



Global Equities

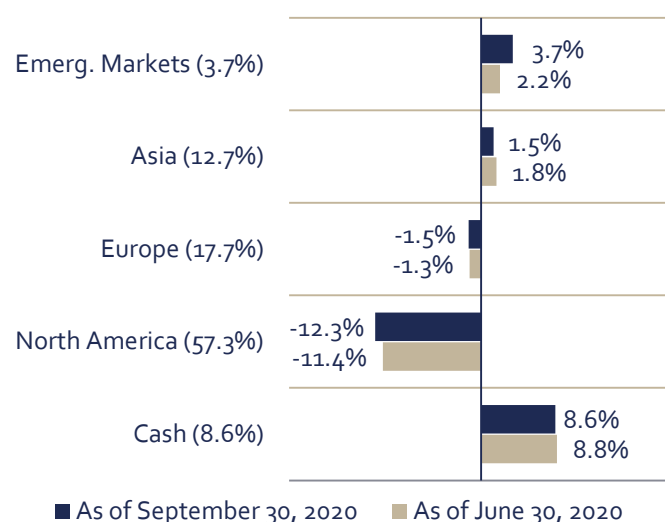
Performance (CAD)

| Annualized (%) | 3 months | YTD | 1 year | 3 years | 5 years | 10 years | Since inception |
|---------------------------|--------------|---------------|---------------|--------------|--------------|--------------|-----------------|
| Hexavest Global Composite | 4.30 | -6.43 | -1.21 | 4.34 | 6.58 | 10.09 | 6.32 |
| MSCI World (net) | 5.85 | 4.76 | 11.39 | 10.13 | 10.39 | 12.30 | 4.61 |
| VALUE ADDED | -1.55 | -11.19 | -12.60 | -5.79 | -3.81 | -2.21 | 1.71 |

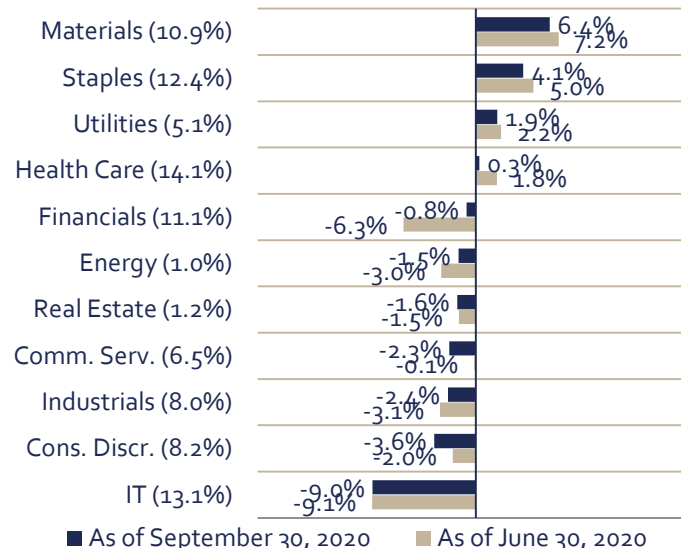
| Ten last years (%) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---------------------------|--------------|-------------|--------------|--------------|-------------|-------------|-------------|--------------|-------------|--------------|
| Hexavest Global Composite | 3.52 | 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)

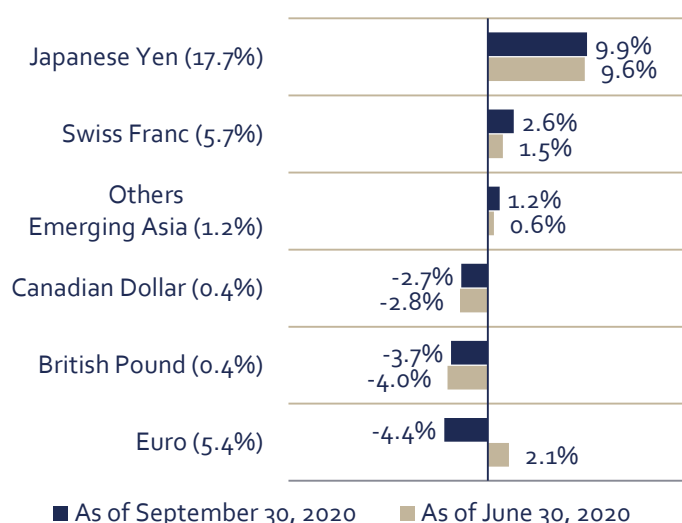
COUNTRY DEVIATIONS VS. MSCI WORLD



SECTOR DEVIATIONS VS. MSCI WORLD



CURRENCY DEVIATIONS VS. MSCI WORLD



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.



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: 0.01% (2019) | > \$200 million: 0.30% |

Investment Team

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

ESG RESEARCH

| | |
|---|---|
| <p>Jo-Annie Pinto, CIM® Vice President Experience: 22 years Team member since 2012</p> | <p>Véronique Marchetti, CFA Senior Analyst Experience: 15 years Team member since 2010</p> |
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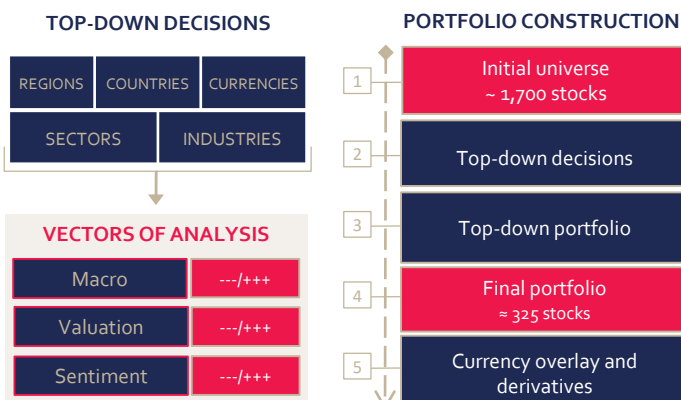
Investment Approach

- 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

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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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