

Mackenzie Bluewater Team



Team philosophy & approach

The Mackenzie Bluewater Team seeks to achieve conservative growth through all phases of the market cycle. Their philosophy is to take a meaningful ownership stake in stable, industry-dominant businesses that are organically outgrowing the economy and their peers. The Team believes that companies will outperform if they sustainably grow free cash flow and are run by management that can prudently allocate capital, execute on their business strategies, and create long-term value for shareholders.



Team competitive advantage

Risk management/downside protection:

When screening the universe, the Team identifies structural risks and avoids highly exposed industries and companies. They further reduce portfolio risk by avoiding businesses with deep cyclicity and capital intensity, while seeking businesses that are growing quicker than the economy and have consistently grown free cash flow over a long period. One can never anticipate all risks but purchasing conservative growth companies at a reasonable discount to fair value provides downside protection when markets are declining.

Strong fundamental research capabilities:

The Team applies a thorough analysis of each business to identify key drivers of sustainable free cash flow growth. They also build a 10-year discounted cash flow model for each company to help gauge the attractiveness of a stock's future value. Bluewater conducts ongoing due diligence of businesses whose shares they hold, which includes attending regular meetings with management and speaking with industry experts across the supply chain and their peer group. These insights help the Team uncover salient facts about an industry and the companies in it, as well as develop in-depth knowledge of the companies they are invested in.

Funds under management: \$12.1 Billion*

MANDATES

- Mackenzie Canadian Growth Balanced Fund/Class
- Mackenzie Canadian Growth Fund/Class
- Mackenzie Global Growth Balanced Fund
- Mackenzie Global Growth Class
- Mackenzie US Growth Class

COMPONENTS

- Mackenzie Private Canadian Focused Equity Pool/Class
- Mackenzie Private Global Conservative Income Balanced Pool/Class
- Mackenzie Private Global Equity Pool/Class
- Mackenzie Private Global Income Balanced Pool/Class
- Mackenzie Private Income Balanced Pool/Class
- Mackenzie Private US Equity Pool/Class

Price discipline:

If the Team likes a business, they will only buy when the stock is trading at, in their view, a double-digit discount to fair value. They rely on their proprietary discounted cash flow pricing models – not the market – to determine a company's worth. These pricing models allow them to remove emotion from decisions which leads to a consistent, repeatable process. Similarly, Bluewater relies on their models to begin trimming a portfolio holding once the company's share price trades at a double-digit premium. The Team will usually sell a position completely when the share price trades above a 20% premium to fair value.

Focus on leadership positions:

The Team constructs a concentrated portfolio of conservative growth companies that are usually recognized as being leaders within superior industries. There are not many companies that have the qualities they seek; the universe is concentrated as is their portfolio. They believe these top-tier businesses are capable of generating high single-digit to low double-digit rates of growth through all market cycles and they have high barriers to entry (i.e., a distinct, significant advantage in its industry) that helps sustain the likelihood of relative outperformance.

*In retail and institutional assets under management, as of June 30, 2020.

Mackenzie Bluewater Team

Portfolio managers



Dina DeGeer, MBA, CFA

Senior Vice President,
Portfolio Manager,
Team Co-lead

> Investment experience
since 1985

Led by Dina DeGeer, the Mackenzie Bluewater Team adheres to a **conservative growth philosophy** and a **strong valuation discipline**. The Team has deep equity research and investment management expertise across the market capitalization spectrum in Canada, the U.S., Europe and Asia.



David Arpin, MA, CFA

Senior Vice President,
Portfolio Manager,
Team Co-lead

> Investment experience
since 1995



Shah Khan, MBA, CFA

Vice President,
Portfolio Manager

> Investment experience
since 2010



Hui Wang, MBA, CFA, CAIA

Associate Portfolio
Manager

> Investment experience
since 2010

Investment director



Han Tacoma, CIM

Investment Director,
Equities

> Investment experience
since 1998

For more information about the Mackenzie Bluewater Team, visit mackenzieinvestments.com.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus of before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.