

# Desjardins Group Pension Plan

QUARTERLY NEWSLETTER AS AT JUNE 30, 2023

## Financial position

The financial position of the Desjardins Group Pension Plan ("DGPP" or "Plan") remains strong at the end of Q2 2023, despite high inflationary pressures, higher interest rates and an expected economic slowdown.

The decrease in the funding ratio from 123% to 119% in the last quarter is primarily due to the decrease in the assumed rate of return on part of the investment strategy to ensure it better aligns with the economic environment. The long-term evaluation of the Plan's asset value in relation to its liabilities value therefore remains well above the target required by law, which is 113% for the DGPP.

The DGPP is strong and secure, and that's good news for all members.

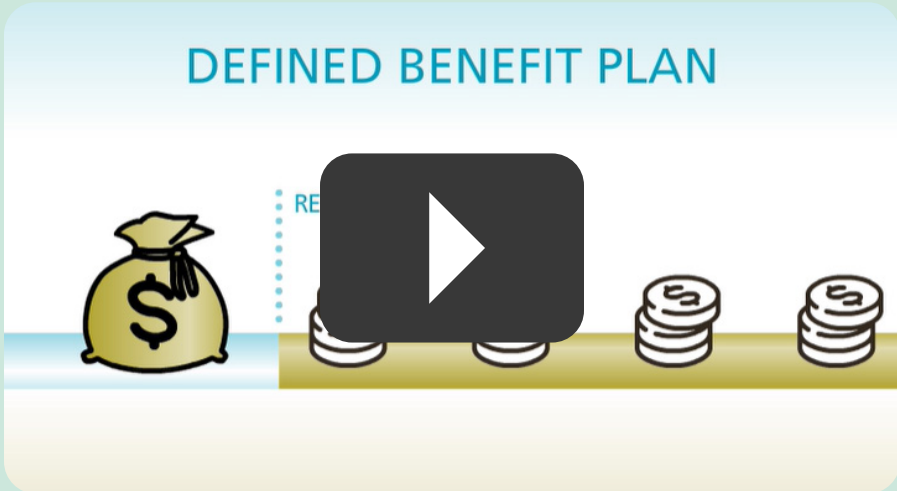


Funding ratio<sup>1</sup>  
**119%**



Solvency ratio<sup>2</sup>  
**101%**

Unlike many employers, Desjardins offers a defined benefit plan that gives you peace of mind for your retirement from a security standpoint.



### My pension plan (0 min 45 s)

A defined benefit plan is like a promise of a pension paid to you at retirement and for the rest of my life. Now that's what I call peace of mind.

It's very different from a defined contribution plan, where the pension depends entirely on the savings that you put aside and the returns on your investment over the years.

## Did you know?

**Desjardins is known to offer a good pension plan—why is that?**

**Secure** | The DGPP is a defined benefit pension plan. It offers you peace of mind, because it promises a stable and predictable pension that's protected against market uncertainties, for your entire retirement. You enjoy a turnkey pension plan since the DGPP is managed by your employer, who also assumes more of the risk. Only 20% of Canadian employers in the financial, banking and insurance sectors offer a defined benefit pension plan to their employees.

**Distinctive** | Your pension is calculated using a generous formula based on your best-paid years over the course of your career and the number of years you've been a Plan member. You can retire as early as 55 with an adjusted pension, or you can retire as early as 62 with a non-adjusted pension for service from 2009 and onward. You can also choose among very practical payout options depending on your goals and financial needs at retirement. Depending on when your years of service were, your pension will be partially indexed at 1% over a 10-year period or at 3% per year for your entire retirement to help you stay protected against inflation.

**Advantageous** | Your employer contributes more than you do. For every \$1 you pay into the DGPP, Desjardins contributes \$1.85 to fund the Plan. You also have the assurance of getting back at least 1.75 times of your contributions with interest if you leave Desjardins before the age of 55<sup>3</sup>, which is more than the general trend among defined contribution pension plans.

**Strong** | The DGPP is in an excellent financial position. This means it's in a great position to meet all of its commitments.

## Acquisition of wind farm projects

The Desjardins Group Pension Plan and DGAM Global Private Infrastructure Fund have closed on the acquisition of 37.5% of EDF Renewables Canada Inc.'s stake in the Cypress 1 & 2 Wind Projects. The projects, located southeast of Medicine Hat, Alberta in Cypress County comprise a total 247-megawatt (MW) capacity.

Desjardins now owns 37.5% of the Project, EDF Renewables Canada holds 37.5%, and the Blood Tribe, a First Nation located at Stand Off, Alberta owns the remaining 25% stake. The projects, developed, built, and operated by EDF Renewables Canada, support energy transition in the region using a responsible and sustainable approach to economic development. Construction started in 2020, creating 250 jobs at its peak, and became operational in 2022 and 2023.

For more information, read EDF Renewables Canada [press release](#).



## Additional information

<sup>1</sup> **Funding ratio:** The DGPP's ability to meet its obligations over the long term.

<sup>2</sup> **Solvency ratio:** The DGPP's ability to meet its obligations if it were terminated.

<sup>3</sup> Applicable to service from 2009 and onward, in the event of departure before age 55 and reimbursement, subject to locking-in rules and the solvency ratio for transfers out.

This report was produced by the DGPP Division. It's for information purposes only. In the event of a discrepancy between the content of this report and that of the DGPP Regulation, the Regulation prevails.

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