

Diversification. Redefined.

Mackenzie Maximum
Diversification Index
Exchange Traded Funds

 MACKENZIE ETFs



MACKENZIE
Investments

CONFIDENCE
IN A CHANGING WORLD

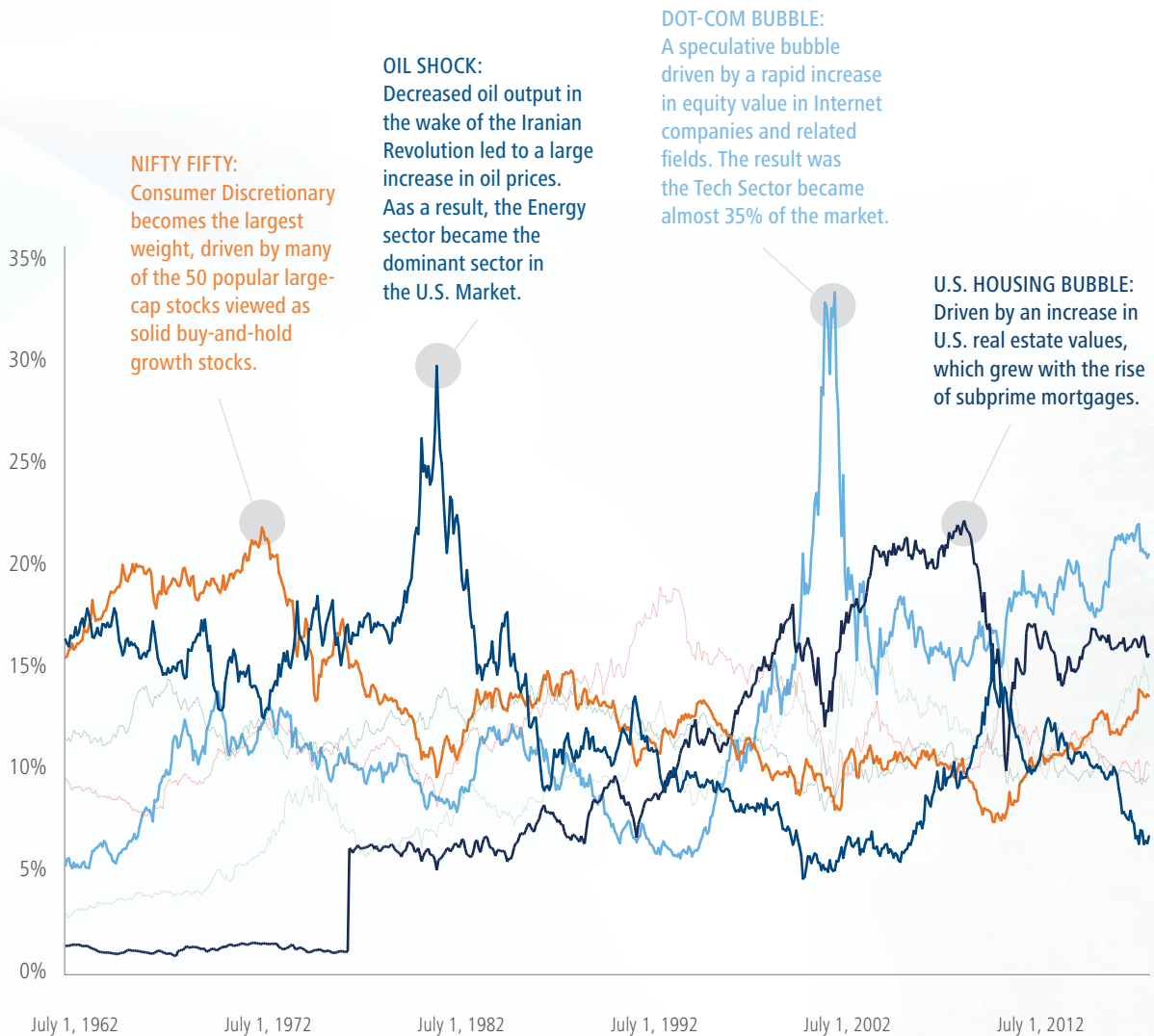
ADVISOR USE ONLY

Problem:

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.

A HISTORY OF MARKET BIAS



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

Solution:

Better 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 it's done:

A methodology to optimize the Diversification Ratio®

TOBAM's innovative index selects individual stocks and their weights to reduce the correlations between individual holdings. This enables the creation of portfolios that mitigate the inherent biases associated with capitalization-weighted benchmarks. These low portfolio correlations provide a highly differentiated source of value that more 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 in order to select and weight securities.

The Result:

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:

BlackBerry in 2011

The Mackenzie Maximum Diversification Index ETFs replicate the respective TOBAM indices. The benefits of this methodology are detailed in the following example.

In the 2000s, BlackBerry (RIM) was the leading smart phone company. In 2011, RIM shares lost approximately 75% of their value. Even though TOBAM's Maximum Diversification Canada Index held twice the weight of BlackBerry as compared to the S&P/TSX Composite TR Index, it outperformed that Index by almost 5% in 2011.

PERFORMANCE 2011

TOBAM Maximum Diversification Canada Index	-4.06%
S&P/TSX Composite TR Index	-8.71%
TOBAM Outperformance	4.65%

VOLATILITY*

TOBAM Maximum Diversification Canada Index	14.13%
S&P/TSX Composite TR Index	18.50%
TOBAM Difference in Volatility	-4.37%

	1 Year	3 Year	5 Year	10 Year
TOBAM Maximum Diversification Canada Index**	13.37%	7.23%	7.88%	5.57%
S&P/TSX Composite TR Index	15.45%	7.18%	7.52%	4.70%

Source: Bloomberg, as of November 30, 2016.

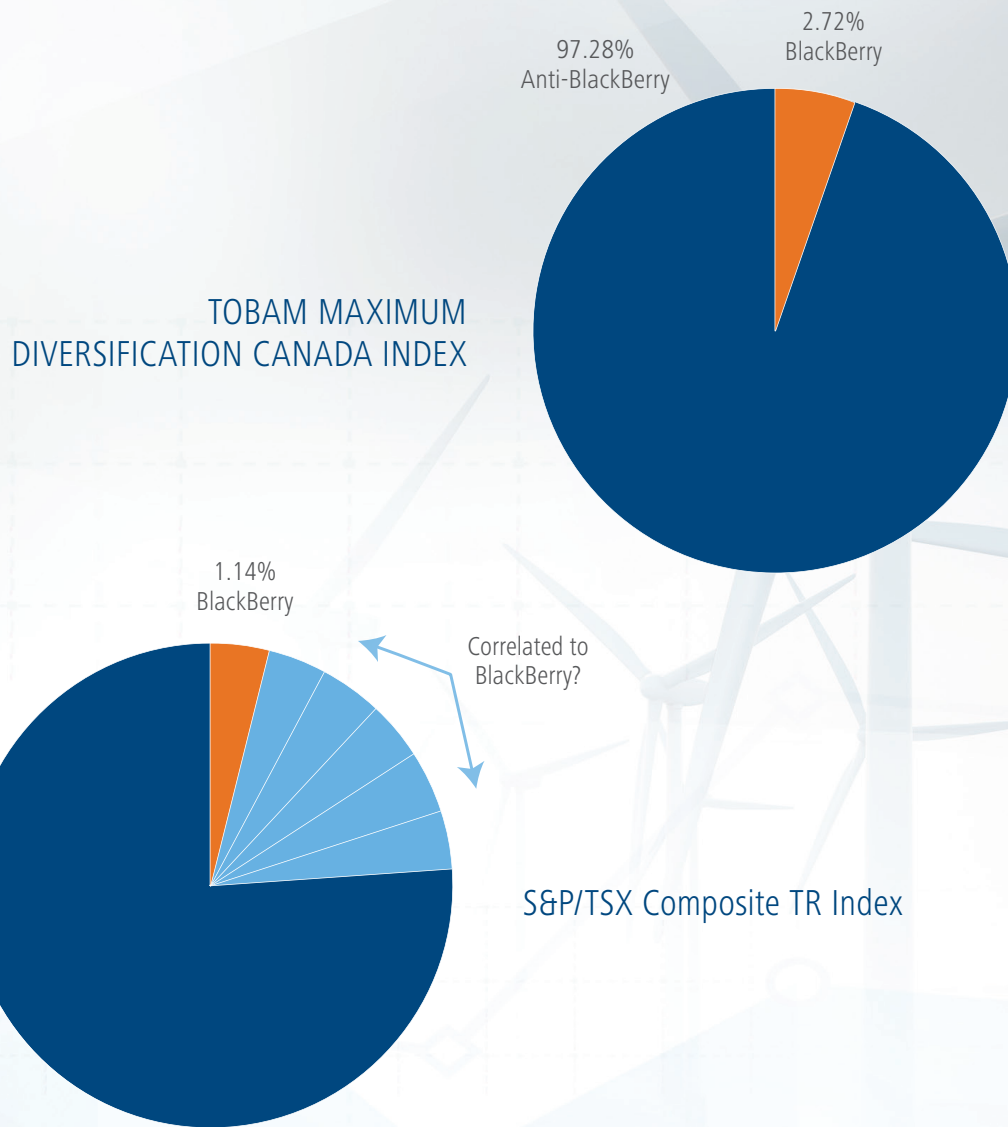
* Volatility is measured by Standard Deviation

** All information for TOBAM Maximum Diversification Canada Index prior to its inception date, Sept. 18, 2015, is back-tested, based on the index provider's published methodology that was in effect on the index Inception Date. Please see the back page of this brochure for important information regarding the index.

For more information, please refer to the index provider website at www.tobam.fr.

Why TOBAM Outperformed with Lower Volatility

TOBAM's Maximum Diversification Canada Index contained fewer securities that were highly correlated with BlackBerry's stock. These correlated securities also lost value as BlackBerry shares declined.



Source: TOBAM and S&P/TSX. Data in CAD for the year ending 31/12/2011. BlackBerry weights in the Benchmark and Maximum Diversification portfolios are average weight over the period. Past performance is not a guarantee of future returns. Graphs are for illustrative purpose only.



Institutional investment manager and index provider is now 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 Chouiefaty, TOBAM's President and Chief Investment Officer and a former CEO of Credit Lyonnais Asset Management. TOBAM has more than C\$10.5 billion (as at March 2016) 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.

Mackenzie Maximum Diversification Index ETFs

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

- **Exclusivity:** TOBAM's methodology is exclusively available to retail investors in Canada through Mackenzie mutual funds and ETFs.
- **Enhanced diversification:** Our Funds aim to serve as core holdings of a portfolio with enhanced diversification, which may help investors achieve superior performance with lower risk over reasonable periods of time.

MKC – 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.

MUS – Mackenzie Maximum Diversification US 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.

MEU – 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.

MWD – 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.

MXU – 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.

MEE – 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.

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

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

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%

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.

Solactive AG is the third-party calculation agent of the TOBAM Maximum Diversification Index Series and received compensation in that capacity. Solactive AG does not sponsor, endorse, sell, or promote any investment vehicle that is offered by any third party that seeks to provide an investment return based on the performance of any index. It is not possible to invest directly in an index.

Index history does not represent trades that have actually been executed and therefore may under or over compensate for the impact, if any, of certain market factors, such as illiquidity. No representation is being made that an actual investment in accordance with the above will or is likely to achieve profits or losses similar to the index history. Indexes are unmanaged and do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in an investable product. An index's performance is not illustrative of an investable product's performance. Indexes are not securities in which direct investments can be made.

All information for TOBAM Maximum Diversification Canada Index prior to its inception date, September 18, 2015, is back-tested, based on the index provider's published methodology that was in effect on the index Inception Date. Back-tested performance, which is hypothetical and not actual performance, is subject to inherent limitations because it reflects the application of an Index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of the index methodology that might have been implemented during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns.

For more information, please refer to the index provider's website at www.tobam.fr.

TOBAM Maximum Diversification Index Series data ©2017 TOBAM S.A.S. All rights reserved. "TOBAM" and "Diversification Ratio" are registered trademarks and service marks of TOBAM S.A.S. or its affiliates ("TOBAM") and are used under license for certain purposes by Mackenzie Financial Corporation. Reproduction of the TOBAM data and information in any form is prohibited except with the prior written permission of TOBAM S.A.S. The Mackenzie Mutual Funds are not sponsored, endorsed, sold or promoted by TOBAM and TOBAM makes no representation regarding the advisability of investing in such fund. TOBAM does not guarantee the accuracy or completeness of any data and information and is not responsible for any error or omission or for the results obtained from the use of such data and information. TOBAM GIVES NO EXPRESS OR IMPLIED WARRANTY, INCLUDING, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.



MACKENZIE
Investments