Enhanced diversification for concentrated markets

Mackenzie Maximum Diversification® **Mutual Funds**

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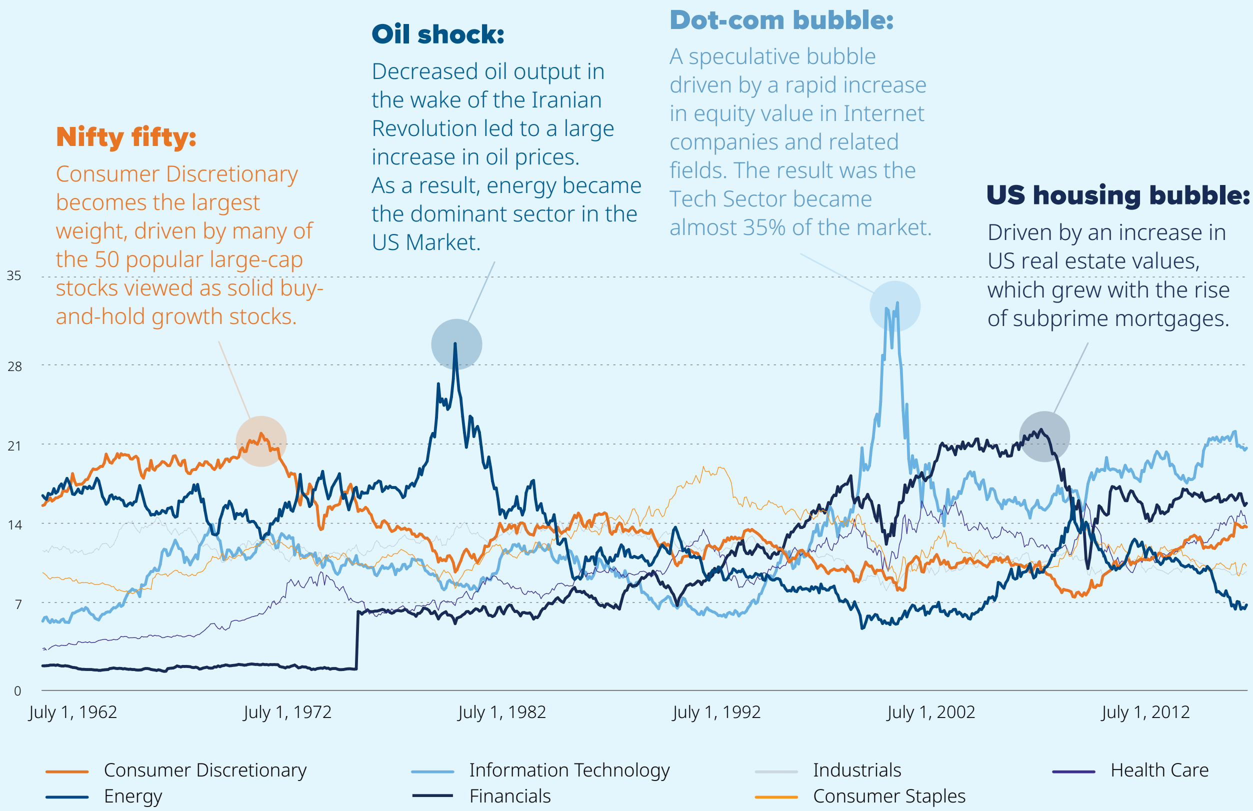
Maximum Diversification® Investing

It's extremely difficult to forecast the future, which is why TOBAM believes diversification is your only bet and that to be truly diversified, you must look beyond portfolio weightings and consider the correlation of assets. Only then can you construct a portfolio that focuses on diversification.

TOBAM's unique, research-driven approach provides a complement to traditional market cap-weighted index options by delivering enhanced diversification and improved long-term returns potential.

Through Mackenzie's partnership with TOBAM, we are Canada's only provider of the patented* Maximum Diversification® approach, a strong complement to your core portfolio.

A history of market bias



Source: S&P 500 – large cap equity sector weights.

A weakness with traditional market indices:

Market indices can take on heavy risk concentrations

Capitalization-weighted indices tend to maximize exposure to sectors and/or securities when they are most expensive, and minimize exposure when they are undervalued. These market biases can create imbalances and unmanaged risks, which can cost investors.

The solution:

Enhanced diversification to protect portfolios from bias

Mackenzie Investments has partnered with TOBAM to offer a methodology designed to protect portfolios from structural bias. TOBAM's methodology is proven to enhance the diversification of portfolio holdings, reduce market bias and potentially enhance risk-adjusted returns.

How we do it:

Optimizing diversification

TOBAM's innovative methodology selects securities and their weights to reduce the correlations between holdings. This enables the creation of portfolios that mitigate the inherent biases associated with capitalization-weighted benchmarks. These low correlation portfolios effectively exploits the "free lunch" provided by diversification. These portfolios are rebalanced quarterly when the Diversification Ratio® – a concept pioneered by TOBAM to measure diversification – is optimized.

All TOBAM funds adhere to sustainable investing practices.

The result:

Improved stability, potentially enhanced returns

Mackenzie's Maximum Diversification® Mutual Funds were created to help protect the core of an investor's portfolio from structural biases that lead to unmanaged risks in security markets. The mutual funds aim to enhance risk-adjusted returns by recapturing the under-performance that a cap-weighted index can experience due to concentrations. The result is a more balanced journey for investors over a typical market cycle.

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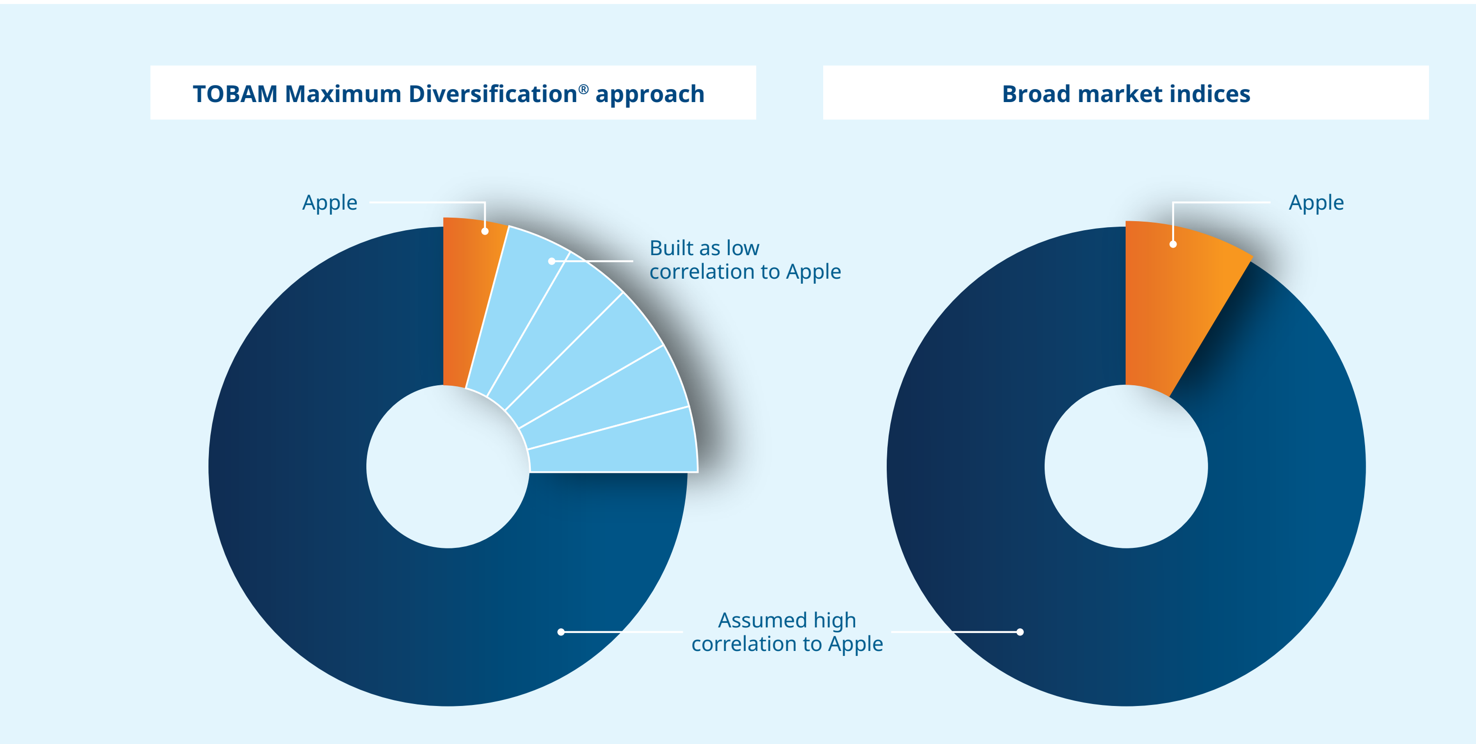
TOBAM's methodology in action

This example shows the TOBAM approach compared to other indexes. Both hold Apple, however the TOBAM approach considers how correlated or negatively correlated its other stocks are compared to Apple, thereby offering a broader, more diversified fund.



For illustration purposes only.

Mackenzie Maximum Diversification® Mutual Funds

Give investors access to TOBAM's methodology and offer them the following benefits:

1

Expected lower volatility

These funds focus on correlation and combine securities which do not behave in the same way (they have low correlation to each other). Therefore, large price changes of individual securities don't coincide with large moves with the rest of the portfolio. The result is lower overall risk.

2

Broader market exposure

TOBAM's innovative approach allows investors to capitalize on market gains, while aiming to avoid the worst losses when the market becomes too concentrated in certain areas. With a focus on diversification, returns are expected to be more stable over time, as securities selected within the funds are from a broader cross-section of industries and sectors.

Mackenzie Maximum Diversification All World Developed ex North America Index Fund

Mackenzie Maximum Diversification All World Developed Index Fund

Mackenzie Maximum Diversification Canada Index Fund

Mackenzie Maximum Diversification Developed Europe Index Fund

Mackenzie Maximum Diversification Emerging Markets Index Fund

Mackenzie Maximum Diversification Global Multi-Asset Fund

Mackenzie Maximum Diversification US Index Fund

Visit www.mackenzieinvestments.com/TOBAM to learn more about how Mackenzie and TOBAM have redefined diversification.

* U.S. Patent No. 7,958,038, Australia Patent No's. AU 2008202607, AU2011201025

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TOBAM's Maximum Diversification® Investing is available for Canadian retail investors

TOBAM is an independent, employee-owned asset manager with offices in New York, Zurich, Hong Kong and Paris. It was founded in 2005 by Yves Choueifaty, TOBAM's President and Chief Investment Officer and a former CEO of Credit Lyonnais Asset Management. TOBAM has more than C$12.6 billion (as of June 30, 2021) in assets undermanagement, primarily for sophisticated institutional investors in Europe, Asia and the U.S., including CalPERS.

TOBAM also manages a family of indices, the TOBAM Maximum Diversification Index Series, constructed using the Diversification Ratio®. Based on original research from TOBAM, the Maximum Diversification Index Series helps investors to avoid portfolio concentration. Constituents are weighted so that each effective risk factor contributes in a more balanced way to the risk of the portfolio, as opposed to a market capitalization-weighted basis.

Investors

+

Advisors

+

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That's **better** together

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