

## **Annual Management Report of Fund Performance**

*For the Year Ended March 31, 2023*

*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](http://www.mackenzieinvestments.com) or by visiting the SEDAR website at [www.sedar.com](http://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. 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 value 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, outbreaks of disease or pandemics (such as COVID-19), 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.*



# MACKENZIE IVY GLOBAL EQUITY ETF

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## Management Discussion of Fund Performance

June 5, 2023

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments that have affected the ETF's performance and outlook in the year ended March 31, 2023 (the "period"). If the ETF was established during the period, "period" represents the period since inception.

In this report, "Mackenzie" and "the Manager" refer 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.

Please read *A Note on Forward-Looking Statements* on the first page of this document.

### Investment Objective and Strategies

The ETF seeks long-term capital growth, consistent with protection of capital, by investing primarily in a broad range of equities within developed markets anywhere in the world. The ETF's investments may include investments in emerging markets, and securities of U.S. companies will usually form the largest percentage of assets from any geographic area.

### Risk

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

The ETF is suitable for medium- to long-term investors looking for a global equity fund to hold as part of their portfolio, who can handle the volatility of stock markets and who have a low to medium tolerance for risk.

### Results of Operations

#### Investment Performance

During the period, the ETF returned 4.7% (after deducting fees and expenses). This compares with the MSCI World (Net) Index return of 0.6%. All index returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

Global equities fell over the period as economic forecasts weakened, although currency movements generally boosted returns in Canadian dollar terms. Employment remained strong. In response to persistently high inflation, the U.S. Federal Reserve and the European Central Bank increased their policy rates significantly. Higher interest rates contributed to a crisis in the U.S. banking system in March, which affected banks in Europe.

Within the MSCI World (Net) Index, Denmark, Ireland and Spain were the strongest-performing markets in Canadian dollar terms, while Norway, Israel and Canada were the weakest. The energy, consumer staples and industrials sectors were the strongest performers, while real estate, communication services and consumer discretionary were the weakest.

The ETF outperformed the index, with stock selection in the United States and Spain contributing to performance. An overweight position and stock selection in the United Kingdom also contributed to performance. In sector terms, stock selection in consumer discretionary and information technology contributed to performance.

Conversely, stock selection in the Netherlands and Switzerland detracted from performance. In sector terms, stock selection in health care and lack of exposure to energy detracted from performance.

Over the period, the ETF's exposures changed as attractively valued securities were purchased. The ETF's exposure to the United Kingdom increased. At the sector level, exposure to financials increased.

### Net Assets

The ETF's net assets decreased by 23.5% during the period to \$23.5 million. This change was composed primarily of \$0.9 million in net income (including any interest and/or dividend income) from investment performance, after deducting fees and expenses, and a decrease of \$8.1 million due to net unitholder activity (including sales, redemptions and cash distributions).

### Recent Developments

According to the portfolio management team, some of the risks that marked the period remain a source of uncertainty, including developments in the Russia-Ukraine conflict, energy price volatility, inflationary pressures and concerns about a recession. Near the end of the period, financial system fragility also became a concern. Rather than positioning the ETF for a specific macroeconomic outcome, the team focuses on the long-term prospects of existing and potential investments and views price declines as potential buying opportunities. The ETF targets high-quality businesses with proven business models and strong balance sheets that, in the team's view, can better withstand the impacts of adverse market environments. The team also seeks to strike a balance between short-term protection and long-term returns.

Effective March 31, 2023, KPMG LLP was appointed as the auditor of the ETF.

### Related Party Transactions

#### Management Fees

The management expense ratio ("MER") for the ETF during the year ended March 31, 2023, was similar to the MER for the year ended March 31, 2022. Total expenses paid vary from period to period mainly as a result of changes in average assets in the ETF. The MERs are presented in the *Financial Highlights* section of this report. The ETF paid management fees to the Manager at the annual rate of 0.75%.

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 the Manager 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

Investment funds managed by Mackenzie and its affiliates may invest in the ETF in accordance with the investment objectives of those funds. At March 31, 2023, funds managed by Mackenzie owned 7.6% of the ETF's NAV. All related party transactions are based on the current market price. As a result of these investments, the ETF may be subject to large transaction risk as discussed in the Prospectus. Mackenzie manages this risk to reduce the possibility of any adverse effects on the ETF or on its investors, through such processes as settling transactions in kind, charging creation and/or redemption fees for transactions settling in cash, and establishing appropriate order cut-off times for transactions.

The Manager relied on an approval provided by the Mackenzie Funds' Independent Review Committee to appoint KPMG LLP as the auditor of the ETF, effective March 31, 2023.

# MACKENZIE IVY GLOBAL EQUITY ETF

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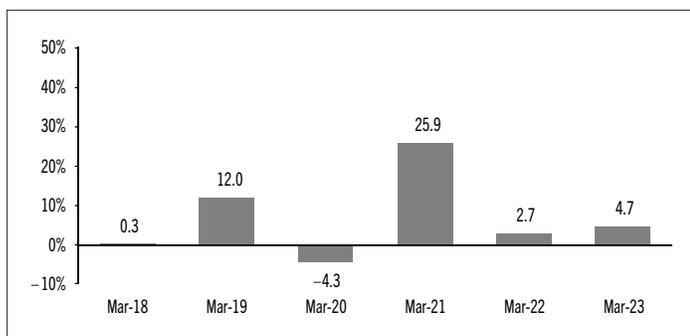
## Past Performance

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 brokerage commissions 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 sell from the ETF, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor 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 (November 22, 2017), as applicable, would have increased or decreased by the last day of the fiscal period presented.



## 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, 2023. 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 dividend payments, interest income accruals and interest payments are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Mackenzie Ivy Global Equity ETF	4.7	10.6	7.7	n/a	7.2
MSCI World (Net) Index	0.6	14.8	9.1	n/a	9.0

*The MSCI World (Net) Index represents large- and mid-cap equity performance across 23 developed markets. Net total returns are calculated after the deduction of withholding tax from the foreign income and dividends of its constituents.*

# MACKENZIE IVY GLOBAL EQUITY ETF

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## Summary of Investment Portfolio at March 31, 2023

PORTFOLIO ALLOCATION	% OF NAV
Equities	98.9
Cash and short-term investments	1.0
Other assets (liabilities)	0.1

REGIONAL ALLOCATION	% OF NAV
United States	54.6
United Kingdom	18.2
Japan	5.8
Germany	4.4
Switzerland	4.2
Canada	3.2
Spain	2.9
Ireland	2.7
Taiwan	1.5
South Korea	1.4
Cash and short-term investments	1.0
Other assets (liabilities)	0.1

SECTOR ALLOCATION	% OF NAV
Information technology	19.2
Health care	17.9
Consumer staples	15.9
Financials	13.5
Consumer discretionary	12.4
Industrials	10.2
Communication services	6.5
Materials	3.3
Cash and short-term investments	1.0
Other assets (liabilities)	0.1

TOP 25 POSITIONS	% OF NAV
<b>Issuer</b>	
Alphabet Inc.	4.1
Danaher Corp.	3.8
Seven & i Holdings Co. Ltd.	3.8
RELX PLC	3.4
Oracle Corp.	3.4
Amcor PLC	3.3
Johnson & Johnson	3.3
Admiral Group PLC	3.2
Brookfield Corp.	3.2
Compass Group PLC	3.2
Reckitt Benckiser Group PLC	3.1
Colgate Palmolive Co.	3.0
Industria de Diseno Textil SA (Inditex)	2.9
Roche Holding AG	2.8
W.W. Grainger Inc.	2.7
Accenture PLC	2.7
SAP AG	2.7
Visa Inc.	2.7
Microsoft Corp.	2.6
Marsh & McLennan Companies Inc.	2.5
Comcast Corp.	2.4
Becton, Dickinson and Co.	2.4
McDonald's Corp.	2.2
The Procter & Gamble Co.	2.1
Stryker Corp.	2.0

<b>Top long positions as a percentage of total net asset value</b>	<b>73.5</b>
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*The ETF held no short positions at the end of the period.*

*The investments and percentages may have changed since March 31, 2023, 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.*

# MACKENZIE IVY GLOBAL EQUITY ETF

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## 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

CAD Units (Ticker: MIVG)	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018
<b>Net assets, beginning of period</b>	26.72	26.17	20.97	22.18	20.00	20.00
<b>Increase (decrease) from operations:</b>						
Total revenue	0.52	0.41	0.39	0.37	0.87	0.11
Total expenses	(0.23)	(0.23)	(0.21)	(0.21)	(0.24)	(0.08)
Realized gains (losses) for the period	(0.58)	1.42	1.79	(0.25)	0.14	0.08
Unrealized gains (losses) for the period	1.16	(0.93)	3.76	(3.27)	2.32	(0.10)
<b>Total increase (decrease) from operations²</b>	<b>0.87</b>	<b>0.67</b>	<b>5.73</b>	<b>(3.36)</b>	<b>3.09</b>	<b>0.01</b>
<b>Distributions:</b>						
From net investment income (excluding Canadian dividends)	(0.28)	(0.15)	(0.23)	(0.27)	(0.17)	(0.01)
From Canadian dividends	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	–
From capital gains	–	(1.87)	–	(0.19)	(0.24)	(0.02)
Return of capital	–	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.29)</b>	<b>(2.04)</b>	<b>(0.24)</b>	<b>(0.47)</b>	<b>(0.42)</b>	<b>(0.03)</b>
<b>Net assets, end of period</b>	<b>27.67</b>	<b>26.72</b>	<b>26.17</b>	<b>20.97</b>	<b>22.18</b>	<b>20.00</b>

- 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, if any, can be found in the *Notes to Financial Statements*.
- 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.
- Distributions were paid in cash/reinvested in additional units of the ETF, or both.

## RATIOS AND SUPPLEMENTAL DATA

CAD Units (Ticker: MIVG)	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019
Total net asset value (\$000)¹	23,516	30,730	28,789	29,360	13,310
Units outstanding (000)¹	850	1,150	1,100	1,400	600
Management expense ratio (%)²	0.84	0.83	0.84	0.84	0.89
Management expense ratio before waivers or absorptions (%)²	0.84	0.83	0.84	0.84	0.89
Trading expense ratio (%)³	0.09	0.08	0.07	0.07	0.13
Trading expense ratio before reimbursements (%)³	0.09	0.08	0.07	0.07	0.13
Portfolio turnover rate (%)⁴	34.47	46.43	71.80	86.15	24.75
Net asset value per unit (\$)	27.67	26.72	26.17	20.97	22.19
Closing market price (\$)⁵	27.69	26.75	26.29	20.94	22.22

- This information is provided as at the end of the fiscal period shown.
- Management expense ratio ("MER") is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. If the ETF was established in the period, the MER is annualized from the date of inception to the end of the period. Where the ETF directly invests in securities of another fund (including other ETFs), the MER presented for the ETF includes the portion of MERs of the other fund(s) attributable to this investment. Any income distributions received from ETFs managed by the Manager, with the intention of offsetting fees paid within those ETFs but which are not considered to be duplicative fees under regulatory requirements, are treated as waived expenses for MER purposes. The Manager may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.
- The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period. Where the ETF invests in securities of another fund (including other ETFs), the TER presented for the ETF includes the portion of TERs of the other fund(s) attributable to this investment. The Manager may reimburse the ETF for certain brokerage commissions and other transaction costs (including those payable to the custodian or its agents). The Manager may make these reimbursements at its discretion and stop these reimbursements at any time without notice.
- 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 the 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 the ETF. The portfolio turnover rate is not provided when the ETF is less than one year old.
- 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.