FACT SHEET / SEPTEMBER 30, 2022

HEXAVEST BY Desjardins Global Asset Management

Global Equities

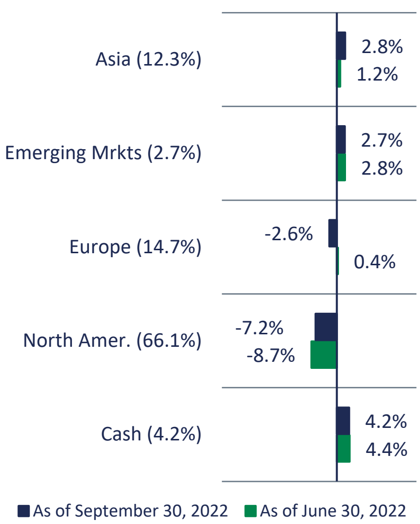
Performance (CAD)

Annualized (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since inception
Hexavest Global Composite	0.06	-12.75	-6.44	2.07	4.11	9.73	6.10
MSCI World (net)	-0.07	-18.88	-12.83	5.86	7.30	11.78	4.49
VALUE ADDED	0.13	6.13	6.39	-3.79	-3.19	-2.05	1.61

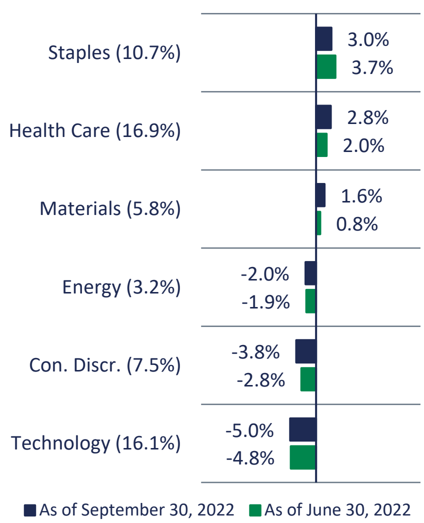
Ten last years (%)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Hexavest Global Composite	10.10	32.38	15.06	20.20	8.81	7.72	1.16	14.51	-1.45	17.15
MSCI World (net)	13.26	35.18	14.39	18.89	3.79	14.36	-0.49	21.22	13.87	20.78
VALUE ADDED	-3.16	-2.80	0.67	1.31	5.02	-6.64	1.65	-6.71	-15.32	-3.63

Positioning (vs MSCI World)

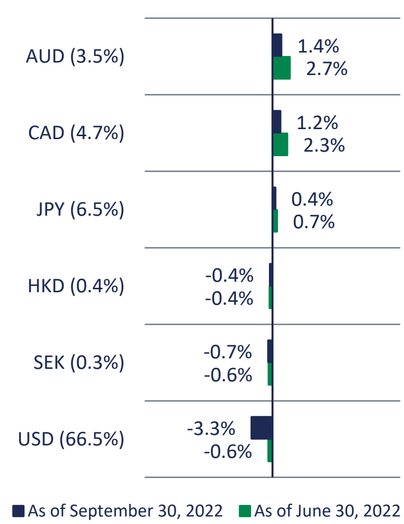
COUNTRY DEVIATIONS



SECTOR DEVIATIONS



CURRENCY DEVIATIONS



Market Outlook

MACROECONOMIC ENVIRONMENT	VALUATION	SENTIMENT
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Despite rising risks of recession, geopolitical tensions and the energy crisis in Europe, the central banks are obliged to raise interest rates to contain widespread, persistent inflation. Forecasters are revising their growth outlook sharply downward. On the inflation front, they are very optimistic and expect record disinflation in consumer prices, a scenario we find difficult to accept. Finally, we think the continuing economic malaise in China calls for a strong response from the authorities. We think the global macroeconomic environment will be downright hostile to growth in the coming quarters. We have, therefore, kept our macroeconomic vector at triple negative (---).

The recession scenario and rising risk-free interest rates have still not been priced into the global equity valuation, mainly because of the persistent high price of U.S. equities. The phenomenon known as TINA (There Is No Alternative), caused by very low interest rates, is clearly a thing of the past. Bonds are now an appealing alternative. Nonetheless, valuation ratios are not at extreme levels anymore. We have revised our equity valuation vector upward from double negative to single negative (-).

The return of volatility and rising interest rates have made investors nervous at a time when their risk exposure is high. Our sentiment index is definitely in the apprehensive zone but it has not yet stabilized. Investors' still relatively high exposure to equities suggests the index could deteriorate further before improving. We need to see an improvement before we become more constructive on this vector. Nonetheless, because of the depressed sentiment of investors and our contrarian approach toward investors behaviour, we are raising our sentiment vector from positive to double positive (++).

Our analysis of the three vectors has prompted us to maintain a defensive positioning. We are concerned about relatively high equity valuations in the context of a generally deteriorating macroeconomic environment.

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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%

Investment Approach

- Clearly defined process, applied for nearly 30 years
- 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

Investment Team

Marc C. Lavoie, CPA, CFA
Manager, Core Strategy
Experience: 22 years
Team member since 2003

Jean-Pierre Couture, M.Sc.
Economist and Senior Portfolio Manager
Experience: 27 years
Team member since 2010

Christian Crête, CFA
Senior Portfolio Manager
Experience: 23 years
Team member since 2012

Aïcha Traoré, M.Sc.
Analyst
Experience: 2 years
Team member since 2022

Investment Process

TOP-DOWN DECISIONS

REGIONS | COUNTRIES | CURRENCIES

SECTORS | INDUSTRIES

VECTORS OF ANALYSIS

Macro	---/+++
Valuation	---/+++
Sentiment	---/+++

PORTFOLIO CONSTRUCTION

1. Initial universe ~ 1,700 stocks
2. Top-down decisions
3. Top-down portfolio
4. Final portfolio ≈ 325 stocks
5. Currency overlay and derivatives

Responsible Investment

Christian Felx
Manager and Head of Responsible investment

Solène Hanquier
Head of ESG Strategies

+ We have a team of 8 specialists dedicated exclusively to responsible investment.

- Combine investments and RI expertise to offer high-performance strategies
- Development of a simple RI process that can be easily integrated into any mandate
- Ongoing exchanges between portfolio managers and the RI team increasing the efficiency of the investment process

Contact Us

clientexperience.dgia@desjardins.com

Sources: MSCI, DGAM, as of September 30, 2022

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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), Hexavest (from May 2004 to August 2021) and DGAM (since September 2021). 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.