

Notice of meeting

Virtual annual general meeting

Tuesday, March 26, 2024, at 11 a.m.

**At your side.
On your side.**



23176E (02-2024)



Desjardins

Capital régional
et coopératif

Message from the Chairman

Bernard Bolduc, BBA Finance, ICD.D
Chair of the Board of Directors



Dear shareholders,

You're invited to the 23rd annual general meeting of Capital régional et coopératif Desjardins (CRCD), which will be held on March 26, 2024, at 11 a.m. The meeting will be streamed live on our website so that our 111,400 shareholders from across the province can attend.

At the event, you'll see our year in review and our financial results for the 2023 fiscal year. You'll also be able to ask questions as well as vote for the 3 candidates who will bring the best complementarity of expertise to our board of directors.

Like many sectors, the investment capital industry experienced a slowdown in 2023. Against this uncertain economic backdrop, our responsible and prudent portfolio management has enabled us to pursue our advisory services and seize reinvestment opportunities to support the growth and projects of our partner companies.

For the fiscal year ending December 31, 2023, CRCD announced an annual return of 1.8%, bringing the share price to \$17.59. As of that date, CRCD has committed \$2,279 million to support the growth of nearly 760 businesses, cooperatives and funds in various sectors across Quebec.

For more than 20 years, we've been helping Quebecers grow their wealth while leveraging their collective strength to support the success and long-term viability of home-grown businesses and cooperatives. By promoting the best of local entrepreneurship, we support the vitality of our communities. We're at your side, on your side.

We hope to have you with us for the meeting. Thank you for choosing CRCD.



Notice of meeting

We'd like to invite you to the 23rd annual general meeting of Capital régional et coopératif Desjardins (CRCD), to be held online on March 26, 2024, at 11 a.m. at capitalregional.com/AGM.

The purpose of the meeting is to:

1. Elect 3 directors to the board.
2. Receive the audited separate financial statements for the fiscal year ended December 31, 2023, with its related independent auditor's report.
3. Appoint PricewaterhouseCoopers LLP as CRCD's independent auditor.
4. Consider any other business as may be brought before the meeting.

This document includes a summary of financial statements as at December 31, 2023.

By order of the Board of Directors,

Marc Barbeau, CPA, MTax

Secretary of the Board

February 15, 2024

Information

This notice of meeting is for CRCD shareholders of record who hold at least one full and fully paid common share at the close of business on February 14, 2024. These shareholders are eligible to vote directly or by proxy, provided that their proxy is recorded as set out below. When a ballot is conducted, they are eligible to cast one vote per share duly held.

Online meeting and live voting

The meeting will be held online. Shareholders will be able to vote online during the meeting. There is no physical location for the meeting, so shareholders will not be able to attend or vote in person. Shareholders attending the meeting may choose to vote before the meeting, as indicated below. If they choose to vote in advance, they should abstain from voting during the meeting, unless they want to change their vote.

Proxy voting before the meeting

Shareholders unable to attend the meeting may vote in advance by proxy online, by phone or by mail. Shareholders can find the procedure to follow on the proxy form. Depending on their communication preferences, this form will be sent by mail or by email from the scrutineer, Computershare. All proxy votes must be received and recorded by Computershare **by 5 p.m. on Friday, March 22, 2024**. Votes received or recorded after this time will be rejected. Shareholders who have voted by proxy may revoke their vote by sending a notice in writing to Computershare before the same deadline.



Appointing a proxy

Shareholders who vote by proxy may appoint a person of their choice to vote on their behalf during the meeting. This person does not have to be a shareholder, but they must attend the live online meeting to deliver the shareholder's voting instructions. More details are provided on the proxy form sent by mail or email.

If a person appointed as proxy is also a shareholder, Computershare will email them a new control number to use for their personal voting rights, if applicable, and the rights for which they were appointed proxy holder. The proxy holder must use the new control number to attend the meeting.

Attending and participating in the meeting

Shareholders and proxy holders who attend the online meeting can vote online and ask questions in real time.

To attend the meeting, shareholders and proxy holders should go to capitalregional.com/AGM and select the link to join the meeting live. They will then be redirected to our partner's website. Attendees can join the meeting on Tuesday, March 26, 2024, from 10:45 a.m. (15 minutes before it starts at 11 a.m.).

Shareholders attending the meeting in a personal capacity (not those who have been appointed as a proxy holder by another shareholder) will need to select **I have a control number** and enter their personal control number from the bottom of their proxy form or in the email sent by the scrutineer, then enter the password **CRCD2024**. The password is case sensitive.

Proxy holders will need to select **I have a control number** and enter the control number they received by email from Computershare, then enter the password **CRCD2024**. The password is case sensitive.

Guests without a control number can attend the meeting by selecting I'm a guest and completing the registration form. Guests won't be able to vote or ask questions at the meeting.

Appointment and remuneration of an independent auditor

At the annual general meeting, shareholders must appoint an independent auditor of CRCD to hold office until the next meeting. Shareholders must also authorize the board of directors to determine the auditor's remuneration. The current independent auditor of CRCD is PricewaterhouseCoopers LLP, Chartered Professional Accountants.

Management agreement

Under an agreement entered into by the parties, CRCD has appointed Desjardins Capital Management Inc. (Desjardins Capital), located at 2 Complexe Desjardins, Suite 1717, Montreal, Quebec H5B 1B8, to provide all of the services required for its management and operation and make available to CRCD all personnel



and tools necessary for this purpose.

As at February 15, 2024, the senior officers of Desjardins Capital, a wholly owned subsidiary of the Fédération des caisses Desjardins du Québec, are:

- Nathalie Bernard, Chief Operating Officer, member of the management committee and resident of Laval
- Jean-Philippe Cadieux, Chief Compliance Officer and resident of Montreal
- Alexandre Mailhot, Chief Financial Officer and resident of Montreal
- Hélène Bernatchez, member of the management committee and resident of Quebec City
- Yves Calloc'h, member of the management committee and resident of Brossard
- Maude Lemieux, member of the management committee and resident of Saint-Augustin-de-Desmaures
- Marisol Quirion, member of the management committee and resident of Lévis
- Pierre Tessier, member of the management committee and resident of Saint-Damien-de-Buckland

The members of the board of directors of Desjardins Capital, manager of CRCD, are:

- Jean-Yves Bourgeois, Chair and resident of Saint-Bruno-de-Montarville
- Antoine Avril, Vice-Chair and resident of Montreal
- Nicolas Richard, Director and resident of Montreal



For fiscal 2023, CRCD paid Desjardins Capital annual management fees equivalent to a maximum rate of 1.75% of CRCD's annual average assets' value, after deduction of any amounts payable related to Investments impacting the Québec economy and Other investments. An adjustment is made to the management fees to avoid double billing relative to CRCD's interest in other investment funds, either in the Investments impacting the Québec economy portfolio or in the Other investments portfolio. A downward adjustment was also made to allow CRCD to benefit from economies of scale realized by Desjardins Capital.

Compensation of directors and external committee members

Directors are entitled to an annual retainer of \$20,000. The Chair of the Board receives an annual retainer of \$70,000. This compensation covers the functions of director, chair, member, observer or contact person of a committee or CRCD representative at meetings and committees of partnerships of which CRCD is a partner. Chairs of Board committees receive an additional annual retainer ranging from \$12,000 to \$19,000, except for the Chair of the Development Capital Investment Committee, who receives a retainer of \$38,000 in recognition of the Committee's responsibilities.

A one-time annual retainer of \$6,000 to \$12,000 is also paid to directors who are members of committees. For the Development Capital Investment Committee, the retainer is \$30,000. Only external committee members receive an attendance allowance. This is in addition to an annual retainer of \$7,000 to \$12,000. The attendance allowance is \$1,200 for Portfolio Valuation Committee meetings, \$1,000 for Financial Asset Management Committee meetings and \$750 for investment committee meetings.

The Desjardins Group Relations director receives fixed annual compensation of \$60,000. This compensation covers the functions of director, member or contact person of a committee or CRCD representative at meetings and committees of partnerships of which CRCD is a partner. If the Desjardins Group Relations director chairs committees of which they are not ex-officio chair, they will receive an additional annual retainer equivalent to the difference between the annual retainer of the chair and the annual retainer of a member of such committee.

In fiscal 2023, directors' and external committee members' compensation totalled \$702,873. Directors and external committee members were also reimbursed a total of \$28,441 for out-of-pocket expenses incurred in the performance of their duties.

Candidates

Election of 3 directors

During the annual general meeting, 3 directors must be elected by shareholders. Each director will serve a 1-year term or until their successor is elected or appointed.

We provided shareholders with information about the application process in September 2023. The application deadline was November 11, 2023.

A vote by secret ballot will be held to elect 3 people from the candidates below.

Candidate profiles

Candidate profiles are available at capitalregional.com/AGM. The information candidates have provided has been edited for disclosure purposes.

In the interest of sound governance and given the importance of the role of director, the board believes it has a responsibility to identify the 3 candidates best suited to a position on the board, for the benefit of the board, shareholders and partners. **Their numbers are shown in green.**

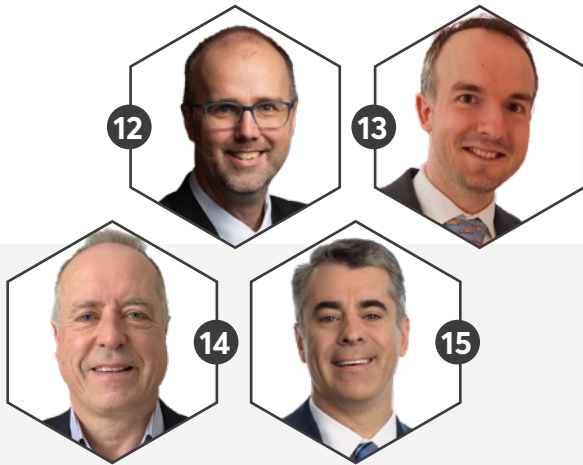


- 1 Annie Demers, CPA**
Organizational Transformation and Performance Advisor, Ville de Québec
Lévis
904 shares
- 2 Marinella Ermacora, BCompSc, MBA, ICD.D**
Corporate Director
Sutton
4,370 shares
- 3 Gilles Mourette, MSc, ASC**
Corporate Director
Hudson
199 shares



- 4 Matthew Arel, BBA**
 President and CEO,
 Groupe immobilier Arel et Groupe Spectacles Arel
 Bécancour
 627 shares
- 5 Guy Bélisle, MBA**
 Corporate Director
 Mont-Royal
 900 shares
- 6 Michel Berthiaume, MBA**
 Retiree
 Sherbrooke
 361 shares
- 7 Dr. Pierre Bouchard, DMD**
 Retired dentist, Director
 Quebec City
 548 shares

- 8 Thierry Elvis Djonkack**
 Operations Manager, Grupo Bimbo
 Quebec City
 287 shares
- 9 Jacques Faucher, BBA**
 General Manager, Centre de développement
 du porc du Québec et Centre d'insémination
 porcine du Québec
 Lévis
 3,150 shares
- 10 Daniel Hannaburg, BBA**
 Retiree
 Montreal
 2,665 shares
- 11 Marc Li, MBA**
 Senior IT Analyst, McGill University
 Montreal
 343 shares



12 M^e Jean-François Lord
 Director of Legal Affairs, Ministère des Finances,
 Ministère de l'Économie, de l'Innovation et de
 l'Énergie and Ministère du Tourisme
 Lévis
 713 shares

13 Hugues Marceau, MSc
 Co-founder and CEO, Autonom
 Montreal
 343 shares

14 Daniel Mercier
 Manufacturing Agent, Damerco
 Val-des-Monts
 544 shares

15 Michel Poissant, CPA
 Chief Financial Officer, GECA Environnement
 Laval
 3,844 shares

**16 Pierre-Martin Tardif,
 Eng., MBA, PhD, CGEIT, CISA**
 Associate Professor, École de gestion
 de l'Université de Sherbrooke
 Sherbrooke
 544 shares

17 Karine Veilleux, CPA, MPA, MSc
 Assistant General Manager and Treasurer,
 Ville de Saint-Georges
 Saint-Georges
 5,090 shares

18 Michel Verreault, MBA, FCPA, FCMA, ASC
 Chief Executive, Centre de développement
 en assurances et services financiers
 Quebec City
 3,039 shares

Summary

The summary of the financial statements is drawn from the separate audited financial statements as at December 31, 2023. The complete audited separate financial statements, including notes and the independent auditor's report, are available on the CRCDC (capitalregional.com/en) and SEDAR+ (www.sedarplus.com) websites.

Balance Sheets

As at December 31, 2023, and 2022

(in thousands of Canadian dollars, except number of common shares outstanding and net asset value per common share)

	2023 \$	2022 \$
Assets		
Investments impacting the Québec economy	1,842,169	1,938,022
Other investments	658,073	561,112
Intangibles assets	2,716	5,102
Income taxes receivable	38,841	38,034
Accounts receivable	24,605	29,967
Cash	35,305	5,824
	2,601,709	2,578,061
Liabilities		
Other investments - Obligations related to securities sold short	15,435	—
Financial liabilities	—	2,197
Income taxes payable	8,018	1,655
Accounts payable	11,638	10,642
Bank overdraft	—	4,467
	35,091	18,961
Net assets	2,566,618	2,559,100
Number of common shares outstanding	145,932,757	148,098,572
Net asset value per common share	17.59	17.28

Statements of Comprehensive Income

For the years ended December 31

(in thousands of Canadian dollars, except weighted average number of common shares and net earnings per common share)

	2023 \$	2022 \$
Revenue		
Interest	50,038	43,995
Dividends and distributions	67,875	53,512
Administrative charges	191	323
	118,104	97,830
Gains (losses) on investments		
Realized	76,990	(19,886)
Unrealized	(92,976)	(109,632)
	(15,986)	(129,518)
Financial fees	(788)	(3,055)
Total net revenue and gains (losses) on investments	101,330	(34,743)
Operating expenses		
Management fees	28,500	27,791
Other operating expenses	11,692	9,518
Shareholder services	12,085	12,373
	52,277	49,682
Earnings (losses) before income taxes		
	49,053	(84,425)
Income taxes	4,426	3,493
Net earnings (net losses) for the year	44,627	(87,918)
Weighted average number of common shares	146,297,232	144,695,121
Net earnings (net losses) per common share	0.31	(0.61)

Approved by the Board of Directors,

(signed) Bernard Bolduc, BBA Finance, ICD.D

Director

(signed) Jean-Guy Senécal, FCPA

Director

Board of Directors

Bernard Bolduc, BBA Finance, ICD.D ⁽¹⁾

Chair of the Board
President, Altrum

Muriel McGrath, BA, ICD.D ^{(1) (6)}

Vice-Chair of the Board
President, MC² Consilium

Marc Barbeau, CPA, MTax ^{(2) (4) (5)}

Secretary of the Board
President and CEO, Ovivo

Linda Labbé, CPA ^{(1) (4)}

Desjardins Group Relations Director
Corporate Director

Charles Auger, BBA Finance ^{(2) (6)}

Vice-President of Operations
Chocolats Favoris

Alexandra Champagne, LLB ⁽⁵⁾

Lawyer and Corporate Director

Éric Charron, BBA Finance, C.Adm., F.PI. ⁽⁴⁾

General Manager, Caisse Desjardins de Gatineau

Annie Demers, CPA ^{(3)*}

Organizational Transformation
and Performance Advisor
Ville de Québec

Marinella Ermacora, BCompSc, MBA, ICD.D ^{(1) (2)*}

Corporate Director

Gilles Mourette, MSc, ASC ^{(6)*}

Corporate Director

Anne-Marie Renaud, BSc, ICD.D, CEC, PCC ⁽⁵⁾

Corporate Director and Executive Coach

Louis Roy, BBA, MBA, DAE ⁽¹⁾

Director of Transaction Solutions and Special Projects
Revenu Québec

Jean-Guy Sénécal, FCPA ^{(2) (3) (5)}

Corporate Director

Member of the:

- ⁽¹⁾ Governance and Human Resources Committee
- ⁽²⁾ Audit and Risk Management Committee
- ⁽³⁾ Portfolio Valuation Committee
- ⁽⁴⁾ Financial Asset Management Committee
- ⁽⁵⁾ Development Capital Investment Committee
- ⁽⁶⁾ Venture Capital Investment Committee

* Outgoing director eligible for re-election at the annual general meeting

All directors are appointed or elected each year, in accordance with the *Act constituting Capital régional et coopératif Desjardins* and CRCD's Bylaws.



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capitalregional.com

To obtain a free copy of
CRCD's annual financial report:

Go to
capitalregional.com/en
or www.sedarplus.com

or simply fill out this card
and return it to us.



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Reply card

I would like to receive a paper copy of the following documents:

- Annual financial report as at December 31, 2023
- Interim financial report as at June 30, 2024
- French version English version
- Paper copy Digital copy

The financial report includes the:

- Management Discussion and Analysis
- Separate Financial Statements, including the notes
- Audited schedule of cost of investments impacting the Québec economy
- Statements of other investments
- Index of the Company's share in investments made by specialized funds and partner funds, at cost

Please print

First name:

Last name:

Address:

City:

Province: Postal code:

Telephone number:

I want to receive the documents by email only.

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Send the reply card to :



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