

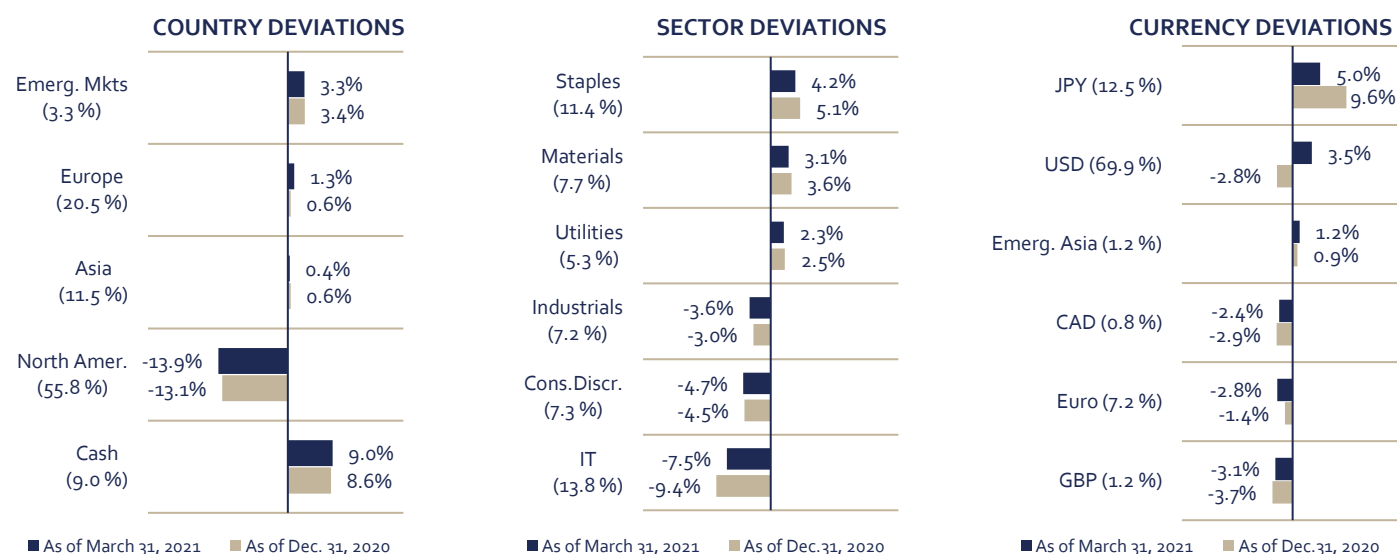


Global Equities

Performance (CAD)										
Annualized (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since inception			
Hexavest Global Composite	2.00	2.00	25.97	5.25	6.99	10.51	6.51			
MSCI World (net)	3.51	3.51	36.01	11.86	12.71	12.73	5.06			
VALUE ADDED	-1.51	-1.51	-10.04	-6.61	-5.72	-2.22	1.45			

Ten last years (%)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Hexavest Global Composite	0.08	10.10	32.38	15.06	20.20	8.81	7.72	1.16	14.51	-1.45
MSCI World (net)	-3.20	13.26	35.18	14.39	18.89	3.79	14.36	-0.49	21.22	13.87
VALUE ADDED	3.28	-3.16	-2.80	0.67	1.31	5.02	-6.64	1.65	-6.71	-15.32

Positioning (vs MSCI World)



Market Outlook

MACROECONOMIC ENVIRONMENT	VALUATION	SENTIMENT
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In the United States, the adoption of the economic stimulus program, the success of the vaccination campaign and the reopening of the economy will contribute significantly to the rebound in growth this year and will benefit its trading partners. The synchronicity of the global recovery is less certain. We do not share the consensus optimism on the sustainability of growth beyond the impact of the stimulus programs. Even so, we think the accelerated rate of growth this year justifies an upward revision of our macroeconomic vector, from single positive to double positive (++)

The economic scenario implicit in the valuation of world stock prices is one of persistent economic growth and unprecedented strength. On average, the MSCI World's main valuation metrics were in the 96th percentile of their historical distribution as at March 31 – their highest level since the 2000 technology bubble. Of course, low rates do justify richer equity valuations, however, in our view, there is no justification for the extremes we are seeing today. We are therefore keeping our valuation vector at triple negative (---).

The global stock market reached new highs in the first quarter of 2021. What has not changed in the stock markets is the very risky positioning of a number of investors. The ultraconcentrated leveraged strategies used by some hedge funds roiled the stock market in January and March. The growing influence of speculation by small investors has continued. The prevailing greed and market risks associated with such behaviours have prompted us to keep our sentiment vector at triple negative (---).



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:	0.02%	> \$200 million:	0.30%

(2020)

Investment Team

Vital Proulx, CFA
Chief Investment Officer
Experience: 32 years
Team member since 1991

Jean-Pierre Couture, M.Sc.
Chief Economist and Portfolio Mgr
Experience: 26 years
Team member since 2010

Amélie Nolin, LL.B., M.Sc.
Analyst
Experience: 2 years
Team member since 2019

Christian Crête, CFA
Vice President and Portfolio Mgr
Experience: 22 years
Team member since 2012

Marc C. Lavoie, CPA, CA, CFA
President and Portfolio Mgr
Experience: 21 years
Team member since 2003

Samuel Proulx, M.Sc.
Analyst
Experience: 1 year
Team member since 2020

ESG Research

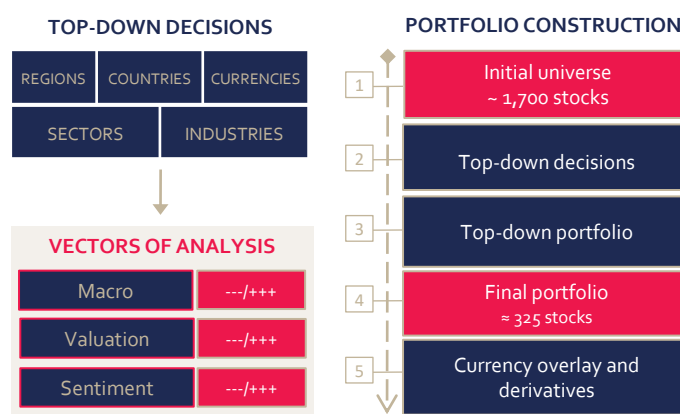
Jo-Annie Pinto, CIM®
Vice President
Experience: 23 years
Team member since 2012

Véronique Marchetti, CFA
Senior Analyst
Experience: 16 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

Investment Process



Contact Us

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

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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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