

Global Equities

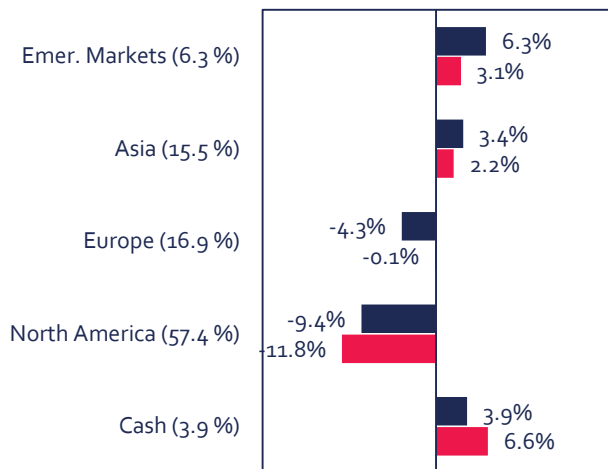
Performance (CAD)

Annualized (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since inception
Hexavest Global Composite	5.58	14.51	14.51	7.66	10.29	10.98	6.89
MSCI World (net)	6.32	21.22	21.22	11.32	11.22	11.82	4.55
VALUE ADDED	-0.74	-6.71	-6.71	-3.66	-0.93	-0.84	2.34

Ten last years (%)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Hexavest Global Composite	3.52	0.08	10.10	32.38	15.06	20.20	8.81	7.72	1.16	14.51
MSCI World (net)	5.93	-3.20	13.26	35.18	14.39	18.89	3.79	14.36	-0.49	21.22
VALUE ADDED	-2.41	3.28	-3.16	-2.80	0.67	1.31	5.02	-6.64	1.65	-6.71

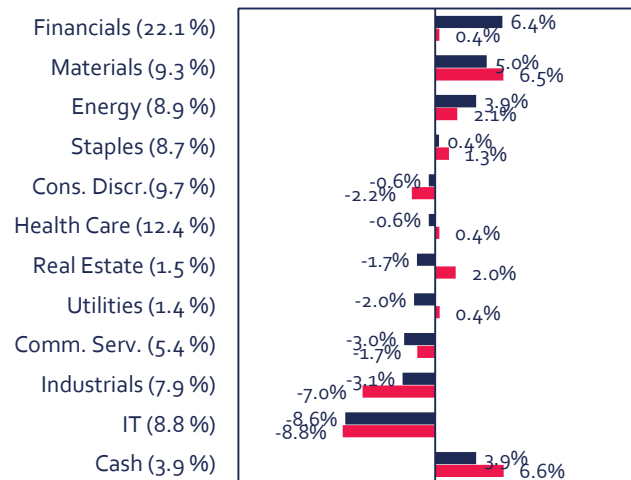
Positioning (Representative Account)

COUNTRY DEVIATIONS VS. MSCI WORLD



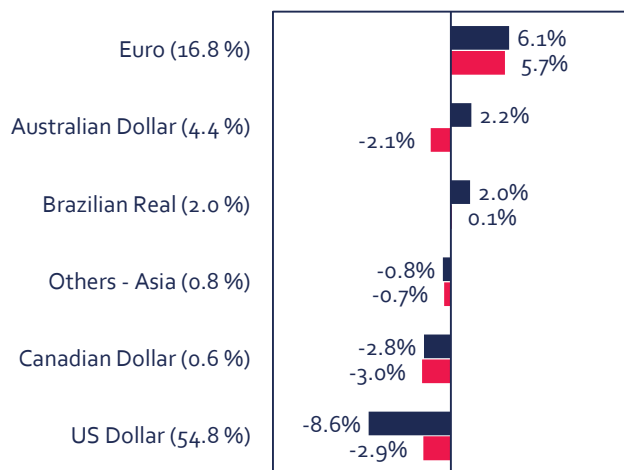
■ As of December 31, 2019 ■ As of September 30, 2019

SECTOR DEVIATIONS VS. MSCI WORLD



■ As of December 31, 2019 ■ As of September 30, 2019

CURRENCY DEVIATIONS VS. MSCI WORLD



■ As of December 31, 2019 ■ As of September 30, 2019

Market Outlook

MACROECONOMIC ENVIRONMENT

VALUATION

SENTIMENT

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Neutral

The deterioration of the macroeconomic environment observed in 2019 seems to be over, thanks to the China-U.S. phase one agreement, improving OECD's leading indicators and PMIs, and the considerable stimulus introduced by central banks and governments of emerging markets. Still, global equities are the most expensive in nearly 18 years with valuations hovering north of the 90th percentile. Valuation gaps are visible across asset classes, sectors, industries and styles, with the value style now being the cheapest in decades compared to more popular styles such as growth and low volatility. While sentiment has ranged between pessimism and cautious optimism for most of 2019, the mood has steadily improved in the fourth quarter. Despite the strong run in equity markets, investor sentiment is not yet hovering at extreme levels that would warrant a negative score.

Global Equities

Summary

Benchmark	MSCI World (net)
Value added objective	2% (4-year rolling periods)
Active risk	3% to 5%
Number of holdings	275 to 350 (higher if exposure to EM)
Currency management	Active
Maximum cash exposure	10%

DEVIATIONS VS. BENCHMARK

Regions:	+/- 15%
Countries:	+/- 15%
Currencies:	+/- 15%
Sectors:	+/- 10%

MANAGEMENT FEES

Commingled vehicle		Separate accounts	
First \$10 million:	0.60%	First \$20 million:	0.70%
Next \$30 million:	0.50%	Next \$30 million:	0.60%
> \$40 million:	0.40%	Next \$50 million:	0.50%
		Next \$100 million:	0.40%
Administrative fees: (2018)	0.02%	> \$200 million:	0.30%

Investment Team

Strategy Team

Vital Proulx, CFA
Co-CIO & Chairman of the Board

Vincent Delisle, CFA
Co-CIO

Emerging Markets

Jean-Pierre Couture, M.Sc.
Chief Economist & Portfolio Manager

Quantitative Research

Jean-François Bérubé, Ph.D.
Executive Vice President

Jean-Benoit Leblanc, M.Sc., CFA

Senior Portfolio Manager

Asia Pacific

Etienne Durocher-Dumais, CFA
Portfolio Manager

Jean-Christophe Lermusiaux, MBA
Vice President & Portfolio Manager

Europe

Christian Crête, CFA
Vice President & Portfolio Manager

North America

Kevin LeBlanc, CFA
Portfolio Manager

Marc C. Lavoie, CPA, CA, CFA
President & Portfolio Manager

Mathieu Roy, M.Sc., CFA
Portfolio Manager

Catherine Bilodeau
Analyst

Multi-Region

Julien Tousignant, M.Sc., CFA
Economist
Amélie Nolin, LL.B., B.B.A.
Analyst

ESG Research

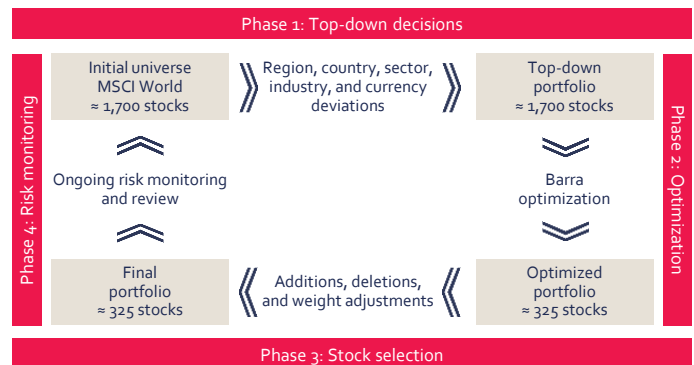
Jo-Annie Pinto, CIM®
Vice President

Véronique Marchetti, CFA
Senior Analyst

Investment Approach

- Top-down, team-driven process
- Diversified sources of alpha
 - o Regions, countries, currencies, sectors, industries, stocks
- Value bias with contrarian style
- Excel in volatile markets, with focus on downside protection
- Clearly defined process, applied for nearly 30 years

Investment Process



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The performance shown is that of a composite of global equity mandates managed by Mr. Vital Proulx and his team at Natcan (1999 to 2004) and Hexavest (since May 2004). Accounts in the composite may have investment guidelines that differ from those of the representative account. The inception date of the composite is January 1, 1999. Performance results are presented gross of management and custodial fees but net of all trading commissions. Returns for periods greater than 12 months are annualized. Past performance is not necessarily indicative of future performance.

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