

# Responsible investing at a glance

YOU WANT TO BUILD YOUR NEST EGG. YOU ALSO WANT TO BUILD A BETTER WORLD.

NOW YOU HAVE THE CHANCE TO DO BOTH.



**Desjardins**

**Wealth Management**

Global Asset Management

## Driving change with responsible investing

Responsible investing (RI) products are designed for investors who are looking for **attractive return potential** and the opportunity to support companies that are committed to sustainability and social responsibility toward people and communities.

## Desjardins and RI: A distinctive approach

To help you achieve your financial goals, whatever your investor profile, Desjardins offers **more than 25 RI product options**, making us a responsible investment **leader in Canada** with almost **\$3 billion in RI assets under management**.<sup>1</sup>

## Carefully selected companies

When developing RI solutions, Desjardins puts the selected companies through a rigorous review of their ESG practices and an in-depth financial analysis, excluding some controversial sectors in the process. We believe that a company that cares as much about its **environmental, social and governance (ESG) policies** as it does about its financial performance is better equipped to meet the challenges of the global economy.



**CONTROVERSIAL SECTORS EXCLUDED<sup>2</sup>**  
E.G., TOBACCO AND WEAPONS<sup>3</sup>

THE COMPANY'S  
**FINANCIAL HEALTH**  
IS EVALUATED



ENVIRONMENTAL,  
SOCIAL AND GOVERNANCE  
**PRACTICES ARE EVALUATED**

<sup>1</sup> As at December 31, 2019

<sup>2</sup> See the Responsible Investment Policy for further information.

<sup>3</sup> Exclusions cover cluster munitions and antipersonnel landmines, nuclear weapons, biological and chemical weapons, blinding laser weapons, incendiary weapons and undetectable fragments weapons, on the one hand, and depleted uranium and white phosphorus weapons.



## What are ESG criteria?

Incorporating ESG criteria helps to identify the various issues companies may be exposed to.

The selected companies follow the best possible ESG practices in their industry.



### Environmental

- Fight climate change
- Safeguard access to drinking water
- Preserve biodiversity



### Social

- Enforce labour standards
- Respect human rights (e.g., child labour)
- Ensure social acceptability (e.g., First Nations)



### Governance

- Promote board diversity
- Track executive compensation (e.g., incentives and bonuses)
- Recognize shareholder rights

## Shareholder engagement

Once a company is selected, Desjardins maintains a relationship and takes steps to ensure ongoing engagement.<sup>4</sup>



**Dialoguing** with companies to improve their ESG practices



**Voting at shareholder meetings** to influence ESG practices



**Sending a team from Desjardins to visit** a company's facilities

**A RETURN POTENTIAL THAT'S JUST AS ATTRACTIVE AS WHAT YOU'D GET WITH A TRADITIONAL INVESTMENT—SOMETIMES EVEN BETTER!**




**CONFIRMED BY MORE THAN 2,000 STUDIES!<sup>5</sup>**

<sup>4</sup> Desjardins Global Asset Management (DGAM) between January 1 and December 31, 2018.

<sup>5</sup> Source: Gunnar Friede, Timo Busch & Alexander Bassen (December 2015), ESG & Corporate Financial Performance: Mapping the global landscape, Aggregated Evidence from more than 2,000 Empirical Studies, Deutsche Asset & Wealth Management and Hamburg University. [https://institutional.dws.com/content/\\_media/K15090\\_Academic\\_Insights\\_UK\\_EMEA\\_RZ\\_Online\\_151201\\_Final\\_\(2\).pdf](https://institutional.dws.com/content/_media/K15090_Academic_Insights_UK_EMEA_RZ_Online_151201_Final_(2).pdf).

## Each investment is a leverage for change

Now it's up to you to select the specific objective you want to take part in. You can choose between 8 responsible investment ETFs dedicated to fighting climate change.

 Specific objectives	Name of Desjardins ETF	Ticker symbol
 <p><b>Low carbon</b> Aims for a lower carbon footprint than traditional stock indices</p>	Active <b>Canadian</b> Bond – Low CO <sub>2</sub>	<b>DRCU</b>
	<b>Canada</b> – Low CO <sub>2</sub> Index	<b>DRMC</b>
	<b>USA</b> – Low CO <sub>2</sub> Index	<b>DRMU</b>
	<b>Developed</b> ex-USA ex-Canada – Low CO <sub>2</sub> Index	<b>DRMD</b>
	<b>Canada</b> Multifactor – Low CO <sub>2</sub>	<b>DRFC</b>
	<b>USA</b> Multifactor – Low CO <sub>2</sub>	<b>DRFU</b>
	<b>Developed</b> ex-USA ex-Canada Multifactor – Low CO <sub>2</sub>	<b>DRFD</b>
 <p><b>No fossil fuel reserves</b> Aims to reduce the energy transition risk</p>	<b>Emerging Markets</b> Multifactor – Low CO <sub>2</sub>	<b>DRFE</b>
	<b>Global</b> Multifactor Fossil Fuel Reserves Free	<b>DRFG</b>

Your representative can help you choose the right investment product for your personal needs and goals. Speak to your representative today.

**For more information: [desjardinsfunds.com/etfri](https://desjardinsfunds.com/etfri)**

Desjardins Exchange Traded Funds are not guaranteed, their value fluctuates frequently and their past performance is not indicative of their future returns. Commissions, management fees and expenses may all be associated with an investment in exchange traded funds. Please read the prospectus before investing. Desjardins Global Asset Management Inc. is the manager and portfolio manager of the Desjardins Exchange Traded Funds.

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