

Note : This document is intended for SFL, DFSIN and DFSI partner networks

Announcement of the signing of an agreement between Desjardins Group and Guardian Capital Group Limited

GENERAL QUESTIONS & ANSWERS

1. What is involved in the transaction?

- With this transaction, Desjardins Group will acquire 3 wholly owned operating companies of Guardian Capital Group Limited:
 - Worldsource Financial Management Inc.
 - Worldsource Securities Inc.
 - IDC Worldsource Insurance Network Inc.
- They are a mutual fund distribution firm (MFDA), a full service brokerage firm (IIROC), and an individual insurance distribution firm (MGA).

2. Why acquire distribution activities?

- Distribution consolidation is well under way in Canada; if we don't act now, we won't have many opportunities in the future.
- Our footprint outside Quebec is much too limited to become a major player on a national scale.
- This transaction will allow Desjardins to:
 - Access a key Canadian player known for its expertise and capacity to generate growth.
 - Become a leader in independent distribution across Canada (firm commitment!)

3. What steps are expected over the next few years?

- In the short term, we'll be retaining the business models of each entity, the companies acquired and Desjardins (SFL/DFSI/DFSIN).
- We'll be working in the coming months to determine how we want to adjust our activities over the next 4 years, but no decisions will be made right away.
- One of the guiding principles in our decision-making process will be to rely on the best practices and talent pool of each organization to continue offering advisors and their clients a superior experience.
- All decisions will be made through the same lens: it's crucial to improve the experience of advisors and clients and to minimize the impact of any changes, while maintaining over the long term the current growth capacity of both organizations.
- The main drivers will be in merging tools and IT platforms, and in managing the operations and firms. It helps to know that the companies acquired already use the same platforms as Desjardins (Dataphile, WealthServ).
- We're only just getting started—there is a lot of work to do over the next 4 years. And we'll make sure to communicate regularly and transparently as we progress through establishing a model.

4. How do you envision the companies acquired co-existing with the partner networks?

- The distribution capacity we're acquiring already exists; we're not adding competitors to our existing networks. The difference is that they can now collaborate with Desjardins. We're combining forces to better support advisors and better serve clients.
- With this acquisition we'll achieve a critical mass that will give us more means for reinvesting in the quality of our solutions and tools for the benefit of advisors and clients. This should lead to better retention of advisors.
- It is a priority for Desjardins to maintain our agreements with our partner networks and in particular to retain long-standing, productive and loyal advisors.
- The quality and closeness of our relationship, and the strength of the partnership between the partner network and Desjardins, are essential elements that we want to build on. We want to become a leader in distribution by relying on the strengths of both business models.

5. Will the brokers acquired through Companies acquired join the SFL/DFSIN branches or the DFSI network?

- The current model at the companies acquired has demonstrated a growth and excellence dynamic, and we're planning to maintain it.
- So we don't foresee advisors / corporate offices joining the SFL/DFSIN branches or the DFSI network.

6. What do you think the impact of this acquisition will be on the short- and medium-term development of our offers and services?

- Our daily collaboration and the commitment of our teams will always be our priority.
- The reality and needs of the companies acquired advisors are the same as those of the partner network advisors.
- The IT "fit" of the 2 organizations is an asset in the context of acquiring those companies. This will allow us, thanks to our new size, to invest in improving the products and services we offer our clients and advisors.

7. What will be the impact on the branding of our network?

No decisions will be made in the very short term. We're going to sit down together to determine our game plan for evolving our operations over the next 4 years or so, and we already know that the question of branding will be part of that conversation.

8. Who will lead the SFL, DFSIN and DFSI network?

- Our daily collaboration and the commitment of our teams will always be our priority.
- In order to ensure continuity, it has been decided that the leadership of the SFL/DFSIN partner network will remain with André Langlois.
- André will support Denis Dubois by taking part in the reflections on how the companies acquired' and the partner networks' activities will evolve in the years to come. A governance structure for the companies acquired' activities will be implemented with the help of Denis and André, among others, on the boards of directors and in regular activity tracking.

9. What prompted Guardian Capital Group Limited to sell its companies?

- For 30 years, Guardian has built a successful organization that offers a wide range of services and innovative solutions to its network of independent advisors.
- After understanding Desjardins's vision and strategic plans, Guardian's leadership concluded that our size and financial strength would better propel their insurance and savings distribution activities to another level.
- Guardian will take this opportunity to streamline its business and refocus on its core and legacy strength: asset management.

10. When will Desjardins officially be the owner?

The announcement was the first step, indicating the intention of the parties to complete a transaction. The transaction will need to go through an approvals process over the next few months; we expect it to be complete by the end of Q1 2023.

11. We learned about the transaction at the same time as the media. Why didn't we find out a little earlier?

- We had to adapt to the fact that this transaction involves a public company with shares that trade on the stock market.
- Because of that, it's illegal to make any information public before the press release is issued.