

## **Desjardins doubles its line of responsible investment products**

**Montreal, September 27, 2018**—Desjardins is proud to expand its line of responsible investment (RI) products and will be offering 11 new products to investors who want to grow their investments while contributing to sustainable development and the greater well-being of people and communities. With these additions, the Desjardins suite of responsible investment products now includes more than twenty products, giving investors more options to diversify their portfolio.

The SocieTerra suite is adding three new funds to its ranks: Emerging Markets Equity, International Equity, and Positive Change. These new funds bring the total number of investment products in the SocieTerra line to 13. Desjardins is also launching a new line of 8 RI exchange-traded funds that provide reduced exposure to climate change risk factors.

“Responsible investing isn’t just a passing fad. It’s a concrete way for Desjardins members and clients to incorporate their social values into their financial decisions,” explained Guy Cormier, President and CEO of Desjardins Group. “As a cooperative financial institution, Desjardins is a natural leader in the responsible investing movement. We’re determined to keep pace with other leaders in the sector—it’s what our members and clients want, and it’s the right thing to do.”

### **Desjardins SocieTerra Funds: Three new funds, including a first in Canada**

The Desjardins SocieTerra International Equity Fund and the Desjardins SocieTerra Emerging Markets Equity Fund round out the Desjardins Funds lineup, which now includes a full range of RI mutual funds. Furthermore, though there is no lack of choice for emerging market funds, ours the first in Canada to focus on responsible investment. To achieve this ambitious first, fund manager Desjardins Global Asset Management has called on the expertise of French firm Comgest, who will be acting as sub-manager.

- [Desjardins SocieTerra International Equity Fund](#)
- [Desjardins SocieTerra Emerging Markets Equity Fund](#)
- [Desjardins SocieTerra Positive Change Fund](#)

With the Desjardins SocieTerra Positive Change Fund, Desjardins will be responding to investor demand for a fund that generates concrete results. The fund is part of the impact investment movement, meaning investors can invest in companies that actively intend to build a better world for future generations. This is more hands-on than the usual RI strategy, which involves screening out companies with harmful practices. Fund manager Baillie Gifford uses an innovative strategy to select a limited number of companies (between 25 and 50) whose

activities are based on promising ideas to deliver positive social change in one of the following four areas: social inclusion and education, environment and resource needs, healthcare and quality of life, and “base of the pyramid”—a term used to refer to practices that address issues of economic inequality and respond to the basic needs of the world’s poorest populations.

The fund addresses 13 of the United Nations’ 17 [sustainable development goals](#). For example, investors may hold shares in a company that produces enzymes and probiotics to replace conventional agricultural pesticides; a bank that focuses on microfinance and making financial services more accessible to underprivileged populations; or a tech company working to spread information and knowledge, positively contributing to education. The companies included in this fund are ones that focus on delivering results while generating positive change within their communities.

### **New line of innovative responsible investment ETFs**

With its new line of eight RI exchange-traded funds, Desjardins is confirming its role as a leader in responsible investment. These ETFs reduce exposure to specific climate change risk factors, relying on carefully selected companies with practices that clearly highlight their sense of social responsibility and respect for the environment.

**7 Desjardins RI Low-CO<sub>2</sub> ETFs:** Investors can choose portfolios that aim for a significantly lower carbon footprint.

- Multifactor (4): Canada, USA, Developed (ex USA ex Canada), Emerging Markets
- Cap-weighted (2): Canada and USA
- Active fixed income (1): Canada

**1 Desjardins RI Global Multifactor Fossil Fuel Reserves Free ETF:\*** Gives investors the opportunity to invest with no exposure to the traditional energy sector (coal, gas, oil).

(\* Available soon)

To be included in the responsible investment portfolios, companies must meet strict selection criteria. A “best-in-class” screening process is used, meaning that only companies with top scores and a demonstrated commitment to environmental, social and governance (ESG) practices will be selected in each sector. Companies that fail to meet all three ESG criteria are removed.

The Desjardins RI Low-CO<sub>2</sub> ETFs Multifactor let investors choose portfolios with a carbon footprint that are intended to be 25% lower than their corresponding stock indexes, by excluding stock from the companies with the highest carbon intensity. This objective is aligned with Desjardins Group’s [commitments](#) to the fight against climate change.

The Desjardins RI Global Multifactor Fossil Fuel Reserves Free ETF gives investors the rare opportunity to invest with no exposure to the traditional energy sector (coal, gas, oil). Not only does this fund exclude all companies in the fossil fuel industry, but a filter is also applied to screen out any that hold fossil fuel reserves. It also excludes companies with a significant number of products that rely on thermal coal extraction or electricity generated by thermal coal or a mix of fuels. It's an ETF for investors who want to combine attractive returns and environmental protection. It also aims to mitigate the risks of transitioning to alternative energy sources.

<https://www.desjardinsfunds.com/etf-responsible-investment/>

### **Desjardins and RI**

Responsible investment is a form of investing that takes into account environmental, social and governance criteria while still focusing on financial returns for the investor. In 1990, Desjardins created the second responsible investment fund in Canada, the Desjardins Environment Fund, and is committed to remaining a leader in the responsible investing space. These new funds are one of the concrete ways that we're actively combatting climate change, as announced last December. We're working hard to support our individual and business members and clients as they change their habits and adapt our Green Program to their needs.

*Desjardins Funds are not guaranteed, their value fluctuates frequently and their past performance is not indicative of their future returns. Commissions, trailing commissions, management fees and expenses may all be associated with mutual fund investments. Please read the prospectus before investing. Desjardins Funds are offered by registered dealers.*

*The 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. Desjardins Exchange-Traded Funds are offered by registered dealers.*

### **About Desjardins Group**

[Desjardins Group](#) is the leading co-operative financial group in Canada and the fifth largest in the world, with assets of \$290.1 billion. It has been rated one of the Best Employers in Canada by Aon Hewitt. To meet the diverse needs of its members and clients, Desjardins offers a full range of personal and commercial products and services through its extensive distribution network, online platforms and subsidiaries across Canada. Ranked among the World's Strongest Banks according to *The Banker* magazine, Desjardins has one of the highest capital ratios and [credit ratings](#) in the industry.

