Mackenzie Global Environmental Equity Fund is sub-advised by Greenchip Financial, who have been solely dedicated to environmental themed investing since 2007.

INVESTMENT THESIS:
The Global Energy Transition is Driving Investment Opportunity
1. Systemic shift from fossil-based energy to decentralized, renewable power is driving long-term structural change in how we produce, transmit, store, and consume energy.
2. This energy transition is creating new investment opportunities.
3. Investing in more sustainable business models that improve the efficiency of natural resource use can contribute to a reduced carbon footprint.

INVESTMENT UNIVERSE:
Environmental Sectors
The portfolio managers look at an investment universe of over 600 companies with a cumulative $6 trillion market capitalization. The Clean Energy environmental sector focuses on the production of energy and the supply of equipment/infrastructure required for the move from fossil fuel production of energy to clean energy sources.
INVESTMENT THEME:
Clean Energy – Renewable Equipment – Solar

1. Tailwind – electrification, economics
   - As the price of solar energy is decreasing, it is becoming the cheapest electron in most regimes. As shown by the chart to the right, the price of solar has declined from $8/W in 2007 to less than $1/W in 2017 and is expected to continue to decline.
   - Flexible technology that can be built at any scale.
   - Required for electric vehicles and grid storage to reduce environmental footprint.

2. Misunderstood – growth, consolidation
   - Underestimated growth – 2% of global generation is expected to grow to 15% over the next 20 years (more with economic storage).
   - Leaders in the space have increased market share from 33% to 66% in the past 5 years – margins are expected to improve.
   Source: Mercom Capital, GWEC

3. Value – Portfolio Holdings:
   Jinko Solar and Canadian Solar
   - Jinko Solar is a global solar module manufacturer. The company sells into 80 countries around the world and has been steadily improving volumes and market share.
   - Canadian Solar provides solar energy solutions to consumers in over 150 countries, and has manufacturing facilities established in Canada, China, Brazil, and South East Asian countries. The company has attractive profit margins both at its solar plants and in its manufacturing business.

To learn more about the Mackenzie Global Environmental Equity Fund, please contact your financial advisor.

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