

Enhanced diversification for concentrated markets

Mackenzie Maximum
Diversification[®] Index
Exchange Traded Funds



MACKENZIE
Investments



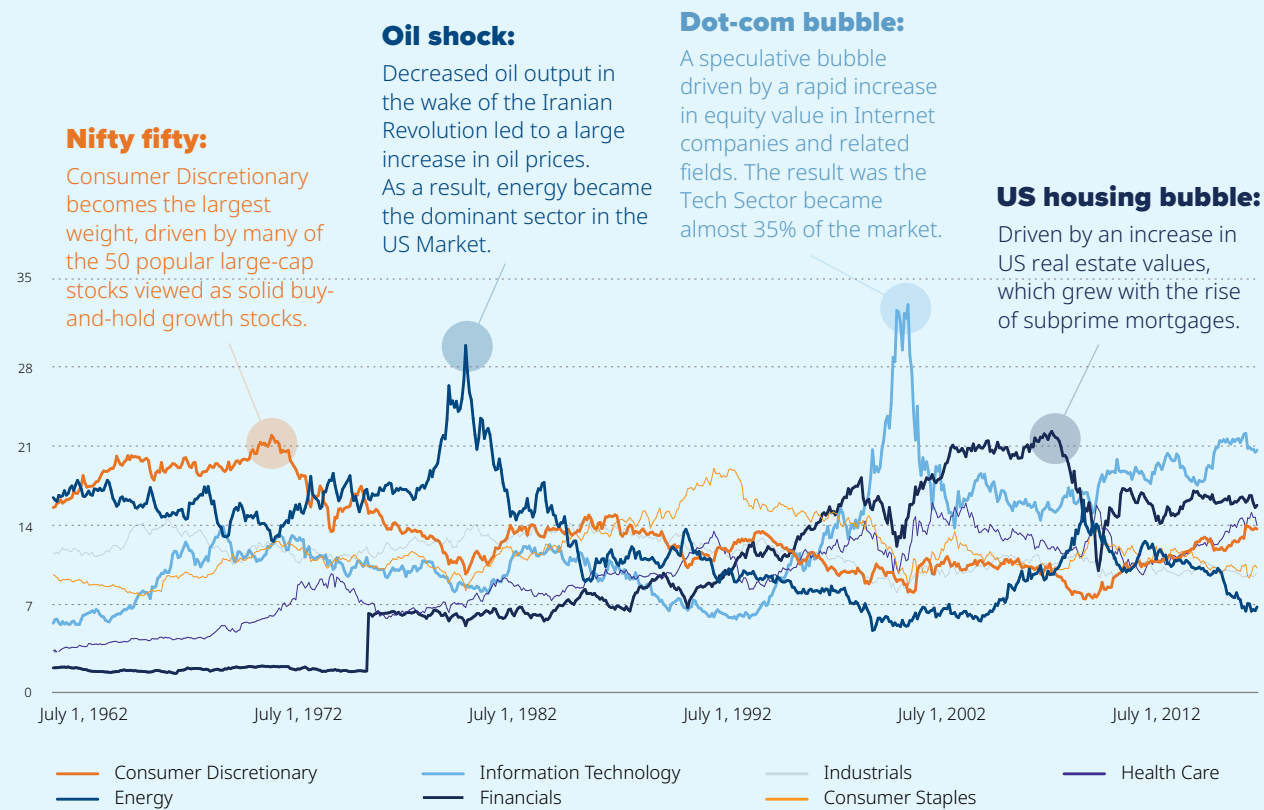
Maximum Diversification® Investing

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 return 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:

Stock market indices can take on heavy risk concentrations

Capitalization-weighted indices tend to maximize exposure to sectors and/or stocks 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 as their index provider 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 index selects stocks 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 portfolio effectively exploits the "free lunch" provided by diversification. These indices are rebalanced quarterly when the Diversification Ratio® – a concept pioneered by TOBAM to measure diversification – is optimized.

All TOBAM funds adhere to Sustainable Responsible Impact investing practices.

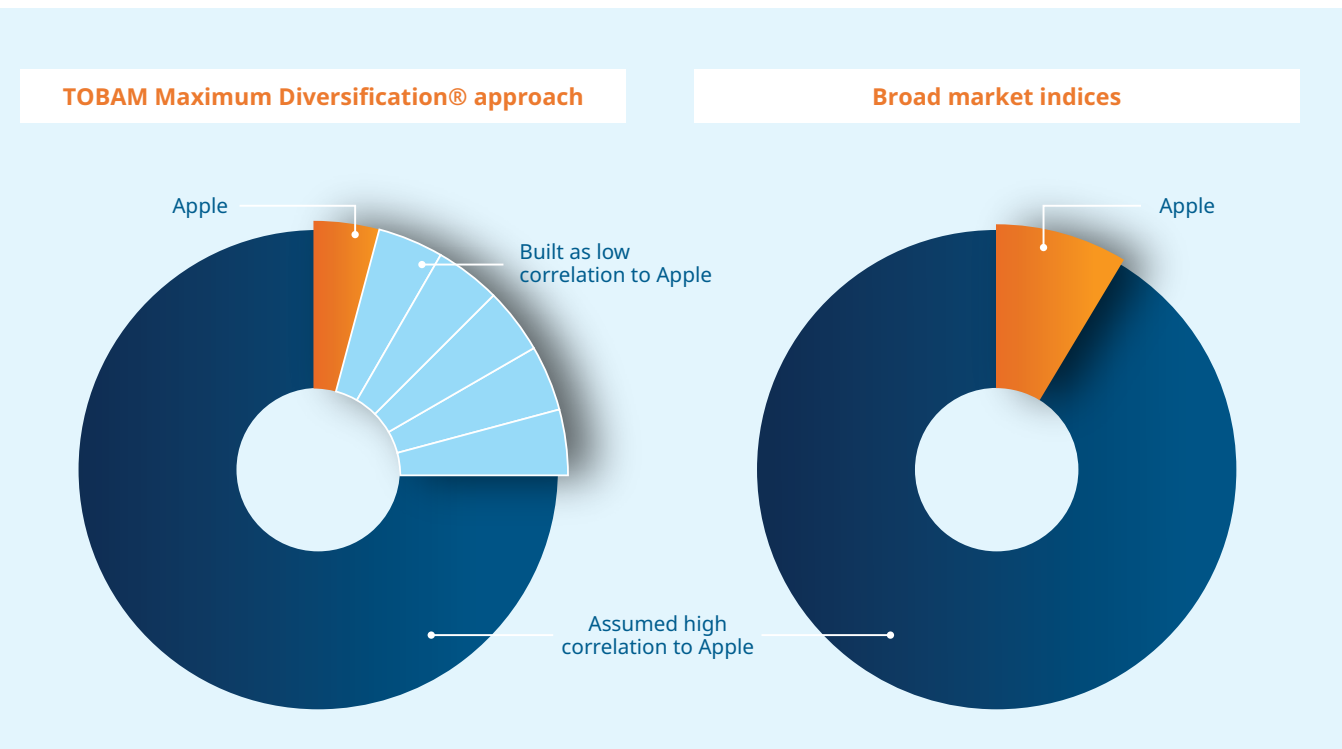
The result:

Improved stability, potentially enhanced returns

Mackenzie's Maximum Diversification® Index ETFs were created to help protect the core of an investor's portfolio from structural biases that lead to unmanaged risks in equity markets. The ETFs 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.

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® Index ETFs

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

1

Expected lower volatility

These funds focus on correlation and combine stocks which do not behave in the same way (they have low correlation to each other). Therefore, large price changes of individual stocks 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, such as technology. With a focus on diversification, returns are expected to be more stable over time, as stocks selected within the funds are from a broader cross-section of industries and sectors.

Mackenzie Maximum Diversification® Canada Index ETF, which seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification® Canada Index. It invests primarily in Canadian equity securities.

Mackenzie Maximum Diversification® U.S. Index ETF, which seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification® USA Index, or any successor thereto. It invests primarily in U.S. equity securities.

Mackenzie Maximum Diversification® Developed Europe Index ETF, which seeks to replicate to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification® Developed Europe Index, or any successor thereto. It invests primarily in equity securities of developed European markets.

Mackenzie Maximum Diversification® All World Developed Index ETF, which seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification® All World Developed Index, or any successor thereto. It invests primarily in equity securities of developed world markets.

Mackenzie Maximum Diversification® All World Developed ex North America Index ETF, which seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification® All World Developed ex North America Index, or any successor thereto. It invests primarily in equity securities of developed world markets, excluding North America.

Mackenzie Maximum Diversification® Emerging Markets Index ETF, which seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification® Emerging Index, or any successor thereto. It invests primarily in equity securities of emerging markets.

Management fees

Ticker	ETF name	Fee
MKC	Mackenzie Maximum Diversification Canada Index ETF	0.45%
MUS	Mackenzie Maximum Diversification US Index ETF	0.45%
MEU	Mackenzie Maximum Diversification Developed Europe Index ETF	0.50%
MWD	Mackenzie Maximum Diversification All World Developed Index ETF	0.50%
MXU	Mackenzie Maximum Diversification All World Developed ex North America Index ETF	0.50%
MEE	Mackenzie Maximum Diversification Emerging Markets Index ETF	0.50%

Please contact your Mackenzie Sales representative for more information about how Mackenzie Maximum Diversification® Index ETFs can fit in your client's portfolio.

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

Commissions, management fees, brokerage fees and expenses all may be associated with Exchange Traded Fund investments. Please read the prospectus before investing. Exchange Traded Funds are not guaranteed, their values change frequently and past performance may not be repeated.

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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\$9.9 billion (as of June 30, 2020) in assets under management, 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



That's better together