

Working together



Growing your assets and maintaining your financial independence

Message from the President of Desjardins Financial Security

More than 5 million members and clients trust us to protect their financial security. This past year, we made members and clients like you our priority again as we worked hard to make our products and services an even better fit for your needs.

Our teams are dedicated to helping you grow your assets, keep your financial situation under control and ultimately maintain your financial independence. In 2019, we launched a number of initiatives to simplify and personalize your user experience. At a time when digital technology is transforming our everyday lives and changing the way we find information and conduct transactions, we've made significant advances.

In individual insurance, we continued our digital shift by improving our insurance process, ensuring that members and clients are protected right from their first meeting with an advisor. It's also possible now to get a life insurance estimate by answering just three questions.

A number of initiatives aimed at improving the group insurance experience have begun to show results. Members and clients can now benefit from faster processing times for disability claims and a new telemedicine service, a virtual healthcare service that gives members and clients direct access to healthcare professionals who provide online consultations via an app or a web portal.

In group retirement savings, the secure website for plan members was fully optimized to provide an enhanced virtual experience on mobile devices. Members can perform real-time transactions on smartphones or tablets, print statements, sign up for plans and change beneficiaries.

For our investors, we launched new investment solutions that do a

better job meeting their needs. For example, Desjardins Structured Notes have been a major success on the market. Our brokerage clients now have access to Wise ETF Portfolios, and we've expanded our responsible investment product range by introducing new SocieTerra Funds.

We developed Desjardins Identity Protection in response to the 2019 data breach. We want to reassure our members and clients and protect their identity. It's unique in Canada and free for our members and clients through our Assistel subsidiary. The protection consists of four components: protection for accounts and assets against unauthorized transactions, individual support in the event of identity theft, reimbursement of certain expenses incurred while recovering your identity, and 5-year Equifax credit monitoring. Desjardins Identity Protection is offered to all members and clients, both individuals and businesses.

Against a backdrop of low interest rates and high market volatility, we leveraged our diverse operations. We also benefited from the strong performance of our investments and strict control of our expenses. These factors helped us achieve excellent financial results, ensure financial stability and guarantee adequate protection for members and clients.

Everything we accomplished in 2019 wouldn't have been possible without our deep team of employees, managers, distribution partners and directors. They've all worked diligently to ensure that we're always working in the best interests of our members and clients.

In 2020, we'll continue to uphold our commitment to our members and clients and strive to help you achieve greater financial well-being and independence.

Denis Dubois
President and Chief Operating Officer

2019 financial results

Select financial figures

Years ended December 31
(in millions of dollars)

	2019	2018	2017
Income			
Insurance premiums	4,148	4,182	4,078
Investment premiums and segregated fund deposits	4,104	2,528	2,178
Other products	1,130	1,096	1,007
Assets under management and administration	127,937	110,319	107,065
Actuarial liabilities	21,707	19,188	18,838
Equity	2,463	3,043	3,156
Insurance in force	312,136	307,074	313,920
Net income	763	705	690

Key indicators

Years ended December 31

	2019	2018	2017
Growth in administered insurance premiums	-0.5%	2.6%	5.2%
Growth in net income	8.3%	2.2%	36.7%
Return on equity	27.8%	22.7%	22.3%
Employees	4,946	4,626	4,782
Active representatives and brokers	6,157	6,020	5,105

Highlights

- 23.0% increase in premiums and segregated fund deposits (individual and group)
- 16.0% increase in assets under management and administration
- Maintained leading position in market-linked guaranteed investments (MLGIs) in Quebec and Canada
- One of the best returns on equity in the industry at 27.8%
- Maintained position of strong capitalization, ensuring protection for members and clients

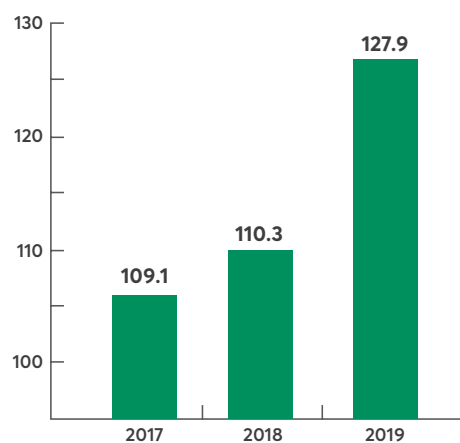
Market share

(based on volume of gross premiums written in 2018)

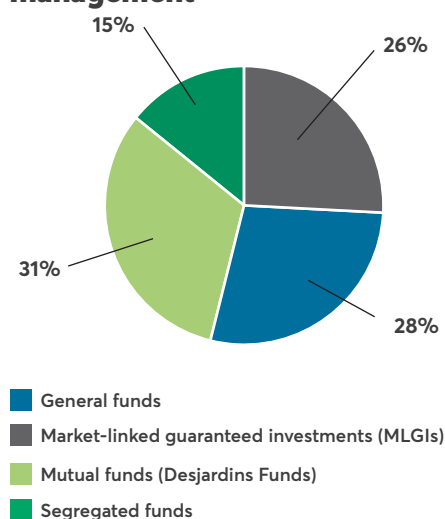
#2 au Québec | **#5 au Canada**
16.2% | 7.3%

Growth in assets under management and administration

(in \$B)



Distribution of assets under management



Geographic distribution of business

(based on gross premiums written)

