



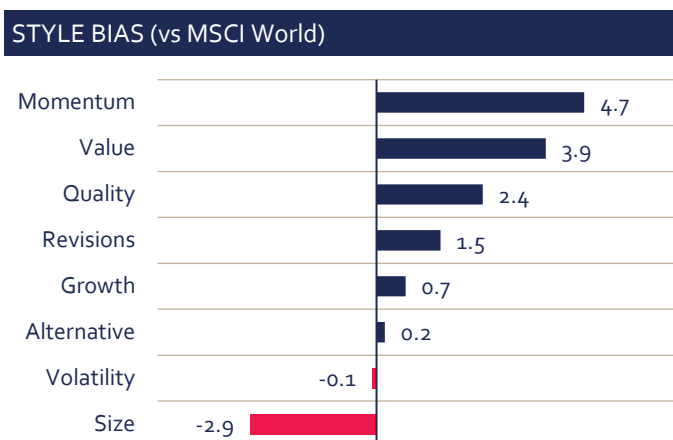
# Systematic ESG World Equity

SUMMARY	
Benchmark <sup>(1)</sup>	MSCI World (net)
Value added objective	2% (4-year rolling periods)
Target active risk	4% to 6%
ESG approach	Negative and positive filters
Number of holdings	50 to 100
Currency hedging	Hedged back to the index
Target beta vs index	0.98 to 1.02

ESG CHARACTERISTICS		
	Hexavest	MSCI World
Carbon emissions (t CO <sub>2</sub> / \$B)	6.25	68
Water intensity (m <sup>3</sup> / \$M of sales)	83	10,101
Energy use intensity (GJ / \$M of sales)	136	1,160
Recycling ratio (t recycled / t produced)	75%	68%
Renewable energy use	38%	39%

Source of company ESG data: Refinitiv

RESPONSIBLE INVESTMENT
- Selection based on negative and positive filters developed by Hexavest's ESG research team.
- Systematic exclusion of largest carbon emitters, fossil fuel emitters, coal extracting companies, and companies in the tobacco and armament industries.
- Qualified companies are industry-leaders according to several ESG criteria.



Note: As at June 30, 2021. The style bias of a portfolio is equal to the sum of style biases of each security. These are obtained by multiplying the active weight of the stock by the difference between the exposure of the stock to the signal and the weighted average exposure of that same signal in the benchmark. The result is then divided by the weighted standard deviation of the signal in the benchmark, adjusted for sample size.

PORTFOLIO CONSTRUCTION	
- Systematic approach	
- Multifactor model: varied sources of alpha that have performed well in the past and whose perspectives are rational	
- Target beta of 1.0 to capture market return	
- Systematic control of active risk	

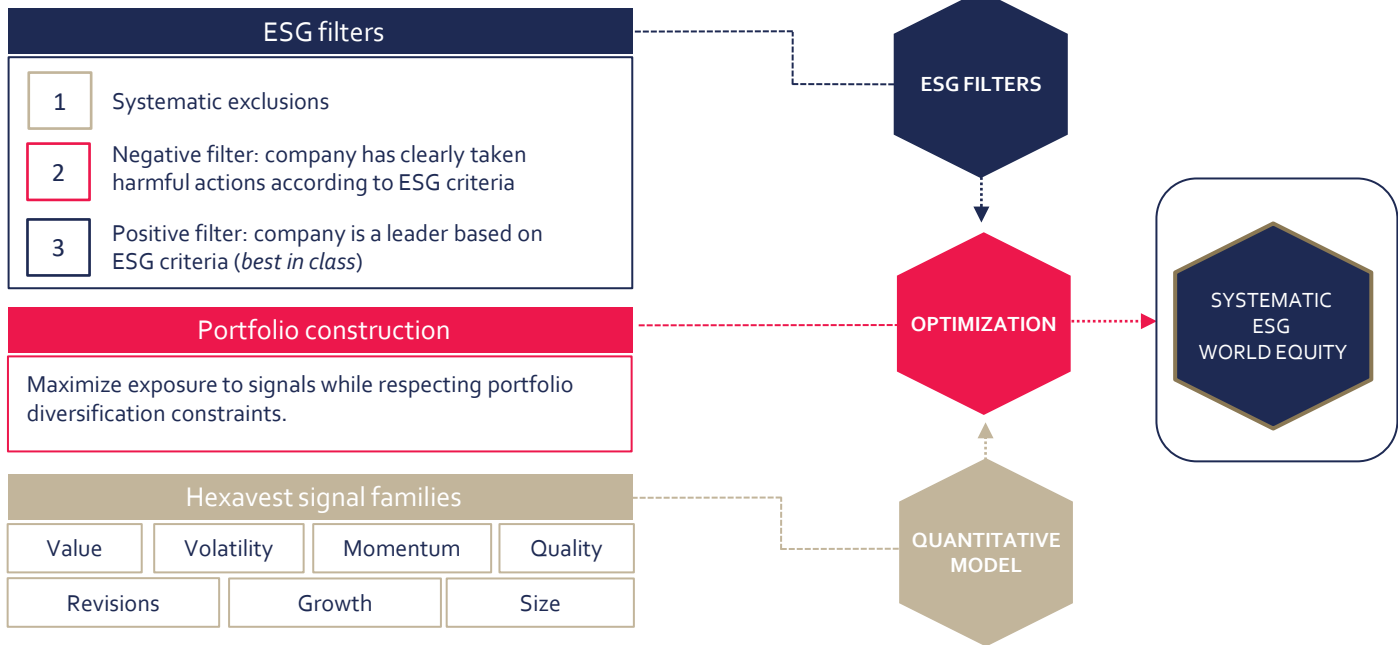
PERFORMANCE (% , CAD)								
	3 months	YTD	1 year	2 years	3 years	5 years	10 years	Since inception
Systematic ESG World Equity	5.96	12.66	32.83	22.40	---	---	---	24.19
MSCI World (net) <sup>(1)</sup>	6.15	9.88	23.52	15.80	---	---	---	16.48
<b>VALUE ADDED</b>	<b>-0.19</b>	<b>2.78</b>	<b>9.31</b>	<b>6.60</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>7.71</b>
						<b>2019</b>	<b>2020</b>	<b>2021 YTD</b>
Systematic ESG World Equity						17.87	18.22	12.66
MSCI World (net) <sup>(1)</sup>						11.37	12.26	9.88
<b>VALUE ADDED</b>						<b>6.50</b>	<b>5.96</b>	<b>2.78</b>

Note: The inception date is June 1, 2019. Returns for periods greater than 12 months are annualized.

(1) The benchmark was hedged to the U.S. dollar up to December 31, 2020

# Systematic ESG World Equity

## INVESTMENT PROCESS



## EXAMPLES OF COLLABORATIVE INITIATIVES

- Statement of support for the Green New Deal (2019)
- Investor letter to governments in the context of COP25 (2019)
- Letter from global investors to governments of the G20 nations calling them to achieve the objectives of the Paris Agreement (2019)



## INVESTMENT TEAM

**Jean-François Bérubé, Ph.D.**  
Executive Vice President  
Experience: 18 years  
Team member since 2009

**Nelson Cabral, M.Sc., CFA**  
Portfolio manager  
Experience: 15 years  
Team member since 2011

**Gabriel Laprise, B.Eng., M.Sc.A.**  
Quantitative Analyst  
Experience: 3 years  
Team member since 2018

### 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

## CONTACT US

**FIRASS KANSOU**  
Vice President  
[fkansou@hexavest.com](mailto:fkansou@hexavest.com)  
514-390-3677

**JEAN-FRANÇOIS BÉRUBÉ**  
Executive Vice President  
[jfberube@hexavest.com](mailto:jfberube@hexavest.com)  
514-390-0325

FOR CANADIAN INSTITUTIONAL INVESTOR USE ONLY. The performance shown is that of a composite of portfolios that invest solely in companies that meet Hexavest's requirements in terms of ESG practices. The inception date of the Composite is June 1, 2019. Performance results are presented gross of management and administrative fees and net of transaction fees. 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.