

Annual Management Report of Fund Performance

For the Year Ended March 31, 2018

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the exchange-traded fund ("ETF"). You may obtain a copy of the annual financial statements, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at www.mackenzieinvestments.com or by visiting the SEDAR website at www.sedar.com.

Unitholders may also contact us using one of these methods to request a copy of the ETF's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. Every effort has been made to ensure that the information contained in this report is accurate as of the dates indicated in the report; however, the ETF cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the ETF's Prospectus and ETF Facts, which may also be obtained, at no cost, using any of the methods outlined above.

For the ETF's current net asset values per unit and for more recent information on general market events, please visit our website.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.

The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

Management Discussion of Fund Performance

June 7, 2018

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments during the period ended March 31, 2018, that have affected the ETF's performance and outlook. If the ETF was established during the period, "period" represents the period from inception to the end of the fiscal period. For information on the ETF's longer-term performance, as applicable, please refer to the *Past Performance* section of the report. In this report, "Mackenzie" refers to Mackenzie Financial Corporation, the manager of the ETF. In addition, net asset value ("NAV") refers to the value of the ETF as calculated for subscription and redemption purposes, on which the discussion of ETF performance is based.

Investment Objective and Strategies

The ETF seeks a steady flow of income with an emphasis on capital preservation by investing primarily in investment grade fixed income securities denominated in Canadian or foreign currencies that are issued by companies or governments.

Risk

The risks of investing in the ETF remain as discussed in the ETF's Prospectus.

The ETF is suitable for medium-term investors looking for a global fixed income fund to hold as part of their portfolio, who can handle the volatility of bond markets and who have a low tolerance for risk. Previously, the ETF was deemed suitable for investors who had a low to medium tolerance for risk.

Results of Operations

Investment Performance

During the year, the ETF returned 1.0% (after deducting fees and expenses). This compares with the ICE BofAML Global Broad Market (Hedged) Index return of 1.9%. All index returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in the index without incurring fees, expenses and commissions, which are not reflected in the index returns.

Developed global bond market returns varied over the year. The sovereign bond markets of the United States, Canada and the United Kingdom came under pressure as short-term yields rose significantly while long-term yields changed very little. In Europe, peripheral bond markets such as those of Italy, Spain and Portugal performed best, benefiting from the European Central Bank's bond-buying program. Emerging market bonds provided higher returns as higher interest payments generally offset price declines. The U.S. dollar weakened substantially, while the Canadian dollar weakened only moderately relative to the world's primary currencies. The strongest currencies were in Europe, where economic growth continued.

The ETF underperformed the index primarily because of its duration positioning and yield curve positioning. The ETF's cash position also detracted from performance as global bond markets rose. Security selection, particularly within government bonds, contributed to performance, as did the ETF's exposure to term loans.

The ETF hedged the majority of its foreign currency exposure, which contributed to absolute performance. However, the ETF retained exposure to certain foreign currencies. This strategy had a varied impact on performance. Exposure to currencies such as the Polish zloty and Swedish krona contributed as they appreciated relative to the Canadian dollar, while exposure to weaker currencies, such as the Argentine peso and Turkish lira, detracted.

The ETF used short futures to reduce duration in specific markets, which detracted from performance. The ETF used currency options to gain exposure to the currency market, which also detracted.

Over the year, portfolio activity and market effect resulted in new exposure to Australia, Japan and Turkey, while exposure to Canada and Bermuda increased. Exposure to the United States, Mexico and Denmark decreased. At the sector level, exposure to corporate and federal bonds increased, while exposure to foreign government bonds and term loans decreased. The portfolio management team continually makes tactical adjustments to the ETF's allocations, so this year-end positioning does not necessarily represent a long-term strategic position.

Net Assets

The ETF's NAV increased by 247.0% to \$125.3 million at March 31, 2018, from \$36.1 million at March 31, 2017. This change was composed primarily of \$0.5 million in net income (including dividend and interest income) from investment performance, after deducting fees and expenses, \$90.8 million in net sales, and \$2.1 million in cash distributions.

Recent Developments

The portfolio management team expects to maintain a shorter duration for the ETF relative to the index as the team believes yields appear poised to move higher. The ETF has limited exposure to Europe, where growth is improving but yields have not yet reacted. In comparison, yields in the United States have already moved higher, but the team believes the U.S. 10-year government bond yield could rise to 3.5% before having an economic impact. More generally, the team believes any upward pressure on short- and mid-term yields will eventually have a negative effect on the global economy because of the significant amount of debt outstanding. The ETF is positioned for stronger growth and inflation, but the team does not expect this combination to prevail over the long term.

The team does not believe the Canadian dollar is likely to appreciate or depreciate significantly. Conversely, in the team's opinion, there are a number of reasons the U.S. dollar could weaken, including protectionist trade policies and higher deficit spending.

Related Party Transactions

The following arrangements result in fees paid by the ETF to Mackenzie or to companies affiliated with the ETF.



MACKENZIE CORE PLUS GLOBAL FIXED INCOME ETF

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ACTIVE FIXED INCOME ETF

Management Fees

The management expense ratio (“MER”) for the ETF of 0.67% during the year ended March 31, 2018, was unchanged from the annualized MER of 0.67% for the period ended March 31, 2017. The ETF paid management fees to Mackenzie at the annual rate of 0.60%.

The management fee for the ETF is calculated and accrued daily as a percentage of its NAV. The ETF’s management fees were used by Mackenzie to pay for the costs of managing the investment portfolio of the ETF, including providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services, and to pay for all costs and expenses (other than certain specified fund costs as more fully described in the Prospectus) required to operate the ETF.

Other Related Party Transactions

The ETF did not rely on an approval, positive recommendation or standing instruction from the Mackenzie Funds’ Independent Review Committee with respect to a related party transaction because it did not engage in any related party transactions.

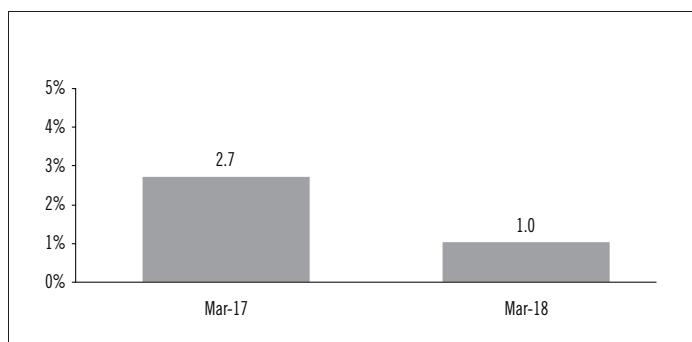
Past Performance

The ETF’s past performance information is presented in the following chart and table. It assumes all distributions made by the ETF in the periods presented are reinvested in additional units of the ETF. The chart and table do not take into account sales, redemption, distribution or optional charges, or income taxes payable by any investor that would have reduced returns. The past performance of the ETF is not necessarily an indication of how it will perform in the future.

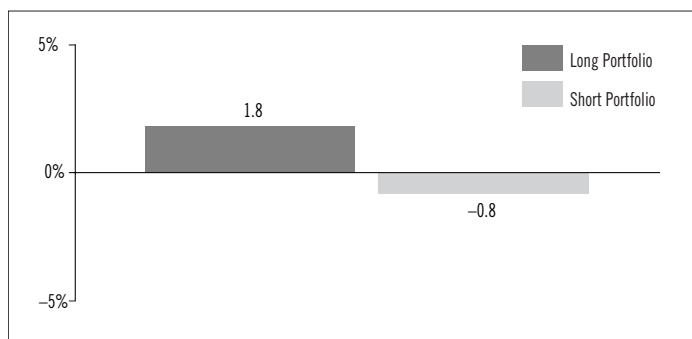
If you hold this ETF outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units of the ETF. The amount of reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the ETF, thereby ensuring that you are not taxed on this amount again. Please consult your tax adviser regarding your personal tax situation.

Year-by-Year Returns

The following bar chart presents the performance of the ETF for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the ETF’s inception date (April 19, 2016), as applicable, would have increased or decreased by the last day of the fiscal period presented.



The following bar chart presents the performance of the ETF’s long and short portfolio positions for the year ended March 31, 2018, before deducting fees and expenses and before the effect of other assets (liabilities).



Annual Compound Returns

The following table compares the historical annual compound total returns for the ETF with the relevant index or indices shown below for each of the periods ended March 31, 2018. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Mackenzie Core Plus Global Fixed Income ETF	1.0	n/a	n/a	n/a	1.9
ICE BofAML Global Broad Market (Hedged) Index	1.9	n/a	n/a	n/a	1.2

The ICE BofAML Global Broad Market (Hedged) Index tracks the performance of investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities. Qualifying bonds must be rated “BBB” or higher and have a remaining term to maturity of at least one year. The foreign currency exposure is hedged back to the Canadian dollar.

MACKENZIE CORE PLUS GLOBAL FIXED INCOME ETF

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ACTIVE FIXED INCOME ETF

Summary of Investment Portfolio at March 31, 2018

Portfolio Allocation	% of NAV
Bonds	89.9
<i>Bonds</i>	90.0
<i>Short futures*</i>	(0.1)
Cash and short-term investments	6.9
Exchange-traded funds/notes	4.6
Equities	0.9
Other assets (liabilities)	(2.3)
Regional Allocation	% of NAV
United States	26.4
Canada	21.4
Other	16.2
Cash and short-term investments	6.9
United Kingdom	4.8
Australia	4.7
Bermuda	3.7
Poland	3.0
Norway	2.7
Japan	2.4
Belgium	2.1
Argentina	2.0
Denmark	1.9
Sweden	1.4
Turkey	1.4
Brazil	1.3
Russia	1.1
Other assets (liabilities)	(2.3)
Sector Allocation	% of NAV
Corporate bonds	42.7
Foreign government bonds	38.0
Cash and short-term investments	6.9
Term loans	6.0
Exchange-traded funds/notes	4.6
Federal bonds	2.4
Provincial bonds	0.9
Energy	0.4
Utilities	0.3
Financials	0.2
Other	(0.1)
Other assets (liabilities)	(2.3)
Net Currency Exposure	% of NAV
Canadian dollar	85.3
Indian rupee	3.4
Other	3.1
Polish zloty	3.0
Turkish lira	1.4
Russian ruble	1.1
New Zealand dollar	1.1
Argentine peso	1.0
Brazilian real	0.6
Bonds by Credit Rating**	% of NAV
AAA	29.1
AA	13.3
A	21.5
BBB	12.8
Less than BBB	12.2
Unrated	1.1

Top 25 Long Holdings

Issuer/Underlying Fund	% of NAV
Cash and short-term investments	6.9
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	4.6
International Finance Corp. 7.00% 07-20-2027	3.2
Republic of Poland F/R 01-25-2026	3.0
Government of Bermuda 3.72% 01-25-2027 Callable 2026	2.4
United States Treasury Inflation Indexed 0.89% 02-15-2047	2.3
United Kingdom Treasury 4.25% 12-07-2027	2.2
United States Treasury Inflation Indexed 0.13% 01-15-2023	2.2
United States Treasury Inflation Indexed 2.00% 01-15-2026	2.1
Queensland Treasury Corp. 2.75% 08-20-2027	2.1
Treasury Corp. of Victoria 3.00% 10-20-2028	1.9
Government of Japan 0.10% 02-15-2019	1.9
International Finance Corp. 6.30% 11-25-2024	1.9
Anheuser-Busch InBev Finance Inc. 2.65% 02-01-2021 Callable 2021	1.8
Realkredit Danmark AS 1.00% 04-01-2022	1.4
Canada Housing Trust No. 1 2.35% 06-15-2023	1.3
International Finance Corp. 8.38% 05-31-2029	1.3
Heathrow Funding Ltd. 4.00% 07-03-2019	1.2
PepsiCo Inc. 3.00% 10-15-2027 Callable 2027	1.1
United States Treasury 1.88% 02-28-2022	1.1
United States Treasury 2.13% 02-29-2024	1.1
Government of Russia 7.05% 01-19-2028	1.1
The Goldman Sachs Group Inc. F/R 10-28-2027 Callable 2026	1.1
Asian Development Bank 5.90% 12-20-2022	1.0
HSBC Holdings PLC 0.45% 09-24-2021	1.0

Top long positions as a percentage of total net asset value

51.2

Top 25 Short Holdings

Issuer	% of NAV
Swedish 10-Year Government Bond Futures*	(0.0)
Euro-Bund Futures*	(0.0)
CME Ultra Long-Term U.S. Treasury Bond Futures*	(0.1)

Top short positions as a percentage of total net asset value

(0.1)

* Notional principal values represent -4.1% of NAV for Swedish 10-Year Government Bond Futures, -2.4% of NAV for Euro-Bund Futures and -2.8% of NAV for CME Ultra Long-Term U.S. Treasury Bond Futures.

** Credit ratings and rating categories are based on ratings issued by a designated rating organization. This table includes only bonds held directly by the ETF.

For the prospectus and other information about the underlying fund(s) held in the portfolio, visit www.mackenzieinvestments.com or www.sedar.com.

The investments and percentages may have changed since March 31, 2018, due to the ongoing portfolio transactions of the ETF. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the ETF's fiscal year-end, when they are available within 90 days.



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MACKENZIE CORE PLUS GLOBAL FIXED INCOME ETF

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ACTIVE FIXED INCOME ETF

Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for each of the fiscal periods presented below. In the period when the ETF was established, "period" represents the period from inception to the end of that fiscal period. The inception date can be found under *Past Performance*.

THE ETF'S NET ASSETS PER SECURITY (\$)¹

Series E (Ticker: MGB)	Mar. 31 2018	Mar. 31 2017
Net assets, beginning of period	20.06	20.00
Increase (decrease) from operations:		
Total revenue	0.71	0.57
Total expenses	(0.14)	(0.15)
Realized gains (losses) for the period	(0.47)	0.28
Unrealized gains (losses) for the period	0.04	(0.12)
Total increase (decrease) from operations²	0.14	0.58
Distributions:		
From net investment income (excluding dividends)	0.51	(0.52)
From dividends	—	—
From capital gains	—	(0.04)
Return of capital	0.02	—
Total annual distributions³	0.53	(0.56)
Net assets, end of period	19.74	20.06

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per unit. This information is derived from the ETF's audited annual financial statements. The net assets per unit presented in the financial statements may differ from the net asset value per unit calculated for ETF pricing purposes. An explanation of these differences can be found in the *Notes to Financial Statements*.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the fiscal period.

(3) Distributions were paid in cash/reinvested in additional units of the ETF, or both.

RATIOS AND SUPPLEMENTAL DATA

Series E (Ticker: MGB)	Mar. 31 2018	Mar. 31 2017
Total net asset value (\$000)⁽¹⁾	125,318	36,117
Units outstanding (000)⁽¹⁾	6,350	1,800
Management expense ratio (%)⁽²⁾	0.67	0.67
Management expense ratio before waivers or absorptions (%)⁽²⁾	0.67	0.67
Trading expense ratio (%)⁽³⁾	0.00	0.00
Trading expense ratio before reimbursements (%)⁽³⁾	0.00	0.00
Portfolio turnover rate (%)⁽⁴⁾	118.56	n/a
Net asset value per unit (\$)	19.73	20.06
Closing market price (\$)⁽⁵⁾	19.75	20.06

(1) This information is provided as at the end of the fiscal period shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. If the ETF was established in the period, the management expense ratio is annualized from the date of inception. Mackenzie may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. Mackenzie may reimburse the ETF for certain brokerage commissions and other transaction costs (including those payable to the custodian or its agents). Mackenzie may make these reimbursements at its discretion and stop these reimbursements at any time without notice.

(4) The ETF's portfolio turnover rate indicates how actively the ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the period. The higher an ETF's portfolio turnover rate in a period, the greater the trading costs payable by the ETF in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of an ETF. The portfolio turnover rate is not provided when the ETF is less than one year old.

(5) Closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, on the last trading day of the period as reported on the Toronto Stock Exchange.



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