



Desjardins
Caisse de Vaudreuil-Soulanges



**THE DESJARDINS
ADVANTAGE**
7th ANNUAL REPORT



MESSAGE FROM THE PRESIDENT

I am pleased to present a brief review of the year 2015 for Caisse Desjardins de Vaudreuil-Soulanges.

STAYING THE COURSE

In 2015, our Caisse recorded operating surplus earnings of \$6,183,000. These results reflect not only the strength of member commitment to our financial services cooperative, but also the sound management of the Caisse. Based on this performance, we will be staying the course, by offering you services and solutions that continue to meet your expectations.

To ensure you continue to have the best possible experience as a Caisse member, we will be relying on innovative products and the quality of our service delivery. We will also be counting on the expertise of all our employees and the many specialists who work within Desjardins, which has been identified as one of the *Best Employers in Canada* by Aon Hewitt and ranks among *Canada's Top 100 Employers* by Mediacorp.

By using our products and services regularly, you help keep our Caisse thriving and financially healthy. You make it possible for the Caisse to realize its full potential and deliver a service offer that benefits all members.

USING OUR SURPLUS EARNINGS SOUNDLY AND WISELY

The *Autorité des marchés financiers* describes Desjardins as a “systemically important financial institution” in Quebec. This means that Desjardins Group’s financial strength is vital to the province’s financial stability and economic growth. Because of this status, Desjardins Caisses must meet stricter regulatory requirements, in terms of capitalization. Our Caisse must, therefore, manage the distribution of these surplus earnings soundly and wisely.

We need a solid capital base not only to satisfy the regulatory authorities, but also to ensure the future growth of our operations. A good capital base also enables us to offer you products and services that are competitive and better adapted to your needs, in the years and decades to come.

THE DESJARDINS ADVANTAGE

Just over a year ago, we launched the Desjardins Member Advantages program. These are the exclusive advantages you enjoy as a Desjardins

member, including the discounts and bonuses available with a number of products and services. For example, members who are holders of certain Visa Desjardins credit cards and who always pay their minimum balance receive 20% in additional BONUS DOLLARS.

These advantages also include exclusive offers and discounts from retailers, useful tools and applications, as well as assistance services. To discover all of the advantages you are entitled to as a member, visit desjardins.com/advantages regularly.

You also have access to a wide variety of tools and tips in desjardins.com's Co-opme section. Among last year’s innovations, I would like to mention the launch of the school Caisse website. This site offers teachers and parents educational materials and activities that help elementary school children understand basic financial concepts, while assisting them to develop good savings and spending habits.

As education is central to the Caisse’s mission, we are proud to contribute to the Desjardins Foundation. In 2015, the Foundation distributed over \$1.6 million in bursaries and support to different initiatives encouraging the academic success of our young people.

At the regional level, in Vaudreuil-Soulanges, the Caisse has helped support the student community through the Student Caisse at École secondaire du Chêne-Bleu and through numerous events, including: the student bursary contest, Desjardins “Youth at Work” program, and “We are Vaudreuil-Soulanges.” In addition, Desjardins Vaudreuil-Soulanges has financially assisted organizations devoted to student life, such as, École secondaire Soulanges Foundation and Cité-des-Jeunes Foundation. Consequently, in 2015, Caisse Desjardins de Vaudreuil-Soulanges awarded a total of \$175,000 on behalf of elementary, secondary and post-secondary students.

In 2015, the Caisse redistributed close to \$700,000 to organizations and partners in our community to help them launch exciting projects. A few of these projects have been highlighted in this report. We should all be very proud of our collective contribution to making our community more vibrant. By doing business with a financial services cooperative, you are also making a difference in the community.

MESSAGE FROM THE PRESIDENT (CONTINUED)

EXPRESSING OUR HEARTFELT THANKS

I am very proud of these accomplishments and would like to take this opportunity to express my gratitude to my fellow members on the Board of Directors and the Board of Supervision. Thank you for being so dedicated to the well-being of our members and to the sound management of our cooperative.

I thank our General Manager, Sylvain Bélisle, for his unwavering commitment and the great conscientiousness with which he managed the affairs of the Caisse. My thanks also go to all of our dedicated employees who work so hard to make your member experience as satisfying as possible.

And to our 50,685 members, thank you for putting your trust in your Caisse. Together, we will continue to cooperate to shape our destiny!

I would like to conclude by thanking Monique F. Leroux, Desjardins Group's outgoing President, for everything she accomplished during her tenure. Under her leadership these past eight years, Desjardins experienced remarkable growth, welcomed close to two million new members and clients across Canada, and also innovated and strengthened financially.

Monique Leroux also worked hard to highlight the benefits of Desjardins Group's cooperative nature and promote the cooperative business model. She encouraged efforts to make elected officers more representative of all members, including men, women and young people. During her term, Desjardins also asserted its leadership within the cooperative community in Quebec, Canada and around the world.

On March 19, 2015 an electoral college made up of 256 representatives of the Desjardins Caisses in Quebec and Ontario elected Guy Cormier who will take over the leadership of Desjardins Group for the next four years. I would like to take this opportunity to offer the new president my fullest cooperation and my very best wishes for a successful mandate.

Pauline Thauvette-Leroux
President, Board of Directors



MESSAGE FROM THE GENERAL MANAGER

In 2015, your Caisse moved forward with its mission to meet all your financial needs, while contributing to the economic and social well-being of our community.

Below are the financial results of Caisse Desjardins de Vaudreuil-Soulanges and the share of net income from business at Desjardins Group subsidiaries as at December 31, 2015. These results are grounded in your trust in us, for which we are very grateful. Thanks to the loyalty of our 50,685 members, we can all enjoy the benefits of cooperation and pursue our own development.

VOLUME OF BUSINESS UNDER MANAGEMENT

Change in volume of business (\$M)

	2013	2014	2015
Savings and Investments*	1,655.8	1,847.1	1,825.8
Financing*	1,349.8	1,475.5	1,495.3
Business volume	3,005.6	3,322.6	3,321.1

* Total balance sheet and Desjardins subsidiaries (off-balance sheet)

With \$3,321,065,000 in business under management, down 0.05% over 2014, the Caisse aims to improve its position in the market. Thanks to its membership in Desjardins Group and participation in Desjardins Group subsidiaries, the Caisse can offer a comprehensive range of financial products and services to meet the ever-growing needs of its members.

BALANCE SHEET

Change in balance sheet (\$M)

	2011	2012	2013	2014	2015	Variation (%) 2014-15
Assets	1,368.0	1,458.9	1,483.7	1,538.4	1,621.8	5.4
Liabilities	1,260.0	1,348.6	1,362.8	1,411.0	1,483.9	5.2
Equity	108.0	110.3	120.9	127.4	137.9	8.2

Your financial cooperative's assets total \$1,621,780,000, up 5.4% over last year. Caisse liabilities total \$1,483,872,000, representing an increase of 5.2%. Caisse borrowings total \$280,835,000, a 2.2% decrease over the previous year.

As at December 31, 2015, your cooperative's equity reflected strong growth, rising to \$137,908,000, or an 8.2% increase. In addition to social capital, equity consists of \$5,577,000 in surplus earnings to be distributed, \$2,382,000 in accumulated other comprehensive income, and \$120,268,000 in reserves.

Your Caisse has \$2,587,000 in its stabilization reserve and \$4,200,000 in its reserve for future dividends. Your Caisse has also accumulated \$861,000 in the Community Development Fund. The Caisse's capital base is at a level that is in accordance with the standard respecting capital base adequacy established by the Federation.



STATEMENT OF INCOME

Change in statement of income (\$M)

	2014	2015	Variation (%)
Interest income	46.6	46.1	(1.0)
Interest expenses	18.6	17.2	(8.0)
Net interest income	27.9	29.0	3.6
Expense of provision for credit losses	0.4	1.1	201.3
Other income	11.9	12.4	3.5
Other expenses	34.0	34.0	0.1
Operating surplus earnings*	5.5	6.2	12.0
Dividends**	1.0	1.0	(0.7)

* Operating surplus earnings include expenses related to the Community Development Fund

** Amount of dividend appearing on Statement of Income

During the last fiscal year, your Caisse generated \$6,183,000 in operating surpluses, up 12.0% over the previous year.

Interest income totalled \$46,116,000, down 1.0% over last year. Interest charges of \$17,151,000 were down 8.0%. Allowance for loan losses totalled \$1,124,000 or 0.08% of the entire portfolio of loans granted to individual and business members.

Changes in interest income and expenses (\$M)

	2011	2012	2013	2014	2015	Variation (%) 2014-15
Interest income	50.3	49.3	47.5	46.6	46.1	(1.0)
Interest expenses	20.6	20.1	19.4	18.6	17.2	(8.0)

Other income totalled \$12,365,000, up 3.5% over last year. Other charges of \$34,023,000 remained at the same level overall.

At the close of 2015, the Caisse generated \$13,452,000 in surplus earnings before dividends, up 11.6% over the previous year. This year, we propose distributing a dividend of \$1,000,000 and contributing \$200,000 to the Community Development Fund in the form of a group dividend. These amounts were determined based on the importance of striking a balance between the distribution of surplus earnings, growth, and capitalization. By maintaining the right balance between financial market rules and regulations and our members' needs, we can ensure the sustainable development of our Caisse.

BENEFICIAL EXPERTISE

Above and beyond its performance, the Caisse's strength lies in its team of 190 employees. These expert, dedicated individuals ensure that your financial institution provides services that continually benefit our members and are in line with their needs.

I would also like to point out the invaluable contribution of our elected officers. Their commitment to the Caisse's social and democratic mission supports our close relationship with our members and our reputation. We all work together to create a Caisse that benefits all its members and that is involved in the life of the community!

Sylvain Bélisle

General Manager

INVESTMENT FUNDS

The investments that Caisses hold in investment funds enable the Fédération des Caisses Desjardins du Québec to coordinate investments in Desjardins Group subsidiaries and regional investments.

Through their activities, these subsidiaries enable Caisses to expand their involvement, by offering a full range of financial products and services to individuals, groups of individuals and businesses.

The table below indicates the Caisse's interest in each investment fund and the return at the end of the fiscal year.

	Held Shares as at December 31, 2015	Average Yield
Provincial Funds		
Caisse centrale Desjardins (CCD)	\$32,657,897	6.84%
Société de Services des Caisses Desjardins (SER)	\$(693)	—%
Desjardins Capital de risque (INV)	\$412,319	17.91%
Desjardins Société financière (FIN5A)	\$45,805,431	13.20%



REPORT FROM THE BOARD OF SUPERVISION

The Board of Supervision makes sure the Caisse fulfills its responsibilities, in terms of ethics, professional conduct and cooperation. It performs its duties through a collaborative process with the Board of Directors and the General Manager. In this regard, it may make recommendations, suggest improvements to existing practices or propose new initiatives.

SUPERVISION OF ETHICAL ASPECTS

Every year, Caisse officers and employees renew their commitment to comply with the Desjardins Code of Professional Conduct. The Code sets out expected behaviours, as well as those that are not acceptable in the normal course of professional duties.

The Board of Supervision ensures that the Caisse, officers and employees take the values and principles of the Code into account to guide their conduct, decisions and actions. The Code also provides that the Board of Supervision report its activities and discuss its observations concerning the following three matters.

1. Conflict of interest situations

Several rules of the Code are designed to cover different situations where the personal interests of officers, employees, managers or other individuals may come into conflict with the Caisse's interests. The Board of Supervision declares that no conflict of interest situations were noted.

2. Deposits from and loans to restricted parties

The Caisse may not grant restricted parties (meaning Caisse or Federation officers and their associated persons) terms more favourable than those it applies in the normal course of business when it accepts a deposit or grants credit.

In the past year the Board of Supervision noted no exceptions to the rule of professional conduct regarding deposits accepted by the Caisse from restricted parties and to the rules of professional conduct regarding credit granted to restricted parties and the handling of irregular situations concerning such credit. Please note that loans granted by the Caisse to restricted parties totalled \$766,259 for the past fiscal year.

3. Contracts granted to restricted parties subject to the Code

The Caisse may sign a contract with restricted parties, subject to the terms of the Code of Professional Conduct. As such, the Caisse did not grant any contracts to any restricted parties subject to the Desjardins Code of Professional Conduct.

SUPERVISION OF COOPERATIVE ASPECTS

In terms of supervising our cooperative dimension, the Board focused its activities on the monthly meetings and decisions of the Community Relations Committee, as recorded in the minutes. We must appreciate the extent to which the financial support of Caisse Desjardins de Vaudreuil-Soulanges is present throughout our territory of twenty-three municipalities, which comprise an eloquent and inspiring cultural diversity

that reflects the image of a developing region. Beyond our financial collaboration, our presence in the community is the cornerstone of the close relationship that enables us to stay in touch with today's social realities in the community. Caisse Desjardins de Vaudreuil-Soulanges serves financial needs, while injecting human interest through the participation of our directors, managers and employees, in many events and activities arranged by "Desjardins-Member" organizations and bodies. Given the above, we have made real provisions that consolidate our decisions and actions by promoting the following:

- Member involvement in community life, including the mechanisms set up by the Caisse to inform, listen to and consult members;
- Activities and resources available to members to assist them with financial management;
- Respect for the rights and interests of members, especially when introducing new members;
- Strategies used by the Caisse to improve member satisfaction and meet their needs;
- Support from the Caisse for community development, including aid from the Community Development Fund and the award of donations and sponsorships.

The Board of Supervision is satisfied on these matters.

I would like to thank the members of the Board for their commitment, and the General Manager for helping us deliver on our mandate.

Frédéric Farmer

Chair of the Board of Supervision

COMMITMENT OF THE FEDERATION TO HOLDERS OF PERMANENT SHARES

Further to a recommendation of the Autorité des marchés financiers, the Fédération des Caisses Desjardins du Québec (Federation) guarantees to cover losses suffered by Quebec Caisse members holding permanent shares due to misinformation in the audited Combined Financial Statements and annual Desjardins Group Management's Discussion and Analysis available at www.sedar.com. The Federation's obligation in this matter is subject to certain conditions. Holders of permanent shares can request more information at their Caisse.



COOPERATIVE DIFFERENCE REPORT



BENEFICIAL THURSDAY
Beneficial Thursday, a day that strengthened bonds between employees/officers of the Caisse and members, while raising awareness of the Desjardins Member Benefits program

In 2015, Caisse Desjardins de Vaudreuil-Soulanges made a commitment to the community by assisting “Desjardins-Member” organizations to undertake activities devoted to the Vaudreuil-Soulanges community. The Community Relations Committee has proven to be a valuable resource for the Caisse, as the committee receives requests for donations and sponsorships from the community, which is engaged and committed to improving its residents’ quality of life. Many of the activities in our year’s schedule were enhanced by the presence of directors and employees of the Caisse at a host of local and regional activities. This involvement ensured that we developed and maintained successful relationships with our individual members and the business community.

THE DESJARDINS ADVANTAGE

As a member, your business relationship with your Caisse provides many tangible benefits that can positively impact your daily life, including: participation in Caisse decisions, dividends, practical tools and applications, exclusive offers and privileges, to name a few.

In connection with Desjardins Member Advantages, your Caisse has implemented key projects, including: le Jeudi Avantageux, providing benefit to our members across the 12 Caisse service centres; discounts on works from the Cyprienne Collection at the Vaudreuil-Soulanges Regional Museum; sponsorship of Pincoart Intercultural Committee; and humanitarian field work in Haiti by students of École secondaire du Chêne-bleu. To learn more and to take full advantage of member benefits offered to companies, visit desjardins.com/avantages.

BEING A MEMBER ALSO MEANS CONTRIBUTING TO THE DEVELOPMENT OF YOUR COMMUNITY

In 2015, thanks to assistance provided by the Community Development Fund, your Caisse redistributed \$517,000 to your community by supporting initiatives, such as: the Student Bursary Contest through which 50 post-secondary students won bursaries from \$500 to \$5,000, a “recognition evening” for 20 Vaudreuil-Soulanges non-profit organizations (NPOs), and the Desjardins “Youth at Work” program conducted in close collaboration with Carrefour Jeunesse-Emploi Vaudreuil-Soulanges. In addition, your Caisse has also partnered with numerous local business associations, including: CLD Vaudreuil-Soulanges, Vaudreuil-Soulanges Chamber of Commerce and Industry, Réseaux Emploi Entrepreneurship, among others.

Your Caisse also awarded donations and sponsorships to support proposals and projects, such as the one initiated by the Vaudreuil-Soulanges Local Action Committee entitled “Travelling Through Words”; Vaudreuil-Soulanges Palliative Care Residence’s poinsettias campaign; and the annual Centraide-Southwest fundraising campaign. Together, we really do make a difference in the community.

NPO RECOGNITION EVENING

Representatives of 20 regional non-profit organizations recognized and supported by the Caisse, in the presence of officers and managers



BEING A MEMBER ALSO MEANS SUPPORTING EDUCATION

The Desjardins Foundation launched two tools in 2015 to support academic retention. With the *Mon enfant, son avenir (MESA)* guides and the *Adogotchi* application, parents can encourage their children to stay in school. To find out more, search “academic retention” on desjardins.com.

New in 2015: School Caisse members aged 6 to 11 and their parents now have access to educational content and games from the same website: www.schoolcaisse.com. Student Caisses still offer high school students a chance to learn how to manage a Caisse, kindling their individual and collective entrepreneurial spirit.

Desjardins supports young people when they have to make financial decisions for the first time. The educational program, *Personal Finance: I’m in Charge™*, teaches young people to become responsible consumers, by helping sort out finances and making informed decisions and choices.

Desjardins is there to help you. If you are a parent, grandparent, future parent, friend or teacher of a young person, find out more about these tools and take part in the financial education and success of the next generation. If personal finance management makes your head hurt, Desjardins has a host of tools and tips to make your life easier. Check out <https://www.desjardins.com/coopme/>.

To achieve its mission of cooperative and financial education, your Caisse has also taken a proactive approach with groups of young people or seniors, who wish to attend presentations by a member of the Caisse team.

BEING A MEMBER ALSO MEANS CONTRIBUTING TO SUSTAINABILITY

Your Caisse has a range of socially responsible financial products, such as, the Green Homes Program, SocieTerra portfolios, and energy efficiency loans for businesses. In addition, the Ajusto program offers discounts to reward safe and environmentally friendly driving.

Our team and website are always available to offer advice and to provide you with tools to manage your finances and to achieve your goals and dreams. There are many advantages to being a member of your Caisse!

Benoit Levesque

Senior Vice President,
Board of Directors
Chair, Community
Relations Committee



STUDENT BURSARY CONTEST RESULTS
Desjardins Vaudreuil-Soulanges Brunch for student bursary winners, in the presence of Caisse officers

ÉCOLE SECONDAIRE DU CHÊNE BLEU TRIP TO HAITI
École secondaire du Chêne Bleu in Pincourt, all ready to undertake a humanitarian trip to Haiti with financial support from the Caisse through the Desjardins Member Benefits program

THE OFFICERS

BOARD OF DIRECTORS

NAME	POSITION	AREA
JONATHAN AUGER	Director	Specific area of Vaudreuil
JONATHAN BASTIEN	Director	Specific area of Vaudreuil
RÉJEAN BOYER	Director	Specific area of Vaudreuil
MICHEL BRABANT*	Director	Specific area of Soulanges
CYNTHIA BREAULT	Director	Specific area of Île Perrot
NATHALIE BRIÈRE*	Director	Specific area of Hudson, Rigaud, Saint-Lazare
JOSÉE CHARETTE	Director	Entire Vaudreuil-Soulanges area
ANDRÉ GENDRON	Director	Specific area of Hudson, Rigaud, Saint-Lazare
CHARLES HUNEULT*	Secretary	Entire Vaudreuil-Soulanges area
BENOIT LEVESQUE*	Senior Vice President	Specific area of Île Perrot
BERNARD RENAUD	Director	Specific area of Île Perrot
MARIE-JACINTHE ROBERGE	Director	Entire Vaudreuil-Soulanges area
PAULINE THAUVETTE-LEROUX	Chair	Specific area of Soulanges
HÉLÈNE THERRIEN	Second Vice President	Specific area of Hudson, Rigaud, Saint-Lazare
CHANTAL QUESNEL*	Director	Specific area of Soulanges

BOARD OF SUPERVISION

NAME	POSITION	AREA
FRÉDÉRIC FARMER*	Chair	Specific area of Île Perrot
ELAINE LEFEBVRE	Secretary	Specific area of Vaudreuil
SUSANNE LEFEBVRE	Director	Entire Vaudreuil-Soulanges area
HOWARD G. MARTIN	Director	Specific area of Hudson, Rigaud, Saint-Lazare
DENIS SAUVÉ	Director	Specific area of Soulanges

* Outgoing directors, eligible for re-election



APPROVAL OF THE ANNUAL REPORT

We certify that the 7th Annual Report of Caisse Desjardins de Vaudreuil-Soulanges meets the requirements of the *Act respecting financial services cooperatives* and has been duly approved by the Caisse's Board of Directors.

Pauline Thauvette-Leroux
Chair

Charles Huneault
Secretary



Desjardins
Caisse de Vaudreuil-Soulanges

HEAD OFFICE

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SERVICE CENTRES

- Coteau-du-Lac
- Les Cèdres
- Pincourt
- Rigaud
- Saint-Clet
- Saint-Lazare
- Saint-Polycarpe
- Saint-Zotique
- Vaudreuil-Dorion
(de la Gare, Harwood, Saint-Charles)

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www.caissevaudreilsoulanges.com



100 %