

Desjardins Global Equity Two-Step Participation Principal Protected Notes, Series 31, F-Class

Client summary

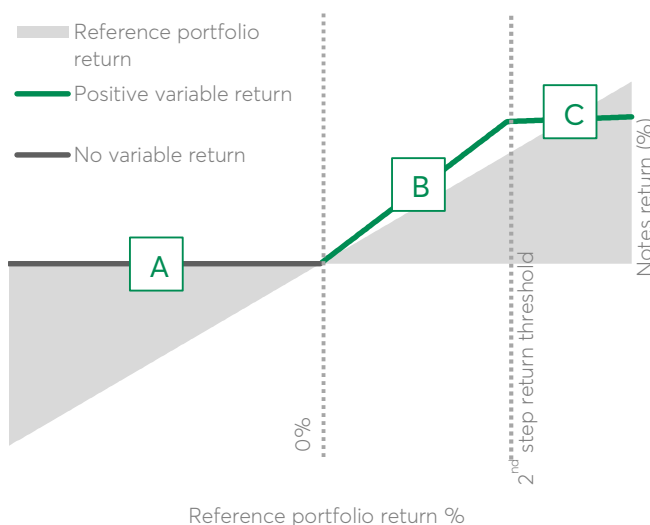


The notes provide the client with the opportunity to obtain a first-step return plus an additional return linked to the performance of a globally and sector diversified portfolio, while offering full principal protection at maturity.

| | |
|---|----------------------|
| Principal protection at maturity | 100% |
| Term | 3 years and 6 months |
| 1 st step participation rate | 130.00% |
| Capped 1 st step return | 15.60% |
| 2 nd step return threshold | 12.00% |
| 2 nd step participation rate | 6.50% |
| Return potential | Unlimited |
| Fundserv code | DSN00191 |

| | |
|----------------------------|---|
| Selling period | October 4, 2021 to October 29, 2021 |
| Issue date | November 5, 2021 |
| Maturity date | May 5, 2025 |
| Minimum investment | \$1,000 |
| Currency | Canadian dollar |
| Eligibility for investment | RRSP, RRIF, RESP, RDSP, DPSP, TFSA, non-registered accounts |
| Liquidity | A secondary market is maintained daily on certain conditions. |

Return profile at maturity



This graph illustrates how the Note's variable return at maturity is affected by the reference portfolio return at maturity. It depicts the relationship between the reference portfolio return, the 2nd step return threshold and a hypothetical 1st step and 2nd step participation rate.

How does it work?

- Reference portfolio return is negative.**
The client is entitled to receive its principal back at maturity thanks to 100% principal protection feature. No variable return will be paid at maturity under the negative reference portfolio return scenario
- Reference portfolio return is positive and below the 2nd step return threshold.**
Notes' variable return matches the 1st step return (reference portfolio return multiplied by the 1st step participation rate)
- Reference portfolio return is positive and above the 2nd step return threshold.**
Notes' variable return equals the capped 1st step return (the product of the 1st step participation rate and the 2nd step return threshold) plus any additional return on the reference portfolio, subject to the 2nd step participation rate.

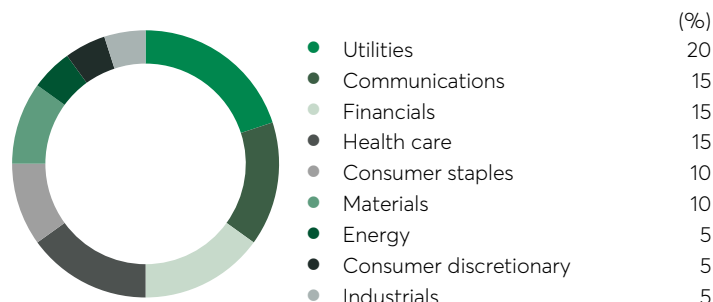
For more information, please contact your Investment Advisor.

The reference portfolio

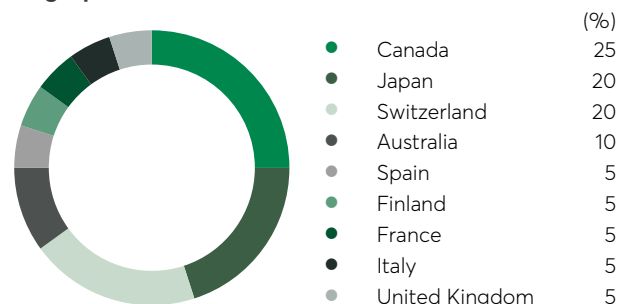
The reference portfolio is equally weighted and is comprised of common shares issued by 20 companies from different countries and from various sectors, as set out below.

The reference portfolio return will not take into account any dividends and/or distributions and does not reflect fluctuations in exchange rates of foreign currencies. The dividend yield of the reference portfolio as at August 31, 2021 was 4.73%.

Sector allocation



Geographic allocation



| Company | Ticker | Principal exchange | Weight | Sector |
|--|--------|--------------------|--------|------------------------|
| BCE Inc. | BCE | Toronto | 5.00% | Communications |
| Nippon Telegraph and Telephone Corporation | 9432 | Tokyo | 5.00% | Communications |
| Swisscom AG | SCMN | Zurich | 5.00% | Communications |
| Woolworths Group Limited | WOW | Sydney | 5.00% | Consumer staples |
| Nestle SA | NESN | Zurich | 5.00% | Consumer staples |
| Bridgestone Corporation | 5108 | Tokyo | 5.00% | Consumer discretionary |
| Enbridge Inc. | ENB | Toronto | 5.00% | Energy |
| Sumitomo Corporation | 8053 | Tokyo | 5.00% | Industrials |
| Rio Tinto Limited | RIO | Sydney | 5.00% | Materials |
| Barrick Gold | ABX | Toronto | 5.00% | Materials |
| The Toronto-Dominion Bank | TD | Toronto | 5.00% | Financials |
| MS&AD Insurance Group Holdings Inc | 8725 | Tokyo | 5.00% | Financials |
| Swiss Re AG | SREN | Zurich | 5.00% | Financials |
| Algonquin Power & Utilities Corp. | AQN | Toronto | 5.00% | Utilities |
| Red Electrica Corporacion SA | REE | Madrid | 5.00% | Utilities |
| FORTUM OYJ | FORTUM | Helsinki | 5.00% | Utilities |
| ENEL SpA | ENEL | Milan | 5.00% | Utilities |
| Sanofi | SAN | Paris | 5.00% | Health care |
| GlaxoSmithKline Plc | GSK | London | 5.00% | Health care |
| Novartis AG | NOVN | Zurich | 5.00% | Health care |

Hypothetical performance scenarios

The following examples are for illustrative purposes only. The prices used in the examples are not estimates or forecasts of share prices on the relevant dates. The Fédération des Caisses Desjardins du Québec does not provide or guarantee any particular variable gain or return on the notes. Each scenario is based on the case of a holder who invested \$10,000 in the notes and assumes no adjustments or exceptional circumstances have occurred.

SCENARIO 1

Reference portfolio return is positive and above the 2nd step return threshold at maturity

| Company | Weight (%) | Initial value (\$) | Final value (\$) | Asset return (%) | Weighted asset return (%) |
|---|------------|--------------------|------------------|------------------|---------------------------|
| BCE Inc. | 5.00 | 65.80 | 94.37 | 43.41 | 2.17 |
| Nippon Telegraph and Telephone Corporation | 5.00 | 2,936.00 | 3,885.80 | 32.35 | 1.62 |
| Swisscom AG | 5.00 | 537.40 | 928.69 | 72.81 | 3.64 |
| Woolworths Group Limited | 5.00 | 41.75 | 50.39 | 20.70 | 1.03 |
| Nestle SA | 5.00 | 115.74 | 134.83 | 16.49 | 0.82 |
| Bridgestone Corporation | 5.00 | 5,064.00 | 8,052.39 | 59.01 | 2.95 |
| Enbridge Inc. | 5.00 | 49.65 | 77.11 | 55.31 | 2.77 |
| Sumitomo Corporation | 5.00 | 1,554.50 | 1,895.88 | 21.96 | 1.10 |
| Rio Tinto Limited | 5.00 | 112.06 | 145.24 | 29.61 | 1.48 |
| Barrick Gold | 5.00 | 25.36 | 53.37 | 110.45 | 5.52 |
| The Toronto-Dominion Bank | 5.00 | 81.93 | 92.55 | 12.96 | 0.65 |
| MS&AD Insurance Group Holdings Inc | 5.00 | 3,555.00 | 3,952.69 | 11.19 | 0.56 |
| Swiss Re AG | 5.00 | 84.26 | 99.16 | 17.68 | 0.88 |
| Algonquin Power & Utilities Corp. | 5.00 | 19.59 | 34.36 | 75.38 | 3.77 |
| Red Electrica Corporacion SA | 5.00 | 16.89 | 20.57 | 21.81 | 1.09 |
| FORTUM OYJ | 5.00 | 25.72 | 29.64 | 15.26 | 0.76 |
| ENEL SpA | 5.00 | 7.72 | 8.88 | 15.13 | 0.76 |
| Sanofi | 5.00 | 87.62 | 115.82 | 32.19 | 1.61 |
| GlaxoSmithKline Plc | 5.00 | 1,462.00 | 2,872.28 | 96.46 | 4.82 |
| Novartis AG | 5.00 | 84.79 | 107.16 | 26.39 | 1.32 |
| Reference portfolio return (Sum of weighted asset return) | | | | | 39.33% |
| 1 st step participation rate | | | | | 130.00% |
| Capped 1 st step return | | | | | 15.60% |
| 2 nd step participation rate (applied on return above 12.00%) | | | | | 6.50% |
| 2 nd step return | | | | | 1.78% |
| Variable return paid (capped 1 st step return + 2 nd step return) | | | | | 17.38% |
| Annual compound rate of return | | | | | 4.68% |
| Payment at maturity = \$10,000 × (1 + variable return at maturity) = | | | | | \$11,737.65 |

SCENARIO 2

Reference portfolio return is positive and below the 2nd step return threshold at maturity

| Company | Weight (%) | Initial value (\$) | Final value (\$) | Asset return (%) | Weighted asset return (%) |
|--|------------|--------------------|------------------|------------------|---------------------------|
| BCE Inc. | 5.00 | 65.80 | 76.38 | 16.08 | 0.80 |
| Nippon Telegraph and Telephone Corporation | 5.00 | 2,936.00 | 3,322.07 | 13.15 | 0.66 |
| Swisscom AG | 5.00 | 537.40 | 621.31 | 15.61 | 0.78 |
| Woolworths Group Limited | 5.00 | 41.75 | 42.23 | 1.15 | 0.06 |
| Nestle SA | 5.00 | 115.74 | 97.42 | -15.83 | -0.79 |
| Bridgestone Corporation | 5.00 | 5,064.00 | 5,229.87 | 3.28 | 0.16 |
| Enbridge Inc. | 5.00 | 49.65 | 69.13 | 39.23 | 1.96 |
| Sumitomo Corporation | 5.00 | 1,554.50 | 1,788.09 | 15.03 | 0.75 |
| Rio Tinto Limited | 5.00 | 112.06 | 128.26 | 14.46 | 0.72 |
| Barrick Gold | 5.00 | 25.36 | 35.73 | 40.90 | 2.05 |
| The Toronto-Dominion Bank | 5.00 | 81.93 | 76.10 | -7.11 | -0.36 |
| MS&AD Insurance Group Holdings Inc | 5.00 | 3,555.00 | 3,979.18 | 11.93 | 0.60 |
| Swiss Re AG | 5.00 | 84.26 | 90.69 | 7.63 | 0.38 |
| Algonquin Power & Utilities Corp. | 5.00 | 19.59 | 24.17 | 23.39 | 1.17 |
| Red Electrica Corporacion SA | 5.00 | 16.89 | 18.58 | 9.99 | 0.50 |
| FORTUM OYJ | 5.00 | 25.72 | 30.62 | 19.05 | 0.95 |
| ENEL SpA | 5.00 | 7.72 | 10.23 | 32.57 | 1.63 |
| Sanofi | 5.00 | 87.62 | 95.95 | 9.50 | 0.48 |
| GlaxoSmithKline Plc | 5.00 | 1,462.00 | 1,444.76 | -1.18 | -0.06 |
| Novartis AG | 5.00 | 84.79 | 40.52 | -52.21 | -2.61 |
| Reference portfolio return (Sum of weighted asset return) | | | | | 9.83% |
| 1 st step participation rate | | | | | 130.00% |
| 1 st step return | | | | | 12.78% |
| 2 nd step participation rate (applied on return above 12.00%) | | | | | 6.50% |
| 2 nd step return | | | | | 0.00% |
| Variable return paid (1 st step return + 2 nd step return) | | | | | 12.78% |
| Annual compound rate of return | | | | | 3.50% |
| Payment at maturity = \$10,000 × (1 + variable return at maturity) = | | | | | \$11,278.00 |

SCENARIO 3

Reference portfolio return is negative and variable return is equal to zero at maturity

| Company | Weight (%) | Initial value (\$) | Final value (\$) | Asset return (%) | Weighted asset return (%) |
|---|------------|--------------------|------------------|------------------|---------------------------|
| BCE Inc. | 5.00 | 65.80 | 66.78 | 1.49 | 0.07 |
| Nippon Telegraph and Telephone Corporation | 5.00 | 2,936.00 | 2,914.87 | -0.72 | -0.04 |
| Swisscom AG | 5.00 | 537.40 | 487.33 | -9.32 | -0.47 |
| Woolworths Group Limited | 5.00 | 41.75 | 43.79 | 4.88 | 0.24 |
| Nestle SA | 5.00 | 115.74 | 115.27 | -0.41 | -0.02 |
| Bridgestone Corporation | 5.00 | 5,064.00 | 4,829.56 | -4.63 | -0.23 |
| Enbridge Inc. | 5.00 | 49.65 | 47.71 | -3.91 | -0.20 |
| Sumitomo Corporation | 5.00 | 1,554.50 | 1,477.12 | -4.98 | -0.25 |
| Rio Tinto Limited | 5.00 | 112.06 | 107.67 | -3.92 | -0.20 |
| Barrick Gold | 5.00 | 25.36 | 23.84 | -6.01 | -0.30 |
| The Toronto-Dominion Bank | 5.00 | 81.93 | 75.55 | -7.79 | -0.39 |
| MS&AD Insurance Group Holdings Inc | 5.00 | 3,555.00 | 3,682.98 | 3.60 | 0.18 |
| Swiss Re AG | 5.00 | 84.26 | 82.12 | -2.54 | -0.13 |
| Algonquin Power & Utilities Corp. | 5.00 | 19.59 | 19.64 | 0.25 | 0.01 |
| Red Electrica Corporacion SA | 5.00 | 16.89 | 16.00 | -5.30 | -0.26 |
| FORTUM OYJ | 5.00 | 25.72 | 24.38 | -5.21 | -0.26 |
| ENEL SpA | 5.00 | 7.72 | 7.24 | -6.17 | -0.31 |
| Sanofi | 5.00 | 87.62 | 91.43 | 4.35 | 0.22 |
| GlaxoSmithKline Plc | 5.00 | 1,462.00 | 1,406.45 | -3.80 | -0.19 |
| Novartis AG | 5.00 | 84.79 | 81.85 | -3.47 | -0.17 |
| Reference portfolio return (Sum of weighted asset return) | | | | | -2.68% |
| 1st step participation rate | | | | | 130.00% |
| 1st step return | | | | | 0.00% |
| 2nd step participation rate (applied on return above 12.00%) | | | | | 6.50% |
| 2nd step return | | | | | 0.00% |
| Variable return paid (1st step return + 2nd step return) | | | | | 0.00% |
| Annual compound rate of return | | | | | 0.00% |
| Payment at maturity = \$10,000 × (1 + variable return at maturity) = | | | | | \$10,000.00 |

Investment summary

| | |
|---|--|
| Issuer | Fédération des caisses Desjardins du Québec named "the Fédération" |
| Issuer's credit rating | A+ by S&P / Aa2 by Moody's / AA by DBRS / AA by Fitch No rating agency has rated the securities in the form of notes. |
| Minimum investment | \$1,000 (10 notes) |
| Payment currency | Canadian dollar |
| Issue date | November 5, 2021 |
| Initial valuation date | November 5, 2021 |
| Final valuation date | April 28, 2025 |
| Maturity date | May 5, 2025 |
| 1st step participation rate | Participation rate applicable to the first 12.00% of reference portfolio return. Is equal to 130.00% |
| 2nd step return threshold | Is equal to 12.00% |
| Capped 1st step return | The product of the first-step participation rate and the second-step return threshold. Is equal to 15.60% |
| 2nd step participation rate | Participation rate applicable to the reference portfolio return above 12.00%. Is equal to 6.50% |

Return on your investment

Calculating the total payment at maturity

Subject to the occurrence of certain special circumstances, an investor will receive, for each note held at maturity, (i) the principal amount and (ii) a variable return, if any, based on the price return of a portfolio of equally weighted securities (the "portfolio").

Calculating the variable return

- **The variable return**, if any, will be calculated by the calculation agent on the final valuation date in accordance with the following formula:
 - If the portfolio return is positive but lower than the second-step return threshold, the variable return will be equal to:
[Principal amount] × [first-step return]
 - If the portfolio return is equal to or higher than the second-step return threshold, the variable return will be equal to:
[Principal amount] × [capped first-step return + second-step return]
 - The variable return does not reflect fluctuations in exchange rates of foreign currencies
- **The first-step return** means a percentage equal to:
[First-step participation rate] × [reference portfolio return].
- **The second-step return** means a percentage calculated as follows:
[Second-step participation rate] × [reference portfolio return - second-step return threshold]
- **The reference portfolio return** means the weighted average return of the reference assets comprising the reference portfolio
- **The reference asset return** means the percentage change of:
[Closing price - initial price] /divided by initial price

The terms of your investment

Secondary market

The notes will not be listed on any stock exchange.

Desjardins Securities Inc. intends to maintain, under normal market conditions, a daily secondary market for the notes, but is under no obligation to facilitate or arrange a secondary market, and in its sole discretion, may stop maintaining a market for the notes at any time, without any prior notice.

To the extent that an available secondary market does exist, an investor may be able to sell a note, in whole or in part, subject to an early trading fee. An investor who sells a note prior to the maturity date will receive sales proceeds (which may be less than the principal amount of the notes and less than the variable return that would otherwise be payable if the notes were maturing at such time) equal to the bid price for the note posted through Fundserv.

Selling agent's commission

The distributor does not receive any sales commission. These notes are available only to investors who participate in fee-based programs.

Early trading fees

No early trading fees.

Is this investment right for you?

The suitability of these notes

The Notes may be suitable investments for medium term investors who are looking for additional diversity in their investment portfolio through exposure to a portfolio that invests in equities but who need the safety of principal protection. The Notes are generally not suitable for investors who anticipate the need to sell them prior to maturity.

A person should make a decision to invest in the Notes only after carefully considering, with his or her advisors, whether the Notes are a suitable investment in light of his or her investment objectives, investment horizon, risk tolerance, financial situation, the composition of their current investment portfolio, and the information set out in the Information Statement among other factors. No recommendation is made herein as to whether the Notes are a suitable investment for any person.

Certain tax considerations

The Canadian income tax consequences of investing in the Notes are described in the Information Statement. Generally, the full amount of the Variable Return will be required to be included in a Noteholder's income in the taxation year of the Noteholder that includes the Maturity Date. A Noteholder should also consider the income tax consequences of a disposition of the Notes prior to the Maturity Date. Noteholders should consult their own tax advisors for advice with respect to the income tax consequences of an investment in Notes, based on their particular circumstances. The information provided in this summary is of a general nature only and is not intended to be, nor should it be relied upon as, legal or tax advice to any Noteholder.

Absence of deposit insurance

The Notes do not constitute guaranteed deposits within the meaning of the *Deposit Institutions and Deposit Protection Act* (Quebec), the *Canada Deposit Insurance Corporation Act*, or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon insolvency of the deposit-taking institution.

Legal notes

This document must be read in conjunction with the Information Statement dated September 29, 2021 related to the Notes. The Information Statement and certain additional information about the Notes can be found on the Desjardins Structured Notes' website www.desjardinsstructurednotes.com. This document may only be distributed and the Notes may only be offered or sold in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale and where not restricted by policies of the Fédération and/or dealers, and then only through persons duly qualified to effect such sales. The Notes have not been, and will not be, registered with the U.S. Securities and Exchange Commission and are being offered or sold in the United States under an exemption from registration.

The Notes are not conventional notes or debt securities. For the various risks associated with such an investment, please see the Risk Factors to Consider section of the Information Statement.

This document must be read in conjunction with the Information Statement. All capitalized terms have meanings given to them in the Information Statement, unless specified otherwise. In the event of any inconsistencies or conflicts between this document and the Information Statement, the Information Statement governs. This document has been prepared for information purposes only and is not an offer, recommendation or solicitation to buy or sell, nor is it an official confirmation of terms. No representation is made that the information contained in this document is accurate in all material respects or complete.

Changes to assumptions may have a material impact on any returns detailed. Historic information on performance is not indicative of future returns. The value of the Notes may fluctuate and/or be adversely affected by a number of factors, including the performance of the Shares, and it is possible that investors receive a nil return. The information in this document is subject to change without notice.

Structured Retail Products Limited (SRP), a division of Euromoney Global Limited, is a research firm founded in 2001 in England, providing news, data, research, event and training services related to structured products. SRP provides manufacturer and distributors awards. On the manufacturer side, the manufacturers with both more than 10 striking products and more than 10 maturing products, during the March 1 2019 and February 29 2020 period present in the SRP database were in contention to win one of the manufacturer awards, the contenders with the top ratings winning the awards. For the Best House awards, ratings are calculated by taking each contender's results with the following weightings: qualitative factors (50% weighting) where buyside respondents rate each manufacturer across all asset classes on price competitiveness, innovation and structuring capability, and understanding client needs and aftersales support; quantitative factors (50% weighting) according to annual sales as in SRP's database in the year to the end of February 2020. Desjardins Group received the Best House, Canada award. All rights reserved.

Awards and distinctions



Best House, Canada