

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2022

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Canadian Short Term Fixed Income ETF (the "ETF"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP is the external auditor of the ETF. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the unitholders its opinion on the financial statements. Its report is set out below.

On behalf of Mackenzie Financial Corporation,
Manager of the ETF



Barry McInerney
President and Chief Executive Officer



Terry Rountes
Chief Financial Officer, Funds

June 3, 2022

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Mackenzie Canadian Short Term Fixed Income ETF (the "ETF")

Opinion

We have audited the financial statements of the ETF, which comprise the statements of financial position as at March 31, 2022 and 2021, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in Note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETF as at March 31, 2022 and 2021, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the ETF in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



MACKENZIE
Investments

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INDEPENDENT AUDITOR'S REPORT (cont'd)

In preparing the financial statements, management is responsible for assessing the ETF's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ETF or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the ETF's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ETF's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ETF's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ETF to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Erez Seiler.



Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
June 15, 2022

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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STATEMENTS OF FINANCIAL POSITION

at March 31 (in \$ 000 except per unit amounts)

	2022	2021
	\$	\$
ASSETS		
Current assets		
Investments at fair value	22,728	23,777
Cash and cash equivalents	1,042	1,690
Accrued interest receivable	123	107
Dividends receivable	1	1
Accounts receivable for investments sold	109	–
Accounts receivable for units issued	–	–
Margin on derivatives	207	92
Derivative assets	187	130
Total assets	24,397	25,797
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	85	240
Accounts payable for units redeemed	–	–
Due to manager	10	18
Derivative liabilities	15	–
Total liabilities	110	258
Net assets attributable to unitholders	24,287	25,539

	Net assets attributable to unitholders (note 3)			
	per unit		per series	
	2022	2021	2022	2021
CAD Units	19.43	20.43	24,287	25,539
			24,287	25,539

STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended March 31 (in \$ 000 except per unit amounts)

	2022	2021
	\$	\$
Income		
Dividends	46	49
Interest income	629	430
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(187)	222
Net unrealized gain (loss)	(1,248)	458
Securities lending income	2	1
Fee rebate income	6	6
Other	8	19
Total income (loss)	(744)	1,185
Expenses (note 6)		
Management fees	115	79
Management fee rebates	(16)	(10)
Commissions and other portfolio transaction costs	6	8
Independent Review Committee fees	–	–
Expenses before amounts absorbed by Manager	105	77
Expenses absorbed by Manager	–	–
Net expenses	105	77
Increase (decrease) in net assets attributable to unitholders from operations before tax	(849)	1,108
Foreign withholding tax expense (recovery)	–	–
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to unitholders from operations	(849)	1,108

	Increase (decrease) in net assets attributable to unitholders from operations (note 3)			
	per unit		per series	
	2022	2021	2022	2021
CAD Units	(0.58)	1.10	(849)	1,108
			(849)	1,108

The accompanying notes are an integral part of these financial statements.

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended March 31 (in \$ 000 except per unit amounts)

	CAD Units	
	2022	2021
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		
Beginning of period	25,539	18,779
Increase (decrease) in net assets from operations	(849)	1,108
Distributions paid to unitholders:		
Investment income	(543)	(507)
Capital gains	(18)	–
Management fee rebates	(16)	(10)
Total distributions paid to unitholders	(577)	(517)
Unit transactions:		
Proceeds from units issued	9,116	13,289
Reinvested distributions	18	–
Payments on redemption of units	(8,960)	(7,120)
Total unit transactions	174	6,169
Increase (decrease) in net assets attributable to unitholders	(1,252)	6,760
End of period	24,287	25,539
Increase (decrease) in units (in thousands) (note 7):		
Units outstanding – beginning of period	1,250	950
Issued	450	650
Reinvested distributions	–	–
Redeemed	(450)	(350)
Units outstanding – end of period	1,250	1,250

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STATEMENTS OF CASH FLOWS

for the periods ended March 31 (in \$ 000)

	2022	2021
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to unitholders from operations	(849)	1,108
Adjustments for:		
Net realized loss (gain) on investments	280	(225)
Change in net unrealized loss (gain) on investments	1,248	(458)
Purchase of investments	(27,576)	(36,567)
Proceeds from sale and maturity of investments	26,762	30,044
(Increase) decrease in accounts receivable and other assets	(131)	83
Increase (decrease) in accounts payable and other liabilities	(8)	10
Net cash provided by (used in) operating activities	(274)	(6,005)
Cash flows from financing activities		
Proceeds from units issued	8,148	13,289
Payments on redemption of units	(7,964)	(6,076)
Distributions paid net of reinvestments	(559)	(517)
Net cash provided by (used in) financing activities	(375)	6,696
Net increase (decrease) in cash and cash equivalents	(649)	691
Cash and cash equivalents at beginning of period	1,690	1,020
Effect of exchange rate fluctuations on cash and cash equivalents	1	(21)
Cash and cash equivalents at end of period	1,042	1,690
Cash	1,042	1,690
Cash equivalents	–	–
Cash and cash equivalents at end of period	1,042	1,690
Supplementary disclosures on cash flow from operating activities:		
Dividends received	46	49
Foreign taxes paid	–	–
Interest received	613	432
Interest paid	–	–

The accompanying notes are an integral part of these financial statements.

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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SCHEDULE OF INVESTMENTS

as at March 31, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS					
407 International Inc. 1.80% 05-22-2025 Callable 2025	Canada	Corporate - Non Convertible	20,000	20	19
407 International Inc. 3.14% 03-06-2030 Callable 2029	Canada	Corporate - Non Convertible	80,000	83	78
ADS Tactical Inc. Term Loan B 1st Lien F/R 03-04-2028	United States	Term Loans	USD 9,625	12	12
AIMCo Realty Investors LP 2.20% 11-04-2026	Canada	Corporate - Non Convertible	26,000	26	25
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 9,700	13	11
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 8,274	10	10
Alectra Inc. 3.24% 11-21-2024 Callable 2024	Canada	Corporate - Non Convertible	10,000	10	10
Algonquin Power & Utilities Corp. 2.85% 07-15-2031	Canada	Corporate - Non Convertible	4,000	4	4
Algonquin Power & Utilities Corp. F/R 01-18-2082	Canada	Corporate - Non Convertible	12,000	12	11
Allied Properties Real Estate Investment Trust 1.73% 02-12-2026	Canada	Corporate - Non Convertible	7,000	7	6
Alpine US Bidco LLC Term Loan 1st Lien F/R 04-13-2028	United States	Term Loans	USD 8,544	10	10
AltaGas Ltd. 2.17% 03-16-2027	Canada	Corporate - Non Convertible	5,000	5	5
AltaGas Ltd. F/R 01-11-2082	Canada	Corporate - Non Convertible	8,000	8	7
AltaLink LP 3.40% 06-06-2024 Callable 2024	Canada	Corporate - Non Convertible	196,000	208	197
Amazon.com Inc. 0.25% 05-12-2023	United States	Corporate - Non Convertible	USD 74,000	89	91
American Tower Corp. 1.88% 10-15-2030 Callable 2030	United States	Corporate - Non Convertible	USD 10,000	13	11
AP Core Holdings II LLC Term Loan B2 1st Lien F/R 07-21-2027	United States	Term Loans	USD 15,000	19	19
Apple Inc. 1.13% 05-11-2025 Callable 2025	United States	Corporate - Non Convertible	USD 20,000	28	24
ARC Resources Ltd. 2.35% 03-10-2026	Canada	Corporate - Non Convertible	28,000	28	27
ARC Resources Ltd. 3.47% 03-10-2031	Canada	Corporate - Non Convertible	6,000	6	6
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	10,000	10	10
Ascend Wellness Holdings Inc. Term Loan 1st Lien F/R 08-27-2025	United States	Term Loans	USD 9,000	11	11
Ashton Woods USA LLC 4.63% 04-01-2030 144A	United States	Corporate - Non Convertible	USD 2,000	3	2
AT&T Inc. F/R 03-25-2024	United States	Corporate - Non Convertible	USD 16,000	20	20
AT&T Inc. 2.25% 02-01-2032 Callable 2031	United States	Corporate - Non Convertible	USD 10,000	13	11
Athene Global Funding F/R 04-09-2024	United States	Corporate - Non Convertible	71,000	71	70
Athene Global Funding 3.13% 03-10-2025	United States	Corporate - Non Convertible	22,000	22	22
Athene Global Funding 2.10% 09-24-2025	United States	Corporate - Non Convertible	30,000	30	28
Bank of America Corp. F/R 03-24-2026 Callable 2025	United States	Corporate - Non Convertible	120,000	128	120
Bank of America Corp. F/R 09-15-2027 (Floating)	United States	Corporate - Non Convertible	46,000	46	45
Bank of America Corp. F/R 09-15-2027 (Fix-To-Float)	United States	Corporate - Non Convertible	8,000	8	7
Bank of America Corp. F/R 03-16-2028	United States	Corporate - Non Convertible	27,000	27	27
Bank of America Corp. F/R 04-04-2029	United States	Corporate - Non Convertible	9,000	9	8
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate - Non Convertible	339,000	338	317
Bank of Montreal 1.55% 05-28-2026	Canada	Corporate - Non Convertible	46,000	46	43
Bank of Montreal F/R 06-17-2030 Callable 2025	Canada	Corporate - Non Convertible	29,000	30	28
Bank of Montreal F/R 07-22-2031	Canada	Corporate - Non Convertible	41,000	41	38
Bank of Montreal F/R 11-26-2080	Canada	Corporate - Non Convertible	6,000	6	6
The Bank of Nova Scotia 1.95% 01-10-2025	Canada	Corporate - Non Convertible	39,000	39	38
The Bank of Nova Scotia F/R 08-04-2026	Canada	Corporate - Non Convertible	73,000	73	72
The Bank of Nova Scotia 2.95% 03-08-2027	Canada	Corporate - Non Convertible	27,000	26	26
The Bank of Nova Scotia F/R 05-03-2032	Canada	Corporate - Non Convertible	30,000	30	30
The Bank of Nova Scotia F/R 07-27-2081	Canada	Corporate - Non Convertible	12,000	12	11
BCE Inc. 2.20% 05-29-2028	Canada	Corporate - Non Convertible	7,000	7	6
BCI QuadReal Realty 2.55% 06-24-2026	Canada	Corporate - Non Convertible	170,000	170	164
bclMC Realty Corp. 1.06% 03-12-2024	Canada	Corporate - Non Convertible	18,000	18	17
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	160,000	169	156
Bell Canada Inc. 3.60% 09-29-2027 Callable 2027	Canada	Corporate - Non Convertible	50,000	51	50
BMW Canada Auto Trust 0.33% 07-20-2023	Canada	Mortgage Backed	4,602	5	5
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	60,000	63	60
Broadcast Media Partners Holdings Inc. 4.50% 05-01-2029	United States	Corporate - Non Convertible	USD 5,000	6	6
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	50,000	54	51
Brookfield Infrastructure Finance ULC 3.41% 10-09-2029 Callable 2029	Canada	Corporate - Non Convertible	20,000	19	19
Brookfield Residential Properties Inc. 5.13% 06-15-2029	Canada	Corporate - Non Convertible	5,000	5	5
Canada Housing Trust 1.95% 12-15-2025	Canada	Federal Government	2,000,000	2,086	1,950
Canada Housing Trust 2.25% 12-15-2025	Canada	Federal Government	2,370,000	2,458	2,336
Canadian Core Real Estate LP 3.30% 03-02-2027	Canada	Corporate - Non Convertible	25,000	25	24
Canadian Imperial Bank of Commerce F/R 06-10-2024	Canada	Corporate - Non Convertible	18,000	18	18
Canadian Imperial Bank of Commerce 2.00% 04-17-2025	Canada	Corporate - Non Convertible	32,000	32	31
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	Canada	Corporate - Non Convertible	110,000	109	101
Canadian Imperial Bank of Commerce F/R 07-15-2026	Canada	Corporate - Non Convertible	60,000	60	59

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Canadian Imperial Bank of Commerce 2.25% 01-07-2027	Canada	Corporate - Non Convertible	41,000	41	39
Canadian Imperial Bank of Commerce F/R 04-21-2031	Canada	Corporate - Non Convertible	22,000	22	20
Canadian Imperial Bank of Commerce F/R 01-28-2082	Canada	Corporate - Non Convertible	30,000	30	27
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	5,000	5	5
Canadian Natural Resources Ltd. 2.50% 01-17-2028	Canada	Corporate - Non Convertible	10,000	10	9
Canadian Pacific Railway Ltd. 2.54% 02-28-2028	Canada	Corporate - Non Convertible	14,000	14	13
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate - Non Convertible	5,000	5	5
Canadian Western Bank 1.57% 09-14-2023	Canada	Corporate - Non Convertible	10,000	10	10
Canadian Western Bank F/R 01-22-2024	Canada	Corporate - Non Convertible	65,000	65	65
Canadian Western Bank 2.61% 01-30-2025 Callable 2024	Canada	Corporate - Non Convertible	16,000	16	16
Canadian Western Bank 1.93% 04-16-2026	Canada	Corporate - Non Convertible	57,000	57	53
Canadian Western Bank 1.82% 12-16-2027	Canada	Corporate - Non Convertible	10,000	10	9
Canadian Western Bank F/R 07-31-2081	Canada	Corporate - Non Convertible	5,000	5	5
CanWel Building Materials Group Ltd. 5.25% 05-15-2026	Canada	Corporate - Non Convertible	4,000	4	4
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	161,000	171	163
Capital Power Corp. 4.99% 01-23-2026 Callable 2025	Canada	Corporate - Non Convertible	25,000	25	26
Cascades Inc. 5.13% 01-15-2026 Callable 2023 144A	Canada	Corporate - Non Convertible	USD 5,000	7	6
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 9,700	12	12
CDP Financial Inc. 1.50% 10-19-2026	Canada	Provincial Governments	67,000	67	63
Cenovus Energy Inc. 3.50% 02-07-2028 Callable 2027	Canada	Corporate - Non Convertible	5,000	5	5
Central 1 Credit Union F/R 06-30-2031	Canada	Corporate - Non Convertible	98,000	98	92
CGI Inc. 2.10% 09-18-2028	Canada	Corporate - Non Convertible	4,000	4	4
Charter Communications Operating LLC F/R 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 70,000	94	89
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate - Non Convertible	USD 10,000	13	13
Charter Communications Operating LLC 2.30% 02-01-2032	United States	Corporate - Non Convertible	USD 5,000	7	5
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	90,000	90	90
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	5,000	5	5
CHIP Mortgage Trust 1.50% 11-15-2024	Canada	Corporate - Non Convertible	18,000	18	17
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	10,000	10	10
Choice Properties Real Estate Investment Trust 2.46% 11-30-2026	Canada	Corporate - Non Convertible	15,000	15	14
Choice Properties Real Estate Investment Trust 2.85% 05-21-2027	Canada	Corporate - Non Convertible	46,000	47	44
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	49,000	55	49
Choice Properties Real Estate Investment Trust 3.53% 06-11-2029 Callable 2029	Canada	Corporate - Non Convertible	10,000	10	10
Choice Properties Real Estate Investment Trust 2.98% 03-04-2030 Callable 2029	Canada	Corporate - Non Convertible	5,000	5	5
Cogeco Communications Inc. 2.99% 09-22-2031	Canada	Corporate - Non Convertible	4,000	4	4
Cologix Data Centers Issuer LLC 4.94% 1-25-2052	Canada	Mortgage Backed	2,000	2	2
Columbia Care Inc. 6.00% 06-29-2025 Conv.	Canada	Corporate - Convertible	USD 1,000	1	1
Condor Merger Sub Inc. Term Loan 1st Lien F/R 02-03-2029	United States	Term Loans	USD 20,000	25	25
Corus Entertainment Inc. 5.00% 05-11-2028	Canada	Corporate - Non Convertible	4,000	4	4
Costco Wholesale Corp. 1.38% 06-20-2027 Callable 2027	United States	Corporate - Non Convertible	USD 20,000	28	23
Covis Finco Sarl Term Loan B 1st Lien F/R 02-14-2027	Luxembourg	Term Loans	USD 10,000	11	12
Crombie Real Estate Investment Trust 3.92% 06-21-2027 Callable 2027	Canada	Corporate - Non Convertible	11,000	11	11
Crombie Real Estate Investment Trust 3.13% 08-12-2031	Canada	Corporate - Non Convertible	3,000	3	3
Curaleaf Holdings Inc. 8.00% 12-15-2026	United States	Corporate - Non Convertible	USD 20,000	26	25
Daimler Trucks Finance Canada Inc. 2.14% 12-13-2024	Germany	Corporate - Non Convertible	187,000	187	179
Domtar Corp. Delayed Draw Term Loan B 1st Lien F/R 10-01-2028	United States	Term Loans	USD 3,226	4	4
Domtar Corp. Term Loan B 1st Lien F/R 10-01-2028	United States	Term Loans	USD 6,774	8	8
Domtar Corp. 6.75% 10-01-2028 144A	United States	Corporate - Non Convertible	USD 8,000	10	10
Dream Industrial Real Estate Investment Trust 1.66% 12-22-2025 (A)	Canada	Corporate - Non Convertible	127,000	125	118
Dream Industrial Real Estate Investment Trust 2.54% 12-07-2026	Canada	Corporate - Non Convertible	20,000	20	19
Dream Industrial Real Estate Investment Trust 2.06% 06-17-2027	Canada	Corporate - Non Convertible	4,000	4	4
Eagle Credit Card Trust 1.55% 06-17-2026	Canada	Corporate - Non Convertible	205,000	205	189
Emera Inc. 2.90% 06-16-2023	Canada	Corporate - Non Convertible	31,000	31	31
Empire Communities Corp. 7.38% 12-15-2025	Canada	Corporate - Non Convertible	10,000	10	10
The Empire Life Insurance Co. 3.63% 04-17-2081	Canada	Corporate - Non Convertible	2,000	2	2
Enbridge Gas Inc. 2.50% 08-05-2026 Callable 2026	Canada	Corporate - Non Convertible	10,000	11	10

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Enbridge Inc. 3.10% 09-21-2033	Canada	Corporate - Non Convertible	9,000	9	8
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	45,000	48	44
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	80,000	85	84
Énergir inc. 2.10% 04-16-2027 Callable 2027	Canada	Corporate - Non Convertible	10,000	10	9
EPCOR Utilities Inc. 1.30% 05-19-2023	Canada	Corporate - Non Convertible	20,000	20	20
Equitable Bank 3.36% 03-02-2026	Canada	Corporate - Non Convertible	24,000	24	23
Exxon Mobil Corp. 2.99% 03-19-2025 Callable 2025	United States	Corporate - Non Convertible	USD 10,000	15	13
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	Canada	Corporate - Non Convertible	10,000	10	10
Fédération des Caisses Desjardins du Québec 2.42% 10-04-2024	Canada	Corporate - Non Convertible	11,000	11	11
Fédération des Caisses Desjardins du Québec 1.59% 09-10-2026	Canada	Corporate - Non Convertible	27,000	27	25
Flynn America LP Term Loan B 1st Lien F/R 07-23-2028	United States	Term Loans	USD 13,000	16	15
Ford Credit Canada Co. 2.96% 09-16-2026	United States	Corporate - Non Convertible	6,000	6	6
Ford Motor Co. 3.25% 02-12-2032	United States	Corporate - Non Convertible	USD 23,000	29	26
Fortified Trust 1.96% 10-23-2026	Canada	Corporate - Non Convertible	57,000	57	54
Frontier Communications Corp. Delayed Draw Term Loan 1st Lien SuperP F/R 10-08-2027	United States	Term Loans	USD 1,525	2	2
Garda World Security Corp. Term Loan B 1st Lien F/R 02-10-2029	Canada	Term Loans	USD 12,000	15	15
Garrett LX I SARL Term Loan B 1st Lien F/R 03-05-2028	Luxembourg	Term Loans	EUR 10,000	15	14
GBT III BV Term Loan 1st Lien F/R 02-27-2027	United States	Term Loans	USD 5,442	7	7
GBT US III LLC Term Loan Delayed Draw 1st Lien F/R 02-27-2027	United States	Term Loans	USD 4,558	6	6
GFL Environmental Inc. 3.75% 08-01-2025 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 20,000	26	25
GFL Environmental Inc. 3.50% 09-01-2028 144A	Canada	Corporate - Non Convertible	USD 4,000	5	5
Gibson Energy Inc. 2.85% 07-14-2027 Callable 2027	Canada	Corporate - Non Convertible	13,000	13	12
Gibson Energy Inc. 3.60% 09-17-2029 Callable 2029	Canada	Corporate - Non Convertible	22,000	22	21
Gibson Energy Inc. F/R 12-22-2080	Canada	Corporate - Non Convertible	15,000	15	14
The Goldman Sachs Group Inc. F/R 04-29-2025	United States	Corporate - Non Convertible	101,000	101	99
The Goldman Sachs Group Inc. 3.31% F/R 10-31-2025 Callable 2024	United States	Corporate - Non Convertible	50,000	54	50
The Goldman Sachs Group Inc. F/R 11-30-2027	United States	Corporate - Non Convertible	61,000	61	57
The Goldman Sachs Group Inc. F/R 02-28-2029	United States	Corporate - Non Convertible	12,000	12	11
Government of Canada 0.75% 10-01-2024	Canada	Federal Government	3,000	3	3
Government of Canada 1.00% 09-01-2026	Canada	Federal Government	1,167,000	1,147	1,099
Government of Canada 1.25% 03-01-2027	Canada	Federal Government	940,000	888	889
Government of Canada 2.25% 12-01-2029	Canada	Federal Government	30,000	30	30
Government of Canada 1.50% 06-01-2031	Canada	Federal Government	134,000	134	124
Grab Holdings Inc. Term Loan B 1st Lien F/R 01-20-2026	Singapore	Term Loans	USD 9,925	12	12
Granite Real Estate Investment Trust 2.19% 08-30-2028	Canada	Corporate - Non Convertible	6,000	6	5
Gray Television Inc. 5.38% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 20,000	25	24
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	60,000	61	61
H&R Real Estate Investment Trust 4.07% 06-16-2025 Callable 2025	Canada	Corporate - Non Convertible	80,000	84	80
H&R Real Estate Investment Trust 2.63% 02-19-2027	Canada	Corporate - Non Convertible	5,000	5	5
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate - Non Convertible	USD 8,000	11	10
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	60,000	62	59
Heathrow Funding Ltd. 2.69% 10-13-2027	United Kingdom	Corporate - Non Convertible	7,000	7	7
Heathrow Funding Ltd. 3.73% 04-13-2033	United Kingdom	Corporate - Non Convertible	6,000	6	6
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Term Loans	USD 9,562	12	7
Honda Canada Finance Inc. F/R 02-26-2024	Canada	Corporate - Non Convertible	39,000	39	39
Honda Canada Finance Inc. 1.34% 03-17-2026	Canada	Corporate - Non Convertible	10,000	10	9
Honda Canada Finance Inc. 1.65% 02-25-2028	Canada	Corporate - Non Convertible	10,000	10	9
HSBC Bank Canada 3.40% 03-24-2025	Canada	Corporate - Non Convertible	42,000	42	42
Hudson River Trading LLC Term Loan B 1st Lien F/R 03-19-2028 A	United States	Term Loans	USD 9,925	12	12
Hudson River Trading LLC Term Loan B 1st Lien F/R 03-19-2028	United States	Term Loans	USD 2,000	2	2
Hunter Douglas Inc. Term Loan B 1st Lien F/R 02-09-2029	Netherlands	Term Loans	USD 18,000	23	22
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate - Non Convertible	320,000	329	317
Hydro One Inc. 2.23% 09-17-2031	Canada	Corporate - Non Convertible	6,000	6	5
Hydro One Ltd. 1.41% 10-15-2027 Callable 2027	Canada	Corporate - Non Convertible	5,000	5	5
Hyundai Capital Canada Inc. 2.01% 05-12-2026	South Korea	Corporate - Non Convertible	21,000	21	20
The Independent Order Of Foresters F/R 10-15-2035 Callable 2030	Canada	Corporate - Non Convertible	5,000	5	4
INEOS 226 Ltd. Term Loan B 1st Lien F/R 01-21-2026	United Kingdom	Term Loans	EUR 10,000	15	13
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 07-29-2026	United States	Term Loans	USD 8,033	10	10
INEOS US Petrochem LLC Term Loan B 1st Lien F/R 01-21-2026	United States	Term Loans	USD 9,950	13	12
Intact Financial Corp. 2.18% 05-18-2028	Canada	Corporate - Non Convertible	4,000	4	4
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate - Non Convertible	7,000	7	7

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BONDS (cont'd)					
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	52,000	52	51
Inter Pipeline Ltd. 3.17% 03-24-2025 Callable 2024 MTN	Canada	Corporate - Non Convertible	25,000	26	25
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	38,000	40	37
Inter Pipeline Ltd. 4.23% 06-01-2027	Canada	Corporate - Non Convertible	10,000	11	10
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	10,000	10	10
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate - Non Convertible	10,000	10	10
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028	Ireland	Term Loans	EUR 9,975	15	14
Ivanhoe Cambridge II Inc. 2.30% 12-12-2024 Callable 2024	Canada	Corporate - Non Convertible	1,000	1	1
Jadex Inc. Term Loan 1st Lien F/R 02-12-2028	United States	Term Loans	USD 19,701	25	24
John Deere Financial Inc. 2.41% 01-14-2025	United States	Corporate - Non Convertible	118,000	120	115
JPMorgan Chase & Co. 1.90% 03-05-2028	United States	Corporate - Non Convertible	12,000	12	11
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate - Non Convertible	5,000	5	5
Keyera Corp. F/R 03-10-2081	Canada	Corporate - Non Convertible	9,000	9	9
Knight Health Holdings LLC Term Loan B 1st Lien F/R 12-17-2028	United States	Term Loans	USD 13,000	16	15
Kruger Products LP 5.38% 04-09-2029	Canada	Corporate - Non Convertible	2,000	2	2
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,000	1	1
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,000	1	1
Laurentian Bank of Canada 1.15% 06-03-2024	Canada	Corporate - Non Convertible	20,000	20	19
Laurentian Bank of Canada 1.95% 03-17-2025	Canada	Corporate - Non Convertible	121,000	121	116
Laurentian Bank of Canada 1.60% 05-06-2026	Canada	Corporate - Non Convertible	8,000	8	8
Laurentian Bank of Canada F/R 06-15-2032	Canada	Corporate - Non Convertible	25,000	25	25
LHS Borrower LLC Term Loan B 1st Lien F/R 02-02-2029	United States	Term Loans	USD 11,000	14	14
Loblaw Companies Ltd. 2.28% 05-07-2030 Callable 2030	Canada	Corporate - Non Convertible	10,000	10	9
LogMeIn Inc. Term Loan B 1st Lien F/R 08-14-2027	United States	Term Loans	USD 9,900	13	12
Lower Mattagami Energy LP 3.42% 06-20-2024	Canada	Corporate - Non Convertible	30,000	32	30
Lower Mattagami Energy LP 2.43% 05-14-2031	Canada	Corporate - Non Convertible	5,000	5	5
LSF10 XL Bidco SCA Term Loan B 1st Lien F/R 03-30-2028	Luxembourg	Term Loans	EUR 10,000	15	14
Magallanes Inc. 4.05% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 10,000	13	13
Magenta Buyer LLC Term Loan 1st Lien F/R 05-03-2028	United States	Term Loans	USD 20,948	26	26
Manulife Bank of Canada 1.54% 09-14-2026	Canada	Corporate - Non Convertible	41,000	41	38
Manulife Bank of Canada 2.86% 02-16-2027	Canada	Corporate - Non Convertible	9,000	9	9
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	70,000	75	69
Manulife Financial Corp. F/R 05-12-2030 Callable 2025	Canada	Corporate - Non Convertible	230,000	236	220
Manulife Financial Corp. F/R 03-19-2082	Canada	Corporate - Non Convertible	34,000	34	30
Mastercard Inc. 1.90% 03-15-2031	United States	Corporate - Non Convertible	USD 2,000	3	2
Mav Acquisition Corp. Term Loan B 1st Lien F/R 07-21-2028	United States	Term Loans	USD 16,958	21	21
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	71,000	74	71
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	155,000	159	154
Morgan Stanley F/R 03-21-2025	United States	Corporate - Non Convertible	80,000	80	79
Mozart Debt Merger Sub Inc. 3.88% 04-01-2029 144A	United States	Corporate - Non Convertible	USD 9,000	11	10
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029 144A	United States	Corporate - Non Convertible	USD 16,000	20	19
National Bank of Canada 2.98% 03-04-2024	Canada	Corporate - Non Convertible	70,000	75	70
National Bank of Canada 2.55% 07-12-2024	Canada	Corporate - Non Convertible	101,000	102	99
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate - Non Convertible	92,000	92	90
National Bank of Canada 1.53% 06-15-2026	Canada	Corporate - Non Convertible	25,000	25	23
National Bank of Canada F/R 08-18-2026 Callable 2025	Canada	Corporate - Non Convertible	325,000	326	304
National Bank of Canada 2.24% 11-04-2026	Canada	Corporate - Non Convertible	37,000	37	35
National Bank of Canada F/R 08-15-2081	Canada	Corporate - Non Convertible	13,000	13	12
National Grid Electricity Transmission PLC 2.30% 06-22-2029	United Kingdom	Corporate - Non Convertible	9,000	9	8
NAV Canada 2.06% 05-29-2030	Canada	Corporate - Non Convertible	10,000	10	9
Nestle Holdings Inc. 2.19% 01-26-2029	United States	Corporate - Non Convertible	33,000	33	31
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	United States	Corporate - Non Convertible	USD 4,000	5	5
NextEra Energy Capital Holdings Inc. 2.25% 06-01-2030 Callable 2030	United States	Corporate - Non Convertible	USD 10,000	14	11
Nielsen Holdings PLC Term Loan B 1st Lien F/R 02-05-2028	United States	Term Loans	USD 9,925	13	12
North West Redwater Partnership 3.20% 07-22-2024 Callable 2024	Canada	Corporate - Non Convertible	10,000	10	10
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	197,000	201	190
North West Redwater Partnership 2.80% 06-01-2031	Canada	Corporate - Non Convertible	12,000	12	11
NXP BV 2.65% 02-15-2032 144A	China	Corporate - Non Convertible	USD 2,000	2	2
OMERS Finance Trust 1.55% 04-21-2027	Canada	Corporate - Non Convertible	110,000	112	103
OMERS Realty Corp. 1.30% 09-22-2023	Canada	Corporate - Non Convertible	51,000	51	50
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	188,000	201	185
Ontario Power Generation Inc. 2.89% 04-08-2025 Callable 2025	Canada	Corporate - Non Convertible	20,000	21	20
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate - Non Convertible	12,000	13	12

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BONDS (cont'd)					
Ontario Teachers' Finance Trust 1.10% 10-19-2027	Canada	Provincial Governments	10,000	10	9
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	250,000	268	247
Osmosis Debt Merger Sub Inc. Term Loan 1st Lien Delayed Draw F/R 06-17-2028	United States	Term Loans	USD 1,111	1	1
Osmosis Debt Merger Sub Inc. Term Loan B 1st Lien F/R 06-17-2028	United States	Term Loans	USD 8,889	11	11
PACCAR Financial Corp. 0.99% 05-14-2024	United States	Corporate - Non Convertible	97,000	97	93
Parkland Corp. of Canada 3.88% 06-16-2026	Canada	Corporate - Non Convertible	31,000	31	29
Parkland Fuel Corp. 6.00% 06-23-2028 Callable 2023	Canada	Corporate - Non Convertible	10,000	10	10
PayPal Holdings Inc. 2.20% 09-26-2022	United States	Corporate - Non Convertible	USD 30,000	40	38
PayPal Holdings Inc. 1.35% 06-01-2023	United States	Corporate - Non Convertible	USD 10,000	14	12
Paypal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 20,000	27	25
Pembina Pipeline Corp. 2.56% 06-01-2023	Canada	Corporate - Non Convertible	1,000	1	1
Pembina Pipeline Corp. 3.71% 08-11-2026 Callable 2026	Canada	Corporate - Non Convertible	133,000	143	132
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	20,000	22	20
Pembina Pipeline Corp. F/R 01-25-2081	Canada	Corporate - Non Convertible	10,000	10	9
Plaze Inc. Term Loan 1st Lien F/R 08-03-2026	United States	Term Loans	USD 9,875	13	12
Primaris Real Estate Investment Trust 4.27% 03-30-2025	Canada	Corporate - Non Convertible	14,000	14	14
Prime Structured Mortgage Trust 1.86% 11-15-2024	Canada	Corporate - Non Convertible	42,000	42	41
Province of British Columbia 2.85% 06-18-2025	Canada	Provincial Governments	200,000	215	201
Province of Ontario 2.60% 06-02-2025	Canada	Provincial Governments	272,000	288	270
Province of Ontario 2.60% 06-02-2027	Canada	Provincial Governments	220,000	228	217
Province of Ontario 1.55% 11-01-2029	Canada	Provincial Governments	190,000	190	172
Province of Quebec 2.75% 09-01-2025	Canada	Provincial Governments	795,000	851	797
Province of Quebec 0% 04-01-2026 Generic Strip	Canada	Provincial Governments	80,000	75	71
PSP Capital Inc. 0.90% 06-15-2026	Canada	Federal Government	360,000	352	333
QVC Inc. 4.38% 09-01-2028 Callable 2028	United States	Corporate - Non Convertible	USD 11,000	15	13
Reliance LP 2.68% 12-01-2027	Canada	Corporate - Non Convertible	10,000	10	9
Reliance LP 2.67% 08-01-2028	Canada	Corporate - Non Convertible	5,000	5	5
RioCan Real Estate Investment Trust 2.83% 11-08-2028	Canada	Corporate - Non Convertible	3,000	3	3
Rogers Communications Inc. 3.10% 04-15-2025	Canada	Corporate - Non Convertible	350,000	348	345
Rogers Communications Inc. 3.65% 03-31-2027	Canada	Corporate - Non Convertible	36,000	39	36
Rogers Communications Inc. 3.75% 04-15-2029	Canada	Corporate - Non Convertible	12,000	12	12
Rogers Communications Inc. F/R 12-17-2081	Canada	Corporate - Non Convertible	26,000	26	25
Rogers Communications Inc. F/R 03-15-2082 144A	Canada	Corporate - Non Convertible	USD 6,000	8	7
Royal Bank of Canada 1.94% 05-01-2025	Canada	Corporate - Non Convertible	230,000	235	221
Royal Bank of Canada 3.37% 09-29-2025	Canada	Corporate - Non Convertible	27,000	27	27
Royal Bank of Canada 1.83% 07-31-2028	Canada	Corporate - Non Convertible	13,000	13	12
Royal Bank of Canada F/R 06-30-2030 Callable 2025	Canada	Corporate - Non Convertible	190,000	193	180
Royal Bank of Canada F/R 11-03-2031	Canada	Corporate - Non Convertible	49,000	49	45
Royal Bank of Canada F/R 01-28-2033	Canada	Corporate - Non Convertible	18,000	18	16
Royal Bank of Canada F/R 11-24-2081	Canada	Corporate - Non Convertible	49,000	49	43
Sagen MI Canada Inc. 3.26% 03-05-2031	Canada	Corporate - Non Convertible	4,000	4	4
Sagen MI Canada Inc. F/R 03-24-2081	Canada	Corporate - Non Convertible	15,000	15	14
Saputo Inc. 2.88% 11-19-2024 Callable 2024	Canada	Corporate - Non Convertible	130,000	133	128
Saputo Inc. 1.42% 06-19-2026	Canada	Corporate - Non Convertible	190,000	186	172
Saputo Inc. 2.24% 06-16-2027 Callable 2027	Canada	Corporate - Non Convertible	4,000	4	4
Saputo Inc. 2.30% 06-22-2028	Canada	Corporate - Non Convertible	3,000	3	3
Scotia Capital Inc. 1.25% 03-01-2025	Canada	Mortgage Backed	30,815	31	30
Scotia Capital Inc. 0.89% 09-01-2026	Canada	Mortgage Backed	109,844	107	103
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	13,324	14	13
Shaw Communications Inc. 4.35% 01-31-2024 Callable	Canada	Corporate - Non Convertible	1,000	1	1
Shaw Communications Inc. 2.90% 12-09-2030 Callable 2030	Canada	Corporate - Non Convertible	2,000	2	2
Sienna Senior Living Inc. 3.11% 11-04-2024	Canada	Corporate - Non Convertible	10,000	10	10
Sienna Senior Living Inc. 3.45% 02-27-2026 Callable 2026	Canada	Corporate - Non Convertible	10,000	10	10
Sienna Senior Living Inc. 2.82% 03-31-2027	Canada	Corporate - Non Convertible	2,000	2	2
Signal Parent Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Term Loans	USD 9,975	12	11
Sinclair Television Group Inc. 5.13% 02-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 10,000	12	11
SmartCentres Real Estate Investment Trust 3.83% 12-21-2027 Callable 2027	Canada	Corporate - Non Convertible	55,000	58	54
SmartCentres Real Estate Investment Trust 3.53% 12-20-2029 Callable 2029	Canada	Corporate - Non Convertible	20,000	20	19

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BONDS (cont'd)					
South Coast British Columbia Transport Authority 1.60% 07-03-2030	Canada	Municipal Governments	10,000	10	9
Spa US HoldCo Inc. Term Loan B 1st Lien F/R 03-12-2028	United States	Term Loans	USD 9,925	12	12
Stitch Acquisition Corp. Term Loan B 1st Lien F/R 07-27-2028	United States	Term Loans	USD 10,945	13	13
Summit Industrial Income Real Estate Investment Trust 2.15% 09-17-2025 Callable 2025	Canada	Corporate - Non Convertible	7,000	7	7
Summit Industrial Income Real Estate Investment Trust 1.82% 04-01-2026	Canada	Corporate - Non Convertible	5,000	5	5
Summit Industrial Income Real Estate Investment Trust 2.25% 01-12-2027	Canada	Corporate - Non Convertible	3,000	3	3
Summit Industrial Income Real Estate Investment Trust 2.44% 07-14-2028	Canada	Corporate - Non Convertible	3,000	3	3
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	230,000	241	230
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	251,000	257	245
Sun Life Financial Inc. F/R 05-10-2032 Callable 2027	Canada	Corporate - Non Convertible	5,000	5	5
Sun Life Financial Inc. F/R 11-21-2033	Canada	Corporate - Non Convertible	12,000	12	11
Sun Life Financial Inc. F/R 10-01-2035	Canada	Corporate - Non Convertible	10,000	10	9
Sun Life Financial Inc. F/R 06-30-2081	Canada	Corporate - Non Convertible	34,000	34	30
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate - Non Convertible	35,000	36	33
Sunset Debt Merger Sub Inc. Term Loan B 1st Lien F/R 09-17-2028	United States	Term Loans	USD 15,000	19	18
Suzano Austria GmbH 2.50% 09-15-2028	Brazil	Corporate - Non Convertible	USD 4,000	5	5
Sycamore Buyer LLC Term Loan B 1st Lien F/R 09-24-2028	United States	Term Loans	USD 19,000	24	23
Sydney Airport Finance Co. Pty. Ltd. 3.63% 04-28-2026 Callable 2026	Australia	Corporate - Non Convertible	USD 20,000	25	25
Target Corp. 2.25% 04-15-2025 Callable 2025	United States	Corporate - Non Convertible	USD 10,000	14	12
TELUS Corp. 3.15% 02-19-2030 Callable 2029	Canada	Corporate - Non Convertible	50,000	51	47
TELUS Corp. 2.05% 10-07-2030	Canada	Corporate - Non Convertible	10,000	10	9
TELUS Corp. 2.85% 11-13-2031	Canada	Corporate - Non Convertible	1,000	1	1
Teranet Holdings LP 3.72% 02-23-2029	Canada	Corporate - Non Convertible	11,000	11	11
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 10,000	11	12
Thevelia US LLC Term Loan 1st Lien F/R 02-10-2029	United States	Term Loans	USD 8,000	10	10
Thomson Reuters Corp. 2.24% 05-14-2025 Callable 2025	Canada	Corporate - Non Convertible	30,000	30	29
Timber Servicios Empresariales SA Term Loan B 1st Lien F/R 02-17-2029	Spain	Term Loans	EUR 6,000	9	8
T-Mobile US Inc. 3.50% 04-15-2025 Class B	United States	Corporate - Non Convertible	USD 15,000	21	19
T-Mobile US Inc. 3.75% 04-15-2027 Class B	United States	Corporate - Non Convertible	USD 10,000	14	13
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	110,000	112	109
TMX Group Ltd 2.02% 02-12-2031	Canada	Corporate - Non Convertible	3,000	3	3
The Toronto-Dominion Bank F/R 01-06-2023	Canada	Corporate - Non Convertible	USD 20,000	26	25
The Toronto-Dominion Bank F/R 01-31-2025	Canada	Corporate - Non Convertible	48,000	48	48
The Toronto-Dominion Bank 2.67% 09-09-2025	Canada	Corporate - Non Convertible	23,000	22	22
The Toronto-Dominion Bank 2.26% 01-07-2027	Canada	Corporate - Non Convertible	39,000	39	37
The Toronto-Dominion Bank 1.89% 03-08-2028	Canada	Corporate - Non Convertible	19,000	19	17
The Toronto-Dominion Bank 1.90% 09-11-2028	Canada	Corporate - Non Convertible	20,000	20	18
The Toronto-Dominion Bank F/R 04-22-2030 Callable 2025	Canada	Corporate - Non Convertible	272,000	287	267
The Toronto-Dominion Bank F/R 01-26-2032 Callable 2027	Canada	Corporate - Non Convertible	10,000	11	10
The Toronto-Dominion Bank F/R 10-31-2081	Canada	Corporate - Non Convertible	38,000	38	34
Tourmaline Oil Corp. 2.08% 01-25-2028	Canada	Corporate - Non Convertible	2,000	2	2
Tourmaline Oil Corp. 2.53% 02-12-2029	Canada	Corporate - Non Convertible	3,000	3	3
Toyota Credit Canada Inc. 1.18% 02-23-2026	Canada	Corporate - Non Convertible	20,000	20	18
Toyota Motor Corp. 1.34% 03-25-2026	Japan	Corporate - Non Convertible	USD 14,000	18	17
TransCanada PipeLines Ltd. F/R 06-09-2024	Canada	Corporate - Non Convertible	69,000	69	68
TransCanada PipeLines Ltd. 3.30% 07-17-2025 Callable 2025 MTN	Canada	Corporate - Non Convertible	117,000	125	116
TransCanada PipeLines Ltd. 3.80% 04-05-2027 Callable 2027	Canada	Corporate - Non Convertible	10,000	11	10
TransCanada Pipelines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate - Non Convertible	5,000	5	5
TransCanada PipeLines Ltd. 4.20% 03-04-2081	Canada	Corporate - Non Convertible	14,000	14	13
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	164,000	168	158
Transcontinental Inc. 2.28% 07-13-2026	Canada	Corporate - Non Convertible	10,000	10	9
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	10,000	10	10
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	140,000	138	140
Ventas Canada Finance Ltd. 2.45% 01-04-2027	United States	Corporate - Non Convertible	23,000	23	22
Ventas Canada Finance Ltd. 3.30% 12-01-2031	United States	Corporate - Non Convertible	6,000	6	5
Ventas Inc. 2.80% 04-12-2024 Callable 2024	United States	Corporate - Non Convertible	31,000	31	31
Veregy Term Loan 1st Lien F/R 11-03-2027	United States	Term Loans	USD 9,925	13	12

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Verizon Communications Inc. F/R 03-20-2026	United States	Corporate - Non Convertible	USD 18,000	23	22
Verizon Communications Inc. 2.38% 03-22-2028	United States	Corporate - Non Convertible	78,000	77	72
Verizon Communications Inc. 1.75% 01-20-2031	United States	Corporate - Non Convertible	USD 10,000	13	11
Verizon Communications Inc. 2.55% 03-21-2031	United States	Corporate - Non Convertible	USD 10,000	12	12
Videotron Ltd. 3.63% 06-15-2028	Canada	Corporate - Non Convertible	40,000	40	37
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate - Non Convertible	20,000	20	19
Videotron Ltd. 3.13% 01-15-2031	Canada	Corporate - Non Convertible	30,000	30	26
Walgreens Boots Alliance Inc. 3.20% 04-15-2030 Callable 2030	United States	Corporate - Non Convertible	USD 10,000	14	12
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	110,000	110	106
Wells Fargo & Co. 2.57% 05-01-2026 Callable 2025	United States	Corporate - Non Convertible	70,000	72	68
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	183,000	193	177
Wells Fargo & Co. 2.49% 02-18-2027	United States	Corporate - Non Convertible	16,000	16	15
Wells Fargo & Co. F/R 03-15-2169	United States	Corporate - Non Convertible	USD 4,000	5	5
Welltower Inc. 3.63% 03-15-2024 Callable 2024	United States	Corporate - Non Convertible	USD 10,000	13	13
Welltower Inc. 2.95% 01-15-2027 Callable 2026	United States	Corporate - Non Convertible	10,000	10	10
WildBrain Ltd. Term Loan B 1st Lien F/R 03-18-2028	Canada	Term Loans	USD 9,925	12	12
WireCo WorldGroup Inc. Term Loan B 1st Lien F/R 10-29-2028	United States	Term Loans	USD 11,000	13	14
WSP Global Inc. 2.41% 04-19-2028	Canada	Corporate - Non Convertible	7,000	7	6
Xperi Holding Corp. Term Loan B 1st Lien F/R 06-01-2025	United States	Term Loans	USD 9,590	12	12
Total bonds				22,867	21,702
EQUITIES					
BCE Inc. Pfd. Series AA	Canada	Communication Services	295	5	6
BCE Inc. Pfd. Series AI	Canada	Communication Services	57	1	1
BCE Inc. 4.54% Cum. Red. First Pfd. Series R Callable	Canada	Communication Services	24	–	–
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	162	4	4
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	294	7	7
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities	139	3	4
Emera Inc. Pfd. Series J	Canada	Utilities	27	1	1
Emera Inc. Pfd. Series L	Canada	Utilities	240	6	5
Loblaw Companies Ltd. 5.30% Cum. Red. 2nd Pfd. Series B	Canada	Consumer Staples	57	1	1
TC Energy Corp. Pfd. Series 15	Canada	Energy	811	20	21
TransAlta Corp. Pfd. Series A	Canada	Utilities	175	2	3
TransAlta Corp. 4.60% Perpetual Pfd. Callable 2022 Series C	Canada	Utilities	70	1	2
Total equities				51	55
OPTIONS					
Options purchased (see schedule of options purchased)				3	1
Total options				3	1
EXCHANGE-TRADED FUNDS/NOTES					
¹ Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	738	73	63
¹ Mackenzie Emerging Markets Local Currency Bond Index ETF	Canada	Exchange-Traded Funds/Notes	1,560	152	124
¹ Mackenzie Floating Rate Income ETF	Canada	Exchange-Traded Funds/Notes	13,830	271	262
¹ Mackenzie Global High Yield Fixed Income ETF	Canada	Exchange-Traded Funds/Notes	22,370	439	413
¹ Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	1,125	118	108
Total exchange-traded funds/notes				1,053	970
Transaction costs				–	–
Total investments				23,974	22,728
Derivative instruments (see schedule of derivative instruments)					172
Liability for options written (see schedule of options written)					–
Cash and cash equivalents					1,042
Other assets less liabilities					345
Net assets attributable to unitholders					24,287

¹ This exchange-traded fund is managed by Mackenzie.

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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SUMMARY OF INVESTMENT PORTFOLIO

MARCH 31, 2022

PORTFOLIO ALLOCATION	% OF NAV
Bonds	90.0
<i>Bonds</i>	89.4
<i>Short bond futures</i>	0.6
<i>Purchased options</i>	0.0
<i>Written options</i>	(0.0)
Cash and short-term investments	4.3
Exchange-traded funds/notes	4.0
Other assets (liabilities)	1.5
Equities	0.2

REGIONAL ALLOCATION	% OF NAV
Canada	82.4
United States	9.9
Cash and short-term investments	4.3
Other assets (liabilities)	1.5
Other	0.6
United Kingdom	0.6
Netherlands	0.2
Luxembourg	0.2
Australia	0.1
Japan	0.1
Ireland	0.1

SECTOR ALLOCATION	% OF NAV
Corporate bonds	50.6
Federal bonds	27.7
Provincial bonds	7.8
Cash and short-term investments	4.3
Exchange-traded funds/notes	4.0
Term loans	2.5
Other assets (liabilities)	1.5
Other	0.6
Mortgage backed	0.6
Municipal bonds	0.2
Utilities	0.1
Energy	0.1

MARCH 31, 2021

PORTFOLIO ALLOCATION	% OF NAV
Bonds	88.8
<i>Bonds</i>	88.4
<i>Short futures</i>	0.4
Cash and short-term investments	6.6
Exchange-traded funds/notes	4.5
Equities	0.2
Other assets (liabilities)	(0.1)

REGIONAL ALLOCATION	% OF NAV
Canada	80.1
United States	11.1
Cash and short-term investments	6.6
United Kingdom	0.9
China	0.8
Luxembourg	0.2
Australia	0.1
Ireland	0.1
Japan	0.1
Germany	0.1
Other assets (liabilities)	(0.1)

SECTOR ALLOCATION	% OF NAV
Corporate bonds	47.4
Federal bonds	20.1
Provincial bonds	13.3
Cash and short-term investments	6.6
Exchange-traded funds/notes	4.5
Term loans	3.6
Foreign government bonds	3.2
Mortgage backed	0.8
Futures	0.4
Energy	0.1
Utilities	0.1
Other assets (liabilities)	(0.1)

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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SCHEDULE OF OPTIONS PURCHASED

as at March 31, 2022

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000)	Fair Value (\$ 000)
iShares iBoxx \$ High Yield Corporate Bond ETF	37	Put	Apr. 15, 2022	80 USD	3	1
Total options					3	1

SCHEDULE OF OPTIONS WRITTEN

as at March 31, 2022

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Received (\$ 000)	Fair Value (\$ 000)
iShares iBoxx \$ High Yield Corporate Bond ETF	(37)	Written Put	Apr. 15, 2022	75 USD	(1)	–
Total options					(1)	–

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2022

SCHEDULE OF DERIVATIVE INSTRUMENTS

as at March 31, 2022

Schedule of Futures Contracts

Type of Contract	Number of Contracts	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
Euro-Schatz Futures June 2022	(20)	Jun. 8, 2022	110.74 EUR	(3,063)	–	(6)
5 Year United States Treasury Note Futures June 2022	(26)	Jun. 30, 2022	114.69 USD	(3,728)	112	–
2 Year United States Treasury Note Futures June 2022	(11)	Jun. 30, 2022	105.96 USD	(2,914)	43	–
Total futures contracts				(9,705)	155	(6)

* Notional value represents the exposure to the underlying instruments as at March 31, 2022

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
AA	97 CAD	(77) USD	Apr. 8, 2022	(97)	(96)	1	–
AA	251 CAD	(200) USD	Apr. 8, 2022	(251)	(250)	1	–
AA	70 USD	(90) CAD	Apr. 8, 2022	90	88	–	(2)
A	31 CAD	(25) USD	Apr. 22, 2022	(31)	(31)	–	–
A	166 CAD	(132) USD	Apr. 27, 2022	(166)	(165)	1	–
AA	177 CAD	(140) USD	Apr. 27, 2022	(177)	(175)	2	–
A	14 CAD	(10) EUR	May 6, 2022	(14)	(14)	–	–
A	29 CAD	(20) EUR	May 6, 2022	(29)	(28)	1	–
A	396 CAD	(312) USD	May 13, 2022	(396)	(390)	6	–
AA	282 CAD	(222) USD	May 13, 2022	(282)	(278)	4	–
AA	54 USD	(69) CAD	May 13, 2022	69	68	–	(1)
AA	14 CAD	(10) EUR	May 20, 2022	(14)	(14)	–	–
A	373 CAD	(292) USD	May 20, 2022	(373)	(364)	9	–
A	134 CAD	(105) USD	May 20, 2022	(134)	(131)	3	–
A	230 USD	(292) CAD	May 20, 2022	292	286	–	(6)
AA	21 CAD	(17) USD	Jun. 10, 2022	(21)	(21)	–	–
A	165 CAD	(129) USD	Jun. 17, 2022	(165)	(161)	4	–
Total forward currency contracts						32	(9)

Total Derivative assets

187

Total Derivative liabilities

(15)

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2022

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2022 and 2021, as applicable. In the year an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 11 for the formation date of the ETF.

The ETF is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the ETF’s registered office is 180 Queen Street West, Toronto, Ontario, Canada. The ETF is authorized to issue an unlimited number of units for sale under a Prospectus. The units of the ETF are listed on the Toronto Stock Exchange/NEO Exchange (“the Exchange”).

Mackenzie Financial Corporation (“Mackenzie”) is the manager of the ETF and is wholly owned by IGM Financial Inc., a subsidiary of Power Corporation of Canada. Canada Life Investment Management Ltd. (“CLIML”) is wholly owned by The Canada Life Assurance Company (“Canada Life”), a subsidiary of Power Corporation of Canada. Investments in companies within the Power Group of companies held by the ETF are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

These audited annual financial statements (“financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). A summary of the ETF’s significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the ETF’s functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on June 3, 2022.

3. Significant Accounting Policies

(a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, exchange-traded funds and derivatives. The ETF classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* (“IFRS 9”). Upon initial recognition, financial instruments are classified as fair value through profit or loss (“FVTPL”). All financial instruments are recognized in the Statement of Financial Position when the ETF becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the ETF has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled or expires. As such, investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The cost of investments is determined on a weighted average cost basis.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The ETF accounts for its holdings in exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any exchange-traded funds in which the ETF invests, do not meet either the definition of a structured entity or the definition of an associate.

The ETF’s redeemable units are held by different types of unitholders that are entitled to different redemption rights. Unitholders may redeem units of the ETF at a redemption price per unit equal to 95% of the closing price of the units on the Exchange on the effective day of the redemption, subject to a maximum redemption price of the applicable NAV per unit. These different redemption features create equally subordinate but not identical units of the ETF which therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The ETF’s obligation for net assets attributable to unitholders is presented at the redemption amount. Refer to Note 7 for details of subscriptions and redemptions of the ETF’s units.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the units of the ETF, arising from financing activities. Changes in units of the ETF, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the units not settled in cash as at the end of the period are presented as either Accounts receivable for units issued or Accounts payable for units redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

(b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close 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.

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(b) Fair value measurement (cont'd)

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the ETF in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The ETF may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The ETF may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the ETF's portfolio manager(s), provided that the use of the derivative is consistent with the ETF's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the ETF, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the ETF are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the ETF closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid for purchasing an option are recorded in the Statement of Financial Position – Investments at fair value.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2022.

The ETF categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 11 for the fair value classifications of the ETF.

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Unrealized gains or losses on investments, realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income or realized gains (losses) on sale of investments, as appropriate, on the ex-dividend or distribution date.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the ETF in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the ETF. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 11. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(d) Commissions and other portfolio transaction costs (cont'd)

Mackenzie may reimburse the ETF for certain commissions and other portfolio transaction costs. Mackenzie may make these reimbursements at its discretion and stop these reimbursements at any time without notice. Any such reimbursements are included in the Statement of Comprehensive Income – expenses absorbed by Manager.

(e) Securities lending, repurchase and reverse repurchase transactions

The ETF is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the ETF's Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions included in the Statement of Comprehensive Income and recognized when earned. Securities lending transactions are administered by The Bank of New York Mellon (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased.

Note 11 summarizes the details of securities loaned and collateral received as at the end of period, as well as a reconciliation of securities lending income during the period, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the ETF enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 11 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the ETF.

(g) Currency

The functional and presentation currency of the ETF is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to unitholders per unit

Net assets attributable to unitholders per unit is computed by dividing the net assets attributable to unitholders on a business day by the total number of units outstanding on that day.

(i) Net asset value per unit

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to unitholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities and is disclosed in Note 11.

(j) Increase (decrease) in net assets attributable to unitholders from operations per unit

Increase (decrease) in net assets attributable to unitholders from operations per unit in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to unitholders from operations for the period, divided by the weighted average number of units outstanding during the period.

(k) Future accounting changes

The ETF has determined there are no material implications to the ETF's financial statements arising from IFRS issued but not yet effective.

4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Ongoing uncertainty regarding the duration and long-term impact of the COVID-19 pandemic and the effectiveness of vaccines against new variants of the virus contributes to uncertainty regarding the timing of a full economic recovery. As a result, it is not possible to reliably estimate the impact of the pandemic on the financial results and condition of the ETF in future periods.

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4. Critical Accounting Estimates and Judgments (cont'd)

The following discusses the most significant accounting judgments and estimates made in preparing the financial statements:

Use of Estimates

Fair value of securities not quoted in an active market

The ETF may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the ETF.

Use of Judgments

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the ETF, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the ETF's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the ETF's financial instruments.

Functional currency

The ETF's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the ETF's underlying transactions, events and conditions taking into consideration the manner in which units are issued and redeemed and how returns and performance by the ETF are measured.

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the ETF invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the ETF does not have contracts or financing arrangements with these underlying funds and the ETF does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

5. Income Taxes

The ETF qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its unitholders as at the end of the taxation year. The ETF maintains a December year-end for tax purposes. The ETF may be subject to withholding taxes on foreign income. In general, the ETF treats withholding tax as a charge against income for tax purposes. The ETF will distribute sufficient amounts from net income for tax purposes, as required, so that the ETF will not pay income taxes other than refundable tax on capital gains, if applicable.

Losses of the ETF cannot be allocated to investors and are retained in the ETF for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 11 for the ETF's loss carryforwards.

6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions and making brokerage arrangements relating to the purchase and sale of the investment portfolio. The management fee is calculated as a fixed annual percentage of the daily net asset value of the units of the ETF.

In addition to the applicable management fee, the operating expenses payable by the ETF include interest and borrowing costs, brokerage expenses and related transaction fees, fees and expenses relating to the operation of the Mackenzie ETFs' Independent Review Committee (IRC), fees under any derivative instrument used by the ETF, cost of complying with the regulatory requirement to produce summary documents, ETF facts or other similar disclosure documents, the costs of complying with governmental or regulatory requirements introduced after the date of the most recently filed prospectus, including, without limitation, any new fees or increases in fees, the fees related to external services that are not commonly charged in the Canadian exchange-traded fund industry after the date of the most recently filed prospectus, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the ETFs, fees paid to external legal counsel and/or others in connection with corporate or other actions affecting the portfolio holdings of the ETF, and any applicable taxes, including income, withholding or other taxes and also including G.S.T. or H.S.T. on expenses.

Mackenzie may waive or absorb management fees and operating expenses at its discretion and stop waiving or absorbing such fees at any time without notice. Mackenzie may charge a reduced management fee rate with respect to investments in the ETF by large investors, including other funds managed by Mackenzie or affiliates of Mackenzie. An amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed in cash to those unitholders by the ETF as a management fee distribution. Refer to Note 11 for the management fee rates charged to units of the ETF.

7. Units and Unit Transactions

Mackenzie, on behalf of the ETF, has entered into a designated broker agreement with one or more designated brokers pursuant to which the designated broker has agreed to perform certain duties relating to the ETF including, without limitation: (i) to subscribe for a sufficient number of units to satisfy the Exchange's original listing requirements; (ii) to subscribe for units on an ongoing basis in connection with any rebalancing event, as applicable, and when cash redemptions of units occur; and (iii) to post a liquid two-way market for the trading of units on the Exchange. In accordance with the designated broker agreement, Mackenzie may from time to time require the designated broker to subscribe for units of the ETF for cash.

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7. Units and Unit Transactions (cont'd)

The number of units issued/redeemed for subscription/redemption orders (the "Prescribed Number of Units") is determined by Mackenzie. On any trading day, a designated broker may place a subscription or redemption order for any multiple of the Prescribed Number of Units of the ETF based on the NAV per unit determined on the applicable trading day. A trading day is each day on which the Exchange is opened for business.

Generally, all orders to purchase units directly from an ETF must be placed by a designated broker or a dealer. The ETF reserves the absolute right to reject any subscription order placed by a designated broker or a dealer. No fees will be payable by the ETF to a designated broker or a dealer in connection with the issuance of units. On the issuance of units, an amount may be charged to a designated broker or a dealer to offset the expenses incurred in issuing the units.

For each Prescribed Number of Units issued, a dealer must deliver payment consisting of: (i) a basket of securities and cash equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by Mackenzie, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order.

8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at March 31, 2022 and 2021 and units issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the ETF in accordance with the investment objectives as discussed in Note 11.

9. Financial Instruments Risk

i. Risk exposure and management

The ETF's investment activities expose it to a variety of financial risks, as defined in IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7"). The ETF's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at March 31, 2022, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the ETF's performance by employing professional, experienced portfolio advisors, by monitoring the ETF's positions and market events daily, by diversifying the investment portfolio within the constraints of the ETF's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the ETF's investment activities and monitors compliance with the ETF's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the ETF encounters difficulty in meeting its financial obligations as they become due. The ETF is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. In accordance with securities regulations, the ETF must maintain at least 85% of its assets in liquid investments (i.e., investments that can be readily sold). The ETF also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions and an additional 5% of its net assets for the purpose of funding distributions paid to its investors.

iii. Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the ETF's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 11 indicates the foreign currencies, if applicable, to which the ETF had significant exposure, including both monetary and non-monetary financial instruments, and illustrates the potential impact, in Canadian dollar terms, to the ETF's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The ETF's sensitivity to currency risk illustrated in Note 11 includes potential indirect impacts from underlying ETFs in which the ETF invests, and/or derivative contracts including forward currency contracts. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the ETF to significant currency risk.

iv. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The ETF is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 11 summarizes the ETF's interest-bearing financial instruments by remaining term to maturity and illustrates the potential impact to the ETF's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. The ETF's sensitivity to interest rate changes was estimated using weighted average duration. In practice, the actual trading results may differ and the difference could be material.

The ETF's sensitivity to interest rate risk illustrated in Note 11 includes potential indirect impacts from underlying ETFs in which the ETF invests, and/or derivative contracts. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of interest rate risk.

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9. Financial Instruments Risk (cont'd)

v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the ETF continues to increase, theoretically without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the ETF. This risk is mitigated by ensuring that the ETF holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract.

Other price risk typically arises from exposure to equity and commodity securities. If significant, Note 11 illustrates the potential increase or decrease in the ETF's net assets, had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The ETF's sensitivity to other price risk illustrated in Note 11 includes potential indirect impacts from underlying ETFs in which the ETF invests, and/or derivative contracts.

vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the ETF. Note 11 summarizes the ETF's exposure, if applicable and significant, to credit risk.

If presented, credit ratings and rating categories are based on ratings issued by a designated rating organization. Indirect exposure to credit risk may arise from fixed-income securities, such as bonds, held by underlying ETFs, if any. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position. The ETF may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

vii. Underlying ETFs

The ETF may invest in underlying ETFs and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying ETFs. Note 11 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.

10. Other Information

Abbreviations

Foreign currencies, if any, are presented in these financial statements using the following abbreviated currency codes:

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HKD	Hong Kong dollars	PKR	Pakistani rupee
AED	United Arab Emirates Dirham	HUF	Hungarian forint	PLN	Polish zloty
BRL	Brazilian real	IDR	Indonesian rupiah	QAR	Qatar Rial
CAD	Canadian dollars	ILS	Israeli shekel	RON	Romanian leu
CHF	Swiss franc	INR	Indian rupee	RUB	Russian ruble
CKZ	Czech koruna	JPY	Japanese yen	SAR	Saudi riyal
CLP	Chilean peso	KOR	South Korean won	SEK	Swedish krona
CNY	Chinese yuan	MXN	Mexican peso	SGD	Singapore dollars
COP	Colombian peso	MYR	Malaysian ringgit	THB	Thailand baht
CZK	Czech koruna	NGN	Nigerian naira	TRL	Turkish lira
DKK	Danish krone	NOK	Norwegian krona	USD	United States dollars
EGP	Egyptian pound	NTD	New Taiwan dollar	VND	Vietnamese dong
EUR	Euro	NZD	New Zealand dollars	ZAR	South African rand
GBP	United Kingdom pounds	PEN	Peruvian nuevo sol	ZMW	Zambian kwacha
GHS	Ghana Cedi	PHP	Philippine peso		

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NOTES TO FINANCIAL STATEMENTS

11. ETF Specific Information (in '000, except for (a))

(a) ETF Formation and Series Information

Date of Formation: November 7, 2017

The ETF may issue an unlimited number of units. The number of issued and outstanding units is disclosed in the Statement of Changes in Financial Position.

CAD Units (renamed from Series E units on August 25, 2020) were listed on the TSX under the symbol MCSB on November 22, 2017. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at March 31, 2022 was \$19.44 (2021 – \$20.44).

The management fee rate for CAD Units is 0.35%.

As at March 31, 2022, the ETF's NAV per unit was \$19.43 (2021 – \$20.43) and its Net Assets per unit calculated in accordance with IFRS was \$19.43 (2021 – \$20.43).

(b) Tax Loss Carryforwards

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

(c) Securities Lending

	March 31, 2022	March 31, 2021
	(\$)	(\$)
Value of securities loaned	2,289	1,049
Value of collateral received	2,404	1,103

	2022		2021	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	2	100.0	1	100.0
Tax withheld	–	–	–	–
	2	100.0	1	100.0
Payments to Securities Lending Agent	–	–	–	–
Securities lending income	2	100.0	1	100.0

(d) Commissions

	(\$)
March 31, 2022	–
March 31, 2021	–

(e) Risks Associated with Financial Instruments

i. Risk exposure and management

The ETF seeks a steady flow of income with an emphasis on capital preservation by investing mainly in fixed income securities issued in Canada by governments, government-related entities and corporations. It will generally invest in high-quality fixed income securities with relatively shorter terms to maturity and may hold up to 40% of its assets in foreign investments.

ii. Currency risk

As at March 31, 2022 and 2021, the ETF did not have a significant exposure to currency risk.

iii. Interest rate risk

The tables below summarize the ETF's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
March 31, 2022			(\$)	(%)	(\$)	(%)
Less than 1 year	537	(9,705)				
1-5 years	17,902	–				
5-10 years	2,781	–				
Greater than 10 years	482	–				
Total	21,702	(9,705)				
Total sensitivity to interest rate changes			(481)	(2.0)	485	2.0

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11. ETF Specific Information (in '000, except for (a)) (cont'd)

(e) Risks Associated with Financial Instruments (cont'd)

iii. Interest rate risk (cont'd)

March 31, 2021	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
			(\$)	(%)	(\$)	(%)
Less than 1 year	529	(8,227)				
1-5 years	16,873	–				
5-10 years	4,887	–				
Greater than 10 years	277	–				
Total	22,566	(8,227)				
Total sensitivity to interest rate changes			272	1.1	(272)	(1.1)

iv. Other price risk

As at March 31, 2022 and 2021, the ETF did not have a significant exposure to price risk.

v. Credit risk

The ETF's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at March 31, 2022, was 27.9% (2021 – 20.1%) of the net assets of the ETF.

As at March 31, 2022 and 2021, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2022	March 31, 2021
	% of Net Assets	% of Net Assets
AAA	28.7	21.7
AA	6.2	9.1
A	18.0	20.9
BBB	20.2	19.4
Less than BBB	4.1	3.8
Unrated	12.2	13.5
Total	89.4	88.4

* Credit ratings and rating categories are based on ratings issued by a designated rating organization

(f) Fair Value Classification

The table below summarizes the fair value of the ETF's financial instruments using the fair value hierarchy described in note 3.

	March 31, 2022				March 31, 2021			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	21,702	–	21,702	–	22,566	–	22,566
Equities	55	–	–	55	51	–	–	51
Options	1	–	–	1	–	–	–	–
Exchange-traded funds/notes	970	–	–	970	1,160	–	–	1,160
Derivative assets	155	32	–	187	99	31	–	130
Derivative liabilities	(6)	(9)	–	(15)	–	–	–	–
Total	1,175	21,725	–	22,900	1,310	22,597	–	23,907

The ETF's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the period, there were no transfers between Level 1 and Level 2.

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11. ETF Specific Information (in '000, except for (a)) (cont'd)

(g) Investments by the Manager and Affiliates

The investments held by the Manager, other funds managed by the Manager, and funds managed by affiliates of the Manager were as follows:

	March 31, 2022	March 31, 2021
	(\$)	(\$)
The Manager	–	–
Other funds managed by the Manager	4,090	2,766
Funds managed by affiliates of the Manager	–	–

(h) Offsetting of Financial Assets and Liabilities

The tables below present financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the ETF's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	March 31, 2022			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	174	(15)	–	159
Unrealized losses on derivative contracts	(15)	15	207	207
Liability for options written	–	–	–	–
Total	159	–	207	366

	March 31, 2021			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	15	(15)	–	–
Unrealized losses on derivative contracts	(220)	15	173	(32)
Liability for options written	–	–	–	–
Total	(205)	–	173	(32)