

Canadian Equity Fund (Fiera Capital) Fiera Capital Corporation

Lead Manager(s): Fiera Capital Core Team

Performance Review Date: December 31, 2013

Investment Objective: The fundamental investment objective of the fund is to provide total long term returns through both capital appreciation and distribution income. To attain this objective, the fund will invest mainly in the common stocks and other equity securities of Canadian issuers, including securities that are convertible into such equities or exchangeable against such equities, or in equivalent securities.

Investment Style: Core

Annual Fund Performance (%)

	2009	2010	2011	2012	2013	5 yrs
Canadian Equity Fund (Fiera Capital)	30.64	14.58	-10.75	8.72	14.52	10.71
S&P/TSX Composite Index	35.05	17.61	-8.71	7.19	12.99	11.92
Value Added (+) / Lost (-)	-4.41	-3.03	-2.04	1.53	1.53	-1.21
Quartile Ranking ⁽¹⁾	3rd	3rd	3rd	3rd	4th	4th

Annualized Performance – Relative Rankings ⁽¹⁾ (ending December 31, 2013)

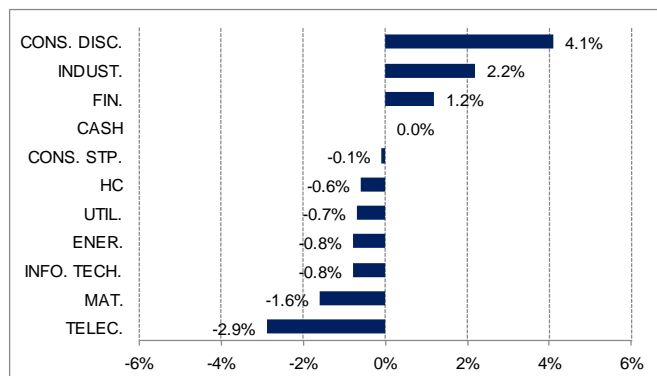
3 years	4 th	Quartile
5 years	4 th	Quartile
7 years	n/a	
10 years	3 rd	Quartile

Risk Characteristics (5 years ending December 31, 2013)

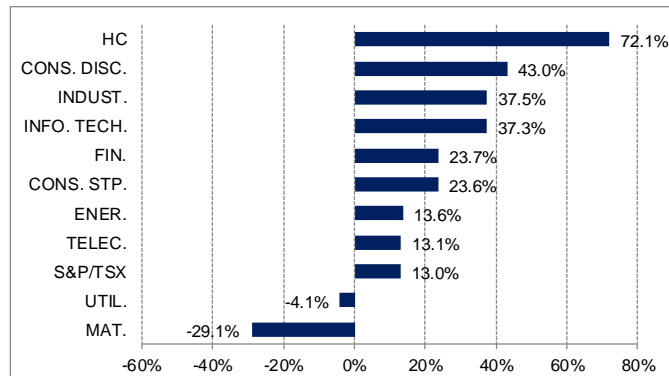
Downside Volatility	n/a
Standard deviation	n/a
Tracking error	n/a
Information ratio	n/a
Beta	n/a

Portfolio Positioning

Fund Sector Deviations



Year-to-date Index Sector Performance



Short-Term Performance Analysis

- In 2013, the fund outperformed its benchmark but ranks in the fourth quartile relative to its peers.
- Sector allocation was the main driver of added value, primarily due to an underweight position in the underperforming Materials sector.
- Security selection produced minor positive results.
- Based on S&P/TSX style indices, Value stocks outperformed on average. Given the fund's Core investment bias, its style had no impact on short-term performance.

Long-Term Style Analysis

	2009	2010	2011	2012	2013	5 years
S&P/TSX Outperforming Style	Growth	Value	Value	Value	Value	Value

Long-Term Performance Analysis

- The fund underperformed its benchmark in three of the past five years and failed to add value on a five-year annualized basis. This long-term performance ranks it in the fourth quartile when compared to its peers.
- Sector allocation has been negative more often than not, and was the main detractor of relative value on a five-year annualized basis.
- Security selection produced mixed results over the long term.
- Based on S&P/TSX style indices, Value stocks outperformed on average. Given the fund's Core investment bias, its style had no impact on long-term performance.

Significant Corporate Events

Corporate

- In December 2012, Fiera Capital Corporation ("Fiera") announced that it has reached an agreement with UBS Global Asset Management (Canada) Inc. ("UBS Global AM"), to purchase UBS Global AM's Canadian fixed income, Canadian equity and domestic balanced account business representing assets under management of approximately \$8 billion for a cash consideration of \$52 million, subject to certain adjustments. The transaction, which is subject to customary conditions, including regulatory approval, is expected to close in the first quarter of 2013.

Fund Specific

- In January 2013, Fiera Capital Corporation (Fiera) announced the closing of the transaction under which Fiera acquired the Canadian fixed income, Canadian equity and domestic balanced account business from UBS Global Asset Management (Canada) Inc. The name of these Standard Life funds changed on February 28, 2013. The underlying fund – UBS (Canada) Canadian Equity Fund – was assigned to Fiera at the closing of the transaction. The underlying fund continued to be managed by CIBC until the end of February 2013. Fiera's Canadian Core Equity Team assumed management of the underlying fund.
- In November 2011, UBS Global Asset Management announced that they were no longer managing in house, the UBS (Canada) Canadian Equity Fund, underlying fund for the Standard Life Canadian Equity fund (UBS Global). Instead, they decided to appoint CIBC Global Asset Management as the sub-advisor to manage this fund and all of their Canadian equity products. Consequently, all their professional staff involved in the management of Canadian equities (located in Toronto) were let go.
- In August 2010, UBS appointed two new analysts to the UBS equities team. Curtis Gillis joined the team as the Energy Analyst while Natalie Taylor took on the role of Financials Analyst.
- In May 2010, Duncan Mathieson, Head of Canadian Equities and large cap Portfolio Manager, Barbara Betanski (Energy Analyst), Marilyn Brophy (Consumer Analyst) and Kim Chafee (Financials Analyst) have left the firm. Pierre Ouimet, currently Head of Canadian Portfolio Strategy, took the lead for the 10 member Canadian Equity team and took responsibility for large cap portfolio management. Pierre has worked closely with the Canadian Equity team since joining the firm in 1995.
- In 2009, John Young, member of the Canadian Equity team and responsible for large cap Canadian equity portfolio construction and Michael Chan, Small Cap Canadian Equity Portfolio Manager resigned to pursue other opportunities. Duncan Mathieson head of Canadian equities assumed responsibilities for both. The UBS Canadian Small Cap Fund is an integral part of the Canadian Equity Fund.

Quality & Choice Commentary

- The manager's investment philosophy utilizes a long-term, fundamental, core investment approach, investing in both the value and the growth areas of the market to avoid extremes in either style bias or individual security positions. The portfolio will be composed of approximately 35 to 40 Large Cap securities, which will represent about 85% of the total portfolio, as well as an allocation of approximately 15% to a portfolio composed of 60 to 80 Small to Mid Cap securities.

Conclusion: The fund is No Longer Promoted as a Quality & Choice investment option as of July 2012, based on the analysis done at that time.

Manager Outlook

- The manager expects continued volatility for equity markets in light of limited visibility for global growth. The Fund will remain well positioned by holding high quality companies, with clean balance sheets and low political risk. The manager will remain underweight in the Materials sector as well as an overweight in the Consumer Discretionary area in holdings such as Magna, Dollarama and Gildan. The manager looks to invest in companies with strong track records, good growth prospects and trade at reasonable valuations.

⁽¹⁾ Quartile rankings are based on the underlying fund's returns.

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* Sources may include, but are not limited to, Mercer MPA, Morningstar, Principia and Thomson Baseline

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