YOUR DESJARDINS ADVANTAGES

2014 ANNUAL REPORT
DESJARDINS GROUP PENSION PLAN

Desjardins

Cooperating in building the future

CAREFUL, PROACTIVE MANAGEMENT
OF YOUR PENSION PLAN IS ONE OF
YOUR DESJARDINS ADVANTAGES

VISIT THE DESJARDINS GROUP PENSION PLAN WEBSITE: www.rcd-dgp.com

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2014 HIGHLIGHTS

Despite a highly volatile economic environment and a significant drop in long-term interest rates, the Desjardins Group Pension Plan (DGPP or the Plan) posted a solid return of 15.3% in 2014, which helped stabilize the solvency ratio and allowed the capitalization ratio to continue its growth. The DGPP maintained its financial position during the year, particularly because of the investment strategy favouring liability-matching bonds. However, the global economic situation remains fragile and the Desjardins Group Retirement Committee continues to take a sound and prudent approach to ensuring the long-term financial health of the Plan and meeting its commitments to members.

DGPP'S CAPITALIZATION
88.2%

DGPP'S SOLVENCY
80.6%

NET ASSETS
$9.7B
AS AT DECEMBER 31, 2014

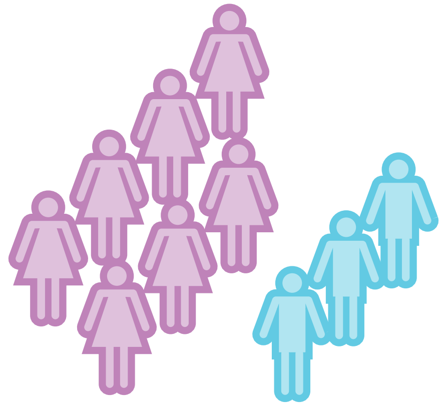
2014 INVESTMENT INCOME
$1.3B

2014 RATE OF RETURN
15.3%

5-YEAR RETURN
10.0%

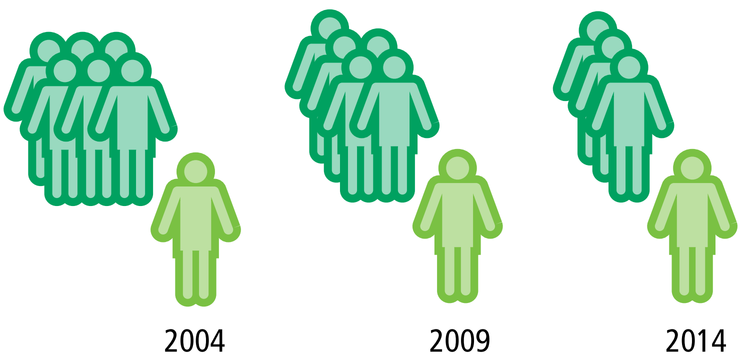
DGPP DEMOGRAPHICS

Active	**38,227**
Retirees	**13,510**
Deferred	**7,562**
Total	**59,299**



70 % OF PLAN MEMBERS ARE WOMEN

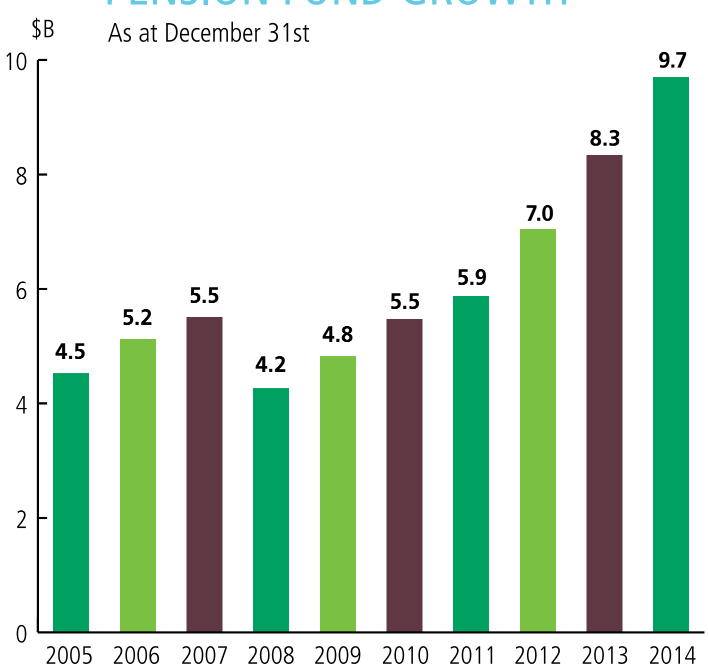
RATIO OF ACTIVE MEMBERS TO RETIREES



OVER THE LAST 10 YEARS, THE RATIO OF ACTIVE MEMBERS TO RETIRED MEMBERS HAS DROPPED FROM **5.6** TO **2.8**. SINCE 2010, THERE HAVE BEEN **6,019** NEW RETIREES.

PENSION FUND GROWTH

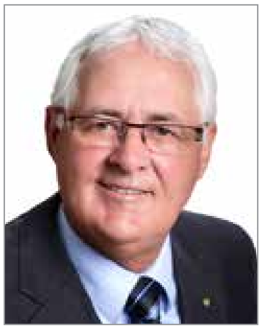
As at December 31st



2014 AT A GLANCE

1,300	NEW RETIREES
59	AVERAGE AGE OF RETIREMENT
106	AGE OF OLDEST RETIREE
3	ONE-HUNDRED-YEAR-OLD MEMBERS
7th	RANK AMONG PRIVATE PENSION FUNDS IN CANADA
35	YEARS SINCE THE DGPP WAS FOUNDED

MESSAGE FROM THE COMMITTEE CHAIR



SOLID PERFORMANCE IN 2014

In 2014, the Desjardins Group Pension Plan posted a solid return of 15.3%, or $1.3 billion, despite an uncertain economic context. This performance allowed us to maintain relative financial stability and confirm the effectiveness of the key measures implemented in 2012 as part of the global action plan to ensure the Plan's stability and sustainability.

In 2014, we experienced a significant drop in long-term interest rates which undermined the solvency of most defined benefit pension plans across the country. Despite unfavourable market conditions, the Plan managed to stabilize its solvency ratio which stands at 80.6% at the end of 2014. The Plan's capitalization ratio continued to improve in 2014, reaching 88.2% as at December 31. The calculation of the capitalization ratio takes into account changing demographics (including increased life expectancy) and more conservative long-term assumptions.

The capitalization ratio lets us assess the long-term financial health of the Plan, whereas the solvency ratio indicates the Plan's capacity to meet its obligations assuming that it is terminated on a given date.

OUR PROACTIVE APPROACH TO RISK MANAGEMENT SHELTERED THE PLAN FROM INTEREST RATE CHANGES AND MARKET VOLATILITY IN 2014

INCREASED INFRASTRUCTURE INVESTMENTS

The solid 14.2% return on our infrastructure portfolio is also worth pointing out. Our growing investments in this high-quality asset class in recent years have yielded good returns while contributing to the Plan's long-term financial stability. When added to the real estate portfolio, the return on inflation-linked securities stood at 13.7%. The success of these investments is mainly attributable to the work and expertise of our asset management team, combined with that of several Desjardins Group components and an impressive network of contacts built over the years. These key factors have positioned the Plan as a leader in these popular sectors where the competition has grown fierce lately.

WE MUST ENSURE THAT THE PLAN WILL FULFILL ITS COMMITMENTS TO ALL ITS MEMBERS IN THE LONG TERM

In recent years, we have stayed the course preferring a liability-driven approach over short-term performance that could compromise the future of the DGPP. We must ensure that the Plan will fulfill its commitments to all its members in the long term. By taking such a cautious approach, the retirement fund's average return over the past five years is 10.0%, which is almost twice what is required to meet our obligations.

EXCEPTIONAL SERVICE THAT BENEFITS OUR MEMBERS

Member satisfaction with our service remained a top priority in 2014. Our Member Services Team provided top-notch assistance to members earning them a satisfaction rating of 99%. That is not surprising when you consider the commitment level of every individual on the team and the expertise of Desjardins Financial Security administrators and actuaries. The many tools made available to members, such as the pension estimator, also contributed to this remarkable performance. We are particularly proud of the success of this team which is unequalled when it comes to its commitment to ensuring the satisfaction of all our members.

STRONG GOVERNANCE AND SOUND RISK MANAGEMENT

Highlights from last year include the active role of the committees formed in 2013, such as the Risk Management Advisory Committee, created by the Retirement Committee. This committee's mandate includes examining and recommending an asset allocation strategy and issuing opinions on certain investments based on independent risk analysis. The Desjardins Group Management Committee, with members of senior management, also established a steering committee in 2013 to monitor the Plan's evolution and guidelines.

Both these committees were instrumental in ensuring sound governance throughout the year. Through stringent governance practices and wise and responsible management, the Retirement Committee ensures sound capitalization of the Plan.

ACKNOWLEDGEMENTS

I would like to thank everyone who left the Retirement Committee in 2014, starting with Annie P. Bélanger who served as Committee secretary for one year. Raynald-N. Harpin's mandate as an external member ends after fifteen years. We thank Mr. Harpin for putting his investment expertise to work for the benefit of the Plan. Thank you to Marcel Lauzon, who sat on the Retirement Committee as a representative of the employers over the past year. Thanks to Mario Lévesque, whose six-year term ended in 2014, for his diligent work representing active members from corporate affiliates. We would also like to thank Sylvain Rouleau whose six-year mandate as a caisse representative also ended in 2014. His knowledge of the caisse network and contribution to our work were invaluable to the Plan.

THE PENSION FUND IS A DESJARDINS ADVANTAGE

And last but not least, I would like to thank the key players who, through their persistent teamwork, have greatly contributed to the solid results posted for 2014 and to sustaining the Plan's financial health. In particular, I would like to thank the members of the Retirement Committee; the Senior Vice-President of Finance and Chief Financial Officer of Desjardins Group, Daniel Dupuis; and the team at the Desjardins Group Pension Plan Division. With your support, we will continue to promote proactive and rigorous management of the pension fund, which is part of the Desjardins advantages for all Plan members.

Serges Chamberland
Chair

FINANCIAL SITUATION OF THE PLAN

SOLVENCY AND CAPITALIZATION

After a significant improvement to the financial situation in 2013, the last year was marked by a notable drop in long-term interest rates, which undermined the financial health of defined-benefit pension plans. Nevertheless, the systematic application of the global action plan since 2012 has yielded excellent results that have stabilized the financial situation of the Plan. The most recent actuarial assessment of the Plan, conducted as at December 31, 2014, shows that the solvency and capitalization ratios are 80.6% and 88.2% respectively, compared to 81.6% and 86.6% last year. The Plan's capitalization continues to improve year over year while taking new demographic realities into account (i.e., new life table by the Canadian Institute of Actuaries) and much more conservative long-term assumptions.

The solvency ratio indicates a plan's ability to meet its obligations in the event of liquidation on a specific date. The capitalization ratio makes it possible to evaluate the long-term financial strength of the DGPP, assuming its sustainability. For capitalization, the assumptions used aim to maintain a stable level of employee and employer contributions as a percentage of salaries. The interest rate used to calculate the capitalization liability depends on the return expected from the investment policy.

That being said, we can be proud of this year's results while remaining prudent and vigilant, as future financial market conditions remain uncertain and highly volatile. In the same vein, to reduce the DGPP's financial risk, the Fédération des caisses Desjardins du Québec's Board of Directors agreed to have employers inject an additional $34 million in funds in December 2014 instead of issuing letters of credit. This amount brings the total sums injected by employers since 2012 to $640 million.

To amortize the DGPP's deficit in 2015, nearly $229 million in special contributions will be paid into the DGPP. The difference will likely be financed by an additional injection of $77 million by employers. Special contributions are set taking into account the relief measures allowed by the Régie des rentes du Québec.

The cost of current services for 2015 will be $331 million, which represents 14.9% of payroll subject to DGPP. As a reminder, according to the funding policy for the DGPP's obligations, 65% of all DGPP costs are paid by employers and 35% by active members. An overall total of nearly $637 million in new contributions will be paid into the DGPP in 2015 by employees and employers.

LIABILITY-DRIVEN INVESTMENT POLICY

Several years ago, the Retirement Committee adopted a liability-driven investment policy to suitably manage the Plan's risks. This approach provides more control over the DGPP's financial situation by investing in assets that are correlated with liabilities and allows us to reduce the volatility of our contributions.

This policy takes into account the DGPP's three major issues: increasing coverage over the term of the solvency liability, generating sufficient returns to ensure the DGPP's long-term capitalization and facilitating the integration of pension expenses in compliance with International financial reporting standards (IFRS). The policy has two components. The first is to invest in fixed-income securities and inflation-linked securities to maximize the solvency liability coverage ratio and accounting procedure. The second is to allocate part of the DGPP's assets to growth securities in order to optimize the risk/return ratio. Since 2012, the additional contributions and employer capital injections have been used to accelerate the achivement of a balance between the management of interest rate risk and sufficient returns in order to meet the DGPP's obligations.

A CHANGING LEGAL ENVIRONMENT

The expert committee on the future of the Quebec pension system, chaired by Alban D'Amours, submitted its report in April 2013. Its recommendations were analyzed by a team of Desjardins experts and a brief to this effect was presented to the Committee on Public Finance at the Quebec National Assembly. In December 2013, the Quebec government announced its action plan to ensure the sustainability of pension plans and created work forums for the private, municipal and university sectors. Their work will lead to the tabling of bills on plan restructuring and funding methods. As a matter of fact, Bill 3, for municipalities, was adopted in December 2014. In 2015, we anticipate that the private sector work forum will lead to a bill being tabled during the year and coming into effect in 2016. The funding and environment of private pension funds will change, which will have an impact on the financial management of the Plan.

In that regard, Desjardins Group has always been proactive in seeking solutions that can improve the DGPP's financial health so that it can continue offering its employees an excellent pension plan. The Retirement Committee will continue to monitor the development of the bills and manage the DGPP in a balanced and responsible manner, while exercising a great deal of caution and discipline.

PENSION PLAN PERFORMANCE REVIEW

Despite unfavourable macroeconomic factors incurred by the economic situation in Europe and China, global stock markets fared well in 2014 thanks to the upturn in the U.S. economy. The Canadian bond markets also did well this year due to a long-term drop in interest rates triggered by lower European bond rates and deflationary forces that persist in Europe.

The overall Plan portfolio generated a 15.3% return in 2014. However, this excellent result was not enough to offset the effect of lower interest rates on the Plan's solvency. For the six-year period beginning in 2009 which marked the end of the financial crisis, the average annual return is 10.6%, which is significantly higher than the 5.5% actuarial assumption used to establish the Plan's long-term financial position.

Returns	1 year (%)	5 years (%)	10 years (%)
Fixed-Income securities	17.0	7.6	6.2
Stock Market	15.0	11.2	6.7
Private Equity	25.5	15.1	10.2
Real Estate	13.3	12.9	10.0
Infrastructure	14.2	12.2	9.3
Total	**15.3**	**10.0**	**6.6**

The liability-driven asset allocation strategy, which guides asset management by taking into account the Plan's obligations, continues to be applied by the Retirement Committee in its investment plans. In 2014, the benefits of this rigorous approach became apparent and mitigated any negative effects of lower interest rates on the Plan's financial situation. The Retirement Committee will uphold this strategy in 2015.

Investment Portfolio as at December 31, 2014	Asset class	$M
Fixed-Income securities: 45.1%	Money Market	188.3
	Universe Bonds	489.2
	Long-term Bonds	3,531.4
	Other	149.8
Growth securities: 33.6%	Canadian Equity	722.3
	U.S. Equity	240.8
	International Equity	218.4
	Global Equity	1,383.4
	Emerging Market Equity	327.5
	Private Equity	346.1
Inflation-linked securities: 21.3%	Infrastructure	980.0
	Real Estate	1,078.7
Total		**9,655.9**

INVESTMENTS

FIXED-INCOME SECURITIES

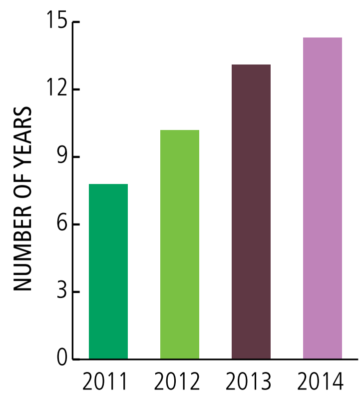
The Canadian bond market bounced back in 2014 after a difficult 2013. Interest rates for all bonds regardless of maturity date have dropped significantly, which has driven market values upward. An improved North American economic outlook has not compensated for deflationary pressures in Europe, where these conditions have resulted in collapsing rates. The increased demand for bonds has affected North American securities, which explains the downward trend influencing the Canadian market. Corporate bonds followed the same downward trend without benefiting from narrowing credit spreads as observed in 2013. Long-term securities, more sensitive to interest rate fluctuations, have posted bigger gains in the last year.

The matching strategy with the duration extension program implemented a few years ago allowed the Plan's fixed-income securities portfolio to benefit from lower interest rates. The return for this portfolio in 2014 is 17.0%. The portfolio's active strategy mandates performed well for the most part. Managers were able to diversify sources of added value through their positioning on the rate curve, sector allocation and security selection.

Despite the downward-trending environment, the duration extension program continued throughout 2014. The objective of extending the portfolio's duration from 13 to 14 years for 2014 was successful due to regular investments. Subsequently, the general rate decrease was profitable. Consisting mostly of Canadian assets, the portfolio will seek regional diversification in 2015. By adding global corporate securities to our portfolio we can take better advantage of the current higher yield of this asset class.

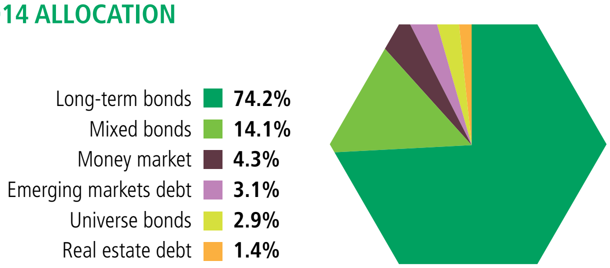
The investment strategies implemented in 2011 have continued to provide good results and limit the downward rate shock in recent years.

PORTFOLIO'S DURATION

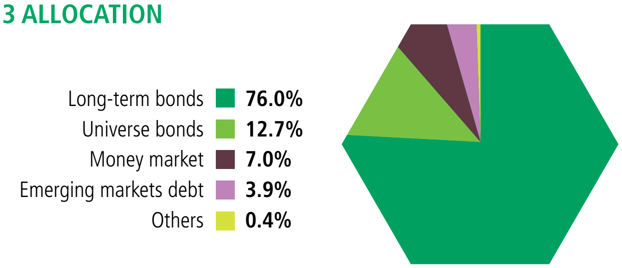


EXTENDING THE PORTFOLIO'S DURATION REDUCES THE PLAN'S VOLATILITY

2014 ALLOCATION



2013 ALLOCATION



GROWTH SECURITIES

Stock markets continued to progress throughout the year despite a significant increase in volatility. Several economic, political and geographic factors kept investors' attention. The U.S. recovery, deflation and recession risks in Europe, and the Russian crisis are but a few elements that affected the markets in 2014. The U.S. market was the most productive among developed countries. Euro zone and emerging country assets provided lower returns, albeit positive. The rise in some currencies against the Canadian dollar has generally been favourable for the Plan given its exposure to assets in foreign currencies.

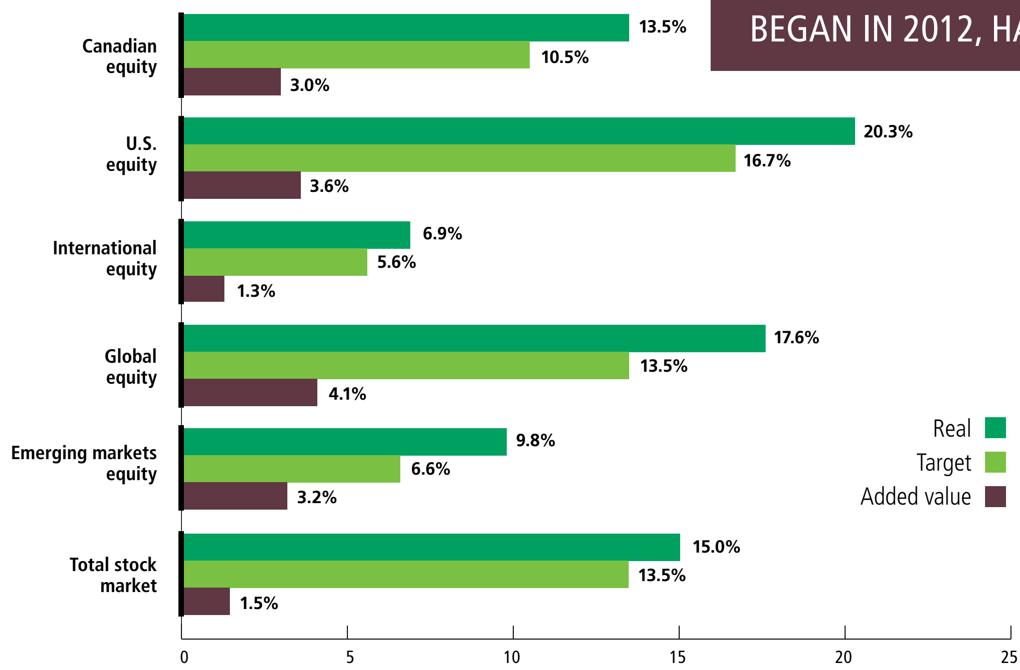
The Canadian S&P TSX index posted a 10.5% return despite lower energy prices, which had a negative effect on its performance. The Plan's Canadian stock portfolio performed very well in this environment and all managers added value compared to the reference index. In one year, the portfolio delivered a 13.5% return for an added value of more than 300 basis points. Management styles, security selection and sector allocation explain this result.

The global stock portfolio followed the same trend as Canadian stocks, generating a 17.6% overall return and an added value of 410 basis points. The low volatility strategies, implemented a few years ago, reacted well to the market environment, performing well above their reference index. However, exposure to small and medium cap securities and those from emerging countries has been unfavourable. Nevertheless, active management has produced excellent results, more than compensating for these allocation choices.

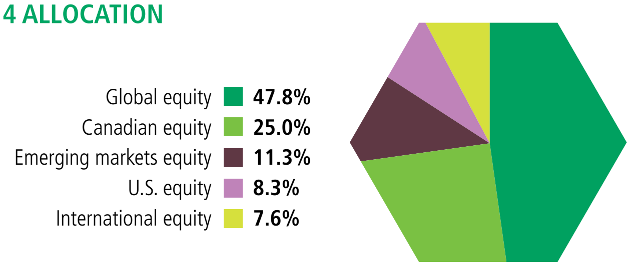
Private equity also made positive contributions to the performance of the growth securities portfolio, exceeding forecasts with a 25.5% return. The complete restructuring of this portfolio, which began in 2012, has proved successful.

THE COMPLETE RESTRUCTURING OF THE GROWTH SECURITIES PORTFOLIO, WHICH BEGAN IN 2012, HAS PROVED SUCCESSFUL

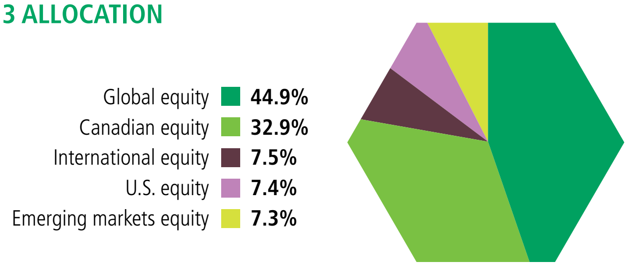
2014 RETURNS



2014 ALLOCATION



2013 ALLOCATION



INVESTMENTS

INFLATION-LINKED SECURITIES

The portfolio of inflation-linked securities makes up a large part—over 20% (10.1% in infrastructure and 11.2% in real estate)—of the Plan's total assets. Thanks to its high-quality partnerships, it is well-positioned to reach its long-term objective of providing a high current return and protection against inflation.

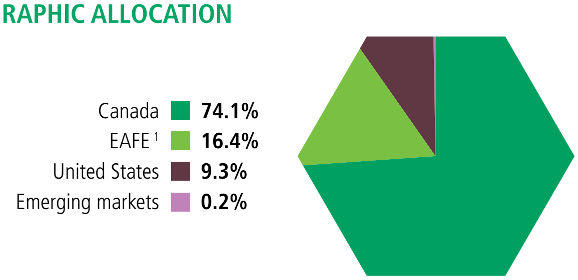
Once again this year, the Plan pursued its active business development strategy and was able to acquire high-quality infrastructure assets. Amid growing competition in this asset class, the Plan has the advantage of being backed by a team with 10 years of experience in the sector, a solid track record and a growing network of contacts.

Interest rates continued to tumble in 2014, supporting the market value of infrastructure and real estate assets that are already delivering high current returns. Capital should still continue to move towards these asset classes if rates remain low.

INFRASTRUCTURE

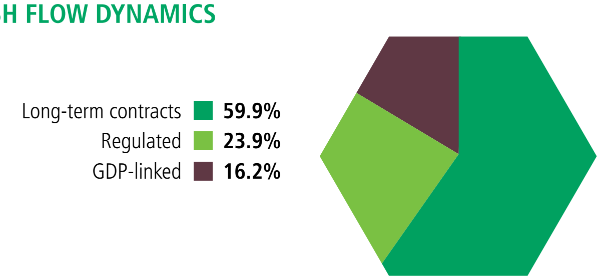
The Plan had a profitable 2014, so much so that four transactions were made in infrastructure. Two investments were made in the renewable energy sector where the Plan has made its mark for some years now. The Plan is revisiting the transportation sector by investing there for the first time since 2010. The partnership between the Plan and Desjardins's insurance companies in the infrastructure sector has solidified, foreshadowing other major collaborations. Finally, a new strategic agreement with a fund manager has also been signed and should be a source for co-investments in the coming years.

GEOGRAPHIC ALLOCATION

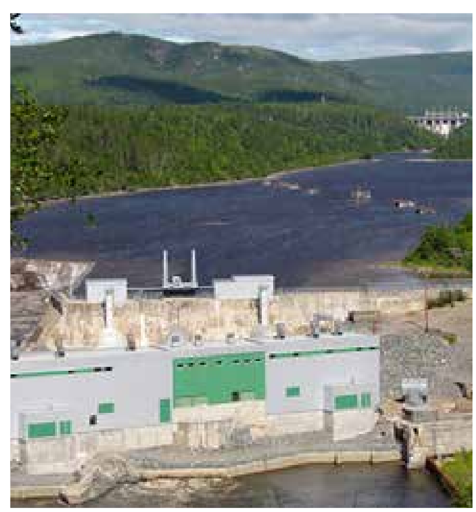


(1) Europe, Australasia, Far East

CASH FLOW DYNAMICS



RETURNS OF 14.2% ON THE INFRASTRUCTURE PORTFOLIO IN 2014



REAL ESTATE

Institutional investors have maintained an interest in good conventional assets that are well-located, in Canada and elsewhere in the world. The dramatic plunge in oil prices in the second half of the year led to concerns regarding projected rent increases, especially for assets in western Canada. The multi-residential sector, now solidly represented in the Plan's real estate portfolio, remained stable as demonstrated by the low 2.9% vacancy rate in Canada.

The Plan's real estate portfolio passed the $1 billion mark this year, slightly exceeding 2014 expectations, thanks to an exceptional contribution from listed securities.

RETURNS OF 13.3% ON THE REAL ESTATE PORTFOLIO IN 2014

GEOGRAPHIC ALLOCATION

Canada	**52.4%**
United States	**21.3%**
EAFE [1]	**21.3%**
Emerging markets	**5.0%**

(1) Europe, Australasia, Far East

SECTOR ALLOCATION

Retail	**28.4%**
Office	**26.6%**
Others	**17.0%**
Residential	**16.5%**
Industrial	**11.6%**

MEMBERS OF THE RETIREMENT COMMITTEE

REPRESENTATIVES FOR THE EMPLOYERS

SERGES CHAMBERLAND [1,3]
COMMITTEE CHAIR
President of the Saguenay–Lac-St-Jean, Charlevoix and Côte-Nord Regional Council

SYLVIE LAROUCHE [1,3]
COMMITTEE VICE-CHAIR AND CHAIR, INVESTMENT COMMITTEE
President of the Québec-Ouest and Rive-Sud Regional Council

CAROLE CHEVALIER [1,3]
COMMITTEE SECRETARY
President of the Mauricie Regional Council

JEAN-ROBERT LAPORTE [1,3]
President of the Lanaudière Regional Council

SERGE ROUSSEAU [3]
President of the Kamouraska and Chaudière-Appalaches Regional Council

BENOÎT TURCOTTE [1,3]
Vice-president of the Outaouais, Abitibi-Témiscamingue and Nord du Québec Regional Council

REPRESENTATIVES FOR ACTIVE MEMBERS

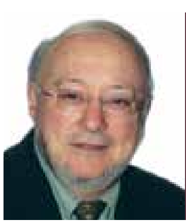
REPRESENTATIVE FOR THE CAISSES
JULIE GOULET
Investment and Retirement Advisor
Financial Planner and Group Savings Representative for Desjardins Financial Services Firm Inc.
Caisse populaire Desjardins Pointe-Platon de Lotbinière

REPRESENTATIVE FOR THE CAISSES
JÉRÔME MERCIER
Account Manager
Commercial and Industrial Markets (ME)
Lévis-Lotbinière-Bellechasse Desjardins Business Centre

REPRESENTATIVE FOR THE FEDERATION
ROBERT BASTIEN
Vice-President, Cooperative Network and Personal Services Finance Division
Fédération des caisses Desjardins du Québec

RREPRESENTATIVE FOR THE AFFILIATED CORPORATIONS
SÉBASTIEN VALLÉE
Manager, Guaranteed Product Development and Financial Modelling Department, Wealth Management and Life and Health Insurance Executive Division, Desjardins Investments

REPRESENTATIVE OF RETIREES, BENEFICIARIES AND MEMBERS ENTITLED TO A DEFERRED PENSION



MICHEL-PIERRE BERGERON
Desjardins retiree

EXTERNAL MEMBER

MARIE HÉLÈNE NOISEUX [1,2]
Professor
Director, Finance Department
School of Management, UQAM

OBSERVERS

REPRESENTATIVE OF RETIREES, BENEFICIARIES AND MEMBERS ENTITLED TO A DEFERRED PENSION
NORMAND DESCHÊNES
Desjardins retiree

REPRESENTATIVE FOR ACTIVE MEMBERS
DOMINIC LAURIN
Development Advisor
Guaranteed Product Development and Financial Modelling Department, Wealth Management and Life and Health Insurance Executive Division, Desjardins Invesments

1 MEMBER OF THE INVESTMENT COMMITTEE 2 MEMBER OF THE RISK MANAGEMENT ADVISORY COMMITTEE 3 MEMBER OF THE FEDERATION DES CAISSES DESJARDINS DU QUÉBEC BOARD OF DIRECTORS

GOVERNANCE

BOARD OF DIRECTORS OF THE FÉDÉRATION DES CAISSES DESJARDINS DU QUÉBEC

The Fédération des caisses Desjardins du Québec (Federation) represents all Desjardins employers with respect to the Desjardins Group Pension Plan (DGPP). The Federation's Board of Directors has decision-making power in certain areas, including changes to the DGPP Regulation, the nature and terms of benefit payments to members, retirees and beneficiaries, contribution rates and use of any surplus. Through its Board of Directors, the Federation stands surety for the obligations arising from the participation of Desjardins Group employers in the DGPP.

DESJARDINS GROUP RETIREMENT COMMITTEE

By virtue of the powers vested in it by the Supplemental Pension Plans Act and by the DGPP Regulation, the Retirement Committee is the Plan's trustee and as such is in charge of the sound administration of the Plan, its management in the best interest of members, retirees and beneficiaries, and the payment of promised benefits to members and their survivors. Committee members representing employees, employers and retirees share the role of DGPP trustees.

INVESTMENT COMMITTEE

Reporting to the Retirement Committee, which establishes the investment policy, the Investment Committee has the mandate to ensure the execution, respect and follow-up of the policy as well as oversee the activities of the fund managers to whom management mandates are entrusted.

RISK MANAGEMENT ADVISORY COMMITTEE

Reporting to the Retirement Committee, the Risk Management Advisory Committee's mandate is to assess the main risks associated with managing DGPP activities. Each year, the Committee recommends an integrated risk profile and asset allocation strategy to the Retirement Committee and issues opinions on new investments to the Investment Committee.

LIST OF MEMBERS OF THE RISK MANAGEMENT ADVISORY COMMITTEE

Julie Bouchard, Vice-President, Market Risk
Office of the Chief Risk Officer

Stéphane Bergeron, Senior Director, Credit Adjudication, Corporate Banking and Capital Market, Business Risk, Credit Granting and Intervention Unit Division

Gregory Chrispin, Vice-President, Investments, Wealth Management and Life and Health Insurance Executive Division

Marie Hélène Noiseux, external member of the Retirement Committee

François Hudon, Director, Liability Management, Desjardins Group Pension Plan Division

MEMBER TRAINING

Members attended several presentations during the year, including a training seminar on October 22 and 23, 2014, which gave them the opportunity to fine-tune their knowledge on a number of current issues affecting retirement. In addition, training sessions were held in the spring and fall for members who joined the Retirement Committee during the year.

THE RETIREMENT COMMITTEE RECEIVED NO COMPLAINTS IN 2014

REPORTING ON COMPLAINTS

Under the Plan's complaint policy, the Retirement Committee received no complaints in 2014.

NUMBER OF MEETINGS HELD IN 2014

	Number of members	Number of meetings	Participation rate [1]
Retirement Committee [2]	14	5	91%
Investment Committee [2]	8	10	91%
Risk Management Advisory Committee	5	9	84%

[1] The attendance rate among members of the three committees is 89%.
[2] Including two observers.

MEMBER SERVICES AND ADMINISTRATION

MEMBER SERVICES TEAM

The DGPP's Member Services Team (MST) responds to information requests from Desjardins Group employees, retirees and employers regarding the Plan. In addition, the team's advisors provide sessions on retirement planning and make presentations to Desjardins Group employers on request.

MST BY THE NUMBERS

	145,000	REQUESTS HANDLED IN 5 YEARS
	10	RESOURCES
IN 2014	30,000	REQUESTS HANDLED
IN 2014	99%	OVERALL MEMBER SATISFACTION
IN 2014	53	RETIREMENT PLANNING SESSIONS HELD IN QUEBEC AND ONTARIO
IN 2014	22	PRESENTATIONS ABOUT THE DGPP

DESPITE THE INCREASE IN REQUESTS AND NEW RETIREES, THE RETIREMENT COMMITTEE CONTINUES TO DO WHAT NEEDS TO BE DONE TO PROVIDE EXCELLENT SERVICE

RETIREMENT PLANNING SESSIONS

Retirement planning sessions are intended for members ages 50 or older who are planning to retire within the next 5 years. For more information on this session, visit the Desjardins Group Plans website. Click the blue "Pension Plan" section, followed by "You are planning your retirement", then click the "Sign up for a retirement planning session" link.

240	SESSIONS HELD IN 5 YEARS
5,700	MEMBERS MET IN 5 YEARS
19	CITIES HOSTED TRAINING SESSIONS IN 2014

ADMINISTRATION

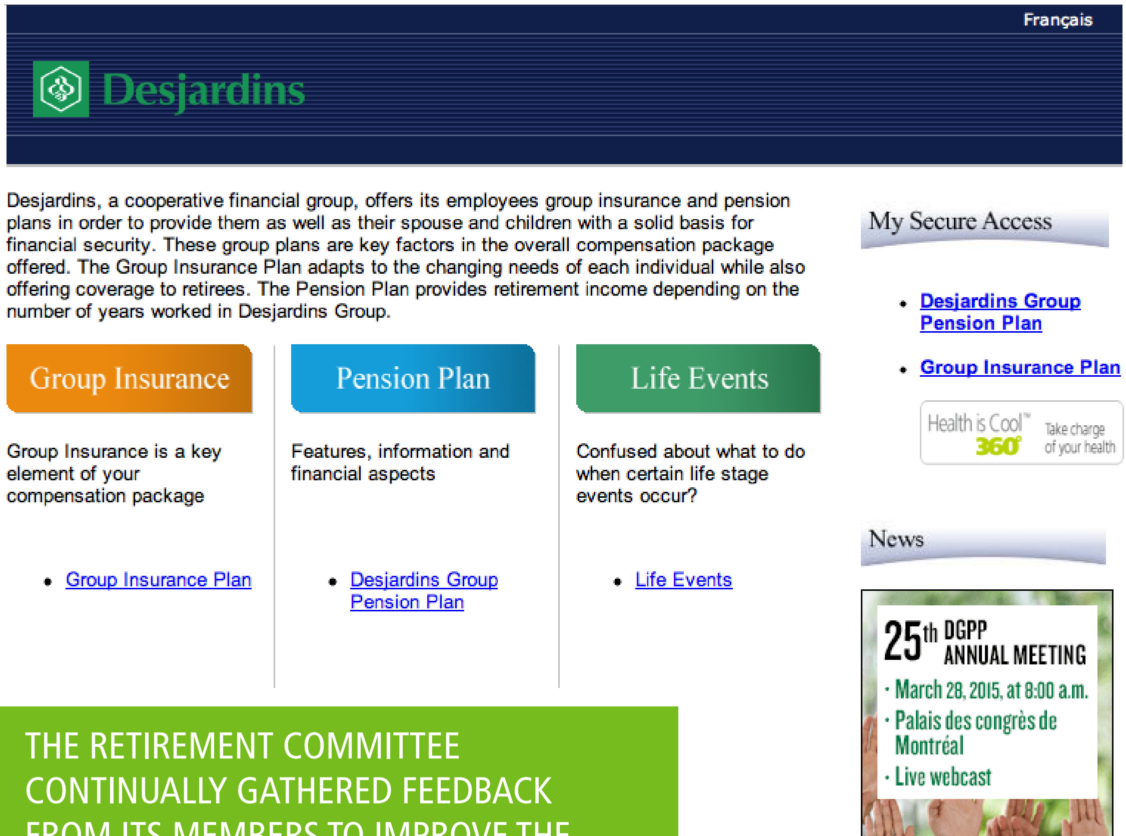
The administrative team of the DGPP from Desjardins Financial Security works tirelessly to perform all the calculations requested by members. The team also makes all pension payments to DGPP retirees, and handles reimbursement services for members who have left Desjardins Group and would like to transfer their vested rights outside the DGPP.

20,000	CALCULATIONS IN 2014
3 DAYS	AVERAGE WAIT TIME FOR A CALCULATION
$295M	IN BENEFITS PAID TO RETIREES AND THEIR SURVIVORS IN 2014

TOOLS AVAILABLE TO YOU

WWW.RCD-DGP.COM

DESJARDINS GROUP PLANS WEBSITE



THE RETIREMENT COMMITTEE CONTINUALLY GATHERED FEEDBACK FROM ITS MEMBERS TO IMPROVE THE PLAN'S COMMUNICATION TOOLS FOR THEIR BENEFIT

PENSION ESTIMATOR AND PERSONAL FILE

The Desjardins Group Plans website features a user-friendly pension estimator and allows members to access their personal files at any time. Annual statements are posted every year, and members can submit requests electronically (retirement, buyout estimate, etc.) and get answers online. Retirees can also submit address change requests and change their tax withholding directly on the site. Tax forms for retirees for 2014 are now posted there.

55% OF MEMBERS ARE REGISTERED FOR THE ONLINE SECURE FILE, AND THAT NUMBER IS GROWING STEADILY

ANIMATED INFO CAPSULES

DGPP members are encouraged to watch animated info capsules to learn about conditions of eligibility, plan features, calculation of the pension and provisions in the event of death or disability. The capsules are available on the Desjardins Group Plans website.

EMAIL SERVICE

In an effort to promote sustainable development in its communications, the Retirement Committee continues to encourage retirees and members with deferred pensions to sign up for email service.

35% OF RETIREES AND 10% OF MEMBERS WITH A DEFERRED PENSION HAVE SIGNED UP FOR EMAIL SERVICE

FINANCIAL REPORT

The enclosed financial information is extracted from the audited financial report of the Desjardins Group Pension Plan for the year ended December 31, 2014, on which PricewaterhouseCoopers expressed an unqualified opinion dated February 23, 2015.

In order to better understand the financial position of the Pension Plan and the change in net assets available for benefits, the financial information should be read in conjunction with the audited financial report.

DESJARDINS GROUP PENSION PLAN

NET ASSETS AVAILABLE FOR BENEFITS

As at December 31, 2014

(in thousands of dollars $)	2014	2013
INVESTMENT PORTFOLIO		
Investment assets		
Bonds and pooled bonds funds	$ 4,116,229	$ 3,169,815
Shares and pooled shares funds	2,853,983	2,676,358
Other pooled funds	8,292	8,597
Real estate	1,081,182	1,059,746
Infrastructure	980,033	800,768
Private investments	346,110	294,633
Mortgages	9,553	10,569
Cash and money market instruments	352,563	450,886
Securities borrowed or purchased under resale agreements	241,068	470,843
Derivative financial instrument	7,690	1,193
	9,996,703	8,943,408
Investment liabilities		
Commitments related to securities loaned or sold under repurchase agreements	(343,138)	(727,127)
Derivative financial instruments	(4,038)	(1,019)
TOTAL INVESTMENT PORTFOLIO	**9,649,527**	**8,215,262**
Employers' contributions receivable	26,593	41,715
Employees' contributions receivable	6,875	9,212
Other assets	74,956	34,624
	108,424	85,551
Other liabilities	(102,054)	(45,968)
NET ASSETS AVAILABLE FOR BENEFITS	**$9,655,897**	**$ 8,254,845**

Approved by the Retirement Committee,

______________________________, Administrator   ______________________________, Administrator

DESJARDINS GROUP PENSION PLAN

CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended December 31, 2014

(in thousands of dollars $)	2014	2013
INCREASE IN NET ASSETS		
Investment income		
Bonds and pooled bonds funds	$ 114,559	$ 93,195
Shares and pooled shares funds	58,660	59,969
Real estate	11,355	5,444
Infrastructure	41,024	38,026
Private investments	3,541	4,297
Mortgages	569	689
Cash and money market instruments	2,436	1,812
Other income	823	1,733
	232,967	205,165
Changes in fair market value of investments and derivative financial instruments	1,035,153	555,864
	1,268,120	761,029
Contributions		
Employers	367,894	658,256
Administrative expenses	(9,779)	(10,859)
	358,115	647,397
Employees	192,183	189,535
Contributions net of administrative expenses	550,298	836,932
Interest on contributions receivable	882	1,225
Transfer agreements	3,639	3,866
	554,819	842,023
	1,822,939	**1,603,052**
DECREASE IN NET ASSETS		
Pension benefits		
Annuities	296,867	263,644
Reimbursements	62,338	57,979
Death benefits	13,033	10,887
	372,238	332,510
Investment management, custodian fees, transaction and other costs	41,912	36,152
Performance award fees	7,737	12,780
	421,887	381,442
NET INCREASE IN NET ASSETS	**1,401,052**	**1,221,610**
NET ASSETS AVAILABLE FOR BENEFITS AT THE BEGINNING OF THE YEAR	**8,254,845**	**7,033,235**
NET ASSETS AVAILABLE FOR BENEFITS AT THE END OF THE YEAR	**$ 9,655,897**	**$ 8,254,845**

PLAN SUMMARY

MEMBERSHIP

Mandatory for regular employees aged 25 years and over; optional for those under 25.

CONTRIBUTIONS

Since January 1, 2012, 7.45% of contributory earnings up to 65% of MPE[1] and 10.85% of the remainder.

INTEREST ON CONTRIBUTIONS

The net rate of return based on the adjusted value of the assets. For 2014, the rate is 7.68%.

NORMAL RETIREMENT AGE

65 years

NORMAL RETIREMENT PENSION

Payable at age 65 and subject to the maximum pension clause. This pension is the sum of the following three components:

UP TO 2008		FROM 2009 THROUGH 2012		FROM 2013
(1.3% of Salary 5 Up to MPE 5 + 2% of Salary 5 Over MPE 5) x Credited years	+	(1.5% of Salary 5 Up to MPE 5 + 2% of Salary 5 Over MPE 5) x Credited years	+	(1.5% of Salary 8 Up to MPE 5 + 2% of Salary 8 Over MPE 5) x Credited years

Salary 5 = Average salary for the best five years
Salary 8 = Average salary for the best eight years
MPE 5 = Average of the maximum pensionable earnings eligible for the QPP[2] or CPP[3] for the year of retirement and the previous four years

NORMAL FORM OF PENSION

	BEFORE 2012	FROM 2013
WITH A SPOUSE	LIFE ANNUITY 60% JOINT & SURVIVOR 10-YEAR GUARANTEE	LIFE ANNUITY 10-YEAR GUARANTEE
WITHOUT A SPOUSE	LIFE ANNUITY 15-YEAR GUARANTEE	

EARLY RETIREMENT

ELIGIBILITY

Age 55 and termination of service with any Desjardins Group employer.

ACTUARIAL REDUCTION APPLICABLE BEFORE AGE 65

For service up to 2008

1/4 of 1% per month remaining to age 65 or, if more advantageous, the 85-point rule at age 57 (reduction of 0.25% per month to yield the 85-point rule, plus 0.25% per month to reach age 57).

For service from 2009

1/3 of 1% per month remaining to age 62.

ANNUAL INDEXATION OF RETIREES' BENEFITS

BEFORE 2012	FROM 2013
CPI[4] MAXIMUM 3% PER YEAR START IN JANUARY THROUGHTOUT RETIREMENT	CPI, MAXIMUM 1% PER YEAR START IN JANUARY AFTER REACHING AGE 65 FOR 10 YEARS

EMPLOYMENT TERMINATION BENEFIT

A deferred pension is payable as of age 65 and is equal to the sum of the credited annuity and the annuity provided by the member's excess contributions. For members under age 55, this amount may be transferred to an authorized retirement vehicle, subject to the lock-in rules set out in applicable legislation. The transfer options are also subject to the requirements and limitations set out in the Income Tax Act.

50% RULE

Upon termination of employment, death or retirement, an additional amount is paid to the member, equal to the excess contributions on 50% of the value of his vested annuity (excess contributions).

175% RULE

For service beginning in 2009, a minimum benefit will be paid in the event of a transfer of accrued entitlements outside the DGPP, equal to 175% of the regular contributions made by the Plan member for that period, with accrued interest.

DEATH BENEFIT

Death before retirement: Payment equals the amount that would have been paid had the member stopped working immediately prior to his death.

Death after retirement: Payment amount depends on the pension form chosen by the member.

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(1) MPE: Maximum Pensionable Earnings, i.e. $52,500 in 2014
(2) QPP: Québec Pension Plan
(3) CPP: Canada Pension Plan
(4) CPI: Consumer Price Index

FOR ADDITIONAL INFORMATION, PLEASE CONTACT THE DGPP MEMBER SERVICES TEAM AT **1-866-434-3166** MONDAY TO FRIDAY, FROM 8 :30 A.M. TO 4 :30 P.M.

A DETAILED DESCRIPTION OF THE BENEFITS IS AVAILABLE ON THE PLAN WEBSITE: **WWW.RCD-DGP.COM**

DESJARDINS GROUP PENSION PLAN DIVISION

DANIEL DUPUIS
SVP, Finance and Chief Financial Officer
Desjardins Group

THE **DGPP** DIVISION REPORTS TO THE SENIOR VICE-PRESIDENT, FINANCE AND CHIEF FINANCIAL OFFICER, DESJARDINS GROUP, **DANIEL DUPUIS**

SYLVAIN GAREAU
Vice-President,
Desjardins Group
Pension Plan

FRANÇOIS HUDON
Director,
Liability Management
Desjardins Group
Pension Plan

- **Vice-President SYLVAIN GAREAU**
  - Administrative Assistant **SYLVIE LABRIE**
  - **LIABILITY**
    - **Director Liability Management FRANÇOIS HUDON**
      - Administrative Assistant **LINDA LEBLOND**
      - **LIABILITY / MEMBER SERVICES**
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          - Advisor, Member Services Team: **FRÉDÉRIC ANGERS, NATHALIE COUTURE, KARINA GOULET, AMÉLIE MARCOUX, CHANTAL MOFFET, SUZANNE ROY, MANON SANSCHAGRIN**
            - Support Agents, Member Services Team: **ANNIE FOUCHER, MARIE-JOSÉE FRADETTE**
      - **FINANCE**
        - Financial Controller: **MARIELLE BUSSIÈRES**
      - **SUPPORT**
        - Support Agents: **MARIE-ÈVE LACASSE, NANCY NOLIN**
  - **ASSET**
    - **RISK**
      - Senior Advisor, Risk Management and Asset Allocation Stategist: **FRANÇOIS GIROUARD**
        - Advisor, Traditional Investments: **LOUIS BEAULIEU**
    - **ASSET**
      - Senior Advisor, Traditional Investments: **JEAN-PHILIPPE CAZELAIS**
        - Advisor, Traditional Investments: **LOUIS BEAULIEU**
        - Advisory Analyst, Investments: **ÉTIENNE PARENT**
      - Senior Advisor, Alternative Investments: **FRÉDÉRIC ANGERS**
        - Advisors, Alternative Investments: **PIERRE ASSELIN, GUILLAUME MORENCY, DOMINIQUE NORMAND**
    - **LEGAL**
      - Senior Advisor, Legal Affairs and Governance: **PATRICK CHILLIS**


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ADVANTAGES

Desjardins

Cooperating in building the future