



## Desjardins Group Pension Plan Quarter ending September 30, 2021



The financial position of the Desjardins Group Pension Plan ("DGPP" or "Plan") remains strong and is close to being fully funded in terms of solvency. These results show that our financial management strategies are working once again: the performance portfolio has generated sufficient returns to pay member pensions and the matching portfolio has minimized variation in the gap between Plan assets and liabilities.

On May 7, 2021, we published an article on our website to announce the launch of an action plan to support the Plan's growth, maintain its financial health and provide security for the future. This quarterly report will provide more details about what we have planned.



Sylvain Gareau, Vice-President, DGPP

### Financial Situation

Based on our most recent estimates, the Plan's financial situation remained mostly stable in the third quarter.

The funding ratio, which provides a window into the Plan's long-term financial health, is now at 123%. This is well above the stabilization target of 112.6% set by the Quebec government. The solvency ratio, which represents the Plan's ability to meet its obligations if it were ever terminated and its assets liquidated, is still very close to fully funded at 97%.

Since the beginning of 2021, the Plan has posted a return of -0.8%, resulting in a \$0.2 billion decrease in the Plan's assets, which now total \$17.0 billion.

The returns on various asset classes were as follows: fixed income, -8.2%; public equity, 11.2%; infrastructure, 8.2%; real estate, 8.2%; private equity, 27.4%; and innovation and opportunities, 7.5%.

#### Funding Ratio

123%

#### Solvency Ratio

97%

#### Net Assets

\$17.0B

#### 3rd Quarter Return

0.4%

#### 2021 Return

-0.8%

### The DGPP prepares for the future

We've started working on an action plan for a major upcoming project known as **DGPP 3.0**. The goal is to continue innovating and doing what's best for the Plan and for you, the plan members. This action plan has 5 priorities, which we'll explain below.

We're going to optimize our operations to help the Plan continue to perform better year after year and really stand out. We're making good progress on our priorities, and we'll be working on executing the DGPP 3.0 action plan over the next few years.

Investment Strategies and 	Investment 	Responsible Investment 	Business Intelligence, Finance and Disclosure 	Communications 
Create a centre of expertise dedicated to the Plan's financial management to strengthen its ability to handle complexity in an environment that is constantly changing.	Optimize and revitalize investment portfolio management to promote the Plan as a benchmark investor in the market to open up new investment opportunities and improve risk management.	Grow the DGPP's positive impact on sustainable development and contribute to its long-term financial health with integrated risk management for environmental, social and governance factors.	Update the IT ecosystem and simplify operations to reduce operational risks and increase organizational agility.	Modernize and update resources like the website, annual statement and secure site, as well as the services we offer plan members to better support them and help them make informed decisions about retirement.

### Additional information

Funding ratio: The DGPP's ability to meet its obligations over the long term.  
Solvency ratio: The DGPP's ability to meet its obligations if it were terminated.

This report was produced by the DGPP Division. This document is for information purposes only. In the event of any discrepancies between this report and the DGPP Regulation, the Regulation shall prevail. The symbols M and B designate millions and billions respectively. The returns do not reflect the deduction of management fees.

### Member Services

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