

# MAVRIX Sierra Equity Fund



## Investing That Makes A Difference

The Fund's objective is to achieve superior returns and long-term capital growth, while minimizing risk through a disciplined and fundamental investment approach that observes principles and values.

### SOCIALLY RESPONSIBLE INVESTING

Tobacco, weapons and shady executives - these are concerns for many investors. In the old days, avoiding the bad stuff used to be called ethical investing, and then socially responsible investing (SRI). It is no longer about avoiding the sin stocks, but rather integrating environmental, social and corporate governance (ESG) considerations with fundamental investment analysis to reduce portfolio risk and enhance returns. SRI assets have grown significantly in various parts of the world, with SRI assets having grown by 250% over 10 years to US\$2.3 trillion in the USA at the end of 2005.

### AHEAD OF THE CURVE... AGAIN

Mavrix continues to lead the pack with the Mavrix Sierra Equity Fund which was created in 1999. Investors around the world are starting

The Mavrix Sierra Equity Fund is well positioned in the Canadian market in one of the fastest growing investment sectors in the world. Investors are growing concerned about issues such as the environment and climate change, and are interested in how their investments can make a difference. Investors have started to realize that a company's conduct and business practices can be important to their personal net worth. Corporate irresponsibility and scandals over the last 10 years have elevated the level of scrutiny required by shareholders in evaluating investments in companies.

to realize that their personal beliefs and values do not need to take a back seat when making investment decisions.

The Mavrix Sierra Equity Fund offers investors the opportunity to achieve longterm capital growth within an ESG framework. It is a disciplined and focused Canadian equity fund with selected U.S. and global equity holdings. In addition to conducting a rigorous fundamental analysis for portfolio investments, the portfolio manager ensures that companies demonstrate sustainable best practices by examining its social progress, economic progress and environmental impact.

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of medium to large Canadian and US companies that embrace corporate conduct that reduces the environmental impact of their business operations while contributing to the social and economic progress of communities in which they operate.

### BAY STREET MEETS MAIN STREET

In April 2006, the United Nations launched its Principles for Responsible Investing (PRI) with the support of global money managers responsible for more than US\$4 trillion of assets, or about 10 per cent of global capital. The PRI's main principles commit the money managers to integrating environmental, social and governance issues into traditional fundamental investment analysis. In the US, nearly one out of every ten dollars under professional management is involved in socially responsible investing. It's always nice to be ahead of a crowded field.

*Mavrix Fund Management Inc. is a member of:*



**The Mavrix Sierra Equity Fund: Intelligent Responsible Investing**



# MAVRIX Sierra Equity Fund



## PORTFOLIO MANAGER

**Ray Steele, CFA, CMA**  
CFO, Portfolio Manager  
Mavrix Fund Management Inc.

## TYPICAL INVESTOR

Individual investor seeking a 100% RRSP eligible sector investment pursuing long-term capital growth, that observes responsible investing principles.

## INVESTMENT POLICY DATA

**Fund Type:** Primarily Canadian Equity

**Portfolio composition:** 35-60 Canadian stocks (mid and large caps)

**Style bias:** Blend of growth and value observing responsible investing principles

**Sector weightings:** Not predetermined

**Benchmark:** S&P/TSX Composite index

**Target return:** Outperform S&P/TSX Composite index over long-term periods

**Volatility control:** Diversification across market caps, growth stages of companies and across a number of sectors. Environmental, social and corporate governance factors are expected to reduce risk.

## FUND DATA

<b>Fund codes:</b>	<b>Front:</b>	MAV110
	<b>DSC:</b>	MAV210
	<b>Low Load DSC:</b>	MAV510
	<b>F Class:</b>	MAV730

*I Class (Institutional) and O Class (HNW) available*

**Inception:** May 26, 1999

**Distributions:** Annually

**RRSP eligibility:** 100%

## SERVICE FEES:

**Front:** 1.00%

**DSC:** 0.50%

**Low Load DSC:** 1.00%

Since 1985, Ray Steele has been a portfolio manager with several investment management companies. His clients have included mutual fund companies, banks, insurance companies, unions, and some of Canada's largest pension funds.

Ray Steele was a founding member of the Atlantic Canada Chapter of the Toronto Society of Financial Analysts.

## INVESTMENT METHODOLOGY

- First level of due diligence involves fundamental analysis to determine companies that are "best-in-class" with sustainable competitive advantages and market leadership.
- Second level of due diligence determines companies that demonstrate strong corporate stewardship (environmental impact, social progress, economic progress, positive community involvement).
- Fully-invested, concentrated portfolio of 35-60 stocks that is diversified across sectors and market caps.
- Considers growth and value to identify investment and selling opportunities within the business cycle.
- Capitalizes on short-term pricing inefficiencies through a proactive trading style to enhance unitholder value.

**Mavrix Fund Management Inc., one of Canada's most innovative mutual fund organizations, brings to investors intelligent responsible investing.**

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