

SSQ Fiera Capital Global Equity GIF

About the manager

Fiera Capital Corporation is an independent firm and one of Canada's largest investment managers. Fiera Capital offers expertise in traditional and alternative investment strategy management and is best known for its work with Canadian fixed-income securities (active and structured management), Canadian equities, foreign equities, alternative strategies, and asset allocation.

A long-term investment approach founded on fundamental research

Investment philosophy

The global equity strategy is based on the belief that it is possible to earn sustainable and low volatility returns by investing in a concentrated but diversified portfolio of exceptional quality companies.

Companies' unique competitive edge



Return on invested capital



Shareholder equity growth



Capital preservation

A four-pillar investment approach

The managers use a **fundamental active management approach consisting of four pillars** to guide their decision-making:

- Choosing what the team believes to be the highest quality companies at the best price
- Knowing the companies in the portfolio inside and out, leading to high conviction and low turnover
- Carefully redistributing capital based on the team's level of conviction in the companies presenting the best risk/return potential
- Consistently applying this strategy



Group decision-making

Decisions are made based on collective knowledge, putting the diverse expertise of the management team led by Nadim Rizk to optimal use. This approach makes it possible to consider a variety of opinions within the team, make decisions regarding portfolio positions as a group, and ensure continuity in the investment approach. The senior portfolio manager grants final approval to all securities added to the portfolio.

Security research and selection

The concentrated portfolio is made up of **35 to 55 securities from very high quality companies with different levels of market capitalization**. The global research includes emerging markets, which allows for greater security selection.

A **rigorous research method** makes it possible to identify companies with superior-quality characteristics for long-term investment.

Research is based on six criteria:

Sustainable competitive advantage	<ul style="list-style-type: none">• High barriers to entry• Market leaders E.g., Companies with a strong competitive position in terms of distribution
Attractive industry	<ul style="list-style-type: none">• Growing and less cyclical industry• Low capital requirement• Strong pricing power (gross margin) E.g., The fund would not favour oil companies, which belong to a highly cyclical market
Proven track record	<ul style="list-style-type: none">• High and consistent returns on invested capital• Operational excellence• Exceptional discipline in capital allocation E.g., A company that makes the right acquisitions at the right time
Management quality	<ul style="list-style-type: none">• A solid management team and sound corporate governance practices• Commitment to creating value for shareholders
Solid financials	<ul style="list-style-type: none">• Low level of debt• Substantial creation of cash flow E.g., A company that is able to perform during difficult times
Attractive evaluation	<ul style="list-style-type: none">• Share prices at or below their intrinsic value

Disciplined buying and selling

Typically, initial purchases are limited to 1% and the **position is increased as the investment thesis materializes**, up to a maximum of 10%. Should the investment thesis prove to be no longer valid, or a better opportunity arises elsewhere, all positions will be sold.

For example, a merger, acquisition, or a major change in the management team are all factors that may guide decisions to sell.

Preservation of capital

Risk is managed on two levels. First, a rigorous fundamental research process helps reduce the risk of permanent capital losses. Next, **solid diversification of sectors and countries helps reduce risk** within the portfolio. Finally, the long-term approach ensures that a position may increase only if there is a high degree of conviction.

Why invest in this fund?

This fund is ideal for investors seeking to diversify their global equity portfolio while preserving capital.

- The fund is backed by a long term disciplined approach, emphasizing high quality, best of breed companies.
- The rigorous research process provides a deep knowledge of the companies included in the portfolio.
- The portfolio offers a high-conviction management approach paired with various sources of value added drawn from a vast range of potential investment opportunities.

Advantages of the SSQ Fiera Capital Global Equity GIF

Disciplined investment approach

The fund emphasizes a disciplined approach founded on fundamental analysis and a solid research method.

Tightly knit management team

Decisions are made based on collective knowledge, drawing on the management team's diverse range of expertise and taking into account the team's various opinions and perspectives.

Capital preservation

The fund favours a diverse range of sectors and countries that help reduce the portfolio's risk level.

Disciplined buying and selling

The approach is long term, and a position will be increased only if the level of conviction rises.

Four-pillar method

The fund uses a fundamental active management approach based on four pillars for decision-making.



For further details, please refer to the "Fund Facts" available on ssq.ca