

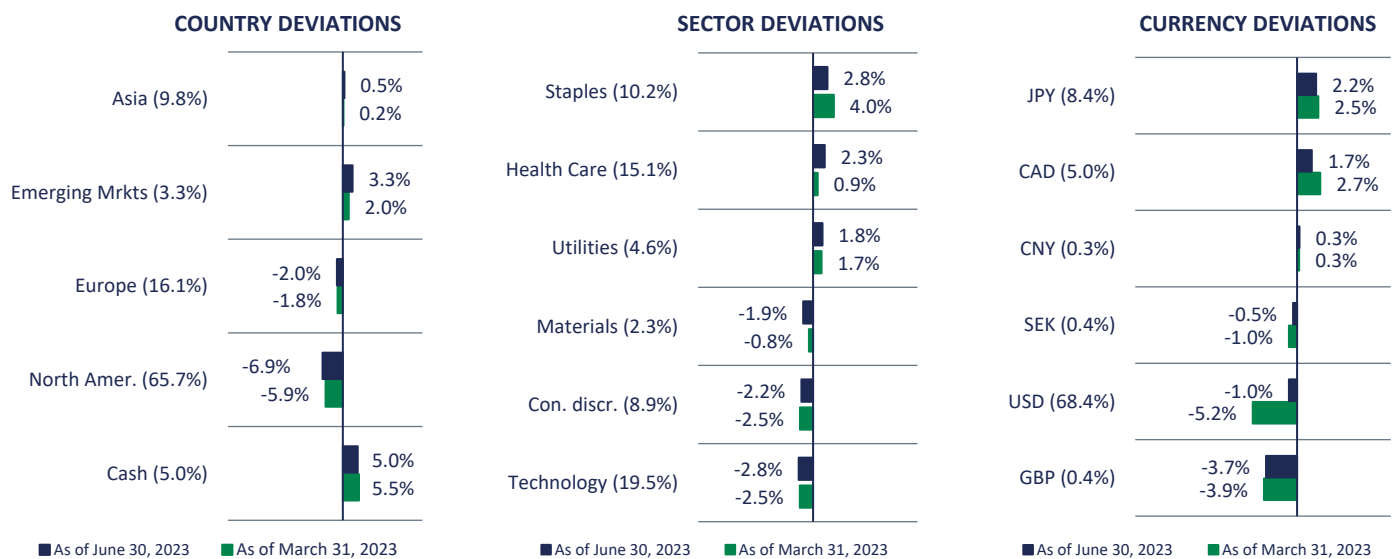
Global Equities

Performance (CAD)

Annualized (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since inception
Hexavest Global Composite	4.41	12.61	24.59	11.82	7.18	10.40	6.86
MSCI World (net)	4.45	12.40	21.57	11.10	9.20	12.01	5.19
VALUE ADDED	-0.04	0.21	3.02	0.72	-2.02	-1.61	1.67

Ten last years (%)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Hexavest Global Composite	32.38	15.06	20.20	8.81	7.72	1.16	14.51	-1.45	17.15	-3.52
MSCI World (net)	35.18	14.39	18.89	3.79	14.36	-0.49	21.22	13.87	20.78	-12.19
VALUE ADDED	-2.80	0.67	1.31	5.02	-6.64	1.65	-6.71	-15.32	-3.63	8.67

Positioning (vs MSCI World)



Market Outlook

MACROECONOMIC ENVIRONMENT	VALUATION	SENTIMENT
--	--	-

The wave of investments that accompanies major technological changes, such as artificial intelligence, continues beyond economic cycles but pauses during a recession, when access to credit is restricted, demand contracts and uncertainty in business is high. The leading economic indicators and tighter credit standards are signaling that the inflection point in economic activity is approaching. Barely a year into monetary tightening, the resilience of economic data fueling soft landing scenarios is nothing unusual. We have maintained a “double negative” rating on our macroeconomic environment vector.

Active management is often put to the test at the end of the cycle and during periods of euphoria when investor enthusiasm propels valuation metrics to speculative levels. Managers have difficulty justifying exposure to overheated stocks and industries, even as their prices continue to rise. While the U.S. market was in the most expensive decile, Japan and emerging markets were significantly more attractive. However, the large size of the U.S. market makes the global stock market expensive. We maintain a “double negative” rating on our market valuation vector.

Discipline is difficult to maintain in overheated markets as highly sought-after stocks and industries surge far beyond the selection criteria of most investment processes. Humility and caution are called for, whether during the market’s ascent or descent. Even though our sentiment index was rather neutral at the end of the second quarter, as a result of highly concentrated returns and investors’ highly pro-cyclical positioning we have lowered the sentiment vector to “single negative.”

Our analysis of the three vectors has prompted us to maintain a defensive bias. We are concerned about the deteriorating economic growth outlook and its impact on corporate earnings, in a context where market valuation and investor positioning are not pricing in a slowdown.

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

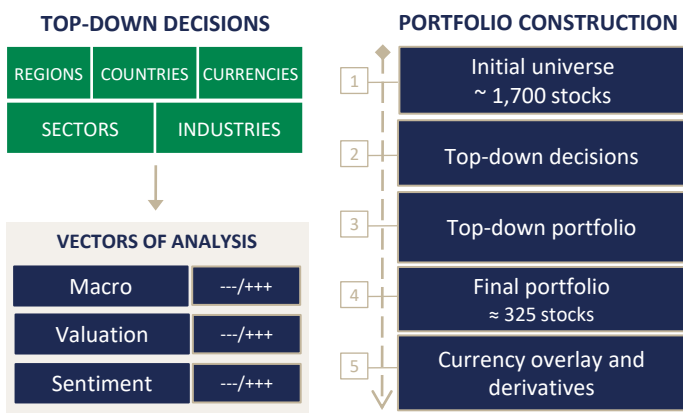
Marc C. Lavoie, CPA, CFA
Manager, Global Top-down Strategy
Experience: 22 years
Team member since 2003

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

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

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

Investment Process



Responsible Investment

Christian Felx
Manager and Head of Responsible investment

- + 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 June 30, 2023.

FOR CANADIAN INSTITUTIONAL INVESTOR USE ONLY

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.

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 DGAM.