PRESS RELEASE

Under embargo – May 12, 2022

Results for the first quarter of 2022

AN ACTIVE AND INVOLVED GROUP. Desjardins promotes sustainable mobility solutions for its members, clients and employees.

Desjardins posts $519 million in surplus earnings for the first quarter of 2022, steps up its green initiatives and listen to its members and clients

Lévis, May 12, 2022 – For the first quarter ended March 31, 2022, Desjardins Group, North America's leading financial cooperative group, recorded surplus earnings before member dividends of $519 million, down $279 million from the same quarter of 2021. This decrease in surplus earnings was mainly due to larger amounts invested in strategic projects, especially in relation to the digital shift and security, and a higher loss experience in the Property and Casualty Insurance segment. The reduction in surplus earnings was partially offset by gains in net interest income and other operating income[1].

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[1] For more information on non-GAAP financial measures and supplemental financial measures, see "Non-GAAP financial measures and other financial measures" on page 9.

For the first quarter of 2022, the provision for member dividends was $102 million, up $12 million or 13.3% from the same period in 2021. Sponsorships, donations and scholarships come to $16 million, including $6 million from caisse Community Development Funds. This amounted to a total of $118 million returned to members and the community[(1)], up $16 million or 15.7% from the same period in 2021. In the first quarter of 2022, Desjardins also announced $2 million in commitments related to the GoodSpark Fund which seeks in particular to provide social and economic support to the region.

"These results and Desjardins Group's financial strength allow us to invest more in real solutions for our members and clients, particularly in technology and sustainable development. In fact, MediaCorp has recognized Desjardins as one of Canada's Greenest Employers. And we continue to innovate by adding electric charging stations and bike repair stations in our caisse network and by implementing incentives to make it easier for our employees to use fuel-efficient cars" said Desjardins President and CEO Guy Cormier.

Supporting a green economic and social recovery

Desjardins is contributing to regional development and the economy through the GoodSpark Fund, which has set aside $250 million to stimulate social and economic activity in communities, and the Momentum Fund to support businesses.

Since the creation of the GoodSpark Fund, Desjardins has committed a total of $149 million to 668 projects. Meanwhile, the Momentum Fund has also supported 1,192 businesses for a total near to $8 million.

Desjardins is also working to speed up the transition to a low-carbon economy. Several sustainable mobility solutions for its members, clients and employees were proposed in the first quarter of 2022, including:

- An expanded network of electric charging stations:
  - As at December 31, 2021, 302 charging stations had been installed, including 279 that are available to the general public. The goal is to build a network of 500 electric charging stations by 2025 for members, clients and communities in Quebec and eastern Ontario.
- The installation of bike repair stations across Québec:
  - The goal for 2022 is to install 50 repair stations across the network. Caisses can install the stations on site or at a partner organization.
- Changes to the mileage reimbursement policy for fuel-efficient vehicles:
  - Bigger reimbursements are provided for employees who carpool, as well employees with electric or hybrid vehicles.
- More sustainable vehicle choices for Desjardins Group's fleet:
  - In the last year, all vehicles added to the Desjardins fleet were low-emission vehicles. Desjardins Insurance now has 474 vehicles across Canada, including 243 hybrid, plug-in hybrid and electric vehicles, representing 51% of the fleet.

Giving back to the community

Desjardins has been more involved than ever in people's lives and continues to support initiatives on diversity, inclusion and cooperation. Here are some of the ways that Desjardins has been making a positive difference in people's lives since the first quarter of 2022:

- $500,000 in support for the Fondation Autiste & majeur to fund day centres with activities that help adults with autism develop and maintain important skills.

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- Commitment to donnate 3,000 laptops to non-profit organizations in Ontario and Québec in 2022. The CFS+ program will refurbish and redistribute them to schools, low-income families, etc.
- Desjardins Insurance and its agent network has donated over $500,000 to food banks across Canada during the pandemic, as they are they are facing increased demand.
- Desjardins is here to help refugees and all our members and clients affected by the war in Ukraine, including through a $100,000 donation to the Canadian Red Cross.

Innovating

Desjardins is constantly innovating to meet the needs of its members and clients. Here are just a few examples from the first quarter of 2022:
- $845,000 financial contribution to Canada's Digital Identity Laboratory to build a strong digital economy.
- Partnership with DMZ, a leading start-up incubator headquartered in Toronto, to develop the Launchpad for Entrepreneurs program, powered by Desjardins, to shorten the learning curve for tech entrepreneurs while lowering barriers to entry.
- Keeping Canadians safe by investing more than $3 million in partnerships to reduce road accidents and help local communities adopt best practices for road safety, especially with the Ajusto program, which assesses behaviour and driving habits.

Financial highlights

Comparison of first quarter 2022 with first quarter 2021:
- Surplus earnings before member dividends of $519 million, down $279 million or 35.0%.
- Operating income[(1)] of $5,050 million, up $267 million or 5.6%.
  - Net premiums of $2,650 million, up $65 million or 2.5%, , mainly to business growth.
  - Net interest income of $1,506 million, up $103 million or 7.3% due, in particular, to growth in average residential mortgages outstanding and loans to medium-sized businesses and large corporations.
  - Other operating income[(1)] of $894 million, up $99 million or 12.5%, due to an increase in business volumes from payment activities at Desjardins Card Services and to increased income from growth in assets under management.
- Higher current year loss experience in automobile and property insurance.
- Non-interest expenses of $2,528 million, up $363 million, primarily from accelerated investments in Desjardins-wide strategic projects, especially those aimed at creating innovative technological platforms, protecting privacy, ensuring security and improving business processes.
- $118 million returned to members and the community[(1)], up $16 million or 15.7%.

Other highlights:
- Tier 1A capital ratio[(2)] of 20.6%, compared to 21.1% as at December 31, 2021.
- Total capital ratio[(2)] of 21.5%, compared to 22.1% as at December 31, 2021.
- Total assets stood at $397.1 billion at March 31, 2022, comparable to the amount as at December 31, 2021.
- Issuance of 750 million euros under its legislative covered bond program on February 8, 2022.

(1) For more information on non-GAAP financial measures and supplemental financial measures, see "Non-GAAP financial measures and other financial measures" on page 9.
(2) In accordance with the guideline on *Capital Adequacy Guideline - Financial services cooperatives* issued by the AMF and taking into account the applicable relief measures introduced by the AMF in response to the COVID-19 pandemic.

FINANCIAL HIGHLIGHTS

(in millions of dollars and as a percentage)	**As at March 31, 2022**	As at December 31, 2021	As at March 31, 2021
	As at and for the three-month periods ended		
Results			
Operating income[1]	**$ 5,050**	$ 5,503	$ 4,783
Provision for credit losses	**6**	16	4
Non-interest expense	**2,528**	2,736	2,165
Surplus earnings before member dividends[2]	**519**	393	798
Contribution to combined surplus earnings by business segment[3]			
Personal and Business Services	**$ 315**	$ 247	$ 414
Wealth Management and Life and Health Insurance	**137**	(6)	125
Property and Casualty Insurance	**147**	330	248
Other	**(80)**	(178)	11
	$ 519	$ 393	$ 798
Returned to members and the community[1]			
Member dividends	**102**	117	90
Sponsorships, donations and scholarships[4]	**16**	58	12
	$ 118	$ 175	$ 102
Indicators			
Net interest margin[1]	**2.09 %**	2.00 %	2.10 %
Return on equity[1]	**6.2**	4.3	10.3
Productivity index[1]	**78.5**	85.9	66.8
Credit loss provisioning rate[1]	**0.01**	0.03	0.01
Gross credit-impaired loans/gross loans and acceptances[1]	**0.46**	0.47	0.57
Liquidity coverage ratio[5]	**134**	140	155
Net stable funding ratio[5]	**129**	129	134
On-balance sheet and off-balance sheet			
Assets	**$ 397,136**	$ 397,085	$ 376,981
Net loans and acceptances	**233,614**	230,779	215,005
Deposits	**242,692**	238,355	230,919
Equity	**33,184**	33,526	31,644
Assets under administration[1]	**466,512**	482,911	464,678
Assets under management[1]	**85,511**	91,258	77,169
Capital ratio and leverage ratio[6]			
Tier 1A capital ratio	**20.6 %**	21.1 %	22.1 %
Tier 1 capital ratio	**20.6**	21.1	22.1
Total capital ratio	**21.5**	22.1	22.6
Leverage ratio	**7.9**	8.5	8.7
Risk-weighted assets	**$ 135,747**	$ 134,518	$ 124,404
Other information			
Number of employees	**55,740**	53,783	50,172

(1) For more information on non-GAAP financial measures, and ratios and supplemental financial measures, see "Non-GAAP financial measures and other financial measures" on page 9.

(2) The breakdown by line item is presented in the Statement of Income in the Interim Combined Financial Statements.

(3) The breakdown by line item is presented in Note 10, “Segmented information”, to the Interim Combined Financial Statements.

(4) Including $6 million from the caisse Community Development Funds ($18 million for the fourth quarter of 2021 and $5 million for the first quarter of 2021).

(5) In accordance with the *Liquidity Adequacy Guideline* issued by the Autorité des marchés financiers (AMF).

(6) In accordance with the guideline *Capital Adequacy Guideline - Financial services cooperatives* (in French only) issued by the AMF and taking into account the applicable relief measures introduced by the AMF in response to the COVID-19 pandemic.

Assets of $397.1 billion as at March 31, 2022

As at March 31, 2022, Desjardins Group's total assets stood at $397.1 billion, which was comparable to December 31, 2021.

Desjardins Group's cash and deposits with financial institutions were down $2.6 billion, or 15.9%, and securities, including securities borrowed or purchased under reverse repurchase agreements, decreased by $1.5 billion, or 1.4%.

Desjardins Group's outstanding loan portfolio, including acceptances, net of the provision for credit losses, increased by $2.8 billion, or 1.2%. This growth was due to residential mortgages loans and business and government loans.

Very strong capital base

Desjardins Group maintains very good capitalization levels in accordance with Basel III rules. As at March 31, 2022, its Tier 1A and total capital ratios stood at 20.6% and 21.5%, respectively, compared to 21.1% and 22.1%, respectively, as at December 31, 2021.

Analysis of business segment results

PERSONAL AND BUSINESS SERVICES SEGMENT

Results for the first quarter

For the first quarter of 2022, surplus earnings before member dividends were $315 million, down $99 million from the same period in 2021. This decrease was due to an increase in non-interest expense, mostly because of greater investment in Desjardins-wide strategic projects, especially in relation to the digital shift and security. This reduction was partially offset by an increase in net interest income and other operating income[1].

WEALTH MANAGEMENT AND LIFE AND HEALTH INSURANCE SEGMENT

Results for the first quarter

For the first quarter of 2022, the segment posted $137 million in net surplus earnings, up $12 million from the same period of 2021. This increase was mainly due to a generally more favorable experience than in the first quarter of 2021, particularly in group insurance, as well as higher gains on the disposal of securities than in 2021. This increase was offset by the markets' unfavourable impact on guaranteed investment funds, versus their favourable impact in the same quarter of 2021.

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(1) For more information on non-GAAP financial measures and supplemental financial measures, see "Non-GAAP financial measures and other financial measures" on page 9.

PROPERTY AND CASUALTY INSURANCE SEGMENT

Results for the first quarter

For the first quarter of 2022, net surplus earnings were $147 million in net surplus earnings, down $101 million from the first quarter of 2021. This decrease was primarily due to a higher loss experience in the current year in automobile and property insurance. In addition, the first quarter of 2022 was marked by a major event – flooding in Ontario and Québec – in contrast to the first quarter of 2021, when no major event occurred. This decrease was offset by an increase in investment income[(1)], excluding the change in the fair value of matched-bonds.

OTHER CATEGORY

Results for the first quarter

The net deficit for the first quarter of 2022 was $80 million, compared to net surplus earnings of $11 million for the same period in 2021. The deficit was due to treasury activities, market rate fluctuations and changes in hedging positions for matching activities, which had an unfavourable overall impact on investment income[(1)]. The Other category also includes investments in the continued implementation of Desjardins-wide strategic projects, especially those aimed at creating innovative technological platforms, protecting privacy, ensuring security and improving business processes.

More detailed financial information can be found in Desjardins Group's interim Management's Discussion and Analysis (MD&A) for the first quarter of 2022, available on the Desjardins.com website or on the SEDAR website at www.sedar.com (under the Fédération des caisses Desjardins du Québec profile).

About Desjardins Group

Desjardins Group is the largest cooperative financial group in North America and the fifth largest cooperative financial group in the world, with assets of $397.1 billion. It was named one of the Canada's Top 100 Employers in 2022 by MediaCorp. To meet the diverse needs of its members and clients, Desjardins offers a full range of products and services to individuals and businesses through its extensive distribution network, online platforms and subsidiaries across Canada. Ranked among the world's strongest banks according to *The Banker* magazine, Desjardins has some of the highest capital ratios and credit ratings in the industry.

Caution concerning forward-looking statements

Desjardins Group's public communications often include oral or written forward-looking statements, as defined by applicable securities legislation, particularly in Québec, Canada and the United States. Certain statements made in this press release may be forward-looking statements that may be incorporated into other filings with Canadian regulators or any other communications.

(1) For more information on non-GAAP financial measures and supplemental financial measures, see "Non-GAAP financial measures and other financial measures" on page 9.

The forward-looking statements include, but are not limited to, comments about Desjardins Group's objectives regarding financial performance, priorities, operations, the review of economic conditions and financial markets, the outlook for the Québec, Canadian, US and global economies, and the impact of the COVID-19 pandemic on its operations, its results and its financial position, as well as on economic conditions and financial markets. Such forward-looking statements are typically identified by words or phrases such as "target," "objective," "believe," "expect," "count on," "anticipate," "intend," "estimate," "plan," "forecast," "aim," "propose", "should" and "may," words and expressions of similar import, and future and conditional verbs.

By their very nature, such statements involve assumptions, uncertainties and inherent risks, both general and specific. Desjardins Group cautions readers against placing undue reliance on forward-looking statements because a number of factors, many of which are beyond Desjardins Group's control and the effects of which can be difficult to predict, could influence, individually or collectively, the accuracy of the assumptions, predictions, forecasts or other forward-looking statements in this MD&A. It is also possible that these assumptions, predictions, forecasts or other forward-looking statements as well as Desjardins Group's objectives and priorities may not materialize or may prove to be inaccurate and that actual results differ. Furthermore, the uncertainty created by the COVID-19 pandemic has greatly increased this risk by adding to the difficulty of making assumptions, predictions, forecasts or other forward-looking statements compared to previous periods.

The factors that may affect the accuracy of the forward-looking statements in this press release include those discussed in the "Risk management" section of Desjardins Group's 2021 Annual Report and MD&A for the first quarter of 2022, as well as under "COVID-19 pandemic" in Section 1.3, "Significant events" of Desjardins Group's 2021 annual MD&A and, in particular, credit, market, liquidity, operational, insurance, strategic and reputational risk, the risk related to pension plans, environmental or social risk, and legal and regulatory risk.

They also include factors related to the COVID-19 pandemic; the war in Ukraine; security breaches; government, corporate and household indebtedness; technological advances and regulatory developments; interest rate fluctuations; climate change; and geopolitical uncertainty. Also noteworthy are factors related to general economic and business conditions in regions where Desjardins Group operates; monetary policies; critical accounting estimates and accounting standards applied by Desjardins Group; new products and services to maintain or increase Desjardins Group's market share; geographic concentration; acquisitions and joint arrangements; credit ratings and reliance on third parties. Other factors include interest rate benchmark reform; changes in tax laws; unexpected changes in consumer spending and saving habits; talent recruitment and retention for key positions; the ability to implement Desjardins Group's disaster recovery plan within a reasonable time; the potential impact of international conflicts on operations; public health crises such as pandemics and epidemics, or any other similar disease affecting the local, national or global economy; and Desjardins Group's ability to anticipate and properly manage the risks associated with these factors despite a disciplined risk management environment. Additional information on these factors are available under the "Risk management" section of Desjardins Group's 2021 MD&A and the MD&A for the first quarter of 2022 and under the "COVID-19 pandemic" subsection in section 1.3, "Significant events", of Desjardins Group's annual MD&A for 2021.

It is important to note that the above list of factors that could influence future results is not exhaustive. Other factors could have an adverse effect on Desjardins Group's results. Additional information on these and other factors are available under the "Risk management" section of Desjardins Group's 2021 MD&A and its MD&A for the first quarter of 2022.

Although Desjardins Group believes that the expectations expressed in these forward-looking statements are reasonable and founded on valid bases, it cannot guarantee that these expectations will materialize or prove to be correct. Desjardins Group cautions readers against placing undue reliance on forward-looking statements when making decisions, given that actual results, conditions, actions or future events could differ significantly from the targets, expectations, estimates or intentions advanced in them, explicitly or implicitly. Readers who rely on these forward-looking statements must carefully consider these risk factors and other uncertainties and potential events, including the uncertainty inherent in forward-looking statements.

The significant economic assumptions underlying the forward-looking statements in this document are described in the "Economic environment and outlook" section of the Group's 2021 MD&A and its MD&A for the first quarter of 2022. Readers are cautioned to consider the foregoing factors when reading this section. When relying on forward-looking statements to make decisions about Desjardins Group, they should carefully consider these factors, as well as other uncertainties and contingencies. To develop our economic growth forecasts, in general and for the financial services sector in particular, we mainly use historical economic data provided by recognized and reliable organizations, empirical and theoretical relationships between economic and financial variables, expert judgment and identified upside and downside risks for the domestic and global economies. Given how the COVID-19 pandemic and the war in Ukraine have developed and their impact on the global economy and financial market conditions, as well as on Desjardins Group's business operations, financial results and financial position, there is greater uncertainty associated with our economic assumptions compared with periods prior to the onset of these events, as these assumptions are based on uncertain future developments and it is difficult to predict the extent of the long-term effects of these events.

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

Basis of presentation of financial information

The financial information in this document comes primarily from the Annual and Interim Combined Financial Statements. Those statements have been prepared by Desjardins Group's management in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the accounting requirements of the Autorité des marchés financiers in Québec, which do not differ from IFRS. IFRS represent Canada's generally accepted accounting principles (GAAP). The Interim Combined Financial Statements of Desjardins Group have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting". All the accounting policies were applied as described in Note 2, "Significant accounting policies", to the Annual Combined Financial Statements. Unless otherwise indicated, all amounts are presented in Canadian dollars ($) and are primarily from Desjardins Group's Annual and Interim Combined Financial Statements.

Non-GAAP financial measures and other financial measures

To measure its performance, Desjardins Group uses different GAAP (IFRS) financial measures and other various financial measures, some of which are Non-GAAP financial measures. Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure (Regulation 52-112) provides guidance to issuers disclosing specified financial measures, including those used by Desjardins Group below:

- Non-GAAP financial measures
- Non-GAAP ratios
- Supplementary financial measures

Non-GAAP financial measures

Non-GAAP financial measures used by Desjardins Group, and which do not have a standardized definition, are not directly comparable to similar measures used by other companies, and may not be directly comparable to any GAAP measures. Investors, among others, may find these non-GAAP financial measures useful in analyzing Desjardins Group's overall performance or financial position.

Non-GAAP ratios

Non-GAAP ratios that are used by Desjardins Group and do not have a standardized definition, are not directly comparable to similar measures used by other companies, and may not be directly comparable to any GAAP measures. Regulation 52-112 states, among other things, that any ratio that has at least one non-GAAP financial measure meets the definition of a non-GAAP ratio. Non-GAAP financial measures can be useful to investors in analyzing Desjardins Group's financial position or performance.

Additional information on specified financial measures is incorporated by reference. It can be found in the "Non-GAAP financial measures and other financial measures" section of the MD&A for Desjardins Group's first quarter of 2022 on pages 7 to 10. The MD&A is available on the SEDAR website at www.sedar.com (under the Fédération des caisses Desjardins du Québec profile).

Supplementary financial measures

In accordance with Regulation 52-112, supplementary financial measures are used to show historical or expected future financial performance, financial position or cash flows. In addition, these measures are not disclosed in the financial statements. Desjardins Group uses certain supplementary financial measures, and their composition is presented in the MD&A for the first quarter of 2022 on pages 54 to 61.

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