-to-call) Browsing adapted for users with visual, cognitive or motor impairments	2.1 million active users 699 million online transactions 60 million transactions made by phone Financial summary and complete personalized balance sheet Online product purchases Transactions made from home (bill payments, money transfers, etc.) Simple, fast and secure	Most ATMs in Québec and 3rd most in Canada Close to 3,000 ATMs, including 2,764 in Québec First institution in Canada to have all its ATMs equipped with voice recognition feature (for the visually impaired and illiterate) Respect for accessibility standards at all ATMs (for people with reduced mobility) Network reliability	Close to 39,000 merchants offering direct payment and access to accounts (check balance feature) More than \$2 billion in Accord D financing granted at over 6,000 retailers in Canada 2,200 merchants participating in automobile and durable goods financing program
PHYSICAL NETWORK		VIRTUAL NETWORK				

* Except Sundays from 2 a.m. to 6 a.m.

LOAN PORTFOLIO

Desjardins offers a full range of financial products and services at competitive rates, giving priority to the quality of its dealings with members and clients. In turn, members and clients have access to local services at the caisses, which specialize in meeting the needs of individuals, at the business centres, which specialize in services for SMEs, and at Caisse centrale Desjardins, which specializes in the specific requirements of large businesses.

Illustrating the caisses' locally-based services, 80% of consumer loans taken out at the caisses in 2008 were for less than \$12,500. Meanwhile, in Québec, Desjardins Group's market share for residential mortgage loans was 39.3% in 2008.

OUR CHALLENGE WITH RESPECT TO OUR LOAN PORTFOLIO

To train our sales force on the issues of sustainable development to support the offer of products and services with social responsibility and sustainable development features and to efficiently assist our members with respect to these issues.

OUR ACHIEVEMENTS

Business member satisfaction increased by one percentage point in 2008, with the percentage of members saying they are "very satisfied" reaching 65%. Satisfaction with respect to the Desjardins cooperative difference increased by two percentage points, with 52% of business members indicating they were "very satisfied."

SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE PRODUCTS

Desjardins Group always seeks to meet all the financial needs of its members and clients, which is why it strives to offer specialized and innovative products and services. Over the years, it has developed a range of socially responsible products and has played a leading role in offering financial products with an environmental focus, starting with the Desjardins Environment Fund, which was put on the market in 1990. Since that time, Desjardins has continued to develop this offer.

Solidarity products: Unique commercial practices

The Mutual Assistance Funds, along with the Microcredit to Businesses and Créavenir programs, which Desjardins Group offers in collaboration with local organizations, combine educational and financial aspects to meet the needs of members who do not have access to credit through the traditional networks. They are an eloquent expression of Desjardins Group's cooperative vocation, which is to welcome every individual with respect, to make sure that quality financial services adapted to all budgets are accessible and available, and to educate its members on best practices for ensuring the sound management of their personal finances.

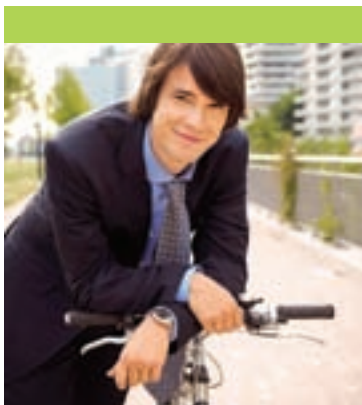
At the business centres, loans to businesses and governments achieved new heights in 2008, reaching \$26.9 billion, mainly in the form of commercial and industrial credit to SMEs. In the farm credit sector, Desjardins Group supports over 17,500 businesses and holds 47% of the market share in Québec, more than all the banks combined. Desjardins can rely on the expertise of over 250 specialized account managers and professionals, making them the largest dedicated agricultural sector team in the banking industry. This sustained commitment contributes to the economic vitality of the regions.

As for Caisse centrale Desjardins, its new business with large corporations totalled \$1.5 billion in 2008, leading to 37% growth in outstandings.

To date, 59% of Desjardins caisses offer at least one—if not two—of these products. The relevance of these programs has been amply demonstrated.

Desjardins Mutual Assistance Funds

The Desjardins Mutual Assistance Fund (DMAF), offered in collaboration with budget consulting organizations, makes budget management advisory services available to people in financial difficulty, along with the possibility of obtaining a short-term loan. These interest-free loans vary from \$500 to \$1,500. The majority of loans granted through the Mutual Assistance Funds are awarded to 35- to 44-year-old single women or single mothers receiving social assistance with annual net disposable incomes of \$10,000 or less. The average repayment rate is 89%.



The new SocieTerra portfolios are socially responsible investments that allow Desjardins members to grow their investments while helping to protect the environment by jointly affirming their commitment to socially responsible action and encouraging businesses to demonstrate better governance practices.

Desjardins Microcredit to Businesses

The purpose of Desjardins Microcredit to Businesses is to enable entrepreneurs and micro-businesses that are excluded from the traditional financing networks to access credit and obtain support in implementing their business plans and projects. Today, 26 caisses participate in two business microcredit programs. The first, which was launched in 2004, is a five-year partnership among 15 caisses in the Québec-Est region and the *Fonds d'emprunt économique communautaire de Québec*. The second project, launched in Québec in October 2005, is a partnership between 11 caisses in the Laurentians region and the *Fonds d'emprunt communautaire féminin*. The agreement is renewable each year.

Créavenir

Créavenir is designed for clients who fall into the 18-to-35 age bracket and uses loans and subsidies to finance projects for young entrepreneurs who are not eligible for traditional financing. Without requiring the usual down payments and guarantees, Créavenir offers consulting support and mentoring in collaboration with organizations from the local community who are partners in the program (local development centres, regional development cooperatives, community development companies, etc.). The program can be offered through a single caisse or through a group of caisses that join together to assist young people in their community. The Desjardins business centres in those communities are also involved in all the projects to various extents. Since the first pilot project in 2005, some 83 caisses in Québec have participated in this program, for a total investment of \$1.7 million.

Desjardins Aid Fund

In 2008, through its subsidiary, Desjardins General Insurance (DGI), Desjardins Group also established the Desjardins Aid Fund, which will be used to help certain members experiencing difficulties due to an accident or event that was not covered by their insurance policy. The fund has a \$1 million budget that has been built up using DGI's earnings as well as a committee that is responsible for evaluating the files submitted. In 2008, five members received benefits between \$3,000 and \$5,000 each, for a total of \$18,000.

Micro insurance

Desjardins, in partnership with community organizations and the city of Trois-Rivières in Québec, is currently supporting a trial project aimed at offering basic, affordable fire insurance for residents, as well as financial support and budget counselling for people who do not have the means to purchase such insurance.

Socially responsible investing

In order to enable investors to focus on corporations that have demonstrated responsibility in social and environmental issues, Desjardins offers investment products that include an additional audit of each of the corporations involved. As is done for traditional investments, the company's finances are first subject to thorough analysis from every angle. The company is then examined again based on social, environmental and governance criteria.

These products invest in all sectors of economic activity, with the exception of weapons, tobacco and nuclear energy. They do, however, invest in sectors considered more "at risk" for the environment—natural resources for example—based on the principle that it is essential to encourage these corporations to improve their practices.

To make good on its commitments in terms of socially responsible investment, Desjardins aims to influence corporate practices and mitigate businesses' negative repercussions on the environment and on communities. Through the Shareholder Action Program, designed and managed by its partner Ethical Funds, Desjardins has devised a number of means for intervention, including establishing dialogue with corporations, submitting shareholder proposals and exercising the right to vote at these companies' annual meetings.

The socially responsible products offered by Desjardins are:

- The SocieTerra portfolios, a turnkey investment solution adapted to an investor profile
- The Desjardins Environment Fund, which also offers the best rate of return in the Desjardins Funds line of products
- A selection of 12 à la carte funds managed by our partner, Northwest & Ethical Investments L.P.

Proxy voting rights policy

As manager of the Desjardins Funds, the Fédération des caisses Desjardins du Québec (FCDQ) has proxy voting rights at the shareholder meetings of the companies in which it owns securities. Consequently, the FCDQ votes on behalf of all Desjardins Fund investors on the various motions proposed at those meetings.

Desjardins wants its members and clients to be well informed and therefore developed a policy governing the exercise of proxy voting rights by Desjardins Funds. This policy reflects Desjardins Group's values and its commitment to sustainable development, while preserving the medium and long-term interests of investors. The policy also discusses the rules of sound governance for corporations as well as their social responsibilities with respect to human rights, sustainable development and support for the community. The policy, as well as the results of all proxy votes exercised by Desjardins Funds and Northwest Funds subject to the policy, can be seen on the respective fund Web sites: www.desjardinsfunds.com and www.northwestfunds.com.

Green products

Corporate credit

Desjardins also includes an environmental risk analysis when assessing corporate credit risk. Since 2006, Desjardins has made considerable efforts to raise awareness among business members of the importance of properly assessing the environmental risks related to their projects and to support them in performing that assessment. As Desjardins has more than 400,000 business members in Québec and in Ontario, including 150,000 with borrowings, its potential for reaching members is particularly high.

Aside from the offer of financial services and the advisory role it carries out among its members, Desjardins makes a great effort to respond to the major challenges facing businesses today. These include promoting best management practices, strategic planning and business transfer planning, promoting research and development and reflecting on means for dealing with upcoming labour shortages. Promoting sustainable development is also among its concerns, in accordance with its policy on the subject.

Capital régional et coopératif Desjardins

Capital régional et coopératif Desjardins is a fund that enables people in Québec to contribute to the capitalization of cooperatives and contribute to the growth of resource regions in the province while bringing in good returns on their investments. As at December 31, 2008, the fund had 122,128 shareholders, with total capital stock worth nearly \$860 million.

Insurance that stands out from the crowd

Desjardins General Insurance Group has offered a reduction in insurance premiums for hybrid vehicles since January 2006. The number of hybrid vehicles affected by this measure rose 53% between 2007 and 2008, from 1,674 to 2,563. A 10% premium discount is also available for LEED-certified homes and businesses. Desjardins is keeping up its business intelligence activities to determine how it can best support this emerging market.

Supporting a cause with an affinity credit card

Desjardins offers a line of VISA Desjardins credit cards that allow cardholders to support social or environmental organizations such as OXFAM-Québec or the *Fondation de la faune du Québec*. Desjardins Card Services is committed to paying a percentage of the total amount of purchases made with the card to the corresponding organization. In some cases, an annual donation to the organization is charged to the card. For a complete list of VISA Desjardins affinity cards, visit www.desjardins.com/en/VISA.

Encouraging low environmental impact service delivery

Since the way members carry out their financial transactions has an impact on the environment, either because they drove a car to make their transactions or because they used paper as part of the process, Desjardins has made an effort to promote more ecological solutions.

In 2008, Desjardins launched its campaign to encourage the use of AccèsD's virtual services and continued promoting the online statement through the Eco-friendly Statement Challenge. An ecological footprint simulator was even made available to members on the *desjardins.com* site so they could evaluate the environmental impact of their regular transactions with Desjardins. The simulator received almost 3,000 hits in 2008.

Under the Eco-Friendly Statement Challenge, members of Desjardins caisses were invited to opt for online account statements, accessible via AccèsD Internet, thereby replacing all their paper account statements or booklets, including their VISA Desjardins statement. Through a program initiated by the *Jour de la Terre* organization, Desjardins committed to planting one tree for each participant. By the end of the program in 2008, the objective to plant 100,000 trees in three years had been greatly surpassed, with 141,764 participants, which will result in the planting of the same number of trees. Through this initiative, Desjardins will have reforested the equivalent of nearly 179 football fields in all regions of Québec, as well as in Ontario, and will have reduced its annual paper consumption by close to 7 million sheets.

Financial security products

Meanwhile, Desjardins Financial Security's Critical Illness Plus – with Home Care Services coverage is unique on the market. With this coverage, you can be reimbursed for costs incurred for the following home-care services: domestic chores, caretaking and related support, meal preparation and basic hygiene assistance; certain nursing care services may also be reimbursed. A total of 22 critical illnesses and two surgical procedures are covered. It is the only insurance that covers serious complications caused by four infectious diseases: West Nile virus, Lyme disease, *E. Coli* infection and flesh-eating bacteria.

The Desjardins caisses also offer members a form of life insurance that is the only of its kind on the market, allowing subscribers to pay a very low premium to obtain a small amount of coverage (\$10,000). Nearly 400,000 savings accounts are insured under this plan, which allows members to cover funeral-related costs and the financial obligations of the deceased, among other things.

OUR CHALLENGE WITH RESPECT TO SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE PRODUCTS

To further develop the offer of products and services with socially responsible and sustainable development features for individuals and businesses and to make such products and services more accessible.

OUR ACHIEVEMENTS

Microcredit and solidarity products	2008	2007	2006
Desjardins Mutual Assistance Funds (DMAFs)			
Participating caisses	59.4 %	55 %	44 %
Number of loans granted through a DMAF	672	629	554
Amounts lent through a DMAF	\$ 409,712	\$ 366,324	\$ 309,664
Microcredit			
Participating caisses	5 %	4.7 %	4.5 %
Financing granted	\$ 208,055	\$ 172,854	\$ 101,523
Créavenir			
Participating caisses	16 %	5 %	1 %
Loan amounts	\$ 160,156	\$ 46,000	\$ 41,500
Subsidy amounts	\$ 55,350	\$ 21,900	\$ 17,500
Performance of socially responsible funds	2008	2007	2006
Desjardins Environment Fund			
Monetary value (in millions)	\$ 91.77	\$ 123.9	\$ 110.29
Number of unitholders	19,336	18,169	18,881
Desjardins Ethical Canadian Balanced Fund⁵			
Monetary value (in millions)	\$ 15.98	\$ 18.5	\$ 14.82
Number of unitholders	3,265	3,360	3,066

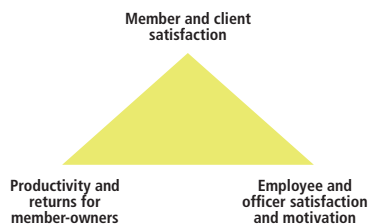
⁵ The Desjardins Ethical Canadian Balanced Fund is now known as the SocieTerra Secure Market Portfolio, following changes to its investment objective submitted for approval at a special meeting for shareholders on November 7, 2008. SocieTerra is a socially responsible mutual fund investment concept comprised of four portfolios, each based on a different investor profile.

THE DESJARDINS ENVIRONMENT
FUND AND THE DESJARDINS
QUÉBEC BALANCED FUND
BOTH RECEIVED 2008

**LIPPER FUND
AWARDS.**

IN 2008,
71% OF MEMBERS
 CONSIDERED IT AN
 ADVANTAGE THAT THE CAISSES
 WERE COOPERATIVES.
 THIS RATE REACHED 47%
 AMONG NON-MEMBERS.

THE DESJARDINS PERFORMANCE TRIANGLE



MEMBER SATISFACTION

Desjardins aims to be the number one financial institution in terms of satisfying the needs of its individual and business members. Desjardins Group in fact adopted a model called the “Desjardins Performance Triangle” that places member and client satisfaction at the top of the pyramid, supported by productivity and positive returns for members and by the satisfaction and motivation of its officers and employees. This frame of reference is based on Desjardins Group’s cooperative identity and permanent values.

Overall satisfaction

To maintain balance in the triangle, Desjardins Group conducts surveys on member satisfaction and aspects in need of improvement each year.

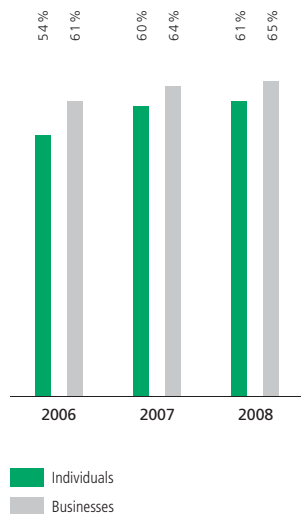
In 2008, members were surveyed on the following seven aspects of service: consideration, responsiveness, professionalism, efficiency, accessibility, courtesy and confidentiality. For individual and business members alike, the overall satisfaction indicator increased by one point for “very satisfied” members.

OUR CHALLENGE WITH RESPECT TO MEMBER SATISFACTION

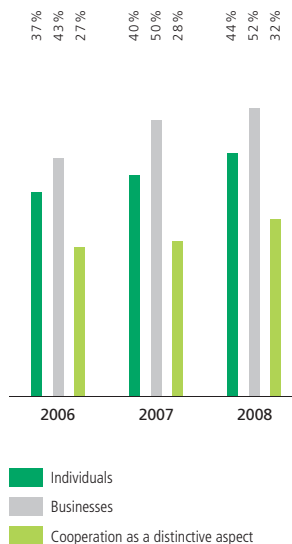
To have a greater proportion of members and clients, as well as the general public, understand and realize the advantages of cooperation and its positive effect on individuals and communities.

OUR ACHIEVEMENTS

MEMBER SATISFACTION⁶
 (% of “very satisfied” members)



**SATISFACTION WITH RESPECT TO
 THE COOPERATIVE DIFFERENCE**
 (% of “very satisfied” members)



⁶ The 2006 satisfaction index used our previous accessibility measurements.

Satisfaction with respect to the cooperative difference

Each year, members are also surveyed on their satisfaction with respect to Desjardins Group’s cooperative difference. This survey addresses social accessibility, the primacy of members’ interests, the ability to influence major decisions, community involvement, information related to finances and the financial advantage of doing business with a caisse or a business centre.

In 2008, 46,350 individual members and 1,497 business members took part in the survey. The satisfaction index has been on the rise for the last three years, both for individuals and for businesses. In the overall population, one in three Québec residents referred to the cooperative nature of the caisses when asked to differentiate between Desjardins and the banks. This proportion is trending upward but remains relatively low.

COOPERATE TO SHAPE OUR DESTINY WITH OUR COMMUNITIES

Cooperating means pooling our strengths to achieve common objectives. By doing business with their local caisse, every Desjardins Group member contributes to the economic and social development of their community, and by participating in caisse democracy, they have a greater say in sustainable development initiatives—which makes being a member of Desjardins a responsible consumer choice. Through the commitment of its 5.8 million members, Desjardins Group can continue to work towards achieving major collective goals.



For 40 years, Desjardins has been supporting the creation and consolidation of financial institutions in many developing and emerging countries. This Vietnamese rice noodle merchant is one of the millions of people in over 20 countries who have benefited from financial products and services through the approximately 2,000 community credit unions supported by Développement international Desjardins (DID).



Since 2008, Desjardins Group employees and management staff have taken up the *Défi Vélo* Desjardins bike tour challenge to give hope to children with cancer. All money raised goes to help these children and is handed over to the pediatric oncology unit of the *Fondation du Centre hospitalier universitaire de Québec*.

RANKED
20TH AMONG THE
**BEST 50
CORPORATE
CITIZENS**
IN CANADA FOR 2008
ACCORDING TO
CORPORATE KNIGHTS
MAGAZINE⁷

⁷ Desjardins ranked 24th in the 2009 edition of this list.



A group of employee shareholders from Drummondville-based Fempro.

PARTICIPATING IN LOCAL DEVELOPMENT

Through their contribution to the local Community Development Fund (CDF), the caisses can take action to support the socioeconomic development of their community.

Caisse members vote democratically at the annual general meeting (AGM) on the amount to be paid into the CDF using the funds available for member dividends. In this way, they can contribute to the creation of influential projects that meet the needs of their local community. In 2008, 84% of caisses had a CDF and collectively they paid \$38.6 million into that fund at their AGMs.

PARTICIPATING IN REGIONAL DEVELOPMENT

Desjardins Group actively participates in the development of all regions of Québec and certain parts of Ontario. To facilitate regional discussions and exchanges, and to develop regional development strategies, the caisses are grouped into 17 councils of representatives, made up of the region's elected officers and caisse general managers.

Spread throughout the regional territories, the business centres are also effective tools for regional development since they support SMEs through a specialized offer of financial products and services.

Venture capital investments

For the past 35 years, Desjardins has also made venture capital available to entrepreneurs, along with strategic support, through its Desjardins Venture Capital (DVC) subsidiary. It encourages the creation of value within companies, while helping them accelerate their growth and development, taking into account Desjardins Group's institutional policy with respect to sustainable development.

Over the course of 2008, Desjardins Group's venture capital investment activities generated a number of positive economic spinoffs in the regions where our partner companies do business. Thus, in addition to strengthening employment and creating jobs, these investments will help develop expertise, promote the emergence of leaders in various fields, and encourage economic activity that is essential to the vitality of the regions.

Moreover, through its Capital régional et coopératif Desjardins fund under management, specifically created to support business start-ups and the growth and innovation of manufacturing companies in the regions, DVC is recognized as being the venture capital company with the strongest presence in Québec's resource regions: Abitibi-Témiscamingue, Bas-Saint-Laurent, Côte-Nord, Gaspésie—Îles-de-la-Madeleine, Mauricie, Nord-du-Québec and Saguenay—Lac-Saint-Jean.

Nearly \$73 million in commitments were made in 2008 to companies operating in various business sectors, for total investment assets of \$526 million. Included among these business sectors is renewable energy, with \$11.4 million in investments. DVC now supports 313 entrepreneurs across Québec, thereby helping to create or maintain over 34,000 jobs.

In Québec, where business transfer has become a key economic issue, DVC, through its investments, has helped to maintain companies and jobs in the regions where they were founded and continue to grow. Through these transactions, which bridge two generations of entrepreneurs, company founders can retire with their assets secured and their business in the hands of a solid and talented management team that otherwise would not have had the financial means to take up the torch. Since 2005, DVC has coordinated 72 business transfers, including four buyouts.

Intercooperation

Convinced that cooperation is a valuable tool for the development of individuals and communities, Desjardins Group has set up a unique offer of services to support the creation of new cooperatives.

Also, in 2008, DVC helped a number of companies set up worker shareholder cooperatives. Not only does this approach demonstrate the cooperative difference but it also encourages wealth-sharing by allowing all employees to become co-owners of the business they work for, alongside the existing management team and DVC. These new cooperatives help make a difference to their local economy. This was exactly the case for Drummondville-based Fempro in 2008, less than a year after their buyout by DVC. Nearly 93% of Fempro's employees wanted to be a part of this major cooperative project, which enabled them to become shareholders in partnership with Desjardins and the existing management team.

Caisse centrale Desjardins, for its part, finances agri-food, financial, forestry and funeral cooperatives. Meanwhile, in 2008, Capital régional et coopératif Desjardins had 12 cooperatives in its investment portfolio.

OUR CHALLENGE WITH RESPECT TO SUSTAINABLE INVESTING

To successfully support the growth of businesses specializing in green technologies by diligently and prudently managing the development risks for this market.

OUR ACHIEVEMENTS

Community Development Fund (CDF)

(in millions of \$ and as a %)

	2008	2007	2006
Percentage of caisses that have a CDF	84.2 %	87.7 %	86 %
Total CDF balance at the end of the year	\$ 86.6	\$ 75.2	\$ 66
Amounts paid into CDFs during the year	38.6	35.3	31.9
Amounts paid to support initiatives	27.3	26.2	20.9

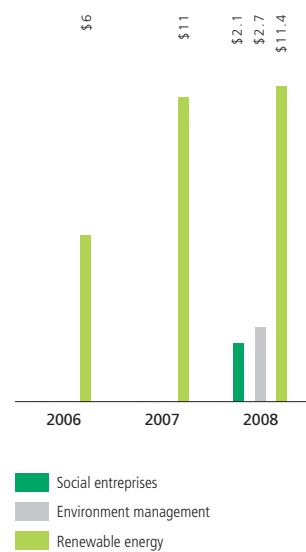
Desjardins Venture Capital

(in millions of \$)

	2008	2007	2006
Venture capital assets invested in the regions	\$ 526	\$ 522	\$ 494
Assets invested in cooperatives or other companies located in resource regions	122	117	122

DESJARDINS VENTURE CAPITAL INVESTMENTS BY SECTOR⁸

(in millions of \$)



⁸ Investments in environment management and social enterprises were not followed prior to 2008.

COMMUNITY INVOLVEMENT

Desjardins has identified “educating people, particularly members, officers and employees, about democracy, economics, solidarity, and individual and collective responsibility” as a catalyst towards accomplishing its mission. Beyond the sponsorships and donations awarded in all areas, part of which is intended for sustainable development initiatives, Desjardins also focuses on developing the knowledge, awareness and commitment of its members in order to take on economic, social and environmental challenges.



Desjardins Group's educational activities have grown considerably since the beginning, and are particularly evident in its support for various organizations and programs targeting academic success and keeping kids of all backgrounds in school.

EDUCATION

Desjardins Group has been involved in education since its very beginning. It continues this tradition in a number of ways, including by teaching young people good savings habits, encouraging youth to stay in school and supporting higher education and entrepreneurship.

School and Student Caisse programs

Because it is never too early to learn about savings, the Desjardins caisses continue to offer the School Caisse program in some 1,200 elementary schools, as they have done for the past 100 years. Moreover, approximately 80 secondary schools in Québec and Ontario also offer the educational Student Caisse program, which is a mini credit union managed and run by students at the school. Finally, under a partnership agreement with the *Réseau intercollégial des activités socioculturelles du Québec* (RIASQ), Desjardins is present in 58 French-language colleges out of a potential 69. The caisses have taken part in activities coordinated by RIASQ for the past 12 years.

The success achieved by Desjardins in its initiatives to educate young people about saving money is largely due to the collaboration of the schools themselves, which help keep the tradition going.

Encouraging youth to stay in school

Desjardins Group is involved in a variety of initiatives that every day encourage young people to persevere with their efforts to stay in school and reward their academic success. Desjardins Group's commitment in this regard is illustrated through the support it provides to various organizations and programs working to ensure young people from all backgrounds make it successfully through the educational system.

Always close to its members, the cooperative network takes an active role in financially supporting various local initiatives, whether one-time events or long-term commitments, in partnership with schools and school boards. These agreements make it possible to expand the services offered by schools to meet the specific needs of young people who are experiencing learning difficulties or whose attendance at school is compromised. Whether it be through acquiring new teaching tools, hiring specialized staff, organizing motivational activities for youth or offering scholarships, the support the Desjardins caisses offer their community provides young people with favourable conditions for a brighter future.

Brundtland Green Schools

Desjardins Group is a proud partner of the Brundtland Green Schools (BGS). A BGS is a school where people think globally and act locally in order to create a viable future. It's a place where people take concrete and ongoing action to help build an environmentally friendly, peaceful, united and democratic world. It's a school that highlights the commitment of young people and adults by publicizing and gaining social recognition for their actions. In Québec, over 1,200 elementary and secondary schools have signed on to the program since it was created in 1993.

Support for higher education and entrepreneurship

Fondation Desjardins grants more university scholarships than any other private foundation in Québec. The Fondation awards prizes for cooperative education projects and to entrepreneurs who demonstrate excellence among Québec and Ontario businesses. It also rewards non-profit organizations that demonstrate outstanding contributions to the community in the following areas: Youth Assistance, Senior Citizen Assistance, Sustainable Development, Community Economic Development, Community Development and Cultural Services. In 2008, the Fondation created a new \$20,000 Philosophy, Education and Culture scholarship to support philosophical research on the most pressing issues in education and training. Recent decisions also make it possible to announce an increase in the amount of certain Fondation scholarships, to \$7,500 at the Master's level and \$10,000 at the Doctorate level, starting in 2009.

VISA Desjardins debt prevention program

A specialized group of eight staff, known as the “FRIS” (fraud-recovery-strategic initiative) team works in the Portfolio Management Department. Their mandate is to take preventive measures for clients whose account activities seem to point to financial problems or risk of fraud due to payments by NSF cheques. Various elements are assessed in order to identify these accounts (unusual cash advances, payments by cheque for abnormally high amounts, indication of unfavourable risk, change in credit habits observed in credit file, etc.).

Part of the communication procedure involves educating clients about sound credit practices and helping them to better manage their personal finances. Special attention is paid to younger clients.

In May 2009, for example, out of more than 3,000 files assessed, the FRIS team identified 1,426 holders as being at greater risk for running into financial problems, after analyzing various elements (credit file, use of the account, exchange of information with the account holder and/or with the caisse). This allowed the team to introduce preventive measures to stop those clients from falling further into debt (e.g. limiting future credit limit increases, limiting cash advance possibilities, reducing credit limits and closing certain accounts for preventive reasons).

Supporting positive initiatives

Desjardins Group believes that sustainable development and social responsibility derive from positive values that deserve to be encouraged and supported, rather than imposed by coercion. It is in this spirit that Desjardins has developed various means to encourage members, clients and employees to take steps that will help ensure the long-term survival of our communities.

With the Desjardins Sustainable Development Prizes, Desjardins Group, in collaboration with Bell Canada, recognizes businesses that demonstrate effective management, sound governance and social responsibility. To be considered for one of these awards, a company must show solid financial performance and contribute to the well-being of their community or environment through an approach based on sustainable development.

OUR CHALLENGE WITH RESPECT TO EDUCATION

To ensure the long-term survival of the School Caisse, which is both a tool for teaching young people about good savings habits and an expression of social responsibility.

OUR ACHIEVEMENTS

School Caisse program⁹

	2008	2007	2006
Caisses offering the School Caisse program	79 %	76 %	74 %
Schools participating in the School Caisse program	1,200	1,100	1,100
Total value of youth dividends paid to School Caisse members (youth aged 5 to 14)	\$ 337,779	\$ 285,789	\$ 265,430

⁹ Data based on voluntary survey carried out among the caisses.

Scholarships and awards granted by Fondation Desjardins¹⁰

	2008	2007	2006
Total number of scholarships and awards granted	315	350	354
University scholarships	\$ 431,700	\$ 416,375	\$ 404,000
Scholarships to support training (other than university)	71,680	64,600	68,150
Scholarships focusing on cooperative spirit	35,700	79,500	72,500
Recognition awards for volunteering	33,500	33,500	25,000
Awards to support entrepreneurship (including sustainable development)	70,000	90,000	85,000
Total value of scholarships and awards granted	\$ 642,580	\$ 683,975	\$ 654,650

¹⁰ This data does not include scholarship programs offered by the caisses, the FCDQ or the subsidiaries.

Scholarships granted by the caisses

	2008	2007	2006
Total number of scholarships	2,342	2,652	1,923
Total value of scholarships	\$ 1,403,977	\$ 1,131,400	\$ 925,079

SPONSORSHIPS AND DONATIONS

Granting sponsorships and donations is one of the means by which Desjardins makes a tangible contribution to the community. Naturally in tune with the needs of their members and local organizations, the caisses and other Desjardins components paid a total of over \$80.1 million to community organizations in 2008, of which \$68.1 million was granted directly by the caisses to organizations within their own community.

Thus, the sponsorships and donations granted by Desjardins promote the economic development of communities and regions by financially supporting local partners and organizations involved in cooperative, economic, educational, cultural, humanitarian, social, environmental or sports activities.

Desjardins Group's management of sponsorships and donations is governed by a policy based on respect for the values, principles and rules inherent to its *Code of Ethics and Professional Conduct*.



Madama Butterfly at the Opéra de Montréal



Festival en chanson de Petite-Vallée
Song Fest in Gaspésie



Tennis Canada's Rogers Cup in Toronto



Festival Western Saint-Tite

OUR CHALLENGE WITH RESPECT TO SPONSORSHIPS AND DONATIONS

To integrate sustainable development concepts at every step of our activities relating to our sponsorships and donations, from the selection of activities to raising awareness among organizers and participants.

OUR ACHIEVEMENTS

Sponsorships and donations by sector¹¹

(in millions of \$)

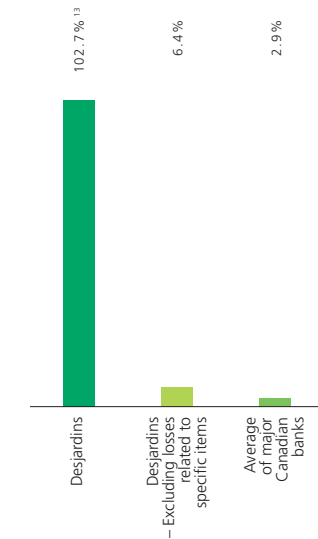
	2008	2007	2006
Arts and culture	\$ 10.4	\$ 8.5	\$ 5.6
Regional economic development	17.9	15.2	18.9
Education	10.7	12.2	7.4
Mutual assistance and solidarity	9.1	6.5	7.3
Health and well-being	21.9	19.6	16.1
Sports and recreation	8.7	8.5	8.1
Environment	1.4	1.2	0.5
Total	\$ 80.1	\$ 71.7	\$ 63.9

¹¹ Includes scholarships granted by Fondation Desjardins.

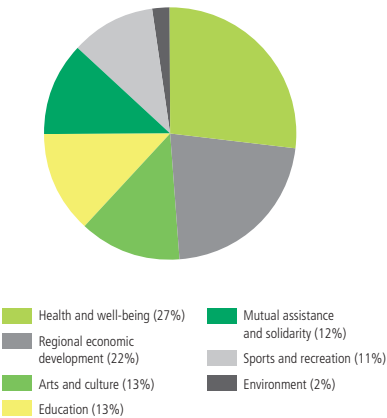
AMOUNTS PAID OUT BY MAJOR FINANCIAL INSTITUTIONS
(in millions of \$)



PERCENTAGE OF SURPLUS EARNINGS (PROFITS) PAID OUT BY MAJOR FINANCIAL INSTITUTIONS



DISTRIBUTION OF SPONSORSHIPS AND DONATIONS BY SECTOR



¹² According to data available as at March 1, 2009.

¹³ The overall profitability of Desjardins Group was significantly affected by certain specific items in fiscal 2008, namely the asset-backed commercial paper (ABCP) crisis and the financial crisis, and totalled \$1.17 billion after income taxes. If these items are excluded, surplus earnings after taxes and before member dividends would have reached \$1.25 billion. Exceptionally, in 2008, surplus earnings after taxes and before member dividends totalled \$78 million, while the amount paid out in donations reached \$80.1 million.

SUPPORT FOR THE COOPERATIVE MOVEMENT AT HOME AND ABROAD

Financial support

Inter-cooperation is another of the seven cooperative principles that are recognized and promoted worldwide by the International Co-operative Alliance (ICA). In keeping with this principle, Desjardins Group shares its cooperative expertise and contributes financially to a number of groups that are dedicated to inter-cooperation and its development and which promote cooperative education in Québec, Canada and around the world. Here are just some of the organizations with which Desjardins is involved:

- *Conseil québécois de la coopération et de la mutualité* (CQCM)
- *Fédération des coopératives de développement régional du Québec*
- *Fondation pour l'éducation à la coopération et à la mutualité*
- *Réseau d'investissement social du Québec*
- Several university chairs devoted to the study of cooperation
- *Conseil de la coopération de l'Ontario*
- *Conseil canadien de la coopération et de la mutualité* (CCCM)
- International Co-operative Alliance (ICA), which represents cooperative businesses in all sectors of activity and their 800 million members
- International Confederation of Popular Banks (ICPB)
- International Co-operative Banking Association (ICBA)
- Americas Association of Cooperative / Mutual Insurance Societies
- International Cooperative and Mutual Insurance Federation (ICMIF)

In terms of support for cooperative entrepreneurship, Desjardins is a major financial partner of the *École des jeunes créateurs de coopératives*, contributing \$35,000 per year to this organization. The two-year pilot project inaugurated in 2008 offers young people between the ages of 18 and 35 two weeks of training on cooperative start-ups. It is proving highly successful, with three cooperative projects already launched by the first session's participants.

In addition to Desjardins Group's financial contribution to several of the organizations mentioned above, the substantial investments it has made in terms of human and technical resources to actively support them should also be mentioned. Desjardins Group's leadership is well known and respected in the Québec, Canadian and international cooperative communities, whose main challenge resides in continuously promoting greater solidarity within the cooperative movement. Finally, in addition to its contribution to various international affiliations in 2008, Desjardins Group helped strengthen the cooperative economic model by sharing its know-how with some 200 foreign visitors from all corners of the world.

Cooperation in action: The example of Burkina Faso

Over 1.1 million members and clients: that's the exceptional threshold that was crossed at the end of 2008 by the *Réseau des caisses populaires du Burkina* (RCPB), the main distributor of locally-based financial services in Burkina Faso and a partner of Développement international Desjardins (DID) since the creation of the very first caisse in 1972.

This is a tremendous accomplishment for the DID network, which offers the country's least fortunate populations access to savings, credit and insurance services. With its 148 service outlets located in 42 of the 45 provinces of Burkina Faso, RCPB has assets of C\$158 million—a remarkable performance in a country where 80% of the population lives in rural areas, with 51% under the poverty line.

In Burkina Faso, as in the 25 or so other countries where DID works to support the creation and consolidation of local financial services institutions, the social impact of those institutions is such that it not only influences the quality of life of its citizens but it also actively contributes to the economic development of the country itself.

Sharing our cooperative know-how throughout the world

Desjardins Group believes that cooperation is the ideal tool to help people take charge of their finances and become the agents of their own long-term development. As a financial cooperative, Desjardins Group's know-how and expertise have long been known and recognized outside the country. Through the work of its component Développement international Desjardins (DID), Desjardins has been able to offer technical and investment support services in the microfinance sector in developing and emerging countries for the past 40 years. An international leader in this field, DID supports the creation, consolidation and specialization of sustainable networks of financial institutions rooted in their communities. DID is present in nearly 25 countries in Africa, Latin America, the Caribbean, Asia, Central Europe and Eastern Europe.

DID's expertise gives the world's poorest communities the means to organize themselves and meet their own needs (www.did.qc.ca).



By transferring its knowledge and expertise, Développement international Desjardins enables people in many developing and emerging countries to benefit from financial services adapted to their situation. The photos above illustrate three typical examples: Automated transactions make the work of this Malian credit union employee easier, so that she can focus on better meeting members' needs; this tea leaf producer from Ruaha, Tanzania has access to financing thanks to his local SACCO co-op; and finally, a Haitian employee presents the latest technology implemented at her caisse populaire: a chip card used by members.

OUR CHALLENGE WITH RESPECT TO SUPPORTING THE COOPERATIVE MOVEMENT

To maintain a pertinent international service offer that is in step with the rapid growth and development of the constantly evolving community-based financial services sector.

OUR ACHIEVEMENTS

	2008	2007	2006
Annual financial support for the cooperative movement ¹⁴	\$ 1,046,255	\$ 946,734	\$ 924,005
¹⁴ Includes financial contributions by the Fédération des caisses Desjardins du Québec, the Fédération des caisses populaires de l'Ontario, Desjardins Financial Security and Desjardins General Insurance Group.			
Contribution to the development of financial cooperatives in emerging countries	2008 ¹⁵	2007	2006
Number of members or clients of institutions partnering with Développement international Desjardins	6,141,677	4,085,196	3,144,071
Volume of savings for these institutions (in millions)	\$ 1,928	\$ 1,274	\$ 794
Volume of credit granted (in millions)	\$ 2,061	\$ 1,316	\$ 735
Percentage of members or clients who are women	36.2 %	41.1 %	40.5 %

¹⁵ These figures correspond to results as at December 31, 2008, while those published in the Desjardins Group Annual Report correspond to results as at June 30, 2008.

INDIRECT IMPACT

Desjardins Group creates economic spinoffs and is a source of wealth generation in all the areas it serves, as much in the outlying areas as in urban centres. This is especially true in Québec and also elsewhere in Canada through the cooperative network in Ontario and its insurance and wealth management activities.



Desjardins Group's activities bring major economic benefits to Québec, as elsewhere in Canada. The province's economy thus enjoys positive spinoffs that represent 1.84% of the province's total gross domestic product. Moreover, Desjardins is the source of 67,551 direct, indirect and induced jobs—equivalent to about 1 in every 50 positions. Photo: André Ride

Desjardins Group's commercial activities can also have major social and environmental spinoffs, both positive and negative. As a socially responsible organization, Desjardins believes it has a duty to make sure all of its activities have as positive an impact as possible.

ECONOMIC SPINOFFS FOR QUÉBEC

Desjardins Group actively participates in Québec's economic growth in numerous ways. However, its economic impact is most easily measurable through its regular business activities, as shown by a Desjardins Economic Studies paper published in 2008, which analyzed Desjardins Group's operating expenses in Québec for 2006.

The results show that Desjardins Group's operations in the province represented an economic benefit, in terms of added value, that exceeded \$4.8 billion in 2006, taking into account direct, indirect and induced effects. This figure represented 1.84% of Québec's total GDP at basic prices. It was also equivalent to 67,551 jobs (person-years), counting all those who depend in one way or another on Desjardins Group's activities in Québec, i.e. just under 2% of all jobs in Québec, or about 1 in every 50 jobs.

More than 80% of these jobs were attributable to the Desjardins caisse network and to its support and governance body in Québec. Desjardins Group's activities on Québec soil also account for provincial government inputs of around \$1 billion in income and other taxes. On the federal side, the government's income is buoyed by around \$470 million. These sums are far from negligible when one considers that \$1 billion represents 1.7% of Québec's total budget income, and 2.1% of its independent income for the 2006-2007 budget year.

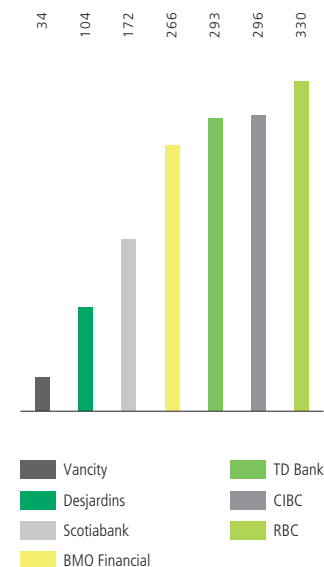
IMPACT OF FINANCING ACTIVITIES ON CLIMATE CHANGE

As a financial institution, Desjardins Group is aware that its impact on the climate is more due to its commercial activities than to its operational activities. Its own activities generate few greenhouse gases, but it does invest in companies that may have a much greater climate impact. Desjardins therefore shares some responsibility, albeit indirectly, in those emissions. In order to provide a framework for the overall management of the risks of its activities on climate change, Desjardins will draw up a policy on this issue in its next strategic plan.

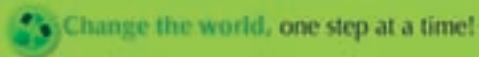
In 2008, Desjardins provided the Rainforest Action Network with information concerning its investment activities as part of a study on the financing of fossil fuels by Canadian financial institutions.¹⁶ According to the results of the study, Desjardins has the second lowest climate impact related to the financing of companies that produce fossil fuels, such as oil, natural gas and coal.

CLIMATE IMPACT RELATED TO THE FINANCING OF BUSINESSES THAT PRODUCE FOSSIL FUELS

(in tonnes of CO₂ per \$1 billion in assets)



¹⁶ Financing of fossil fuels and renewable energy by Canadian banks, Profundo Economic Research, www.climatefriendlybanking.org.



Desjardins Group became the first private institution to sign on to the “Change the World, One Step at a Time” campaign organized by *Équiterre*. In the past year, Desjardins put concrete measures in place to reduce business travel and gas consumption, support responsible purchasing and local agriculture, improve energy efficiency and management of residual materials, and encourage the social involvement of employees. The campaign, which was initially launched within Desjardins Group’s support and governance body and its components, will be gradually extended in 2009 to the caisse network, who will be invited to adopt measures according to their local situation and drawing on the guidelines that will be included in the Desjardins Group Strategic Plan.

THE ENVIRONMENT

Since 2005, all of Desjardins has been guided in its actions and its decision-making processes by a sustainable development policy that includes a number of guidelines. Desjardins Group also adheres to the principles of the United Nations’ UNEP Statement by Financial Institutions on the Environment and Sustainable Development (UNEP FI).

As proof of its commitment, Desjardins Group integrated sustainable development into its 2006–2008 Strategic Plan and pursued this policy in 2008 by setting up a task force to look at social responsibility and sustainable development, the recommendations of which are being analyzed by all the Desjardins caisses. At the time of the Hewitt survey, which was completed by more than 15,500 Desjardins employees, 90% said they were ready to support Desjardins Group in its sustainable development initiatives.

SUSTAINABLE DEVELOPMENT POLICY

Desjardins Group activities targeted by this policy are those related to its roles as a manufacturer and distributor of financial products, an investment manager, a venture capital investor, an institutional consumer of goods and services, an international development agent and a socially responsible organization. Sustainable development issues are thus taken into account when drawing up policies, practices, standards, the products and services of Desjardins Group components, as well as their application and marketing. In cases of uncertainty with respect to the impact of a decision, Desjardins Group applies the precautionary principle, so as to minimize the risk of serious or irreversible damage.

The policy’s implementation is handled by the Cooperative Support Division and Secretariat General, which is responsible for bringing the management teams of the various Desjardins components and staff members to rally around Desjardins Group’s overall objectives for sustainable development.

Desjardins did not wait for a precise diagnosis of its environmental performance before taking action. Desjardins first prioritized its role as an institutional consumer of goods and services, taking into account the major gains that this allows it to make with respect to environmental, social and economic issues (the three spheres of sustainable development). Desjardins thus leads by example, especially with respect to its suppliers and the companies with which it does business.

As an institutional consumer of goods and services, Desjardins has three priorities:

- Responsible procurement
- Residual materials management
- Energy efficiency (property and transportation)

RESPONSIBLE PROCUREMENT

Responsible procurement policy

A responsible procurement policy that mirrors the Desjardins Group Sustainable Development Policy has been in effect since 2006. Efforts are ongoing to ensure that in the long term, the “life cycle” philosophy becomes a concrete part of its processes and procedures as well as of the activities of Desjardins procurement agents. Desjardins Group suppliers will also be made aware of this concept, as they will be asked to produce an environmental statement for their products.

Questions relating to the social responsibility of suppliers are already included in Desjardins Group’s calls for tender, and work is under way with some existing suppliers for major projects to provide them with guidance on sustainable development issues. In addition, the Desjardins promotional items catalogue and the Desjardins BONUSDOLLARS catalogue (the loyalty program for VISA Desjardins credit card holders) have been reviewed to promote items with features that keep with the organization’s stand on social responsibility and the principles of sustainable development.

Fair trade coffee

As part of the “Change the World, One Step at a Time” campaign, Desjardins is committed to encouraging the consumption of fair trade coffee. To do so, the coffee made available to the 11,000 Desjardins employees in Lévis and Montréal is now certified fair trade.

Environmentally friendly paper

The Desjardins Paper Challenge, launched in 2005, targeted an overall reduction of 15% in paper consumption for internal use and a 15% increase in the amount of recycled paper used. Having reached those targets, Desjardins Group wanted to go further, and so took the necessary measures to ensure that, as of January 2009, it would only purchase paper with 100% post-consumer fibre for internal and commercial use. Already, in 2008, 70% of the paper purchased by Desjardins was recycled paper.

OUR CHALLENGE WITH RESPECT TO RESPONSIBLE PROCUREMENT

To lead all Desjardins Group components to voluntarily make the move to responsible consumption insofar as their means will allow.

OUR ACHIEVEMENTS

Paper consumption ¹⁷	2008	2007	2006
Total usage – internal and commercial activities (in tonnes)	4,292	4,182	4,302
Percentage of recycled paper	70 %	57 %	26 %

¹⁷ Based on data from Desjardins Group's main suppliers and results of a voluntary survey among the caisses.

RESIDUAL MATERIALS MANAGEMENT

In 2008, Desjardins made a commitment to *Recyc-Québec* to promote the *ICI ON RECYCLE!* recycling program in its components and to gradually implement it throughout the organization. Steps are being undertaken to meet the level 2 criteria required by *Recyc-Québec* for nearly a dozen Desjardins Group buildings. Also, with a view to reducing waste at source, styrofoam cups were withdrawn from a number of Desjardins Group offices. This means 400,000 fewer styrofoam cups will be thrown away each year.

Desjardins has suspended the publication of its waste management performance while it sets up a program that will enable a more thorough ecological footprint analysis and the creation of a data collection system that meets its requirements.

Cell phone recovery

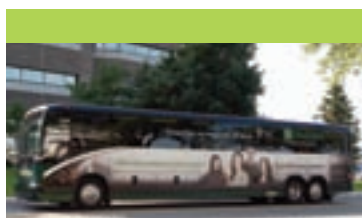
Since October 2007, Desjardins has partnered with Bell Canada to offer cell phone users a fast and secure means of disposing of their outdated phones. The caisses, business centres and other Desjardins components installed recovery stations in more than 480 locations in Québec and Ontario. The net earnings from the re-sale and recycling of cell phones are given to WWF-Canada, an organization dedicated to protecting nature and the environment. In 2008, 1,778 cell phones were recovered throughout the cooperative network, which translated into a donation of \$2,134 to WWF-Canada.

Eco-friendly events

Since 2006, most major events and meetings held by Desjardins have been eco-friendly. This requires thorough consideration of all event activities, from design to execution, in order to limit the volume of residual materials and greenhouse gases. Any unavoidable travel by motor vehicle is compensated for by planting trees or purchasing carbon credits. Moreover, excess food from these events is distributed to community organizations, through a partnership with *La Table des chefs*. In 2008, nearly 6,000 people took part in the various environmentally responsible events organized by Desjardins Group.

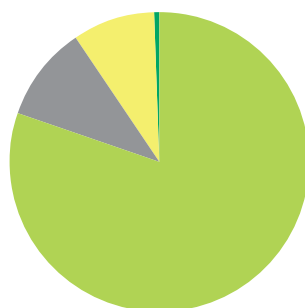
In order to facilitate the organization of these events, checklists were designed and made available to logistics teams in order to help them plan and manage such events, redistribute surplus food and select promotional items. In 2008, these checklists were distributed to cooperative development advisors and used to prepare 10 of the 17 regional and group caisse general meetings.





Desjardins Group's concern for the environment and for its own productivity is nothing new. Since the beginning of the 1990s, the Desjardins shuttle has been available to staff. This group transit solution enables employees to travel to and from the head office in Lévis and the Montréal offices, morning and evening, on a daily basis. In 2008, the Desjardins shuttle made 790 trips for 15,772 employees. If each of those passengers had taken their own vehicles, an additional 600 tonnes of greenhouse gases would have been released into the atmosphere.

ENERGY CONSUMPTION
BY SOURCE



Electricity (1,419,765 GJ)
Petroleum products (177,083 GJ)
Natural gas (161,457 GJ)
Steam (5,074 GJ)

OUR CHALLENGE WITH RESPECT TO RESIDUAL MATERIALS MANAGEMENT

To deploy a Desjardins-wide residual materials management program.

OUR ACHIEVEMENTS

Results for eco-friendly events

	2008	2007	2006
Number of eco-friendly events (greenhouse gas and residual materials management components)	4	2	1
Number of events addressing the greenhouse gas component only	13	2	0
Rates for recycling or recovery of residual waste stemming from these events ¹⁸	90 %	93.4 %	79.8 %
Greenhouse gas emissions compensated for by planting trees or purchasing carbon credits (tonnes of CO ₂ equivalent)	402	235	124

¹⁸ For events including this component only.

CLIMATE CHANGE

In adhering to Québec's commitment to support the Kyoto Protocol and by thus joining the fight against climate change, Desjardins has shown that the environment is one of its top priorities.

Measures in place to lessen our climate impact include: development of an energy efficiency program; implementation of a pilot project for energy and characterization audits for 15 buildings in the caisse network; strengthening of environmental measures included in the management staff automobile policy; partnership with the *Association québécoise pour la maîtrise de l'énergie* (AQME) and four other large companies to improve Desjardins Group's energy efficiency; and completion of a survey of 15,774 Desjardins Group employees on their transportation habits from home to work, aimed at developing an alternative transportation strategy adapted to each region.

The climate impact of Desjardins Group's operations was assessed for a second consecutive year, with the addition of the climate impact related to paper consumption. As a financial institution, Desjardins is a major consumer of paper, which represented 18.5% of its total greenhouse gas emissions in 2008. However, greenhouse gas emissions related to paper consumption have been reduced by nearly 30% since 2006—from 11,032 to 7,860 tonnes of CO₂ equivalent. This considerable decrease is a result of the measures taken by Desjardins to switch to recycled paper, and it is largely due to that change that Desjardins has seen its total climate impact decrease by 10% since 2006.

OUR CHALLENGE WITH RESPECT TO CLIMATE CHANGE

To deploy a Desjardins-wide energy efficiency program.

OUR ACHIEVEMENTS

Greenhouse gas emissions in tonnes of CO₂e¹⁹

	2008	2007	2006
Direct emissions – car fleet, fuels	16,198	16,888	16,744
Indirect emissions – electricity, steam	4,183	4,371	4,280
Indirect emissions – rental vehicles, personal vehicles, air travel, Desjardins shuttle, rented premises (fuels), paper ²⁰	22,037	25,121	26,303
Total GHG emissions	42,418	46,380	47,327
Emission intensity (tonnes per employee)	1.02	1.16	1.19

¹⁹ Evaluation based on the GHG Protocol method and an internal audit. Electricity and fuel conversion factors were updated according to the most recent Environment Canada report (National Inventory Report: Greenhouse Gas Sources and Sinks in Canada, 1990-2006), resulting in a revision of previously published data. Data from the caisses are based on an annual voluntary census.

²⁰ Calculations based on the Environmental Defense Fund Paper Calculator.

COOPERATING TO SHAPE OUR DESTINY WITH OUR EMPLOYEES

Human capital is one of the fundamental pillars of Desjardins Group's service logic. That is why the organization has always been careful to foster a dynamic, enjoyable and respectful work environment and to continuously encourage employee development both personally and professionally. The challenge of finding and retaining new talent pushes Desjardins to continue these efforts. It is with this in mind that the "Mobilizing all of Desjardins: Human Capital, Culture and Values" task force was assembled as part of the overall strategic reflection process begun in 2008.



With nearly 42,000 employees, Desjardins Group is a major private employer in Canada and the largest in Québec. Desjardins employs over 25,000 people in the caisse network alone. Above: Employees from Caisse Desjardins de Granby—Haute-Yamaska and other Desjardins components and business units in the region pose together in the new *Carrefour de la coopération*. Photo: Alain Dion



Desjardins Group's employees ranked the organization among the 50 Best Employers in Canada, a clear demonstration of their engagement towards providing Desjardins members and clients with one of the most accessible and top-quality service offers on the market. Photo: Pierre Joosten

HUMAN CAPITAL: OUR GREATEST ASSET

MEANINGFUL RECOGNITION

The recognition of Desjardins Group as a Best Employer in Canada for 2009 according to the prestigious list published in *Report on Business* magazine, distributed through *The Globe and Mail* and *La Presse*, is tangible evidence of the engagement of Desjardins employees. This honour and added visibility gives Desjardins a certain nationwide advantage in attracting new talent. Desjardins harnesses every resource at its disposal to retain happy employees who strive for their personal best. Desjardins offers a stimulating work environment and a range of interesting development, training and life/work balance programs, as well as career opportunities enabling employees to acquire new skills and experiences in a cooperative work environment.

A stimulating work environment

Desjardins Group stands out for the quality of its working conditions, particularly its competitive wages, personalized workspaces and the availability of technology to minimize commuting (working from home, teleconferencing, videoconferencing), as well as attractive retirement and benefits programs.

Desjardins offers its employees a defined benefits pension plan. Members and employers proportionally share the financing of new credited entitlements added to the plan each year. The overall cost sharing objective is 65% for employers and 35% for members. For more information, visit www.rcd-dgp.com.

Desjardins Group employees consider their work environment to be respectful of them and their well-being. In the last Hewitt Associates employee engagement survey carried out in 2008, 87% of employees said that they felt respected by their colleagues, while 74% said that they were able to maintain a good balance between their professional obligations and personal responsibilities.

Training: More than an asset

In Québec in 2008, Desjardins invested more than 2.78% of its total payroll in training. More than 75% of employees who responded to the Hewitt engagement survey believe Desjardins strongly encourages employee training and development.

The Desjardins Cooperative Institute is a unique training facility that allows our elected officers and management staff to thoroughly absorb and apply the cooperative distinction and business culture that are unique to Desjardins. The mission of this "business university" is to unite Desjardins Group by helping to promote and spread Desjardins Group's values, vision, orientations and strategies. The Institute provides a time and place where, based on a common understanding of the cooperative difference and the challenges facing Desjardins Group, officers and managers from the various components can gather to exchange ideas, further their knowledge, develop actions and adopt Desjardins governance and management practices, for the benefit of Desjardins members and clients. Across all programs, the satisfaction rate among the 750 participants in 2008 remained high, with an average of 98.3%.

Personalized careers

The 2008 visibility campaign aimed at promoting Desjardins career opportunities saw spinoffs that exceeded all expectations, revealing marked interest in the company. In 2008, more than 137,319 applications were received to fill 4,108 available positions. The quality of working conditions and the availability of opportunities to grow within the company contributed to continually elevated employee retention rates in 2008, with only 4.7% voluntary departures.

Voluntary departures of regular employees²¹

	2008	2007	2006
Regular employees who voluntarily left Desjardins	4.7 %	4.9 %	4.0 %

²¹ Does not include retirement. The method of calculating this indicator has been modified to agree with the Saratoga benchmarking approach, which uses a denominator based on an average number of employees rather than the actual number at the end of the period.

Inter-component mobility²²

	2008	2007	2006
Employees filling regular positions and arriving from another Desjardins component	5.7 %	5.8 %	6.2 %
Senior executives	13.7	10.3	11.1
Management employees	8.0	12.2	7.3
Non-management employees	5.4	5.3	6.1

²² Does not include mobility among the caisses, but includes mobility from a caisse to a subsidiary or to the FCDQ.



HUMAN CAPITAL REPRESENTATION

At the heart of Desjardins Group is the caisse network, which offers locally-based services to members. With more than 25,000 caisse employees across Ontario and Québec, Desjardins is the financial institution with the largest presence across this territory.

Employee distribution²³	2008	2007	2006
By component			
FCDQ	7,211 ²⁴	6,453	6,424
Caisses	25,145	24,528	24,187
Subsidiaries	9,565	9,702	9,374
By province			
Québec	39,119	37,959	37,305
Lévis-Québec City	9,081	8,587	8,452
Greater Montréal	13,804	12,851	12,727
Other regions	16,234	16,521	16,126
Ontario	2,650	2,585	2,545
Other provinces	96	81	85
Outside of Canada	56	58	50
By status²⁵			
Regular	36,419	35,363	35,131
Temporary	4,636	4,563	4,576
By job category²⁵			
Senior management	757	834	840
Management	2,568	2,473	2,341
Non-management	37,730	36,619	35,800
Total	41,921	40,683	39,985

²³ Some previously published figures were altered to reflect changes or corrections made to the compilation methodology.

²⁴ The difference between 2007 and 2008 figures is largely due to employee transfers from the subsidiaries to the FCDQ for the Shared Services Centre for Back-Office Services – Specialized Savings Products.

²⁵ Figures for 2008 do not include data for 10 group caisses and four Ontario caisses, while 2006 and 2007 figures did not include data for 14 group caisses and six Ontario caisses.

Representation of young employees, age 30 and under	2008	2007	2006
Total employees	18.5 %	18.8 %	18.3 %
Senior management	0	0.1	0
Management	2.4	2.8	2.7
Non-management	20.0	20.3	19.7

Representation of women²⁶	2008	2007	2006
Senior management	19.2 %	19.1 %	19.3 %
Management	56.9	56.2	54.9
Non-management	78.7	79.3	79.3

²⁶ Some previously published figures were modified due to corrections.

Ensuring fair representation of women in senior management positions

Desjardins created a Gender Equity Committee to develop an action plan to increase the number of women among senior management staff while maintaining skills-based appointments.

- At Desjardins in 2008, 62% of open management and 28% of open senior management positions were filled by women. Identifying and developing individuals through the various succession programs thus helps increase the number of women in upper management positions.
- Desjardins is the first Canadian financial institution to elect a woman to head its organization. On March 15, 2008, Monique F. Leroux was elected Chair of the Board, President and CEO of Desjardins Group.
- According to the Hewitt survey, 83% of employees believe men and women have an equal opportunity to advance within Desjardins Group.
- Desjardins has also been a member of Catalyst for several years and holds a seat on the Canadian Advisory Board. Catalyst is the leading non-profit corporate membership research and advisory organization working globally with businesses and professional groups to build inclusive environments and expand opportunities for women in businesses.

WHAT MAKES US DIFFERENT

The major trends observed in the last Hewitt engagement survey in 2008 are positive. First off, considering the margin of error, overall results were in line with those from 2006. Desjardins Group is especially satisfied with this performance, seeing as the engagement index for financial service providers has fallen 7% in the last two years.

OUR CHALLENGE WITH RESPECT TO HUMAN CAPITAL

To ensure greater integration of cultural communities among our staff.

OUR ACHIEVEMENTS

Finalist in 2008 for the Québec government's *Prix Égalité*. Election of the first woman as head of a major financial institution.

Secondly, 70% of employees believe Desjardins motivates them to always do their best. They particularly appreciate the respectful work environment, management support, and life/work balance initiatives offered by their employer. They also recognize that Desjardins strongly encourages employee training and development. Finally, they confirm that their benefits packages and pension plans meet their needs.

Desjardins Group is therefore pleased to report that they have successfully met the goals outlined in the action plan drafted following the release of the initial survey results in 2006.

Cooperation leads to pride

A very high percentage of employees consulted—87%—are proud that Desjardins Group is a part of the cooperative movement. They also recognize the efforts the organization is making to differentiate itself from its competitors. This is especially the case for its recent sustainable development initiatives, with 80% recognizing Desjardins Group's efforts and 90% prepared to do their share to ensure the success of these initiatives.

In terms of diversity, 78% of respondents recognize that Desjardins is undertaking concrete actions to demonstrate its openness to diversity; 90% meanwhile understand the importance for a company to have personnel from diverse backgrounds, representative of the population.

Moreover, in reviewing its group plans, Desjardins has confirmed its willingness to do everything in its power to ensure the well-being and financial security of its employees and retirees. Beyond the quality of protections offered by the plans, Desjardins has made a considerable effort to ensure employees are well informed of the changes that have been made. In addition to providing written information, Desjardins has held information sessions in 21 regions across Québec and in Ontario, reaching 15,000 employees and 3,000 management staff members. By reviewing its group plans, Desjardins has undertaken changes aimed at retaining employees for the long term.

EMPLOYEE HEALTH AND WELL-BEING

In 2008, Desjardins Group maintained its status as a Canadian leader in workplace health and safety.

Year after year, Desjardins sets aside a considerable amount of money for the health and well-being of its employees. In 2008, approximately \$6 million was invested in illness prevention and health and well-being programs and initiatives.

In striving for continuous improvement, Desjardins has reviewed its entire approach to integrated health and disability management. The primary goal of this review was to improve the effectiveness and quality of actions taken for and with employees on sick leave by addressing deep-seated causes.

Employee participation is important when it comes to activities promoting healthy lifestyle habits. The flu shot campaign held annually in many offices throughout Desjardins Group enabled more than 11,000 employees to take pre-emptive measures against the flu in 2008. Additionally, some 38% of employees have taken advantage of Physical Activity Fees Reimbursement Policy.

A major partner of the 5/30 Health Challenge, Desjardins registered a record number of officers, employees, family members and retirees in the program. More than 13,300 people signed up for the 2008 edition, compared to 9,000 in 2007.²⁷ In 2008, for the first time in the history of the 5/30 Health Challenge, families were also able to register. More than 14,000 families were in the running to become the Desjardins 5/30 Family.

ENSURING SAFETY IN ANY SITUATION

Desjardins Group offers many support programs for employees who have fallen victim to a traumatic event, whether or not it is related to the nature of their work in a financial institution.

Compensation mechanisms are available for people needing time off work following a traumatic event. Employees also have access to a support program for victims of violent acts such as a robbery or attempted robbery, death threats and hostage-taking within the context of their job.

HR intervention plan

In 2007, Desjardins Group put in place an intervention plan for its staff in case of an avian flu outbreak related to the A (H5N1) virus. The plan, which provides for various types of intervention, suggests a number of medical and workplace security measures, attendance management and incentives, and management and employee communication tools. The strategies and actions defined in the plan take into account the safety and security of personnel, the continuation of essential activities and the re-establishment of regular operations in Desjardins Group caisses and components.

The deployment of intervention activities is subject to re-evaluation depending on the emergency situation encountered.

OUR CHALLENGE WITH RESPECT TO EMPLOYEE HEALTH AND WELL-BEING

To reinforce the action plan covering the prevention of psychological health problems, musculoskeletal disorders and chronic illness.

OUR ACHIEVEMENTS

Promotion of health	2008	2007	2006
Percentage of payroll invested in illness prevention and health promotion programs	0.6 %	0.6 %	0.6 %
Number of Desjardins participants in the 5/30 Health Challenge ²⁷	13,341	9,008	10,366
Number of employees who took advantage of the flu shot campaign	11,457	11,038	11,923

²⁷ The figure published in the 2008 Desjardins Group Annual Report (19,000 registrations) was inaccurate as a result of IT problems experienced by the organizer, ACTI-MENU.



An event at Carrefour Desjardins during Cooperation Week. Since it opened in 2007, Carrefour Desjardins has targeted mainly newcomers to the area, as well as people who work, study or live in downtown Montréal. The Carrefour offers financial information, advisory services and customized support in 10 languages. Photo: Pierre Langevin

PROMOTING DIVERSITY

Diversity has been identified as a major issue at Desjardins Group, firstly, in response to the current and future needs of its members and clients, and secondly, so they can identify with a financial institution that is representative of their community. Openness to diversity is directly related to Desjardins Group's other cooperative values: solidarity, democracy and equality.

In 2006, Desjardins adopted an inclusive management style that fosters respect and recognition of differences. This approach guides the organization as a whole in diversity-related matters and identifies target groups for Desjardins in its efforts to positively shape its future. These groups include young people, women in senior management positions, cultural and Aboriginal communities, as well as English-speaking communities.

The Desjardins Diversity Committee is composed of Desjardins senior executives plus an external specialist. Its mandate is to raise awareness among officers and employees about diversity issues, recommend business strategies and ensure consistency in Desjardins Group's communications and its image with respect to this issue.

Over the last three years, Desjardins has taken action to raise awareness about diversity issues and provide training and coaching to management staff, employees and officers. For example, the Operation Discovery project is aimed at perfecting and implementing a skills development approach to diversity management. Furthermore, many Desjardins caisses offer services in languages other than English and French; some even have staff that can speak up to 10 languages, as is the case at Carrefour Desjardins.

IN
2009,
DESJARDINS WAS NAMED
BUSINESS OF THE YEAR FOR ITS
**PROMOTION
OF DIVERSITY**
BY THE AFRICAN BUSINESS
NETWORK (REPAF)

THE REAL PICTURE

In an attempt to become more representative of the communities and people it serves, Desjardins Group is taking stock of its workforce to get a true and comprehensive picture of its inherent diversity. To do so, in 2006 it voluntarily signed up to participate in an equal access employment program offered by the Québec government.

Desjardins Group's commitment to this program aims to:

- Develop a more representative workforce
- Attract and retain employees whose strengths and skills favour innovation
- Put the cooperative values of integrity, respect and equality into practice

This approach, supported by the *Commission des droits de la personne et des droits de la jeunesse*, assures non-discriminatory use of the information gathered.

Following the survey conducted across all Desjardins components, the rate of cultural community representation among Desjardins Group employees was 4.97%. Here is a breakdown of the groups targeted in the equal access employment program:²⁸

TARGET GROUPS	CAISSE NETWORK IN QUÉBEC	DESJARDINS GROUP SUPPORT AND GOVERNANCE BODY	DESJARDINS GENERAL INSURANCE GROUP	DESJARDINS ASSET MANAGEMENT	DESJARDINS VENTURE CAPITAL	DÉVELOPPEMENT INTERNATIONAL DESJARDINS	DESJARDINS FINANCIAL SECURITY ²⁹	CAISSE CENTRALE DESJARDINS ²⁹
ETHNIC MINORITIES	1.96%	1.62%	1.22%	2.52%	0.93%	0.00%	0.43%	N/A
VISIBLE MINORITIES	2.32%	5.44%	1.22%	2.94%	0.00%	1.27%	2.59%	2.69%
ABORIGINAL PEOPLES	0.66%	0.34%	0.20%	0.42%	0.00%	0.00%	0.27%	0.00%
DISABLED PERSONS	0.62%	0.87%	0.43%	0.42%	0.93%	1.27%	N/A	0.00%
SURVEY RESPONSE RATE	85%	81%	76%	69%	86%	66%	N/A	N/A

²⁸ As at December 31, 2008.

²⁹ Desjardins Financial Security and Caisse centrale Desjardins participate in federal government and Québec government contract compliance programs and, as a result, do not conduct internal surveys.

ENSURING COMMUNITY REPRESENTATION

The presence of members who are representative of their community on caisse boards of directors allows for better understanding of those communities, which in turn allows for better service. Initiatives have been undertaken to foster improved representation levels, notably by:

- Developing an officer training program on diversity based on the roles and responsibilities of members of the board of directors and the board of supervision
- Updating the orientation program for new officers
- Continuing with the Young Intern Officer program and adapting it for cultural communities

Moreover, a new program is being developed that will allow members of cultural communities to acquire first-hand experience of the roles of members of their caisse board of directors or board of supervision as non-voting guest officers. In addition to being a unique and original tool for getting members of cultural communities interested in caisse democracy, this program will help caisses prepare for officer succession and improve representation levels.

FACILITATING FINANCIAL INTEGRATION FOR NEWCOMERS

Desjardins has developed a project specifically for newcomers and cultural communities to help them further their understanding of financial regulations and the services offered by Desjardins. A few of the achievements of this project include:

- A welcome kit for newcomers, available in French, English and Spanish, that presents and demystifies the Canadian financial system
- Conferences on financial services in Canada, presented at welcome organizations and as part of francization courses
- Guides for employees to promote openness to diversity
- Revised account-opening and credit-granting procedures

“Cooperation benefits us all—
that’s what makes it so appealing.”

– ALPHONSE DESJARDINS



Desjardins

Money working for people

desjardins.com