

Mackenzie Emerging Markets Small Cap

Investment philosophy

We believe in a core approach using fundamental ideas in a disciplined, risk-aware, systematic investment process. Our team's priority in executing the investment process is to remain nimble in seeking to generate alpha for clients. To retain this advantage, we use a proprietary transaction cost model and focus on capacity.

Strategy objective

Seeks to outperform the MSCI Emerging Markets Small Cap Index by 4% over a full market cycle on an annualized basis (gross of fees), with a targeted tracking error of 5%.

Approach

Bottom-up, quantitative stock selection process applied to a broad small-cap investable universe of over 6,000 securities from 24 emerging markets countries and a select number of frontier countries.

Stocks are analyzed through a region/sector relative model framework.

Individual stock weights are assigned based upon sub-factors, which are grouped into the four super factors, Value, Revisions, Quality and Informed Investor.

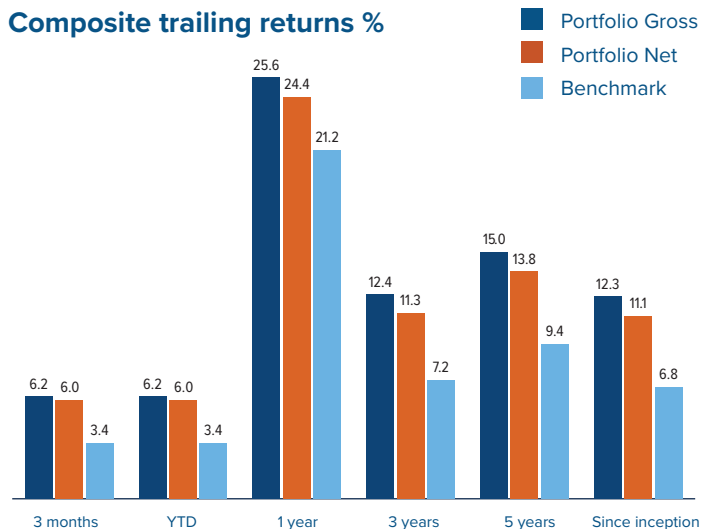
- **Value:** Focuses on value metrics: Quality value (cash flow and divided based), Pure value (book, revenue, or earnings based), Neglect and Linked Firms
- **Revisions:** Emphasis on sell-side analyst revisions in forecasts (earnings, sales and dividends), long-term growth, innovation and insight from linked companies.
- **Quality:** Focuses on management, capital allocation, operating efficiency, ESG and the application of accounting principles.
- **Informed Investor:** Factor looks at informed market participant activity, such as the short interest in and option on securities.

Contextual modeling is utilized to further refine the weights of factors assigned to stocks.

Key benefits of our approach

- Lead PM brings 30 years of experience working for institutional clients in and beyond traditional long only approaches
- Quantitative team with a long history of working together
- Track record of innovation in long-only, long-short, extension and low volatility strategies across all regions
- Core focus that aims to add value across a variety of market conditions
- Nimble – incorporating daily changes in alpha model
- Daily rebalancing & trading, predictive transaction cost modelling, focus on capacity

Composite trailing returns %



RISK STATISTICS (3 YEAR)

Tracking Error (%)	4.1
Information Ratio	1.3
Sharpe Ratio	0.7

ASSET UNDER MANAGEMENT

Firm Assets* (B)	€139
Team Assets (B)	€7.3
Emerging Markets Assets (M)	€1,180
Strategy Assets (M)	€89
Strategy Capacity (M)	€496

STRATEGY OVERVIEW

Inception Date	Apr-18
Target # of Holdings	250
Expected Turnover	250%
Expected Active Share	>90

STANDARD FEES

First \$50M	1.00%
Next \$50M	0.95%
Next \$150M	0.90%
Thereafter	0.85%

*Firm Assets represents all assets under management of Mackenzie Financial Corporation and other Mackenzie Investments affiliates globally including Mackenzie Investments Corporation.

The above information, which does not constitute formal investment guidelines/restrictions, is subject to change from time to time and over time. Past performance does not guarantee or indicate future results. The gross performance figures shown above do not reflect the deduction of investment advisory fees. The net performance figures shown above reflect the deduction of the highest investment advisory fee for the strategy. Full details of how performance is calculated, including with respect to other types of costs, fees and expenses, are shown on page 4. Fees are subject to modification and negotiation.

Source: Mackenzie

Mackenzie Emerging Markets Small Cap

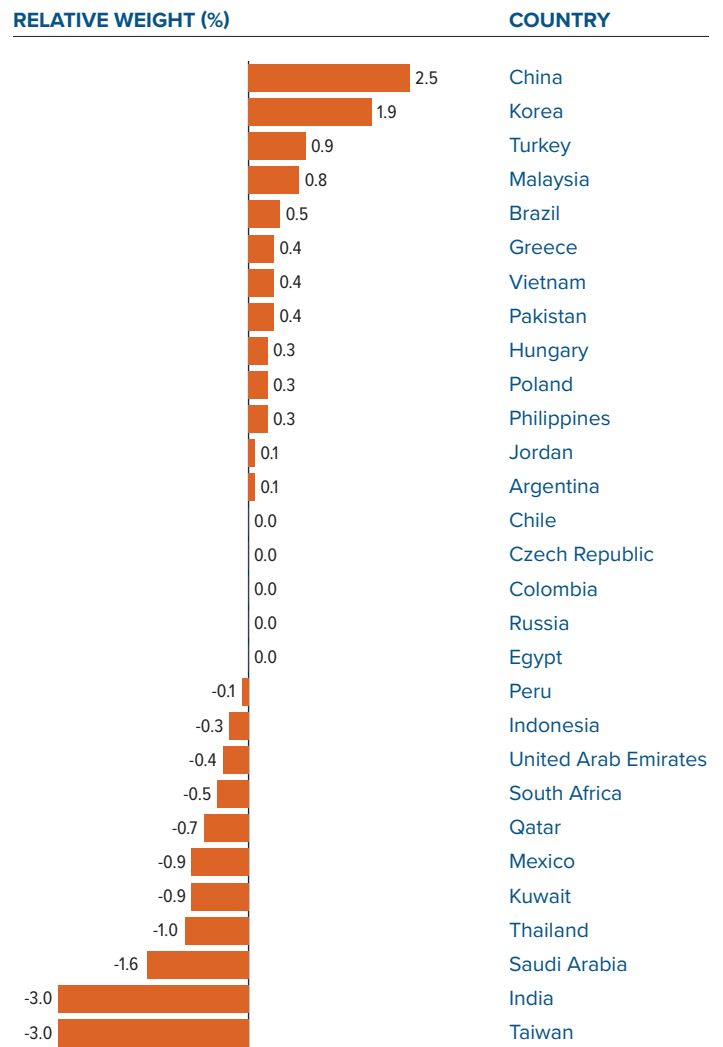


March 31, 2024 | Currency - EUR

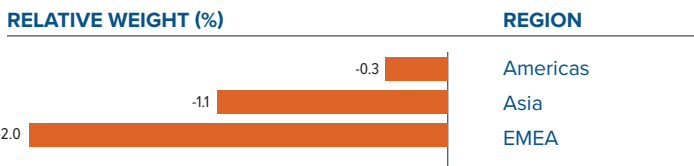
Portfolio characteristics

	PORTFOLIO	BENCHMARK
# of Holdings	378	2052
% Top 10 Holdings	16%	4%
Predicted Beta	1.0	1.0
P/E (forecast)	11.0	16.2
P/Tangible Book	1.5	2.0
P/Cash Flow	4.9	9.9
P/Sales	0.6	1.1
Dividend Yield	2%	2%
3 Month % Net Earnings Revision	28%	-5%
3 Month % Net Sales Revision	23%	-6%
3 Month % Net Target Price Revision	41%	22%
Share Buy Back	0%	-2%
Free Cash Flow Margin	10%	5%
Weighted Avg. Market Cap (€B)	1.6	1.8

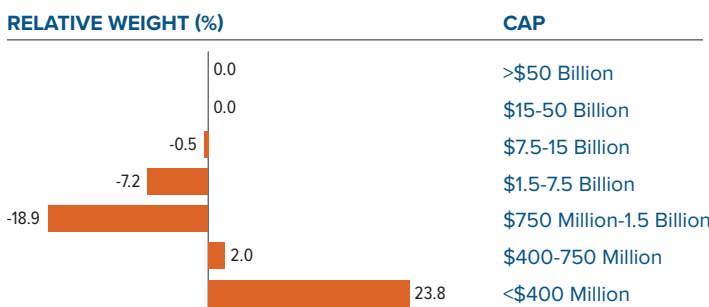
Country active weights (+/- 3.0% of benchmark)



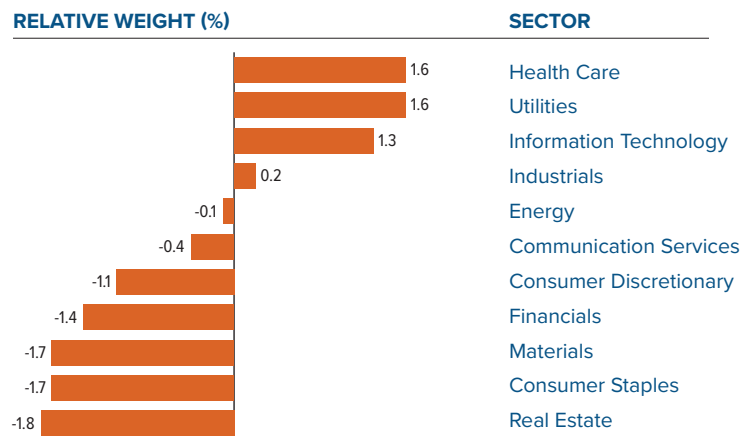
Regional breakdown



Market cap breakdown



Sector active weights (+/- 3.0% of benchmark)



The representative account information shown above is not indicative of any future results and is subject to change. Quarterly information shown above is as of 03/28/2024

INSTITUTIONAL AND PROFESSIONAL INVESTOR USE ONLY NOT FOR DISTRIBUTION TO RETAIL INVESTORS

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For the period May 1, 2018 to December 31, 2022

Annual composite performance (in EUR)

YEAR ⁽¹⁾	GROSS COMPOSITE RETURN (%)	NET COMPOSITE RETURN (%)	BENCHMARK RETURN (%)	NUMBER OF PORTFOLIOS	INTERNAL DISPERSION (%)	COMPOSITE 3 YR STD DEV (%) ⁽²⁾	BENCHMARK 3 YR STD DEV (%) ⁽²⁾	COMPOSITE ASSETS (€ MIL)	TOTAL FIRM ASSETS (€ MIL)
2022	-6.86	-7.79	-12.86	≤5	N/A	23.14	21.80	78	127,201
2021	36.66	35.31	27.45	≤5	N/A	22.30	20.22	96	144,280
2020	13.11	11.99	9.53	≤5	N/A	N/A	N/A	96	118,863
2019	19.25	17.83	13.92	≤5	N/A	N/A	N/A	91	93,554
2018	-12.88	-13.57	-14.26	≤5	N/A	N/A	N/A	68	76,011

(1) For 2018, data presented from May 1, 2018 (inception date) through December 31, 2018.

(2) The three-year annualized standard deviation is not presented as of December 31, 2018, December 31, 2019 and December 31, 2020 because the composite does not have 36 monthly returns as of this date.

Annualized composite performance (in EUR)

YEAR	GROSS COMPOSITE RETURN (%)				NET COMPOSITE RETURN (%)				BENCHMARK RETURN (%)			
	1 YEAR	3 YEAR	5 YEAR	10 YEAR	1 YEAR	3 YEAR	5 YEAR	10 YEAR	1 YEAR	3 YEAR	5 YEAR	10 YEAR
2022	-6.86	12.92	N/A	N/A	-7.79	11.80	N/A	N/A	-12.86	6.75	N/A	N/A
2021	36.66	22.61	N/A	N/A	35.31	21.32	N/A	N/A	27.45	16.72	N/A	N/A
2020	13.11	N/A	N/A	N/A	11.99	N/A	N/A	N/A	9.53	N/A	N/A	N/A
2019	19.25	N/A	N/A	N/A	17.83	N/A	N/A	N/A	13.92	N/A	N/A	N/A



Firm overview

Mackenzie Financial Corporation, Mackenzie Investments Corporation, Mackenzie Investments Europe Limited and Mackenzie Investments Asia Limited (collectively “Mackenzie Investments”) provide investment management and related services through multiple distribution channels. Assets under management as at December 31, 2022 were €127.2 Billion. We provide our investment management expertise through mutual funds, pooled funds, segregated accounts, and separate accounts for retail and institutional investors. Mackenzie Investments is dedicated to generating consistently superior long-term investment returns for its clients. The Firm is a member of the IGM Financial Inc. (TSX:IGM) group of companies.

On January 1, 2019, I.G. International Management Limited (now Mackenzie Investments Europe Limited) and I.G. Investment Management (Hong Kong) Limited (now Mackenzie Investments Asia Limited) became part of Mackenzie Investments. On December 22, 2020, Greenchip Financial Corp. became part of Mackenzie Investments. On December 31, 2020 GLC Asset Management Group Ltd. became part of Mackenzie Investments.

Compliance statement

Mackenzie Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Mackenzie Investments has been independently verified for the periods January 1, 2008 through December 31, 2019. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm’s policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Emerging Markets Small Cap composite has had a performance examination for the periods May 1, 2018 through December 31, 2019. The verification and performance examination reports are available upon request. See “Contact Information” below.

Composite description

The Emerging Markets Small Cap Composite seeks to provide long-term capital appreciation and outperform its benchmark. The strategy applies a quantitative, bottom-up stock selection investment process, based on fundamental insights, to emerging and selected frontier markets across small-cap stocks. The investment process focuses on a succinct, high conviction set of factors, which are applied within the context of a region/sector/industry relative model. The composite inception and creation date is May 1, 2018.

Benchmark description

The benchmark is the MSCI Emerging Markets Small Cap Index, net of withholding taxes. The MSCI Emerging Markets Small Cap Index is a free float adjusted, market capitalization weighted index that is designed to measure the small cap equity market performance of emerging markets. It consists of 24 emerging market country indices.

Reporting currency

Valuations and composite performance are reported in Euros. The composite includes Canadian dollar portfolios that have been converted to Euros.

Internal dispersion

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. Internal dispersion is only calculated for those composites which have at least 6 accounts for the full year.

Ex-post standard deviation

The 3-year annualized standard deviation measures the variability of the gross composite and benchmark returns over the preceding 36-month period.

Fees

The maximum fee for the strategy is 1.00% per annum.

List of composites and pooled funds

A list including composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds is available upon request. See “Contact Information” below.

Performance calculations

Gross of fee returns are calculated before management, operating and other fees but after all trading expenses and withholding taxes. Gross of fee performance for mutual fund accounts included in the composites are calculated by geometrically adding back the pro-rated monthly percentage of the total net Management fee expense ratio to the monthly net return. Gross composite performance is calculated by asset weighting the individual account returns using beginning of period market values. Net composite performance is calculated by reducing the gross composite performance by the maximum fee which may include investment management and administration fees.

Valuation principles

Investments listed on a public securities exchange or traded on an over-the-counter market are valued at the closing price. Where no closing price is available, the last sale or close price is used. Unlisted or non-exchange traded investments, or investments where the last price is unavailable or investments for which market quotations are, in Mackenzie’s opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

Additional information regarding policies for valuing portfolios, calculating performance, and preparing GIPS® reports are available to prospective clients upon request. See “Contact Information” below.

Trademark

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Contact information

For additional information, please contact Matt Thomson at matt.thomson@mackenzieinvestments.com.