



International Equities

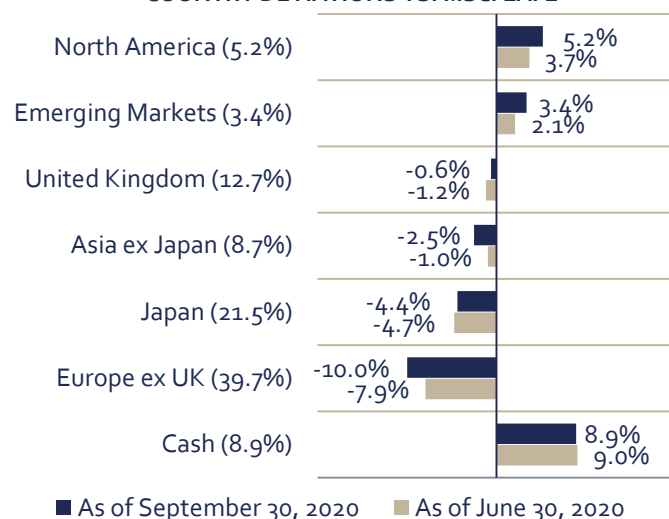
Performance (CAD)

Annualized (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since inception
Hexavest EAFE Composite	1.75	-9.56	-4.87	0.34	3.00	6.48	7.20
MSCI EAFE (net)	2.78	-4.30	1.39	2.85	5.18	7.42	5.56
VALUE ADDED	-1.03	-5.26	-6.26	-2.51	-2.18	-0.94	1.64

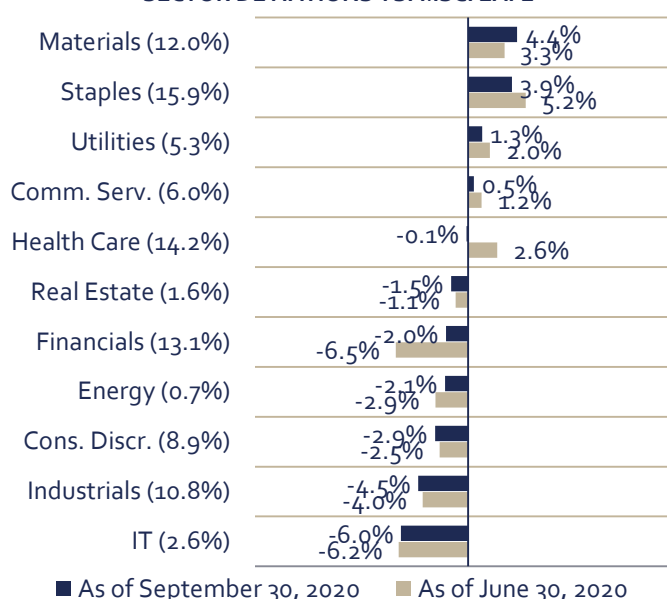
Ten last years (%)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Hexavest EAFE Composite	0.92	-6.43	11.99	29.69	4.97	19.02	0.73	10.26	-2.51	11.47
MSCI EAFE (net)	2.13	-9.97	14.72	31.02	3.67	18.95	-2.49	16.82	-6.03	15.85
VALUE ADDED	-1.21	3.54	-2.73	-1.33	1.30	0.07	3.22	-6.56	3.52	-4.38

Positioning (Representative Account)

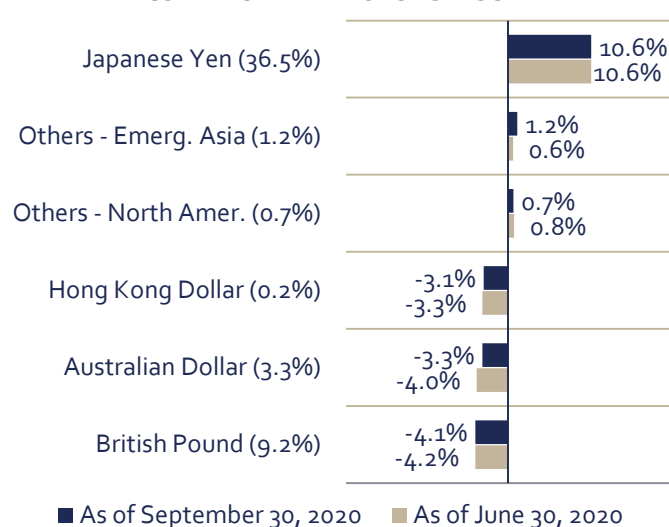
COUNTRY DEVIATIONS VS. MSCI EAFE



SECTOR DEVIATIONS VS. MSCI EAFE



CURRENCY DEVIATIONS VS. MSCI EAFE



Market Outlook

MACROECONOMIC ENVIRONMENT	VALUATION	SENTIMENT
--	---	--

The economy rebounded strongly during the summer with the end of the lockdown, the resumption of activity in some sectors, and unprecedented government support. What comes next is less certain. Growth will be limited by partial but recurring lockdowns, less generous government assistance, business closures, trade tensions, political uncertainty and excessive debt loads. For these reasons, we are keeping our macroeconomic vector rating at double negative. On the Valuation front, the main equity valuation metrics are, on average, in the most expensive decile of their historical distribution since the tech bubble of the late 1990s. Low interest rates are not enough to explain such rich equity valuation. As a result, our valuation vector deteriorated in the third quarter, with the rating going from double negative to triple negative. Finally, we have lowered our sentiment vector to double negative as the top five stocks in the S&P 500 Index have been supported by a buying frenzy in the options market and the ongoing enthusiasm of small investors. Their excessive weight means that the extreme risk taking in this segment cannot be ignored. The very high correlation between the largest stocks in the index and their exposure to common risks (regulation, taxation, etc.) makes the stock market all the more fragile.



International Equities

Summary

Benchmark	MSCI EAFE (net)
Value added objective	2% (4-year rolling periods)
Active risk	3% to 5%
Number of holdings	200 to 250 (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:	0.05%	> \$200 million:	0.30%

(2019)

Investment Team

Vital Proulx, CFA Chief Investment Officer Experience: 31 years Team member since 1991	Jean-Christophe Lermusiaux, MBA Vice President & Portfolio Mgr Experience: 21 years Team member since 2017
Christian Crête, CFA Vice President & Portfolio Mgr Experience: 21 years Team member since 2012	Jean-Benoît Leblanc, M.Sc., CFA Senior Portfolio Manager Experience: 21 years Team member since 2009
Jean-Pierre Couture, M.Sc. Chief Economist & Portfolio Mgr Experience: 25 years Team member since 2010	Julien Tousignant, M.Sc., CFA Economist Experience: 7 years Team member since 2013
Marc C. Lavoie, CPA, CA, CFA President & Portfolio Mgr Experience: 20 years Team member since 2003	Jean-François Bérubé, Ph.D. Executive Vice President Experience: 13 years Team member since 2009
Amélie Nolin, LL.B., B.B.A. Analyst Experience: 1 year Team member since 2019	Nelson Cabral, M.Sc., CFA Quantitative Analyst Experience: 9 years Team member since 2011
	Gabriel Laprise, B.Eng., M.Sc.A. Quantitative Analyst Experience: 2 years Team member since 2018

ESG RESEARCH

Jo-Annie Pinto, CIM® Vice President Experience: 22 years Team member since 2012	Véronique Marchetti, CFA Senior Analyst Experience: 15 years Team member since 2010
---	---

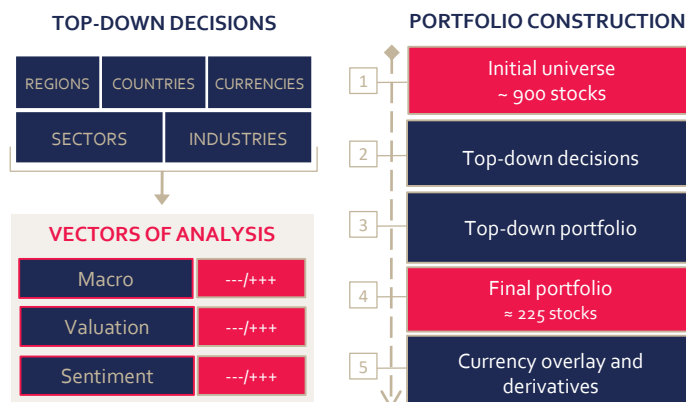
Investment Approach

- Top-down and contrarian approach
- Diversified sources of alpha: regions, countries, currencies, sectors, industries, stocks
- Strong focus on downside protection
- Systematic integration of ESG factors
- Experienced and nimble investment team
- Clearly defined process, applied for nearly 30 years

Contact Us

514-390-8484 or 1-855-HEXAVES
 service@hexavest.com
 hexavest.com

Investment Process



FOR CANADIAN INSTITUTIONAL INVESTOR USE ONLY

The performance shown is that of a composite of international equity mandates managed by Mr. Vital Proulx and his team at St. Lawrence Financial Consultants (1991 to 1996), Kogeva (1997 to 1998), Natcan (1998 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 May 1, 1991. 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.

The information and opinions herein are provided for informational purposes only, and are subject to change based on market and other conditions. It should not be relied upon as the basis for your investment decisions. This document is not and should not be construed as a solicitation or offering of units of any fund or other security in any jurisdiction. No part of this document may be reproduced in any manner without the prior written permission of Hexavest Inc.