

The Sionna Funds

Sionna is responsible for investment decisions for the Canadian equity portion of these Bridgehouse Funds:

- Sionna Canadian Balanced Fund
- Sionna Canadian Equity Fund
- Sionna Canadian Small Cap Equity Fund
- Sionna Diversified Income Fund
- Sionna Monthly Income Fund
- Sionna Opportunities Fund

SIONNA SNAPSHOT

FOUNDED • 2002

TEAM • 8 investment professionals

PRESENCE • Headquartered in Toronto, Canada

ASSETS • CA\$ 4.5B
as of September 30, 2016

A Deep & Broad History

After 20 years in the investment industry, in 2002 Kim Shannon set out to build an independent and privately-owned firm focused exclusively on researching and investing in Canadian businesses. Today, Sionna Investment Managers (Sionna) oversees more than \$4 billion in assets for institutional clients, mutual funds, separately managed account programs and high net worth individuals.

Sionna believes its proprietary relative value approach is particularly suited to the Canadian marketplace. The Sionna team identifies and invests in Canadian companies deemed to be trading at attractive prices (relative to value), are poised for growth over the long term, and pay strong or growing dividends.

In 2006, Sionna joined forces with Bridgehouse Asset Managers (then operating as Brandes Investment Partners & Co.) to offer the Sionna relative value portfolios to individual investors through Canadian advisors. Today, Bridgehouse offers six mutual funds that follow Sionna's approach to Canadian equity investing.



From left: Mel Mariampillai, CFA, Portfolio Manager; Marian Hoffmann, CFA, Portfolio Manager; Kim Shannon, CFA, MBA, President and CIO; Dave Britton, CFA, MBA, Portfolio Manager; Teresa Lee, CFA, Portfolio Manager & Managing Director, Investments

Relative Value Investing

Sionna's strategy is rooted in the belief that stock markets reflect (irrational) human emotions which can create mispriced stocks. The managers seek to take advantage of these mispricings by buying quality stocks trading below their estimated true value. Sionna then earns returns if the stock prices grow to that estimated value.

This approach means that Sionna ranks stocks in the Canadian universe by weighing three primary factors: Historical Return on Equity (ROE), Price-to-Book Value and Relative Price-to-Earnings to determine an estimate of intrinsic value (the value Sionna analysis deems the company is worth). The intrinsic value estimate is then compared to the current trading price to determine an expected return.

All companies are ranked from highest to lowest expected return to identify the cheapest names in the universe. For each company, thorough fundamental analysis is used to assess: publicly filed information, quality of management, accounting practices and the health of dividend policy. Sionna then selects the most attractive companies for its portfolio.

Sionna's Competitive Edge

LOWER RISK

Sionna strives to give clients less risk and a smoother ride in the market—and have been very successful with that approach. Sionna tends to outperform the market over the long term, and strives to protect clients' assets in falling markets.

DIVERSIFICATION

Sionna believes that diversification mitigates risk. Therefore they build well-diversified portfolios with typically no more than +/- 5% differential to index sector weights.

INDIVIDUAL COMPANY SELECTION

Sionna focuses on bottom-up stock selection, rather than sector timing, further reducing risk for the investor.

“OUR GOAL IS TO PERFORM AND PROTECT, AND WE HAVE TENDED TO DELIVER A VERY POSITIVE SURPRISE IN DOWN MARKETS, MAKING IT EASIER TO STAY INVESTED WITH AN OPPORTUNITY FOR BETTER LONG-TERM RETURNS FOR THE TOTAL PORTFOLIO.”

Kim Shannon, CFA, MBA, President & CIO, Sionna

Brandes Investment Partners & Co., operating as Bridgehouse Asset Managers™ (Bridgehouse), is the manager of the Bridgehouse Funds. Bridgehouse has hired Sionna Investment Managers Inc. as portfolio sub-advisor in respect of certain Bridgehouse Funds. Units of the Funds are available through registered dealers only and not available through Bridgehouse. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Brandes Investment Partners® is a registered trademark of Brandes Investment Partners, L.P. in the United States and Canada, used under license by Brandes Investment Partners & Co. Brandes Investment Partners & Co. and Brandes Investment Partners, L.P. are affiliates. Bridgehouse Asset Managers is a trade name of Brandes Investment Partners & Co. All information is as of September 30, 2016. Published November 2016